

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
KINNELOA IRRIGATION DISTRICT  
APRIL 16, 2013**

**MEMBERS PRESENT:** Directors Barkhurst, Eldridge, Griffith, Kilburn and Sorell

**STAFF PRESENT:** Melvin Matthews, General Manager  
Shirley Burt, Administrative Assistant

**CALL TO ORDER:** The Meeting was called to order by the President, Gerrie Kilburn, at 1930 hours. She noted that there was a quorum present.

**ADDITION TO THE AGENDA:** Director Barkhurst requested to have the item “REVIEW AND APPROVAL OF THE MOU WITH THE PASADENA GLEN FIRE SAFE COUNCIL” added to the Agenda as an emergency item because it requires Board action as soon as possible and time is of the essence in order to receive the funds. It was M/S/C-(Barkhurst/Eldridge-5/0) that the following item be added to the Agenda- **“Review and Approval of the MOU with the Pasadena Glen Fire Safe Council”** The Agenda was then approved with the above item included as item #9.

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

**REVIEW AND DISCUSSION OF THE YEAR 2012 AUDIT:**

Gail Egan, Auditor, reviewed the Draft Audit as included in the Board Packet.

Director Barkhurst requested a minor change on Page 1 and suggested that the phrase “Management Personnel” be changed to “District Personnel” to provide consistency within the report.

Ms. Egan noted that the accounting procedures had changed at the Public Employees Retirement System as the plan is underfunded at this time and the District should prepare for a possible increase in the Employer’s contribution rate to the plan.

It was M/S/C-(Barkhurst/Eldridge-5/0) –

**‘That the Draft Audit Report for the YEAR 2012 be accepted with the minor change that had been suggested’**

**REVIEW OF BROWN WELL LANDSCAPING STATUS:**

The **General Manager** referred the Board to his report in the Board Packet and reported that the property had been surveyed and that the stakes are in place. He noted that approximately half of the property had been landscaped by the neighbor on the east and south sides of the Well site.

The Board directed the General Manager to- 1) Submit a Revocable Landscape License to the new buyer of the property on the east and south sides of the well site, 2) Request a written plan from Mr. Wong as to his plans for the West side of the well site, and 3) Accept the plantings that Mr. Hamilton wished to donate for the well site.

**Director Barkhurst** questioned as to when the water service would be installed at the Well site and the General Manager replied that it was scheduled for April 17<sup>th</sup>.

MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
KINNELOA IRRIGATION DISTRICT  
APRIL 16, 2013

Page 2

**REVIEW CPI RATE FOR 2013 AND DISCUSS A COLA FOR EMPLOYEES:**

**Director Eldridge** stated that the discussion should be considered in three parts, -

1) Should the Board take this action, 2) Will the budget support this additional expense, and 3) How is the amount to be determined. He then reviewed the various CPI rates among various agencies, including water companies, noting that there was a wide variation but that the CPI in Los Angeles appeared to average around 2%.

**Director Barkhurst** questioned whether a salary adjustment should be given for 1) Showing up for work or 2) For performance.

**Director Eldridge** questioned whether the eroding purchasing power should not be considered so that the employee is kept at the same spending level.

**Director Barkhurst** stated that even though there is not a specific line item in the budget titled "Salary Increase" that there is enough in the budget to permit approximately a 2% increase for everybody.

**Director Eldridge** questioned whether the Board should come up with a policy or whether this topic should be considered each year as his concern is that the employee's salary should not be continually eroded.

**Director Griffith** suggested that a 1% increase be given to all employees.

**Director Sorell** made the motion-

"That the General Manager be given the discretion to allocate the wage increase pool and incorporate it into the budget".

The motion was seconded by Director Barkhurst. The **Chairman** called for the question and **Director Eldridge** stated that he disagreed because he thought that it is the Board responsibility to deal with the issue of wages being eroded and the General Manager's responsibility to deal with merit increases.

**Director Barkhurst** then withdrew his second to the motion and the motion failed for the lack of a second.

**Director Eldridge** then made the motion "That the 2% cost of living increase be given to everyone, including management, for the 2013 fiscal year." The motion was seconded by Director Griffith.

The Chairman called for the question and Directors Barkhurst, Sorell, and Kilburn abstained.

The motion failed for lack of a majority vote.

Following further discussion it was M/S/C- (Griffith/Sorell-5/0)-

**"That a 1% increase be given to all employees for the 2013 fiscal year and that the General Manager be given the discretion to allocate a 1% increase for merit."**

**GENERAL MANAGER'S REPORT:**

The General Manager reviewed the report as provided in the packet. The Board expressed their appreciation for the inclusion of information regarding the District Website and the Agency and Association Information.

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
KINNELOA IRRIGATION DISTRICT  
APRIL 16, 2013**

**Page 3**

**REVIEW OF MINUTES:**

The minutes of March 19, 2013 were approved for filing as presented in the packet with the following correction-

Page 1, Under item Public Comment, third line-  
-the word "interest" be changed to "rates".

**REVIEW OF FINANCIAL REPORTS:**

The reports for March 31, 2013 were reviewed and accepted for filing as presented. Director Barkhurst requested that the General Manager review item 5030 on the Income to Budget page and make corrections if indicated.

**DISCUSSION AND APPROVAL OF THE MOU WITH THE PASADENA GLEN FIRE SAFE COUNCIL**

**Director Eldridge** excused himself from the room as he is a member of the Board of the Council. The Board reviewed the proposed MOU line item by line item and Mala Arthur, from the Council, provided clarification for questions asked by the Board Members.

**Director Barkhurst** noted that the Board needed to determine if \$20/Hr. is a fair and equitable rate for compensation to the District for engaging in an activity that directly and also indirectly benefits the District since the District is a fairly sizeable owner of property in the Pasadena Glen. He further noted that the District is being asked to be a Fiscal Agent for the Council which will include establishing a bank account and being responsible for the financial records and Audit.

**Director Barkhurst** questioned Liability Insurance coverage and requested that the issue be clearly determined as to which agency has the liability, whether there is coverage for that agency and who pays for that coverage before the MOU is signed by the District.

It was M/S/C-(Sorell/Griffith-5/0)-

**"That the Kinneloa Irrigation District agree to be the Fiscal Sponsor of the Pasadena Glen Fire Safe Council subject to obtaining -1) Adequate liability insurance for both Agencies and 2) The approval of the District's Legal Counsel".**

**ITEMS FOR NEXT AGENDA:**

**Approval of MOU with PASADENA GLEN FIRE SAFE COUNCIL**

**ADJOURNMENT:**

The meeting was adjourned at 2150 hours. The next meeting will be on May 21, 2013 at 7:30 P.M.

Respectfully submitted,

Shirley Burt  
Secretary to the Board