

KINNELOA IRRIGATION DISTRICT
REGULAR MEETING – BOARD OF DIRECTORS
1999 KINCLAIR DRIVE, PASADENA, CA 91107
TUESDAY – NOVEMBER 19, 2013
7:30 P.M.

AGENDA

1. **CALL TO ORDER**
 - A. Declaration of a Quorum
 - B. Review of Agenda
2. **PUBLIC COMMENT**– Comments from the public regarding items on the Agenda or other items within the jurisdiction of the District.
3. **DISCUSS AND APPROVE RESOLUTIONS 2013-11-19A and 2013-11-19B** – Revised reserve policy and other revisions to the *Rules and Regulations* of the Kinneloa Irrigation District
4. **DISCUSS AND APPROVE RESOLUTION 2013-11-19C** – Brown Well Landscape License Agreement
5. **DISCUSS AND APPROVE PROJECT LIST FOR YEAR 2014**
6. **DISCUSS PROJECT FINANCING OPPORTUNITIES**
7. **REVIEW GENERAL MANAGER’S REPORT**
8. **REVIEW MINUTES** – October 12, 2013
9. **REVIEW FINANCIAL REPORTS** – October 31, 2013
10. **ITEMS FOR NEXT AGENDA**
11. **CALENDAR** – December 17, 2013
January 21, 2014
February 18, 2014
12. **ADJOURNMENT**

Each item on the Agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a minute motion, resolution, payment of any bill, approval of any matter or action, or any other action. Material related to an item on this agenda submitted after distribution of the Agenda Packet is available for public review at the District Office or online at the District’s website <http://www.kinneloairrigationdistrict.info>.

RESOLUTION 2013-11-19A

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KINNELOA IRRIGATION DISTRICT ADOPTING A REVISED POLICY REGARDING RESERVES AND CAPITAL ASSETS AND INCORPORATING THIS POLICY INTO THE DISTRICT'S RULES AND REGULATIONS

WHEREAS, the Board of Directors of the Kinneloa Irrigation District has previously approved Resolution 2005-12-20A on December 20, 2005, and adopted a policy regarding reserves and capital assets; and

WHEREAS, the Kinneloa Irrigation District has accumulated reserves to provide for the future maintenance, refurbishment and replacement of capital assets and to provide funding in the event of emergencies; and

WHEREAS, the Kinneloa Irrigation District wants to establish a revised policy to govern the establishment, accumulation, maintenance and expenditure of such reserves.

NOW THEREFORE, IT IS RESOLVED that the Board of Directors of the Kinneloa Irrigation District hereby adopts the revised policy contained in Article 18 and Appendix K of Revision 9 of the District's Rules and Regulations regarding the establishment, accumulation, maintenance and expenditure of District reserves; and

RESOLVED FUTHER, that the General Manager is directed to insert the revised policy into the Rules and Regulations and other documents maintained by the District.

PASSED, APPROVED AND ADOPTED THIS NINETEENTH DAY OF NOVEMBER 2013.

SIGNED: _____
Chair

ATTEST: _____
Secretary

RESOLUTION 2005-12-20A

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KINNELOA IRRIGATION DISTRICT ADOPTING A POLICY REGARDING RESERVES AND CAPITAL ASSETS

WHEREAS, the Kinneloa Irrigation District may establish reserves to provide for the future replacement of capital assets and to provide funding in the event of emergencies; and

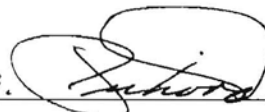
WHEREAS, it is prudent to establish a policy to govern the establishment, accumulation, maintenance and expenditure of such reserves,

NOW, THEREFORE, the Board of Directors of the Kinneloa Irrigation District hereby adopts the following policy regarding the establishment, accumulation, maintenance and expenditure of District reserves:

1. The District shall classify assets in accordance with GASB 34.
2. When reserve funds are established by the Board, the Board shall by written resolution:
 - (a) Include a statement of the purpose for which the reserve is created.
 - (b) Establish minimum and maximum parameters for the accumulation of each reserve account.
 - (c) Identify the conditions under which reserves shall be expended or transferred, consistent with board approved capital projects
 - (d) At least annually the Board shall review all reserve accounts and make a determination regarding the purposes for the reserves, the appropriate levels of accumulation, the conditions precedent to the utilization of the reserves, and a determination of whether or not the accounts should be maintained.

PASSED, APPROVED AND ADOPTED THIS TWENTIETH DAY OF DECEMBER 2005.

SIGNED: 
Chair

ATTEST: 
Secretary

RESOLUTION 2013-11-19B

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KINNELOA IRRIGATION DISTRICT ADOPTING A REVISION OF THE DISTRICT'S RULES AND REGULATIONS

WHEREAS, the Board of Directors of the Kinneloa Irrigation District has previously approved Revision 8 of District's *Rules and Regulations* on July 17, 2012; and

WHEREAS, the Kinneloa Irrigation District has changed rates for some of its services since that time; and

WHEREAS, the Kinneloa Irrigation District wants to include the revised reserve policy adopted in Resolution 2013-11-19A, make typographical and formatting corrections to the document and establish consistency with procedures, documents and forms used by the District.

NOW THEREFORE, IT IS RESOLVED that the Board of Directors of the Kinneloa Irrigation District hereby adopts Revision 9 of the District's *Rules and Regulations*; and

RESOLVED FUTHER, that the General Manager is authorized to publish Revision 9 of the *Rules and Regulations*.

PASSED, APPROVED AND ADOPTED THIS NINETEENTH DAY OF NOVEMBER 2013.

SIGNED: _____
Chair

ATTEST: _____
Secretary



KINNELOA IRRIGATION DISTRICT

RULES AND REGULATIONS

Adopted
April 20, 1999

Revision 1
August 17, 1999

Revision 2
January 20, 2000

Revision 3
March 21, 2000

Revision 4
October 2, 2000

Revision 5
April 20, 2004

Revision 6
December 20, 2005

Revision 7
April 21, 2009

Revision 8
July 17, 2012

Revision 9
November 19, 2013

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- C. CEQA: The California Environmental Quality Act.
- D. Commercial Service: Provision of water for use in connection with commercial premises devoted primarily to operations for profit.
- E. Consumer: Any person, association, corporation or governmental agency supplied or entitled to be supplied with water service for compensation by the District.
- F. Cross-Connection: Any connection between District facilities and any water supply that is not approved by a State or local health agency or other source containing a substance that is not approved as safe, wholesome and potable.
- G. Days: Calendar days unless otherwise specified.
- H. Delinquent Notice: The Delinquent Notice of Non-Payment and Disconnection of Service, sent to the Consumer when payment is not made on or before the twentieth (20th) day of the month following presentation, which is approximately forty-five (45) days from the billing date~~30th day after the due date of the bill~~ in accordance with the provisions of the rules included herein.
- I. Developer: Any person or entity developing and/or subdividing land within the District for the purpose of constructing new commercial or residential units.
- J. Disconnection: The termination of water service to the Consumer, affected by turning off and locking the meter at the service connection.
- K. Distribution Mains: The water lines in streets, highways, alleys, and easements used for general distribution of water and public and private fire protection.
- L. District: The Kinneloa Irrigation District, Pasadena, California.
- M. Engineer: A qualified registered engineer, appointed to act for the District.
- N. Facilities or Water Works System: The wells, tunnels, pipelines, meters, pumps, storage facilities, buildings, structure connections, fittings, valves and other fixtures and appurtenances comprising the production, storage, transmission and distribution system owned by the District for the purpose of delivering water to Consumers within the District.
- O. Industrial Service: Provision of water to industrial premises where the water is used primarily in manufacturing or processing activities.
- P. Manager: The General Manager of the Kinneloa Irrigation District, or the person authorized by the Manager, or the Board, to act for the General Manager.
- Q. Meter: The appurtenance owned by the District at the service connection by which the District measures the quantity of water delivered through District facilities to the Consumer.
- R. Owner: The person in whose name legal title to the property appears.
- S. Person: An individual, company, association, co-partnership, or public or private corporation.
- T. Premises: The integral property or area, including improvements thereon, to which water service is, or is to be, provided.
- U. Private Fire Protection: Provision of standby quantities and pressures of water as available for fire protection purposes through sprinkler systems, fire hydrants and other facilities

payment and/or reimbursement of actual and necessary expenses incurred by Board members in the performance of those official duties.

- B. Compensable Events: For purposes of this policy, Board members shall receive compensation in accordance with Section C, below, ~~for~~ and payment and/or reimbursement of actual and necessary expenses in accordance with Section D, below, for the following Compensable Events, and for travel time as set forth herein:
1. Regular and special meetings of the District's Board of Directors;
 2. Meetings of standing and ad hoc committees established by the District's Board of Directors;
 3. Any conferences or organized educational activities, including, but not limited to, conferences sponsored by any water-related association of which the District is a member, water educational workshops, water classes, water seminars, water symposiums, water facility tours and other special water-related functions, approved by the District's Board of Directors; and
 4. Any other event that may be approved by the District's Board of Directors as a Compensable Event.

For purposes of this policy, reasonable and necessary travel time shall include one day prior to and after a Compensable Event, as defined above, unless the Compensable Event takes place within 50 miles of the District's principal offices, in which case no compensation under Section C, below, shall be paid for any travel days. The maximum number of days in any calendar month for which compensation is authorized to be paid to a member of the Board is six days.

- C. Compensation for Compensable Events: Board members shall be compensated at the rate of \$100 per day for attendance at Compensable Events, as defined in Section B, above; provided, however, that pursuant to **Water Code Section 20202**, such compensation shall be provided in addition to any reimbursement for meals, lodging and travel expenses incurred in attending any such Compensable Event; provided, however, that no reimbursement shall be made to any Board member unless an expense report has been submitted by that Board member, as provided in greater detail in Section D, subsection 6, below. Any registration fees paid by the District for a Board member's attendance at any conference of other Compensable Event shall be in addition to the compensation paid under this Section C.

D. Expense Reimbursement:

1. General Principles: Board members are encouraged to exercise prudence in all expenditures. Payment and/or reimbursement will be made only for actual and necessary expenses that qualify as reimbursable expenses under the provisions of this Section D. Expenditures that are improper or otherwise not properly accounted for as set forth in subdivision 6, below, or not consistent with the prohibition against gifts of public funds set forth in the California Constitution, will not be reimbursed or accepted by the District. Where such improper expenses have been paid by the District, they will be promptly refunded to the District or deducted from moneys otherwise due a Director. Whenever possible, Board members shall use government or group rates for lodging and travel.
2. Meal and Incidental Expenses: All meal and incidental expenses to be reimbursed under this policy are limited to the actual expenses incurred by a Board member in his or her capacity as a director of the District, and shall be substantiated in accordance with subdivision 6, below. If a Board member receives an advance from the District to cover such expenses, any amounts received in excess of the actual expense incurred shall be

returned to the District within a reasonable time, not to exceed sixty (60) days, after the expenses are incurred. Board members shall be reimbursed for the actual cost of meal and incidental expenses up to the maximum per diem rate for the destination in accordance with Internal Revenue Service Publication 1542.

3. Travel Expenses: Board members will be reimbursed for expenses actually incurred in traveling to and from Compensable Events, subject to the provisions set forth below. Board members must use the most economical mode and class of transportation reasonably consistent with scheduling needs and space requirements and the most direct and time-efficient route. In the event a more expensive class of transportation is used, the reimbursable amount will be limited to the cost of the most economical class of transportation available. Travel expenses will include round-trip airfare where necessary, actual reasonable expenses for ground transportation to and from airports and hotels, and car rental. Board members also shall be reimbursed for use of private-owned vehicles in the conduct of District business at the maximum allowable per mile rate established from time to time by the IRS.
 4. Conference Lodging: For lodging in connection with a conference or organized educational activity, the lodging costs shall not exceed the maximum group rate published by the conference or activity, provided the lodging is available to the Board member at the time of booking. If the group rate is not available, the Board member shall use comparable lodging that is consistent with the rates established by the District, not to exceed \$200 per night, or use applicable government or group rates offered by the provider of lodging; provided, however, that any lodging expense that exceeds the amounts set forth herein shall be approved by the Board in a public meeting before the expense is incurred.
 5. Family/Guest Expenses: Expenses incurred by a family member or guest of a Board member in connection with the Board member's service will not be reimbursed. If a Board member desires to obtain accommodations for a spouse or other guest and such additional accommodations result in an increased cost for the Board member's accommodation, the Board member shall bear that additional cost unless otherwise approved by the Board.
 6. Expense Report Forms: Reimbursement for actual and necessary expenses incurred under this section 4 shall be made through expense report forms to be completed and submitted to the District by Board members, together with an explanation of the District-related purpose for the expenditure and receipts documenting each expense. Expense reports shall be submitted by Board members within a reasonable time, not to exceed thirty (30) days after incurring the expense.
- E. Report on Events Attended: Each Board member who attends a Compensable Event, other than a Board meeting or Board committee meeting, at the expense of the District shall give at the next regular Board meeting a brief report (oral or written, at the Board member's discretion) of the event attended. If multiple Directors attend the same event a joint report may be made.
- F. Reporting of Expenditures: To implement the reporting requirements of **Government Code Section 53065.5**, the District will prepare a list of the amount and purpose of each expense reimbursement made to each Board member for the preceding fiscal year, which will be available to the public.

4.05: MEETINGS OF THE BOARD

Regular meetings of the Board shall be held on the third Tuesday of each month, at 7:30 p.m., at the District offices, or at such other time and place as the Board may determine. When a regular meeting falls on a holiday, as may be designated from time to time by the Board, such meeting shall be held on the next business day, or other day as determined by the Board.

4.06: SPECIAL MEETINGS

Special meetings of the Board shall be held at a time and place as may be designated by the presiding officer or by a majority of the members of the Board upon written notice of such meeting mailed and received by, or personally delivered to, each Board member and to each local newspaper of general circulation, radio or television station requesting notice in writing at least 24 hours prior to such special meeting. The call and notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meeting by the Board. Such written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the Secretary a written waiver of notice. Such waiver may be given by telegram. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.

4.07: EMERGENCY MEETINGS

In the case of emergency involving matters upon which prompt action is necessary due to the disruption or threatened disruption of water service of the Water Works System, a special meeting may be held without complying with the 24-hour notice requirement. A majority of the Board may determine that an emergency exists. All other special meeting requirements must nonetheless be met. Additionally, the minutes of such emergency special meeting shall list those persons notified or who were attempted to be notified. A copy of the roll call vote on any actions taken at such meeting shall be publicly posted for at least 10 days as soon after the meeting as possible. A closed session cannot be conducted at an emergency meeting.

4.08: ADJOURNED MEETINGS

The Board may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Meetings having less than a quorum of the Board may so adjourn from time to time. If all members are absent from any regular or adjourned regular meeting, the Secretary may declare the meeting adjourned to a stated time and place and shall cause a written notice of the adjournment to be given in the same manner as provided for special meetings, unless such notice is waived. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held, within 24 hours after the time of adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings.

4.09: NOTICE OF MEETINGS

- A. Notice of the regular meetings of the Board shall be required to be posted seventy-two (72) hours before the meeting. Said notice shall be posted at designated locations throughout the district and on the District's Internet web site. Notice of special meetings of the Board shall be given as provided in **Article 4.06** hereof. Notice of all adjourned meetings, regular or special, shall be given as provided in **Article 4.08** hereof.
- B. Notice of meetings shall also be mailed at the time the agenda for the meeting is posted, to any customer of the District who has filed a written request for such notice. Requests for notice are valid for one year unless renewal is requested. The Board may establish a reasonable fee for such special notices.

4.10: AGENDA

The Secretary shall cause an agenda of each regular meeting of the Board to be posted at designated locations at least seventy-two (72) hours before the meeting and on the District's Internet web site, in accordance with applicable law. Upon determination by a two-thirds vote of the Board members that there is a need to take immediate action and that the need for action came to the attention of the District after the agenda was posted, the Board may consider matters for action which arose after notice of the meeting was given.

4.11: CONDUCT OF BOARD MEETINGS

- A. All District meetings shall be chaired by the District's Chairman. In his or her absence, the Secretary of the Board or the Board Treasurer shall chair meetings. In the absence of both the Chairman and the Secretary, the Board member selected by a majority of the Board members present shall chair the meeting.
- B. All meetings of the Board shall be open and public, and all persons shall be permitted to attend any meeting, except Closed Sessions of the Board held in accordance with the law.
- C. The public shall be afforded an opportunity to address the Board once on each item placed on the Agenda for Board consideration and possible action, at the time the Board considers such action. Otherwise, oral public comment and participation will be limited to items marked "Public Comment" on the Agenda. Where appropriate under the circumstances, the Board may limit public comment to three minutes. All other comments should be submitted in writing to the Secretary prior to the meeting for reproduction and distribution to the Board.
- D. The District tapes each meeting of the Board; the tapes are retained by the District for ninety days (90) following the Board meeting, and then destroyed. Tapes of Board meetings are available for copying upon payment to the District ~~of for~~ the cost of copying, as established by the District from time to time, and are also available for listening at the District offices. Members of the public may record meetings of the Board with an audio or video tape recorder, provided such taping does not disrupt the conduct of the Board meeting.

4.12: QUORUM

The quorum consists of three Board members. A quorum must be present for the Board to take action on any matter.

4.13: ACTION BY BOARD

A minimum of three Board members must vote for a matter before the Board in order for the Board to take action on that matter.

4.14: CLOSED SESSIONS

The Board may meet in a closed session not open to the public to discuss matters of a confidential nature, including, but not limited to, discussions regarding matters posing a threat to the security of public buildings, consideration of hiring, firing, and discipline of personnel. Meetings with designated representatives of the District prior to and during negotiations with employee organizations, to discuss negotiations regarding the purchase, sale, exchange or lease of real property and to meet with District counsel regarding pending or threatened litigation pursuant to **Government Code Section 54956.9** and for any other purpose as may from time to time be permitted by law. Prior to and after holding a closed session, the Board shall state the general reason for the closed session, and may consider only those matters covered in the statement. No minutes or tape recording shall be made of any closed session. Following the closed session, there must be an oral or written report on any action taken, including the vote of every Board member present. Board members are prohibited from discussing or otherwise divulging matters discussed in closed session, unless otherwise required to do so by law.

ARTICLE 5: CONFLICT OF INTEREST CODE AND DISCLOSURE

The District has adopted a Conflict of Interest Code in accordance with state law and incorporates the code attached as **Appendix A** herein. Directors may consult individually with the District’s attorney or personal attorney with respect to questions concerning completion of the required disclosure statements.

ARTICLE 6: INDEMNIFICATION OF OFFICERS, DIRECTORS AND EMPLOYEES

6.01: INDEMNIFICATION

The District shall indemnify, to the extent allowed by law, all officers, directors and employees of the District for liability incurred in the course and scope of their duties as officers, directors and employees of the District.

6.02: DEFENSE OF OFFICERS AND DIRECTORS

Upon written request by the affected officer, director or employee, and upon determination by the Board that the acts complained of are (i) within the course and scope of the employment of the affected person, and (ii) not the result of fraud or willful misconduct, the District shall provide for the legal defense of such officer, director or employee.

6.03: JUDGMENT AGAINST AN OFFICER OR DIRECTOR

Where (1) written request has been made ten ~~(10)~~ days prior to trial for the District to provide a defense; (2) the District has provided a defense; (3) the officer, director or employee cooperated in such defense; and (4) the actions of the officer, director or employee are not the result of fraud or willful misconduct, the District shall indemnify such officer, director or employee from any judgment taken against them.

ARTICLE 7: RULES APPLICABLE TO INDIVIDUAL APPLICANTS FOR WATER SERVICE

7.01: USE OF AN ACTIVE SERVICE BY NEW TENANT/OWNER

A person who takes possession of premises and uses water without applying for water service is liable for all water delivered from the date of the last recorded meter reading; if the meter is found inoperative, the quantity consumed will be estimated. If proper application for service is not made within 48 hours after notification, that failure to do so will result in termination of water service, or if accumulated bills are not paid upon presentation, water service shall be discontinued as provided in the notice. The District may refuse to provide water service to any parcel if outstanding charges for service already rendered such parcel have not been paid within a reasonable time [**Water Code § 22282.1**].

7.02: APPLICATION FOR SERVICE

Each applicant for service ~~is~~ may be required to sign, on a form prescribed by the District, an application setting forth the following contents and limited to the purpose stated below. The current form of application is attached in **Appendix C**.

A. Contents:

1. Date and place of application.
2. Location of premises to be served.
3. Agreement to abide by District Rules and Regulations.
4. Purpose for which service is to be used.
5. Address to which bills are to be mailed or delivered.

6. Home and office telephone numbers.
 7. Whether applicant is owner, tenant or agent for the premises.
 8. If tenant - owner's name, address and telephone number.
 9. Agreement to assume any outstanding water charges for property where service is requested.
 10. Such other information as the District may reasonably require.
- B. Application Fee: Applicants will be required to submit an application fee with their application for service, to partially defray the administrative expense incurred in processing the application. The current application fee is set forth in **Appendix C**.
- C. Residential Rental Property: Applications for water service to residential rental property may require service to be provided on account of the property owner or, alternatively, upon co-application by both the property owner and the tenant. Applicants who are not property owners will-may not be provided service until the property owner has made an application. The District will hold the property owner ultimately responsible for payment.
- D. Property Damage Waiver Agreement: Applicants will-may be required to execute a Customer Waiver Agreement, by which the customer acknowledges receipt of certain information regarding the chemical analysis of District water, and waives any claim for damages to their pipes and plumbing fixtures as a result of their use of District water.
~~A copy of the agreement is included in Appendix C.~~

7.03: ESTABLISHMENT OF CREDIT

The District may require Applicants for service to provide it with information sufficient to enable the District to determine the credit worthiness of the Applicant. Upon determining the Applicant's credit worthiness, the District may require the Applicant to deposit with the District such sums of money as determined by the Board from time to time, as specified in **Appendix D**. Deposits will be refunded to applicants at the termination of water service, provided all water charges have been paid. No interest will be paid on deposits. Applications for service to any property will be granted only if all assessments, fees, charges, delinquent water bills, and penalties due and charged to or against said property, for service rendered to that property, have been fully paid.

- A. Deposit Upon Disconnection for Non-Payment: The Consumer shall be required to deposit with the District such sums as specified in **Appendix D** in the event the Consumer's service is disconnected for non-payment, as provided in **Article 8.04B**.
- B. Waiver of Deposit: Public Agencies will not be subject to the deposit requirements stated above.
- C. Return of Deposit: Where the Consumer has maintained their payment history in good standing for three years, the deposit will be refunded to the Consumer or credited against their bill, as the Consumer may direct.

7.04: REFUSAL TO SERVE

The District may refuse to serve an applicant for service under the following conditions:

- A. Conditions for Refusal:
 1. If the applicant fails to comply with any of the rules and regulations contained herein.

deposit shall be forfeited to the District and all charges become immediately due and payable and all further service to such person immediately discontinued, except that water may be used or consumed outside the District if approved by the General Manager.

- F. Miscellaneous Charges: In order to recover the cost associated with late payments, disconnection's and other damages sustained by the District, the specified items listed below are charged to Consumers; the dollar amounts associated with each item are determined by the Board and set forth in **Appendix C**.
1. Reconnection or Late Charge: If a Consumer requests resumption or continuance of service after such service has been disconnected or if a notice to disconnect has expired, then the Consumer shall pay a reconnection fee of \$50.00 in addition to any past due user charges, advance payments, or meeting any other conditions set forth by the District.
 2. Rejected Payment Return Check Charge: When a Consumer's ~~check in~~ payment ~~for~~ water service and other charges is returned as non-negotiable for any reason, the District shall notify the Consumer of the rejected payment on a ~~2448~~-hour Notice of Termination of water service as set forth in **Article 8.04G(5)** below. The Notice of Termination will become effective if the water service charges together with a Rejected Payment Return Check Charge, as set forth in **Appendix C**, are not paid in cash or other certified funds before or on the date specified in the ~~2448~~-hour Notice of Termination.
 3. Meter Test Charge: The District shall endeavor to keep the meters in good condition and registering accurately. Any Consumer may request that his meter be examined and tested to see if it is correctly recording water delivered through it. Said request shall be made in writing and shall be accompanied by a deposit, as set forth in **Appendix D**.

Upon receipt of such demand and deposit, it shall be the duty of the General Manager to cause the meter to be examined and tested, and if upon such examination and test the meter shall be found to register over three percent more water than actually passes through it, the meter shall be properly adjusted or another meter substituted therefore, and the deposit shall be returned to the person making the demand and the water bill shall be adjusted proportionately.

If the meter is found to register not more than three percent more water or less water than actually passes through it, said deposit shall be retained by the District to partially defray the expense of making the test. All other tests and examinations of meters shall be at the District's expense.

The District has the right to impose a limit on the frequency with which a consumer may demand that a meter be tested. This will be determined to be not more than once per calendar year.

4. Pulled Meter Charge: If a Consumer's service has been disconnected and the meter has been "pulled" or removed from the premises, then the Consumer shall pay at the District office a pulled meter charge equal to the actual expense to the District of pulling the meter, and any other applicable charges, before the service and meter can be reconnected.
5. Unauthorized Water Use: Any person or entity found taking water from or through any of the District's facilities without District authorization will be assessed a fine payable to the District, as set forth in **Appendix C**, in addition to applicable District charges for the quantity of water taken. Written notice of the assessment of such fine shall be given by personal service or by registered or certified mail.
6. Charge for Turn Off at Main: If the water to a property is turned on more than once without District authorization, the service may be shut off at the main, and the Consumer

shall be required to pay, in addition to any other applicable charges, a charge equal to the actual expense to the District of reconnection prior to the re-establishment of service, as set forth in **Appendix C**.

7. Property Damage: If a Consumer, new applicant or developer is found to be responsible for any damage done to District property; such damages shall be reimbursed to the District at cost plus administrative overhead. If responsibility for damage is not known, charges will be made to the current Consumer or property owner.

8.04: BILLING PROCEDURES

- A. Joint Service: No joint service is allowed. An individual party will be solely liable for payment of bills. In those instances where more than one party applies for service, each party shall be severally liable for payment of bills.
- B. Re-establishment of Credit: A Consumer whose service has been discontinued for nonpayment of bills will be required to pay any unpaid balance due the District for the premises for which service is to be restored and may be required to pay a reconnection charge as prescribed in **Article 8.03H03F(1)** under "Reconnection or Late Charge" before service is restored. In addition, the Consumer will be required to deposit with the District such sums of money as determined by the Board from time to time, as specified in **Appendix D**.
- C. Bankruptcy of Consumer: Pursuant to the Bankruptcy Act (P.L. 95-598, as amended from time to time), the District shall not alter, refuse or discontinue service to, or discriminate against, a Consumer, or a trustee of a Consumer, solely on the basis that a debt owed by the Consumer to the District for service rendered before the order for relief was not paid when due. It shall be the responsibility of the Consumer to supply the District with a copy of any applicable order for relief. The District shall not discontinue service if the Consumer, nor the trustee, within 20 days after the date of the order for relief, furnishes adequate assurance of payment in the form of an advance payment for service after such date. As used herein, "adequate assurance of payment" shall mean an advance payment in an amount equal to the highest two months the last 6 billings rendered to the Consumer or for the Consumer's property if Consumer has not occupied the property for that period of time, prior to the order for relief. As used herein, "order for relief" shall have the same meaning as given to it in the Bankruptcy Act. The commencement of a voluntary case under the Bankruptcy Act shall constitute an order for relief. Service may be discontinued in accordance with the rules of the District upon non-payment for service rendered after the order of relief.
- D. Refund of Deposit: Upon discontinuance of a service, the District will refund the balance of the Consumer's deposit, for that service, in excess of any unpaid bills. No interest will be paid on deposits. Refunds will be made within a reasonable period of time.
- E. Rendering and Payment of Bills: Bills for service will be rendered on a monthly basis, at the option of the District. Bills for service are due and payable upon presentation and become delinquent ~~30 days from the due date of the invoice~~ on the fifth (5th) day of the month following presentation. In the event that the bill is not paid within that time, the Consumer will be assessed a late charge as specified in **Appendix C**. Payment may be made at the office of the District or to any representative of the District authorized to make collections. However, it is the Consumer's responsibility to assure that payments are received at the District's office in a timely manner. Partial payments are not authorized unless prior approval has been received from the District's office.
 1. Opening Bills for less than the normal billing period shall be prorated both as to minimum charges and water consumption.

2. Closing bills for less than the normal billing period shall be prorated both as to minimum charges and water consumption. Closing bills may be estimated by the District for the final period as an expediency to permit the customer to pay the closing bill at the time service is terminated.
- F. Separate Billings for Each Meter: Each meter on a Consumer's premises will be considered separately and the readings of two or more meters will not be combined except where the District's operating convenience or necessity may require the use of more than one meter or a battery of meters. In the latter case, the meter readings will be combined for billing purposes.
- G. Delinquent Bills: The following rules apply to Consumers whose bills remain not paid ~~after 30 days from the bill date~~ on the fifth (5th) day of the month following presentation.
1. Small Balance Accounts: In any billing, if less than a minimum bill remains unpaid, it may be carried over to, and added to, the next billing period.
 2. Late Notice: If payment for a billing period is not made on or before the ~~30th day after the billing period invoice date, a Late~~ twentieth (20th) day of the month following presentation, which is approximately forty-five (45) from the billing date, a Late Notice will be mailed to the water service Consumer ~~at least thirty (30) days prior to actual disconnection. If a payment of at least the past-due balance is not made by the shut off date on the Late Notice, the water service is subject to termination.~~ Upon receipt of a Late Notice and up to 2-days prior to the date set for disconnection, the Consumer may request an amortization payment plan pursuant to **Article 8.04J**.
 3. Turn-Off Deadline: Water service charges and late charges must be paid on or prior to 1:00 p.m. on the day specified in the Late Notice.
 4. Contents of Late Notice: The Late Notice shall specify the following information in a clear and legible format:
 - a. Customer's name and address;
 - b. Amount in arrears;
 - c. Date by which payment must be made;
 - d. Procedures for requesting amortization of the unpaid balance;
 - e. Procedures for obtaining information on financial assistance; and
 - f. Telephone number of the District representative who can provide additional information.
 5. ~~Twenty-four~~ Forty-Eight Hour Notice of Termination: At least ~~twenty-four~~ forty-eight (2448) hours prior to actual termination as set forth in the Late Notice, the District shall make a reasonable, good faith effort to contact an adult of the residence by telephone or in person, and provide them with the information set forth in a, b, c, f of paragraph 4 above. At least one attempted personal contact coupled with use of a "door hanger" shall be deemed to be a reasonable, good faith effort at contacting an adult of the residence.
 6. Waiver of Late Notices to Public Agencies: Public agencies, because of usual sound financial base and variations in warrant payment procedures, will not be sent delinquent notices for delinquent payment of current accounts.
 7. Notification of ~~Returned Check~~ Rejected Payment-Disposition: Upon receipt of a ~~rejected payment~~ returned check taken as remittance of water service or other charges, the District will consider the account not paid.
 8. Rejected Payment ~~Returned Check~~ for Discontinued Service: In the event the Consumer tenders a ~~rejected payment~~ returned check as payment to restore water service previously

disconnected for non-payment, and as a result the District restores service, the District may again promptly disconnect service without providing further notice. No 2448-hour Notice of Termination will be made in the case of a ~~rejected payment~~~~returned check~~ tendered for payment of water charges that were subject to discontinuance.

9. Pre-Payment Upon Receipt of ~~Returned Check~~Rejected Payment: Any consumer issuing a non-negotiable ~~check as~~ payment for water charges shall be required to deposit with the District such sums as the District may establish for re-establishment of credit, as provided in **Articles 7.03A** and **8.04B**, and as set forth in **Appendix D**.
 10. Delinquency Charge for Non-Payment: Any water service which is delinquent in payment will be charged a one-time delinquency charge in the amount of \$15.00, the unpaid balance, including the amount of any delinquency charge, shall bear simple interest at the rate of 10% per annum, as set forth in Resolution 99-1-19.
- H. Disputed Bills: The procedure to be used to contest the accuracy of water charges upon receipt of a bill for water service is as follows:
1. If a customer questions that amount of a billing he or she may deposit said amount with the District stating in writing the exception taken to the charge, and the service will not be interrupted pending the investigation and determination of the correct amount to be paid.
 2. If a customer questions the accuracy of the meter registration and desires a test, the request will be granted upon receipt of a deposit of \$250.00 to cover the cost thereof. Upon receipt of such deposit the General Manager will have the customer's meter tested by a qualified agency for performance. If the meter is found to test 3% or more "fast", the deposit and any overpayment for water will be refunded. Otherwise, the deposit will be retained to cover the expense involved in testing the meter. A final determination may be made by the Board.
- I. Adjustment of Bills for Meter Error: The Consumer may request an adjustment of the bill on the basis of meter error. Such a request must be made in writing and the rules set forth in **Article 8.03F(3)**, -Meter Test Charge, will apply. The District will, within 10 days, proceed to test the Consumer's meter; the meter will be tested in an "as found" condition, in order to determine the average meter error. If the average meter error is found to exceed 3 percent, that is if quantities of water recorded by the meter are outside of a range between 97 percent and 103 percent of the actual quantities of water passed through the meter during the test, the following billing adjustments will be made.
1. Fast Meters: The District will refund to the Consumer the amount of the overcharge based on corrected meter readings of the period the meter was in use and determined to be incorrect, but not to exceed a period of six months.
 2. Slow Meters: The District may bill the Consumer, at its option, for the amount of the undercharge based upon corrected meter readings for the period the meter was in service and determined to be incorrect, but not to exceed a period of six months.
 3. Non-Registering Meters: The District may bill the Consumer according to an estimate of water consumed while the meter was not registering, but not exceeding a period of six months. This estimate will be based on the Consumer's prior use during the same season of the previous year if conditions were unchanged during the year, or on a reasonable comparison of consumption of other similar Consumers during the same period.
 4. General: If the meter error is caused by some event, the date of which can be determined, then the billing adjustment will be made for the period of time since the date of such

event; such a period may exceed the six-month limitation for fast meters and the six-month limitation for slow or non-registering meters, as stated in 1 through 3 above.

- J. Amortization of Unpaid Balance: Any Consumer who is unable to pay for water service within the normal payment period may request amortization of the unpaid balance over a period not to exceed twelve months. The District will consider all circumstances surrounding the request, and make a determination as to whether amortization is warranted.
1. Certification by Physician: Where a licensed physician certifies that the termination of service will be life-threatening to the Consumer, and the Consumer certifies that he or she is unable to pay for the service within the normal payment period and is willing to enter into an amortization agreement, the Consumer may request, in writing, a 12-month amortization payment plan. In such instance the District is obligated to enter into an amortization plan
 2. Amortization Payment Plan: Upon confirmation of the doctor's certification and/or approval of the request, an amortization plan will be entered into between the District and the Consumer. The plan will amortize the unpaid balance over 12 months, with payments added to the Consumer's regular bill. The Consumer will be charged an administrative fee representing the cost to the District of initiating and administering the plan, and the plan shall include a charge for interest of ten percent (10%) per annum or the maximum legal rate, whichever is lower, on the unpaid balance. The current form of Amortization Agreement is included in **Appendix C**.
 3. Compliance with Plan: The Consumer must comply with the amortization plan and remain current as charges accrue in each subsequent billing period. The Consumer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan. Failure to comply with the terms of an amortization plan will result in ~~twenty-four~~~~forty-eight~~ (24/48) hour Notice of ~~Discontinuation~~Termination.

8.05: TURN ON AND TURN OFF PROCEDURES AND CHARGES

- A. Turn-off at the Consumer's Request: A Consumer may request that service be discontinued either temporarily or permanently. Such a request must be made by giving at least one working day's advance notice to the District. If such a notice is not given, the Consumer will be billed for service until one working day after the District has received appropriate notice that the Consumer has vacated premises or otherwise has discontinued service.
- B. Turn-off by the District: The District may disconnect a Consumer's service for various reasons which are listed below. Such involuntary disconnections are effected by turning off and locking the meter, thereby stopping the water service; the District will make a reasonable attempt to notify the Consumer of disconnection in person, or will place a disconnection notice on the premises served by the disconnected meter at least 24 hours prior to termination. Reasons for involuntary disconnection include, but are not limited to, the following:
1. A service may be disconnected for non-payment of periodic bills. Before a service is disconnected, the Consumer will be notified by a Late Notice as set forth in **Article 8.04G**. A service may be disconnected for non-payment of bills of a Consumer whether or not the payment delinquency is associated with water service at that service connection or at any other water service connection of that same Consumer.
 2. The District may discontinue service to any Consumer for violation of the District's rules and regulations after it has given the Consumer at least five days' written notice of such intention. Where safety of water supply is endangered, service may be discontinued immediately without notice.

3. In order to protect itself and its Consumers against willful or negligent waste or misuse of water, the District may disconnect service if such wasteful practices are not remedied within five (5) days after written notice to such effect has been given to the Consumer. Such written notice shall be given by personal service or by registered or certified mail. Upon failure of the Consumer to correct those wasteful practices set forth in the five-day notice, the Consumer's water service shall be terminated. Service will be restored only after the wasteful practice has been remedied, and the Consumer has paid the reconnection charge as set forth in **Appendix C**.
 4. The District may disconnect a service without notice if unsafe or hazardous conditions are found to exist on the Consumer's premises. The District will immediately notify the Consumer of the reasons and the necessary corrections required before reconnection. Such unsafe or hazardous conditions may exist due to defective appliances or equipment that may be detrimental to either the Consumer, the District or to the District's other Consumers.
 5. When the District has discovered that a Consumer has obtained service by fraudulent means, or has diverted the water service for unauthorized use, the service to that Consumer may be discontinued without notice. The District will not restore service to such Consumer until that Consumer has complied with all applicable rules and reasonable requirements of the District and the District has been reimbursed for the full amount of the service rendered and the actual cost to the District incurred by reason of the fraudulent use.
- C. Restoration of Service: In order to resume or continue service that has been disconnected, the Consumer must pay a reconnection charge as set forth under **Article 8.03H03F(1)**. The District will endeavor to make reconnections as soon as practicable, to suit the Consumer's convenience; however, the District shall make the reconnection before the end of the next regular working day following the Consumer's request and payment of any applicable reconnection charges pursuant to **Article 8.03H03F(1)**.

8.06: CHANGES IN METER SIZE, LAND USE OR INCLUSION OF ADDITIONAL LAND AREA

The owner of a property who desires a change in meter size or location of such meter, or changes substantially the type of land use (such as residential to commercial), or wishes to include adjacent land areas not served at the time of the original commencement of service, shall make a request in writing and, if approved by the District, shall pay various costs and charges as set forth below.

- A. Charges for a Smaller Meter: If the desired meter size is the next smaller size meter than the current size, the Owner will not be charged for a new regular connection for the desired meter size as set forth in **Article 7.05**.
- B. Charges for a Larger Meter: If the desired meter size is larger than the current size, the Owner shall pay the full current charges for a new regular service connection for the desired meter size as set forth in **Article 7.05**, less any credit on the removed meter.
- C. Charges for Change in Meter Location: If the Consumer desires a change in location of the meter, such change may be effected with the mutual agreement of the District and the property owner, and the owner/Consumer shall pay for the actual costs incurred by the District.
- D. Change in Land Use: The Consumer/property owner shall notify the District of any change in the character or use of the property or buildings from that for which the service connection was originally obtained. If a residential property is to be reclassified or used as commercial or industrial, or a commercial property is to be reclassified or used as industrial, the owner shall pay any additional charges that may be applicable by reason of the reclassification. In all

- A. Use and Testing: Upon prior written request and approval of the District, the Consumer may test the system at no cost. Testing a private fire protection system without prior District approval constitutes unauthorized water use, and shall result in a fine as provided in **Article 8.03F(5)**. There shall be no water used through the private fire protection system, except to extinguish fires and for testing.
- B. No Connection to Other System: There shall be no connection between the private fire protection system and any other water distribution system on the premises.
- C. Rates: Any consumption will be charged at double the regular service rates, which consist of the quantity rate specified in **Article 8.03C**, unless used for testing with prior District approval, or to fight a fire which has been reported to the fire department. For testing, consumption will be billed at regular service rates. No charge will be made for water used to fight a fire.
- D. Water for Fire Storage Tanks: Occasionally, water may be obtained from a private fire protection system to fill a storage tank which is part of the fire protection system, but only with prior written authorization from the District and only where an approved means of measuring the flow quantities is available. Water so used will be billed at regular service rates.

8.12: PRIVACY POLICY

In the normal course of business the District collects: Information requested on applications and other forms (including name, address and phone numbers); data about transactions, account status and water consumption; information gathered from our website such as through online forms; information from outside sources such as public records; and information collected from consumer credit reporting agencies. Kinneloa Irrigation District will maintain physical, electronic and procedural safeguards that meet state and federal regulations and will share the information only as allowed by law for normal business administration and related business services. Access to customer information will be limited to people who need the information to perform their job responsibilities and to non-affiliates such as banks or service providers that help us to process transactions, print and mail statements and notices. Furthermore, the Kinneloa Irrigation District will adhere to the following privacy pledge to its customers:

- A. Information: Collect only the information needed to deliver water service and protect the health and safety of our customers.
- B. Privacy: Protect against unauthorized access to the customer's account information.
- C. Third Parties: Refuse to disclose or sell your information to outside persons or companies for marketing or other purposes without your written permission unless required by law, such as to: Respond to a subpoena; prevent fraud; comply with legal requirements; or respond to a government inquiry.

ARTICLE 9: RULES APPLICABLE TO TEMPORARY CONSUMERS

9.01: ESTABLISHMENT OF TEMPORARY SERVICE

The District will, if no undue hardship to its existing consumers would result there from, furnish temporary service for construction purposes when the applicant has requested service on this basis or the District reasonably expects the service to be temporary and the applicant has paid an advance deposit and established credit. Each applicant for temporary service may be required to sign, on a form prescribed by the District, an agreement setting forth the following contents and limited to the purpose stated below. The current form of agreement is attached in Appendix C. The District contemplates temporary service will be provided for a term of six (6) months or less, and requires the applicant to comply with the following:

- A. Reimbursement Agreement: If any water system plans approved by the District include the construction of off-site facilities the District and the developer will enter into a reimbursement agreement.
- B. Subsequent Connections Available: If the facilities constructed are available for subsequent connection, the District agrees to collect a fee from owners of property fronting on such facilities in an amount per diameter inch of main as provided in **Appendix I**, times the number of front feet of the property adjacent to and to be served by the connection. This amount to be collected will depend upon whether District policy allows connection to the main from both sides of the street or only from one side of the street. This amount will be paid to the developer when received by the District. This reimbursement right will extend for a period of five years from the District's acceptance of the line.
- C. No Subsequent Connections: If the facilities are not available for subsequent connection, the District will reimburse the developer, at the time of acceptance of the line, an amount per diameter inch of main, times the lineal feet of main constructed.
- D. District Review: The District will review and consider revision of this policy for determination of future reimbursements at least every two years.
- E. Application for Service to Subdivided Lands or Lands to be Subdivided: When a request is made for service to subdivided lands or lands to be subdivided which (1) requires the enlargement, extension, or replacement of existing lines. Or, (2) requires the construction of additional transmission lines or other facilities to provide adequate service, the cost of such installation shall be at the expense of the sub divider or owner. A deposit to cover the estimated cost of such a project, plus the overhead charge, must be made before the installation can be made. If the estimated charge does not cover the total expense, the additional cost must be paid by the sub divider or owner. If the actual cost of the installation is less than estimated a refund will be made to the sub divider or owner. The size of the mains, meters, or other facilities shall be determined by the Engineer serving the KID. In the event such enlargements, replacements, or construction of facilities make service available to another property owner or sub divider, service shall be furnished to the non-participating property owner until payment by that owner of the proportionate share of the total cost. If paid within five years after installation, the amount thereof shall be refunded to the original sub divider or owner. If paid after five years, these monies shall be added to the general fund of the KID.

10.07: SCHEDULING OF WATER SYSTEM INSTALLATION

The developer is required to coordinate all installation of the various utilities so that the storm drain and sewer are constructed prior to the water main installation. All remaining utilities must be scheduled after the District has completed and accepted the water system.

10.08 WORK PERFORMED BY DISTRICT PERSONNEL

In some instances, work on District facilities, or inspection of said work, required of a developer may be performed by District personnel, at the discretion of the General Manager. In such cases, the developer shall reimburse the District for the estimated value of District personnel and equipment utilized to perform the work on behalf of the developer. Current reimbursement rates for District personnel and equipment are set forth in **Appendix C**.

10.09: EASEMENTS

When required, a developer or applicant for water service shall provide the District with any easements required for District facilities necessary to accomplish or complete water service for an applicant, consistent with District policy regarding easements, as set forth in **Article 11.05**.

10.10: DISTRICT ACCEPTANCE OF FACILITIES

13.02: DISTRICT ROSTER

- A. Filing Statement: The District shall file with the Secretary of State and the Los Angeles County Clerk a statement containing the following:
1. The full, legal name of the District.
 2. The District's official mailing address.
 3. The name and residence or business address of each Board member.
 4. The name of the President of the Board and the name and address of the District secretary.
- B. Amendments to Statement: Within ten (10) days after any change in the information provided in the statement filed pursuant to section A above, the District shall file an amended statement containing updated information with the Secretary of State and the County Clerk.

13.03: CAMPAIGN FILING STATEMENTS

The District is governed by the **Political Reform Act, as set forth in Government Code Sections 81000, et seq.** District officers and Board members are therefore subject to the filing requirements of said Act.

13.04: CANDIDATE BALLOT STATEMENTS

Candidates for election to the Board shall be authorized to file ballot statements that do not exceed 400 words. The cost of such statements shall be paid by the candidate.

13.05: QUARTERLY EXPENSE REPORTING

In accordance with **Government Code Section 53065.5**, the District shall prepare, at least annually, a report reflecting all reimbursements paid by the District to directors or employees of at least one hundred dollars (\$100.00) for each individual charge for services or product received. "Individual charge" includes, but is not limited to, one meal, lodging for one day, transportation, or a registration fee.

ARTICLE 14: RESPONSIBILITIES AND AUTHORITY OF THE BOARD AND GENERAL MANAGER.

The Board has employed a General Manager to carry out the Board policies, direct District operations, and provide day-to-day supervision of District employees and control of District expenditures. It is the judgment of the Board that clear delineation of his respective responsibilities and authority is essential to effective District management. Said authority and responsibilities are set out in **Appendix G** attached hereto.

ARTICLE 15: CALIFORNIA ENVIRONMENTAL QUALITY ACT GUIDELINES

The District has adopted [California Environmental Quality Act \(CEQA\)](#) Environmental Review Guidelines in accordance with state law and incorporates such guidelines herein. The District CEQA Environmental Review Guidelines are on file in the District office.

ARTICLE 16: BID PROCUREMENT AND PURCHASING POLICY

An irrigation district such as the Kinneloa Irrigation District is not always required by law to use or follow a formal competitive bidding process in letting contracts for professional services, or for the construction of facilities, or for the acquisition of materials or equipment for incorporation into any work, job or construction project for the District.

However, the Board believes that there are situations when it is clearly in the best interests of the District to require that a work, job or construction project, or the acquisition of material or equipment should be let by a contract arrived at through the use of competitive bidding procedures.

The Board believes that in certain other cases it is clearly in the best interests of the District that the General Manager be authorized to proceed on behalf of the District by any means the General Manager deems to be appropriate in the circumstances, including the use of informal bids or quotations, or by a purchase in the open market without advertising. Finally, it is also recognized by the Board that in between those two situations there are many times when a particular work, job or construction project, or the acquisition of certain materials or equipment, is such that the District's interests may or may not be best served by requiring competitive bids, the determination depending upon an evaluation of the special circumstances involved in each such case.

The Board also recognizes that sound fiscal policy includes the establishment of formal procedures by which routine acquisitions of parts, materials and supplies should be governed. This District has established a bid procurement and purchasing policy to further these goals. That policy is set forth in **Appendix J**.

ARTICLE 17: TRESPASSING ON DISTRICT PROPERTY

From time to time, District employees may encounter trespassers or unauthorized individuals at District facility sites. If such trespassers are encountered, employees should advise the trespasser that they are not permitted on District property and request that they immediately leave such property. If they decline vacating District property, the employee should immediately contact the appropriate law enforcement agency that services the area of the facility, as well as the employee's immediate supervisor. Employees shall, under no circumstances, ever attempt to physically remove trespassers from District property. In addition, employees shall not verbally address trespassers in a manner that may provoke a physical confrontation between the employee and the trespasser.

ARTICLE 18: RESERVE POLICY

The Board believes that reserves are the foundation of the sustainable delivery of our services and that sound fiscal policy includes establishing rates and charges that are sufficient to provide revenue that meets current operating expenses and provide reserves for the following purposes:

- A. Cash flow variations from month-to-month.
- B. Emergency repairs due to natural disasters or unexpected facility or equipment failures.
- C. Scheduled maintenance, replacement or rehabilitation of existing facilities and equipment.
- D. Capital improvement projects as identified in the District's Master Plan or other planning documents.

A reserve policy promotes responsible long-term planning and provides a valuable tool to help the Board make difficult decisions and communicate those decisions to our customers. The policy also helps to convey the reasons for maintaining the reserve at an appropriate level.

The Board believes that most of the reserve funds for these purposes can be set aside in interest or dividend bearing accounts until needed, at institutions approved by the Board that are in accordance with applicable laws and regulations governing the District.

The reserve policy is to be consistent with the District's fund balance reporting in accordance with Government Accounting Standards Board (GASB) Statement Nos. 34 and 54 with regard to the constraints on the specific purposes for which amounts can be accumulated and spent. Unless otherwise specified, the reserve funds are to be considered to be unrestricted or unassigned and may be spent for purposes authorized by the Board. Specific levels

of funds in the above categories may vary from time to time and target levels for these funds can be changed at the discretion of the Board.

If any portion of the reserve funds is to be restricted or assigned for a specific purpose, the Board shall provide by written resolution the purpose of the fund and the conditions for accumulation and spending:

- A. Include a statement of the purpose for which the reserve is created.
- B. Establish minimum and maximum parameters for the accumulation of each reserve account.
- C. Identify the conditions under which reserves shall be expended or transferred, consistent with Board approved capital projects.
- D. The Board shall review at least annually all restricted or assigned reserve accounts and make a determination regarding the purposes for the reserves, the appropriate levels of accumulation, the conditions precedent to the utilization of the reserves, and a determination of whether or not the accounts should be maintained.

The District's reserve policy funding guidelines and target levels are set forth in **Appendix K.**

APPENDIX A

CONFLICT OF INTEREST CODE AND DISCLOSURE CODE

RATES AND CHARGES FOR WATER SERVICE

Effective January 1, ~~2011~~2013

Service Charge: The monthly service charge is a "readiness to serve" charge, and does not provide for any minimum water consumption allowance. Quantity charges are applicable to all water consumption in addition to the monthly service charge. The charge is \$~~49.00~~51.10 per average month or \$~~1.61~~1.68 per day.

Quantity rate for regular customers: The rate charged by the District for water is \$~~2.95~~3.35 per 100 cubic feet (CCF).

Quantity rate for temporary service: The rate charged by the District for water consumption is \$~~5.90~~6.70 per 100 cubic feet (CCF) with a minimum charge of \$100.00. A meter deposit of \$850 is required to establish service.

MISCELLANEOUS CHARGES

Application Fee [Per Article 7.02B]	\$	15.00
Reconnection Charge [Per Article 8.03H03F(1)]	\$	50.00
Rejected Payment Returned Check Charge [Per Article 8.03H03F(2)]	\$	20.00
Meter Test Charge [Per Article 8.03H03F(3)]	\$	250.00
Pulled Meter Charge [Per article 8.03H03F(4)]		Actual cost to District
Unauthorized Water Use [Per Article 8.03H03F(5)]		\$1,000.00
Turn off at Main [Per Article 8.03H03F(6)]		Actual cost to District
Delinquency Charge for Non-payment [Per Article 8.04g04G(1+10)]		After 45 days- \$15.00 and 10% per month
Temporary Service Charge [Per Article 9.01B]		Actual cost to District
		\$100.00 minimum charge
		\$850.00 deposit required before installation
Plan Check Fees [Per Article 10.1D]		
Parcel Maps	\$	50.00
Subdivisions of 1 to 9	\$	100.00
Parcels or dwelling units 10 - 19 units	\$	150.00
20 or more units	\$	200.00
Fire Hydrant Test [Per Article 10.12C]		Actual cost to District
		(\$650.00 deposit required before test)
Copies of District Records [Per Article 11.01]	\$.20
		(per page)

Note: The General Manager shall determine the appropriate amount to be charged for a particular service provided that is not specified above.



1999 KINCLAIR DRIVE, PASADENA, CALIFORNIA 91107-1017
MAILING ADDRESS: P.O. BOX 5578, PASADENA, CA 91117-0578
TELEPHONE (626) 797-6295 • FAX (626) 794-5552
WEBSITE: kinneoloirrigationdistrict.info

APPLICATION FOR WATER SERVICE

The undersigned owner hereby requests water service at:

(Address of Property to Receive Water Service)

and agrees to pay therefore in accordance with the rates, rules, and regulations of the KINNELOA IRRIGATION DISTRICT, as said rates, rules, and regulations may be in effect from time to time.

The undersigned acknowledges that by accepting this application, the District does not guarantee to supply water in any specific quantities or at any specific pressures.

The undersigned also acknowledges that any charges for water and other services, or either, if unpaid shall constitute a lien on the land upon which the water was used and/or services rendered, even though the indebtedness was incurred by other than the owner.

The District may refuse service to any land if outstanding charges for services already rendered such land have not been paid within forty five (45) days.

Dated: _____ Signed: _____

(Owner of Property)

Home Phone: _____

Bus Phone: _____

Billing Address: _____

(If Different than Service Address)

Emergency Contact if Owner not Available:

Name: _____

Address: _____

Phone: _____



APPLICATION FOR WATER SERVICE

The undersigned owner hereby requests water service at:

(Address of Property to Receive Water Service)

and agrees to pay therefore in accordance with the rates, rules, and regulations of the KINNELOA IRRIGATION DISTRICT, as said rates, rules, and regulations may be in effect from time to time.

The undersigned acknowledges that by accepting this application, the District does not guarantee to supply water in any specific quantities or at any specific pressures.

The undersigned also acknowledges that any charges for water and other services, or either, if unpaid shall constitute a lien on the land upon which the water was used and/or services rendered, even though the indebtedness was incurred by other than the owner.

The District may refuse service to any land if outstanding charges for services already rendered such land have not been paid within forty-five (45) days.

Dated: _____ Signed: _____
(Owner of Property)

Home Phone: _____

Bus. Phone: _____

Cell Phone: _____

Email Address: _____

Billing Address: _____
(If Different than Service Address)

Emergency Contact if Owner not Available:

Name: _____

Address: _____

Phone: _____

Note: Please complete and sign one copy and return to Kinneloa Irrigation District.



KINNEOLOA
IRRIGATION DISTRICT
SPECIAL DISTRICT • PUBLIC WATER AGENCY

1999 KINCLAIR DRIVE, PASADENA, CALIFORNIA 91107-1017
MAILING ADDRESS: P.O. BOX 5578, PASADENA, CA 91117-0578
TELEPHONE (626) 797-6295 • FAX (626) 794-5552
WEBSITE: kinneoloairrigationdistrict.info

AMORTIZATION AGREEMENT

_____ Account #: _____ Name:
_____ Phone #: _____ Service Address:
_____ Mailing Address:

_____ Amount Amortized:

The amortized amount was due for payment on _____. By signing this agreement I agree to make all payments in the amount indicated by the date on the payment schedule below. I agree to pay all subsequent charges by their due date or this agreement becomes null and void and water service will be subject to termination for non-payment. Further, this agreement is not subject to modification or incorporation into another agreement. This agreement must be paid in full before any additional agreement will be considered.

_____ **PAYMENT SCHEDULE IS NOT TO EXCEED 12 MONTHS**

	<u>Date Due</u>	<u>Amount Due</u>	<u>Date Paid</u>	<u>Check #</u>

Signature of Applicant _____ Date

Signature of Kinneoloa Irrigation District _____ Title _____ Date



AMORTIZATION AGREEMENT

Account #: _____ **Name:** _____

Phone #: _____ **Service Address:** _____

_____ **Mailing Address:** _____

Amount Amortized:

The amortized amount was due for payment on _____ . By signing this agreement I agree to make all payments in the amount indicated by the date on the payment schedule below. I agree to pay all subsequent charges by their due date or this agreement becomes null and void and water service will be subject to termination for non-payment. Further, this agreement is not subject to modification or incorporation into another agreement. This agreement must be paid in full before any additional agreement will be considered.

PAYMENT SCHEDULE IS NOT TO EXCEED 12 MONTHS

<u>Date Due</u>	<u>Amount Due</u>	<u>Date Paid</u>	<u>Check #</u>
<u>Payment #1</u>			
<u>Payment #2</u>			
<u>Payment #3</u>			
<u>Payment #4</u>			
<u>Payment #5</u>			
<u>Payment #6</u>			
<u>Payment #7</u>			
<u>Payment #8</u>			
<u>Payment #9</u>			
<u>Payment #10</u>			
<u>Payment #11</u>			
<u>Payment #12</u>			

Signature of Applicant **Date**

Signature Kinneoloa Irrigation District **Title** **Date**



TEMPORARY SERVICE/CONSTRUCTION METER AGREEMENT

Address for use: _____

Purpose of use: _____

Requested installation date: _____ Requested removal date: _____

POLICIES REGARDING USAGE AND INSTALLATION:

- A deposit of \$ 850.00 will be required before the meter installation will be made.
- Water used will be charged at the rate of \$6.70 per 100 cubic feet (1 unit) with a minimum charge of \$100.00
- The Facilities Supervisor or General Manager must approve the location of installation.
- The Applicant assumes responsibility for the meter once it is installed and locked to the hydrant.
- If the meter is lost or stolen the applicant will forfeit the deposit, and an additional deposit will be required to have a new meter installed.
- If the meter is damaged or missing parts, the repair or replacement costs will be deducted from the deposit.
- If a hose is used to transport the water across a street or driveway, a protective device must be used to prevent the hose from being driven over by a vehicle causing surges or water hammer to the distribution system.
- If a water truck is to be used to transport water, the fill connection to the water truck tank must be equipped with an air gap or separation on the fill pipe and filled from the top. An approved backflow prevention device may be substituted for an air gap connection.
- If a drop tank is used there must be an air gap, or a float valve assemble to prevent any cross connection or backflow between the water stored in the tank and the delivery system.
- The District reserves the right to inspect any water truck or drop tank to determine compliance.
- The meter will be read upon installation and removal, or monthly depending upon the length of usage. The use of the meter is subject to all District rules and regulations adopted April, 1999.
- An invoice will be presented after the meter usage has been discontinued.

I have read and agree to the above:

Print name: _____

Signed : _____

Billing information: Name _____

Address _____

City/State/Zip _____

Contact Phone _____

CUSTOMER DEPOSITS

INITIAL DEPOSIT [Per Article 7.03]:

An initial deposit equal to three months estimated water service, based on water usage over the past year, as determined by the District, may be required to establish service. The deposit may be waived at the discretion of the General Manager.

DEPOSIT TO RE-ESTABLISH CREDIT UPON DISCONNECTION FOR NON-PAYMENT [Per Articles 7.03A & 8.04B]:

A deposit equal to three months estimated water service, based on water usage over the past year, as determined by the District, may be required before service is reconnected.

TANK TRUCK SERVICE DEPOSIT [Per Article 8.03H03E]:

Metered Service: Cost of meter plus actual cost of installing and removing meter, of which only the cost of the meter is refundable.

Un-metered Service: Availability of un-metered service and the required deposit is at the discretion of the General Manager.

METER TEST DEPOSIT [Per Article 8.03I03F(3)]: \$250.00

TEMPORARY SERVICE DEPOSIT [Per Article 9.01B]:

Services up to 2 1/2": \$850.00 ~~to \$1000.00 based on size of service~~

Services larger than 2 1/2": ~~are~~ determined by General Manager based on size of service.

FIRE FLOW TEST [Per Article 10.13C]: \$~~6~~950.00

DEVELOPER DEPOSIT [Per Article 10]:

Total estimated cost of project plus overhead charge.

wholesome, and potable. By-pass arrangements, jumper connections, removable sections, swivel or changeover devices, or other devices through which backflow could occur, shall be considered to be cross-connections.

(f) "District" is the Kinneloa Irrigation District.

(g) "Double Check Valve Assembly (DC)" is an assembly of at least two independently acting check valves including tightly closing shut-off valves on each side of the check valve assembly and test cocks available for testing the water tightness of each check valve.

(h) "Health Agency" means the California Department of Health Services.

(i) "Reclaimed Water" is a wastewater which as a result of treatment is suitable for uses other than potable use.

(j) "Reduced Pressure Principle Backflow Prevention Device (RP)" is a backflow preventer incorporating not less than two check valves, an automatically operated differential relief valve located between the two check valves, a tightly closing shut-off valve on each side of the check valve assembly, and equipped with necessary test cocks for testing.

(k) "User Connection" is the point of connection of a User's piping to the District's facilities.

(l) "Water User" or "User" is any person obtaining water from a public water supply.

3.0 Evaluation of Hazard.

The District shall evaluate the degree of potential health hazard to the public water supply which may be created as a result of conditions existing on a User's premises. The District, however, shall not be responsible for abatement of cross-connections which may exist within a User's premises. As a minimum, the evaluation should consider: the existence of cross-connections, the nature of materials handled on the property, the probability of a backflow occurring, the degree of piping & system complexity and the potential for piping system modification. Special consideration shall be given to the premises of the following types of Water Users:

(a) Premises where substances harmful to health are handled under pressure in a manner which could permit their entry into the public water system. This includes chemical or biological process waters and water from public water supplies which have deteriorated in sanitary quality.

(b) Premises having an auxiliary water supply, unless the auxiliary supply is accepted as an additional source by the District and is approved by the Health Agency.

(c) Premises that have internal cross-connections that are not abated to the satisfaction of the District or the Health Agency.

(3) Premises where the fire system is supplied from the public water system and where either elevated storage tanks or fire pumps which take suction from private reservoirs or tanks are used. DC

(4) Premises where there are marine facilities. RP

(5) Premises where entry is restricted so that inspections for cross-connections cannot be made with sufficient frequency or at sufficiently short notice to assure that cross-connections do not exist. RP

(6) Premises where there is a repeated history of cross-connections being established or re-established. RP

9.0 Testing and Maintenance of Backflow Preventers.

(a) The District shall assure that adequate maintenance and periodic testing are provided by the Water User to ensure their proper operation. All testing shall be performed at the Water User's expense.

(b) Backflow preventers shall be tested by persons who have demonstrated their competency in testing of these devices to the District or Health Agency.

(c) Backflow preventers shall be tested at least annually or more frequently if determined to be necessary by the Health Agency or District. When devices are found to be defective, they shall be repaired or replaced in accordance with the provisions of this Program and at the expense of the Water User.

(d) Backflow preventers shall be tested immediately after they are installed, relocated or repaired and not placed in service unless they are functioning as required.

(e) The District shall notify the Water User when testing of backflow preventers is needed. The notice shall contain the date when the test must be completed.

(f) Reports of testing and maintenance shall be maintained by the District for a minimum of three years.

APPENDIX F

KINNELOA IRRIGATION DISTRICT RELOCATION ASSISTANCE LAW

RELOCATION ASSISTANCE LAW

(Government Code Chapter 16 §§7260, et seq.)

1. PURPOSE AND SCOPE

- 1.1 Purpose. These rules and regulations are adopted pursuant to Government Code §7267.8 to implement payments and to administer relocation assistance according to the provisions of the Relocation Assistance Law, Government Code, Chapter 16, §§7260, et seq. These rules and regulations are to assure the fair and equitable treatment of persons displaced by the real property acquisitions and programs of this District.
- 1.2 Scope. These rules and regulations apply to all acquisitions of real property, or interests therein, undertaken by this District whether by negotiated purchase, eminent domain, or otherwise. It is recognized that the Relocation Assistance Law has applicability to all real property acquisitions undertaken by this District regardless of whether relocation of any residence, business or farming operation is required. Unless otherwise provided, all code references are to the Government Code.

2. DEFINITIONS

- 2.1 Section 7260 Definitions Incorporated. The following terms are defined in Government Code §7260:

- (a) "Public Entity"
- (b) "Person"
- (c) "Displaced Person"
- (d) "Business"
- (e) "Farm Operation"
- (f) "Affected Property"
- (g) "Public Use"
- (h) "Mortgage"
- (i) "Comparable Replacement Dwelling"
- (j) "Displacing Agency"
- (k) "Appraisal"
- (l) "Small Business"

(m) “Lead Agency”

Whenever any of the preceding terms are used within these rules and regulations, they shall have the meaning set forth in Section 7260.

- 2.2 "Board" shall mean the Board of Directors of KINNELOA IRRIGATION DISTRICT
- 2.3 "District" shall mean the KINNELOA IRRIGATION DISTRICT.
- 2.4 "Manager" shall mean the General Manager of the KINNELOA IRRIGATION DISTRICT or the Designee of said Manager.
- 2.5 "Relocation Costs" shall mean the costs of relocation advisory assistance, compensation for displaced persons, additional payments to displaced dwelling owners, additional payments to displaced individual or family renters reimbursable expenses of the owner necessarily incurred for recording fees, transfer taxes, and similar expenses incidental to conveying real property and such other costs as may be foreseeably attributable to relocation activities required pursuant to the Relocation Assistance Law.

3. ACQUISITION PROCEDURE

- 3.1 In order to promote the policies enumerated in Government Code Section 7267, the District shall, to the greatest extent practicable, be guided by the provisions of Sections 7267.1 to 7267.7, inclusive, and these regulations, when engaged in the acquisition of real property.

Where possession of real property is sought pursuant to an order for immediate possession, strict adherence to these standards is not required. The District shall, nevertheless, attempt to comply with the intent and purpose of the Act and these regulations to the extent possible under the circumstances. Within the guidelines of Section 7267.3, the District shall provide maximum prior notice to owners who must relocate a dwelling due to an order for immediate possession. Even though an action in eminent domain may be initiated, District shall attempt to negotiate a purchase based upon the amount established as security in the immediate possession proceeding.

- 3.2 When the Manager has determined that acquisition of real property for public use by the District may be in the best interests of the District, the Manager shall present a recommendation to the Board. Prior to submitting a recommendation, the Manager shall determine if the proposed acquisition will leave the owner with an uneconomic remnant and shall determine if the acquisition of a larger or smaller parcel will correct any such uneconomic remnant and still serve the District's interests.
- 3.3 When the Board determines that acquisition of real property for public purposes may be to the best interests of the District, it shall direct the Manager to hire a qualified independent appraiser for the purpose of determining the fair market value of the parcel proposed to be acquired. The Board shall also direct the Manager to investigate the present use of the parcel proposed to be acquired and make an estimate of the relocation costs, if any, which the District may be obligated to pay in accordance with the Relocation Assistance Law.

APPENDIX G

RESPONSIBILITIES AND AUTHORITY OF THE BOARD AND GENERAL MANAGER

Record Retention Policy

1. Retention of Original Records

The following records shall be maintained in perpetuity in the District's files:

- (A) The Certificate of Incorporation of the District;
- (B) Certifications of annexation proceedings and other property related documents;
- (C) Resolutions and Ordinances;
- (D) Minutes of the meetings of the Board of Directors;
- (E) Certificates of Assessed Valuation prepared by the County of Los Angeles;
- (F) Documents received from the Tax Assessor detailing District taxes collected;
- (G) Documents regarding bond issues;
- (H) Election documents;
- (I) Records of securities and bank deposits;
- (J) Documents relating to claims against the District;
- (K) Documents concerning eminent domain proceedings by the District;
- (L) Land and property title records;
- (M) Records determined by the Board to be of significant and lasting historical, administrative, legal, fiscal or research value; and
- (N) Records required by law to be filed and preserved.

2. Retention of Duplicate Original Records

The following original records may be destroyed if a physical or electronic copy is maintained in perpetuity:

- (A) Financial records summarizing the financial status of the District other than reports prepared pursuant to Article ~~9~~ (commencing with Section 53891) of Part 1 of Division 2 of the Government Code;
- (B) Oaths of Office and related materials depicting the authenticity of the appointment of director or officer;
- (C) Paid invoices and other financial records;
- (D) Reports of the District and correspondence not covered in another section of this policy; and
- (E) Records received pursuant to State statute not expressly required by law to be filed and preserved.

3. Retention of Records for Time Certain

The following records or copies may be destroyed after the passage of time:

- (A) Unaccepted bids or proposals for construction may be destroyed after two years;
- (B) Work orders or other in-house records of time spent on work assignments may be destroyed after two years;
- (C) Records created for a specific event or action may be destroyed after five years following the end of the District's fiscal year in which the event or action was completed;
- (D) Cancelled checks or other proof of payment of bond interest and redemption may be destroyed after ten years;

- (E) Tape recordings of the Board meetings intended for the preparation of minutes may be erased after ~~thirty~~ ninety days; and
- (F) Any record, paper or document more than two years old that is prepared or received in a manner other than pursuant to State statute.

4. Retention of Other Records

The following records may be destroyed at any time without maintenance of a physical or electronic copy:

- (A) Duplicates for which the original or electronic copy is on file;
- (B) Rough drafts, working papers, data and other information accumulated in the preparation of other documents and final drafts; and
- (C) Notes, telephone messages and other internal documents.

MAIN EXTENSION REIMBURSEMENT AGREEMENT

1. IDENTIFICATION

This Main Extension Reimbursement Agreement ("Agreement") is made and entered into effective as of the ___ day of _____, 200__, between KINNELOA IRRIGATION DISTRICT, an IRRIGATION District formed pursuant to Division 11 of the California Water Code ("District"), and _____ ("Developer").

2. RECITALS

- 2.1 This Agreement is made pursuant to the requirements of and in accordance with the District's policy regarding main extensions, as set forth in the District Rules and Regulations and incorporated herein by reference ("Policy").
- 2.2 Developer is in the process of designing and constructing certain improvements to be located on real property situated within the District's boundaries. The legal description of the real property is set forth in Exhibit "A" attached to this Agreement.
- 2.3 In order to complete the planned development of the real property, Developer will require water service from the District, which will, in turn, require that the District's existing facilities be extended beyond current limits.
- 2.4 District is willing to grant Developer's request for water service to the real property on certain terms and conditions of this Agreement and in accordance with the Policy.

3. AGREEMENTS

- 3.1 Agreements of Developer: Developer agrees to reimburse the District for the design and construction at Developer's expense of the main extension and facilities specified in Exhibit "B" in accordance with plans and specifications approved by the District.
 - 3.1.1 Until such time as District completes said main extension and facilities, Developer shall maintain and insure said facilities for their full replacement cost value and further shall indemnify and save District harmless from any and all claims relating to the design and/or construction of said main extension and facilities and shall take all steps necessary to comply with the California Environmental Quality Act.
 - 3.1.2 Developer shall be responsible for securing all easements and rights-of-way necessary to complete construction of the main extension and facilities specified in Exhibit "B".

4. SUCCESSORS AND ASSIGNS

The obligations of Developer, if Developer is more than one person, party or entity shall be joint and several. This Agreement shall bind and inure to the benefit of the heirs, representatives, executors, administrators, successors and/or assigns of the parties hereto.

KINNELOA IRRIGATION DISTRICT

By:

Title:

"DEVELOPER"

By:

Title:

[Address]

BID PROCUREMENT AND PURCHASING POLICY

Work Costing More Than \$30,000

- a. Except as otherwise provided in Article 16, this statement of policy or by law, all Contracts for any improvement, job, construction project or unit of work [Herein referred to as work], and all acquisition of material or equipment, estimated to cost or have a value when completed in excess of Thirty Thousand Dollars (\$30,000) shall be let to the lowest responsible bidder in the manner hereinafter provided.
- b. The Board shall first determine whether the contract shall be let or the acquisition made, as a single unit for the whole of the work or acquisition, or whether it shall be divided into severable convenient parts.
- c. The contract documents shall be prepared utilizing the District standards forms, with such modification as may be appropriate for the particular work or unit of work, for the acquisition of material or equipment. In case of work to be performed for the District, the documents to be prepared shall ordinarily include the Notice Inviting Bids, Instructions to bidders, the Proposal for submission by the bidder, the Information Required of Bidder, setting forth the equipment and material source and other required information, Contractors Licensing Statement, List of Subcontractors, Bid Security Form, Agreement, Faithful Performance Bond, Payment Bond, Non-Collision Affidavit, Notice to Proceed, General Provisions, Special Provisions, and Plans and Specifications.
- d. Unless otherwise required by the provision of the Public Contract Code, the District may advertise in the F.W. Dodge Green Sheet, The Construction Market Data, and similar publications, inviting sealed proposals for furnishing labor for or material or supplies for use or incorporation in, the proposed work or unit of work, or for providing material or equipment. In the event that the construction of works is to be paid for with the proceeds of the sale of bonds or a limited assessment, the District shall give said notice by publication once a week for three (3) successive weeks in a newspaper of general circulation published in the District.
- e. All bids shall be presented under sealed cover on forms furnished by the District, and, in the case of a bid to perform work for the District, it shall be accompanied by one of the following forms of bidder's security: [1] cash, [2] a cashier's check made payable to the District, [3] a certified check made payable to the District, or [4] bidder's bond executed by an acceptable surety insurer made payable to the District.
- f. At the time and place appointed and set forth in the Notice Inviting Bids, the bids shall be opened in public.

- g. The Board may reject any and all proposals or bids should it deem it to be for the public good, or may award the contract for the work or unit of work, or material or equipment, to the lowest responsible bidder at the prices named or specified in the bid or proposal.
- h. In the case of work to be performed for the District, the District shall require the successful bidder or bidders to file with the Board good and sufficient bonds, to be approved by the Board, conditioned upon the faithful performance of the contract and upon payment of all claims for labor and material in connection therewith.
- i. In the case of work to be performed for the District, the District shall require the successful bidder or bidders to carry public liability and property damage insurance, worker's compensation insurance, and other insurance, in the amounts and under the terms stipulated in the Contract documents.
- j. "Lowest Responsible Bidder" shall mean a person who submits the lowest monetary bid, taking into account the contract bid reduction provided for in paragraph g, and which responds to the terms upon which bids were requested, and who has the capacity, integrity and ability to perform the particular requirements of the contract. Factors which may be considered in determining the "lowest responsible bidder" included, but are not limited to, all of the following:
 - 1] The contractor's prior record of performance of other public works projects, if any, including timely completion of performance, quality of work and completion of projects within project budget or bid amount submitted.
 - 2] The contractor's involvement in any ongoing litigation or contract disputes with the awarding authority, which could impair satisfactory performance on the contract to be awarded.
 - 3] The contractor's history of noncompliance with occupational safety and health requirements, labor statutes and regulations, and other local, state, and federal laws.

APPENDIX K
RESERVE POLICY FUNDING GUIDELINES
AND TARGET LEVELS

RESERVE POLICY FUNDING GUIDELINES AND TARGET LEVELS

<u>Fund*</u>	<u>Purpose</u>	<u>Target Range</u>	<u>Criteria</u>	<u>Type of Investment Account**</u>
<u>Operating</u>	<u>Cash flow variations due to seasonality and other factors</u>	<u>\$100,000- \$200,000</u>	<u>1-2 Months of Operating Expenses</u>	<u>General Fund Checking or Savings Account</u>
<u>Emergency</u>	<u>Unexpected repair or replacement of facilities or equipment</u>	<u>\$200,000- \$400,000</u>	<u>5%-10% of Fixed Assets****</u>	<u>Short to Medium Term</u>
<u>Replacement</u>	<u>Planned maintenance, rehabilitate or replace existing facilities, equipment and vehicles</u>	<u>\$200,000- \$400,000</u>	<u>Planned Maintenance Schedule with a Minimum of 5% of Fixed Assets****</u>	<u>Medium Term</u>
<u>Improvement***</u>	<u>Capital improvement projects and facilities</u>	<u>\$500,000- \$4,500,000</u>	<u>Projects from the Master Plan or Other Planning Documents</u>	<u>Medium to Long Term</u>

Total Target Range \$1,000,000-
\$5,500,000

***Unless specifically restricted by Board action, all reserves in these funds are unrestricted and unassigned and may be spent for purposes authorized by the Board.**

****All accounts are to be insured and/or considered "low-risk" by regulatory authorities. Currently the District's reserve funds are in accounts at Well Fargo Bank, N.A., Local Agency Investment Fund (LAIF) and Investment Trust of California (CalTRUST).**

***** It is the intent of the Board to fund capital improvement projects from reserves. However, if the planned project is deemed to be too large to fund from reserves, the Board will determine the most appropriate funding alternatives such as direct borrowing, issuance of capital improvement bonds, etc.**

******The Board acknowledges that the cost for replacement of existing facilities, equipment and vehicles will exceed the original cost in most cases and that the value of the property and equipment on the District's balance sheet after depreciation does not represent the total replacement cost of its assets.**



KINNELOA IRRIGATION DISTRICT

RULES AND REGULATIONS

Adopted
April 20, 1999

Revision 1
August 17, 1999

Revision 2
January 20, 2000

Revision 3
March 21, 2000

Revision 4
October 2, 2000

Revision 5
April 20, 2004

Revision 6
December 20, 2005

Revision 7
April 21, 2009

Revision 8
July 17, 2012

Revision 9
November 19, 2013

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Kinneloa Irrigation District RULES AND REGULATIONS

The District was formed under the provisions of the **Irrigation District Act, Division 11 of the Water Code of the State of California**. The District's functions include the acquisition, control, conservation, storage and distribution of water for the beneficial use of inhabitants and water users within the District. The Water Code authorizes the District to establish rules and regulations governing its operations. The District has determined that it is in its best interest to adopt the following policies, rules and regulations regarding the operation of the District and the provision of water service.

ARTICLE 1: DISTRICT OBJECTIVES

The District strives to make available the highest quality water at the lowest possible cost. The District intends to serve all property within District boundaries, provided, however, that the Board may consent to other entities providing service within its boundaries on a case-by-case basis. In furthering these objectives the District is governed generally by the following guidelines:

1.01: OPERATIONS

To operate the water supply, treatment, storage and distribution facilities so as to provide the most economical and dependable service possible.

1.02: PLANNING

To meet existing and future demands for water service through sound planning and design after careful study, taking steps necessary to manage water as a sustainable resource.

1.03: COSTS

To establish such rates, charges, fees and assessments necessary to meet the costs of providing service and to equitably allocate such costs.

ARTICLE 2: SCOPE OF POLICIES, RULES AND REGULATIONS

The Board of Directors adopts these policies, rules and regulations with respect to the operation of the District and the provision of water service. The Board has the right to amend, change and supplement these rules at any time.

2.01: SEVERABILITY

If any policy, rule or regulation contained herein shall be found to be unenforceable, such decision shall not affect the remaining portions of these policies, rules and regulations.

2.02: APPLICABILITY

These policies, rules and regulations apply to the Board, all District personnel and any persons obtaining utility service from the District.

ARTICLE 3: DEFINITIONS

Unless the context specifically indicates otherwise, the following terms shall, for the purposes of these policies, rules and regulations have the following meanings:

- A. Applicant: Any person or entity applying to the District for water service.
- B. Board: Board of Directors of the Kinneloa Irrigation District.

- C. CEQA: The California Environmental Quality Act.
- D. Commercial Service: Provision of water for use in connection with commercial premises devoted primarily to operations for profit.
- E. Consumer: Any person, association, corporation or governmental agency supplied or entitled to be supplied with water service for compensation by the District.
- F. Cross-Connection: Any connection between District facilities and any water supply that is not approved by a State or local health agency or other source containing a substance that is not approved as safe, wholesome and potable.
- G. Days: Calendar days unless otherwise specified.
- H. Delinquent Notice: The Delinquent Notice of Non-Payment and Disconnection of Service, sent to the Consumer when payment is not made on or before the twentieth (20th) day of the month following presentation, which is approximately forty-five (45) days from the billing date in accordance with the provisions of the rules included herein.
- I. Developer: Any person or entity developing and/or subdividing land within the District for the purpose of constructing new commercial or residential units.
- J. Disconnection: The termination of water service to the Consumer, affected by turning off and locking the meter at the service connection.
- K. Distribution Mains: The water lines in streets, highways, alleys, and easements used for general distribution of water and public and private fire protection.
- L. District: The Kinneloa Irrigation District, Pasadena, California.
- M. Engineer: A qualified registered engineer, appointed to act for the District.
- N. Facilities or Water Works System: The wells, tunnels, pipelines, meters, pumps, storage facilities, buildings, structure connections, fittings, valves and other fixtures and appurtenances comprising the production, storage, transmission and distribution system owned by the District for the purpose of delivering water to Consumers within the District.
- O. Industrial Service: Provision of water to industrial premises where the water is used primarily in manufacturing or processing activities.
- P. Manager: The General Manager of the Kinneloa Irrigation District, or the person authorized by the Manager, or the Board, to act for the General Manager.
- Q. Meter: The appurtenance owned by the District at the service connection by which the District measures the quantity of water delivered through District facilities to the Consumer.
- R. Owner: The person in whose name legal title to the property appears.
- S. Person: An individual, company, association, co-partnership, or public or private corporation.
- T. Premises: The integral property or area, including improvements thereon, to which water service is, or is to be, provided.
- U. Private Fire Protection: Provision of standby quantities and pressures of water as available for fire protection purposes through sprinkler systems, fire hydrants and other facilities

located on private property, rather than through public fire hydrants operated by public authorities for general fire protection.

- V. Residential Service: Provision of water for household purposes and other similar and customary purposes pertaining to structures with a primary purpose of providing domestic service, single family dwellings, including apartments, town houses and condominiums.
- W. Service Laterals: The connection between the District's water mains and the water meter and service connection, including the entire pipe, fittings and valves necessary to make the connection.
- X. Service Connection: The point of connection of the Consumer's piping with the meter and service lateral owned by the District.
- Y. Surplus Property: Real or personal property owned by the District that is determined by the Board to be unnecessary for District purposes.
- Z. Temporary Service: Provision of water on a temporary basis for construction purposes.

ARTICLE 4: ORGANIZATION AND OPERATION OF THE BOARD OF DIRECTORS

4.01: NUMBER OF DIRECTORS

The number of Directors shall be five (5) members elected by division from residents of the District.

4.02: OFFICERS OF THE BOARD

The officers of the Board shall be chairman and secretary and treasurer to be elected by the Board annually at the first regular meeting of the Board following the **first Friday in December**. The term of office of officers of the Board shall commence immediately following their election. No Board Officer shall serve more than five consecutive full terms in the same office.

4.03: BOARD OFFICER ELECTION PROCEDURE

Officers will be nominated and elected individually, not as a "slate." The procedure is as follows:

- A. The Chairman calls for nominations for the office of Chairman.
- B. A candidate is nominated.
- C. The nomination is seconded. If a second is not received the nomination dies.
- D. The Chairman then asks if there are other nominations.
- E. All other nominations (if any) are received and seconded.
- F. The Chairman then calls for a vote and announces the results.
- G. The same procedure is followed for the office of Treasurer and Secretary.

(Motion Adopted January 15, 2002)

4.04: DIRECTORS' COMPENSATION AND EXPENSE REIMBURSEMENT

- A. Introduction: This policy sets forth the Kinneloa Irrigation District's policies and procedures governing the compensation of Board members for attendance at events related to the Board members' performance of official duties for the benefit of the District, and governing the

payment and/or reimbursement of actual and necessary expenses incurred by Board members in the performance of those official duties.

- B. Compensable Events: For purposes of this policy, Board members shall receive compensation in accordance with Section C, below, and payment and/or reimbursement of actual and necessary expenses in accordance with Section D, below, for the following Compensable Events, and for travel time as set forth herein:
1. Regular and special meetings of the District's Board of Directors;
 2. Meetings of standing and ad hoc committees established by the District's Board of Directors;
 3. Any conferences or organized educational activities, including, but not limited to, conferences sponsored by any water-related association of which the District is a member, water educational workshops, water classes, water seminars, water symposiums, water facility tours and other special water-related functions, approved by the District's Board of Directors; and
 4. Any other event that may be approved by the District's Board of Directors as a Compensable Event.

For purposes of this policy, reasonable and necessary travel time shall include one day prior to and after a Compensable Event, as defined above, unless the Compensable Event takes place within 50 miles of the District's principal offices, in which case no compensation under Section C, below, shall be paid for any travel days. The maximum number of days in any calendar month for which compensation is authorized to be paid to a member of the Board is six days.

- C. Compensation for Compensable Events: Board members shall be compensated at the rate of \$100 per day for attendance at Compensable Events, as defined in Section B, above; provided, however, that pursuant to **Water Code Section 20202**, such compensation shall be provided in addition to any reimbursement for meals, lodging and travel expenses incurred in attending any such Compensable Event; provided, however, that no reimbursement shall be made to any Board member unless an expense report has been submitted by that Board member, as provided in greater detail in Section D, subsection 6, below. Any registration fees paid by the District for a Board member's attendance at any conference of other Compensable Event shall be in addition to the compensation paid under this Section C.

D. Expense Reimbursement:

1. General Principles: Board members are encouraged to exercise prudence in all expenditures. Payment and/or reimbursement will be made only for actual and necessary expenses that qualify as reimbursable expenses under the provisions of this Section D. Expenditures that are improper or otherwise not properly accounted for as set forth in subdivision 6, below, or not consistent with the prohibition against gifts of public funds set forth in the California Constitution, will not be reimbursed or accepted by the District. Where such improper expenses have been paid by the District, they will be promptly refunded to the District or deducted from moneys otherwise due a Director. Whenever possible, Board members shall use government or group rates for lodging and travel.
2. Meal and Incidental Expenses: All meal and incidental expenses to be reimbursed under this policy are limited to the actual expenses incurred by a Board member in his or her capacity as a director of the District, and shall be substantiated in accordance with subdivision 6, below. If a Board member receives an advance from the District to cover such expenses, any amounts received in excess of the actual expense incurred shall be

returned to the District within a reasonable time, not to exceed sixty (60) days, after the expenses are incurred. Board members shall be reimbursed for the actual cost of meal and incidental expenses up to the maximum per diem rate for the destination in accordance with Internal Revenue Service Publication 1542.

3. Travel Expenses: Board members will be reimbursed for expenses actually incurred in traveling to and from Compensable Events, subject to the provisions set forth below. Board members must use the most economical mode and class of transportation reasonably consistent with scheduling needs and space requirements and the most direct and time-efficient route. In the event a more expensive class of transportation is used, the reimbursable amount will be limited to the cost of the most economical class of transportation available. Travel expenses will include round-trip airfare where necessary, actual reasonable expenses for ground transportation to and from airports and hotels, and car rental. Board members also shall be reimbursed for use of private-owned vehicles in the conduct of District business at the maximum allowable per mile rate established from time to time by the IRS.
 4. Conference Lodging: For lodging in connection with a conference or organized educational activity, the lodging costs shall not exceed the maximum group rate published by the conference or activity, provided the lodging is available to the Board member at the time of booking. If the group rate is not available, the Board member shall use comparable lodging that is consistent with the rates established by the District, not to exceed \$200 per night, or use applicable government or group rates offered by the provider of lodging; provided, however, that any lodging expense that exceeds the amounts set forth herein shall be approved by the Board in a public meeting before the expense is incurred.
 5. Family/Guest Expenses: Expenses incurred by a family member or guest of a Board member in connection with the Board member's service will not be reimbursed. If a Board member desires to obtain accommodations for a spouse or other guest and such additional accommodations result in an increased cost for the Board member's accommodation, the Board member shall bear that additional cost unless otherwise approved by the Board.
 6. Expense Report Forms: Reimbursement for actual and necessary expenses incurred under this section 4 shall be made through expense report forms to be completed and submitted to the District by Board members, together with an explanation of the District-related purpose for the expenditure and receipts documenting each expense. Expense reports shall be submitted by Board members within a reasonable time, not to exceed thirty (30) days after incurring the expense.
- E. Report on Events Attended: Each Board member who attends a Compensable Event, other than a Board meeting or Board committee meeting, at the expense of the District shall give at the next regular Board meeting a brief report (oral or written, at the Board member's discretion) of the event attended. If multiple Directors attend the same event a joint report may be made.
- F. Reporting of Expenditures: To implement the reporting requirements of **Government Code Section 53065.5**, the District will prepare a list of the amount and purpose of each expense reimbursement made to each Board member for the preceding fiscal year, which will be available to the public.

4.05: MEETINGS OF THE BOARD

Regular meetings of the Board shall be held on the third Tuesday of each month, at 7:30 p.m., at the District offices, or at such other time and place as the Board may determine. When a regular meeting falls on a holiday, as may be designated from time to time by the Board, such meeting shall be held on the next business day, or other day as determined by the Board.

4.06: SPECIAL MEETINGS

Special meetings of the Board shall be held at a time and place as may be designated by the presiding officer or by a majority of the members of the Board upon written notice of such meeting mailed and received by, or personally delivered to, each Board member and to each local newspaper of general circulation, radio or television station requesting notice in writing at least 24 hours prior to such special meeting. The call and notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meeting by the Board. Such written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the Secretary a written waiver of notice. Such waiver may be given by telegram. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.

4.07: EMERGENCY MEETINGS

In the case of emergency involving matters upon which prompt action is necessary due to the disruption or threatened disruption of water service of the Water Works System, a special meeting may be held without complying with the 24-hour notice requirement. A majority of the Board may determine that an emergency exists. All other special meeting requirements must nonetheless be met. Additionally, the minutes of such emergency special meeting shall list those persons notified or who were attempted to be notified. A copy of the roll call vote on any actions taken at such meeting shall be publicly posted for at least 10 days as soon after the meeting as possible. A closed session cannot be conducted at an emergency meeting.

4.08: ADJOURNED MEETINGS

The Board may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Meetings having less than a quorum of the Board may so adjourn from time to time. If all members are absent from any regular or adjourned regular meeting, the Secretary may declare the meeting adjourned to a stated time and place and shall cause a written notice of the adjournment to be given in the same manner as provided for special meetings, unless such notice is waived. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held, within 24 hours after the time of adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings.

4.09: NOTICE OF MEETINGS

- A. Notice of the regular meetings of the Board shall be required to be posted seventy-two (72) hours before the meeting. Said notice shall be posted at designated locations throughout the district and on the District's Internet web site. Notice of special meetings of the Board shall be given as provided in **Article 4.06** hereof. Notice of all adjourned meetings, regular or special, shall be given as provided in **Article 4.08** hereof.
- B. Notice of meetings shall also be mailed at the time the agenda for the meeting is posted, to any customer of the District who has filed a written request for such notice. Requests for notice are valid for one year unless renewal is requested. The Board may establish a reasonable fee for such special notices.

4.10: AGENDA

The Secretary shall cause an agenda of each regular meeting of the Board to be posted at designated locations at least seventy-two (72) hours before the meeting and on the District's Internet web site, in accordance with applicable law. Upon determination by a two-thirds vote of the Board members that there is a need to take immediate action and that the need for action came to the attention of the District after the agenda was posted, the Board may consider matters for action which arose after notice of the meeting was given.

4.11: CONDUCT OF BOARD MEETINGS

- A. All District meetings shall be chaired by the District's Chairman. In his or her absence, the Secretary of the Board or the Board Treasurer shall chair meetings. In the absence of both the Chairman and the Secretary, the Board member selected by a majority of the Board members present shall chair the meeting.
- B. All meetings of the Board shall be open and public, and all persons shall be permitted to attend any meeting, except Closed Sessions of the Board held in accordance with the law.
- C. The public shall be afforded an opportunity to address the Board once on each item placed on the Agenda for Board consideration and possible action, at the time the Board considers such action. Otherwise, oral public comment and participation will be limited to items marked "Public Comment" on the Agenda. Where appropriate under the circumstances, the Board may limit public comment to three minutes. All other comments should be submitted in writing to the Secretary prior to the meeting for reproduction and distribution to the Board.
- D. The District tapes each meeting of the Board; the tapes are retained by the District for ninety days (90) following the Board meeting, and then destroyed. Tapes of Board meetings are available for copying upon payment to the District for the cost of copying, as established by the District from time to time, and are also available for listening at the District offices. Members of the public may record meetings of the Board with an audio or video tape recorder, provided such taping does not disrupt the conduct of the Board meeting.

4.12: QUORUM

The quorum consists of three Board members. A quorum must be present for the Board to take action on any matter.

4.13: ACTION BY BOARD

A minimum of three Board members must vote for a matter before the Board in order for the Board to take action on that matter.

4.14: CLOSED SESSIONS

The Board may meet in a closed session not open to the public to discuss matters of a confidential nature, including, but not limited to, discussions regarding matters posing a threat to the security of public buildings, consideration of hiring, firing, and discipline of personnel. Meetings with designated representatives of the District prior to and during negotiations with employee organizations, to discuss negotiations regarding the purchase, sale, exchange or lease of real property and to meet with District counsel regarding pending or threatened litigation pursuant to **Government Code Section 54956.9** and for any other purpose as may from time to time be permitted by law. Prior to and after holding a closed session, the Board shall state the general reason for the closed session, and may consider only those matters covered in the statement. No minutes or tape recording shall be made of any closed session. Following the closed session, there must be an oral or written report on any action taken, including the vote of every Board member present. Board members are prohibited from discussing or otherwise divulging matters discussed in closed session, unless otherwise required to do so by law.

ARTICLE 5: CONFLICT OF INTEREST CODE AND DISCLOSURE

The District has adopted a Conflict of Interest Code in accordance with state law and incorporates the code attached as **Appendix A** herein. Directors may consult individually with the District's attorney or personal attorney with respect to questions concerning completion of the required disclosure statements.

ARTICLE 6: INDEMNIFICATION OF OFFICERS, DIRECTORS AND EMPLOYEES

6.01: INDEMNIFICATION

The District shall indemnify, to the extent allowed by law, all officers, directors and employees of the District for liability incurred in the course and scope of their duties as officers, directors and employees of the District.

6.02: DEFENSE OF OFFICERS AND DIRECTORS

Upon written request by the affected officer, director or employee, and upon determination by the Board that the acts complained of are (i) within the course and scope of the employment of the affected person, and (ii) not the result of fraud or willful misconduct, the District shall provide for the legal defense of such officer, director or employee.

6.03: JUDGMENT AGAINST AN OFFICER OR DIRECTOR

Where (1) written request has been made ten days prior to trial for the District to provide a defense; (2) the District has provided a defense; (3) the officer, director or employee cooperated in such defense; and (4) the actions of the officer, director or employee are not the result of fraud or willful misconduct, the District shall indemnify such officer, director or employee from any judgment taken against them.

ARTICLE 7: RULES APPLICABLE TO INDIVIDUAL APPLICANTS FOR WATER SERVICE

7.01: USE OF AN ACTIVE SERVICE BY NEW TENANT/OWNER

A person who takes possession of premises and uses water without applying for water service is liable for all water delivered from the date of the last recorded meter reading; if the meter is found inoperative, the quantity consumed will be estimated. If proper application for service is not made within 48 hours after notification, that failure to do so will result in termination of water service, or if accumulated bills are not paid upon presentation, water service shall be discontinued as provided in the notice. The District may refuse to provide water service to any parcel if outstanding charges for service already rendered such parcel have not been paid within a reasonable time [**Water Code § 22282.1**].

7.02: APPLICATION FOR SERVICE

Each applicant for service may be required to sign, on a form prescribed by the District, an application setting forth the following contents and limited to the purpose stated below. The current form of application is attached in **Appendix C**.

A. Contents:

1. Date and place of application.
2. Location of premises to be served.
3. Agreement to abide by District Rules and Regulations.
4. Purpose for which service is to be used.
5. Address to which bills are to be mailed or delivered.

6. Home and office telephone numbers.
 7. Whether applicant is owner, tenant or agent for the premises.
 8. If tenant - owner's name, address and telephone number.
 9. Agreement to assume any outstanding water charges for property where service is requested.
 10. Such other information as the District may reasonably require.
- B. Application Fee: Applicants will be required to submit an application fee with their application for service, to partially defray the administrative expense incurred in processing the application. The current application fee is set forth in **Appendix C**.
- C. Residential Rental Property: Applications for water service to residential rental property may require service to be provided on account of the property owner or, alternatively, upon co-application by both the property owner and the tenant. Applicants who are not property owners may not be provided service until the property owner has made an application. The District will hold the property owner ultimately responsible for payment.
- D. Property Damage Waiver Agreement: Applicants may be required to execute a Customer Waiver Agreement, by which the customer acknowledges receipt of certain information regarding the chemical analysis of District water, and waives any claim for damages to their pipes and plumbing fixtures as a result of their use of District water.

7.03: ESTABLISHMENT OF CREDIT

The District may require Applicants for service to provide it with information sufficient to enable the District to determine the credit worthiness of the Applicant. Upon determining the Applicant's credit worthiness, the District may require the Applicant to deposit with the District such sums of money as determined by the Board from time to time, as specified in **Appendix D**. Deposits will be refunded to applicants at the termination of water service, provided all water charges have been paid. No interest will be paid on deposits. Applications for service to any property will be granted only if all assessments, fees, charges, delinquent water bills, and penalties due and charged to or against said property, for service rendered to that property, have been fully paid.

- A. Deposit Upon Disconnection for Non-Payment: The Consumer shall be required to deposit with the District such sums as specified in **Appendix D** in the event the Consumer's service is disconnected for non-payment, as provided in **Article 8.04B**.
- B. Waiver of Deposit: Public Agencies will not be subject to the deposit requirements stated above.
- C. Return of Deposit: Where the Consumer has maintained their payment history in good standing for three years, the deposit will be refunded to the Consumer or credited against their bill, as the Consumer may direct.

7.04: REFUSAL TO SERVE

The District may refuse to serve an applicant for service under the following conditions:

- A. Conditions for Refusal:
 1. If the applicant fails to comply with any of the rules and regulations contained herein.

2. If the intended use of the service is of such a nature that it will be detrimental or injurious to existing Consumers.
 3. If, in the judgment of the District, the applicant's installation for utilizing the service is unsafe or hazardous, or of such nature that satisfactory service cannot be rendered, or exceeds the normal capacity of the meter service.
 4. Where service has been discontinued for fraudulent use, the District will not serve an applicant until it has determined that all conditions of fraudulent use or practice have been corrected.
 5. Where charges for past water service to the parcel have not been paid [**Water Code § 22282.1**].
 6. Water Service will not be provided to new construction unless the District is able to verify that the minimum horizontal separation between District water mains and private sewage disposal systems is 25 feet or more.
- B. Notification to Applicant: When an applicant is refused service under the provisions of this rule, the District will notify the applicant promptly of the reason for the refusal to serve and of the right of applicant to appeal that decision to the Board.

7.05: WATER SERVICE CONNECTIONS

All water service within the District shall have a metered connection.

For those premises that do not have an existing service connection, the applicant will be charged an amount estimated to be the actual costs to the District of the installation and material for a service connection.

- A. Size: The District will furnish and install a service connection of such size as the applicant requests, including the service pipe and water meter, so long as reasonable. The District reserves the right to determine the type of any backflow prevention or other appurtenances required for the installation.
- B. Location: So long as practicable, service will be installed at locations designated by the applicant, but only at curb and/or property lines of the property to be served abutting upon a public street, highway, alley, lane, or road in which is installed a water main of the District.
- C. Looped Metered Connections: Service provided to a location that has its own distribution system that is looped and connected to District facilities by two (2) or more meters shall be provided with an approved type backflow prevention device immediately downstream of each metered connection as specified in **Appendix E**.
- D. Changes in Service Connection/Meter Size: Payment of all applicable additional charges will be required upon the happening of any of the following:
 1. The alteration, increase or decrease in size of a service connection.
 2. The service of any area, adjacent property, or property of different ownership not served at the time of the original commencement of service.
 3. The increase of use by reason of land zoning reclassification or actual land use.

In instances where such additional charges are due, credit may be allowed for any such previous payments made by the applicant, owner, or their predecessors. The size of any meter service and/or the area it serves, or the property's zoning classification or actual use, shall be

determined by the Manager. Subject to an appeal to the Board, such determination by the Manager will be final.

E. Limitations on Use of Service Connections:

1. Number of Units and Land Area: The District reserves the right to designate the type of meter, limit the number of buildings, separate houses, living or business quarters, and the area of land under one ownership to be supplied by one service connection.
2. After Subdivision: When property provided with a service connection is subdivided, the service connection shall be considered as belonging to the lot or parcel of land which it directly enters.
3. Supplying to Other Property: Except by special permission of the District, no service connection shall be used to supply adjoining property belonging to a different owner, or adjoining property acquired by the original applicant or owner subsequent to installation of the original service connection, or to supply property of the same owner on opposite sides of a public street or alley.
4. Supplying Outside District: No service connection located in the District will be used to supply water received from the District to property outside the District, unless specifically authorized in writing by the District.
5. Master Meters: Except in the case of a motel, hotel, apartment building or mobile home park, no master meters will be authorized for a multi-user development. All tenants or owners receiving water service shall have separate meters.

ARTICLE 8: RULES APPLICABLE TO EXISTING CONSUMERS

8.01: DESCRIPTION OF SERVICE

- A. Quantities: The District will endeavor to supply water dependably and safely in adequate quantities and pressures to meet the reasonable needs and requirements of Consumers.
- B. Quality: The District will endeavor to supply water for domestic use or human consumption that is potable, not harmful to human health, free from objectionable taste, odor or color, and within health standards.
- C. Responsibility for Loss or Damage: Consumers shall accept such conditions of pressure and service as are provided by the District system, and hold the District harmless for any loss or damage to Consumers resulting from the District's failure to meet the service goals stated within this section, or due to any interruptions in service.

8.02: CONDITIONS OF SERVICE

A. Notices:

1. Notice to a Consumer will normally be in writing and will be delivered or mailed to the Consumer's last known address. In emergencies or when circumstances warrant, the District, where feasible, will endeavor to promptly notify the Consumer affected and may make such notification orally, either in person or by telephone, or by leaving a written notice on the door.
2. A Consumer may make notification in person, by telephone or by letter to the District at its commercial office.

B. Change in Consumer's Equipment, Operations or Land Use: A Consumer making any material change in the size, character, or extent of the equipment, operations, or nature of land use shall immediately give the District written notice of the nature and extent of the change, and if necessary amend their application for water service. Any and all modifications to the service must be approved by the District. Water Service will not be provided to new construction unless the District is able to verify that the minimum horizontal separation between District water mains and private sewage disposal systems is 25 feet or more.

C. Continuity of Service: The District expressly reserves the right to restrict, curtail, allocate or apportion District water supplies as necessary, in the sole discretion of the District.

1. Emergency Interruptions: The District will make all reasonable efforts to prevent interruptions to service and, when such interruptions occur, will endeavor to re-establish service with minimal delay consistent with the safety of the District's customers and the general public.

Where an emergency interruption of service affects the service to any public fire protection device, the District will promptly endeavor to notify the Fire Chief or other public official responsible for fire protection, of such interruption and of subsequent restoration of normal service.

2. Scheduled Interruptions: Whenever the District finds it necessary to schedule an interruption to its service, it will, where feasible, notify all Consumers to be affected by the interruption, stating the approximate time and anticipated duration of the interruption. Scheduled interruptions will be made at such hours as will be least inconvenient to the Consumers consistent with reasonable utility operations.

Where public fire protection is provided by the mains affected by the interruptions, the District will promptly endeavor to notify the Fire Chief or other officials responsible for fire protection, of the interruption. In addition, the Fire Chief or other official responsible for fire protection will be notified upon restoration of service.

3. Apportionment of Supply During Water Shortages: During times of impending or actual water shortage, the District will apportion its available water supply among its Consumers as directed by the appropriate state and local authorities. In the absence of direction from such authorities, it will apportion the supply in the manner that appears most equitable under the circumstances, with due regard to public health and safety.

D. Ownership of Facilities on Consumer's Premises: The service lateral, meter, and meter box or other facilities furnished at the Consumer's expense, whether located wholly or partially upon a Consumer's premises, are the property of the District. No rent or other charge will be paid by the District where the District-owned service facilities are located on a Consumer's premises.

E. District Access to Consumer's Premises: The District shall at all reasonable hours have access to meters, service connections and other equipment or facilities owned by it which may be located on Consumer's premises for purposes of installation, maintenance, operation or removal of the equipment at the time service is to be terminated. The property owner or Consumer shall maintain the meter box area free and clear of any obstruction preventing clear access to District facilities. The Consumer's system shall be open for inspection at all reasonable times to authorized representatives of the District. Any inspection work or recommendations made by the District or its agents in connection with plumbing or appliances, cross-connections or any use of water on the Consumer's premises, either as a result of a complaint or otherwise, may result in a charge to the Consumer.

- F. Service Calls: Where the District requires access to the Consumer's premises for maintenance, service, or otherwise, and the Consumer's presence is required for such service call, the District shall give the Consumer a 4-hour period during which the service call shall be made. If the District fails to make the service call as promised, a second appointment shall be made and the Consumer will be given a 2-hour period during which District personnel shall arrive for the service call.
- G. District's Responsibilities for Damage or Loss to Consumer: The District will not be responsible for any loss or damage caused by any negligence or wrongful act of a Consumer or of a Consumer's authorized representatives in installing, maintaining, operating or using any or all appliances, facilities or equipment which is supplied.
- H. Consumer's Responsibility for District Property: The Consumer will be charged for damage to District's meters and other property resulting from the use or operation of appliances and facilities on Consumer's premises, including but not limited to damage caused by steam, hot water or chemicals, or the breaking or destruction of locks on or near a meter. All such damage shall be repaired by the District at the Consumer's expense. Costs for repairs may be added to the water bills.
- I. Control Valve on the Consumer's Property: The Consumer shall provide a valve on their side of the service installation, as close to the meter location as practicable to control the flow of water to the piping on their premises. The Consumer shall not use the service curb stop to turn water on and off for their convenience.
- J. Resale of Water: Except by special agreement with the District, no Consumer shall resell water received from the District, nor shall such water be delivered to a property other than that specified in the application for service.

8.03: RATES AND CHARGES

- A. General Provisions: Rates and charges for water service and other miscellaneous charges are set by the Board from time to time. Current rates and charges are set forth in the attached appendices as more particularly described below.
- B. Service Charge: The monthly service charge is a "readiness to serve" charge and is fixed regardless of the quantity of water consumed. Current rates are set forth in **Appendix B**.
- C. Quantity Rates: The quantity rate is applied to the Consumer's water consumption. Current applicable rates are set forth in **Appendix B**.
- D. Out of the District Service: Customers located outside of the District may be charged rates for water service that are different than those charged to customers within the District, based upon the reasonable cost to the District of providing service to property outside its service area, as determined by the Board from time to time.
- E. Tank Truck Service Rates: Any person desiring service for tank trucks may, upon application and payment of a deposit equal to the cost of the meter plus a non-reimbursable charge for meter installation and removal may obtain water from such places as the District shall from time to time designate, and shall pay monthly in accordance with the rates set forth in **Articles 8.03B, C and D**. In the event said construction meter is damaged, lost or stolen, or not returned, the deposit shall be forfeited.

Any person desiring un-metered tank truck service, upon application and approval by the District, shall pay a deposit based on total loads requested, as set forth in **Appendix D**. In no event shall tank truck service interfere with the supply of water to regular customers of the District. All such water shall be used and consumed within the District. If not, then the said

deposit shall be forfeited to the District and all charges become immediately due and payable and all further service to such person immediately discontinued, except that water may be used or consumed outside the District if approved by the General Manager.

- F. Miscellaneous Charges: In order to recover the cost associated with late payments, disconnection's and other damages sustained by the District, the specified items listed below are charged to Consumers; the dollar amounts associated with each item are determined by the Board and set forth in **Appendix C**.
1. Reconnection or Late Charge: If a Consumer requests resumption or continuance of service after such service has been disconnected or if a notice to disconnect has expired, then the Consumer shall pay a reconnection fee of \$50.00 in addition to any past due user charges, advance payments, or meeting any other conditions set forth by the District.
 2. Rejected Payment Charge: When a Consumer's payment for water service and other charges is returned as non-negotiable for any reason, the District shall notify the Consumer of the rejected payment on a 48-hour Notice of Termination of water service as set forth in **Article 8.04G(5)** below. The Notice of Termination will become effective if the water service charges together with a Rejected Payment Charge, as set forth in **Appendix C**, are not paid in cash or other certified funds before or on the date specified in the 48-hour Notice of Termination.
 3. Meter Test Charge: The District shall endeavor to keep the meters in good condition and registering accurately. Any Consumer may request that his meter be examined and tested to see if it is correctly recording water delivered through it. Said request shall be made in writing and shall be accompanied by a deposit, as set forth in **Appendix D**.

Upon receipt of such demand and deposit, it shall be the duty of the General Manager to cause the meter to be examined and tested, and if upon such examination and test the meter shall be found to register over three percent more water than actually passes through it, the meter shall be properly adjusted or another meter substituted therefore, and the deposit shall be returned to the person making the demand and the water bill shall be adjusted proportionately.

If the meter is found to register not more than three percent more water or less water than actually passes through it, said deposit shall be retained by the District to partially defray the expense of making the test. All other tests and examinations of meters shall be at the District's expense.

The District has the right to impose a limit on the frequency with which a consumer may demand that a meter be tested. This will be determined to be not more than once per calendar year.

4. Pulled Meter Charge: If a Consumer's service has been disconnected and the meter has been "pulled" or removed from the premises, then the Consumer shall pay at the District office a pulled meter charge equal to the actual expense to the District of pulling the meter, and any other applicable charges, before the service and meter can be reconnected.
5. Unauthorized Water Use: Any person or entity found taking water from or through any of the District's facilities without District authorization will be assessed a fine payable to the District, as set forth in **Appendix C**, in addition to applicable District charges for the quantity of water taken. Written notice of the assessment of such fine shall be given by personal service or by registered or certified mail.
6. Charge for Turn Off at Main: If the water to a property is turned on more than once without District authorization, the service may be shut off at the main, and the Consumer

shall be required to pay, in addition to any other applicable charges, a charge equal to the actual expense to the District of reconnection prior to the re-establishment of service, as set forth in **Appendix C**.

7. Property Damage: If a Consumer, new applicant or developer is found to be responsible for any damage done to District property; such damages shall be reimbursed to the District at cost plus administrative overhead. If responsibility for damage is not known, charges will be made to the current Consumer or property owner.

8.04: BILLING PROCEDURES

- A. Joint Service: No joint service is allowed. An individual party will be solely liable for payment of bills. In those instances where more than one party applies for service, each party shall be severally liable for payment of bills.
- B. Re-establishment of Credit: A Consumer whose service has been discontinued for nonpayment of bills will be required to pay any unpaid balance due the District for the premises for which service is to be restored and may be required to pay a reconnection charge as prescribed in **Article 8.03F(1)** under "Reconnection or Late Charge" before service is restored. In addition, the Consumer will be required to deposit with the District such sums of money as determined by the Board from time to time, as specified in **Appendix D**.
- C. Bankruptcy of Consumer: Pursuant to the Bankruptcy Act (P.L. 95-598, as amended from time to time), the District shall not alter, refuse or discontinue service to, or discriminate against, a Consumer, or a trustee of a Consumer, solely on the basis that a debt owed by the Consumer to the District for service rendered before the order for relief was not paid when due. It shall be the responsibility of the Consumer to supply the District with a copy of any applicable order for relief. The District shall not discontinue service if the Consumer, nor the trustee, within 20 days after the date of the order for relief, furnishes adequate assurance of payment in the form of an advance payment for service after such date. As used herein, "adequate assurance of payment" shall mean an advance payment in an amount equal to the highest two months the last 6 billings rendered to the Consumer or for the Consumer's property if Consumer has not occupied the property for that period of time, prior to the order for relief. As used herein, "order for relief" shall have the same meaning as given to it in the Bankruptcy Act. The commencement of a voluntary case under the Bankruptcy Act shall constitute an order for relief. Service may be discontinued in accordance with the rules of the District upon non-payment for service rendered after the order of relief.
- D. Refund of Deposit: Upon discontinuance of a service, the District will refund the balance of the Consumer's deposit, for that service, in excess of any unpaid bills. No interest will be paid on deposits. Refunds will be made within a reasonable period of time.
- E. Rendering and Payment of Bills: Bills for service will be rendered on a monthly basis, at the option of the District. Bills for service are due and payable upon presentation and become delinquent on the fifth (5th) day of the month following presentation. In the event that the bill is not paid within that time, the Consumer will be assessed a late charge as specified in **Appendix C**. Payment may be made at the office of the District or to any representative of the District authorized to make collections. However, it is the Consumer's responsibility to assure that payments are received at the District's office in a timely manner. Partial payments are not authorized unless prior approval has been received from the District's office.
 1. Opening Bills for less than the normal billing period shall be prorated both as to minimum charges and water consumption.
 2. Closing bills for less than the normal billing period shall be prorated both as to minimum charges and water consumption. Closing bills may be estimated by the District for the

final period as an expediency to permit the customer to pay the closing bill at the time service is terminated.

- F. Separate Billings for Each Meter: Each meter on a Consumer's premises will be considered separately and the readings of two or more meters will not be combined except where the District's operating convenience or necessity may require the use of more than one meter or a battery of meters. In the latter case, the meter readings will be combined for billing purposes.
- G. Delinquent Bills: The following rules apply to Consumers whose bills remain not paid on the fifth (5th) day of the month following presentation.
1. Small Balance Accounts: In any billing, if less than a minimum bill remains unpaid, it may be carried over to, and added to, the next billing period.
 2. Late Notice: If payment for a billing period is not made on or before the twentieth (20th) day of the month following presentation, which is approximately forty-five (45) from the billing date, a Late Notice will be mailed to the water service Consumer. If a payment of at least the past-due balance is not made by the shut off date on the Late Notice, the water service is subject to termination. Upon receipt of a Late Notice and up to 2-days prior to the date set for disconnection, the Consumer may request an amortization payment plan pursuant to **Article 8.04J**.
 3. Turn-Off Deadline: Water service charges and late charges must be paid on or prior to 1:00 p.m. on the day specified in the Late Notice.
 4. Contents of Late Notice: The Late Notice shall specify the following information in a clear and legible format:
 - a. Customer's name and address;
 - b. Amount in arrears;
 - c. Date by which payment must be made;
 - d. Procedures for requesting amortization of the unpaid balance;
 - e. Procedures for obtaining information on financial assistance; and
 - f. Telephone number of the District representative who can provide additional information.
 5. Forty-Eight Hour Notice of Termination: At least forty-eight (48) hours prior to actual termination as set forth in the Late Notice, the District shall make a reasonable, good faith effort to contact an adult of the residence by telephone or in person, and provide them with the information set forth in a, b, c, f of paragraph 4 above. At least one attempted personal contact coupled with use of a "door hanger" shall be deemed to be a reasonable, good faith effort at contacting an adult of the residence.
 6. Waiver of Late Notices to Public Agencies: Public agencies, because of usual sound financial base and variations in warrant payment procedures, will not be sent delinquent notices for delinquent payment of current accounts.
 7. Notification of Rejected Payment-Disposition: Upon receipt of a rejected payment taken as remittance of water service or other charges, the District will consider the account not paid.
 8. Rejected Payment for Discontinued Service: In the event the Consumer tenders a rejected payment as payment to restore water service previously disconnected for non-payment, and as a result the District restores service, the District may again promptly disconnect service without providing further notice. No 48-hour Notice of Termination

will be made in the case of a rejected payment tendered for payment of water charges that were subject to discontinuance.

9. Pre-Payment Upon Receipt of Rejected Payment: Any consumer issuing non-negotiable payment for water charges shall be required to deposit with the District such sums as the District may establish for re-establishment of credit, as provided in **Articles 7.03A and 8.04B**, and as set forth in **Appendix D**.
 10. Delinquency Charge for Non-Payment: Any water service which is delinquent in payment will be charged a one-time delinquency charge in the amount of \$15.00, the unpaid balance, including the amount of any delinquency charge, shall bear simple interest at the rate of 10% per annum, as set forth in Resolution 99-1-19.
- H. Disputed Bills: The procedure to be used to contest the accuracy of water charges upon receipt of a bill for water service is as follows:
1. If a customer questions that amount of a billing he or she may deposit said amount with the District stating in writing the exception taken to the charge, and the service will not be interrupted pending the investigation and determination of the correct amount to be paid.
 2. If a customer questions the accuracy of the meter registration and desires a test, the request will be granted upon receipt of a deposit of \$250.00 to cover the cost thereof. Upon receipt of such deposit the General Manager will have the customer's meter tested by a qualified agency for performance. If the meter is found to test 3% or more "fast", the deposit and any overpayment for water will be refunded. Otherwise, the deposit will be retained to cover the expense involved in testing the meter. A final determination may be made by the Board.
- I. Adjustment of Bills for Meter Error: The Consumer may request an adjustment of the bill on the basis of meter error. Such a request must be made in writing and the rules set forth in **Article 8.03F(3)**, -Meter Test Charge, will apply. The District will, within 10 days, proceed to test the Consumer's meter; the meter will be tested in an "as found" condition, in order to determine the average meter error. If the average meter error is found to exceed 3 percent, that is if quantities of water recorded by the meter are outside of a range between 97 percent and 103 percent of the actual quantities of water passed through the meter during the test, the following billing adjustments will be made.
1. Fast Meters: The District will refund to the Consumer the amount of the overcharge based on corrected meter readings of the period the meter was in use and determined to be incorrect, but not to exceed a period of six months.
 2. Slow Meters: The District may bill the Consumer, at its option, for the amount of the undercharge based upon corrected meter readings for the period the meter was in service and determined to be incorrect, but not to exceed a period of six months.
 3. Non-Registering Meters: The District may bill the Consumer according to an estimate of water consumed while the meter was not registering, but not exceeding a period of six months. This estimate will be based on the Consumer's prior use during the same season of the previous year if conditions were unchanged during the year, or on a reasonable comparison of consumption of other similar Consumers during the same period.
 4. General: If the meter error is caused by some event, the date of which can be determined, then the billing adjustment will be made for the period of time since the date of such event; such a period may exceed the six-month limitation for fast meters and the six-month limitation for slow or non-registering meters, as stated in 1 through 3 above.

- J. Amortization of Unpaid Balance: Any Consumer who is unable to pay for water service within the normal payment period may request amortization of the unpaid balance over a period not to exceed twelve months. The District will consider all circumstances surrounding the request, and make a determination as to whether amortization is warranted.
1. Certification by Physician: Where a licensed physician certifies that the termination of service will be life-threatening to the Consumer, and the Consumer certifies that he or she is unable to pay for the service within the normal payment period and is willing to enter into an amortization agreement, the Consumer may request, in writing, a 12-month amortization payment plan. In such instance the District is obligated to enter into an amortization plan
 2. Amortization Payment Plan: Upon confirmation of the doctor's certification and/or approval of the request, an amortization plan will be entered into between the District and the Consumer. The plan will amortize the unpaid balance over 12 months, with payments added to the Consumer's regular bill. The Consumer will be charged an administrative fee representing the cost to the District of initiating and administering the plan, and the plan shall include a charge for interest of ten percent (10%) per annum or the maximum legal rate, whichever is lower, on the unpaid balance. The current form of Amortization Agreement is included in **Appendix C**.
 3. Compliance with Plan: The Consumer must comply with the amortization plan and remain current as charges accrue in each subsequent billing period. The Consumer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan. Failure to comply with the terms of an amortization plan will result in forty-eight (48) hour Notice of Termination.

8.05: TURN ON AND TURN OFF PROCEDURES AND CHARGES

- A. Turn-off at the Consumer's Request: A Consumer may request that service be discontinued either temporarily or permanently. Such a request must be made by giving at least one working day's advance notice to the District. If such a notice is not given, the Consumer will be billed for service until one working day after the District has received appropriate notice that the Consumer has vacated premises or otherwise has discontinued service.
- B. Turn-off by the District: The District may disconnect a Consumer's service for various reasons which are listed below. Such involuntary disconnections are effected by turning off and locking the meter, thereby stopping the water service; the District will make a reasonable attempt to notify the Consumer of disconnection in person, or will place a disconnection notice on the premises served by the disconnected meter at least 24 hours prior to termination. Reasons for involuntary disconnection include, but are not limited to, the following:
1. A service may be disconnected for non-payment of periodic bills. Before a service is disconnected, the Consumer will be notified by a Late Notice as set forth in **Article 8.04G**. A service may be disconnected for non-payment of bills of a Consumer whether or not the payment delinquency is associated with water service at that service connection or at any other water service connection of that same Consumer.
 2. The District may discontinue service to any Consumer for violation of the District's rules and regulations after it has given the Consumer at least five days' written notice of such intention. Where safety of water supply is endangered, service may be discontinued immediately without notice.
 3. In order to protect itself and its Consumers against willful or negligent waste or misuse of water, the District may disconnect service if such wasteful practices are not remedied

within five (5) days after written notice to such effect has been given to the Consumer. Such written notice shall be given by personal service or by registered or certified mail. Upon failure of the Consumer to correct those wasteful practices set forth in the five-day notice, the Consumer's water service shall be terminated. Service will be restored only after the wasteful practice has been remedied, and the Consumer has paid the reconnection charge as set forth in **Appendix C**.

4. The District may disconnect a service without notice if unsafe or hazardous conditions are found to exist on the Consumer's premises. The District will immediately notify the Consumer of the reasons and the necessary corrections required before reconnection. Such unsafe or hazardous conditions may exist due to defective appliances or equipment that may be detrimental to either the Consumer, the District or to the District's other Consumers.
 5. When the District has discovered that a Consumer has obtained service by fraudulent means, or has diverted the water service for unauthorized use, the service to that Consumer may be discontinued without notice. The District will not restore service to such Consumer until that Consumer has complied with all applicable rules and reasonable requirements of the District and the District has been reimbursed for the full amount of the service rendered and the actual cost to the District incurred by reason of the fraudulent use.
- C. Restoration of Service: In order to resume or continue service that has been disconnected, the Consumer must pay a reconnection charge as set forth under **Article 8.03F(1)**. The District will endeavor to make reconnections as soon as practicable, to suit the Consumer's convenience; however, the District shall make the reconnection before the end of the next regular working day following the Consumer's request and payment of any applicable reconnection charges pursuant to **Article 8.03F(1)**.

8.06: CHANGES IN METER SIZE, LAND USE OR INCLUSION OF ADDITIONAL LAND AREA

The owner of a property who desires a change in meter size or location of such meter, or changes substantially the type of land use (such as residential to commercial), or wishes to include adjacent land areas not served at the time of the original commencement of service, shall make a request in writing and, if approved by the District, shall pay various costs and charges as set forth below.

- A. Charges for a Smaller Meter: If the desired meter size is the next smaller size meter than the current size, the Owner will not be charged for a new regular connection for the desired meter size as set forth in **Article 7.05**.
- B. Charges for a Larger Meter: If the desired meter size is larger than the current size, the Owner shall pay the full current charges for a new regular service connection for the desired meter size as set forth in **Article 7.05**, less any credit on the removed meter.
- C. Charges for Change in Meter Location: If the Consumer desires a change in location of the meter, such change may be effected with the mutual agreement of the District and the property owner, and the owner/Consumer shall pay for the actual costs incurred by the District.
- D. Change in Land Use: The Consumer/property owner shall notify the District of any change in the character or use of the property or buildings from that for which the service connection was originally obtained. If a residential property is to be reclassified or used as commercial or industrial, or a commercial property is to be reclassified or used as industrial, the owner shall pay any additional charges that may be applicable by reason of the reclassification. In all cases the Manager's determination of the property's zoning classification or use will be final, subject to an appeal to the Board.

- E. Inclusion of Additional Land Area: The Consumer/property owner shall notify the District of any additional land area or adjacent lots not served at the time of original commencement of service that are to be served from the existing service connection.

8.07: WATER CONSERVATION

The purpose of this rule is to ensure that water resources available to the District are put to a reasonable beneficial use and that the benefits of the District's water supply and service extend to the largest number of persons.

- A. Wastage: In order to protect itself against serious and negligent waste of water, the District may disconnect service as set forth in **Article 8.05B(3)**.
- B. Use of Water Saving Devices and Practices: Each Consumer of the District is urged to install devices to reduce the quantity of water to flush toilets and to reduce the flow rate of showers. Each Consumer is further urged to adopt such other water usage and re-usage practices and procedures as are feasible and reasonable.
- C. Rules and Regulations: The District may adopt such rules and regulations imposing restrictions on the use and consumption of water as it may deem appropriate. Violation of District regulations governing water conservation may result in termination of service, as provided in **Article 8.05B(2)**.

8.08: CROSS CONNECTIONS

The District has adopted a Cross-Connection Control Program, and incorporates such program herein. The District Cross-Connection Control Program is attached hereto as **Appendix E**.

8.09: UNLAWFUL ACTS

In order to protect public water supplies, certain acts are, by state law, misdemeanors and in some instances penalties are punishable by imprisonment in the county jail for not more than one year or in the state prison. Among the more significant statutes involving criminal acts with respect to water systems are:

- A. Section 498 Penal Code: This section includes stealing water, as well as diverting other utilities illegally and taking water after service has been disconnected and the meter sealed (including unauthorized connections to fire hydrants - see **Article 9.03**).
- B. Section 488 Penal Code: Permitting willful or neglectful seepage or overflow of water on adjacent lands, public or private roads or highways.
- C. Sections 4450 to 4457 Health and Safety Code: Any act that leads to the pollution of any conduit or reservoir.

8.10: FIRE HYDRANT DAMAGE

When any person, company, or agency is determined to be the responsible party that has caused damage of a fire hydrant or blowout valve, the District may charge that party with all costs necessary to repair the damages and the cost of water loss computed on the basis of the duration of flow and the flow rate.

8.11: PRIVATE FIRE PROTECTION SERVICE

All facilities utilized by the Consumer in providing private fire protection to the premises are the property of the Consumer, who shall be responsible for the costs of installation, repair and maintenance of the private fire protection system.

- A. Use and Testing: Upon prior written request and approval of the District, the Consumer may test the system at no cost. Testing a private fire protection system without prior District approval constitutes unauthorized water use, and shall result in a fine as provided in **Article**

8.03F(5). There shall be no water used through the private fire protection system, except to extinguish fires and for testing.

- B. No Connection to Other System: There shall be no connection between the private fire protection system and any other water distribution system on the premises.
- C. Rates: Any consumption will be charged at double the regular service rates, which consist of the quantity rate specified in **Article 8.03C**, unless used for testing with prior District approval, or to fight a fire which has been reported to the fire department. For testing, consumption will be billed at regular service rates. No charge will be made for water used to fight a fire.
- D. Water for Fire Storage Tanks: Occasionally, water may be obtained from a private fire protection system to fill a storage tank which is part of the fire protection system, but only with prior written authorization from the District and only where an approved means of measuring the flow quantities is available. Water so used will be billed at regular service rates.

8.12: PRIVACY POLICY

In the normal course of business the District collects: Information requested on applications and other forms (including name, address and phone numbers); data about transactions, account status and water consumption; information gathered from our website such as through online forms; information from outside sources such as public records; and information collected from consumer credit reporting agencies. Kinneloa Irrigation District will maintain physical, electronic and procedural safeguards that meet state and federal regulations and will share the information only as allowed by law for normal business administration and related business services. Access to customer information will be limited to people who need the information to perform their job responsibilities and to non-affiliates such as banks or service providers that help us to process transactions, print and mail statements and notices. Furthermore, the Kinneloa Irrigation District will adhere to the following privacy pledge to its customers:

- A. Information: Collect only the information needed to deliver water service and protect the health and safety of our customers.
- B. Privacy: Protect against unauthorized access to the customer's account information.
- C. Third Parties: Refuse to disclose or sell your information to outside persons or companies for marketing or other purposes without your written permission unless required by law, such as to: Respond to a subpoena; prevent fraud; comply with legal requirements; or respond to a government inquiry.

ARTICLE 9: RULES APPLICABLE TO TEMPORARY CONSUMERS

9.01: ESTABLISHMENT OF TEMPORARY SERVICE

The District will, if no undue hardship to its existing consumers would result there from, furnish temporary service for construction purposes when the applicant has requested service on this basis or the District reasonably expects the service to be temporary and the applicant has paid an advance deposit and established credit. Each applicant for temporary service may be required to sign, on a form prescribed by the District, an agreement setting forth the following contents and limited to the purpose stated below. The current form of agreement is attached in **Appendix C**. The District contemplates temporary service will be provided for a term of six (6) months or less, and requires the applicant to comply with the following:

- A. Advances: The applicant must advance to the District the estimated net cost of installing and removing the facilities necessary to furnish the service.

- B. Deposits/Establishment of Credit: The applicant must deposit a sum of money equal to the cost of the meter and the estimated bill as established by the Board and set forth in **Appendix D**. If the duration of service is to exceed one month, then the applicant must establish credit in the same manner as is prescribed for permanent service, under **Article 7.03**.

9.02: RATES, CHARGES AND CONDITIONS OF SERVICE

The rates, charges and conditions for temporary service will be the same as those prescribed for permanent service, plus a quantity surcharge set forth in **Appendix B**. The monthly service charge will be prorated and charged on a daily basis.

9.03: CONNECTIONS TO FIRE HYDRANTS

Fire hydrants connected to District mains are for use by the District and by organized fire protection agencies. Other parties desiring to use water from fire hydrants for any purpose must obtain written permission from the Manager and from the appropriate fire protection agency prior to use, and shall operate the hydrant according to the instructions issued by the Manager. Unauthorized use will be subject to penalty as prescribed in **Article 8.03F(5)** and will be prosecuted according to law. Notwithstanding all other penalties, charges for unauthorized use of water through fire hydrants will be subject to the appropriate penalty specified in **Appendix C** along with any applicable charges.

9.04: WATER FOR CONSTRUCTION NEEDS

All requests for construction water shall be made on an approved application form available in the District office and accompanied by the appropriate deposit amounts as stated in that form. Any costs involved in supplying such connections will be prepaid by the applicant. Water Service will not be provided to new construction unless the District is able to verify that the minimum horizontal separation between District water mains and private sewage disposal systems is 25 feet or more.

9.05: RESPONSIBILITY FOR METERS AND INSTALLATION

The Consumer shall protect District facilities involved in furnishing temporary service from the time they are installed until they are removed, or until 48 hours after the District has received written notice that the service is no longer required. The Consumer shall be responsible for the cost to repair any damage to District facilities.

9.06: TANK TRUCKS - BACK FLOW DEVICES

Service to tank trucks will be provided only where an approved backflow prevention device is used, in accordance with the District's Cross-Connection Control Program.

ARTICLE 10: RULES APPLICABLE TO DEVELOPERS AND SUBDIVIDERS

Construction of all distribution mains and other necessary facilities required in subdivisions, or to service a remote parcel of land, shall be performed by the District and paid for by the developer or sub divider as set forth in this Article. In some cases the District may require larger size mains to be installed than is actually required to serve a particular subdivision or remote parcel. Prior to construction of the new facilities, the developer shall enter into an agreement with the District on a form provided by the District.

10.01: APPLICATION PROCEDURE

- A. Submission of Plans and Fire Requirements: The sub divider or developer shall furnish the District with the following:

1. Street Plans
2. Grading Plans

3. Tract Map (For commercial and industrial developments, the developer shall determine, and indicate on one copy of the tract map, the sizing of all service connections, subject to District approval. For residential developments, the District shall determine the sizing of each service connection.)
 4. Plot Plan
 5. Sewer Plan
 6. Storm Drainage Plan
 7. Fire Department Requirements (one copy of plot plan stamped by the Fire Department, showing fire hydrant location and fire flow requirements).
- B. Master Plan: In cases where the total area to be developed covers more than one tract, a master plan of the entire area shall be furnished by the developer.
- C. Request for Statement of Water Availability: Upon written request by the developer to the District, and upon approval by the Manager of the proposed water system improvements required to serve the development, including any overseeing or off-site facilities required by the District, the District will provide the developer with a letter regarding water availability to the development. Such letter shall expressly condition water service upon the terms set forth in the letter and upon the completion in accordance with the plans and specifications and acceptance by the District of all system improvements required by the District in connection with the development.
- D. Plan Check Fees: The District shall charge and collect a fee for checking plans for parcel maps and subdivisions, as set forth on **Appendix C**.
- E. Compliance with Government Code Section 65589.7: The district will give priority to new developments which include housing units affordable to lower income households should it become necessary for applications for new service connections to be restricted in the future due to unforeseen and unanticipated water supply interruptions in accordance with Resolution No. 2006-11-21 adopted by the Board of Directors on November 21, 2006.

10.02: CIRCULATING WATER SYSTEM

In order to preserve water quality and to conserve water, the District will approve the design of and subsequently accept only project water systems for subdivisions, apartment complexes, etc. which provide not only for full circulation for each water main within the system but also each water main within the system must be connected to active mains of each end of said system main to provide two separate sources of supply.

- A. Project Street Patterns: Designers and planners should develop street patterns for projects under their jurisdiction which permit installation of fully circulating water systems.
- B. Off-Site Improvements: Where necessary, the District shall construct, off-site facilities as required to provide a fully circulating water system. The developer shall pay for the facilities and obtain and subsequently convey to the District such easements as may be necessary for installation of such off-site facilities.
- C. Easements Required: Where street patterns cannot reasonably be designed to accommodate circulating systems, or for other reasons deemed valid by the District, easements shall be granted to the District for circulating mains to enable District to have access to such facilities for repair or replacement. Where necessary, the developer shall provide access easements between public right-of-ways and the circulating water main easements. Any easements

provided there under shall be in accordance with District policy regarding easements, as set forth in **Article 11.05**.

10.03: SELECTION OF CONTRACTOR FOR INSTALLATION

The District must approve any contractor who will perform work on District facilities, or on facilities intended to become a part of the District's water works system. The District shall advise the Developer, in advance of construction of water system improvements, of its selection of a contractor for the construction of on-site and off-site facilities. All work will be performed in accordance with applicable law governing construction of public works, and in accordance with the District's Bid Procurement Policy, attached hereto as **Appendix I**. The Developer will not be allowed to perform work on the on-site or off-site facilities without written authorization by the District.

10.04: APPROVAL OF MATERIALS

The District must approve all materials necessary for the water system improvements.

10.05: DEVELOPERS AGREEMENT

Where new facilities are to be provided, the following terms and conditions will apply:

- A. Form of Agreement: Prior to construction of the new facilities, the developer shall enter into an agreement with the District on a form provided by the District. The developer shall be responsible for the cost of all facilities, including connection fees, material handling charges, meter setting fees, administrative overhead charges, and any other applicable charges.
- B. Overhead Charges: To defray the District's costs of inspection and overhead, the applicant shall pay an administrative overhead charge based upon the project cost or the cost of materials.
- C. Specifications: The facilities shall be constructed in accordance with the District's current specifications for construction.
- D. Maintenance and Repair of Facilities: The applicant shall protect and maintain the water facilities at all times up to and including completion of the development to be served by the water facilities. In the event the water facilities are damaged or destroyed (for example by construction workers or vandals) the applicant shall repair or replace said facilities without cost to District.
- E. Environmental and Health Requirements: The applicant shall be responsible for all costs associated with complying with applicable environmental and health laws and regulations. Water Service will not be provided to new construction unless the District is able to verify that the minimum horizontal separation between District water mains and private sewage disposal systems is 25 feet or more.

10.06: MAIN EXTENSIONS

Sound engineering and economic practices require that water system facilities be designed and constructed in order to provide hydraulic integration. Accordingly, the District may require developers to construct facilities off-site which could not necessarily be required to provide service to the individual development.

The District recognizes that such off-site facilities whether they are oversized or extended may be of benefit to subsequent developments. In some instances, facilities required will be available for connection by subsequent developers. In other instances, no connections will be permitted.

- A. Reimbursement Agreement: If any water system plans approved by the District include the construction of off-site facilities the District and the developer will enter into a reimbursement agreement.

- B. Subsequent Connections Available: If the facilities constructed are available for subsequent connection, the District agrees to collect a fee from owners of property fronting on such facilities in an amount per diameter inch of main as provided in **Appendix I**, times the number of front feet of the property adjacent to and to be served by the connection. This amount to be collected will depend upon whether District policy allows connection to the main from both sides of the street or only from one side of the street. This amount will be paid to the developer when received by the District. This reimbursement right will extend for a period of five years from the District's acceptance of the line.
- C. No Subsequent Connections: If the facilities are not available for subsequent connection, the District will reimburse the developer, at the time of acceptance of the line, an amount per diameter inch of main, times the lineal feet of main constructed.
- D. District Review: The District will review and consider revision of this policy for determination of future reimbursements at least every two years.
- E. Application for Service to Subdivided Lands or Lands to be Subdivided: When a request is made for service to subdivided lands or lands to be subdivided which (1) requires the enlargement, extension, or replacement of existing lines. Or, (2) requires the construction of additional transmission lines or other facilities to provide adequate service, the cost of such installation shall be at the expense of the sub divider or owner. A deposit to cover the estimated cost of such a project, plus the overhead charge, must be made before the installation can be made. If the estimated charge does not cover the total expense, the additional cost must be paid by the sub divider or owner. If the actual cost of the installation is less than estimated a refund will be made to the sub divider or owner. The size of the mains, meters, or other facilities shall be determined by the Engineer serving the KID. In the event such enlargements, replacements, or construction of facilities make service available to another property owner or sub divider, service shall be furnished to the non-participating property owner until payment by that owner of the proportionate share of the total cost. If paid within five years after installation, the amount thereof shall be refunded to the original sub divider or owner. If paid after five years, these monies shall be added to the general fund of the KID.

10.07: SCHEDULING OF WATER SYSTEM INSTALLATION

The developer is required to coordinate all installation of the various utilities so that the storm drain and sewer are constructed prior to the water main installation. All remaining utilities must be scheduled after the District has completed and accepted the water system.

10.08 WORK PERFORMED BY DISTRICT PERSONNEL

In some instances, work on District facilities, or inspection of said work, required of a developer may be performed by District personnel, at the discretion of the General Manager. In such cases, the developer shall reimburse the District for the estimated value of District personnel and equipment utilized to perform the work on behalf of the developer. Current reimbursement rates for District personnel and equipment are set forth in **Appendix C**.

10.09: EASEMENTS

When required, a developer or applicant for water service shall provide the District with any easements required for District facilities necessary to accomplish or complete water service for an applicant, consistent with District policy regarding easements, as set forth in **Article 11.05**.

10.10: DISTRICT ACCEPTANCE OF FACILITIES

All mains, services, or other appurtenances connected to the District's distribution system, with the exception of fire hydrants and backflow prevention devices, shall become the property of the District upon acceptance of the facility for operation, maintenance and repair by the District.

10.11: PROVISION OF SERVICE

The District shall not be obligated to provide water service to any applicant for water service until after any and all fees, charges and past due assessments owing to the District and associated with the parcel seeking water service shall have been paid in full.
[Water Code § 22282.1]

10.12: MINIMUM FIRE FLOW REQUIREMENTS

- A. Preliminary Determination: In order to ensure that all areas of the District to which water is supplied meet the minimum fire flow requirements established by Los Angeles County, the District will determine whether the area to be developed has sufficient fire flow capacities. The preliminary design and cost estimate of improvements necessary in that area to bring the area in compliance with minimum fire flows of 1250 Gallons per Minute [GPM] shall be prepared by the District's engineer.
- B. Construction of Facilities: The actual work necessary to create facilities adequate to bring the area within minimum fire protection standards will begin at such time as the now undeveloped portion of the area is developed to within one half of the density for which it is zoned.
- C. Cost of Improvements: The cost of improvements necessary in each area to bring the area into compliance with minimum fire protection standards established by the County, and construction standards established by the District, will be borne equitably by those who undertake construction or development in the area, or who will be directly benefited by the improvements.

10.13: PUBLIC FIRE PROTECTION

- A. Use of Fire Hydrants: Fire Hydrants are for use by the District or by organized fire protection agencies having jurisdiction over the applicable area. Other parties desiring to use fire hydrants for any purpose must first obtain written permission from the District prior to use and shall operate the hydrant in accordance with instructions issued by the District.
- B. Moving of Fire Hydrants: When a fire hydrant has been installed in the location specified by the proper authority, the District has fulfilled its obligation. If a property owner or other party desires a change in the size, type or location, they shall bear all costs of such change. Any change in the location of a fire hydrant must be approved by the District and all other proper authority.
- C. Fees for Fire Hydrant Tests: Prior to the time the District conducts a fire hydrant flow test requested by the developer, the developer shall pay the fee for such test, as set forth in **Appendix C**. This fee need not be charged to public agencies if the fire flow test is made for the sole benefit of the public agency.

10.14: DISTRICT'S CAPACITY CHARGE

The District's Capacity Charge is \$3000 per residential dwelling unit as established by Resolution 90-8-21-6 on August 21, 1990.

ARTICLE 11: GENERAL RULES APPLICABLE TO MEMBERS OF THE PUBLIC

11.01: ACCESS TO DISTRICT RECORDS

The District shall make available a copy of any District record not exempt from disclosure to any person requesting such record, in accordance with the California Public Records Act, as outlined below.

- A. Form of Request: The request for a copy of District records must be in writing and must describe, with reasonable particularity, a record readily identifiable by District personnel.
- B. District Determination of Compliance: The District, within 10 days of actual receipt of a proper request, shall determine whether to comply with the request and will notify the person making the request of such determination and the reasons for the determination.
- C. Extension of Time for Determination: In unusual circumstances, as specified below, the time for determination of District compliance may be extended for a period not to exceed 10 working days, by written notice from the District to the person making the request, setting forth the reasons for the extension and the date on which a determination will be mailed. Unusual circumstances are:
 - 1. The need to search District facilities or other locations that are separate from the main District office.
 - 2. The need to search for, collect and examine a voluminous amount of separate and distinct records demanded in a single request.
 - 3. The need to consult with another agency having a substantial interest in the determination of the request.
- D. No Compilation or Extraction: The District will provide, unless impracticable to do so, an exact copy of the record requested. The District is not obligated to create a compilation or extract of its records in response to a request.
- E. Fee: The District has established a schedule of fees to cover the costs of duplication, which schedule of fees may be adjusted from time to time as determined by the Board. The current schedule of fees is set forth in **Appendix C**.
- F. Personnel Records: Personnel records are available for inspection and copying by present and former employees upon written request and at reasonable times during ordinary District business hours. Personnel records are not available for inspection by anyone other than the employee without the written request of the employee, or pursuant to court order. Employees may request inspection of their personnel records once a year. Employees are entitled to a copy of any document they have signed, and may inspect and make notes regarding other documents in their personnel file. Letters of recommendation and investigative reports regarding criminal activity may be redacted, as the District may deem appropriate. The District may monitor an employee's file review to ensure compliance with these procedures.
- G. Record Retention Policy: The District has established guidelines for the retention of District records, including recommended retention periods for specified categories of documents. That policy is set forth in **Appendix H**.

11.02: REQUEST FOR PUBLIC HEARING

Where a decision or determination has been made by the Board or by District personnel, which decision impacts a consumer, developer or other person, that person may request a review of the District decision or determination, and, if necessary, a hearing before the Board.

- A. Request for Review: Where a decision or determination has been made by District personnel other than the General Manager, the person disputing such decision or determination may request, in writing, a review of that determination by the General Manager. The General Manager shall respond, or set forth reasons why additional investigation is needed, within 20 days of receipt of the request.
- B. Board Review: Where a decision or determination has been made by the Board or the District General Manager, including a response to a request for review, the person disputing such decision or determination may request, in writing, a hearing before the Board. Upon receipt

of such request at least 7 days prior thereto, the matter will be placed on the agenda for hearing at the next Board meeting, unless impracticable, in which case the matter shall be placed on the agenda for hearing at the next successive Board meeting.

- C. Hearing Procedure: At the Board meeting the matter shall be called as it appears on the agenda. At that time the interested party shall be given an opportunity to be heard as to why the General Manager's determination shall not be upheld. The burden of demonstrating to the Board why the General Manager's determination should be overruled shall lie with the interested party. The Board shall consider only the evidence available to the General Manager at the time he made his determination.
- D. Decision Final: All decisions by the Board shall be final and binding.

11.03: SALE OF DISTRICT LANDS

- A. Surplus Real Property: Upon the determination by the Board that real property belonging to the District is no longer necessary for District purposes, other than for the purpose of exchange, such property shall be designated surplus property. The District may dispose of surplus land as set forth hereafter.
- B. Offer to Sell or Lease: Prior to disposing of surplus land, the District shall send a written offer to sell or lease such land as follows:
 - 1. A written offer to sell or lease for development of low and moderate income housing shall be sent to any local public entity responsible for the development of such housing and within whose jurisdiction the surplus land is located. Upon written request, housing sponsors as defined in **Health and Safety Code Section 50074** shall also be sent written offers to sell or lease the surplus land. Priority shall be given to offers for development of the land for lower income disabled and elderly persons, and other lower income households.
 - 2. A written offer to sell or lease for park and recreational or open space purposes shall be sent:
 - a. To the park or recreation department of the city where the land is located;
 - b. To the Los Angeles County Parks and Recreation Department;
 - c. To the regional park authority having jurisdiction where the land is located;
 - d. To the State Resources Agency or any agency succeeding to its powers.
 - 3. A written offer to sell or lease for enterprise zone purposes shall be sent to the nonprofit neighborhood enterprise association in the area where the land is located.
 - 4. A written offer to sell or lease shall be made to the public school district where the land is located.
- C. Fair Market Value: The District shall dispose of any surplus District land for its fair market value. Where necessary, an appraisal by a qualified appraiser shall be utilized to determine fair market value.
- D. Good Faith Negotiations: After any entity specified in paragraph B above has notified the District in writing, within 60 days of receipt of the District's notification of intention to sell the land, of its interest in acquiring or leasing the land, the District and such entity shall enter into good faith negotiations for sale or lease. If the price or terms cannot be agreed upon after a negotiation period of at least 60 days, the District may dispose of the land to any interested party, in the Board's discretion.

E. Exempt Surplus Land: The requirements set forth in this **Article 12.01** shall not apply to District surplus lands which are exempt. Exempt surplus land is land which is:

1. Less than 5,000 square feet in area;
2. Less than minimum legal residential building lot size;
3. Has no access of record and is less than 10,000 square feet in area.

Provided, however, that such surplus land is not contiguous to land owned by a state or local agency used for park, recreational, open space or low- and moderate income housing and is not located within an enterprise zone. Provided further, that unless such exempt surplus land is sold to an owner of property contiguous to the surplus land, it is not considered exempt for purposes of this Article.

F. Appraisal: Where a sale of District land is consummated, the District and the buyer shall share appraisal costs equally. Where the District is willing to sell but the buyer elects not to buy, the buyer shall pay the full cost of appraisal, which cost shall be retained from the buyer's deposit. Where the buyer is willing but the District elects not to go forward with the sale, the District shall pay the full cost of appraisal.

G. Deposit: All offers to be considered by the Board shall be accompanied by a deposit in the amount of 10% of the proposed purchase price.

H. Broker's Fees: Brokerage fees shall be paid as agreed upon by the parties.

I. Escrow: The District and the buyer shall share escrow fees equally. The District will provide the buyer with a policy of Title Insurance at District expense.

J. Down Payment: The minimum down payment shall be 25% of the purchase price, unless modified by the Board.

K. Balance of Purchase Price: The remaining principal balance after the down payment may, upon approval by the Board, be on a Note Secured by Deed of Trust, executed by the buyer in favor of the District, and shall bear interest at current market rates.

11.04: SALE OF DISTRICT PERSONAL PROPERTY

A. Surplus Property: The Manager shall periodically review District personal property requirements. If certain personal property is no longer necessary for District purposes, the Manager shall advise the Board of the property, its condition and approximate value. Upon the determination by the Board that personal property belonging to the District is no longer necessary for District purposes, such property shall be designated surplus property. If there is sufficient residual value to warrant sale of such property to the public, then the District may dispose of surplus personal property as set forth hereafter. If there is insufficient value to warrant such sale to the public, then the property may be disposed of in the Manager's discretion.

B. Notice Inviting Bids: Prior to disposing of surplus personal property, the District shall advertise such property for one day in a newspaper of general circulation and post a notice on District premises inviting sealed bids. The Board may set minimum bids for individual items. The Board may also consider other options such as public auctions or trade-in for disposing of surplus personal property.

C. Presentation of Bids: All bids shall be presented under sealed cover on forms provided by the District.

- D. Opening of Bids: At the time and place set forth in the Notice Inviting Bids, the bids shall be opened in public.
- E. Overbid By District Employees: A District employee who has submitted a bid on an item of surplus personal property may be awarded the item by bidding One Dollar (\$1.00) more than the highest sealed bid.
- F. Acceptance or Rejection of Bids: The Board may reject any and all bids should it deem it to be for the public good, or may award the surplus personal property to the highest bidder at the price specified in the bid. All property will be sold "as is" and with no warranties. Payment shall be in cash or by certified check. Any required transfer fees shall be paid by the buyer and the property will be transferred only into the name of the successful bidder.

11.05: DISTRICT EASEMENTS

- A. Easements Granted to the District: Where District policy requires that an easement be provided as a condition of service or for annexation to the District, the District must approve the easement as to location and form prior to accepting same from the owner, applicant or developer. Easements must prohibit construction of any structures and the planting of trees and shrubs on the easement, so as to avoid any interference with the District's installation and maintenance of its facilities, and must provide that any future relocation of District facilities be done at the expense of the grantor of the easement. The owner, developer or applicant shall pay all costs associated with the creation, acceptance and recordation of the easement, with no cost to the District. The owner, developer or applicant shall provide a policy of Title Insurance, insuring the District's right, title and interest in the easement granted. The minimum amount of such policy shall be \$25,000, except where deemed insufficient by the Manager, in which case the amount required shall be determined by the Manager.
- B. Confining or Eliminating District Easements: Upon written application to the District and upon approval by the Board, the Board shall execute the necessary Quitclaim Deed or Affidavit required confining or eliminating easements owned by the District. The person requesting such action shall pay such fees and costs as may be incurred by the District or as may be established by the Board and must record the executed document within thirty (30) days of receipt thereof.

11.06: ACCEPTANCE OF GRANT DEEDS AND EASEMENTS

The Manager is authorized and directed by the Board to accept and consent to the recording of grant deeds and grants of easements to the District.

11.07: RELOCATION ASSISTANCE LAW

The District has adopted rules and regulations implementing payments and administering relocation assistance as mandated by state law, and incorporates those rules and regulations herein. The District Rules and Regulations Implementing the Relocation Assistance Law are attached hereto as **Appendix F**.

11.08: COLLECTION BY SUIT OR BY CLAIM OF LIEN

- A. Suit and Attorney's Fees: All unpaid rates and charges and penalties herein provided may be collected by suit. Defendant shall pay reasonable attorney's fees and all costs of suit in the event suit is instituted by the District to collect any rates or charges.
- B. Claim of Lien: Unpaid charges for water or other services may, at the discretion of the District, be secured by filing in the Office of the County Recorder of any county, a certificate specifying the amount of such charges, and the name and address of the person liable therefore (**Water Code §22284, 25806**).

11.09: IDENTITY THEFT PREVENTION PROGRAM

Because the District provides retail water service to its customers and is a creditor under the applicable rules of the Federal Trade Commission, the Board of Directors passed Resolution Number 2008-10-21 on October 21, 2008 to establish the following identity theft prevention program.

- A. Program Goals: The District's Identity Theft Prevention Program (the "Program") shall endeavor to achieve the following goals:
1. To identify relevant patterns, practices and specific activities (referred to in this Program as "Red Flags") that signal possible identity theft relating to information maintained in the District's customers' accounts, both those currently existing and those accounts to be established in the future;
 2. To detect Red Flags after the Program has been implemented;
 3. To respond promptly and appropriately to detected Red Flags to prevent or mitigate identity theft relating to District customer account information; and
 4. To ensure the Program is updated periodically to reflect any necessary changes.
- B. The Program:
1. The District shall assess the security of its current customer account system, with an emphasis on assessing the methods by which it opens and maintains customer accounts and customers' personal information, and on assessing the manner in which it provides access to customer accounts. That assessment shall include an analysis of any prior incidents of identity theft which the District has experienced.
 2. The District shall maintain identifying information for each customer so it can authenticate customers, monitor transactions, and verify the validity of customer requests, such as a change of address or service-related requests, including requests to terminate service.
 3. The District shall establish a reporting system which allows District staff to discover potential Red Flags as they arise and to thereafter report them to the proper authorities, including law enforcement. This reporting system should specifically focus on the following Red Flags: alerts, notifications, or other warnings received from consumer reporting agencies or service providers; presentation of suspicious documents by a purported customer; presentation of suspicious personal identifying information by a purported customer, such as a specific address change; the unusual use of, or other suspicious activity related to, a customer's account; and notice from customers, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft in connection with the District's customer accounts.
 4. The District shall adopt procedures which provide for appropriate responses to any detected Red Flags which are commensurate with the degree of risk posed. In determining an appropriate response, the District shall consider aggravating factors that may heighten the risk of identity theft, such as a data security incident that results in unauthorized access to a customer's account records, or notice that a customer has provided information related to a customer's account to someone fraudulently claiming to represent the District. Appropriate responses include the following: i) monitoring customer accounts for evidence of identity theft, ii) contacting the customer, iii) changing from time to time any passwords, security codes, or other security devices that permit access to customer accounts, iv) reopening a customer account with a new account

number, v) not opening a new customer account, vi) closing an existing customer account, vii) notifying law enforcement, and viii) determining that no response is warranted under the particular circumstances. Any Red Flags should be brought to the General Manager's attention to determine the appropriate response(s) to be implemented promptly after detection.

5. The District's General Manager, or his or her designee, shall implement and administer the Program. The General Manager shall provide periodic reports to the Board of Directors on the effectiveness of the Program and shall ensure that all necessary District employees are properly trained to implement the Program.
6. The General Manager shall annually review the Program with appropriate District staff to determine if any revisions are needed. That review may include changes in identity theft methods and changes in methods to detect, prevent, and mitigate identity theft. The General Manager is hereby authorized and directed to make any necessary changes in the Program that are found to be necessary; provided that such changes must be reported to the Board of Directors at the first regular Board of Directors' meeting after the change is made.

ARTICLE 12: ANNEXATION TO THE DISTRICT

The following conditions pertain to annexation of land, upon approval by the Board of the proposed annexation and compliance with statutory provisions prior thereto:

12.01: CHARGES FOR ANNEXATION

The owners of land hereafter annexed to the District shall pay all costs incurred by the District in conjunction with the annexation, including attorney's fees, in addition to any other charges imposed by law, and shall also pay any assessments levied by the District since its inception, which would have been levied against the property to be annexed had it been within the District boundaries at the time of the assessment.

12.02: CONDITIONS OF ANNEXATION

In addition to payment of charges specified in **Article 12.01**, the owner of land sought to be annexed to the District shall comply with District standards as to all lines, works and facilities constructed, including the size of line, quality of materials and workmanship. Said owner shall otherwise be subject to the terms and conditions set forth in the District rules and regulations relating to developers and sub dividers, and to individual applicants for water service.

12.03: EASEMENTS

The owner of land sought to be annexed shall provide the District with any necessary easements required for District facilities, in order to provide water service to the annexed property. Such easements shall be provided in accordance with District policy, as set forth in **Article 11.05**.

ARTICLE 13: REPORTING REQUIRED BY STATE AND LOCAL AUTHORITIES

13.01: FINANCIAL REPORTS

A report of all financial transactions of the District shall be filed with the State Controller for each calendar year within ninety (90) days of the end of that calendar year. The report shall be in the form mandated by the State Controller.

13.02: DISTRICT ROSTER

- A. Filing Statement: The District shall file with the Secretary of State and the Los Angeles County Clerk a statement containing the following:

1. The full, legal name of the District.
 2. The District's official mailing address.
 3. The name and residence or business address of each Board member.
 4. The name of the President of the Board and the name and address of the District secretary.
- B. Amendments to Statement: Within ten (10) days after any change in the information provided in the statement filed pursuant to section A above, the District shall file an amended statement containing updated information with the Secretary of State and the County Clerk.

13.03: CAMPAIGN FILING STATEMENTS

The District is governed by the **Political Reform Act, as set forth in Government Code Sections 81000, et seq.** District officers and Board members are therefore subject to the filing requirements of said Act.

13.04: CANDIDATE BALLOT STATEMENTS

Candidates for election to the Board shall be authorized to file ballot statements that do not exceed 400 words. The cost of such statements shall be paid by the candidate.

13.05: QUARTERLY EXPENSE REPORTING

In accordance with **Government Code Section 53065.5**, the District shall prepare, at least annually, a report reflecting all reimbursements paid by the District to directors or employees of at least one hundred dollars (\$100.00) for each individual charge for services or product received. "Individual charge" includes, but is not limited to, one meal, lodging for one day, transportation, or a registration fee.

ARTICLE 14: RESPONSIBILITIES AND AUTHORITY OF THE BOARD AND GENERAL MANAGER.

The Board has employed a General Manager to carry out the Board policies, direct District operations, and provide day-to-day supervision of District employees and control of District expenditures. It is the judgment of the Board that clear delineation of his respective responsibilities and authority is essential to effective District management. Said authority and responsibilities are set out in **Appendix G** attached hereto.

ARTICLE 15: CALIFORNIA ENVIRONMENTAL QUALITY ACT GUIDELINES

The District has adopted California Environmental Quality Act (CEQA) Environmental Review Guidelines in accordance with state law and incorporates such guidelines herein. The District CEQA Environmental Review Guidelines are on file in the District office.

ARTICLE 16: BID PROCUREMENT AND PURCHASING POLICY

An irrigation district such as the Kinneloa Irrigation District is not always required by law to use or follow a formal competitive bidding process in letting contracts for professional services, or for the construction of facilities, or for the acquisition of materials or equipment for incorporation into any work, job or construction project for the District. However, the Board believes that there are situations when it is clearly in the best interests of the District to require that a work, job or construction project, or the acquisition of material or equipment should be let by a contract arrived at through the use of competitive bidding procedures.

The Board believes that in certain other cases it is clearly in the best interests of the District that the General Manager be authorized to proceed on behalf of the District by any means the General Manager deems to be appropriate in the circumstances, including the use of informal bids or quotations, or by a purchase in the open market without advertising. Finally, it is also recognized by the Board that in between those two situations there are many times when a particular work, job or construction project, or the acquisition of certain materials or equipment, is such that the District's interests may or may not be best served by requiring competitive bids, the determination depending upon an evaluation of the special circumstances involved in each such case.

The Board also recognizes that sound fiscal policy includes the establishment of formal procedures by which routine acquisitions of parts, materials and supplies should be governed. This District has established a bid procurement and purchasing policy to further these goals. That policy is set forth in **Appendix J**.

ARTICLE 17: TRESPASSING ON DISTRICT PROPERTY

From time to time, District employees may encounter trespassers or unauthorized individuals at District facility sites. If such trespassers are encountered, employees should advise the trespasser that they are not permitted on District property and request that they immediately leave such property. If they decline vacating District property, the employee should immediately contact the appropriate law enforcement agency that services the area of the facility, as well as the employee's immediate supervisor. Employees shall, under no circumstances, ever attempt to physically remove trespassers from District property. In addition, employees shall not verbally address trespassers in a manner that may provoke a physical confrontation between the employee and the trespasser.

ARTICLE 18: RESERVE POLICY

The Board believes that reserves are the foundation of the sustainable delivery of our services and that sound fiscal policy includes establishing rates and charges that are sufficient to provide revenue that meets current operating expenses and provide reserves for the following purposes:

- A. Cash flow variations from month-to-month.
- B. Emergency repairs due to natural disasters or unexpected facility or equipment failures.
- C. Scheduled maintenance, replacement or rehabilitation of existing facilities and equipment.
- D. Capital improvement projects as identified in the District's Master Plan or other planning documents.

A reserve policy promotes responsible long-term planning and provides a valuable tool to help the Board make difficult decisions and communicate those decisions to our customers. The policy also helps to convey the reasons for maintaining the reserve at an appropriate level.

The Board believes that most of the reserve funds for these purposes can be set aside in interest or dividend bearing accounts until needed, at institutions approved by the Board that are in accordance with applicable laws and regulations governing the District.

The reserve policy is to be consistent with the District's fund balance reporting in accordance with Government Accounting Standards Board (GASB) Statement Nos. 34 and 54 with regard to the constraints on the specific purposes for which amounts can be accumulated and spent. Unless otherwise specified, the reserve funds are to be considered to be unrestricted or unassigned and may be spent for purposes authorized by the Board. Specific levels of funds in the above categories may vary from time to time and target levels for these funds can be changed at the discretion of the Board.

If any portion of the reserve funds is to be restricted or assigned for a specific purpose, the Board shall provide by written resolution the purpose of the fund and the conditions for accumulation and spending:

- A. Include a statement of the purpose for which the reserve is created.
- B. Establish minimum and maximum parameters for the accumulation of each reserve account.
- C. Identify the conditions under which reserves shall be expended or transferred, consistent with Board approved capital projects.
- D. The Board shall review at least annually all restricted or assigned reserve accounts and make a determination regarding the purposes for the reserves, the appropriate levels of accumulation, the conditions precedent to the utilization of the reserves, and a determination of whether or not the accounts should be maintained.

The District's reserve policy funding guidelines and target levels are set forth in **Appendix K**.

APPENDIX A

CONFLICT OF INTEREST CODE AND DISCLOSURE

Conflict of Interest Code of the

KINNELOA IRRIGATION DISTRICT

Incorporation of FPPC Regulation 18730 (2 California Code of Regulations. Section 18730) by Reference

The Political Reform Act (Government Code Section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regulations 18730), which contains the terms of a standard conflict of interest code. After public notice and hearing, it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated into the conflict of interest code of this agency by reference. This regulation and the attached Appendices (or Exhibits) designating officials and employees and establishing economic disclosure categories shall constitute the conflict of interest code of this agency.

Place of Filing of Statements of Economic Interests

All officials and employees required to submit a statement of economic interests shall file their statements with the agency head; or his or her designee. The agency shall make and retain a copy of all statements filed by its Board Members, Governing Board Members, Alternate Board Members, as appropriate, and its agency head (Agency/Department Head, Executive Officer or Chief Executive Officer, Superintendent, or Director), and forward the originals of such statement to the Executive Office of the Board of Supervisors of Los Angeles County.

The agency shall retain the originals of statements for all other Designated Positions named in the agency's conflict of interest code. All retained statements, original or copied, shall be available for public inspection and reproduction (Gov. Code Section 81008).

(6/02) (Rev.)

KINNELOA IRRIGATION DISTRICT

EXHIBIT "A"

CATEGORY 1

Persons in this category shall disclose, in accordance with this code, all interests in real property within the jurisdiction of the District, except personal residences. Real property shall be deemed to be within the jurisdiction of the District if the property or any part of it is located within or not more than two miles outside the boundaries of the District or within two miles of any land owned or used by the District.

CATEGORY 2

Persons in this category shall disclose, in accordance with this code, all income from, investments, and business positions in businesses that produce products or provide services of a type utilized by the District, including but not limited to the areas of building materials; construction; motor vehicles; specialty vehicles; vehicle replacement parts; petroleum products; water quality testing; water transmission; water treatment; water distribution; geological tests and reports; maintenance; repair; safety; engineering; provision of water or power; brokering; accounting; auditing; banking; money management; law; insurance; printing; publication; office equipment or office supplies.

CATEGORY 3

Persons in this category shall disclose, in accordance with this code, all investments and business positions. The term "investment" means any financial interest in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, option, debt instruments and any partnership or other ownership interest, if the business entity or any parent, subsidiary or otherwise related business entity has an interest in real property in the jurisdiction, or does business or plans to do business in the jurisdiction, or has done business within the jurisdiction at any time during the two years prior to the time any statement or other action is required under this title. No asset shall be deemed an investment unless its fair market value equals or exceeds two thousand dollars (\$2,000). The term "investment" does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, interest in a diversified mutual fund registered with the Securities and Exchange Commission under the Investment Company Act of 1940 or a common trust fund which is created pursuant to Section 1564 of the Financial Code, or any bond or other debt instrument issued by any government or government agency. Investments of an individual include a pro rata share of investments of any business entity, mutual fund or trust in which the individual or spouse owns directly, indirectly or beneficially, a 10 percent interest or greater. (Government Code Section 82034).

KINNELOA IRRIGATION DISTRICT

EXHIBIT "A" (Continued)

Persons in this category shall also disclose all income received from any source located or doing business within the jurisdiction or expecting to do business within the jurisdiction, or that has done business within the jurisdiction during the two years prior to the time the statement is required. Income received from a public agency need not be disclosed.

CATEGORY 4

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interests in the categories assigned to that designated position.

In addition, individuals who, under contract, participate in decisions which affect financial interests by providing information, advice, recommendation or counsel to the District, or which could affect financial interests shall be required to file Statements of Economic Interests, unless they fall within the "Political Reform Act" exceptions to the definition of consultant. The level of disclosure shall be as determined by the General Manager of the District.

KINNELOA IRRIGATION DISTRICT

EXHIBIT "B"

<u>Designated Positions</u>	<u>Disclosure Categories</u>
General Manager	1, 3
Consultant	4

Public Officials Who Manage Public Investments

It has been determined that the positions listed below manage public investments, and must therefore make disclosure pursuant to Government Code Section 87200, et seq.

Members of Board of Directors

Revision Effective: September 11, 2008

APPENDIX B

RATES AND CHARGES FOR WATER SERVICE

RATES AND CHARGES FOR WATER SERVICE

Effective January 1, 2013

Service Charge: The monthly service charge is a "readiness to serve" charge, and does not provide for any minimum water consumption allowance. Quantity charges are applicable to all water consumption in addition to the monthly service charge. The charge is \$51.10 per average month or \$1.68 per day.

Quantity rate for regular customers: The rate charged by the District for water is \$3.35 per 100 cubic feet (CCF).

Quantity rate for temporary service: The rate charged by the District for water consumption is \$6.70 per 100 cubic feet (CCF) with a minimum charge of \$100.00. A meter deposit of \$850 is required to establish service.

APPENDIX C

**MISCELLANEOUS CHARGES
AND
DISTRICT FORMS**

MISCELLANEOUS CHARGES

Application Fee [Per Article 7.02B]	\$ 15.00
Reconnection Charge [Per Article 8.03F(1)]	\$ 50.00
Rejected Payment Charge [Per Article 8.03F(2)]	\$ 20.00
Meter Test Charge [Per Article 8.03F(3)]	\$ 250.00
Pulled Meter Charge [Per article 8.03F(4)]	Actual cost to District
Unauthorized Water Use [Per Article 8.03F(5)]	\$1,000.00
Turn off at Main [Per Article 8.03F(6)]	Actual cost to District
Delinquency Charge for Non-payment [Per Article 8.04G(10)]	\$15.00 and 10% per month
Temporary Service Charge [Per Article 9.01B]	Actual cost to District \$100.00 minimum charge \$850.00 deposit required before installation
Plan Check Fees [Per Article 10.1D]	
Parcel Maps	\$ 50.00
Subdivisions of 1 to 9	\$ 100.00
Parcels or dwelling units 10 - 19 units	\$ 150.00
20 or more units	\$ 200.00
Fire Hydrant Test [Per Article 10.12C]	Actual cost to District \$650.00 deposit required before test
Copies of District Records [Per Article 11.01]	\$.20 per page

Note: The General Manager shall determine the appropriate amount to be charged for a particular service provided that is not specified above.

DISTRICT FORMS



APPLICATION FOR WATER SERVICE

The undersigned owner hereby requests water service at:

_____ (Address of Property to Receive Water Service)

and agrees to pay therefore in accordance with the rates, rules, and regulations of the KINNELOA IRRIGATION DISTRICT, as said rates, rules, and regulations may be in effect from time to time.

The undersigned acknowledges that by accepting this application, the District does not guarantee to supply water in any specific quantities or at any specific pressures.

The undersigned also acknowledges that any charges for water and other services, or either, if unpaid shall constitute a lien on the land upon which the water was used and/or services rendered, even though the indebtedness was incurred by other than the owner.

The District may refuse service to any land if outstanding charges for services already rendered such land have not been paid within forty-five (45) days.

Dated: _____ Signed: _____
(Owner of Property)

Home Phone: _____

Bus. Phone: _____

Cell Phone: _____

Email Address: _____

Billing Address: _____
 (If Different than Service Address)

Emergency Contact if Owner not Available:

Name: _____

Address: _____

Phone: _____

Note: Please complete and sign one copy and return to Kinneloa Irrigation District.



AMORTIZATION AGREEMENT

Account #:

Name:

Phone #:

Service Address:

Mailing Address:

Amount Amortized:

The amortized amount was due for payment on _____. By signing this agreement I agree to make all payments in the amount indicated by the date on the payment schedule below. I agree to pay all subsequent charges by their due date or this agreement becomes null and void and water service will be subject to termination for non-payment. Further, this agreement is not subject to modification or incorporation into another agreement. This agreement must be paid in full before any additional agreement will be considered.

PAYMENT SCHEDULE IS NOT TO EXCEED 12 MONTHS

	<u>Date Due</u>	<u>Amount Due</u>	<u>Date Paid</u>	<u>Check #</u>
Payment #1				
Payment #2				
Payment #3				
Payment #4				
Payment #5				
Payment #6				
Payment #7				
Payment #8				
Payment #9				
Payment #10				
Payment #11				
Payment #12				

Signature of Applicant

Date

Signature Kinneloa Irrigation District

Title

Date



TEMPORARY SERVICE/CONSTRUCTION METER AGREEMENT

Address for use: _____

Purpose of use: _____

Requested installation date: _____ Requested removal date: _____

POLICIES REGARDING USAGE AND INSTALLATION:

- A deposit of **\$ 850.00** will be required before the meter installation will be made.
- Water used will be charged at the rate of **\$6.70** per 100 cubic feet (1 unit) with a minimum charge of **\$100.00**
- The Facilities Supervisor or General Manager must approve the location of installation.
- The Applicant assumes responsibility for the meter once it is installed and locked to the hydrant.
- If the meter is lost or stolen the applicant will forfeit the deposit, and an additional deposit will be required to have a new meter installed.
- If the meter is damaged or missing parts, the repair or replacement costs will be deducted from the deposit.
- If a hose is used to transport the water across a street or driveway, a protective device must be used to prevent the hose from being driven over by a vehicle causing surges or water hammer to the distribution system.
- If a water truck is to be used to transport water, the fill connection to the water truck tank must be equipped with an air gap or separation on the fill pipe and filled from the top. An approved backflow prevention device may be substituted for an air gap connection.
- If a drop tank is used there must be an air gap, or a float valve assemble to prevent any cross connection or backflow between the water stored in the tank and the delivery system.
- The District reserves the right to inspect any water truck or drop tank to determine compliance.
- The meter will be read upon installation and removal, or monthly depending upon the length of usage. The use of the meter is subject to all District rules and regulations adopted April, 1999.
- An invoice will be presented after the meter usage has been discontinued.

I have read and agree to the above:

Print name: _____

Signed : _____

Billing information: Name _____

Address _____

City/State/Zip _____

Contact Phone _____

APPENDIX D

CUSTOMER DEPOSITS

CUSTOMER DEPOSITS

INITIAL DEPOSIT [Per Article 7.03]:

An initial deposit equal to three months estimated water service, based on water usage over the past year, as determined by the District, may be required to establish service. The deposit may be waived at the discretion of the General Manager.

DEPOSIT TO RE-ESTABLISH CREDIT UPON DISCONNECTION FOR NON-PAYMENT [Per Articles 7.03A & 8.04B]:

A deposit equal to three months estimated water service, based on water usage over the past year, as determined by the District, may be required before service is reconnected.

TANK TRUCK SERVICE DEPOSIT [Per Article 8.03E]:

Metered Service: Cost of meter plus actual cost of installing and removing meter, of which only the cost of the meter is refundable.

Un-metered Service: Availability of un-metered service and the required deposit is at the discretion of the General Manager.

METER TEST DEPOSIT [Per Article 8.03F(3)]: \$250.00

TEMPORARY SERVICE DEPOSIT [Per Article 9.01B]:

Services up to 2 1/2": \$850.00

Services larger than 2 1/2": determined by General Manager based on size of service.

FIRE FLOW TEST [Per Article 10.13C]: \$950.00

DEVELOPER DEPOSIT [Per Article 10]:

Total estimated cost of project plus overhead charge.

APPENDIX E

CROSS-CONNECTION

CONTROL PROGRAM

**KINNELOA IRRIGATION DISTRICT
CROSS-CONNECTION CONTROL PROGRAM**

1.0 Responsibility and Scope of Program.

The District adopts this Program to protect the public water supply from contamination. This Cross-Connection Control Program shall include, but not be limited to, the following elements:

- (a) These operating rules;
- (b) The conducting of surveys to identify Water User premises where cross-connections are likely to occur;
- (c) The provision of backflow protection by the Water User at the User's connection or within the User's premises or both;
- (d) The provision of at least one person trained in cross-connection control to carry out the cross-connection Program;
- (e) The establishment of a procedure or system for testing backflow preventers; and
- (f) The maintenance of records of locations, tests, and repairs of backflow preventers.

2.0 Definitions.

In addition to the definitions in Section 4010.1 of the Health and Safety Code, the following terms are defined for the purpose of this Chapter:

- (a) "Approved Water Supply" is a water supply whose potability is regulated by a State or local health agency.
- (b) "Auxiliary Water Supply" is any water supply other than that received from a public water system.
- (c) "Air-gap Separation (AG)" is a physical break between the supply line and a receiving vessel.
- (d) "AWWA Standard" is an official standard developed and approved by the American Water Works Association (AWWA).
- (e) "Cross-Connection" is an unprotected actual or potential connection between a potable water system used to supply water for drinking purposes and any source or system containing unapproved water or a substance that is not or cannot be approved as safe,

wholesome, and potable. By-pass arrangements, jumper connections, removable sections, swivel or changeover devices, or other devices through which backflow could occur, shall be considered to be cross-connections.

(f) "District" is the Kinneloa Irrigation District.

(g) "Double Check Valve Assembly (DC)" is an assembly of at least two independently acting check valves including tightly closing shut-off valves on each side of the check valve assembly and test cocks available for testing the water tightness of each check valve.

(h) "Health Agency" means the California Department of Health Services.

(i) "Reclaimed Water" is a wastewater which as a result of treatment is suitable for uses other than potable use.

(j) "Reduced Pressure Principle Backflow Prevention Device (RP)" is a backflow preventer incorporating not less than two check valves, an automatically operated differential relief valve located between the two check valves, a tightly closing shut-off valve on each side of the check valve assembly, and equipped with necessary test cocks for testing.

(k) "User Connection" is the point of connection of a User's piping to the District's facilities.

(l) "Water User" or "User" is any person obtaining water from a public water supply.

3.0 Evaluation of Hazard.

The District shall evaluate the degree of potential health hazard to the public water supply which may be created as a result of conditions existing on a User's premises. The District, however, shall not be responsible for abatement of cross-connections which may exist within a User's premises. As a minimum, the evaluation should consider: the existence of cross-connections, the nature of materials handled on the property, the probability of a backflow occurring, the degree of piping system complexity and the potential for piping system modification. Special consideration shall be given to the premises of the following types of Water Users:

(a) Premises where substances harmful to health are handled under pressure in a manner which could permit their entry into the public water system. This includes chemical or biological process waters and water from public water supplies which have deteriorated in sanitary quality.

(b) Premises having an auxiliary water supply, unless the auxiliary supply is accepted as an additional source by the District and is approved by the Health Agency.

(c) Premises that have internal cross-connections that are not abated to the satisfaction of the District or the Health Agency.

(d) Premises where cross-connections are likely to occur and entry is restricted so that cross-connection inspections cannot be made with sufficient frequency or at sufficiently short notice to assure that cross-connections do not exist.

(e) Premises having a repeated history of cross-connections being established or re-established.

Where the Water User is engaged in the handling of especially dangerous or corrosive liquids or industrial or process waters, the District may require the Water User to eliminate certain plumbing or piping connections as an additional precaution and as a protection to the backflow prevention devices.

4.0 User Supervisor.

The District may, at its discretion, require an industrial Water User to designate a User supervisor when the Water User's premises has a multi-piping system that conveys various types of fluids, some of which may be hazardous and where changes in the piping system are frequently made. The User supervisor shall be responsible for the avoidance of cross-connections during the installation, operation and maintenance of the Water User's pipelines and equipment.

5.0 Approval of Backflow Preventers.

Backflow preventers required by this Program shall have passed laboratory and field evaluation tests performed by a recognized testing organization which has demonstrated its competency to perform such tests to the District, or to the Health Agency.

6.0 Construction of Backflow Preventers.

(a) Air-gap Separation. An Air-gap separation (AG) shall be at least double the diameter of the supply pipe, measured vertically from the flood rim of the receiving vessel to the supply pipe; however, in no case shall this separation be less than one inch.

(b) Double Check Valve Assembly. A required double check valve assembly (DC) shall, as a minimum, conform to the AWWA Standard C506-78 (R83) adopted on January 28, 1978, for Double Check Valve Type Backflow Preventive Devices which is herein incorporated by reference.

(c) Reduced Pressure Principle Backflow Prevention Device. A required reduced pressure principle backflow prevention device (RP) shall, as a minimum, conform to the AWWA Standard C506-78 (R83) adopted on January 28, 1978, for Reduced Pressure Principle Type Backflow Prevention Devices which is herein incorporated by reference.

7.0 Location of Backflow Preventers.

(a) Air-gap Separation. An air-gap separation shall be located as close as practical to the User's connection and all piping between the User's connection and the receiving tank shall be entirely visible unless otherwise approved in writing by the District.

(b) Double Check Valve Assembly. A double check valve assembly shall be located as close as practical to the User's connection and shall be installed above grade, if possible, and in a manner where it is readily accessible for testing and maintenance.

(c) Reduced Pressure Principle Backflow Prevention Device. A reduced pressure principle backflow prevention device shall be located as close as practical to the User's connection and shall be installed a minimum of twelve inches (12") above grade and not more than thirty-six inches (36") above grade measured from the bottom of the device and with a minimum of twelve inches (12") side clearance.

Plans for backflow preventer installation must be approved by the District prior to installation. All costs of installation shall be borne by the Water User.

8.0 Type of Protection Required.

The type of protection that shall be provided to prevent backflow into the public water supply shall be commensurate with the degree of hazard that exists on the consumer's premises. The type of protective device that may be required (listed in an increasing level of protection) includes: Double Check Valve Assembly-(DC), Reduced Pressure Principle Backflow Prevention Device-(RP), and an Air-gap Separation-(AG). The Water User may choose a higher level of protection than required by the District. The minimum types of backflow protection required to protect the public water supply, at the Water User's connection to the premises, with various degrees of hazard are given in Table 1. Situations which are not covered in Table 1 shall be evaluated on a case-by-case basis and the appropriate backflow protection shall be determined by the District.

TABLE 1

TYPE OF BACKFLOW PROTECTION REQUIRED

<i>Degree of Hazard</i>	<i>Minimum Type of Backflow Prevention</i>
(A) <u>Sewage and Hazardous Substances</u>	
(1) Premises where the public water system is used to supplement the reclaimed water supply.	AG

(2) Premises where there are wastewater pumping and/or treatment plants and there is no interconnection with the potable water system. This does not include a single-family residence that has a sewage lift pump. A RP be provided in lieu of an AG if approved by the health agency and District. AG

(3) Premises where reclaimed water is used and there is no interconnection with the potable water system. A RP may be provided in lieu of an AG if approved by the health agency and District. AG

(4) Premises where hazardous substances are handled in any manner in which the substances may enter the potable water system. This does not include a single-family residence that has a sewage lift pump. A RP may be provided in lieu of an AG if approved by the health agency and District. AG

(5) Premises where there are irrigation systems into which fertilizers, herbicides, or pesticides are, or can be, injected. RP

(B) Auxiliary Water Supplies AG

(1) Premises where there is an unapproved auxiliary water supply which is interconnected with the public water system. A RP or DC may be provided in lieu of an AG if approved by the health agency and District.

(2) Premises where there is an unapproved auxiliary water supply and there are no interconnections with the public water system. A DC maybe provided in lieu of an RP if approved by the Health Agency and District. RP

(C) Fire Protection Systems RP

(1) Premises where the fire system is directly supplied from the public water system and there is an unapproved auxiliary water supply on or to the premises (not interconnected).

(2) Premises where the fire system is supplied from the public water system and interconnected with an unapproved auxiliary water supply. A RP may be provided in lieu of an AG if approved by the Health Agency and District. RP

- | | |
|--|----|
| (3) Premises where the fire system is supplied from the public water system and where either elevated storage tanks or fire pumps which take suction from private reservoirs or tanks are used. | DC |
| (4) Premises where there are marine facilities. | RP |
| (5) Premises where entry is restricted so that inspections for cross-connections cannot be made with sufficient frequency or at sufficiently short notice to assure that cross-connections do not exist. | RP |
| (6) Premises where there is a repeated history of cross-connections being established or re-established. | RP |

9.0 Testing and Maintenance of Backflow Preventers.

(a) The District shall assure that adequate maintenance and periodic testing are provided by the Water User to ensure their proper operation. All testing shall be performed at the Water User's expense.

(b) Backflow preventers shall be tested by persons who have demonstrated their competency in testing of these devices to the District or Health Agency.

(c) Backflow preventers shall be tested at least annually or more frequently if determined to be necessary by the Health Agency or District. When devices are found to be defective, they shall be repaired or replaced in accordance with the provisions of this Program and at the expense of the Water User.

(d) Backflow preventers shall be tested immediately after they are installed, relocated or repaired and not placed in service unless they are functioning as required.

(e) The District shall notify the Water User when testing of backflow preventers is needed. The notice shall contain the date when the test must be completed.

(f) Reports of testing and maintenance shall be maintained by the District for a minimum of three years.

APPENDIX F

KINNELOA IRRIGATION DISTRICT

RELOCATION ASSISTANCE LAW

RELOCATION ASSISTANCE LAW

(Government Code Chapter 16 §§7260, et seq.)

1. PURPOSE AND SCOPE

- 1.1 Purpose. These rules and regulations are adopted pursuant to Government Code §7267.8 to implement payments and to administer relocation assistance according to the provisions of the Relocation Assistance Law, Government Code, Chapter 16, §§7260, et seq. These rules and regulations are to assure the fair and equitable treatment of persons displaced by the real property acquisitions and programs of this District.
- 1.2 Scope. These rules and regulations apply to all acquisitions of real property, or interests therein, undertaken by this District whether by negotiated purchase, eminent domain, or otherwise. It is recognized that the Relocation Assistance Law has applicability to all real property acquisitions undertaken by this District regardless of whether relocation of any residence, business or farming operation is required. Unless otherwise provided, all code references are to the Government Code.

2. DEFINITIONS

- 2.1 Section 7260 Definitions Incorporated. The following terms are defined in Government Code §7260:
- (a) "Public Entity"
 - (b) "Person"
 - (c) "Displaced Person"
 - (d) "Business"
 - (e) "Farm Operation"
 - (f) "Affected Property"
 - (g) "Public Use"
 - (h) "Mortgage"
 - (i) "Comparable Replacement Dwelling"
 - (j) "Displacing Agency"
 - (k) "Appraisal"
 - (l) "Small Business"
 - (m) "Lead Agency"

Whenever any of the preceding terms are used within these rules and regulations, they shall have the meaning set forth in Section 7260.

- 2.2 "Board" shall mean the Board of Directors of KINNELOA IRRIGATION DISTRICT
- 2.3 "District" shall mean the KINNELOA IRRIGATION DISTRICT.
- 2.4 "Manager" shall mean the General Manager of the KINNELOA IRRIGATION DISTRICT or the Designee of said Manager.
- 2.5 "Relocation Costs" shall mean the costs of relocation advisory assistance, compensation for displaced persons, additional payments to displaced dwelling owners, additional payments to displaced individual or family renters reimbursable expenses of the owner necessarily incurred for recording fees, transfer taxes, and similar expenses incidental to conveying real property and such other costs as may be foreseeably attributable to relocation activities required pursuant to the Relocation Assistance Law.

3. ACQUISITION PROCEDURE

- 3.1 In order to promote the policies enumerated in Government Code Section 7267, the District shall, to the greatest extent practicable, be guided by the provisions of Sections 7267.1 to 7267.7, inclusive, and these regulations, when engaged in the acquisition of real property.

Where possession of real property is sought pursuant to an order for immediate possession, strict adherence to these standards is not required. The District shall, nevertheless, attempt to comply with the intent and purpose of the Act and these regulations to the extent possible under the circumstances. Within the guidelines of Section 7267.3, the District shall provide maximum prior notice to owners who must relocate a dwelling due to an order for immediate possession. Even though an action in eminent domain may be initiated, District shall attempt to negotiate a purchase based upon the amount established as security in the immediate possession proceeding.

- 3.2 When the Manager has determined that acquisition of real property for public use by the District may be in the best interests of the District, the Manager shall present a recommendation to the Board. Prior to submitting a recommendation, the Manager shall determine if the proposed acquisition will leave the owner with an uneconomic remnant and shall determine if the acquisition of a larger or smaller parcel will correct any such uneconomic remnant and still serve the District's interests.
- 3.3 When the Board determines that acquisition of real property for public purposes may be to the best interests of the District, it shall direct the Manager to hire a qualified independent appraiser for the purpose of determining the fair market value of the parcel proposed to be acquired. The Board shall also direct the Manager to investigate the present use of the parcel proposed to be acquired and make an estimate of the relocation costs, if any, which the District may be obligated to pay in accordance with the Relocation Assistance Law.
- 3.4 The appraiser shall not give consideration to or include in the appraisal of the property proposed to be acquired any allowances for relocation costs. The appraisal shall be based

exclusively on the fair market value of the real property proposed to be acquired. Manager shall instruct appraiser that the owner, or his representative, must be afforded opportunity to accompany the appraiser during inspection of the property.

- 3.5 The Manager shall present the appraisal and the estimate or relocation costs to the Board for consideration in determining whether the proposed acquisition is to the best interests of the District. If the Board determines that the acquisition should take place, the Board shall establish an amount which it believes to be just compensation, exclusive of relocation costs, to be paid for the real property. In no event shall the amount thus established as just compensation be less than the amount of the approved appraisal. If the Board believes the appraisal is excessive, it may disapprove the appraisal and order a new appraisal by a different independent appraiser.
- 3.6 Following establishment of the amount the Board believes to be just compensation, and prior to the institution of any action in eminent domain, the Manager shall transmit a written statement of, and summary of the basis for, the amount so established to the owner of the property proposed to be acquired. The District shall offer to purchase the property for an amount not less than the sum established as just compensation.
- 3.7 Notwithstanding the foregoing, the District may make an offer to acquire the real property for less than an amount which it believes to be just compensation if (a) the real property is offered for sale by the owner at a specified price less than the amount the public entity believes to be just compensation therefor, (b) the public entity offers a price which is equal to the specified price for which the property is being offered by the landowner, and (c) no federal funds are involved in the acquisition, construction, or project development. As used herein, "offered for sale" means either:
 - (a) Directly offered by the landowner to the public entity for a specified price in advance of negotiations by the public entity; or
 - (b) Offered for sale to the general public at an advertised or published, specified price set no more than six months prior to and still available at the time the public entity initiates contact with the landowner regarding the public entity's possible acquisition of the property.
- 3.8 District shall make every reasonable effort to expeditiously acquire the real property through negotiation prior to the institution of any action in eminent domain.

4. RELOCATION ADVISORY ASSISTANCE

- 4.1 Program Establishment. The Manager shall institute a relocation advisory assistance program where:
 - (a) Acquisition of real property by the District will result in the creation of displaced persons; and
 - (b) It appears that such displaced persons need relocation assistance.
- 4.2 Scope of Relocation Advisory Assistance Programs. Each relocation assistance advisory program shall include such measures, facilities, or services as may be necessary or appropriate to perform all of the tasks detailed in Section 7261(c).

4.3 Contracting for Relocation Services. Where it appears that a relocation advisory assistance program will be burdensome upon the District staff, the Manager may contact private or other public entities for the purpose of establishing a contract to provide relocation advisory assistance in accordance with Section 7261.5. Proposals for such relocation advisory assistance contracts shall be submitted to the Board of Directors for approval.

5. RELOCATION PAYMENTS

5.1 Subchapter 6 of Title 2, California Administrative Code, Relocation Assistance Program (§§1873 et seq.) is hereby incorporated as though fully set forth herein, except that where said subchapter refers to the "State of California" and to "the department" they shall be read to mean "the District".

6. EXEMPTIONS FROM RELOCATION ASSISTANCE PAYMENTS

6.1 The requirement to provide relocation assistance and benefits imposed by the Relocation Assistance Law shall not apply to a purchase of property which is offered for sale by the owner, property being sold at execution or foreclosure sale, or property being sold pursuant to court order or under court supervision if the real property is (a) either occupied by the owner or is unoccupied, and (b) if the offer for sale is not induced by District disposition, planned condemnation, or redevelopment of surrounding lands, and (c) if the sales price is fair market value or less, as determined by a qualified appraiser, and (d) if no federal funds are involved in the acquisition, construction, or project development.

APPENDIX G

**RESPONSIBILITIES AND AUTHORITY OF THE
BOARD AND GENERAL MANAGER**

RESPONSIBILITIES AND AUTHORITY OF THE BOARD AND GENERAL MANAGER

I. OPERATIONS:

A. FIELD OPERATIONS

1. The General Manager shall have full charge and control of the District water system and its facilities including their construction, operation, and maintenance.
2. The General Manager shall have full charge and control of the field employees, suppliers, and consultants, except as qualified elsewhere in this Appendix.
3. The General Manager shall be responsible for carrying out the Board's directions regarding field operations and shall do this in accordance with all District policies and procedures.
4. The General Manager shall be responsible for the programs relating to the safety of District employees, equipment, and facilities, and for its customers' health and safety as far as District activities are concerned.
5. The General Manager shall provide the Board with current information on general operational matters as well as on any extraordinary occurrences with respect to operations.

B. OFFICE AND CUSTOMER SERVICE

1. The General Manager shall have full charge and control of all supporting functions including accounting, purchasing, billing, and customer service.
2. The General Manager shall have full charge and control of office employees, supplies, and consultants, except as qualified elsewhere in this Appendix.
3. The General Manager shall be responsible for carrying out the Board's directions regarding office operations and customer service, and shall do this in accordance with all District policies and procedures.

II. PERSONNEL

1. The General Manager shall recruit, hire and terminate all employees. The General Manager will consult with the Personnel Committee in his discretion.
2. The General Manager shall prepare job descriptions for all employees. The Personnel Committee shall review and comment, and then the Board shall review, comment, and adopt the final job descriptions. A written set of job descriptions covering all employees shall be jointly maintained by the General Manager and Personnel.
3. The General Manager shall oversee all operations of the District.
4. The General Manager shall determine the need for discipline and administer the discipline for those employees. The General Manager shall inform the Personnel Committee and the Board about disciplinary actions.

5. The Board shall set the total compensation for all employees.
6. The Board shall set ranges using salary ranges and policies established by the Board.
7. The General Manager shall make decisions on promotions and demotions of employees.
8. The Board shall set the total number of employees for the District.
9. The General Manager shall hear employee grievances. Decisions of the General Manager may be appealed to the Board.
10. The Board shall set the employee benefits programs for the District.
11. The General Manager shall implement the rules and policies governing employees as stated in the Employee Handbook. The Board shall establish these rules and policies.
12. The General Manager shall keep the Board informed about extraordinary personnel activities.
13. The General Manager shall oversee the performance and employee evaluation process and maintain a record of every evaluation.

III. BOARD MEETING

1. The Secretary shall have the Board meeting agenda prepared at least 72 hours prior to each meeting. The General Manager or a Board member may request that an item be added to the agenda.
2. The General Manager shall prepare the Board packet, which shall include such detail regarding agenda items as the General Manager deems sufficient, or as requested by the Board.
3. The General Manager shall provide a budget summary status report to the Board once monthly, or as requested by the Board.
4. The General Manager or delegated representative shall reply to questions raised by the public at Board meetings if directed by the Chairman.
5. The General Manager and/or Board members may determine which additional persons [employees and consultants] should attend a Board meeting.
6. The Chairman or Secretary in consultation with the District's Attorney shall be responsible for assuring that the requirements of the Brown Act are observed at Board meetings.

IV. FINANCE

1. The General Manager, with the Finance Committee shall prepare the draft budget, which shall then be presented to the Board for its consideration.

2. The General Manager shall establish the sequence of events leading to the adoption of a final budget and, with the cooperation of the Chairman, shall see that these events are followed in a timely fashion.
3. The General Manager shall be responsible for operating the District in accordance with the budget.
4. The General Manager, in conjunction with the Finance Committee may make changes in the budget in accordance with District policy, within or between categories of the budget, or may add or delete items that do not materially affect the overall integrity of the budget. The Board shall approve changes made in accordance with District policy.
5. Under the supervision of the General Manager, the Auditor shall assure that accurate and auditable financial records are kept.
6. The General Manager shall comply with limits established by the Board policy on expenditure of funds.
7. The General Manager shall prepare a yearly summary, for the Board of Directors, of all significant operations in the District for the past year. This would include, but not limited to:
 - A. Budget compliance.
 - B. Major maintenance operations.
 - C. Water production, quality, and sales.
 - D. Legal issues associated with the District.

The yearly summary shall be done on a calendar-year basis, and presented to the Board at the first or second board meeting of the year.

V. CONSULTANTS

1. The Board shall select an Attorney, Engineer and Auditor to advise and provide services to the Board and the General Manager. The selection of these consultants shall be reviewed every five years in the second quarter of the year starting in 2017.
2. The General Manager shall decide whether any other consultant is necessary to assist the District.
3. Where it is determined that a consultant is necessary to advise the District. The General Manager shall prepare the list of qualified consulting sources with the advice of the Attorney, Auditor, or other consultants to the District, as appropriate, prepare request for proposals, review the proposals, and recommend a consultant subject to Board approval. Board members may also be involved in the process by which a recommendation is brought to the Board. The General Manager may recommend retaining a consultant on a sole source basis without the formal competitive bid process.
4. The General Manager shall refer contractual matters to the Attorney for preparation and review.
5. The General Manager or his designee shall provide direction to consultants.
6. The General Manager shall review and recommend payment for bills sent by a consultant.

7. The General Manager shall establish procedures for receipt and approval of progress reports from consultants. Progress reports shall be provided by the General Manager to the Board.
8. The Auditor and the Attorney shall report to the Board of Directors and take direction from the Board. They also may take direction from the General Manager. In special cases, the Board may decide that a consultant should report directly to the Board.

VI. COMMITTEES

1. Committees and their membership may be established by the Chairman, or by a majority vote of the Board.
2. The committee Chair may schedule committee meetings.
3. The Chair shall establish the persons who should be in attendance at committee meetings [staff, consultants, etc.].
4. The Chair shall give reports [usually oral] on committee activities to the Board of Directors at Board meetings.
5. An opportunity for committee reports shall be included on the Board's agenda either upon request by the Committee Chair or as a standing agenda item, as appropriate under the circumstances.

VII. OUTSIDE ACTIVITIES

1. The Board shall decide which outside functions should be attended and shall determine who will attend which outside function and serve as the Director's spokesperson.
2. The General Manager shall determine which employees should attend meetings, conferences, and seminars, and shall report to the Board on such activities.
3. The Board shall decide on expenditures and oversee the expenditures incurred in connection with outside functions.

VIII. PROPERTY

1. The General Manager shall be responsible to safeguard, conserve, and maintain all District property and to obtain appropriate levels of insurance.
2. The General Manager shall maintain an inventory of District property.
3. The General Manager shall be responsible for meeting the requirements of the law with respect to District property.
4. The General Manager shall receive all property on behalf of the District, except real property, which the Board receives. The Board shall dispose of District property in accordance with applicable law and District Rules and Regulations.
5. The General Manager shall inform the Board about significant occurrences affecting District property and the status of District property.

IX. EMERGENCIES

1. The General Manager shall determine that an emergency exists.
2. The General Manager shall have unlimited authority to take necessary actions to deal with an emergency.
3. At the earliest possible time, the General Manager shall inform the Board of the actions to deal with an emergency.

X. GENERAL

1. The Board of Directors shall govern collectively and the General Manager shall manage individually with appropriate consultation with, or approval from the Board. The General Manager shall perform all those functions which the Board shall deem necessary whether or not mentioned in this document. The General Manager may delegate responsibilities to others as he sees fit.

APPENDIX H

RECORD RETENTION POLICY

Record Retention Policy

1. Retention of Original Records

The following records shall be maintained in perpetuity in the District's files:

- (A) The Certificate of Incorporation of the District;
- (B) Certifications of annexation proceedings and other property related documents;
- (C) Resolutions and Ordinances;
- (D) Minutes of the meetings of the Board of Directors;
- (E) Certificates of Assessed Valuation prepared by the County of Los Angeles;
- (F) Documents received from the Tax Assessor detailing District taxes collected;
- (G) Documents regarding bond issues;
- (H) Election documents;
- (I) Records of securities and bank deposits;
- (J) Documents relating to claims against the District;
- (K) Documents concerning eminent domain proceedings by the District;
- (L) Land and property title records;
- (M) Records determined by the Board to be of significant and lasting historical, administrative, legal, fiscal or research value; and
- (N) Records required by law to be filed and preserved.

2. Retention of Duplicate Original Records

The following original records may be destroyed if a physical or electronic copy is maintained in perpetuity:

- (A) Financial records summarizing the financial status of the District other than reports prepared pursuant to Article 9 (commencing with Section 53891) of Part 1 of Division 2 of the Government Code;
- (B) Oaths of Office and related materials depicting the authenticity of the appointment of director or officer;
- (C) Paid invoices and other financial records;
- (D) Reports of the District and correspondence not covered in another section of this policy; and
- (E) Records received pursuant to State statute not expressly required by law to be filed and preserved.

3. Retention of Records for Time Certain

The following records or copies may be destroyed after the passage of time:

- (A) Unaccepted bids or proposals for construction may be destroyed after two years;
- (B) Work orders or other in-house records of time spent on work assignments may be destroyed after two years;
- (C) Records created for a specific event or action may be destroyed after five years following the end of the District's fiscal year in which the event or action was completed;
- (D) Cancelled checks or other proof of payment of bond interest and redemption may be destroyed after ten years;

- (E) Tape recordings of the Board meetings intended for the preparation of minutes may be erased after ninety days; and
- (F) Any record, paper or document more than two years old that is prepared or received in a manner other than pursuant to State statute.

4. Retention of Other Records

The following records may be destroyed at any time without maintenance of a physical or electronic copy:

- (A) Duplicates for which the original or electronic copy is on file;
- (B) Rough drafts, working papers, data and other information accumulated in the preparation of other documents and final drafts; and
- (C) Notes, telephone messages and other internal documents.

APPENDIX I

MAIN EXTENSION REIMBURSEMENT AGREEMENT

MAIN EXTENSION REIMBURSEMENT AGREEMENT

1. IDENTIFICATION

This Main Extension Reimbursement Agreement ("Agreement") is made and entered into effective as of the ___ day of _____, 20__, between KINNELOA IRRIGATION DISTRICT, an IRRIGATION District formed pursuant to Division 11 of the California Water Code ("District"), and _____ ("Developer").

2. RECITALS

- 2.1 This Agreement is made pursuant to the requirements of and in accordance with the District's policy regarding main extensions, as set forth in the District Rules and Regulations and incorporated herein by reference ("Policy").
- 2.2 Developer is in the process of designing and constructing certain improvements to be located on real property situated within the District's boundaries. The legal description of the real property is set forth in Exhibit "A" attached to this Agreement.
- 2.3 In order to complete the planned development of the real property, Developer will require water service from the District, which will, in turn, require that the District's existing facilities be extended beyond current limits.
- 2.4 District is willing to grant Developer's request for water service to the real property on certain terms and conditions of this Agreement and in accordance with the Policy.

3. AGREEMENTS

- 3.1 Agreements of Developer: Developer agrees to reimburse the District for the design and construction at Developer's expense of the main extension and facilities specified in Exhibit "B" in accordance with plans and specifications approved by the District.
 - 3.1.1 Until such time as District completes said main extension and facilities, Developer shall maintain and insure said facilities for their full replacement cost value and further shall indemnify and save District harmless from any and all claims relating to the design and/or construction of said main extension and facilities and shall take all steps necessary to comply with the California Environmental Quality Act.
 - 3.1.2 Developer shall be responsible for securing all easements and rights-of-way necessary to complete construction of the main extension and facilities specified in Exhibit "B".

- 3.1.3 All mains and facilities shall remain the property of the District upon completion.
- 3.1.4 All mains and facilities shall be constructed by the District or using a contractor under a competitive bidding process.
- 3.1.5 Developer shall reimburse the District for the cost of design and construction of all facilities.
- 3.1.6 Developer understands that there may be a requirement to pay an amount to District representing a share of the cost for the prior construction of facilities needed to serve the development.

3.2 Agreements of District:

- 3.2.1 Upon receiving the required deposit, the district will design and construct the main extension and facilities specified in Exhibit "B" by a competitive bidding process in accordance with the District's Rules and Regulations. The current fee schedule is set forth in Exhibit "C".
- 3.2.2 In the event any such main extension and facilities specified in Exhibit "B" are not available and used for subsequent connection by other persons within five (5) years of completion of the mains and facilities, District shall not reimburse Developer for any of the costs associated with the mains and facilities specified in Exhibit "B."
- 3.2.3 In the event any of the mains and facilities are used by another Developer within five (5) years, the District will charge the subsequent Developer a prorated share of the improvements already constructed and reimburse that amount to the original Developer subject to the right of District to off-set against any sums payable to Developer the amount of any indebtedness then due or owing by Developer to District.
- 3.2.4 Developer's rights to receive reimbursement under Paragraphs 3.2.3 above shall commence after the date District completes the mains and facilities specified in Exhibit "B" as shown thereon, and shall terminate five (5) years after said date.
- 3.2.5 District shall make reasonable effort to notify Developer of any subsequent connections giving rise to a right to reimbursement pursuant to this Article 3.2. District shall give written notice of such connections by mail addressed to the last known address provided to District by Developer. Until such time as that address changes, the address of Developer specified below Developers signature on this Agreement shall be the address to which District shall send mailed notice.

4. SUCCESSORS AND ASSIGNS

The obligations of Developer, if Developer is more than one person, party or entity shall be joint and several. This Agreement shall bind and inure to the benefit of the heirs, representatives, executors, administrators, successors and/or assigns of the parties hereto.

KINNELOA IRRIGATION DISTRICT

By:

Title:

"DEVELOPER"

By:

Title:

[Address]

Exhibit A

Legal Description

Exhibit B

Main Extension and Off-Site Facilities

Water System Accepted By District: Signature: _____

Date: _____

Exhibit C

Main Extension Reimbursement Rates

1. Reimbursement Where Subsequent Connection Available:

\$1.00 per diameter inch per frontage foot of main, where District policy provides for subsequent connection from both sides of street.

\$2.00 per diameter inch per frontage foot of main, where District policy provides for subsequent connection from only one side of street.

2. Charge for Connection to Existing Main:

\$1.00 per diameter inch per frontage foot of main, where District policy provides for subsequent connection from both sides of street.

\$2.00 per diameter inch per frontage foot of main, where District policy provides for subsequent connection from only one side of street.

3. Reimbursement Where District Policy Precludes Subsequent Connection:

\$2.00 per diameter inch per lineal foot of main.

APPENDIX J

BID PROCUREMENT AND PURCHASING POLICY

BID PROCUREMENT AND PURCHASING POLICY

Work Costing More Than \$30,000

- a. Except as otherwise provided in Article 16, this statement of policy or by law, all Contracts for any improvement, job, construction project or unit of work [Herein referred to as work], and all acquisition of material or equipment, estimated to cost or have a value when completed in excess of Thirty Thousand Dollars (\$30,000) shall be let to the lowest responsible bidder in the manner hereinafter provided.
- b. The Board shall first determine whether the contract shall be let or the acquisition made, as a single unit for the whole of the work or acquisition, or whether it shall be divided into severable convenient parts.
- c. The contract documents shall be prepared utilizing the District standards forms, with such modification as may be appropriate for the particular work or unit of work, for the acquisition of material or equipment. In case of work to be performed for the District, the documents to be prepared shall ordinarily include the Notice Inviting Bids, Instructions to bidders, the Proposal for submission by the bidder, the Information Required of Bidder, setting forth the equipment and material source and other required information, Contractors Licensing Statement, List of Subcontractors, Bid Security Form, Agreement, Faithful Performance Bond, Payment Bond, Non-Collision Affidavit, Notice to Proceed, General Provisions, Special Provisions, and Plans and Specifications.
- d. Unless otherwise required by the provision of the Public Contract Code, the District may advertise in the F.W. Dodge Green Sheet, The Construction Market Data, and similar publications, inviting sealed proposals for furnishing labor for or material or supplies for use or incorporation in, the proposed work or unit of work, or for providing material or equipment. In the event that the construction of works is to be paid for with the proceeds of the sale of bonds or a limited assessment, the District shall give said notice by publication once a week for three (3) successive weeks in a newspaper of general circulation published in the District.
- e. All bids shall be presented under sealed cover on forms furnished by the District, and, in the case of a bid to perform work for the District, it shall be accompanied by one of the following forms of bidder's security: [1] cash, [2] a cashier's check made payable to the District, [3] a certified check made payable to the District, or [4] bidder's bond executed by an acceptable surety insurer made payable to the District.
- f. At the time and place appointed and set forth in the Notice Inviting Bids, the bids shall be opened in public.

- g. The Board may reject any and all proposals or bids should it deem it to be for the public good, or may award the contract for the work or unit of work, or material or equipment, to the lowest responsible bidder at the prices named or specified in the bid or proposal.
- h. In the case of work to be performed for the District, the District shall require the successful bidder or bidders to file with the Board good and sufficient bonds, to be approved by the Board, conditioned upon the faithful performance of the contract and upon payment of all claims for labor and material in connection therewith.
- i. In the case of work to be performed for the District, the District shall require the successful bidder or bidders to carry public liability and property damage insurance, worker's compensation insurance, and other insurance, in the amounts and under the terms stipulated in the Contract documents.
- j. "Lowest Responsible Bidder" shall mean a person who submits the lowest monetary bid, taking into account the contract bid reduction provided for in paragraph g, and which responds to the terms upon which bids were requested, and who has the capacity, integrity and ability to perform the particular requirements of the contract. Factors which may be considered in determining the "lowest responsible bidder" include, but are not limited to, all of the following:
 - 1] The contractor's prior record of performance of other public works projects, if any, including timely completion of performance, quality of work and completion of projects within project budget or bid amount submitted.
 - 2] The contractor's involvement in any ongoing litigation or contract disputes with the awarding authority, which could impair satisfactory performance on the contract to be awarded.
 - 3] The contractor's history of noncompliance with occupational safety and health requirements, labor statutes and regulations, and other local, state, and federal laws.

Work or Acquisitions Costing More Than \$10,000, but Not More Than \$30,000

All contracts for any work or unit of work, and all acquisitions of material or equipment, estimated to cost or to have a value when completed in excess of Ten Thousand Dollars (\$10,000), but not more than Thirty Thousand Dollars (\$30,000), shall be reviewed by a committee of the Board, and shall be submitted for formal competitive bids in accordance with this statement of policy only if the committee shall so recommend and the Board shall concur by a majority vote.

Work or Acquisitions Costing Less than \$10,000

All contracts for any work or unit of work, and all acquisitions of material or equipment, estimated to cost or to have a value when completed that is less than Ten Thousand Dollars (\$10,000), may be authorized by the District's General Manager without compliance with any formal competitive bidding procedures or prior Board approval, and in any such case he may authorize the work or unit of work or acquire the material or equipment, by informal bidding or quotations or by purchase on the open market without advertising.

APPENDIX K

**RESERVE POLICY FUNDING GUIDELINES
AND TARGET LEVELS**

RESERVE POLICY FUNDING GUIDELINES AND TARGET LEVELS

Fund*	Purpose	Target Range	Criteria	Type of Investment Account**
Operating	Cash flow variations due to seasonality and other factors	\$100,000-\$200,000	1-2 Months of Operating Expenses	General Fund Checking or Savings Account
Emergency	Unexpected repair or replacement of facilities or equipment	\$200,000-\$400,000	5%-10% of Fixed Assets****	Short to Medium Term
Replacement	Planned maintenance, rehabilitate or replace existing facilities, equipment and vehicles	\$200,000-\$400,000	Planned Maintenance Schedule with a Minimum of 5% of Fixed Assets****	Medium Term
Improvement***	Capital improvement projects and facilities	\$500,000-\$4,500,000	Projects from the <i>Master Plan</i> or Other Planning Documents	Medium to Long Term

Total Target Range **\$1,000,000-**
\$5,500,000

***Unless specifically restricted by Board action, all reserves in these funds are unrestricted and unassigned and may be spent for purposes authorized by the Board.**

****All accounts are to be insured and/or considered “low-risk” by regulatory authorities. Currently the District’s reserve funds are in accounts at Well Fargo Bank, N.A., Local Agency Investment Fund (LAIF) and Investment Trust of California (CalTRUST).**

***** It is the intent of the Board to fund capital improvement projects from reserves. However, if the planned project is deemed to be too large to fund from reserves, the Board will determine the most appropriate funding alternatives such as direct borrowing, issuance of capital improvement bonds, etc.**

******The Board acknowledges that the cost for replacement of existing facilities, equipment and vehicles will exceed the original cost in most cases and that the value of the property and equipment on the District’s balance sheet after depreciation does not represent the total replacement cost of its assets.**

RESOLUTION 2013-11-19C

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KINNELOA IRRIGATION DISTRICT APPROVING A LANDSCAPE LICENSE AGREEMENT FOR A PORTION OF THE BROWN WELL PROPERTY

WHEREAS, the Kinneloa Irrigation District has surveyed the Brown Well property and recorded a “Record of Survey” with the County of Los Angeles; and

WHEREAS, the survey indicates that adjacent property owner’s landscaping encroaches on a portion of the District’s property; and

WHEREAS, the Kinneloa Irrigation District wants to allow the property owner to continue to use this portion of the property and continue to maintain the landscaping until such time that the District has a need for the property.

NOW THEREFORE, IT IS RESOLVED that the Board of Directors of the Kinneloa Irrigation District hereby approves the attached *Grant of Revocable License*; and

RESOLVED FUTHER, that the General Manager is authorized to obtain the signature of the adjacent property owner, to sign the document on behalf of the District and to record the document with the Registrar-Recorder/County Clerk of the County of Los Angeles.

PASSED, APPROVED AND ADOPTED THIS NINETEENTH DAY OF NOVEMBER 2013.

SIGNED: _____
Chair

ATTEST: _____
Secretary

RECORDING REQUESTED BY

Lagerlof, Senecal, Gosney & Kruse, LLP

WHEN RECORDED MAIL TO:

Kinneloa Irrigation District
1999 Kinclair Drive
Pasadena, CA 91107-1017

GRANT OF REVOCABLE LICENSE

This Grant of Revocable License (this “**Agreement**”) is made, entered into and effective as of the 19th day of November 2013, between KINNELOA IRRIGATION DISTRICT, (“**District**” and “**Grantor**”) and Kimberly Jiang and Arthur Yu (“**Grantees**”).

1. Recitals.

- 1.1. District is the Owner of real property known as a portion of the Vosburg tract, Assessor’s Parcel No. 5860-035-902, in the unincorporated territory of the County of Los Angeles, State of California, as per map recorded in Book 5860, Page 35 of maps and records in the office of the county recorder of said county (“**District Property**”).
- 1.2. The Grantees are the Owners of real property known as a portion of the Vosburg tract, Assessor’s Parcel No. 5860-035-035, commonly known as 1979 Sierra Madre Villa Avenue, Pasadena, California 91107, which is adjacent to the District Property.
- 1.3. Grantees desires to install landscaping and an irrigation system on the District Property that might interfere with access and possible future use of the District Property.
- 1.4. Grantees desire to obtain a non-exclusive license from District to use a portion of the District Property for landscaping purposes.
- 1.5. District is willing to grant the license requested subject to the terms, conditions and provisions set forth herein.

2. Grant of License. District hereby grants to Grantees a non-exclusive revocable license (“**License**”) to use a portion of the District Property, Assessor’s Parcel No. 5860-035-902, commonly known as the Brown Well attached hereto as Exhibit A for landscaping purposes only, which Property is hereafter referred to as the “**Licensed Premises.**” This Agreement and the rights and privileges granted hereunder to Grantees for use of the Licensed Premises are subject to all covenants, conditions, restrictions and exceptions of record or apparent.

3. District Access. Grantees shall allow District and/or its subcontractors unlimited access to the District Property. Fences and other improvements shall not be installed without explicit written approval of District.

4. Grantees' Obligation to Maintain. Grantees shall, at Grantees' sole cost and expense, install and maintain all improvements on the Licensed Premises and shall maintain the landscaping at a professional level. A drainage system shall be provided as needed to prevent soil erosion of the District Property or flooding of properties adjacent to the District Property.
5. Ownership of Improvements. All improvements now existing or hereafter constructed and installed on the Licensed Premises, upon completion, must be free and clear of all liens, claims, or liability for labor or materials and shall become the property of District upon termination of the license granted herein.
6. Covenants Running with the Land. The rights granted hereunder to Grantees and obligations assumed by Grantees shall run with the land, and each and all of the terms and conditions herein contained shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns to the original Grantees. The Grantees shall have no rights or any obligations hereunder with respect to events occurring thereafter.
7. Temporary or Permanent Revocation of License. The District retains the right to revoke this License if Grantees' improvements interfere with any future maintenance or use of the District Property or if the Grantees fail to maintain the Licensed Premises as specified in Section 4. The Grantees shall be given 30 days' notice for routine maintenance of the property and 90 days' notice for a permanent revocation. No notice shall be required for emergency access to the District Property. The Grantees shall be given the opportunity to move or protect the landscaping whenever possible to facilitate the District's activities on the District Property.
8. Indemnification, Hold Harmless, Waiver and Insurance.
 - 8.1. Grantees and Grantees' successors shall defend, protect, indemnify and hold harmless the District, its officers, agents and employees, from and against any and all claims, demands, loss or liability of any kind or nature which the District, its officers, agents and employees, may sustain or incur or which may be imposed on them for injury or death of persons, or damage to property as a result of or arising out of any claims related to Grantees' occupancy and use of the Licensed Premises or by Grantees' agents, employees, or visitors, or the agents, employees or visitors of any subsequent Grantees. If any such action is brought against the District or its agents, employees or attorney, Grantees' and Grantees' successors shall, upon notice from the District, defend the claims at Grantees' sole expense with counsel reasonably satisfactory to the District.
 - 8.2. Grantees hereby waive all claims against the District for damages to Grantees' person, or property or other facilities in, upon, or about the Licensed Premises and, for injuries to Grantees' agents, employees or visitors, or third persons in or about the Licensed Premises for any cause arising at any time, except claims for damages or injuries arising out of the gross negligence or willful misconduct of the District.
 - 8.3. Grantees shall maintain insurance on the Licensed Premises in full force and effect throughout the term of this Agreement in an amount reasonably satisfactory to District covering any and all claims arising out of or connected in any way with Grantees' use of Licensed Premises under this Agreement. District shall name District as an additional

insured thereunder and shall provide written proof of such insurance upon District's request.

9. Notice. Any and all notices or demands by or from the District to Grantees, or the Grantees to the District shall be in writing. They shall be served either personally or by certified mail. If personally served, service shall be conclusively deemed made at the time of service. If served by certified mail, service shall be conclusively deemed made seventy-two (72) hours after the deposit thereof in the United States mail, postage prepaid, addressed to the party to whom such notice or demand is to be given, as hereinafter provided. Any notice or demand to District may be given in care of the General Manager of District, 1999 Kinclair Drive, Pasadena, CA 91107. Any notice or demand to the Grantees may be given to Grantees at 1979 Sierra Madre Villa Avenue, Pasadena, California 91107. The addresses set forth herein may be changed by written notice given in the manner provided herein.
10. Quitclaim Deed. Concurrently with this Agreement, Grantees have executed, acknowledged and delivered to the District a Quitclaim Deed to the Licensed Premises. The District may record this Quitclaim Deed at any time. Upon recording of the Quitclaim deed, all rights of Grantee under this Agreement shall terminate and the license granted hereby shall no longer be of any force or effect.

This Agreement may be executed in two or more counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

DISTRICT and GRANTOR

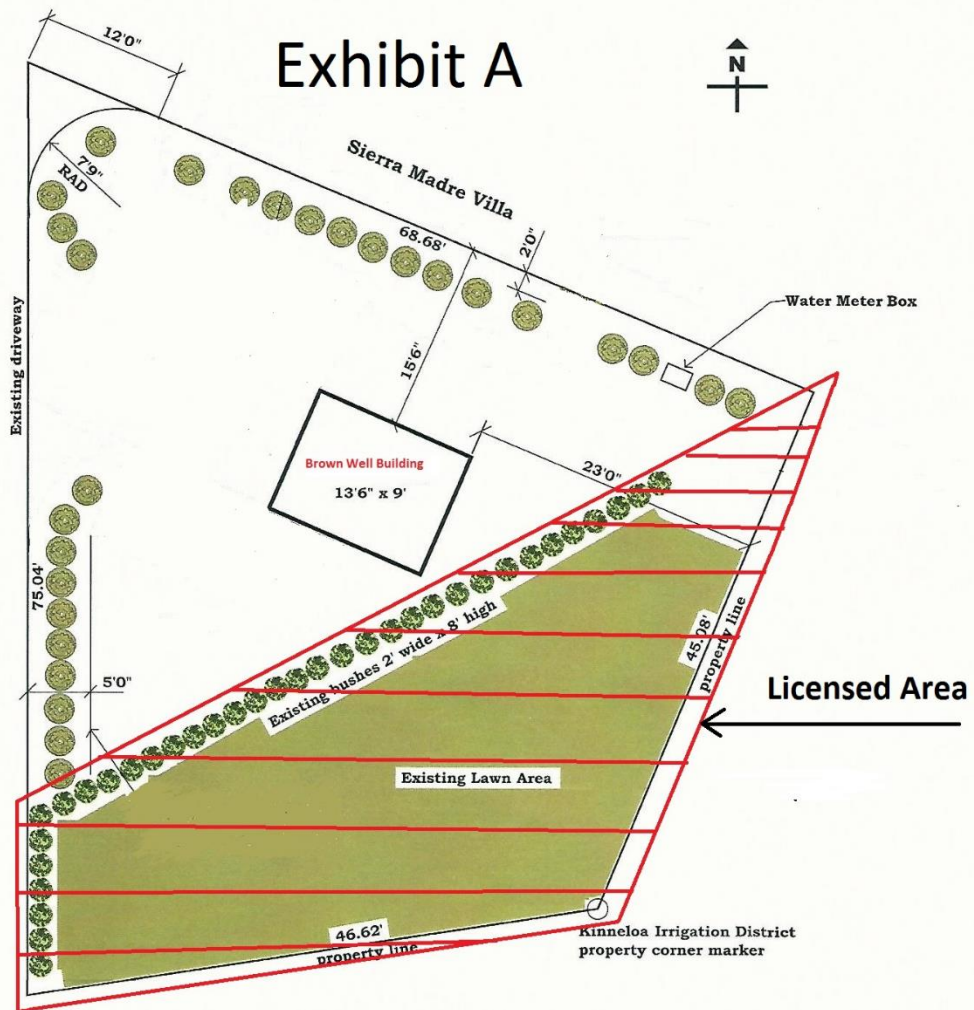
KINNELOA IRRIGATION DISTRICT

By _____
Melvin L. Matthews, General Manager

GRANTEES

Kimberly Jiang

Arthur Yu



Brown Well Site
 Kinneloa Irrigation District Property
 1993 Sierra Madre Villa, Pasadena, Ca. 91107

State of California)
)ss
County of Los Angeles)

On _____ __, 2013 before me, _____, a Notary Public in and for said County and State, personally appeared **Melvin L. Matthews**, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under **PENALTY OF PERJURY** under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

State of California)
)ss
County of Los Angeles)

On _____, 2013 before me, _____, a Notary Public in and for said County and State, personally appeared **Kimberly Jiang** and **Arthur Yu**, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under **PENALTY OF PERJURY** under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

RECORDING REQUESTED BY:

Lagerlof, Senecal, Gosney & Kruse, LLP

WHEN RECORDED MAIL TO:

Kinneloa Irrigation District
1999 Kinclair Drive
Pasadena, CA 91107

QUITCLAIM DEED OF LICENSE

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **Kimberly Jiang** and **Arthur Yu** hereby remise, release and forever quitclaim to KINNELOA IRRIGATION DISTRICT, all right, title and interest in and to those certain premises in the County of Los Angeles, State of California, described in Exhibit A attached hereto, and to the rights granted by the Kinneloa Irrigation District under that certain Grant of Revocable License dated November 19, 2013.

This Quitclaim Deed is executed and delivered, and is to be held by KINNELOA IRRIGATION DISTRICT in accordance with the terms of said License, which provides it may be recorded at any time. Upon recording of said quitclaim deed, all rights of Kimberly Jiang and Arthur Yu under the Grant of Revocable License shall terminate and said License shall no longer be of any force or effect.

Kimberly Jiang

Arthur Yu

State of California)
)ss
County of Los Angeles)

On _____, 2013 before me, _____, a Notary Public in and for said County and State, personally appeared **Kimberly Jiang** and **Arthur Yu**, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under **PENALTY OF PERJURY** under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public



Memo

Date: November 19, 2013
To: Board of Directors
From: Mel Matthews
Subject: Projects and System Maintenance for 2014
Recommended Action: Discussion and Approval

The approved budget for 2014 includes \$129,300 in suggested capital improvement projects, \$125,000 in maintenance contractor expense, and \$45,000 in engineering services. Except for system leaks and equipment failures, the expenditures for the actual projects and maintenance activities done and the timing are largely under our control depending on actual net surplus and cash flow considerations. Decisions on financing methods for major projects will also affect the schedule.

I have attached my updated project spreadsheet to show the completed 2013 projects and the recommended 2014 projects for discussion and approval. I have maintained this spreadsheet since 2007 and it shows that we have completed projects in the amount of \$2,706,894 as compared to the estimated amount of \$3,149,155. The items for 2014 that are being presented for discussion and approval at this meeting are highlighted in **red type**. All of these items are included in the approved 2014 budget and are open for discussion at this meeting. Following is background information two non-routine items on the list:

East-West Pipeline and Vosburg Booster Station

These projects have been treated separately in the past and will continue to be designed and bid as separate projects if the Board approves continued work on the design and the bid packages. However, for purposes of discussion and approval I recommend that the Board consider the **merit of the combined projects**. This approach addresses the concern stated by the Board at the last meeting for any possible inequity between the benefit to “eastside” customers and the “westside” customers in pursuing either or both of the projects.

The internal distinction between the eastside system and the westside system is only based on the historical development of the District from separate water companies. Although east-west interconnections at two points have allowed a partial combining of the two sides from an operational standpoint, the current situation is that the eastside still has greater total storage capacity and the westside has greater pumping capacity and redundancy. The proposed pipeline adds 500,000 gallons of available storage to eastside customers and 150,000 gallons of available storage to westside customers. However, the apparent difference in the benefit is balanced by the fact that the new Vosburg Booster Station on the eastside adds the ability to refill the West

Tank from the storage in the eastside reservoirs including 1,250,000 gallons in the Vosburg Reservoir and another 1,250,000 gallons of storage in the Wilcox Reservoir.

Furthermore, these projects when combined bring a better balance between the pumping capacity and storage capacity to the entire KID system and fulfill the major objective of the **Master Plan** to improve the District's emergency preparedness. I believe that if the Board approves both projects that there should be no further concern with east vs. west benefits. The most important conclusion is that after completion of these projects the KID will finally have a fully integrated system with mutual benefits of improved pumping and storage available to all customers.

Valve and Fire Hydrant Maintenance

A continuing valve and fire hydrant maintenance and flushing program has been an elusive goal for the District for many years. Although a regular program fulfills the requirements of regulatory agencies and is a part of most agencies' best management practices (BMPs), the KID has generally done this work only on an as-need basis with our own people or with the assistance of contractors on a case-by-case basis. Major barriers to establishing a regular program on our own have been the high expenses for the tools, equipment and computer software needed to accomplish the program.

Utility Service Co, the firm that has been doing our steel tank maintenance since 2005 has introduced a test and maintenance program similar to the tank program that will accomplish this goal. The first phase of the program is to test all of the approximately 400 valves and 100 hydrants and develop a database to contain all the information including location, type, condition, etc. and to incorporate this information into our electronic system drawings. This effort will give us the baseline information we need to prioritize needed repairs or replacement. The second phase of the program commencing after the first year will be to do this work on 50% of the valves and fire hydrants each year thereby establishing a two-year cycle for every valve and hydrant in the system.

The attached agreement covers the scope of the services provided. Please note that the fees in this agreement do not cover any needed repairs or replacement. Although additional services could be added in the future to provide perpetual maintenance similar to our tank agreement, we felt that there would be mutual benefit to the KID and Utility Service Co. to do this baseline assessment first before committing to a more inclusive agreement for future maintenance.

Although there is no specific increase in the Maintenance Contractors budget this year to include this work, we are currently \$16,635 under budget for 2013 and with the good fortune of a relatively leak-free remainder of 2013 and with normal expenses in 2014 I would not expect to exceed the budget in 2014 either.

Recommendation

After a discussion of any of the projects on the list, I recommend that the Board approves the projects highlighted in red type on the attached list subject to available funds and appropriate scheduling.

Kinneloa Irrigation District Project List

Project Number	Project Name	Project Description	Estimated Cost	Estimated Completion	Actual Completion	Actual Cost
74	Holly Tanks	Site improvements	TBD			
73	Wilcox Reservoir	Site improvements including new booster station & electrical work	40,000	Project on hold		
72	Reservoir Inspection	Video inspection of concrete reservoirs (every 5-6 years)	10,000	Next inspections in 2015		
71	Pump & Motor Maint.	Eucalyptus P-3 booster	32,000	12/31/2015		
70	Vosburg Pump Station	Estimated construction cost	500,000			
69	East-West Pipeline	Estimated construction cost	1,000,000			
68	Tank Maintenance	Steel tank maintenance (annually per agreement with Utility Services Co.)***	46,316	Current annual cost		
67	Water Meters	Replacement or repair of production or customer meters	5,000	12/31/2014		
66	Tools	Valve and pipeline locating equipment	3,000	12/31/2014		
65	Computer/Office Equipment	Replacement of non-repairable or obsolete equipment**	5,000	12/31/2014		
64	Facility Maintenance	Continuing facility maintenance and upgrades**	12,000	12/31/2014		
63	Facility Electrical/Electronic	Incl. cell repeaters at 3 sites; CI2 time clocks at 3 sites; arc flash compliance	25,000	12/31/2014		
62	Water Treatment	Replace programmable logic controller (PLC) for K-3 CI2 generator	6,000	12/31/2014		
61	SCADA	Replace Sage touch screen; battery status at 6 sites; connect Wilcox AT switch	13,000	12/31/2014		
60	Wilcox Reservoir	Install automatic transfer switch and cleanup electrical panel	10,300	6/31/2014		
59	Valve Testing/Maintenance	Valve/hydrant testing and maintenance agreement - Utility Services Co.***	30,000	3/31/2014		
58	East-West Pipeline	Engineering services - plans & specifications & bid package*	25,000	12/31/2014		
57	Vosburg Pump Station	Engineering services - plans & specifications & bid package*	25,000	12/31/2014		
TOTAL Projects on the planning horizon			1,787,616			

*Amount budgeted this year to start design work if project(s) is (are) approved by the Board. Funds approved in prior years were not spent. Additional funds are available in 2014 Engineering Services budget if needed to complete design work to meet bid or construction schedule.

**Specific projects or equipment to be determined at a later date depending on actual need and available funds.

***Expenditures for these item to be posted to Maintenance Contractors expense.

Future Projects ↑

Previous Projects ↓

Kinneloa Irrigation District Project List

56	Water Meters/Trans.	Meter and transponder upgrades for radio reading (final phase)	32,000	12/31/2013	8/7/2013	25,226
55	East-West Pipeline	Addendum report to determine segment 3 prior to P&S	20,000	6/30/2013	10/4/2013	21,450
54	Pump & Motor Maint.	Eucalyptus P-2 booster	30,205	3/31/2013	1/31/2013	32,054
53	SCADA Upgrades	Convert PCIC facility to radio-based telemetry system	13,000	6/30/2013	3/11/2013	11,467
52	Vosburg Pump Station	Engineering services to do preliminary design report	14,215	6/30/2012	10/7/2013	7,895
51	Wilcox Well	Replace water depth measuring tube	7,500	6/30/2013	3/22/2013	10,544
50	East-West Pipeline	Final draft of preliminary design report	5,556	n/a	7/31/2012	3,556
49	Cl2 Analyzer Upgrade	Add pH and temperature measurement at three additional sites	5,700	12/31/2012	postponed	
48	Tank Maintenance	Tank maintenance provided by Utility Services Co. 2005-2013	495,226	n/a	as of 12/31/2013	495,226
47	East Tank Pressure Zone	Valve replacement/additions and pipeline upgrade	17,098	6/30/2011	6/11/2011	17,098
46	K-3 Well VFD	Install Variable Frequency Motor Control	33,600	10/31/2011	11/29/2011	36,028
45	Windover/SMV Pipeline	Pipeline construction	544,300	6/30/2011	9/30/2011	671,612
44	Facility Electrical	On-going electrical work and upgrades at facilities	25,000	12/31/2011	12/1/2011	9,986
43	East-West Pipeline	Preliminary engineering and feasibility study/easements	15,000	12/31/2011	as of 8/30/2011	9,444
42	K-3 Well	Lower pump and install flex motor coupling	15,000	3/31/2011	3/1/2011	12,615
41	SCADA Upgrades	On-going projects	15,000	12/31/2011	5/2/2011	7,604
40	Cl2 Analyzer Upgrade	Add pH and temperature measurement at three additional sites	5,700	12/31/2011	postponed	
39	Pump & Motor Maint.	Pasadena Glen 25 hp	20,000	6/30/2011	2/1/2011	24,191
38	Pump & Motor Maint.	Wilcox Reservoir 75 hp	15,000	6/30/2010	3/31/2010	15,974
37	Pump & Motor Maint.	Eucalyptus P-1 booster	22,500	12/31/2010	7/14/2010	28,471
36	Cl2 Analyzer Upgrade	Add pH measurement at K-3 (Hi/Lo Tunnel postponed)	5,400	12/31/2010	5/11/2011	1,872
35	Wilcox Tree & Brush	Trim trees and clear brush for fire safety	7,500	6/30/2010	2/3/2010	2,186
34	Windover/SMV Pipeline	Plans and Specifications for replacement pipeline	25,000	12/30/2010	as of 9/30/2010	17,074
33	Water Meters w/trans.	120 meter registers and transponders	21,000	12/31/2010	as of 9/30/2010	33,799
32	SCADA Upgrades	SCADA upgrades at Wilcox, Eucalyptus, Sage and Glen	15,000	12/31/2010	as of 9/30/2010	3,845
31	Wilcox Res. Trans Switch	Install generator transfer switch at Wilcox Reservoir	8,575	6/30/2010	postponed	
30	Generator #3	250 KW portable generator for Wilcox Reservoir	45,000	6/30/2010	6/20/2010	40,964
29	Brown Flo-Loc	Install Flo-Loc at Brown Reservoir	15,000	6/30/2010	7/19/2010	14,818
28	Facility SCADA	Install intrusion alarms at additional facilities	10,000	12/31/2009	12/31/2009	10,931
27	Facility Electrical	Electrical work and upgrades at facilities	22,125	12/31/2009	12/31/2009	6,424
26	Water Meters w/trans.	Water meter replacement	20,000	12/31/2009	7/31/2009	20,148
25	Generator #2	50 KW portable generator for Office	20,000	3/31/2009	2/5/2009	19,594
24	Office Trans. Switch	Install generator transfer switch at Office	5,824	3/31/2009	4/21/2009	5,420
23	Facilities	Protective sealer for reservoir roofs/Facility maintenance	30,000	9/30/2009	8/31/2009	29,055
22	Mesa Pipeline Const.	Install replacement mains per Master Plan	568,500	6/30/2009	7/31/2009	401,538
21	Ranch Top Interconnect	Joint emergency interconnect project with Pasadena	10,000	7/31/2008	7/31/2008	0

Kinneloa Irrigation District Project List

20	Fairpoint Interconnect	Joint emergency interconnect project with Pasadena	50,000	6/30/2008	6/9/2008	50,367
19	Generator #1	50 KW portable generator for Glen Reservoir	20,000	8/31/2008	6/9/2008	19,257
18	Truck Replacement	Replace '89 truck with 1 ton with service body and lift gate	50,000	8/31/2008	9/16/2008	46,362
17	Brown SCADA	Install SCADA at Brown Reservoir	12,000	6/30/2008	6/9/2008	12,434
16	SCADA Software	Upgrade SCADA software to current version	15,000	6/30/2008	6/9/2008	14,753
15	Glen Transfer Switch	Install generator transfer switch at Glen Reservoir	8,065	3/31/2008	6/24/2008	10,665
14	Brown SCADA	Add solar power and SCADA to Brown Reservoir	12,000	6/30/2008	6/9/2008	12,434
13	Remote Meter Read	Purchase 60 transponders & registers	12,000	3/31/2008	2/18/2008	12,027
12	Fairpoint Interconnect	Joint emergency interconnect project with City of Pasadena	50,000	6/30/2008	6/9/2008	50,367
11	Villa Knolls Pipeline	Replace PVC main and 5 service connections	20,000	11/30/2008	11/17/2008	20,708
10	Truck Replacement	Replace '92 truck with 1 ton with service body	43,000	12/31/2008	12/16/2008	44,948
9	Holly Clortec	Replace Uniclor with Chlortec and add SCADA alarms	13,000	3/31/2008	3/5/2008	13,845
8	Mesa Pipeline Eng.	Engineer replacement pipeline for Kinneloa Mesa	30,000	3/31/2008	11/18/2008	20,000
7	New York Main	K-3 to Wilcox Reservoir pipeline	178,570	12/31/2007	1/25/2008	142,399
6	Office Maintenance	Replace office roof	20,000	6/30/2007	5/8/2007	6,480
5	House Tunnel	Repair tunnel line	61,505	6/30/2007	3/31/2007	842
4	Hi/Low Pressure Tunnel	Repair tunnel line and tunnel entrance	220,491	6/30/2007	9/1/2007	911
3	Flo-Loc	Valve and electrical installation- Holly, East Eucalyptus, Vosburg	118,000	12/31/2007	7/27/2007	137,801
2	Facility Electrical	East tank utility power project	20,000	6/30/2007	6/15/2007	18,188
1	Chlorine Analyzers	K-3, Wilcox and Eucalyptus installations	15,000	6/30/2007	6/21/2007	23,998
TOTAL Estimated Cost and Actual Cost - Previous Projects and Projects in Progress			3,149,155			2,706,894



CSDA Finance Corporation



1112 I Street, Suite 200
Sacramento, CA 95814
t: 916.442.7887 f: 916.442.7889
www.csdafinance.net

PREPARED BY CSDA FINANCE CORPORATION

DATE: October 30, 2013

PROPOSED LEASE PURCHASE FOR: Kinneloa Irrigation District

RE: Pipeline improvements

NOTE: TERMS ARE BASED UPON LEASE BEING BANK QUALIFIED

Purchase Option amount is exclusive of the rental payment due on same date.

Interest rate quote is valid for an acceptance within 15 days and lease funding within 60 days.

Payments: Annually in arrears	Financing Amount \$1,000,000	Interest Rate 4.35%	Term 20 years
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PMT #	Due Date	Rent Payment	To Principal	To Interest	Purchase Option
1		\$75,880.18	\$32,380.18	43,500.00	
2		75,880.18	33,788.72	42,091.46	
3		75,880.18	35,258.53	40,621.65	
4		75,880.18	36,792.27	39,087.91	
5		75,880.18	38,392.74	37,487.44	
6		75,880.18	40,062.82	35,817.36	
7		75,880.18	41,805.55	34,074.63	760,057.17
8		75,880.18	43,624.10	32,256.08	715,342.47
9		75,880.18	45,521.74	30,358.44	668,682.68
10		75,880.18	47,501.94	28,378.24	619,993.20
11		75,880.18	49,568.27	26,311.91	569,185.72
12		75,880.18	51,724.49	24,155.69	516,168.12
13		75,880.18	53,974.51	21,905.67	460,844.24
14		75,880.18	56,322.40	19,557.78	403,113.78
15		75,880.18	58,772.42	17,107.76	342,872.05
16		75,880.18	61,329.02	14,551.16	280,009.81
17		75,880.18	63,996.84	11,883.34	214,413.05
18		75,880.18	66,780.70	9,099.48	145,962.83
19		75,880.18	69,685.66	6,194.52	74,535.03
20		75,880.18	72,717.10	3,163.08	0.00

TOTALS:	<u>\$1,517,603.60</u>	<u>\$1,000,000.00</u>	<u>\$517,603.60</u>
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Approved and agreed to: Kinneloa Irrigation District

By: _____

Date: _____

Title: _____



CSDA Finance Corporation – Frequently Asked Questions

What is the CSDA Finance Corporation?

The CSDA Finance Corporation is a non-profit public benefit corporation formed by the California Special District Association (CSDA) to provide its members with affordable, tax-exempt financing for purchases and projects essential to district operations.

Why should we choose the CSDA Finance Corporation over other companies?

For more than 20 years, the CSDA Finance Corporation has been dedicated to serving the public financing interests of special districts. Our board of directors is composed of managers and directors of special districts representing each of the six California regions served by CSDA. Our experienced financial and legal consultants are specialists in special district financing, having facilitated the funding of nearly \$1 billion in capital projects and equipment 100s of special districts. We understand special districts, and being responsive to your needs and concerns is our top priority.

What are the advantages of tax-exempt financing?

Tax-exempt financing represents one of the lowest-cost funding alternatives available to special districts. Because of the tax-exempt status of special districts, their interest payments related to the financing obligations of eligible projects are exempt from State and Federal income taxes. The result is that investors (lenders) are willing to accept a lower return on their capital since their interest receipts are not subject to State and Federal income taxes. This results in lower interest rates to CSDA's members.

In addition to being more cost-effective, tax-exempt financing allows your district to:

- Retain district reserves for other purposes
- Avoid a “phased” approach to constructing projects, as often dictated by pay-as-you-go alternative
- Leverage future revenues to fund current capital costs
- Preserve balance sheet liquidity and possibly even improve the district's credit profile

What kind of financing programs does the CSDA Finance Corporation offer?

Lease/purchase financing for equipment, refinancing of existing loans, and capital projects

- Extremely well recognized funding alternative (last year more than \$5 billion of these loans were originated in California)
- Ability to fund very large projects
- Low transaction costs and all costs can be funded from loan proceeds
- Simplified documentation
- Prompt delivery of funds
- Minimal requirement of district staff resources
- Customized financing plans
- Expert execution

What kind of projects can tax-exempt financing be used for?

Over the years, the CSDA Finance Corporation has financed a wide variety of equipment purchases, loan refinancing, property acquisitions, and capital improvement projects. Some of these include:

- Upgrades to water treatment and distribution systems
- Land acquisitions for parks, cemeteries, and many other types of districts
- Construction of district headquarters and other facilities
- Installation of solar power systems
- Purchases of fire engines, ambulances, trucks, and other specialized vehicles
- Refinancing of prior debt

Tax-exempt financing cannot be used to cover operating expenses.

What size financings are available, and what terms?

There are no limits to the amount of financing available through the CSDA Finance Corporation. In general, the amount is limited by the district's budgetary ability to afford the resulting debt service. The length of each loan is dependent upon the "life span" of the asset(s) being financed. Financing terms range from five to thirty years.

What fees or transaction costs are involved?

Fees are generally quoted in terms of a percentage of the requested loan amount and range from 1.00% to 3.00% depending upon the particular features and circumstances of each loan.

How quickly will the funds become available?

For districts that have been strategically positioning themselves in anticipation of the financing process, funds can become available within 60-90 days. In some circumstances financings have closed in less than 45 days.

What can we do to position our district for financing?

In the current economic environment, lenders focus on the underlying financial strength of the district more than ever before in recent history. When a district applies for financing through the CSDA Finance Corporation, it will need to supply its last three years of audited financial statements (as well as any existing interim financials) and its current year budget.

Lenders look for the following traits, characteristics, and patterns in determining whether a district is credit-worthy:

- Strong management and leadership, particularly as demonstrated by a proven willingness to methodically: increase rates and charges in anticipation of funding mission-critical capital improvements; and, fund depreciation/ renewal & replacement
- History of managing balanced financial operations and avoiding year-over-year structural deficits
- Ability to increase rates & charges
- Balance sheet liquidity, i.e. the ability to convert balance sheet assets in to cash in order to pay for unexpected obligations

Districts that are best positioned to seek financing have been thoughtful and strategic (proactive versus reactive) in the planning for the anticipated acquisition or construction project. They are able to clearly, coherently, and concisely articulate the importance of the project to the district's mission and the accompanying plan for handling the related financing obligations.

Is membership in California Special Districts Association required?

To pursue tax-exempt financing through the CSDA Finance Corporation and have access to our team of financial consultants, your district should be a current member of CSDA.

What if I still have questions?

Please contact Cathrine Lemaire, Program Manager, at 877-924-2732 or cathrinel@csda.net. You can also visit our website at www.csdafinance.net.

CSDA Finance Corporation
1112 I Street, Suite 200, Sacramento CA 95814
phone: 877.924.2732 fax: 916.442.7889
www.csdafinance.net

General Manager's Report for the Board of Directors Meeting on November 19, 2013

I. Capital Improvement, Preventative Maintenance and Repair Projects

- A. **Portable Pumps** – Repaired seals in Paco Pump #1
- B. **Long Tunnel** – Repaired tunnel entrance structure.
- C. **Valve Maintenance** – Transfer Valve was serviced.

II. Customer Information and Internet Site Statistics

A. Delinquent Accounts –

- 32 accounts received past-due notice
- 31 accounts received late charges in the total amount of \$517.92
- 9 accounts received door hanger shut off notice
- 1 account was shut off for non-payment
- 1 account remains shut off for non-payment

B. Aged Receivables –

Month	Current	30 days	60 days	90 days or greater	Total
January 2013	\$21,960.44	\$4,042.13	\$493.31	\$741.26	\$27,237.14
February 2013	\$23,985.69	\$1,674.89	\$1,015.81	\$703.92	\$27,380.31
March 2013	\$41,288.57	\$2,646.48	\$297.22	\$1,070.53	\$45,302.80
April 2013	\$44,290.63	\$22,023.09	\$224.44	\$188.22	\$66,726.38
May 2013	\$31,963.50	\$1,712.42	\$281.28	\$121.28	\$34,078.48
June 2013	\$34,725.68	\$3,043.78	\$476.62	\$352.16	\$38,598.24
July 2013	\$50,207.87	\$1,460.99	\$436.02	\$444.19	\$52,549.07
August 2013	\$67,405.71	\$2,883.43	\$201.61	\$142.14	\$70,632.89
September 2013	\$52,903.26	\$3,407.99	\$574.19	\$48.65	\$56,934.09
October 2013	\$50,362.67	\$2,434.43	\$573.53	\$47.52	\$53,418.15
November 2013					
December 2013					

C. Internet Statistics –

Month	Number of Requests	Number of Page Requests	Online Payments	Online Amount
January 2013	5,635	2,290	19	\$2,176.32
February 2013	6,212	2,516	13	\$1,695.87
March 2013	9,161	4,473	19	\$2,250.81
April 2013	8,006	4,100	18	\$3,516.01
May 2013	6,921	3,250	25	\$4,217.47
June 2013	4,466	1,995	19	\$3,986.79
July 2013	5,493	2,058	27	\$5,839.65
August 2013	5,060	1,694	28	\$7,043.38
September 2013	4,108	1,366	19	\$4,928.85
October 2013	7,064	1,864	31	\$6,561.00
November 2013				
December 2013				
Total YTD	55,062	23,742	187	\$42,216.15

III. General Manager's Projects and Activities

- A. **Brown Well Landscape License Agreement** – I revised the agreement to incorporate suggested changes by Directors Sorell and Griffith. The final draft was reviewed by Tom Bunn of Lagerlof, Senecal, Gosney and Kruse and is on the agenda for this meeting. The agreement only includes the portion of the Brown property that is already landscaped. We will landscape the remainder of the property once the driveway is completed for the new home at 1995 Sierra Madre Villa Avenue.
- B. **Reserve Policy** – I revised the reserve policy to incorporate suggestions made at the last board meeting. Final approval in an agenda item for this meeting. The policy will be added to the revision 9 of the District's *Rules and Regulations*.
- C. **Rules and Regulations** – Bernadette, Shirley and I have been reviewing this document for errors, formatting inconsistencies and obsolete forms and procedures. Revision 9 includes many of the minor changes, addition of the reserve policy and an updating for rates for our services.
- D. **2014 Projects** – The project list was updated to reflect completed projects and to include the recommended projects for 2014. This item is on the agenda for this meeting.

IV. Agency and Association Update

- A. **Association of California Water Agencies (ACWA)** – I was elected to the Region 8 Board under the sponsorship of Foothill Municipal Water District for the two year term starting in January 2014.
- B. **Raymond Basin Management Board (RBMB)** – The annual report has been completed and will be available soon for your information.
- C. **California Special Districts Association (CSDA)** – CSDA and its members have proved to be an excellent voice for the KID in Sacramento. I will be providing an update in the coming months.
- D. **State Water Resources Control Board** – The State Water Resources Control Board has embarked on a unique (but unnecessary) effort to develop a drinking water discharge permit for Regional Water Quality Control Boards to implement per their discretion. Our NPDES permit working group will be opposing this misguided effort at a workshop on November 18, 2013.

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
OCTOBER 12, 2013**

MEMBERS PRESENT: Directors Barkhurst, Griffith, Kilburn and Sorell
Director Eldridge was absent due to another commitment.

STAFF PRESENT: Melvin Matthews, General Manager
Chris Burt, Facilities Supervisor
Shirley Burt, Administrative Assistant

CALL TO ORDER: The Meeting was called to order by the President, Gerrie Kilburn,
at 1000 hours. She noted that there was a quorum present.

PUBLIC COMMENT: No persons wished to comment at this time.

REVIEW OF PROPOSED YEAR 2014 BUDGET:

The **General Manager** stated that he had made the requested changes in the proposed budget reducing the water sales income to \$1,223 and reducing the wholesale water sales income to \$75,000.

Director Barkhurst stated that he thought it was a good, workable budget.

Director Sorell questioned whether the amount of \$129,000 for capital projects was sufficient and the **General Manager** replied that the amount did not include the construction costs of any major capital projects as those would be addressed separately but the amount does include engineering costs for the projects.

It was M/S/C-(Barkhurst/Griffith-4/0)-**“That the Proposed Budget for Year 2014 be approved.”**

DISCUSSION OF THE ESTABLISHMENT OF A RESERVE POLICY:

Director Barkhurst stated that he had the following suggestions for changes to Appendix K

1-the criteria for the Operating Fund be changed to “1-2 months” of Operating Expenses

2-the criteria for the Emergency Fund be changed to “5%” of Fixed Assets

3-the criteria for the Replacement Fund be changed to Planned Maintenance Schedule,
“with a minimum of 5% of Fixed Assets.”

4-that a third Asterisk be added stating “It is the intent, not policy, of the Board to fund
Capital Improvement Projects from reserves. If the planned project is deemed to be too
large to fund from reserves, the Board will determine the most appropriate funding
alternatives, such as direct borrowing, issuance of capital improvement bonds, etc.”

Direct Sorell questioned the term “5% of fixed assets” in the Emergency Fund since the amount of 4 Million dollars shown on the Financial Report represents net value after depreciation based on historical costs, but the reality is that the cost of replacement of any of the items would be far in excess of the amount shown.

The **General Manager** requested that Board Members send him any further suggestions for inclusion in the Policy and that he would incorporate them in the Resolution that will be presented at the next meeting.

GENERAL MANAGER’S REPORT:

The **General Manager** noted that the Addendum to the East-West Pipeline Project and the Preliminary Design Report for the replacement of the Vosburg Booster are included in the report.

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
OCTOBER 12, 2013

Page 2

GENERAL MANAGER'S REPORT: (continued)

In answer to a question from Director Griffith the **General Manager** stated that the only action the Board had taken regarding the Vosburg Booster Project was to approve approximately \$14,000 to prepare the report that has just been presented to the Board.

Director Griffith stated that he had other questions about both projects but that he could email them to the General Manager.

The **General Manager** suggested that the Board review the reports and then submit their questions so that he and the Facilities Supervisor could answer them. He emphasized that these are two very worthwhile projects.

Director Sorell stated that he is concerned about the easement issues and would like more information such as the costs, etc.

Director Barkhurst stated that he would recommend that no more preliminary money be spent on either of the two projects until a decision is made as to which one should be done first. He also expressed concern as to whether the Kid has the ability to borrow the amount of money to get these projects done.

Director Kilburn questioned whether the District had any property that could be sold and **Director Barkhurst** replied that he did not think that was realistic.

The **General Manager** stated that the only two factors that will determine the ability to borrow are the cash in the bank and the cash flow.

Director Barkhurst also cautioned that the cost to borrow money would seriously increase billing costs to the rate payers of the District.

Director Sorell questioned whether the projects could be together or separately.

Director Barkhurst commented that the manner the rate payers view these improvements as a benefit to them needs to be considered.

The Board directed the General Manager to make investigation as to the Board's ability to borrow and report his findings at the next meeting

REVIEW OF MINUTES:

The minutes of September 17, 2013, were reviewed and approved for filing as presented.

REVIEW OF FINANCIAL REPORTS:

The reports for September 30, 2013, were reviewed and accepted for filing as presented.

The General Manager noted that the final payment has been made on the two trucks.

ITEMS FOR NEXT AGENDA:

Approval of Revised Reserve Policy

Financing Opportunities

Project List for Year 2014

ADJOURNMENT:

The meeting was adjourned at 1100 hours. The next meeting will be on November 19, 2013.

Respectfully submitted,

Shirley Burt
Secretary to the Board



1999 KINCLAIR DRIVE, PASADENA, CALIFORNIA 91107-1017
 TELEPHONE (626) 797-6295 • FAX (626) 794-5552
 WEBSITE: kinneloairrigationdistrict.info

Memo

Date: November 6, 2013
 To: Board of Directors
 From: Mel Matthews
 Subject: Financial Review for October 2013

Total Revenues for the month were \$125,544.71 as compared to the budgeted amount of \$111,166.66. Retail water sales were \$124,134.91 which is more than the budgeted amount of \$110,000.00. Total Revenues for the year to date are \$1,227,115.88 as compared to the budgeted amount of \$1,215,666.60. **Total Expenses** for the month were \$88,898.33 as compared to the budgeted amount of \$81,644.98. Total Expenses for the year to date are \$728,195.38 as compared to the budgeted amount of \$832,149.80. The general ledger accounts that were significantly different than the budgeted amounts for the month are as follows:

GL Acct.	Description	Actual	Budgeted	Difference	Comments
4000	Water Sales	124,134.91	110,000.00	14,134.91	Increased customer demand; YTD revenues continue to exceed YTD budget
4070	Misc. Income	160.44	0.00	160.44	Admn., record keeping and bookkeeping services for PGFSC
5016	Operations/Maint. OT	1,033.32	833.33	199.99	Non-budgeted water main leaks and SCADA problems this month
5025	Water Treatment	646.32	1,833.33	-1,187.01	Testing/maintenance costs lower than expected
5034	Equipment Maint.	1,821.00	833.33	987.67	Portable pump; YTD expenses are within budget
5035	Vehicle Maintenance	1,244.56	500.00	744.56	YTD expenses are within budget
6051	Mobile Telephone	88.49	166.67	-78.18	Discontinued 2 lines and data service; only 2 employees use KID cell phone

Net Income was \$36,646.38 as compared to a budgeted amount of \$29,521.68. There were \$5,177.20 in **Other Expenditures** for projects or equipment this month. The year to date spending in this category is \$142,286.85 which is substantially less than the budgeted amount of \$243,181.00. Although the budgeted projects for 2013 are \$256,681.00, the actual projects performed and the scheduling of those projects continues to be contingent on the actual net income and the desired increase in the net surplus for future major projects.

Total cash in our checking and reserve accounts excluding Pasadena Glen Fire Safe Council funds is \$1,111,716.16 as of October 31, 2013. The net increase in cash for the month was \$31,777.46 and the total increase of cash for the year to date is \$336,905.15.

Kinneloa Irrigation District
Income Statement for the Ten Months Ending October 31, 2013

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget
Revenues				
4000 Water Sales	124,134.91	110,000.00	1,179,933.65	1,054,000.00
4015 Wholesale Water Sales	0.00	0.00	33,324.87	150,000.00
4020 Service/Installation Charges	867.92	833.33	10,472.79	8,333.30
4025 Asset Sale/Miscellaneous	0.00	0.00	50.00	0.00
4035 Interest-Reserve Fund	381.44	333.33	2,969.70	3,333.30
4070 Misc. Income	160.44	0.00	364.87	0.00
Total Revenues	125,544.71	111,166.66	1,227,115.88	1,215,666.60
Expenses				
5005 Electricity	9,465.25	9,200.00	89,364.47	90,900.00
5010 Maintenance Supplies	1,897.68	1,666.67	17,772.30	16,666.70
5011 Material and Labor for Install	0.00	833.33	6,355.05	8,333.30
5012 Safety Equipment	0.00	133.33	571.77	1,333.30
5015 Operations & Maintenance Labor	12,618.68	12,916.67	119,146.49	129,166.70
5016 Operations & Maintenance OT	1,033.32	833.33	11,866.80	8,333.30
5020 Stand-by Compensation	720.00	625.00	6,240.00	6,250.00
5022 Training/Certification	30.00	133.33	570.00	1,333.30
5025 Water Treatment/Analysis	646.32	1,833.33	11,931.82	18,333.30
5030 Maintenance Contractors	20,954.79	10,416.67	87,531.35	104,166.70
5034 Equipment Maintenance	1,821.00	833.33	7,488.34	8,333.30
5035 Vehicle Maintenance	1,244.56	500.00	3,368.49	5,000.00
5036 Fuel - All Equipment	769.79	1,250.00	9,850.54	12,500.00
5045 Insurance-Workers Compensation	0.00	0.00	1,826.33	9,000.00
5046 Insurance-Liability	1,233.75	1,833.33	8,896.37	18,333.30
5048 Insurance-Property	180.00	208.33	1,028.87	2,083.30
5049 Insurance-Medical	5,510.44	3,833.33	55,104.40	38,333.30
6000 Engineering Services	2,500.00	3,750.00	7,425.00	37,500.00
6005 Watermaster Services	879.33	1,000.00	7,971.97	10,000.00
6015 Administrative Salary	10,316.64	10,833.33	103,166.40	108,333.30
6016 Administrative Bonus	0.00	0.00	2,500.00	0.00
6017 Administrative Travel	121.03	416.67	1,372.28	4,166.70
6020 BofD Compensation	400.00	400.00	3,700.00	4,800.00
6021 Administrative & Board Expense	12.00	208.33	157.20	2,083.30
6024 Customer/Public Info. Prog.	0.00	250.00	68.13	2,500.00
6025 PERS - KID	1,599.83	1,250.00	14,325.68	12,500.00
6030 Social Security - KID	2,449.51	2,416.67	23,890.86	24,166.70
6035 Office/Computer Supplies	640.00	750.00	3,816.85	7,500.00
6036 Postage/Delivery	221.26	500.00	2,452.69	5,000.00
6040 Professional Dues	650.32	625.00	6,215.96	6,250.00
6045 Legal Services	0.00	1,250.00	1,684.87	12,500.00
6050 Telephone	343.98	333.33	3,641.25	3,333.30
6051 Mobile Telephone	88.49	166.67	1,144.22	1,666.70
6052 Pagers	19.00	20.00	190.00	200.00
6053 Internet Service	55.00	125.00	855.62	1,250.00
6059 Computer/Software Maintenance	1,571.45	750.00	3,065.49	7,500.00
6061 Office Equipment Maintenance	0.00	83.33	949.34	833.30
6065 Accounting Services	0.00	0.00	6,200.00	7,000.00
6070 Office & Accounting Labor	6,931.05	6,500.00	65,679.39	65,000.00
6075 Outside Services	710.89	1,666.67	8,169.05	16,666.70
6080 Administrative Fees	579.44	583.33	5,492.54	5,833.30
6081 Permits/Fees	287.00	416.67	10,625.66	4,166.70
6088 Interest Expense	0.00	0.00	901.35	0.00
6120 Bank Service Charges	396.53	300.00	3,620.19	3,000.00
Total Expenses	88,898.33	81,644.98	728,195.38	832,149.80
Net Income	36,646.38	29,521.68	498,920.50	383,516.80

Kinneloa Irrigation District
Income Statement for the Ten Months Ending October 31, 2013

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget
Other Expenditures				
1504 Water Mains	5,177.20	0.00	21,449.60	80,000.00
1509 Wilcox Well/Wilcox Booster	0.00	0.00	10,544.16	5,000.00
1511 Water Treatment Plant	0.00	0.00	5,779.48	5,400.00
1512 Water Meters	0.00	1,800.00	24,080.83	28,400.00
1513 Electrical/Electronic Equip.	0.00	2,083.33	0.00	20,833.30
1514 Computer/Office Equipment	0.00	416.67	0.00	4,166.70
1516 Water Company Facilities	0.00	1,000.00	0.00	10,000.00
1522 Eucalyptus Booster Station	0.00	0.00	32,053.67	30,000.00
1526 Vosburg Booster	0.00	0.00	8,349.00	25,000.00
1527 SCADA Equipment	0.00	1,250.00	21,050.64	12,500.00
1530 Tools	0.00	200.00	0.00	2,000.00
2400 Truck Loan Payable	0.00	0.00	18,979.47	19,881.00
Total Other Expenditures	5,177.20	6,750.00	142,286.85	243,181.00
Total Increase or (Drawdown)	31,469.18	22,771.68	356,633.65	140,335.80

Kinneloa Irrigation District
Balance Sheet
October 31, 2013

ASSETS

Current Assets

1010	Checking-Wells Fargo Bank	\$ 280,311.54
1011	Checking-PGFSC	1,310.18
1012	Reserve Fund-LAIF	118,257.41
1014	Reserve Fund-CalTRUST	713,147.21
1015	Accr. Int./Price Adj.-CalTRUST	944.98
1016	Accrued Interest-LAIF	52.33
1100	Accts. Receivable-Water Sales	53,418.15
1101	Accts. Receiv.-Service Charges	160.44
1190	Allowance for Bad Debts	(771.48)
1200	Inventory	20,000.00
1340	Accrued Water Sales	116,960.56
1350	Prepaid Insurance	12,857.74
1360	Prepaid Expenses	9,168.48

Total Current Assets

1,325,817.54

Property and Equipment

1501	Water Rights	52,060.41
1503	Land Sites	96,700.08
1504	Water Mains	2,423,817.02
1505	Water Tunnels	705,985.75
1506	K-3 Well	82,848.37
1507	Improvement District #1	602,778.12
1508	Mountain Property	6,620.00
1509	Wilcox Well/Wilcox Booster	94,030.98
1510	Interconnections	14,203.27
1511	Water Treatment Plant	184,940.70
1512	Water Meters	78,368.69
1513	Electrical/Electronic Equip.	245,904.55
1514	Computer/Office Equipment	60,072.53
1515	Vehicles & Portable Equipment	222,084.16
1516	Water Company Facilities	60,079.20
1517	KID Office	54,202.92
1518	Shaw Ranch	280,789.92
1519	Dove Creek Project	487,383.87
1520	Glen Reservoir/Booster	24,190.86
1521	Kinneloa Ridge Project	690,492.58
1522	Eucalyptus Booster Station	532,342.43
1526	Vosburg Booster	29,394.00
1527	SCADA Equipment	226,584.91
1528	Tanks and Reservoirs	97,944.39
1529	Holly Tanks	181,113.76
1530	Tools	5,109.53
1600	Accum. Depreciation	(3,195,521.12)

Total Property and Equipment

4,344,521.88

Total Assets

\$ 5,670,339.42

Kinneloa Irrigation District
Balance Sheet
October 31, 2013

LIABILITIES AND CAPITAL

Current Liabilities

2000	Accounts Payable	\$	23,205.07	
2272	Job Deposits		1,800.00	
2274	PGFSC Grant		1,310.18	
2275	Deposits-Water Customers		1,072.27	
2290	Accrued Vacation		15,931.70	
	Total Current Liabilities			43,319.22

Long-Term Liabilities

	Total Long-Term Liabilities			0.00
	Total Liabilities			43,319.22

Capital

3040	Fund Balance		5,126,947.39	
3900	Prior Year Adjustments		5,765.00	
	Net Income		494,307.81	
	Total Capital			5,627,020.20
	Total Liabilities & Capital	\$		5,670,339.42

Kinneloa Irrigation District
Statement of Cash Flow
For the Ten Months Ended October 31, 2013

	Current Month	Year to Date
Cash Flows from Operating Activities		
Net Income	\$ 36,646.38	\$ 498,920.50
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>		
1100 Accts. Receivable-Water Sales	3,515.94	(9,960.55)
1101 Accts. Receiv.-Service Charges	(160.44)	(160.44)
1350 Prepaid Insurance	1,413.75	(1,698.17)
1360 Prepaid Expenses	(3,078.35)	1,275.76
2000 Accounts Payable	(228.01)	(13,021.42)
2272 Job Deposits	0.00	1,453.87
2274 PGFSC Grant	(2,226.88)	1,310.18
2275 Deposits-Water Customers	1,072.27	1,072.27
	<hr/>	<hr/>
Total Adjustments	308.28	(19,728.50)
	<hr/>	<hr/>
Net Cash Provided by Operations	36,954.66	479,192.00
Cash Flows from Investing Activities		
<i>Used for</i>		
1504 Water Mains	(5,177.20)	(21,449.60)
1509 Wilcox Well/Wilcox Booster	0.00	(10,544.16)
1511 Water Treatment Plant	0.00	(5,779.48)
1512 Water Meters	0.00	(24,080.83)
1522 Eucalyptus Booster Station	0.00	(32,053.67)
1526 Vosburg Booster	0.00	(8,349.00)
1527 SCADA Equipment	0.00	(21,050.64)
	<hr/>	<hr/>
Net Cash Used in Investing	(5,177.20)	(123,307.38)
Cash Flows from Financing Activities		
<i>Proceeds from</i>		
<i>Used for</i>		
2400 Truck Loan Payable	0.00	(18,979.47)
	<hr/>	<hr/>
Net Cash Used in Financing	0.00	(18,979.47)
	<hr/>	<hr/>
Net Increase (Decrease) in Cash	\$ 31,777.46	\$ 336,905.15
Summary		
Cash Balance at End of Period	\$ 1,230,984.21	\$ 1,230,984.21
Cash Balance at Beg. of Period	(1,199,206.75)	(894,079.06)
	<hr/>	<hr/>
Net Increase (Decrease) in Cash	\$ 31,777.46	\$ 336,905.15
	<hr/> <hr/>	<hr/> <hr/>

Kinneloa Irrigation District
Check Register
For the Period from October 1, 2013 to October 31, 2013

Date	Check #	Payee	Amount	Description
10/3/13	7430	AmeriPride Services	56.80	shop towel service
10/3/13	7431	CLA-VAL	1,498.47	trsfr. valve SMV maintenance and replaced lid
10/3/13	7432	Cook Paging, Inc.	19.00	paggers
10/3/13	7433	Eurofins Eaton Analytical, Inc.	369.60	water sample analysis
10/3/13	7434	Melvin L. Matthews	588.49	mileage reimb. Sept.;Dell OptiPlex3010 computer
10/3/13	7435	Pump Check	1,381.75	Sage booster meter replacement
10/3/13	7436	Shirley Burt	60.00	mileage reimb. Sept.
10/3/13	7437	Specialty Services	275.00	janitorial service
10/11/13	7438	Ariel Barth	82.29	overpayment refund on closed account
10/11/13	7439	ACWA/JPIA	2,668.00	3rd quarter 2013 workers' compensation
10/11/13	7440	ACWA/JPIA	6,518.62	health ins. - KID/employee
10/11/13	7441	Civiltec Engineering, Inc.	1,330.00	Vosburg Booster Pump Station prelim. design
10/11/13	7442	Eurofins Eaton Analytical, Inc.	282.00	water sample analysis
10/11/13	7443	Foothill Municipal Water District	579.44	administrative fee
10/11/13	7444	Monrovia Mailing Company	364.19	Sept. statement mailing handling and postage
10/11/13	7445	Perry Thomas Construction Co.	1,550.00	Long Tunnel entrance cover, raise and replace
10/11/13	7446	Pump Man	1,821.00	Sage Paco Pump #1
10/11/13	7447	SA Associates	5,177.20	East-West tank connector engrg. svcs.-addendum
10/11/13	7448	Utility Service Co., Inc.	3,859.70	tank maintenance agreement
10/11/13	7449	Western Water Works	915.60	maintenance supplies, stock
10/11/13	EFT1906	Century Business Solutions	15.00	monthly banking service fee
10/11/13	EFT1907	Arco Gaspro Plus	769.79	truck gas
10/11/13	EFT1908	Bank of America Business Card	3,304.66	see attached schedule - August
10/11/13	EFT1909	Calif. Public Emp. Ret. Sys.	3,053.85	CalPERS - September KID/employee
10/11/13	EFT1910	Century Business Solutions	110.39	banking service fee
10/15/13	EFT1911	Bernadette C. Allen	914.51	salary
10/15/13	EFT1912	Richard L. Barkhurst	92.35	salary
10/15/13	EFT1913	Christopher A. Burt	2,363.30	salary
10/15/13	EFT1914	Shirley L. Burt	1,437.85	salary
10/15/13	EFT1915	Francis J. Griffith	92.35	salary
10/15/13	EFT1916	Gerrie G. Kilburn	92.35	salary
10/15/13	EFT1917	Melvin L. Matthews	3,281.73	salary
10/15/13	EFT1918	Steven G. Sorell	57.35	salary
10/15/13	65572577	Brian L. Fry	1,536.59	salary
10/15/13	65572578	Felix Galindo	379.77	salary
10/15/13	65572579	Chris J. Mellinger	429.71	salary
10/15/13	EFT1919	Christopher A. Burt	150.00	salary
10/15/13	EFT1920	Automatic Data Processing	71.95	payroll processing
10/15/13	EFT1921	Automatic Data Processing	5,027.06	withholding and taxes
10/30/13	EFT1922	Athens Services	155.12	trash pick up
10/30/13	EFT1923	Charter Communications	320.98	internet and telephone
10/30/13	EFT1924	Pasadena Municipal Services	1,278.46	electricity

Kinneloa Irrigation District
Check Register
For the Period from October 1, 2013 to October 31, 2013

Date	Check #	Payee	Amount	Description
10/30/13	EFT1925	Southern California Edison Co.	9,321.54	electricity
10/30/13	EFT1926	Verizon Wireless	88.76	mobile phone
10/30/13	7450	ACWA/JPIA	30.00	training course 0052 HRG, Matthews
10/30/13	7451	AmeriPride Services	56.80	shop towel service
10/30/13	7452	Clinical Laboratory, SB	24.00	water sample analysis
10/30/13	7453	Eurofins Eaton Analytical, Inc.	118.80	water sample analysis
10/30/13	7454	Perry Thomas Construction Co.	15,545.09	pipeline; paving; meter box rpr.; 2 svc. leaks
10/30/13	7455	Raymond Basin Mgmt. Board	203.00	title 22 monitoring, sampling/admin. July 2013
10/31/13	EFT1927	Bernadette C. Allen	1,001.37	salary
10/31/13	EFT1928	Christopher A. Burt	2,498.02	salary
10/31/13	EFT1929	Shirley L. Burt	1,542.45	salary
10/31/13	EFT1930	Melvin L. Matthews	3,281.73	salary
10/31/13	65582901	Brian L. Fry	1,499.02	salary
10/31/13	65582902	Felix Galindo	457.02	salary
10/31/13	65582903	Chris J. Mellinger	429.72	salary
10/31/13	EFT1931	Christopher A. Burt	150.00	salary
10/31/13	EFT1932	Automatic Data Processing	65.89	payroll processing
10/31/13	EFT1933	Automatic Data Processing	5,133.81	withholding and taxes
		Total	<u>95,779.29</u>	

Credit Card Detail
August 2013

(Expenses incurred in August, billed in September, due in October, paid in October.)

Acct. No.	Account Description	Additional Description	Shirley	Mel	Brian	Chris B	Chris M	TOTAL
5010	Maintenance Supplies	sprinklers; solar regulator; gen'l supplies; battery(2)			\$59.45	\$324.81	\$61.29	\$445.55
5012	Safety Equipment							\$0.00
5022	Training/Certification							\$0.00
5025	Water Treatment/Analysis	40 lbs. solar salt/delivery			\$706.64			\$706.64
5035	Vehicle Maintenance	lube/oil/tire rotation; front/rear brakes/pads 2008-2			\$655.36			\$655.36
5036	Fuel							\$0.00
6017	Adm. Travel							\$0.00
6021	Adm. & Bd. Exp.	8/16 Sacramento CSDA meeting: meals/parking		\$31.34				\$31.34
6035	Office/Computer Supplies	calendar/office supplies; battery cartridge	\$356.73	\$81.70				\$438.43
6036	Postage/Delivery							\$0.00
6040	Professional Dues							\$0.00
6050	Telephone	answering service July		\$78.00				\$78.00
6051	Mobile Phone							\$0.00
6053	Internet Service							\$0.00
6059	Computer/Software Maintenance							\$0.00
6061	Office Equipment Maintenance	HP LaserJet and HP OfficeJet/Duplexer		\$949.34				\$949.34
6075	Outside Services							\$0.00
6081	Permits/Fees							\$0.00
TOTAL			\$356.73	\$1,140.38	\$1,421.45	\$324.81	\$61.29	\$3,304.66

Kinneloa Irrigation District - PGFSC Grant Account
Check Register
For the Period from October 1, 2013 to October 31, 2013

Date	Check #	Payee	Amount	Description
10/11/13	001006	Mala Arthur	17.38	reimbursement for T. Eldridge business cards
10/30/13	001007	Alliant Insurance Services, Inc.	1,849.06	special liability ins. 9/29/13-9/29/14
10/30/13	001008	Kinneloa Irrigation District	160.44	Sept. admn., bookkeeping, reporting services
10/30/13	001009	Alliant Insurance Services, Inc.	<u>200.00</u>	volunteers ins. AD&D 10/18/13-10/18/14
	Total		<u><u>2,226.88</u></u>	