

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
February 19, 2002**

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

STAFF PRESENT: Bill Redcay, Chris Burt and Shirley Burt

CALL TO ORDER: The meeting was called to order by the Chair, Mel Matthews, at 1935 and he noted that a quorum was present.

APPROVAL OF AGENDA: The Agenda was unanimously approved as presented.

PUBLIC COMMENT:

Mr. Griffith thanked the Board and the General Manager for their help in solving the problem regarding the damage to the entry gate by Brkich Construction. He stated that payment had been received in the amount of the estimate approved by the Homeowner's Association.

RAYMOND BASIN PRODUCERS DRAFT AGREEMENT WITH MWD

Staff reviewed the background information regarding the development of this draft agreement that has to do with the storage of imported water by Metropolitan Water District (MWD) in the Raymond Basin, noting that it is being presented at this time as an information item. Staff stated that the major concerns surrounding this agreement have to do with--

- 1) the possibility of moving plumes of contaminated water that now exist in the west side of the Raymond Basin to other areas of the basin when the water table is raised by the injection of the imported water
- 2) the lack of protection to the water producers in the basin if contamination should occur due to the injection of this water

Staff stated that although this agreement would provide very little benefit to Kinneoloa Irrigation District, except in case of an emergency, it would be important to support the final approved document if it would provide a benefit to other pumpers in the basin. Staff also noted that there is much work to be done before the final draft of this agreement will be presented.

REPORT FROM FINANCE COMMITTEE

Director Sorell reported he had interviewed Gail Egan, from Egan and Egan an Accounting Firm, and, that after discussion with individual Board Members, he had signed the Engagement Letter with that company to provide the 2001 annual audit. He requested that the Board ratify his decision which would reflect the direction given to him at the last Board Meeting. It was M/S/C

(Pickard/Sorell-5/0) "That the firm of Egan and Egan be employed as Auditor for the year 2001."

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Director Sorell then reviewed the new formats for the Budget and Financial Summaries, and it was agreed that these formats would be used for this year.

Page 2

**PROPOSED PROCEDURAL GUIDELINES FOR THE FORMATION OF
COMMITTEES, AUDITOR SELECTION AND AUDIT REVIEW**

Director Stock presented proposals for procedural guidelines for the formation of committees, Auditor Selection, and Audit Review. The Chairman requested that Board Members read the material submitted, send their comments to Director Stock, and that the matter be brought back to the Board at the next meeting. Director Stock requested that all comments be sent to him by March 5, 2002.

GENERAL MANAGER'S REPORT

The General Manager reviewed his report, a copy of which is attached to this minutes.

REVIEW OF MINUTES

The minutes of the regular meeting held on December 18, 2001 were unanimously approved with the following corrections

- 1) Page two, first paragraph, line 4 -- change "this contract" to "a contract"
- 2) Page three, item 4 -- change "December 18" to "December 19"

REVIEW OF FINANCIAL REPORT

The financial report of December 31, 2001 was reviewed and unanimously approved for filing.

ADJOURNMENT

The meeting was adjourned at 2125 and the next meeting was scheduled for March 19, 2002.

Respectfully submitted,

Shirley Burt
Secretary to the Board