

KINNELOA IRRIGATION DISTRICT
REGULAR MEETING – BOARD OF DIRECTORS
1999 KINCLAIR DRIVE, PASADENA, CA 91107
TUESDAY, APRIL 18, 2017
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. REVIEW OF MINUTES** – March 21, 2017
- 4. SIERRA MADRE VILLA AND BARHITE STREET PIPELINE PROJECT** – Report by General Manager and Engineer on the bid analysis and the award of contract to the lowest qualified bidder.
- 5. POLICIES AND PROCEDURES FOR BID PROCUREMENT, PURCHASING AND CONTRACT MANAGEMENT** – Discussion by Board and General Manager
- 6. REPORT ON PUBLIC HEARING FOR CONSTRUCTION OF TWO NEW HOMES ON DOYNE ROAD** – General Manager
- 7. WILCOX RESERVOIR BOOSTER 2 MOTOR REPAIR** – Continuation of discussion by Board, Facilities Supervisor and General Manager on the alternatives for repairing this booster pump.
- 8. VILLA HEIGHTS ROAD PAVING** – Discuss and approve expenditure not to exceed \$32,200 to complete final paving per agreement with the North Kinneloa Ranch Property Owners' Association.
- 9. RESOLUTION IN SUPPORT OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES' POLICY STATEMENT ON BAY-DELTA FLOW REQUIREMENTS**
- 10. JOB DESCRIPTION UPDATE** – Information item from General Manager
- 11. GENERAL MANAGER'S REPORT**
- 12. REVIEW OF FINANCIAL REPORTS** – March 31, 2016
- 13. CALENDAR** –
May 16, 2017
June 20, 2017
July 18, 2017
- 14. 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 www.KinneloaIrrigationDistrict.info.

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
MARCH 21, 2017**

MEMBERS PRESENT: Directors Griffith, Johnson, Kilburn and Opel

MEMBERS ABSENT: Director Eldridge

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

PUBLIC PRESENT: None

EXECUTIVE SESSION – CLOSED MEETING: The Chair excused the staff and public and opened the Executive Session for the performance evaluation of the **General Manager** at 6:30 P.M. and closed the Executive Session at 7:35 P.M.

REGULAR SESSION – OPEN MEETING: The meeting was called to order by the Chair, Director Kilburn, at 7:35 P.M. A quorum of Board Members was present. The Agenda was reviewed and no changes were requested.

REPORT ON CLOSED MEETING: The Chair, Director Kilburn reported that the performance of the General Manager was discussed and that the Board will continue the evaluation at the May meeting.

PUBLIC COMMENTS: None.

REVIEW OF MINUTES: The minutes of February 21, 2017 and March 1, 2017, were reviewed and approved as presented for filing and posting on the web site.

DISCUSSION REGARDING JOB DESCRIPTIONS: The Board reviewed the General Manager's memo, the current job descriptions, the ACWA JPIA sample descriptions and the General Manager's revised and recommended descriptions. The Chair requested that the General Manager compile job descriptions or task lists prepared by each staff member based on the work performed rather than the District's previous descriptions or "model" descriptions used by other agencies or provided by other organizations.

DISCUSSION AND ACTION REGARDING WILCOX RESERVOIR BOOSTER 2 MOTOR REPAIR: The quotation from General Pump was discussed among the Directors, General Manager and Facilities Supervisor. There was a consensus that additional information is needed before proceeding since the cost could escalate dramatically from the \$15,000 quote if asbestos was found in the rewinding process or the motor needed to be replaced; and/or if the pump is also replaced with a modern water-lubricated unit; or the motor, pump, piping and electrical equipment is replaced to increase the capacity to match the existing 75 hp Booster 1. The Facilities Supervisor indicated that he would get more information but that he estimated that the cost for a complete replacement might be in the \$50,00,00 to \$100,000 range and would become a major non-budgeted expense. No action was taken pending additional information.

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WATER SUPPLY: The Board and General Manager discussed the General Manager's *Water Supply Issues and Plan of Action* report and the recommendations. The Directors concurred with the General Manager that it is important to maintain our emergency interconnection agreement with the City of Pasadena to provide a short-term emergency supply if the K-3 Well needed repair. The Facilities Supervisor indicated that the past practice has been to return the water before the end of the Watermaster year rather than paying for the water. The General Manager indicated that drilling a new well would provide redundancy but would not increase the District's water rights and that the cost would be in the \$1-2 million range. The General Manager further indicated that it might be possible to drill a new well in partnership with the City of Pasadena. Regarding supplemental water, it appears that if water is needed in the future, the most economical way of receiving it would be through Pasadena rather than through a new physical connection to the MWD pipeline. There was also concurrence that it was important to continue our conservation program to avoid the financial impact of needing to purchase imported water or developing new supplies such as recycled water.

EAST TANK – WEST TANK CONNECTOR PIPELINE PROJECT: The General Manager reported that the project is complete except for the permanent paving on Villa Heights Road. That work has been postponed as a courtesy to the North Kinneloa Ranch Homeowners' Association which is considering a more extensive paving project for the area. A decision is forthcoming.

SIERRA MADRE VILLA AND BARHITE STREET PIPELINE PROJECT: The General Manager reported that seven bids were received and that the lowest bidder is J. A. Salazar Construction in the amount of \$408,354. A review of the proposal is underway. A discussion followed regarding the amount that would be attributed to the customer and the benefit to the District for its share of the project cost. Additionally, it was noted that all bids were substantially higher than the Engineer's estimate and whether the District would have the financial resources for undertaking the project. The General Manager indicated that the project was an obligation of the District and that it would be advisable to award the contract in the near future unless the Engineer and/or staff found a defect in the proposal or received negative information from the checking of references that the contractor was not qualified to do the project. No decision was made on the awarding of the contract and the General Manager was directed to continue the due-diligence process.

GENERAL MANAGER'S REPORT: The Report was reviewed by the Board and discussion on items was provided as requested.

REVIEW OF FINANCIAL REPORTS: The Financial Report for February 28, 2017, was reviewed and approved for filing as presented.

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ITEMS FOR THE NEXT AGENDA AS REQUESTED BY THE BOARD OF DIRECTORS OR STAFF:

1. Report on the public hearing for construction of two new homes on Doyne Road
2. Discussion of the policies and procedures for review of contracts and change orders
3. Further discussion regarding the Wilcox Reservoir Booster 2 Motor Repair
4. 2016 Audit

ADJOURNMENT: The meeting was adjourned at 9:39 P.M.

The next regular meeting will be on April 18, 2017, at 7:30 P.M.

Respectfully submitted by,

Melvin L. Matthews

Melvin L Matthews

General Manager and Acting Secretary to the Board



Memo

Date: March 29, 2017

To: Board of Directors

From: Mel Matthews

Subject: Sierra Madre Villa and Barhite Street Pipeline Project

Recommended Action: Discussion by the Board and the General Manager and Award of Contract Contingent on receiving signed agreement with the homeowner and a job deposit for the homeowners' s share of the contract amount.

Background

Bid specifications and drawings for the project were sent to seventeen potential bidders on February 7, 2017. Bid opening was conducted on March 10 at 2 p.m. The lowest bidder was J.A. Salazar Construction and Supply Corporation in the total amount of \$408,354.

This project was designed for the benefit of a homeowner on East Barhite Street to increase fire flow available to his new home as required by the County of Los Angeles Fire Department. With the cooperation of the homeowner, the Kinneloa Irrigation District added additional improvements and increased pipe size for a portion of the project for the general benefit of the District with an obligation to pay a proportional share of the total project cost based on the Engineer's estimate for each bid item and the benefit to the District vs. the benefit to the homeowner. The objective was to obtain the beneficial items to the District at a lower cost in a combined project now rather than undertaking the improvements separately in the future.

The principle benefit to the District and many customers is increased fire flow capacity in the Vosburg Reservoir pressure zone south of Vosburg Street. Another important benefit is the ability to use the old (now replaced by the new pipeline) water main in Barhite Street to serve as an additional parallel pumping line for the refilling of the Pasadena Glen Reservoir from the Wilcox Reservoir. This will increase the pumping capacity and efficiency of that system and reduce electrical costs.

The proportional share to the homeowner is \$224,109 and the share to the District is \$184,245. The final cost to the homeowner will be the above amount plus additional amounts for change orders if any that benefit the owner plus the District's administrative costs for project management and inspection. Additional amounts (if any) will be invoiced after the project. The draft of the agreement with the homeowner is attached as well as excerpts for the District's Rules and Regulations that pertain to this type of owner/developer-paid improvements to the District's water system.

Review of the J.A. Salazar Proposal

Terry Kerger (our Engineer on the project) and I thoroughly reviewed the Salazar proposal for completeness and accuracy of calculations of bid items and the total amounts. No errors or omissions were found. Furthermore, I contacted many of the most recent references regarding successful completion of this type of project. All responses were very positive about timely completion, quality workmanship and minimal change orders. Finally, Chris Burt, Terry Kerger and I met with Jose Salazar, Jesse Bieber and their onsite foreman to walk the entire project, clarify the plans and specifications and to give them the opportunity to identify any obstacles that might impact the project schedule or the bid amount. All the discussion and responses were positive and did not indicate any major concerns.

Financial Considerations and the Impact on the 2017 Budget

Although, this project is consistent with the District's *Master Plan* for improvements that increase our Emergency Preparedness, it was not specifically budgeted and included in the 2017 Capital Improvement and Maintenance expenditures. Therefore, I have provided a revised 10-year actual and forecasted spreadsheet of income, operating and general expenses and expenditures for capital improvement and maintenance projects to show that the District can accommodate our share of the project's cost by changes in other expenses as well as delaying other non-critical projects. It is planned to pay a portion of the cost out the remaining funds in our project financing escrow account after paying the final invoices for the East Tank – West Tank pipeline project. The remaining amount will be paid out of our projected net surplus and existing cash reserves.

Summary and Recommendation

The District has an obligation to complete this project for the homeowner. Due to the mutual decision to re-bid the project after receiving only one bid last year, the project has already been significantly delayed. Although this is the first time we have added desirable KID improvements onto a customer's project, we firmly believe that it is in the best interest of the District and the homeowner to award the contract to J.A. Salazar Construction & Supply Corporation in the amount of \$408,354 contingent on receiving a signed agreement with the owner and a job deposit of \$224,109 for the owner's share of the contract amount.

EXCERPTS FROM THE KINNELOA IRRIGATION DISTRICT'S RULES AND REGULATIONS

10.05: OWNERS AGREEMENT

The following terms and conditions will apply when new facilities are to be provided.:

- A. Form of Agreement: Prior to construction of the new facilities, the Owner shall enter into an agreement with the District on a form provided by the District. The Owner 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 linear feet of main constructed.

- D. District Review: The District may review and consider revision of this policy for determination of future reimbursements.
- 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 pressure regulators and backflow prevention devices on the Consumer's side of the meter, 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 current Los Angeles County Fire Department minimum fire flow requirements 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 be performed by the District or its contractor at the request of the applicant or customer.
- 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 by those who undertake construction or development in the area, and who will be benefited by the improvements.

MAIN EXTENSION AND FACILITIES REIMBURSEMENT AGREEMENT

1. IDENTIFICATION

This Main Extension and Facilities 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 Thomas Swick ("Owner").

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 Owner is in the process of designing and constructing certain improvements to be located on real property situated within the District's boundaries commonly known as 3454 Barhite Street, Pasadena, CA 91107.
- 2.3 To complete the development of the real property, Owner will require upgrades to the District's water main and fire hydrant to increase the fire flow capacity in compliance with the County of Los Angeles Fire Department requirements, which will, in turn, require that the District's existing facilities be upgraded beyond current fire flow capacity.
- 2.4 District is willing to grant Owner's request for an upgrade to the water main and fire hydrant serving the real property on certain terms and conditions of this Agreement and in accordance with the Policy.

3. AGREEMENTS

3.1 Agreements of Owner: Owner agrees to reimburse the District for the design and construction at Owner's proportion expense of the water main upgrade as specified in Exhibit "A" in accordance with plans and specifications approved by the District.

3.1.1 Until the District completes said water main upgrade, Owner shall hold the District harmless from all claims relating to the design and/or construction of said main extension.

3.1.2 All mains and facilities shall remain the property of the District upon completion.

3.1.3 All mains and facilities shall be constructed by the District or using a contractor under a competitive bidding process.

3.1.4 Owner shall reimburse the District for the cost of design and construction of all facilities.

3.1.5 Owner understands that there is a requirement to pay in advance a job deposit to District representing the full proportional share of the cost for construction of mains and facilities needed to serve the owner as specified in Exhibit "A" and any subsequent change orders that benefit the owner.

3.1.6 Owner agrees to pay the District's charges for project management and inspection upon completion of the project in accordance with the District's Rules and Regulations.

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 "A" by a competitive bidding process in accordance with the District's Rules and Regulations.

- 3.2.2 In the event any such main extension and facilities specified in Exhibit "A" are not used for increased fire flow by other persons within five (5) years of completion of the mains and facilities, District shall not reimburse Owner for any of the costs associated with the mains and facilities specified in Exhibit "A."
- 3.2.3 In the event any of the mains and facilities are used by another Owner for increased fire flow within five (5) years, the District will charge the subsequent Owner a prorated share of the improvements already constructed and reimburse that amount to the original Owner subject to the right of District to off-set against any sums payable to Owner the amount of any indebtedness then due or owing by Owner to District.
- 3.2.4 Owner'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 "A" as shown thereon, and shall terminate five (5) years after said date.
- 3.2.5 District shall make reasonable effort to notify Owner of any subsequent beneficial use of the upgraded water main and facilities 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 Owner. Until that address changes, the address of Owner specified below Owners signature on this Agreement shall be the address to which District shall send mailed notice.

4. SUCCESSORS AND ASSIGNS

The obligations of Owner, if Owner 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:

"OWNER"

By:

Title:

[Address]

Exhibit A

Water Main Construction

SIERRA MADRE VILLA AND BARHITE STREET PIPELINE PROJECT

The District submitted Plans and Specifications referenced herein for the above project to contractors under a competitive bidding process completed on March 10, 2017 according to the District's Rules and Regulations. The bid procurement documents included four bid schedules that included items with varying percentage of portions to be paid the District and the Owner based on the relative benefit to each party. The lowest responsible bidder submitted a bid in the total amount of \$408,354. The proportional share to each party is as follows:

Owner: \$ 224,109

District: \$ 184,245

The final cost to the Owner will be the above amount plus additional amounts for change orders if any that benefit the owner plus the District's administrative costs for project management and inspection. Additional amounts (if any) will be invoiced after the project.

Water System Costs Accepted by Owner:

Signature: _____

Date: _____

10-Year Actual and Forecasted Income and Expenses

Account	Account Description	2021 Forecast	2020 Forecast	2019 Forecast	2018 Forecast	2017 Forecast	2017 Budget	2016 Actual	2015 Actual	2014 Actual	2013 Actual	2012 Actual	Total	Average
4000	Water Sales	1,422,666	1,381,229	1,340,999	1,301,941	1,264,020	1,347,000	1,426,516	1,220,253	1,415,616	1,379,338	1,200,756	14,700,334	1,336,394
4015	Wholesale Water Sales					77,033	75,000	68,126	6,947		33,325	161,188	421,619	70,270
4020	Service/Installation Charges	10,938	10,619	10,310	10,010	9,718	10,000	22,542	21,023	32,413	20,300	29,814	187,686	17,062
4025	Asset Sale					0	0	10,675		3,350	50		14,075	2,815
4035	Interest-Reserve Fund	12,285	11,928	11,580	11,243	10,915	9,804	12,108	9,049	6,739	3,878	3,671	103,200	9,382
4050	Capacity Charge					0	0			3,000			3,000	1,000
4060	Disaster Assistance					0	0					2,017	2,017	672
4070	Misc. Income					211	0	1,222	1,648	2,497	721		6,300	1,050
	Total Income	1,445,889	1,403,776	1,362,889	1,323,193	1,361,899	1,441,804	1,541,189	1,258,920	1,463,614	1,437,611	1,397,446	15,438,231	1,403,476
5000	Leased Water Rights					0	63,135	63,135	63,135	63,135	47,275	37,200	337,015	48,145
5005	Electricity	120,000	120,000	120,000	120,000	115,092	120,000	110,282	108,380	118,301	107,499	103,626	1,263,178	114,834
5010	Maintenance Supplies	26,861	26,206	25,567	24,943	24,335	25,000	24,710	29,074	37,637	22,036	56,164	322,534	29,321
5011	Material and Labor for Install	8,279	8,077	7,880	7,688	7,500	10,000	8,281	0	17,646	6,355	12,465	94,170	8,561
5012	Safety Equipment	1,736	1,693	1,652	1,612	1,573	1,600	1,753	476	75	667		12,836	1,284
5015	Operations & Maintenance Labor	163,163	159,183	155,301	151,513	147,818	149,350	142,253	139,218	149,015	143,360	140,269	1,640,443	149,131
5016	Operations & Maintenance OT	20,743	20,237	19,744	19,262	18,793	16,000	34,413	30,844	19,411	13,553	12,340	225,341	20,486
5017	Operations Bonus	0	0	0	0	0	0	0	2,469				2,469	309
5020	Stand-by Compensation	7,500	7,500	7,500	7,500	7,455	7,500	7,170	7,200	7,470	7,620	7,410	81,825	7,439
5022	Training/Certification	1,325	1,292	1,261	1,230	1,200	1,600	470	0	260	570	99	9,307	846
5025	Water Treatment/Analysis	21,261	20,743	20,237	19,743	19,262	22,000	17,146	15,127	17,667	15,784	21,178	210,148	19,104
5030	Maintenance Contractors	125,000	125,000	125,000	125,000	113,718	125,000	102,259	82,752	173,354	95,629	134,594	1,327,306	120,664
5034	Equipment Maintenance	16,587	16,183	15,788	15,403	15,027	10,000	7,101	9,632	7,651	8,981	5,406	127,760	11,615
5035	Vehicle Maintenance	6,044	5,897	5,753	5,613	5,476	7,000	6,644	5,170	7,006	3,772	5,345	63,720	5,793
5036	Fuel - All Equipment	14,524	14,170	13,824	13,487	13,158	15,000	7,862	9,263	13,952	11,242	10,377	136,856	12,441
5040	Equipment Rental	0	0	0	0	0	500	0					500	71
5045	Insurance-Workers Comp.	12,636	12,327	12,027	11,733	11,447	12,000	10,710	11,090	9,734	4,519	4,199	112,423	10,220
5046	Insurance-Liability	17,187	16,768	16,359	15,960	15,571	16,000	14,151	14,155	9,096	11,364	13,891	160,503	14,591
5048	Insurance-Property	2,652	2,587	2,524	2,462	2,402	2,500	2,081	2,041	1,792	1,389	1,797	24,227	2,202
5049	Insurance-Medical	82,854	80,833	78,862	76,938	75,062	76,500	74,938	74,632	72,752	66,664	47,084	807,118	73,374
6000	Engineering Services	44,572	43,485	42,424	41,390	40,380	47,500	24,456	41,981	33,768	14,960	9,116	384,032	34,912
6005	Watermaster Services	12,000	12,000	12,000	12,000	11,792	12,000	11,149	10,969	10,680	9,731	11,360	125,679	11,425
6015	Administrative Salary	148,481	144,859	141,326	137,879	134,516	136,000	130,064	128,170	125,244	123,800	121,931	1,472,270	133,843
6016	Administrative Bonus	0	0	0	0	0	0	0	1,894		2,500	3,000	7,394	739
6017	Administrative Travel	2,605	2,542	2,480	2,419	2,360	3,000	1,848	2,281	2,364	1,525	3,460	26,885	2,444
6020	BofD Compensation	4,200	4,200	4,200	4,200	4,350	4,200	4,000	3,200	3,400	4,300	5,200	45,450	4,132
6021	Administrative & Board Exp.	828	808	788	769	750	1,000	242	725	645	158	552	7,264	660
6022	B of D Election	0	12,500	0	12,500	0	12,500	115		11,790		293	49,698	5,522
6024	Customer/Public Information	2,208	2,154	2,101	2,050	2,000	2,000	1,775	601	161	68	295	15,413	1,401
6025	PERS - KID	27,556	26,884	26,228	25,589	24,964	24,750	25,206	23,849	20,796	17,408	14,341	257,572	23,416
6028	PERS - GASB 68 Expense	0	0	0	0	0	0	-18,068						
6030	Social Security - KID	27,342	26,675	26,024	25,390	24,770	25,750	24,520	24,182	29,129	27,815	26,018	287,616	26,147
6031	Medicare - KID	6,542	6,382	6,226	6,075	5,926	6,200	5,902	5,821				49,074	6,134
6035	Office/Computer Supplies	8,245	8,044	7,848	7,656	7,470	7,000	4,537	4,901	4,438	6,038	6,318	72,494	6,590
6036	Postage/Delivery	5,143	5,018	4,895	4,776	4,660	5,000	3,706	4,763	3,715	3,176	4,484	49,337	4,485
6040	Professional Dues	12,307	12,007	11,714	11,428	11,149	11,330	11,045	9,490	9,226	7,517	7,872	115,085	10,462
6045	Legal	12,418	12,115	11,820	11,531	11,250	15,000	11,573	9,775	5,543	2,421	3,645	107,090	9,735
6050	Telephone	4,877	4,758	4,642	4,529	4,418	4,500	4,132	4,273	4,228	4,334	5,135	49,827	4,530
6051	Mobile Telephone	1,360	1,326	1,294	1,263	1,232	1,500	456	567	798	1,289	1,824	12,908	1,173
6052	Pagers	398	388	379	369	360	300	336	267	253	240	228	3,520	320
6053	Internet Service	1,027	1,001	977	953	930	1,000	720	720	948	966	1,050	10,291	936
6059	Computer/Software Maintenance	8,676	8,464	8,258	8,056	7,860	9,000	6,933	7,008	4,777	7,490	2,827	79,348	7,213
6061	Office Equipment Maintenance	970	946	923	901	879	1,000	256	619	592	949	581	8,615	783

10-Year Actual and Forecasted Income and Expenses

Account	Account Description	2021 Forecast	2020 Forecast	2019 Forecast	2018 Forecast	2017 Forecast	2017 Budget	2016 Actual	2015 Actual	2014 Actual	2013 Actual	2012 Actual	Total	Average
6065	Accounting Services	7,727	7,538	7,354	7,175	7,000	7,000	8,550	6,200	6,200	6,200	6,200	77,144	7,013
6070	Office & Accounting Labor	91,815	89,576	87,391	85,259	83,180	93,720	85,794	87,162	79,668	80,639	63,922	928,125	84,375
6071	Office & Accounting Bonus	0	0	0	0	0	0	0	1,275				1,275	159
6075	Professional/Contract Services	25,403	24,783	24,179	23,589	23,014	23,000	23,349	20,650	10,703	9,604	9,299	217,572	19,779
6080	Capital and Administrative Fee	9,622	9,387	9,158	8,935	8,717	8,900	8,368	8,705	7,189	6,651	3,002	88,634	8,058
6081	Permits/Fees	12,559	12,252	11,953	11,662	11,377	14,000	14,318	12,112	9,572	11,218	14,272	135,295	12,300
6086	Taxes - Sales	552	538	525	513	500	500	352	342				3,822	478
6088	Interest Expense	56,664	61,735	66,628	71,348	75,901	75,901	80,233	41,745		901	1,762	532,819	53,282
6120	Bank Service Charges	6,789	6,624	6,462	6,304	6,151	6,000	6,136	5,002	4,897	4,374	3,607	62,347	5,668
	Total Expenses	1,191,235	1,187,688	1,159,477	1,156,596	1,112,744	1,240,236	1,117,362	1,073,907	1,116,675	924,551	945,034	12,243,574	1,111,410
	NET REVENUES	254,654	216,088	203,412	166,598	249,154	201,568	423,827	185,014	346,939	513,060	452,412	3,194,658	292,066
	Capital and Planned Maintenance Expenditures													
1504	Water Mains	10,000	10,000	10,000	10,000	136,000	25,000		21,496	39,605	21,450		283,551	31,506
1505	Water Tunnels					0	7,000						7,000	3,500
1506						6,695	0							
1509	Wilcox Well/Wilcox Booster										10,544		10,544	10,544
1511	Water Treatment Plant	1,000	1,000	1,000	1,000	0	6,000				5,779	5,244	21,023	2,628
1512	Water Meters	5,000	5,000	5,000	5,000	4,482	4,500	1,461			24,081	-6,382	48,141	5,349
1513	Electrical/Electronic Equipment	5,000	5,000	5,000	5,000	0	5,000			11,014		-2,684	33,330	4,166
1514	Computer/Office Equipment	5,000	5,000	5,000	5,000	5,000	5,000	1,652	1,652	1,817		15,900	51,021	5,102
1515	Vehicles & Portable Equipment	35,000						20,465					55,465	27,732
1516	Water Company Facilities	7,000	7,000	7,000	7,000	0	10,000		4,671	5,672			48,343	6,043
1522	Eucalyptus Booster										32,054		32,054	32,054
1523	Construction in Progress - Vosburg							317,049	1,237,986				1,555,035	777,518
1524	Construction in Progress - East/West							698,128	15,549				713,677	356,839
1526	Vosburg Booster									62,787	8,349	8,455	79,591	26,530
1527	SCADA	1,000	1,000	1,000	1,000	23,318	11,000	7,411	10,722	10,009	21,051	9,362	96,873	8,807
1528	Tank and Reservoir Maintenance							21,548					21,548	21,548
1530	Tools	3,000	3,000	3,000	3,000	0	3,000			1,702		2,661	19,363	2,420
2400	Installment Purchase Agreement	143,538	138,467	133,574	128,854	124,301	124,301	119,969	-2,241,644		18,979	18,119	-1,291,543	-129,154
	Total Other Expenditures	215,538	175,467	170,574	165,854	299,796	200,801	1,187,682	-949,567	132,606	142,287	50,675	3,076,559	162,883
	NET CASH FLOW	39,116	40,621	32,838	744	-50,641	767	-763,855	1,134,581	214,333	370,774	401,737	118,098	129,183



Memo

Date: March 30, 2017
To: Board of Directors
From: Mel Matthews
Subject: Policies and Procedures for Bid Procurement, Purchasing and Contract Management

Background

Current policies and procedures for bid procurement and purchasing are contained in Article 16 and Appendix J of the District's *Rules and Regulations* as shown below:

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**.

APPENDIX J

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's standard forms, with such modification as may be appropriate for the particular work or unit of work, or 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; Contractor's 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.

Discussion

The above policies and procedures cover the acquisition of services, materials and capital improvement projects, but they do not provide any guidance on how to manage capital improvement contracts to minimize an escalation of costs due to change orders or contract revisions. However, the policies, procedures and requirements for change orders are contained in the contract documents for each project. Our standard contract was prepared by our attorneys and has been periodically revised to reflect new laws and changes that improve our ability to manage a contract in a cost-effective manner. It addresses the issues raised by the Board in the follow-up discussion of the Vosburg Booster Station Replacement Project. The current contract document is attached to this memo.

Summary and Conclusion

The District already has in place sufficient policies and procedures to cover the purchase of equipment, materials, services and contract language on large capital improvement projects to ensure that procedures are followed regarding change orders and contract revisions to minimize an escalation of costs. It is up to management (the General Manager) to use best management practices and sufficient oversight to enforce the contract provisions in the best interest of the District.

Agreement

Kinneloa Irrigation District
1999 Kinclair Drive
Pasadena, CA 91107
626-797-6295
kinneloa@outlook.com

Owner: Kinneloa Irrigation District

Contractor: _____

Project No.: _____

Project Title: _____

Date: _____

Price: _____

Owner and Contractor agree as follows:

1. The General Provisions and the Scope of Work attached hereto are hereby incorporated in and made a part of this Agreement.
2. Contractor shall perform the services and furnish the materials as set forth in the Scope of Work attached hereto ("Work"). Contractor shall furnish at its own expense all plant, labor, services, materials, tools, equipment, supplies, transportation, utilities, and all other items and facilities necessary for the Work. Contractor shall provide for payments on all required insurance policies, and shall obtain all permits and licenses of a temporary nature. Contractor shall furnish and remove all plant, temporary work or structures, tools, and equipment necessary to accomplish the Work.
3. Owner will pay for the Work as provided herein and in the Scope of Work.
4. Contractor is an independent contractor and will maintain complete control of and responsibility for its employees, subcontractors, and agents. Contractor shall supervise and direct the Work competently, devoting such time and applying such expertise as necessary to perform the Work in accordance with this Agreement.
5. Contractor shall be responsible for all loss and damage arising out of the nature of the Work during its progress and prior to Owner's acceptance, from the action of the elements and from any unforeseen difficulties which may arise or be encountered in the prosecution of the Work, and for all other risks of any description connected with the Work. The Contractor shall also be responsible for all expenses incurred by or in consequence of the suspension or discontinuance of Work, except where the General Provisions expressly stipulate otherwise.

6. To the fullest extent permitted by law, Contractor shall immediately defend and indemnify and hold harmless the Owner, and its Engineer and their respective directors, officers, employees, agents and volunteers, and each of them from and against:

a. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including, the Owner, the Engineer, and/or the Contractor, or any of their directors, officers, employees, agents or volunteers, and damages to or destruction of property of any person, including but not limited to, the Owner, the Engineer and/or the Contractor and any of their directors, officers, employees, agents or volunteers, arising out of or in any manner directly or indirectly connected with the Work to be performed under this Agreement, however caused, regardless of any negligence of the Owner, its Engineer or any of their directors, officers, employees, agents or volunteers (including passive negligence), except the sole negligence or willful misconduct or active negligence of the Owner, its Engineer, or any of their directors, officers, employees, agents or volunteers; upon tender by the Owner, Contractor shall immediately defend, at Contractor's own cost, expense and risk, any and all such claims, suits, actions or other legal proceedings of every kind that may be brought or instituted against Owner, its directors, officers, agents, employees or volunteers, notwithstanding whether Contractor's liability is or can be established.

b. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or in equity, of every kind or nature whatsoever, arising out of, resulting from or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of Contractor.

Contractor shall defend, at the Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind arising out of or connected with the Work that may be brought or instituted against the Owner, its Engineer or any of their directors, officers, employees, agents or volunteers.

Contractor's obligation to indemnify shall survive the termination or completion of the Work for the full period of time allowed by law and shall not be restricted by the insurance requirements of these Contract Documents or to insurance proceeds, if any, received by the Owner, or its directors, officers, employees, agents or volunteers.

Contractor's defense and indemnity obligation herein includes, but is not limited to, damages, fines, penalties, attorney's fees and costs arising from claims under the Americans with Disabilities Act (ADA) or other federal or state disability access or discrimination laws arising from Contractor's work during the course of construction of the improvements or after the Work is complete, as the result of defects or negligence in Contractor's construction of the improvements.

Contractor shall pay and satisfy any judgment, award or decree that may be rendered against the Owner, its Engineer or any of their directors, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding.

Contractor shall reimburse the Owner, its Engineer or any of their directors, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

Contractor agrees to carry insurance for this purpose as set out in Article 31 of the General Provisions, entitled CONTRACTOR'S INSURANCE. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Owner, its Engineer or any of their directors, officers, employees, agents and/or volunteers.

7. If any provision of this Agreement is found to be invalid, void or unenforceable for any reason, the remaining provisions shall continue in full force and effect.

8. In entering into this Agreement, Owner has relied on the expertise and integrity of Contractor. The rights and obligations of Contractor under this Agreement shall therefore not be assignable without the prior express written consent of Owner.

9. All time limits stated in the Scope of Work are of the essence of this Agreement.

10. This Agreement constitutes the entire Agreement of the parties and no amendment or modification of its terms shall be binding unless the same is in writing, and approved by each of the parties.

11. This Agreement shall be governed by the laws of the State of California.

IN WITNESS WHEREOF: The parties hereto have caused this Agreement to be executed as of the date specified above.

OWNER **By:** _____
Kinneloa Irrigation District **Title:** _____

CONTRACTOR

License No(s). _____ **By:** _____
Expiration Date _____ **Title:** _____

NOTE: Contractor shall furnish, to the satisfaction of Owner's Attorney, verification that the persons signing this Agreement as Contractor or on behalf of the Contractor have authority and legal authorization to bind the Contractor.

Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint is filed within three years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

FAITHFUL PERFORMANCE BOND

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS:

That we, _____, hereinafter referred to as "Contractor," as principal, and _____, as surety, are held and firmly bound unto Kinneloa Irrigation District, hereinafter referred to as "Owner," in the sum of _____ (\$ _____), lawful money of the United States of America, for the payment of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and/or assigns, jointly and severally, firmly by these presents.

The condition of the foregoing obligation is such that,

WHEREAS, said Contractor has been awarded and is about to enter into a contract with Owner for the design, programming, and installation of the _____, as specifically set forth in documents entitled Agreement, General Provisions and Scope of Work, and is required under the terms of the Agreement to give this bond in connection with the execution of said contract:

NOW THEREFORE, if said Contractor shall well and truly do and perform all of the covenants and obligations of said contract on its part to be done and performed at the times and in the manner specified herein, then this obligation shall be null and void, otherwise it shall be and remain in full force and effect;

PROVIDED, that any alterations in the work to be done, or the material to be furnished, which may be made pursuant to the terms of said contract, shall not in any way release either the Contractor or the surety thereunder, nor shall any extensions of time granted under the provisions of said contract release either the Contractor or the surety, and notice of such alterations or extensions of the contract is hereby waived by the surety.

FURTHER PROVIDED, that, as provided in Article 25 of the General Provisions entitled TERMINATION FOR BREACH, and upon termination in accordance with said Article 25, if the direct and indirect costs of completing the Work, including, but not limited to, all costs to Owner arising from professional services and attorneys' fees and all costs generated to insure or bond the work of substituted contractors or subcontractors utilized to complete the Work, exceed the balance due the Contractor, on failure of Contractor to pay, the Surety shall pay on demand by Owner. Any portion of such difference not paid by Surety within thirty (30) days following the mailing of a demand for such costs by Owner shall earn

interest at the rate of ten percent (10%) per annum or the maximum rate authorized by California law, whichever is lower.

If any action is brought upon this bond by said Owners and judgment is recovered (or settlement is made which is favorable to Owner), then said surety shall pay all costs incurred by said Owners in such action, including a reasonable attorney's fee.

WITNESS our hands this ____ day of _____, 20__ .

Contractor: _____

Surety: _____

By: _____

By: _____

Title: _____

Title: _____

Home Office Address:

Phone: _____

Attorney-in-Fact

Address: _____

Phone: _____

NOTE: This bond must be acknowledged before a notary public, and a legally sufficient power of attorney must be attached to the bond to verify the authority of any party signing on behalf of a surety.

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, _____
_____, hereinafter referred to as "Contractor," as principal, and _____
_____, as surety, are held and firmly bound unto Kinneloa Irrigation District, hereinafter referred to as "Owner," in the sum of \$_____, lawful money of the United States of America, for the payment of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and/or assigns, jointly and severally, firmly by these presents.

The condition of the foregoing obligation is such that,

WHEREAS, said Contractor has been awarded and is about to enter into a contract with Owner for construction of _____
_____ as specifically set forth in the Scope of Work attached to the Agreement and made a part thereof and is required under the terms of the Agreement to give this bond in connection with the execution of said contract:

NOW, THEREFORE, if Contractor or any of its subcontractors, fails to pay for any materials, equipment, or other supplies, or for rental of same used in connection with the performance of work contracted to be done or for work or labor thereon of any kind, or fails to pay any of the persons named in Section 9100, California Civil Code or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant or for any amounts required to be deducted, withheld and paid to the Employment Development Department from the wages of employees of the Contractor and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such work and labor and all other applicable laws of the state of California and rules and regulations of its agencies, then said Surety will pay for the same in an amount not exceeding the sum specified above. This bond shall inure to the benefit of any persons named in Civil Code Section 9100, so as to give a right of action to them or their assigns in any suit brought upon this bond. This bond shall be subject to and include all of the provisions of Titles 1 and 3, as applicable, of Part 6 of Division 4 of the Civil Code of the State of California relating to Payment Bond for Public Works, including but not limited to Civil Code Sections 8152 and 8154 and 9550-9560, inclusive.

PROVIDED, that any alterations in the work to be done, or the material to be furnished, which may be made pursuant to the terms of said contract, shall not in any way release either the Contractor or the surety thereunder, nor shall any extensions of time granted under the provisions of said contract release either the Contractor or the surety, and notice of such alteration or extensions of the contract is hereby waived by the surety.

WITNESS our hands this _____ day of _____, 20 ____.

Contractor: _____

Surety: _____

By: _____

By: _____

Title: _____

Title: _____

Home Office Address:

Phone: _____

Attorney-in-Fact

Address: _____

Phone: _____

NOTE: This bond must be acknowledged before a notary public, and a legally sufficient power of attorney must be attached to the bond to verify the authority of any party signing on behalf of a surety.

Scope of Work

Owner: Kinneloa Irrigation District

Contractor: _____

Project No.: _____

Project Title: _____

The Scope of Work for the above-referenced project is as follows:

GENERAL PROVISIONS

1. LICENSE

Contractor shall possess, at all times during performance of the Work, the classes of contractor's license issued pursuant to Division 3, Chapter 9, of the Business and Professions Code of the State of California as are required to perform the Work contemplated under the Contract Documents. Contractor shall provide Owner with their Contractor's license number and expiration date, and shall present satisfactory evidence that they are license in good standing.

2. EXISTING CONDITIONS

Contractor represents that they have carefully examined the site where the Work is to be performed and that they have familiarized themselves with all local conditions and federal, state and local laws, ordinances, rules, and regulations that may affect in any manner the performance of the Work. The Contractor further represents that they have studied all surveys and investigation reports about subsurface and latent physical conditions pertaining to the area affected by the Work, including the location of underground facilities, that they have performed such additional surveys and investigations as they deem necessary to complete the Work.

3. AUTHORITY OF THE OWNER'S REPRESENTATIVE

The Owner shall designate its Owner's Representative prior to commencement of work. The Owner's Representative shall decide any and all questions which may arise as to the interpretation of the plans and specifications and shall have authority to disapprove or reject materials and equipment furnished and work performed which, in its opinion, is not in accordance with the Contract Documents, and its decision shall be binding and conclusive.

4. CHANGES IN THE WORK

The Owner may require changes in, additions to, or deductions from the Work, including complete termination thereof. Adjustment, if any, in the amounts to be paid to the Contractor by reason of any such change, addition, or deduction shall be determined as set forth in Section 33 hereof, entitled ESTIMATES AND PAYMENTS.

5. EXTRA WORK

The Owner may determine, in the Owner's sole discretion, to order work done or materials or equipment furnished which in the opinion of the Owner are not included in the Scope of Work. The Contractor shall perform such work and furnish such materials and equipment. Such labor, materials, and/or equipment will be classed as extra work and shall be ordered in writing before such work is started. No extra work shall be paid for unless ordered in writing. Extra work and material will be paid for at a lump sum or unit price agreed on in writing by the Owner and the Contractor before the extra work shall be ordered.

6. UTILITIES

The Owner has endeavored to determine the existence of utilities at the site of the Work from the records of the owners of known utilities in the area affected by the Work. The positions of these utilities as derived from such records are shown on the plans. The service connections to these utilities may not be shown on the plans.

The Contractor shall make their own investigations, including exploratory excavation, and inquiries with area utility providers, to determine the locations and type of existing service laterals or appurtenances when their presence can be inferred from the presence of other visible facilities, such as buildings, meter and junction boxes, on or adjacent to the site of the Work. If the Contractor discovers utility facilities not identified in the plans or specifications or in a position different from that shown in the plans and specifications, they shall immediately notify in writing the Owner's Representative and the owner of the utility facility.

Prior to excavation, the Contractor shall contact the appropriate regional notification center, such as Underground Service Alert, as provided in Government Code Sections 4216 et. seq.

The Contractor shall not be assessed liquidated damages for delay in completion of the Work, when such delay was caused by the failure of the Owner or the owner of the utility to provide for removal or

relocation of utility facilities. The right is reserved to governmental agencies and to owners of utilities to enter at any time upon any street, alley, right-of-way, or easement for the purpose of making changes in their property made necessary by the work and the purpose of maintaining and making repairs to their property.

7. FINAL CLEANUP

Upon completion, the Contractor shall clean all areas used in connection with the Work, and all parts of the Work and grounds occupied shall be left in a neat and presentable condition. In the event the Contractor fails to clean up as specified herein, clean up may be performed by the Owner at the Contractor's expense.

8. PROTESTS

If the Contractor considers any work required by the Owner to be outside the requirements of the Contract Documents, or if the Contractor considers any record or ruling of the Owner, the Owner's Representative or any governmental inspector to be unfair, the Contractor shall immediately upon such work being demanded or such record or ruling being made, ask for written instructions or decision, and within ten (10) days after receipt thereof file a written protest with the Owner, stating clearly and in detail each objection and the reasons therefor. The Contractor shall, whether or not a written protest will be filed, immediately upon receipt of written instructions or decision proceed without delay to perform the work or conform to the record or ruling.

9. CLAIMS

As provided in Article 1.5 of Chapter 1 of Part 3 of Division 2 of the Public Contract Code, claims by the Contractor shall be in writing and include the documents necessary to substantiate the claim. Prior to submitting a claim under this Section 9, the Contractor shall comply with all applicable notification requirements under the Contract Documents. Claims shall be processed pursuant to the provisions of the Public Contract Code.

10. SUPERVISION AND SUPERINTENDENCE

The Contractor shall be solely responsible for the means, methods, techniques, sequences and procedures of construction, but the Contractor shall not be solely responsible for the negligence of others in the design or selection of a specific means, method, technique, sequence, or procedure of construction which is indicated in and required by the Contract Documents.

The Contractor shall designate and keep on the Work at all times during its progress a competent superintendent. The superintendent will be the Contractor's representative at the site and shall have authority to act on behalf of the Contractor.

11. SHOP DRAWINGS

Shop drawings are drawings, diagrams, illustrations, schedules, performance charts, brochures, and other data which are prepared by the Contractor or any subcontractor, manufacturer, supplier, or distributor and which illustrate some portion of the Work.

The Contractor shall review, mark as approved, and submit for review by the Owner's Representative, shop drawings as called for in the Scope of Work or requested by the Owner's Representative. Shop drawings shall be submitted with promptness and in orderly sequence so as to cause no delay in prosecution of the Work.

Within 30 days after receipt of said drawings, the Owner's Representative will return two of the copies of the drawings to the Contractor with any comments noted thereon. If so noted by the Owner's Representative, the Contractor shall correct the drawings and resubmit them in the same manner as specified for the original submittal.

No portion of the Work requiring a shop drawing submittal shall be commenced until the submittal has been reviewed by the Owner's Representative and returned to the Contractor with a notation indicating that resubmittal is not required.

If the Contractor believes that any shop drawing or communication relative thereto calls for changes in the Work for which the contract amount or time for completion should be changed, they shall not proceed with the changes in the Work so called for and shall promptly submit to the Owner's Representative a

written estimate of the changes in the contract amount and time for completion the Contractor believes to be appropriate.

12. OBSERVATION OF WORK BY OWNER'S REPRESENTATIVE

The Owner's Representative shall at all times have access to the Work during construction and shall be furnished with every reasonable facility for ascertaining full knowledge respecting the progress, workmanship, and character of materials and equipment used and employed in the Work.

13. ONE-YEAR GUARANTEE

In addition to guarantees otherwise required, the Contractor shall and hereby does guarantee the Work against defects in workmanship or materials for a period of one year after the Owner's acceptance of the Work, except for any portion of the Work that is utilized or placed into service by the owner. The Contractor shall repair or remove and replace any and all such work, together with any other work which may be displaced in so doing, that is found to be defective in workmanship and/or materials within said one year period, without expense whatsoever to the Owner, ordinary wear and tear and unusual abuse or neglect excepted. In the event of a failure to comply with the above-mentioned conditions within seven (7) days after being notified in writing, the Owner is hereby authorized to proceed to have the defects remedied and made good at the Contractor's expense.

The performance bond and the payment bond shall continue in full force and effect for the guarantee period.

This section does not in any way limit the guarantee on any items for which a longer guarantee is specified or on any items for which a manufacturer or supplier gives a guarantee for a longer period. The Contractor agrees to act as a co-guarantor with such manufacturer or supplier and shall furnish the Owner all appropriate guarantee or warranty certificates upon completion of the project. No guarantee period, whether provided for in this article or elsewhere, shall in any way limit the liability of Contractor or his sureties or insurers under the indemnity or insurance provisions of the Contract Documents.

14. SUBCONTRACTING

Subcontractors are authorized to the extent indicated on the Scope of Work. Otherwise, subcontracts are permitted to such extent shown to be necessary or definitely advantageous to the Contractor in the prosecution of the Work, in the sole discretion of the Owner. In the event the Contractor subcontracts any part of this contract, the Contractor shall be as fully responsible to the Owner for the acts and omissions of each subcontractor and anyone either directly or indirectly employed by them as the Contractor is responsible to the Owner for the acts and omissions of their employees. Nothing contained in the Contract Documents shall create any contractual relationship between any subcontractor and the Owner. The Contractor shall include in every subcontract a provision incorporating the terms and conditions of the Contract Documents into the subcontract.

15. TIME FOR COMPLETION AND FORFEITURE DUE TO DELAY

The Contractor shall complete the Work within the time set forth in the Scope of Work; time is of the essence in this contract. Where no time for completion is specified in the Scope of Work, this section shall not apply.

Failure of the Contractor to perform any covenant or condition contained in the Contract Documents within the time period specified shall constitute a material breach of this contract entitling the Owner to terminate the contract unless the Contractor applies for, and receives, an extension of time in accordance with the procedures set forth in this section and Section 16 entitled Extension of Time.

In accordance with Government Code Section 53069.85, Contractor agrees to forfeit and pay Owner Five Hundred Dollars (\$500.00) for each and every day of delay which shall be deducted from any payments due or to become due the Contractor.

The Contractor shall not be deemed in breach of this contract and no forfeiture due to delay shall be made because of any delays in the completion of the Work due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor provided the Contractor requests an extension of time in accordance with the procedures set forth in this article and in Section 16 entitled Extension of Time.

16. EXTENSION OF TIME

The time specified for completion of all or any part of the Work may be extended only by a written change order executed by or on behalf of the Owner.

Requests for an extension of time must be delivered to the Owner's Representative within ten (10) consecutive days following the date of the occurrence which caused the delay. The request must be submitted in writing and must state the cause of the delay, the date of the occurrence causing the delay, and the amount of additional time requested. Requests for extensions of time shall be supported by all evidence reasonably available or known to the Contractor which would support the time extension requested.

17. USE OF COMPLETED PORTIONS

When the Work or any portion of it is sufficiently complete to be utilized or placed into service, the Owner shall have the right, upon written notification to the Contractor, to utilize such portions of the Work and to place the operable portions into service and to operate same.

18. PERMITS AND LICENSES

The Contractor shall procure all permits and licenses, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the Work.

19. SAFETY AND PUBLIC CONVENIENCE

The Contractor shall conduct their operations so as to avoid injury or damage to any person or property, and to minimize any obstruction and inconvenience to the public. In accordance with generally accepted construction practices, the Contractor shall be solely and completely responsible for conditions of the job site, including safety of all persons and property during performance of the Work, and the Contractor shall fully comply with all state, federal and other laws, rules, regulations, and orders relating to safety of the public and workers.

20. RESPONSIBILITY FOR LOSS, DAMAGE, OR INJURIES

The Contractor shall be responsible for all claims, demands, or liability from any cause arising out of or resulting from or in connection with the performance of the Work, excepting only those as may be caused solely and exclusively by the fault or negligence of the Owner, the Engineer, the Owner's Representative, or their consultants, or their directors, officers, employees, and agents. Such responsibility shall extend to claims, demands, or liability for loss, damage, or injuries occurring after completion of the Work as well as during the progress of the Work.

21. EXCAVATION PLANS FOR WORKER PROTECTION REQUIRED BY LABOR CODE §6705

Where applicable, the Contractor shall submit to the Owner for acceptance, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of any trench or trenches five feet or more in depth. The plan shall be prepared by a registered civil or structural engineer. As a part of the plan, a note shall be included stating that the registered civil or structural engineer certifies that the plan complies with all governmental regulations and orders, or that the registered civil or structural engineer certifies that the plan is not less effective than the shoring, bracing, sloping, or other provisions of the General Industry Safety Orders promulgated by the Department of Industrial Relations, Division of Industrial Safety, or by such other agency with responsibility therefor.

22. HOURS OF LABOR

The Contractor shall comply with all provisions of the Labor Code regarding work hours and shall pay overtime for all hours worked in excess of eight (8) hours per day.

23. PREVAILING WAGE

The Contractor shall comply with Labor Code Section 1775. In accordance with said Section 1775, the Contractor shall forfeit as a penalty to the Owner, a penalty in such amount as the Labor Commissioner shall determine for each calendar day or portion thereof for each worker paid less than the stipulated prevailing rates for such work or craft in which such worker is employed for any work done under the

contract by them or by any subcontractor under them in violation of the provisions of the Labor Code and, in particular, Labor Code Sections 1770 to 1780, inclusive.

24. APPRENTICES

Attention is directed to the provisions in Sections 1777.5 and 1777.6 of the Labor Code concerning the employment of apprentices by the Contractor or any subcontractor under them. The Contractor and any subcontractor under them shall comply with the requirements of Sections 1777.5 and 1777.6 of the Labor Code in the employment of apprentices.

25. TERMINATION FOR BREACH

If the Contractor refuses or fails to prosecute all or any part of the Work with such diligence as will ensure its completion within the time specified in the Scope of Work, or any extension thereof, or fails to complete such work within such time, or if the Contractor is adjudged a bankrupt, or makes a general assignment for the benefit of their creditors, the Owner may, without prejudice to any other right or remedy, serve written notice upon the Contractor and their surety of its intention to terminate the contract. Such notice by the Owner shall set forth the reasons for the intended termination of the contract, and unless within ten days after the service of such notice such violations shall cease and satisfactory arrangements for the corrections thereof be made, the contract shall upon the expiration of said ten days cease and terminate. In such case, the Contractor shall not be entitled to receive any further payment until the Work is finished.

If the unpaid balance of the contract price exceeds the direct and indirect costs of completing the Work, including, but not limited to, all costs to Owner arising from professional services and attorneys' fees and all costs generated to insure or bond the work of substituted contractors or subcontractors utilized to complete the Work, such excess shall be paid to Contractor. If such costs exceed the unpaid balance, Contractor shall pay the difference to Owner promptly upon demand; on failure of Contractor to pay, the Surety shall pay on demand by Owner. Any portion of such difference not paid by Contractor or surety within thirty (30) days following the mailing of a demand for such costs by Owner shall earn interest at the rate of ten percent (10%) per annum or the maximum rate authorized by California law, whichever is lower.

26. NOTICE AND SERVICE THEREOF

Any notice required or given under the contract shall be in writing and be served by personal delivery, overnight delivery or by deposit in the United States mail. Mailed notices shall be sent by certified mail, postage prepaid, and shall be addressed to the addresses in the Contract Documents or such substitute addresses which a party designates in writing and serves as set forth herein. Any notice mailed shall be deemed received seventy-two (72) hours after deposited in the United States mail.

27. WAIVER OF RIGHTS

Except as otherwise specifically provided in the Contract Documents, no action or failure to act by the Owner, Engineer, Owner's Representative, or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract Documents, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder.

28. ASSIGNMENTS OF ANTITRUST ACTIONS

In entering into this Contract or any subcontract to supply goods, services, or materials to the Contractor pursuant to this Contract, the Contractor or subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action any of them may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to this contract or any subcontract hereunder. This assignment shall be made and become effective at the time the awarding body tenders final payment to the Contractor, without further acknowledgment by the parties.

29. PAYROLL RECORDS

It shall be the responsibility of the Contractor to maintain an accurate payroll record showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each employee in accordance with Labor Code Section 1776, and to ensure that each subcontractor also complies with all provisions of Labor Code Section 1776 and this contract provision

The Contractor shall furnish a copy of all payroll records, upon request, to employees or their authorized agents, to the Owner, to the Division of Labor Standards Enforcement, and to the Division of Apprenticeship Standards of the Department of Industrial Relations. The Contractor shall also furnish a copy of payroll records to the general public upon request provided the public request is made through the Owner, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement of the Department of Industrial Relations.

Failure of the Contractor to comply with any provision of this article or Labor Code Section 1776 within ten days of the date a written request for compliance is received shall result in a forfeiture of the maximum statutory amount per calendar day or portion thereof, for each worker, until strict compliance is obtained.

30. NOTICE OF LATENT OR HAZARDOUS CONDITIONS

In accordance with Section 7104 of the Public Contract Code, where the contract specifications require digging trenches or excavating deeper than four (4) feet below the surface, the Contractor shall promptly, and before the following conditions are disturbed, notify the Owner, in writing, of any:

(a) Material that the Contractor may believe is hazardous waste as defined in Section 25117 of the Health and Safety Code;

(b) Subsurface or latent physical conditions differing from those indicated in the plans and specifications;

(c) Unknown physical conditions of any unusual nature, materially different from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract specifications.

Upon receipt of written notice by the Contractor of such conditions, the Owner shall promptly investigate. If the Owner finds such conditions to exist and determine that an increase or decrease in the Contractor's cost of or time required for performance of the Work will result from the change in conditions, the Owner will issue a change order.

In the event a dispute arises between the Owner and the Contractor as to whether the conditions materially differ, or involve hazardous waste, or cause decrease or increase in the cost of or time required for performance of any part of the Work, the Contractor shall not be excused from the scheduled completion of the Work, and shall retain any and all rights which he may have pertaining to the resolution of disputes between the Owner and the Contractor, as provided in Section 9 entitled CLAIMS.

31. CONTRACTOR'S INSURANCE

31.1 GENERAL

The Contractor shall not commence or continue to perform any work unless the Contractor, at their own expense, has obtained all required insurance. The types of insurance the Contractor shall obtain and maintain are Workers' Compensation Insurance, Liability Insurance, and Builders' Risk Insurance. Worker's Compensation Insurance and Liability Insurance shall be maintained in effect for the full guarantee period.

Insurers must be authorized to do business and have an agent for service of process in California and have an "A" policyholder's rating and a financial rating of at least Class X in accordance with the most current Best's Rating.

The Contractor shall furnish to the Owner a policy or certificate of protective liability insurance in which the Owner shall be named as additional insured. The policy shall insure the Owner and its officers, employees, agents and volunteers as additional insureds; the Contractor, its employees and its subcontractors and each of their employees, and their heirs, agents, and employees, while acting within the scope of their duties, against all claims arising out of or in connection with the Work.

Should the Contractor neglect to maintain in force insurance required under the Contract Documents, then it shall be lawful for the Owner to obtain and maintain such insurance, and the Contractor hereby appoints the Owner as its true and lawful attorney-in-fact to do all things necessary for this purpose. Should the Owner make such payments on behalf of the Contractor, any monies so paid shall be charged to the Contractor and shall be deducted such from any payments due the Contractor under the Contract Documents.

31.2 WORKERS' COMPENSATION INSURANCE

The Contractor and all subcontractors shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees working on or about the area affected by the Work, regardless of whether such coverage or insurance is mandatory or merely elective under the law. The Contractor shall provide a certificate(s) of insurance certifying that they have obtained for the period of the contract full Workers' Compensation Insurance coverage for all persons employed directly by the Contractor or through subcontractors in carrying out the Work under the contract.

31.3 LIABILITY INSURANCE

The Contractor shall obtain liability insurance as required herein, which requirements shall be shown on the certificate or separate endorsement. The certificate shall provide that coverage may not be cancelled, reduced, or changed without giving the Owner and its Engineer at least thirty (30) days prior notice thereof in writing.

The Liability Insurance coverage shall include each of the following types of insurance:

- A. Commercial General Liability, including premises/operations, products/completed operations, owners' and contractors' protective liability, and contractual liability. Coverage provided shall be at least as broad as that provided under the Insurance Services Office (ISO) Commercial General Liability - Occurrence Form CG 0001.
- B. Automobile Liability, with coverage at least as broad as ISO Form Number CA 0001(ed. 1/87) covering Automobile Liability, Code 1 (any auto) and must include the following coverages:
 - (1) Comprehensive Form Including Loading and Unloading.
 - (2) Owned.
 - (3) Hired.
 - (4) Non-Owned.

The policies of insurance shall contain an endorsement designating as additional insureds the Owner and its consultants, directors, officers, employees, agents and volunteers. The policy shall contain additional endorsements as follows: (i) Providing blanket contractual liability coverage for the bidder's indemnification obligations to Owner and others pursuant to the Contract Documents; (ii) Providing coverage for explosion, collapse, underground excavation and removal of lateral support; (iii) Providing that the insurance may not be canceled or reduced until 30 days after the Owner and its Engineer have actually received written notice of such cancellation or reduction; (iv) Providing "cross liability" or "severability of interest" coverage for all insureds under the policy or policies; and (v) Providing that any other insurance maintained by Owner, the Engineer or any other named insured is excess insurance, and not contributing insurance with the insurance required herein. The amount of coverage shall be no less than the following:

- (1) General bodily injury and property damage -- \$5,000,000 per occurrence.
- (2) Automobile bodily injury and property damage -- \$5,000,000 per occurrence, including owned, non-owned and hired autos, and providing coverage for loading and unloading.

The Contractor shall, within five (5) days of execution of the Agreement, provide the Owner evidence of insurance from an insurer or insurers certifying to the coverage of all required insurance.

Included in such insurance shall be contractual coverage sufficiently broad to insure the indemnification obligation of Contractor under the Agreement.

31.4 CONTRACTOR'S LIABILITY NOT LIMITED BY INSURANCE

Nothing contained in these insurance requirements is to be construed as limiting and the liability of the Contractor or the Contractor's sureties.

32. BONDS

Contractor shall, within five (5) days after execution of the Agreement, furnish a bond with a responsible corporate surety or corporate sureties conditioned upon the faithful performance of said bidder of all

covenants and stipulations in the Agreement. Said bond, hereinafter referred to as the Faithful Performance Bond, shall be on the mandatory form included herein, and shall be in an amount that is not less than one hundred percent (100%) of the total amount payable under this Agreement.

Contractor shall also furnish a Payment Bond, approved by the Owner, in a sum not less than one hundred percent (100%) of the total amount payable under the Agreement. The form of Payment Bond included herein is a mandatory form.

33. ESTIMATES AND PAYMENTS

33.1 PAYMENT FOR CHANGES IN THE WORK

Changes in, additions to, or deductions from the Work, including increases or decreases in the quantity of any item or portion of the Work, shall be set forth in a written change order executed by the Owner which shall specify: (a) the changes, additions, and deductions to be made; (b) the increase or decrease in compensation due the Contractor, if any; and (c) adjustment in the time of completion, if any.

Adjustment in the compensation due Contractor shall be determined by one or more of the following methods in the order of precedence listed below:

- 1) Unit prices contained in the contract.
- 2) Mutually agreeable lump-sum or unit prices. If requested by the Owner's Representative, the Contractor shall furnish an itemized breakdown of the quantities and prices used in computing proposed lump-sum and unit prices.
- 3) Where an adjustment in compensation due the Contractor has not been determined, but a written change order has been issued by the Owner, the Contractor shall promptly proceed with the work involved. In such case, the Contractor shall be compensated for furnishing labor, materials, tools, and equipment on a cost-plus basis, as follows:
 - a) Cost of labor plus fifteen percent (15%) for workers directly engaged in the performance of the work. Cost of labor shall include actual wages paid including employer payments to or on behalf of the workers for health and welfare, pension, vacation, and similar purposes plus payments imposed on payroll amounts by state and federal laws plus subsistence and travel allowance payments to workers.
 - b) Cost of material plus fifteen percent (15%). Cost of material shall include sales tax, freight, and delivery charges. The Owner reserves the right to furnish such materials as it deems advisable and the Contractor shall not be paid the fifteen percent (15%) markup on such materials.
 - c) For tools and equipment actually engaged in the performance of the work, rental rates plus fifteen percent (15%). The rental rates shall be those prevailing in the area where the Work is performed. No rental charge shall be made for the use of tools or equipment having a replacement value of \$500.00 or less.
 - d) Subcontractor invoices to the Contractor plus five percent (5%). Subcontractor invoices shall be based on the above-described cost of labor plus fifteen percent (15%) cost of material plus fifteen percent (15%), and tool and equipment rental rates plus fifteen percent (15%).

No payment shall be made for any item not set forth above, including without limitation, Contractor's overhead, general administrative expense, supervision, or damages claimed for delay in prosecuting the remainder of the Work.

For cost-plus work, the Contractor shall provide daily work sheets showing an itemized breakdown of labor, materials, tools, and equipment used in performing the work. If requested by the Owner, the Contractor shall produce records enable the Owner to determine the cost of work and materials used.

33.2 PROGRESS PAYMENTS

The Contractor shall submit monthly a written estimate of the value of the work completed by the Contractor and of materials delivered on the ground at the site of the Work or stored subject to or under the control of the Owner prior to the first of the month in which the estimate is made. The Owner shall retain five percent (5%) of such estimated value as part security for the fulfillment of the contract and

shall within thirty (30) days pay the balance of such estimated value after deducting therefrom all previous payments and all sums to be kept or retained under the terms of the contract. All amounts so retained are withheld subject to the provisions of Public Contract Code Section 7107.

Pursuant to Section 20104.50 of the Public Contract Code, should the Owner fail to make a progress payment within thirty days after receipt of the undisputed and properly submitted pay estimate from the Contractor, the Contractor is entitled to interest from the Owner at the then-prevailing legal rate.

33.3 CONTRACT RETENTION

At the request and expense of the Contractor and pursuant to Public Contract Code Section 22300, securities equivalent to any amount withheld by Owner to ensure the Contractor's performance under the contract shall be deposited with the Owner, or, at the Contractor's request, with a state or federally chartered bank as the escrow agent. Alternatively, and upon approval of the Owner, retention monies earned may be deposited directly with an escrow agent licensed under Division 6 (commencing with Section 17000) of the Financial Code. Escrow instructions shall conform to the requirements of Public Contract Code Section 22300. All securities deposited pursuant to this section shall be accompanied by an unconditional assignment of such securities executed by the Contractor which will permit the Owner or the escrow agent to liquidate such securities without additional authorization from the Contractor.

33.4 FINAL ESTIMATE AND PAYMENT

When the Work has been completed, the Owner will make a final estimate of the total amount of work done thereunder and the amount to be paid therefor under the terms of the contract. If the Owner finds the Work has been completed according to the contract, it shall accept the Work, shall file a notice of completion, and shall pay the entire sum so found to be due after deducting therefrom all previous payments and all amounts to be retained under the provisions of the contract, including any right of offset the Owner may have against the Contractor under the terms of this or any other contract between the Owner and the Contractor. All prior progress estimates and payments shall be subject to correction in the final estimate and payment. The final payment, including all amounts retained from any progress payments, shall not be due and payable until the expiration of thirty-five (35) days from the date of filing a notice of completion of the Work by the Owner, but in all events shall be paid within sixty (60) days of completion of the Work, as defined in Section 7107 of the Public Contract Code.

In the event of a dispute between the Owner and the Contractor over the amount due, the Owner may withhold from the final payment an amount not to exceed one hundred fifty percent (150%) of the disputed amount. In the event that retained funds are not paid within the time specified herein or are wrongfully withheld, as provided in Section 7107, the Owner shall be subject to a charge of two percent (2%) per month on the improperly withheld amount, in lieu of any interest otherwise due. In any action for collection of funds allegedly wrongfully withheld, the prevailing party shall be entitled to recover its attorney's fees and costs incurred in such action.

It is mutually agreed between the parties to the contract that no certificate given or payment made under the contract shall be conclusive evidence of performance of the contract and no payment shall be construed to be an acceptance of any defective work or improper materials.

The Contractor further agrees that the payment of the final amount due under the contract shall release the Owner, the Engineer, the Owner's Representative, and their consultants, and each of their directors, officers, employees, and agents from any and all claims or liability arising out of the contract.

33.5 OWNER'S RIGHT TO WITHHOLD CERTAIN AMOUNTS

In addition to the amount which the Owner may retain under Section 33.2 or Section 33.4, the Owner may withhold a sufficient amount from any payment otherwise due as may be necessary to cover:

Payments which may be past due and payable for properly filed claims against the Contractor or any subcontractors for labor or materials furnished in or about the performance of the Work.

Estimated or actual costs for correcting defective work not remedied.

Estimated or actual costs for performing any work required of the Contractor pursuant to Section 7 entitled FINAL CLEANUP.

Estimated or actual costs of extraordinary or overtime inspection services provided by the Owner.

Costs incurred by the Owner for relocation of underground facilities which should have been borne by the Contractor under the Contract Documents.

Amounts claimed by the Owner as forfeiture due to delay or other offsets.

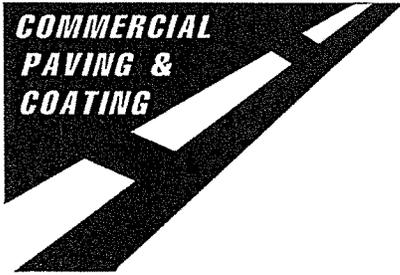
Unpaid premiums for insurance required under the contract.

Any other amounts owing by Contractor to Owner.

The Owner may apply such withheld amounts to the payment of such claims as the Owner in its sole discretion deems necessary or advisable. The Owner will render to the Contractor a proper account of such funds disbursed on behalf of the Contractor.

33.6 COST STATEMENT

The Contractor shall furnish the Owner promptly, upon completion of the Work, all information necessary to determine the cost of the Work, including an itemized statement in a form satisfactory to the Owner of the actual cost of all labor, materials, rentals, repairs, compensation and other insurance, transportation of labor, equipment and materials, engineering or other special services, supervision, overhead, depreciation, and taxes properly chargeable against the Work, and any and all costs entering into the work performed. The Contractor shall permit the Owner to have access to original payrolls, vouchers, and other records to the extent required to verify the figures given in said statement, and the Contractor shall not be entitled to receive payment on account of the final estimate as hereinabove provided, unless and until the Contractor furnishes the Owner a satisfactory statement of the cost of the entire Work.



COMMERCIAL PAVING & COATING

- ASPHALT PAVING CONTRACTORS -

2809 WEST AVENUE 37 - P.O. BOX 65557 - LOS ANGELES, CA 90065

(323) 256-1331 - FAX (323) 256-2273 - (818) 246-3035

Licensed License No. 475564 Insured

CONTRACT NO. 40087

Date: **08/19/2016**

Project:

Job Address: **2199-2222 KINNELOA CYN. ROAD
PASADENA CA 91107**

To:
**PERRY C. THOMAS
240 WEST DUARTE ROAD
MONROVIA CA 91016**

ATTENTION: **CHRIS**

WE HEREBY PROPOSE TO FURNISH ALL LABOR, MATERIAL AND EQUIPMENT TO DO THE FOLLOWING WORK

1. COLD MILL NECESSARY ASPHALT AREAS FOR SMOOTH TRANSITIONS.
2. CLEAN ASPHALT AREAS TOTALING APPROX. 11,500 SQ. FT. FREE FROM DIRT AND DEBRIS.
3. APPLY HOT TACK COAT TO AREAS TOTALING 11,500 SQ. FT.
4. INSTALL 2" D-2 PG 94-10 AND COMPACT TO 95% WITH MACHINE ROLLER.
5. SEAL ALL NEW ASPHALT EDGES.

TOTAL: \$28,800.00

OPTION: (1) COAT OF GUARD TOP SLURRY SEAL TO ASPHALT AREA 11,500 SQ. FT. AND REPAINT 8' STOP WITH STOP BAR AT LATER DATE ADD---\$3,400.00

FOR SCHEDULING, CALL DISPATCH DEPT. (323) 256-2667

OWNER NAME AND ADDRESS	CONTRACTOR NAME AND ADDRESS	LENDER NAME AND ADDRESS
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IMPORTANT CONDITIONS

- Any alteration or deviation from the above specifications involving extra cost of material or labor will be executed only upon written orders for same, will become an extra charge over the sum mentioned in this contract. In the event that collection action is required to enforce payment of this contract, whether suit is filed or not, Commercial Paving & Coating shall be entitled to attorneys fees and court costs. This proposal is subject to acceptance within 30 days, date of quotations. Unless otherwise specified the terms fine grade shall mean that present grades are within 1 inch of finish sub-grade. Commercial Paving & Coating shall not be liable for any damage to or breakage of under ground pipes and/or conduits not visible from the surface of the ground or for any damage to approaches including (sidewalk) from street to property line.
1. No guarantee of drainage on re-surfacing jobs unless otherwise specified in the above contract.
 2. No guarantee of re-growth of vegetation on re-surfacing jobs unless otherwise specified in the above contract.
 3. No guarantee on cracking on re-surfacing jobs unless otherwise specified on above contract.
 4. During removal - grinding and or pulverizing we are not responsible for damage to any wires or lines in or immediately under the asphalt installed by others. Commercial Paving & Coating will not be held responsible for utilities not installed to code.
 5. We are not responsible for any liability resulting from traffic control (speed bumps).
 6. We are not responsible for any liability resulting from handicapped access-ramps-walkways and or code deviations.
 7. Import and/or export of fill to be charged as extra, if needed, unless otherwise stated above.

ACCEPTANCE

YOU ARE HEREBY AUTHORIZED TO PROCEED WITH THE WORK ABOVE. I AGREE TO PAY THE AMOUNT MENTIONED IN SAID PROPOSAL. I HAVE READ AND REVIEWED THE TERMS & CONDITIONS ON THE BACK OF THIS CONTRACT. THIS CONTRACT SHALL BE DUE AND PAYABLE WHEN INVOICED UNLESS OTHERWISE SPECIFIED IN WRITING.

ACCEPTED BY OWNER, AGENT OR GENERAL CONTRACTOR
SIGN AND RETURN ORIGINAL COPY

COMMERCIAL PAVING & COATING
111 - BILL EMERSON

SIGNED _____

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RESOLUTION 2017-04-18

In Support of the Association of California Water Agencies' (ACWA) Policy Statement on Bay-Delta Flow Requirements

WHEREAS, California is facing a defining moment in water policy that will be substantially impacted by the State Water Resources Control Board's approach to water quality objectives under the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta; and

WHEREAS, the State Water Board has the responsibility for updating the Bay-Delta Plan in a manner that establishes water quality objectives that ensure the reasonable protection of all beneficial uses of water in a way that is consistent with the coequal goals of improving water supply reliability and protecting, restoring and enhancing the Delta ecosystem and with respect to the commitments made in the California Water Action Plan; and

WHEREAS, the State Water Board staff's current proposal, which focuses singularly on an "unimpaired flow" approach, is irreconcilable with a policy of coequal goals of improving both water supply reliability and ecosystem health; it is also inconsistent with the broader water policy objectives of the Brown Administration; and

WHEREAS, the ACWA Board of Directors has unanimously adopted a strong policy statement, calls for a better approach that can more effectively achieve ecological objectives while maintaining water supply reliability. The statement calls on the State Water Board to set aside its "unimpaired flow" approach and heed Gov. Jerry Brown's call for negotiated agreements, which have been successful on many rivers and tributaries in California.

WHEREAS, the ACWA statement notes that to be successful, the state's flow policy must be consistent with the principles of collaboration, comprehensive solutions, science, functional flows, economic considerations, consistency with state policy, and leadership; and

WHEREAS, California's local urban and agricultural water managers are united in their vision for a future that includes a vibrant California economy as well as healthy ecosystems and fish populations, and believe that vision is best achieved through a comprehensive, collaborative approaches;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of (AGENCY) hereby supports ACWA's Policy Statement on Bay-Delta Flows and encourages the State Water Resources Control Board to embrace the approach articulated in ACWA's policy statement.

PASSED, APPROVED AND ADOPTED THIS EIGHTEENTH DAY OF APRIL 2017.

SIGNED: _____
Chair

ATTEST: _____
Secretary



ACWA POLICY STATEMENT ON BAY-DELTA FLOW REQUIREMENTS

COLLABORATIVE APPROACH IS KEY TO CALIFORNIA'S FUTURE

California is facing a defining moment in water policy. A staff proposal under consideration by the State Water Resources Control Board presents a decision point about the future we want for California and its communities, farms, businesses and ecosystems. The State Water Board's staff proposal to base new water quality objectives on a "percentage of unimpaired flow" would have impacts that ripple far beyond water for fish.

The proposal could lead to widespread fallowing of agricultural land, undercut the state's groundwater sustainability goals, cripple implementation of the Brown Administration's California Water Action Plan, negatively affect water reliability for much of the state's population and impact access to surface water for some disadvantaged communities that do not have safe drinking water. These effects are not in the public's interest.

Local water managers overwhelmingly believe the proposal's singular focus on "unimpaired flow" is the wrong choice for the state's future. California's urban and agricultural water managers are united in their vision for a future that includes a healthy economy as well as healthy ecosystems and fish populations. That vision is best achieved through comprehensive, collaborative approaches that include "functional" flows as well as non-flow solutions that contribute real benefits to ecosystem recovery.

On behalf of its more than 430 member public agencies serving urban and agricultural customers throughout the state, the Association of California Water Agencies (ACWA) adopts the following policy statement regarding the State Water Board's proposed approach to updating the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta.

LOCAL SUCCESS STORIES

Collaborative efforts have been successful on many rivers in the Bay-Delta watershed.

Lower Yuba River: A voluntary, collaborative settlement among Yuba County Water Agency, California Department of Fish and Wildlife, National Marine Fisheries Service, PG&E and conservation groups resolved 20 years of controversy and resulted in a continuing program to improve 24 miles of salmon and steelhead habitat while protecting water rights and the needs of local communities. State Water Board members have specifically recognized the value of the agreement, which was formally implemented in 2008.

Lower American River: A broad representation of water suppliers, environmental groups, local governments and others negotiated an historic agreement that led to a flow management standard that was successfully incorporated into a 2009 biological opinion issued by the National Marine Fisheries Service.

Feather River: Six years of negotiations among water users, fisheries agencies and environmental groups yielded a comprehensive agreement that includes a habitat improvement program with specific flow and temperature requirements to accommodate spawning salmon and steelhead. The State Water Board adopted the agreement, with some modification, in 2010 as a water quality certification under the federal Clean Water Act.

CHOOSING OUR VISION FOR CALIFORNIA'S WATER FUTURE

Since 2009, state law has required water resources to be managed in a way that achieves the coequal goals of improving water supply reliability for California and protecting, restoring and enhancing the Delta ecosystem. ACWA and its public water agency members believe that policy requires a commitment from state agencies and stakeholders to advance both water supply and environmental goals together. ACWA and its members further believe that effective implementation of the coequal goals requires transparent, collaborative processes and comprehensive solutions.

In 2014, the Brown Administration released its California Water Action Plan outlining priority actions addressing water-use efficiency, groundwater sustainability, ecological restoration, Delta conveyance solutions, water storage, safe drinking water and more. Embedded in the plan is the Brown Administration's commitment that planned actions "will move California toward more sustainable water management by providing a more reliable water supply for our farms and communities, restoring important wildlife habitat and species, and helping the state's water systems and environment become more resilient."

ACWA believes the policy of coequal goals and the commitment embedded in the California Water Action Plan have the potential to put California on a path that includes a vibrant agricultural and urban economy and a healthy ecosystem.

ACWA and its members believe the unimpaired flow approach proposed by State Water Board staff undercuts and threatens that potential and cannot lead us to the future we want for California. Simply put, any strategy that would result in vast amounts of agricultural land going out of production and ultimately reduce water supply reliability for the majority of Californians is irreconcilable with a policy of coequal goals and blatantly inconsistent with the water policy objectives of the Brown Administration.

ACWA strongly supports the collaborative approach called for by Governor Jerry Brown to move these important decisions out of adversarial processes and into negotiated, comprehensive agreements. The following principles can assure success in that endeavor.

A BETTER PATH TO THE FUTURE

The State Water Board is responsible for updating the Bay-Delta Plan in a manner that establishes water quality objectives that ensure the reasonable protection of all beneficial uses of water (including domestic, municipal, agricultural and industrial supply; power generation; recreation; aesthetic enjoyment; navigation; and preservation and enhancement of fish, wildlife, and other aquatic resources) while considering past, present and probable future beneficial uses, environmental characteristics, water quality conditions and economic considerations, among other things. (See California Water Code Section 13241.) It also has a responsibility to update the plan in a way that is consistent with the coequal goals and respects and implements the commitments made in the California Water Action Plan.

ACWA and its members urge the State Water Board to set aside the unimpaired flow approach and heed Governor Brown's call for negotiated agreements. ACWA believes that a successful flows policy must be consistent with the following principles:

- **Collaboration:** The governor has called for work on a comprehensive agreement on environmental flows in both the San Joaquin and Sacramento River basins. He has asked that State Water Board members and staff prioritize analysis and implementation of voluntary agreements. Further, the Brown Administration committed in the California Water Action Plan that the State Water Board and the California Natural Resources Agency will work with stakeholders to encourage negotiated implementation of protective Delta standards. ACWA strongly supports the collaborative approach called for by the governor because it is the least contentious, most effective way to achieve the coequal goals. Negotiated agreements have been demonstrably successful at achieving outcomes and widespread support for appropriate environmental flows; forced

regulations have not yielded the same track record. The State Water Board should wholly embrace this approach and allow enough time for it to work.

- **Comprehensive Solutions:** A successful collaborative approach will require comprehensive solutions for both water supply and ecosystem management. Water users will need to continue and build on their commitment to integrated resources management in order to maintain reliability without undue impacts on the ecosystem. Similarly, ecosystem managers will need to focus on the entire life cycle of affected species and multiple variables, such as predation, food, and habitat availability to develop integrated management portfolios that accomplish ecosystem goals without undue impacts on water supply. Utilizing the single variable proposed in the "percentage of unimpaired flow" approach will not achieve the desired ecological outcomes and is, by far, the most destructive policy approach from the perspective of protecting and improving water supply. ACWA firmly believes the ecological outcomes can be achieved with even better results through a comprehensive approach that considers multiple solutions and benefits.
- **Science:** The State Water Board needs to incorporate the best available science to inform its work and assist with the development of voluntary settlement agreements. The unimpaired flow approach, in which flow objectives are not tied to any specific ecological outcome, fails to incorporate the best available science. As noted above, the updated plan needs to focus on the entire life cycle of affected species and multiple variables, such as predation, food, and habitat availability, and incorporate relevant current scientific information. Science alone cannot identify the best policy choice, but it can inform us about the policy tradeoffs we confront and help structure integrated solutions that provide ecosystem benefits with far less impact on water supply, the California economy and the public interest.



FUNCTIONAL FLOWS: A BETTER APPROACH

Sacramento Valley: Sacramento Valley water users and conservation partners are working together to advance a new generation of innovative projects to promote salmon recovery.

Over the past two and a half years, 12 projects have been completed through the Sacramento Valley Salmon Recovery Program to address fish passage, improve the timing of flows and increase habitat for salmon and other species. Priority projects have included removal of structural barriers to fish passage, modifying riffles, eliminating predator habitat, restoring floodplains and creating side channel spawning and rearing areas.

In addition, program partners are exploring creative ways to reconnect water with the land in floodplains and agricultural areas to enhance habitat and food production and create rearing habitat in rice fields.

While each of these collaborative projects provides independent value, implementation of the entire comprehensive suite is generating unique benefits that can significantly improve ecological outcomes for salmon in the Sacramento Valley.

Merced River: Merced Irrigation District has spent millions of dollars and decades undertaking intense and in-depth scientific research on the Merced River. This research has included analysis of flows, temperatures, biological resources and habitat. MID is poised to put this research into action through its Merced S.A.F.E. Plan (Salmon, Agriculture, Flows, and Environment) to provide certainty for both the environment and local water supply in Eastern Merced County.

The plan would provide increased flows using science to dictate the amounts and timing, restore critical sections of habitat for spawning and rearing juvenile salmon, protect local drinking water quality, upgrade an existing salmon hatchery with state-of-the-art facilities and reduce predation.

Based on in-depth science and technologically advanced computer modeling, MID seeks to take immediate action and dramatically benefit salmon on the Merced River.

- **Functional Flows:** Science shows that functional flows have very promising benefits for fish as well agricultural and urban water users. Timed and tailored for specific purposes, functional flows can benefit species in ways that unimpaired flow requirements cannot. Examples abound of collaborative, innovative projects currently underway by local water agencies and stakeholders that include functional flows and non-flow solutions that reconnect land and water to restore habitat and address the full life cycle of species needs. These efforts contribute real benefits to ecosystem recovery while maintaining water supply reliability.
- **Economic Considerations:** The State Water Board has a statutory obligation to consider economic impacts when establishing water quality objectives that reasonably protect all beneficial uses of water. Having a robust economic analysis is critical. The board also has a policy obligation under the coequal goals to ensure its actions related to a revised Bay-Delta Plan increase water supply reliability and thereby allow for a healthy, growing agricultural and urban economy in California.
- **Consistency with State Policy:** ACWA urges the State Water Board to heed the governor's direction and recognize that achieving the coequal goals will lead to a more reliable water supply and healthy ecosystem. Pursuing the coequal goals should be a guiding principle for the board's decisions related to adopting a revised Bay-Delta Plan. The State Water Board also should ensure that its decisions on the Bay-Delta Plan enable, rather than obstruct, the implementation of the California Water Action Plan.
- **Leadership:** The best policy choice will come through the give and take of the negotiating process and the enlightened leadership of the State Water Board members. Ultimately, the board must establish water quality objectives that ensure the reasonable protection of all beneficial uses of water as it implements negotiated solutions. The State Water Board should actively engage in this work and lead in a manner that is grounded in an awareness of how its actions can affect the implementation of the California Water Action Plan and the achievement of the coequal goals.

ACWA and its members have taken a strong policy position in support of comprehensive solutions such as those outlined in the California Water Action Plan. We stand ready to work with the Brown Administration to pursue the collaborative and comprehensive approaches needed to ensure a future for California that includes a vibrant agricultural and urban economy and a healthy ecosystem.



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Memo

Date: March 29, 2017
To: Board of Directors
From: Mel Matthews
Subject: Job Description Update
Recommended Action: Discussion by the Board and the General Manager

There is no single document or set of documents that provide job descriptions for all the District's employees. The Board's only responsibility is to approve the job description for the general manager since he/she serves at the will of the Board and reports to the Board. The current job description for the general manager was adopted by the KID Board of Directors on May 5, 1998, and revised on February 29, 2004. Further clarification of responsibilities and authority of the Board and the General Manager is contained in Article 14 and Appendix G of the District's **Rules and Regulations** which was approved by the Board and is attached to this memo.

Preparation of job descriptions for other staff members is normally the responsibility of the General Manager. These descriptions are helpful in recruiting new employees, developing an organizational chart, and defining the tasks and responsibilities for each staff member to serve as a basis for performance evaluations. Although I view this work as my responsibility, I appreciate the Board's desire to be involved in the effort to analyze and improve the organizational structure, develop an organizational chart, determine manpower needs and prepare for continuity of the KID in the future due to possible staff transitions.

I provided many documents to the Board as a resource at the March 21, 2017 meeting. However, most of the sample job descriptions are not appropriate for a small agency like the KID. Therefore, I also included my recommended job descriptions for most of the current positions and potential positions. However, these staff job descriptions do not need to be approved by the Board.

At that meeting, the Board directed me to compile job descriptions written by the staff members based on the tasks that they are doing rather than on previous or "model" job descriptions from other organizations. Those responses are attached to this memo.

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.

APPENDIX G

**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.



Memo

Date: 3/22/17
To: Board of Directors
From: Mel Matthews
Subject: My Job List

1. Interface with five-member elected Board of Directors regarding District policy on future goals, objectives, operation and facilities improvements and the associated planning and public relations issues.
2. Assure that all required materials for Board of Directors meetings are prepared and posted.
3. Attend regular and special board meetings as an interactive participant and provide financial and operational reports and other information for discussion and action.
4. Interface with the public regarding questions, complaints, district-related problems and general dissemination of information at in-person meetings, via the District's web site, newsletters and correspondence.
5. Serve as webmaster for the District's Internet site including design and updates.
6. Prepare annual budget and participate with the Board of Directors on planning and tracking.
7. Prepare an annual report for the Board of Directors and the public on the operations of the District in the past year including water production, sales, and other significant issues.
8. Provide overall management at both the administrative and operations level in the day-to-day operations of the District and assure that KID policy is followed.
9. Oversee the design, performance, scheduling of all construction projects and engineering-related projects and contracts approved by the Board of Directors.
10. Manage capital improvement projects including supervision and inspection.
11. When required, participate in the normal field maintenance requirements of the District.

12. Participate in standby schedule of field maintenance as needed to cover absences due to vacation or personal time off.
13. Maintain required certifications through continuing education
14. Provide overall financial management for District including customer billing, collections and accounts payable and receivable. Investigate and facilitate alternative sources of income such as wholesale water sales and appropriate financing and/or grants for capital projects and other activities.
15. Participate in the annual audit by providing the requested records and preparing the management and discussion section of the audit report.
16. Provide the single contact point between the District and all other agencies and regulatory bodies. Prepare all required reports related to District operations.
17. Attend meeting and conferences of water agencies, professional organizations and other groups that are pertinent to District business as well as providing the opportunity to network with other water professionals to gain information and feedback on products, services and trends in the industry. Participate on the boards or committees whenever possible to provide input to further the interests of the District and its customers.
18. Participate with the Board of Directors on human resource issues. Prepare performance evaluations on staff members under direct supervision and participate in the Board's performance evaluation of the General Manager.
19. Serve as the District's Information Technology Manager including purchasing and maintenance of computer and related equipment, performing hardware and software installation and updates, and managing the backup of the District's data.

B. Allen - Assignments and Responsibilities

Abbreviations	Daily	2 or more days/week	Semi-Monthly
ACTG Accounting	CS answer phone - reply/act or refer	ACTG create/upload GL interface files	ACTG enter payroll in Sage
AP Accounts Payable	CS pick up at courtesy boxes	ACTG review electronic debit payments made to vendors	AP prepare/print/mail checks
AR Accounts Receivable	CS pick up phone messages - reply/act or refer	AP download invoices	BDS contact board members for check signatures
BDS Board Support	FDS acknowledge SCADA alarms/contact field	AP enter invoices	HR calculate CalPERS employee contribution
CS Customer Service	OM file/organize virtual/real documents and files	AR prepare/deposit via scanner/post check payment batches	HR prepare/review time cards
FDS Field Support	OM pick up/read/reply act or refer mail	AR prepare/post credit card payment batches	HR prepare/submit payroll
HR Human Resources	OM read/reply/act or refer email information/requests	CS edit/update customer contact/mailling/payment information	WQ download/review lab reports
IT Information Technology	OM review/update calendar	CS write/file incident reports - office	
OM Office Management		FDS review/print dig-alerts	
WQ Water Quality		FDS start incident reports - field	
		IT back up computer files	

Monthly	Quarterly	Annually	Periodically/As-Needed
ACTG perform Sage Internal Accounting Review	ACTG download/file quarterly payroll tax reports	ACTG prepare actual payroll report for ACWA/JPIA	ACTG prepare/submit escrow disbursement requests
ACTG prepare/review financial documents (check registers, credit card detail, balance sheet, cash flow, financial summary, income-budgets)	ACTG review/adjust accrued interest for LAIF	ACTG prepare annual compensation report	AR prepare sales invoices (not water sales, i.e. fire flows, construction meters)
ACTG prepare/review month-end reports (AR Detail, GL Account Summary, Billing History Summary)	CS update fluoride information field on customer water service statements	ACTG prepare annual estimated payroll report for ACWA/JPIA	AR process/print customer refund checks
ACTG reconcile bank accounts	HR prepare worker's compensation data/submit to ACWA/JPIA	ACTG prepare documents/reports for audit	AR process/track customer deposits
ACTG review accounts payable	WQ prepare/submit quarterly SWRCB reports	ACTG prepare/file/pay use tax	BDS gather/prepare information requested by the Board
ACTG review aged receivables		ACTG prepare/print/mail 1099s	BDS review resolutions/ after signature scan/file
ACTG review prepaid expenses		ACTG prepare/review budget	BDS review/disseminate/act on election information
ACTG run Sage Data Verification		ACTG review audit draft	CS create/review billing insert
AR prepare/mail late notices		BDS act as agency contact and filing officer for LA County Board of Supervisors, Conflict of Interest/Lobbyist Division (annual roster update/COI form 700, assuming/leaving office report)	CS notify customers/fire dept. by mail/phone of actual/possible interruptions in water service
AR prepare/mail or email customer monthly water service statements		BDS act as agency contact with LA County Registrar-Recorder/County Clerk Election Coordination Unit	CS prepare/mail notices of rate change
AR prepare/post current charges		CS prepare/print/mail annual usage report	CS prepare/print mail Fluoride notifications
AR prepare/post late charges/print late charge report		CS prepare/print/mail consumer confidence report	CS receive/schedule/track construction meter requests to completion
AR prepare/submit/post ACH automatic payment batches		FDS copy/file generator logs	CS receive/schedule/track fire flow requests to completion
AR upload readings from Versa Term to billing program for billing		FDS renew generator permits	CS terminate/begin account service
BDS email/deliver agenda packet to board members		FDS schedule hydrant inspections	FDS communicate with field read/relay SCADA information/change SCADA settings
Continued on next page		Continued on next page	Continued on next page

Monthly	Quarterly	Annually	Periodically/As-Needed
BDS prepare pdf agenda packet		HR CalPERS contributions estimate	FDS develop/update field forms
BDS review/print agenda		HR prepare benefits cost worksheet (for employee/KID)	HR review changes to benefits/disseminate information
BDS review/print all agenda item documents		OM file annual BARFleet report (for government agency vehicles)	HR review changes to CalPERS/disseminate information
BDS review/print minutes		OM prepare/review work order master summary	IT request modifications/updates to billing program or troubleshoot changes
BDS upload agenda packet to website		WQ prepare/submit annual SWRCB report	IT troubleshoot inoperative applications
BDS upload approved minutes to website		WQ prepare/submit CCR to SWRCB	IT update computer applications
CS contact customers by phone 48 hours before water shut off (10 days if tenant)			OM develop/ implement/update procedures
CS create billing message and update billing message field on customer water service statements			OM develop/update office forms
CS prepare mail leak notices			OM maintain project records
CS prepare shut off door hangers (1 week notice)			OM order office supplies
CS prepare/mail leak reports			OM request/maintain updated W-9 Forms
FS create download files for Versa Term for readings			OM review/update KID documents
FS create/log work orders of field maintenance on customer premise			OM update website information
FS prepare/review reading reports, determine rereads			WQ research current guidelines/changes
FS review Raymond Basin Watermaster Production Report			
HR prepare/review travel and expense reports			
HR report/pay CalPERS KID & employee contributions			
IT verify KID website syncs billing/payment information			
OM schedule janitorial service			
WQ prepare/submit SWRCB reports			

Facilities Supervisor
Job Description

March 25, 2017

DRAFT

Due to the small size of our Water Company some of the descriptions listed below may also be listed in other Job Descriptions. All employees should be capable of performing other jobs in order to cover vacations, sick leave, personnel time off, etc..

Knowledge

- Electrical, Plumbing, Water main, and Chlorinator Systems
- Read Engineering Plans - Water line, Booster Station, Well, Electrical Schematics, and System Maps
- Work Place and Equipment Safety
- Public Relations
- Small Water System Operations

Skills

- Plumbing, Electrical Controls, Woodworking, Metal working, Painting and Preparation for Wood and Metal, Trailer Towing and Safety, Irrigation Systems, Computers, Work Area Traffic Control, Project Safety, and Employee Supervision

1. System Control and Data Acquisition (SCADA) - act as Chief Operator

- Monitor Trending Screens and Daily Facility Check Report for Pumping Hours, Chlorine Residuals, Tank / Reservoir levels, and System Alarms on a daily basis -- PUMPING - Set Time of Use (TOU) clocks for Lowest Electric Rates and Highest Credits (API) offered by Edison while maintaining minimum Chlorine Residuals at 1.0 mg/L and system Fluoride Levels at less than 2.0 mg/L.
- Train and Supervise all other Operators in System Operations -- Monitor operating decisions re: Customer demands, complaints, and water quality -- Advise about changes to system -- Review operational alarms and determine reasons with follow up solutions.
- Assist operators with SCADA changes for: -- Water Quality Testing -- Reservoir maintenance and repairs -- Steel Tank maintenance and repairs -- Water main maintenance and repairs -- Water Meter / Service line maintenance and repairs -- Fire Flows -- Moderate and Major Projects

Facilities Supervisor
Job Description

March 25, 2017

- SCADA Upgrades -- Create List and Prioritize -- Provide written description and requests for cost estimates to sub-contractor -- Review each site for future changes or maintenance
- SCADA Maintenance - use Facilities Operators whenever practical -- Troubleshoot and Repair -- Field Check equipment -- Contact Sub-contractor by phone for assistance -- Meet sub-contractor at site for repair as needed -- Replace Backup Batteries and Chargers as needed.

2. Facility Maintenance and Repairs - Reservoirs and Tanks only

- Perform maintenance or repair as time permits or determine who will make repair, Facilities Supervisor, Facilities Operator or sub-contractor -- Schedule bi-annual cleaning and inspection by sub-contractors -- Request repair cost estimates and schedule repairs -- Create list and prioritize individual site repairs -- Inspect and Test all maintenance and repair jobs -- Perform emergency repairs as needed

3. Pumps, Wells, Production Meters, Flo-loc Seismic Sensors/Actuators and Cla-valve Maintenance and Repairs

- Perform maintenance or repair as time permits or determine who will make repair, Facilities Supervisor, Facilities Operator or sub-contractor -- Create short lists of maintenance or repair projects and prioritize -- Based on operations and time of year, schedule sub-contractor as needed for maintenance or repair -- Test and inspect maintenance and repairs -- Replace Backup Batteries and Chargers as needed -- Perform emergency repairs if possible or find a contractor.

4. Water Quality

- Review monthly testing schedule -- Review test results for possible operational changes or additional testing -- Train operators for taking samples or take samples and deliver to Lab if needed --
- Health Department Engineering Report (normal schedule is every other year) -- Review and Respond in writing -- Perform or schedule changes, upgrades, or deficiency corrections -- Provide Updated or New Plans and Sampling Locations for the following - Bacteriological Testing - Disinfectant By-Products Testing - Lead and Copper Testing - Federal Ground Water Rule -- Advise operators on new rules concerning which materials and equipment are approved -- Maintain State Health Dept. Permit to Operate

5. Generators and Vehicles

-- Perform maintenance or repair as time permits or determine who will make repair, Facilities Operator or Mechanic -- List future maintenance or repairs and prioritize for next regular service -- Schedule or have facilities operator schedule service -- Review service performed and request any additional repairs to maintain Emergency Preparedness -- Perform Emergency Repairs as needed -- Review Kinneloa's monthly testing of generators by Facility Operators -- Review and implement Calif. Air Resources Board (CARB) or Air Quality Management District (AQMD) permit requirements and train Facility Operators

6. Meter Maintenance and Reading

- Review meter maintenance and repairs -- Discuss and schedule replacements with Facilities Operators -- Review reading problems and customer complaints -- Repair or replace meters -- Review Facility Operators request for new meters and purchase meters, registers, or parts

7. Maintenance Supplies (all categories)

- Review Facility Operator's list for restock and purchase or have him purchase supplies -- Make list of materials for projects, request quote, and make purchase -- Maintain inventory of emergency repair materials
- Emergency Repairs - replace all materials used ASAP -- If additional work is needed, purchase materials and/or schedule contractor ASAP --

8. System Operations - Stand-by shift (30 minute response time for all calls/emergencies)

- Perform Stand-by duties 7pm. to 7am Monday thru Friday & all day Saturday and Sunday every (3) weeks -- Respond to afterhours Emergency customer calls -- Perform site visits to facilities on Saturday and Sunday
- Generate computer Facility Report and review data, input any site data, and save -- Review Reservoir/ Tank Levels, Pumping Hours, and Trending Screens for proper operations and /or malfunctions -- Change any Pumping hours and Reservoir/Tank fill levels --
- System Alarms - Acknowledge and Determine problem by personnel computer -- Perform any Emergency Repairs -- Call for assistance from other operators -- Call for assistance from contractors
- Review Annual Stand-by Schedule

9. Raymond Basin Management Board

- Review end of month hour meter readings, production meter reading and generate Kinneloa's monthly Facility Report -- Fill out and turn in Monthly Production Report to the Watermaster by the 15th of the following month -- review previous month's Watermaster Summary Report -- review Facility Operator's Spreading production report --

- Attend and participate in the Quarterly Watermaster meetings -- attend sub-committee meetings for Pumping and Storage, Executive, and Water Quality -- review agenda materials for all meetings

10. Major Projects & Property Developments

- Provide Engineer with existing plans or preliminary information -- Review drafts of new Plans and Material Specs. and provide revised drawings and written comments

- Operational Concerns or Conflicts -- Review onsite conditions and limitations -- Review system demands i.e. storage, fire flows, pumping, future customer demands -- Make changes to insure conflicts are reduced -- Review Engineer construction cost estimates -- Provide Construction Management oversight of Shop Drawings, Contractor supplied materials and equipment, and changes to the construction schedule -- Provide on-site and off-site inspection -- Review any deviations from approved plans -- Review materials required to be on-site and customer notifications sent for any Water Service Interruptions and System Tie-ins -- Schedule testing of new equipment, materials, and valves

- Review and correct redline drawings -- Provide Engineer with As Built drawings -- Review and update all Kinneloa System Map (Autocad) changes returned by Engineer

11. Moderate Projects or Invoice Sales

- New Meter - review new meter installation requirements with Facilities Operator -- Double check placement, alignment, and material list -- Request quote from sub-contractors as needed -- Provide Engineer with information for construction plans -- Create construction schedule

- Fire Hydrants and Flows - review System Operations and conflicts with new or upgraded Fire Hydrants -- Review impacts from L.A.Co. or Pasadena Fire Department's Fire Flow requirements -- Request quote from sub-contractors as needed -- Provide Engineer with information for construction plans -- Create construction schedule

Facilities Supervisor
Job Description

March 25, 2017

- Watermain Replacements or Realignment - review new alignment and existing service line location -- Review plans with sub-contractors and request quote as needed -- Provide Engineer with information used to develop Plans and Specifications as needed -- Create construction schedule -- Perform inspection and testing

12. Customer Service

Respond to requests for service -- perform leak checks and calculate loss, provide possible causes -- Explain usage -- Answer general questions -- Explain how to read water meter register and calculate usage -- Shut off and turn on water -- Understand and explain the general operations of Pressure Relief Valves, Water Heaters, Pressure Regulators, Water Softeners, and Automatic Sprinkler Valves and Controllers

13. Office Duties

Most of the responsibilities are covered under the first 12 headings

- Attend Board of Director Meetings
- Answer Phones as needed
- Provide documentation from field for each Facility or material deliveries
- Set up Facility and Equipment Maintenance Schedules

14. Maintain Required Certificates

- D-3 and T-2 Operators Cert. required for Kinneloa System

Every (3) years take and pass approved classes totaling at least (24) hrs. of continuing education. This is required by the Health Dept. to be a Water System Operator i.e. turn pumps/motors on and off, open and close Street Valves and Fire Hydrants, repair and set Chlorination Equipment, repair and replace water meters, and flush water mains, etc.

- Defensive Driving Certificate

Every (4) years take (6) hours of classes approved by ACWA-JPIA.

Required as part of the Liability insurance coverage



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

Memo

Date: 3/22/17
To: Staff *Chris M.*
From: Mel Matthews
Subject: Job Descriptions

As part of the Board's review of our current organizational structure and succession planning for the future, I have been asked to compile current job descriptions from all employees based on the actual work done. This description is not to be based on any existing job descriptions prepared by the KID in the past or other organization's job descriptions. Because we are a small organization, I am asking you to provide a list or outline of job assignments and responsibilities that you perform on a regular basis rather than a "model" description that might be used when recruiting new employees. It can be any format, even handwritten.

A discussion of job descriptions will be on the Agenda for the meeting on April 18. Therefore, please provide your list to me no later than Thursday, April 13th.

- Facility check - daily
- WATER SAMPLES
- Facility maintenance (pumps & accessories)
- install, Repair - water services, mains, hydrants & meters)
- LOCATE - water mains, services (USA's)
- customer service
- WATER treatment
- ground water measurements
- meter reading - monthly
- water leak checks
- inventory



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Memo

LIC - D-3
T. 2

Date: 3/22/17
 To: Staff *Brian*
 From: Mel Matthews
 Subject: Job Descriptions

As part of the Board's review of our current organizational structure and succession planning for the future, I have been asked to compile current job descriptions from all employees based on the actual work done. This description is not to be based on any existing job descriptions prepared by the KID in the past or other organization's job descriptions. Because we are a small organization, I am asking you to provide a list or outline of job assignments and responsibilities that you perform on a regular basis rather than a "model" description that might be used when recruiting new employees. It can be any format, even handwritten.

A discussion of job descriptions will be on the Agenda for the meeting on April 18. Therefore, please provide your list to me no later than Thursday, April 13th.

FACILITY CHECKS, FACILITY MAINT (PUMPS) (METER'S) (VALUES) (CLEAN UP)
 SERVICE REPAIR ALL UNI-CLOR SYSTEMS SERVICE AND REPAIR
 CLOR TEC SODIUM HYPOCHLORATE UNITS ORDER SALT FOR DELIVERY
 ONCALL FOR EMERGENCY FOR CUSTOMER AND SCADA.
 CUSTOMER SERVICE. SCADA PUMPING TIME, LEVELS.
 TAKE ALL WATER SAMPLES TAKE SYSTEM CI² RESIDUALS. SERVICE
 ALL EMERGENCY EQUIPMENT, READ ALL METERS, REPLACE METERS
 CHECK METERS, FIX MTR LEAKS REPAIR AND REPLACE
 SERVICE LINES. FIRE HYD REPAIR, REPLACE, FLOW, FLUSH
 PAINT, TRIMS, MTR BOXES TRIM, DIG-OUT MAINT. TAKE
 INVENTORY ORDER PARTS. WELL MEASUREMENTS, EFFINECY TEST.
 LOCATES. DO ALL VSA LOCATING, DIG ALERTS, SPREADING
 READING. ALL THE ABOVE

General Manager's Report for the Board of Directors Meeting on April 21, 2017

I. Customer Account Information and Internet Usage

A. Delinquent Accounts –

- 15 accounts received past-due notice
- 15 accounts received late charges in the total amount of \$237.82
- 1 accounts received door hanger shut off notice
- 0 account was shut off for non-payment
- 0 account remains shut off for non-payment

B. Aged Receivables –

Month	Current	30 days	60 days	90 days or greater	Total
January	\$18,655.25	\$831.08	\$77.07	\$509.18	\$20,072.58
February	\$13,415.24	\$2,017.08	\$3.69	\$0.00	\$15,436.01
March	\$11,853.30	\$567.02	\$0.00	\$0.00	\$12,420.32
April					
May					
June					
July					
August					
September					
October					
November					
December					

C. Internet Usage –

Month	Sessions	Page Views	Online Payments	Online Amount
January	164	432	56	\$11,131.89
February	212	403	54	\$6,571.90
March	149	297	60	\$9,330.36
April				
May				
June				
July				
August				
September				
October				
November				
December				
Year to Date	525	1,132	170	\$27,034.15

II. General Manager's Projects and Activities

- A. **East Tank - West Tank Connector Pipeline** – Project is completed except for permanent paving of Villa Heights Road. North Kinneloa Ranch Property Owners' Association requested that this work be postponed pending evaluation of proposals for additional work on all streets in the association.
- B. **Sierra Madre Villa and Barhite Street Water Main Upgrade Project** – The award of contract to the lowest qualified bidder is on the agenda for this meeting.
- C. **Audit** – The 2016 audit final draft was completed and will be presented at this meeting.
- D. **Recruitment of Administrative Assistant** – Preparations are in progress for the recruitment and hiring of an Administrative Assistant.
- E. **Activities/Meetings/Webinars/Conferences**

Subject	Location	Start	End	Purpose/Notes/Action/Benefit
ACWA JPIA new surgery benefit	WebEx link	Tue 3/14/2017 2:00 PM	Tue 3/14/2017 2:45 PM	Lower health insurance cost to the KID and savings to the employee on the copay.
CSDA Fiscal and Audit Committees	Webinar	Wed 3/15/2017 10:00 AM	Wed 3/15/2017 12:00 PM	Oversight on financial matters keeps membership fees as low as possible and still maintain the mission of the organization
FMWD Board Meeting	La Cañada	Mon 3/20/2017 3:00 PM	Tue 2/21/2017 5:00 PM	Regular Board meeting
Kinneloa Estates Property Owners' Association	2040 Glen Springs	Mon 3/20/2017 7:30 PM	Mon 3/20/2017 9:00 PM	Customer relations – I gave presentation on the KID projects and the improved state of our emergency preparedness for wildfires and earthquakes.
KID Board Meeting	KID Office	Tue 2/21/2017 7:30 PM	Tue 2/21/2017 9:00 PM	Regular Board meeting

III. System and Facility Activities and Incidents

A. Water Leaks/Water Waste/Customer Contact

Location	Type	Date	Description
Windover Road	Customer heard water running in middle of night and wanted meter information to confirm usage at that time	3/13/2017	Mel downloaded water usage information for the requested period and verified that there was high usage in the early hours of the morning on most days. The information indicated that sprinklers were running for about 3 hours on those days. Mel provided usage graphs to the customer.
Windover Road	Water Waste	3/16/2017	Chris noticed water shooting up in back yard when driving by the house. Customer was notified and permission was given to shut off water at the meter.

B. Facility and Equipment Failures, Maintenance and Repairs

1. Normal periodic maintenance was performed.
2. Brown Reservoir was drained to inspect for invasion of roots and SCADA batteries were replaced.
3. Reservoir maintenance – Eucalyptus and Wilcox were inspected and cleaned by Aqua Video.

IV. Water Supply Summary (Watermaster Year July 2016 through June 2017)

Raymond Basin Groundwater (Acre Feet)		Kinneloa Irrigation District Water Tunnels (Acre Feet)	
Water Rights	516	Eucalyptus	4.3
Prior Year Carryover	52	Far Mesa	2.4
Less Temporary 30% Reduction in Water Rights	-155	Delores	2.8
Leases/Exchanges	207	House	0.0
Prior Year Spreading	89	Holly High/Low	2.8
Short Term Storage	104		
Current Year Spreading	0		
Total Allowable Extractions	813		
Less Water Extracted YTD through June 2017	- 347	Current Tunnel Monthly Production	12.3
Remaining Allowable Groundwater Extractions through June 2017	466	Remaining Estimated Tunnel Production through June 2017	49.2
Total Available Water Supply through June 2017 (Remaining Allowable Groundwater + Remaining Estimated Tunnel Production through June 2017)		515 Acre Feet	
Less Remaining Forecasted Retail Water Sales through June 2017		-100 Acre Feet	
Remaining Water through June 2017*		415 Acre Feet	

* This is the forecasted remaining water available for sale in the current year and/or carryover to the next Watermaster year which starts on July 1 subject to the carryover limits established by the Raymond Basin Management Board. Regarding the available surplus water, we will generally maximize the carryover to the next year and deliver the balance of the forecasted surplus water (if any) to the City of Pasadena in the January through June period. In the 2015-2016 year, 86 Acre-Feet were sold to the City, 52 Acre-Feet were carried over to 2016-2017 and 104 Acre-Feet were put into our short-term storage account. We have also leased pumping rights for an additional 207 Acre-Feet which is reflected in the remaining water through June 2017.

In addition to the available water, the KID has 790 Acre Feet in a long-term storage account. Additions to long-term storage are no longer permitted but withdrawals can be made at any time to supplement allowable extractions. However, since long-term storage is considered by KID staff to be an emergency supply there is no plan to use or sell this water now.

V. Information Items – A summary of ACWA member benefits is attached.

Kinneloa Irrigation District: A Valued ACWA Member

As the largest coalition of local public water agencies in the country, ACWA works hard to assist its members with the critical job of providing safe, reliable water to Californians. From advocacy to information to education on new trends, ACWA members have powerful resources to help them meet challenges at the local level. **ACWA is proud to have Kinneloa Irrigation District as a member since 1989.**

With strong direction from ACWA's Board of Directors and active member involvement through ACWA's policy committees, task forces and regions, ACWA is engaged in numerous arenas to advance priority issues. Here is a high-level look at recent activity and initiatives:

San Joaquin River Flows

The State Water Resources Control Board staff has proposed increasing unimpaired flows for fish species in the San Joaquin River as part of Phase 1 of its update to the Bay-Delta Water Quality Control Plan. ACWA members have expressed concern that the State Water Board's regulatory approach will severely impact the state's agricultural economy and undermine implementation of the California Water Action Plan. The ACWA Board at its Feb. 3 meeting agreed to elevate the issue and make it a top priority in 2017. A working group was formed to craft a policy statement on the flows for the Board's review and approval. The deadline for submitting written comments on the proposal is March 17.

Staff contact: ACWA Regulatory Advocate Rebecca Franklin, rebeccaf@acwa.com

Long-Term Conservation Framework

ACWA's State Legislative Committee has established working groups to review and provide input on legislation anticipated in 2017 to implement the Brown Administration's long-term water conservation framework. The Administration is expected to sponsor legislation to make statutory changes recommended in the final long-term conservation framework, which is expected to be released soon. Released in draft form Nov. 30 by the California Department of Water Resources, the State Water Resources Control Board, and other state agencies, the framework seeks to update the state's approach to long-term conservation for both the urban and agricultural sectors consistent with the governor's May 9 executive order.

ACWA's urban and agricultural working groups held an initial organizational meeting in January and have scheduled regular meetings to review and inform ACWA's response to legislation. The urban working group is developing language consistent with recommendations submitted by ACWA in a comment letter on the draft framework signed by 114 urban water suppliers in December. The language could be used as the basis for amendments to potential legislation. Information on the Administration's long-term water conservation framework can be found at <http://www.water.ca.gov/wateruseefficiency/conservation/>.

Staff contact: ACWA Senior Legislative Advocate Whitnie Wiley at whitniew@acwa.com

SWRCB Emergency Conservation Regulation

Although ACWA recommended that the regulation be allowed to expire since conditions have improved dramatically and the state is no longer in an emergency, the State Water Resources Control Board voted on Feb. 8 to extend the emergency conservation regulation and revisit the issue in May. Resources are available at <http://www.acwa.com/content/drought>.

Staff contact: ACWA Director of State Regulatory Relations Dave Bolland, daveb@acwa.com

Proposition 218 / SCA 4

Sen. Bob Hertzberg (D-Los Angeles) introduced spot legislation addressing Proposition 218 and water rate-setting. SCA 4 is a spot bill for a proposed constitutional amendment aimed at providing flexibility for local agencies to pursue voluntary demand-based water rates and voluntary lifeline rates to assist low-income customers.

In a follow-up to its work on these issues in 2015 and 2016, ACWA is coordinating with a Board-level advisory group, a working group of the State Legislative Committee and the full State Legislative Committee to discuss SCA 4 and identify critical elements for the association. Work on SCA 4 will be a major legislative issue for ACWA in 2017.

Staff contact: ACWA Deputy Executive Director, Government Relations Cindy Tuck, cindy@acwa.com

Federal Advocacy on Infrastructure

The Oroville Dam emergency and recent flooding in California underscore the critical need for water infrastructure improvements and new water projects. Jump starting implementation of the new Water Infrastructure Improvements for the Nation Act, or WIIN legislation, will enable storage, recycling and desalination projects to move forward. ACWA members and staff will lobby members of Congress on this issue at the upcoming DC Conference Feb. 28 – March 2.

Staff contact: ACWA Senior Federal Relations Representative Abby Schneider, aschneider@sso.org

Engaging Agricultural Members

ACWA is seeking input on an action plan to increase involvement and engagement by agricultural members of the association. The effort includes outreach activities as well as strategic initiatives to support the needs of agricultural members. An advisory group headed by Region 6 Vice Chair Bill Diedrich is meeting to help shape and guide the initiative. An Ag Member survey was distributed in early December to help identify priorities.

Staff contact: ACWA Executive Director Timothy Quinn, timq@acwa.com

ACWA Regulatory Advocate Rebecca Franklin, rebeccaf@acwa.com

Water Storage Investment Program

The California Water Commission in December adopted final regulations for allocating \$2.7 billion in Proposition 1 funds for the public benefits of eligible water storage projects as part of the Water Storage Investment Program (WSIP). CWC staff expects to release a notice soliciting applications for project funding by the end of February, with applications due by the end of July. ACWA's Storage Integration Work Group is working to define and quantify the benefits of integration in terms of statewide water supply needs and priorities. A final report on the integration study is expected to be presented to the ACWA Board of Directors in later this year.

Staff contact: ACWA Director of State Regulatory Relations Dave Bolland, daveb@acwa.com

Drinking Water Solutions for Disadvantaged Communities

ACWA is finalizing an action plan to address drinking water solutions for rural, disadvantaged communities. The ACWA DAC Drinking Water Initiative Task Force, chaired by ACWA Vice President Brent Hastey, received input from an advisory committee that includes drinking water experts from urban agencies, representatives from agricultural water districts and production agriculture, as well as environmental justice, local government, and academic groups.

Staff contact: ACWA Deputy Executive Director, Government Relations Cindy Tuck, cindyt@acwa.com

Little Hoover Commission

The Little Hoover Commission is completing its Special Districts Study Report, a draft of which will be reviewed by the commissioners at their Feb. 23 business meeting. The study is expected to highlight what special districts are doing to adapt to climate change. The report will encapsulate input from two public hearings with commissioners, as well as oral and written testimony from many ACWA member agencies. As a result of an issue that was raised by Santa Clara Valley Water District, the LHC chose to further investigate issues with state permitting. The LHC has indicated that the report will most likely be delivered to the Governor and the State Legislature in April.

The LHC also held a hearing Jan. 26 that examined the state's response to the tree mortality crisis in the Sierra Nevada. ACWA Director of State Relations Wendy Ridderbusch testified at the hearing, noting the impact forest health has on water supply and water quality statewide and detailing ACWA's engagement on headwaters/watershed management issues in recent years.

Staff contact: ACWA Director of State Relations Wendy Ridderbusch WendyR@acwa.com

Save Our Water Program

As 2017 kicks off with some of the wettest weather in years, the Save Our Water program continues its focus on encouraging Californians to make permanent changes both inside and out to reduce water use – because even with some drought relief, Californians cannot take water for granted. Gov. Jerry Brown's 2017-'18 state budget has earmarked \$2 million to support Save Our Water's public education campaigns. This funding will become available in July if approved by the state Legislature. SOW is California's official conservation education program and is managed by ACWA in partnership with the California Department of Water Resources. More information is at saveourwater.com.

Staff contact: ACWA Deputy Executive Director for External Affairs and Member Services Jennifer Persike, jenniferp@acwa.com

Connecting with the Next Generation

An ACWA Advisory Committee is helping to develop and implement ACWA's Plan for Engaging the Next Generation of Water Industry Leaders. As part of that effort, a member outreach toolkit is being developed with input from the ACWA Communications Committee. Release of the toolkit is expected this spring.

Staff contact: ACWA Member Services Group Manager Tiffany Giammona, tiffanyg@acwa.com

Meet the President Initiative

ACWA President Kathleen Tieg continues to engage with ACWA members throughout the state through a special "Meet the President" initiative. ACWA has hosted or arranged a total of 66 events in 2016 as part of the initiative, which include small group meetings with Presidents Tieg, as well as one-on-one meetings with member agencies.

Staff contact: ACWA Member Services Group Manager Tiffany Giammona, tiffanyg@acwa.com

Integrated Marketing / Communications / Outreach Plan

ACWA unveiled a new logo and tagline at the Fall Conference in Anaheim in a dramatic “Big Reveal.” The new logo and tagline – “Bringing Water Together” – are key elements of ACWA’s Integrated Marketing / Communications / Outreach Plan. Work also is in full swing on another key component of the IMCO Plan: a total redesign of ACWA’s website (acwa.com).

Staff contact: ACWA Deputy Executive Director for External Affairs and Member Services Jennifer Persike, jenniferp@acwa.com

Upcoming Events – Visit www.acwa.com for more

- ACWA 2017 Spring Conference, Monterey, CA – May 8 through 12

ACWA Joint Powers Insurance Authority

Risk Sharing Insurance Programs - Membership in ACWA provides agencies with the opportunity for exclusive access to huge cost savings with the ACWA/Joint Powers Insurance Authority (JPIA). These risk-sharing pools are cost-effective insurance programs that can provide phenomenal cost savings to ACWA Members.

JPIA’s Employee Benefits Program – JPIA offers flexible employee benefit plans, fixed rates, dedicated customer care advocates and a knowledgeable, trained staff available to assist members with cost containment, employer policies and federal health care reform and all state and federal requirements.

Kinneloa Irrigation District Participates in ACWA/JPIA

- Health Insurance
- Dental Insurance
- Vision Insurance
- Workers Compensation Insurance
- Property Insurance
- Liability Insurance

Kinneloa Irrigation District 2017 Financial Summary (Forecasted)

Account	Account Description	2017 Budget	2017 FYE Forecasted	Deviation from Budget	
				Amount	Percent
4000	Water Sales	1,347,000	1,264,020	-82,980	-6%
4015	Wholesale Water Sales-Pasadena	75,000	77,033	2,033	3%
4020	Service/Installation Charges	10,000	9,718	-282	-3%
4025	Asset Sale/Miscellaneous	0	0	0	
4035	Interest-Reserve Fund	9,804	10,915	1,111	11%
4050	Capacity Charge	0	0	0	
4070	Misc. Income	0	211	211	
	Total Income	1,441,804	1,361,899	-79,905	-6%
	Expenditures				
5000	Leased Water Rights.	63,135	0	-63,135	-100%
5005	Electricity	120,000	115,092	-4,908	-4%
5010	Maintenance/Repair Supplies	25,000	24,335	-665	-3%
5011	Material & Labor for Installations	10,000	7,500	-2,500	-25%
5012	Safety Equipment	1,600	1,573	-27	-2%
5015	Operations & Maintenance Labor	149,350	147,818	-1,532	-1%
5016	Operations & Maintenance OT	16,000	18,793	2,793	17%
5017	Operations Bonus	0	0	0	
5020	Stand-by Compensation	7,500	7,455	-45	-1%
5022	Training/Certification	1,600	1,200	-400	-25%
5025	Water Treatment/Analysis	22,000	19,262	-2,738	-12%
5030	Maintenance/Repair Contractors	125,000	113,718	-11,282	-9%
5034	Equipment Maintenance	10,000	15,027	5,027	50%
5035	Vehicle Maintenance	7,000	5,476	-1,524	-22%
5036	Fuel	15,000	13,158	-1,842	-12%
5040	Equipment Rental	500	0	-500	-100%
5045	Insurance-Workers Comp.	12,000	11,447	-553	-5%
5046	Insurance-Liability	16,000	15,571	-429	-3%
5048	Insurance-Property	2,500	2,402	-98	-4%
5049	Insurance-Medical	76,500	75,062	-1,438	-2%
6000	Engineering Services	47,500	40,380	-7,120	-15%
6005	Watermaster Services	12,000	11,792	-209	-2%
6015	Administrative Salary	136,000	134,516	-1,484	-1%
6016	Administrative Bonus	0	0	0	
6017	Administrative Travel	3,000	2,360	-640	-21%
6020	BofD Compensation	4,200	4,350	150	4%
6021	Administrative & Board Exp.	1,000	750	-250	-25%
6022	B of D Election	12,500	0	-12,500	-100%
6024	Customer/Public Info. Prog.	2,000	2,000	-0	-0%
6025	PERS - KID	24,750	24,964	214	1%
6030	Social Security - KID	25,750	24,770	-980	-4%
6031	Medicare - KID	6,200	5,926	-274	-4%
6035	Office/Computer Supplies	7,000	7,470	470	7%

Account	Account Description	2017 Budget	2017 FYE Forecasted	Deviation from Budget	
				Amount	Percent
6036	Postage/Delivery	5,000	4,660	-340	-7%
6040	Professional Dues	11,330	11,149	-181	-2%
6045	Legal Services	15,000	11,250	-3,750	-25%
6050	Telephone	4,500	4,418	-82	-2%
6051	Mobile Telephone	1,500	1,232	-268	-18%
6052	Pagers	300	360	60	20%
6053	Internet Service	1,000	930	-70	-7%
6059	Computer/Software Maintenance	9,000	7,860	-1,140	-13%
6061	Office Equipment Maintenance	1,000	879	-121	-12%
6065	Accounting Services	7,000	7,000	0	0%
6070	Office & Accounting Labor	93,720	83,180	-10,540	-11%
6071	Office & Accounting Bonus	0	0	0	
6075	Professional/Contract Services	23,000	23,014	14	0%
6080	Administrative Fees	8,900	8,717	-183	-2%
6081	Permits/Fees	14,000	11,377	-2,623	-19%
6086	Taxes - Sales	500	500	-0	-0%
6088	Interest Expense	75,901	75,901	0	0%
6120	Bank Service Charges	6,000	6,151	151	3%
	Total Expenses	1,240,236	1,112,744	-127,492	-10%
	NET REVENUES	201,568	249,154	47,586	24%
	Other Expenditures and Adjustments				
1504	Water Mains	25,000	136,000	111,000	444%
1505	Water Tunnels	7,000	0	-7,000	-100%
1506	K-3 Well	0	6,695	6,695	
1511	Water Treatment Plant	6,000	0	-6,000	-100%
1512	Water Meters	4,500	4,482	-18	-0%
1513	Electrical/Electronic Equipment	5,000	0	-5,000	-100%
1514	Computer/Office Equipment	5,000	5,000	0	0%
1515	Vehicles/Portable Equipment	0	0	0	
1516	Water Company Facilities	10,000	0	-10,000	-100%
1526	Vosburg Booster Station	0	0	0	
1527	SCADA	11,000	23,318	12,318	112%
1528	Tanks and Reservoirs	0	0	0	
1530	Tools	3,000	0	-3,000	-100%
2400	Installment Purchase Agreement	124,301	124,301	0	0%
	Total Other Expenditures	200,801	299,796	98,995	49%
	NET CASH FLOW	767	-50,641	-51,408	-6,703%

Kinneloa Irrigation District
Income Statement for the Three Months Ending March 31, 2017

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance	Comments
Revenues							
4000	Water Sales	95,316.49	100,000.00	(4,683.51)	217,020.27	300,000.00	(82,979.73) * 32 day billing cycle
4015	Wholesale Water Sales	2,033.49	0.00	2,033.49	2,033.49	0.00	2,033.49 *
4020	Service/Installation Charges	287.82	833.33	(545.51)	2,218.05	2,499.99	(281.94)
4035	Interest-Reserve Fund	1,263.66	817.00	446.66	3,562.48	2,451.00	1,111.48
4070	Misc. Income	211.27	0.00	211.27	211.27	0.00	211.27 CSDA purchasing card rebate
	Total Revenues	99,112.73	101,650.33	(2,537.60)	225,045.56	304,950.99	(79,905.43)
Expenses							
5005	Electricity	7,521.02	9,500.00	(1,978.98)	22,091.58	27,000.00	(4,908.42) *
5010	Maintenance/Repair Supplies	1,379.50	2,083.33	(703.83)	5,585.08	6,249.99	(664.91)
5011	Material and Labor for Install	0.00	833.33	(833.33)	0.00	2,499.99	(2,499.99)
5012	Safety Equipment	0.00	133.33	(133.33)	372.57	399.99	(27.42)
5015	Operations Labor	13,052.94	12,445.83	607.11	35,805.06	37,337.49	(1,532.43)
5016	Operations OT	2,164.70	1,333.33	831.37	6,792.49	3,999.99	2,792.50 non-emergency OT not budgeted
5020	Stand-by Compensation	720.00	625.00	95.00	1,830.00	1,875.00	(45.00)
5022	Training/Certification	0.00	133.33	(133.33)	0.00	399.99	(399.99)
5025	Water Treatment/Analysis	261.60	1,833.33	(1,571.73)	2,761.74	5,499.99	(2,738.25)
5030	Maintenance/Repair Contractors	9,291.67	10,416.67	(1,125.00)	19,968.21	31,250.01	(11,281.80) Utility Svcs. tank maint. 4,392; Byrd 2 transducers/installed -1 stock \$4,419; Pump Check K3 service \$480
5034	Equipment Maintenance	7,527.29	833.33	6,693.96	7,527.29	2,499.99	5,027.30 Generator Services annual maintenance/repair at 6 sites
5035	Vehicle Maintenance	225.80	583.33	(357.53)	225.80	1,749.99	(1,524.19)
5036	Fuel	545.92	1,250.00	(704.08)	1,907.82	3,750.00	(1,842.18)
5045	Insurance-Workers Compensation	2,447.28	3,000.00	(552.72)	2,447.28	3,000.00	(552.72) *
5046	Insurance-Liability	1,190.33	1,333.33	(143.00)	3,570.99	3,999.99	(429.00)
5048	Insurance-Property	175.75	208.33	(32.58)	527.25	624.99	(97.74)
5049	Insurance-Medical	4,800.00	6,375.00	(1,575.00)	17,686.60	19,125.00	(1,438.40)
6000	Engineering Services	980.00	3,958.33	(2,978.33)	4,755.00	11,874.99	(7,119.99)
6005	Watermaster Services	930.50	1,000.00	(69.50)	2,791.50	3,000.00	(208.50)
6015	Administrative Salary	10,838.70	11,333.33	(494.63)	32,516.10	33,999.99	(1,483.89)
6017	Administrative Travel	55.21	250.00	(194.79)	110.37	750.00	(639.63)
6020	Board Compensation	600.00	350.00	250.00	1,200.00	1,050.00	150.00
6021	Administrative & Board Expense	0.00	83.33	(83.33)	0.00	249.99	(249.99)
6024	Customer/Public Info. Prog.	125.00	166.67	(41.67)	500.00	500.01	(0.01)
6025	PERS - KID	2,194.52	2,062.50	132.02	6,401.90	6,187.50	214.40
6030	Social Security - KID	1,917.77	2,145.83	(228.06)	5,457.96	6,437.49	(979.53)
6031	Medicare - KID	448.51	516.67	(68.16)	1,276.45	1,550.01	(273.56)
6035	Office/Computer Supplies	42.68	583.33	(540.65)	2,219.56	1,749.99	469.57
6036	Postage/Delivery	255.87	416.67	(160.80)	909.52	1,250.01	(340.49)

Favorable variances are shown in GREEN and unfavorable variances are shown in RED.

* 2017 budgeted total amount for account not evenly allocated.

Kinneloa Irrigation District
Income Statement for the Three Months Ending March 31, 2017

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance	Comments
6040 Professional Dues	883.99	944.17	(60.18)	2,651.97	2,832.51	(180.54)	
6045 Legal Services	0.00	1,250.00	(1,250.00)	0.00	3,750.00	(3,750.00)	
6050 Telephone	274.72	375.00	(100.28)	1,043.36	1,125.00	(81.64)	
6051 Mobile Telephone	37.85	125.00	(87.15)	106.75	375.00	(268.25)	
6052 Pagers	22.49	25.00	(2.51)	135.43	75.00	60.43	
6053 Internet Service	59.99	83.33	(23.34)	179.97	249.99	(70.02)	
6059 Computer Software Maintenance	326.66	750.00	(423.34)	1,109.96	2,250.00	(1,140.04)	
6061 Office Equipment Maintenance	0.00	83.33	(83.33)	128.74	249.99	(121.25)	
6070 Office & Accounting Labor	4,556.25	7,810.00	(3,253.75)	12,889.78	23,430.00	(10,540.22)	
6075 Professional/Contract Services	1,887.25	1,916.67	(29.42)	5,763.82	5,750.01	13.81	
6080 Administrative Fees	674.15	741.67	(67.52)	2,042.03	2,225.01	(182.98)	
6081 Permits/Fees	292.50	1,166.67	(874.17)	877.50	3,500.01	(2,622.51)	
6120 Bank Service Charges	459.65	500.00	(40.35)	1,650.70	1,500.00	150.70	
Total Expenses	79,168.06	91,558.30	(12,390.24)	215,818.13	267,174.90	(51,356.77)	
Net Income	19,944.67	10,092.03	9,852.64	9,227.43	37,776.09	(28,548.66)	

Favorable variances are shown in GREEN and unfavorable variances are shown in RED.

* 2017 budgeted total amount for account not evenly allocated.

Kinneloa Irrigation District Balance Sheet as of March 31, 2017

ASSETS

Current Assets

1010	Checking-Wells Fargo Bank	\$ 251,921.37
1012	Reserve Fund-LAIF	119,664.04
1014	Reserve Fund-CalTRUST	1,140,026.92
1015	Accr. Int./Price Adj.-CalTRUST	4,930.49
1016	Accrued Interest-LAIF	146.57
1050	Project Escrow Account	119,549.77
1100	Accts. Receivable-Water Sales	12,420.32
1190	Allowance for Bad Debts	(771.48)
1200	Inventory	20,000.00
1340	Accrued Water Sales	114,800.48
1350	Prepaid Insurance	7,392.51
1360	Prepaid Expenses	8,694.34

Total Current Assets

1,798,775.33

Property and Equipment

1501	Water Rights	52,060.41
1503	Land Sites	96,700.08
1504	Water Mains	2,484,918.24
1505	Water Tunnels	705,985.75
1506	K-3 Well	89,543.06
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	185,398.06
1512	Water Meters	87,300.99
1513	Electrical/Electronic Equip.	256,918.72
1514	Computer/Office Equipment	65,168.24
1515	Vehicles & Portable Equipment	242,548.91
1516	Water Company Facilities	70,422.20
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
1523	Constr. in Progress-Vosburg	1,555,035.10
1524	Constr. in Progress-East/West	806,409.48
1526	Vosburg Booster	92,180.56
1527	SCADA Equipment	278,045.10
1528	Tanks and Reservoirs	119,491.90
1529	Holly Tanks	181,113.76
1530	Tools	6,811.57
1600	Accum. Depreciation	(4,245,822.02)

Total Property and Equipment

5,917,265.06

Other Assets

1901	PERS-Deferred Outflows	30,295.00
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Total Assets

\$ 7,746,335.39

Kinneloa Irrigation District
Balance Sheet as of March 31, 2017

LIABILITIES AND CAPITAL

Current Liabilities

2000	Accounts Payable	\$ 30,354.81	
2271	Deposits-Construction Meters	850.00	
2272	Job Deposits	15,874.97	
2275	Deposits-Water Customers	255.02	
2290	Accrued Vacation	14,380.60	
	Total Current Liabilities		61,715.40

Long-Term Liabilities

2400	Installment Purchase Agreement	2,121,675.42	
2801	PERS- Net Liability	173,870.00	
2901	PERS- Deferred Inflows	53,567.00	
	Total Long-Term Liabilities		2,349,112.42
	Total Liabilities		2,410,827.82

Capital

3040	Fund Balance	5,326,280.14	
	Net Income	9,227.43	
	Total Capital		5,335,507.57
	Total Liabilities & Capital		\$ 7,746,335.39

Kinneloa Irrigation District
Statement of Cash Flow
For the Three Months Ended March 31, 2017

	Current Month	Year to Date
Cash Flows from Operating Activities		
Net Income	\$ 19,944.67	\$ 9,227.43
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>		
1100 Accts. Receivable-Water Sales	3,015.69	28,195.96
1340 Accrued Water Sales	(34,900.94)	(9,482.13)
1350 Prepaid Insurance	1,366.08	2,234.24
1360 Prepaid Expenses	2,932.56	7,422.68
2000 Accounts Payable	(69,503.91)	10,900.60
2271 Deposits-Construction Meters	850.00	850.00
2272 Job Deposits	12,874.97	11,974.97
2275 Deposits-Water Customers	0.00	255.02
	(83,365.55)	52,351.34
Net Cash Provided by Operations	(63,420.88)	61,578.77
 Cash Flows from Investing Activities		
<i>Used for</i>		
1506 K-3 Well	0.00	(6,694.69)
1512 Water Meters	(4,481.53)	(4,481.53)
1514 Computer/Office Equipment	(1,626.47)	(1,626.47)
1524 Constr. in Progress-East/West	(9,177.00)	(92,732.35)
1527 SCADA Equipment	(810.64)	(23,318.47)
	(16,095.64)	(128,853.51)
Net Cash Used in Investing	(16,095.64)	(128,853.51)
 Cash Flows from Financing Activities		
<i>Proceeds from</i>		
<i>Used for</i>		
	0.00	0.00
Net Cash Used in Financing	0.00	0.00
Net Increase (Decrease) in Cash	\$ (79,516.52)	\$ (67,274.74)
 Summary		
Cash Balance at End of Period	\$ 1,636,239.16	\$ 1,636,239.16
Cash Balance at Beg. of Period	(1,715,755.68)	(1,703,513.90)
	(1,715,755.68)	(1,703,513.90)
Net Increase (Decrease) in Cash	\$ (79,516.52)	\$ (67,274.74)

Kinneloa Irrigation District
Check Register
For the Period from March 1, 2017 to March 31, 2017

Date	Check #	Payee	Amount	Description
3/13/17	EFT3035	Automatic Data Processing, Inc.	79.84	payroll processing
3/13/17	EFT3036	Arco Gaspro Plus	545.92	truck gas
3/13/17	EFT3037	CA Public Employees Ret. Sys.	3,293.99	CalPERS Feb. KID & employee contributions
3/13/17	EFT3038	Century Business Solutions	146.25	banking service fee
3/13/17	EFT3039	Century Business Solutions	15.00	monthly service fee
3/13/17	EFT3040	Southern California Edison Co.	5,647.36	electricity
3/13/17	8471	ACWA/JPIA	5,800.70	April health insurance KID & employee
3/13/17	8472	Bernadette Allen	26.48	mileage reimbursement
3/13/17	8473	BrightView Landscape Services	1,490.00	landscape maintenance
3/13/17	8474	Civiltec Engineering, Inc.	980.00	KID system upgrades 3454 E. Barhite
3/13/17	8475	Eurofins Eaton Analytical, Inc.	105.60	water sample analysis
3/13/17	8476	Foothill Municipal Water Distric	674.15	administrative fee
3/13/17	8477	Matt Chlor Inc.	583.39	Cl2 analyzers - probe membrane cap
3/13/17	8478	McMaster Carr	61.45	tarp: oil drum container cover for Wilcox Well
3/13/17	8479	OpenGov, Inc.	1,500.00	annual subscription - budgeting/reporting software
3/13/17	8480	Red Supply	176.31	Berkson Pumps (4)
3/13/17	8481	Ultimate Cleaning Solutions, Inc	75.00	janitorial service
3/13/17	8482	Utility Service Co., Inc.	4,392.27	tank maintenance agreement
3/13/17	8483	Western Water Works	160.95	meter maintenance supplies/stock
3/15/17	EFT3041	Bernadette C. Allen	1,390.30	salary
3/15/17	EFT3042	Christopher A. Burt	3,289.53	salary
3/15/17	EFT3043	Francis J. Griffith	92.35	salary
3/15/17	EFT3044	Gerrie G. Kilburn	92.35	salary
3/15/17	EFT3045	Melvin L. Matthews	3,534.90	salary
3/15/17	EFT3046	Arthur W. Opel	92.35	salary
3/15/17	31303366	Brian L. Fry	1,658.65	salary
3/15/17	31303367	Chris J. Mellinger	477.46	salary
3/15/17	EFT3047	Christopher A. Burt	150.00	salary
3/15/17	EFT3048	Automatic Data Processing, Inc.	5,235.28	withholding and taxes
3/21/17	8484	William Conn/Norm Burlingame	165.91	overpayment refund on closed account
3/21/17	EFT3049	American Messaging Services	22.49	paggers
3/21/17	EFT3050	Athens Services	156.57	trash pick up
3/21/17	EFT3051	Pasadena Municipal Services	1,492.67	electricity
3/21/17	EFT3052	Verizon Wireless	37.84	mobile phone
3/21/17	8485	ACWA/JPIA	1,864.00	property insurance 4/1/2017 - 4/1/2018
3/21/17	8486	AmeriPride Services	53.22	shop towel service
3/21/17	8487	Brithinee Electric	132.78	VFD control panel
3/21/17	8488	Byrd Industrial Electronics	4,419.40	2 transducers/installed -1 stock
3/21/17	8489	Clinical Laboratory, SB	24.00	water sample analysis
3/31/17	EFT3053	Automatic Data Processing, Inc.	79.84	payroll processing

Kinneloa Irrigation District
Check Register
For the Period from March 1, 2017 to March 31, 2017

Date	Check #	Payee	Amount	Description
3/31/17	EFT3054	Bank of the West Business Card	1,585.73	see attached schedule February 2017
3/31/17	EFT3055	Charter Communications	343.92	internet and telephone
3/31/17	EFT3056	Bernadette C. Allen	1,573.21	salary
3/31/17	EFT3057	Christopher A. Burt	2,873.90	salary
3/31/17	EFT3058	Francis J. Griffith	92.35	salary
3/31/17	EFT3059	Gerrie G. Kilburn	92.35	salary
3/31/17	EFT3060	Melvin L. Matthews	3,534.91	salary
3/31/17	EFT3061	Arthur W. Opel	92.35	salary
3/31/17	31332811	Brian L. Fry	1,706.55	salary
3/31/17	31332812	Chris J. Mellinger	412.94	salary
3/31/17	EFT3062	Christopher A. Burt	150.00	salary
3/31/17	EFT3063	Automatic Data Processing, Inc.	<u>5,013.58</u>	withholding and taxes
Total			<u><u>67,688.34</u></u>	

Credit Card Detail Bank of the West

February 2017

(Expenses incurred/billed in February and due/paid in March.)

Acct. No.	Account Description	Additional Description	BCA	CAB	BLF	MLM	CJM	TOTAL
5010	Maintenance Supplies	batteries, cooling fan; maintenance supplies		\$979.28	\$107.30			\$1,086.58
5012	Safety Equipment							\$0.00
5022	Training/Certification							\$0.00
5025	Water Treatment/Analysis							\$0.00
5035	Vehicle Maintenance							\$0.00
5036	Fuel							\$0.00
6017	Adm. Travel							\$0.00
6021	Adm. & Bd. Exp.							\$0.00
6035	Office/Computer Supplies	office supplies	\$50.41					\$50.41
6036	Postage/Delivery	postage	\$245.00					\$245.00
6040	Professional Dues							\$0.00
6050	Telephone	answering service				\$75.00		\$75.00
6051	Mobile Phone							\$0.00
6053	Internet Service							\$0.00
6059	Computer/Software Maint.							\$0.00
6061	Office Equipment Maint.	power supply for radio				\$128.74		\$128.74
6075	Outside Services							\$0.00
6081	Permits/Fees							\$0.00
TOTAL			\$295.41	\$979.28	\$107.30	\$203.74	\$0.00	\$1,585.73

Kinneloa Irrigation District - Project Escrow Account
Check Register
For the Period from March 1, 2017 to March 31, 2017

Date	Check #*	Payee	Amount	Description
3/2/17	4172	Perry Thomas Construction Co.	83,555.35	East Tank-West Tank connector pipeline project progress billing 4
3/28/17	4187	Perry Thomas Construction Co.	9,177.00	East Tank-West Tank connector pipeline project progress billing 5
		Total	<u>92,732.35</u>	

* Check numbers assigned by the banking institution and may not be consecutive.