

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
June 21, 2005**

MEMBERS PRESENT: Directors Barkhurst, Brain, Pickard, Sorell and Stock.

STAFF PRESENT: Melvin Matthews, Christopher Burt, and Shirley Burt

CALL TO ORDER: The meeting was called to order at 1930 hours by the Chair, Richard Barkhurst. He noted that there was a quorum of the Board present. The Agenda was unanimously approved as presented.

PUBLIC COMMENT

No members of the public were present at this time.

REVIEW WATER TANK MAINTENANCE PROGRAM

The General Manager reviewed the related budget implications of the contracts with Utilities Services Company for tank maintenance noting that it provides a little less funding to spend on other projects but it also deletes some costs in other areas such as engineering. He further noted that it is an excellent way to deal with current maintenance needs, especially in dealing with the East Tank Project.

Director Pickard noted that in accepting the contracts, it should free up staff time to address other projects and the General Manager agreed noting that it also transfers the risk.

Director Stock noted that the concept is good but that we have cut our capital project budget in half. He further noted that he could support this project 100% if the timing of the inspections could be reduced which would reduce the cost, but since it cuts master plan money he would be hard pressed to support this plan.

After further discussion , the following motions was made:

M/S/C (Sorell/Pickard) (Yes-3, Directors Pickard, Sorell, Barkhurst; Abstain-2 Directors Brain, Stock): **That the General Manager be allowed to finalize the contracts with Utilities Services Company subject to the contracts receiving a positive legal review from our outside counsel.**

REVIEW OF THE PUBLIC EMPLOYEES RETIREMENT PROGRAM

Following the suggestion made by the Auditor in her Annual Report, the Board reviewed the information provided by PERS regarding the District being assigned into a specific risk pool. The Chair stated that he thought PERS had provided a good explanation for the lay people, and had prevented small agencies from being swallowed up into a big risk pool. He noted that there were sufficient checks and balances in the process to protect small agencies like the District. He invited any Board Member who wished to review this item again to request that it be put back on the agenda at the next meeting.

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GENERAL MANAGER'S REPORT

The written Report was reviewed and the Board had no questions.

Director Sorell asked to have this opportunity to bring to the attention of the Board pending legislation having to do with putting further controls and restrictions on spending by Special Districts. It was decided that since ACWA and our legal counsel had sent letters opposing these bills, that the District would take no further action at this time.

REVIEW OF THE MINUTES

The minutes of May 17, 2005 were tabled and will be reviewed at the next meeting.

REVIEW OF FINANCIAL REPORT

The financial report of May 30, 2005 was reviewed and approved for filing as presented.

ITEMS FOR THE NEXT MEETING

Review of the Tank Maintenance Contracts
Review the Draft of the Revision of the Master Plan

ADJOURNMENT

The meeting was adjourned at 2023 hours and the next meeting will be on July 19, 2005.
Director Brain stated that he might not be able to make the August Meeting.

Respectfully submitted,

Shirley Burt
Secretary to the Board