

# KINNELOA IRRIGATION DISTRICT

Regular Meeting – Board of Directors  
1999 Kinclair Drive, Pasadena, CA 91107  
Tuesday, January 23, 2024  
3:00 P.M.

## AGENDA

This meeting will be conducted at the District office in accordance with the Brown Act and AB 2449. Public comment may be made in person or submitted via email to [kinneloa@outlook.com](mailto:kinneloa@outlook.com) prior to the meeting, any information submitted will become part of the official record. The public may participate at the office or via computer or telephone using the following information: <https://us02web.zoom.us/j/85061795151?pwd=QURaWGV5Lzg3dmEvcGx1Ujl6akRHdz09>

Meeting ID: 850 6179 5151

Passcode: 156331

Telephone: 669 900 9128

**1. CALL TO ORDER – 3:00 P.M.**

- 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

In compliance with the Brown Act, the Board cannot discuss or act on items not on the Agenda. However, Board Members or District Staff may acknowledge Public comments, briefly respond to statements or questions posed by the Public, ask a question for clarification, or request Staff to place item on a future Agenda (Government Code section §54954.2)

**3. REVIEW OF MINUTES –** December 19, 2023, Regular Meeting

*Recommended Action: Review and approve motion to file.*

**4. REVIEW OF MINUTES –** January 3, 2024, Special Meeting

*Recommended Action: Review and approve motion to file.*

**5. REVIEW OF FINANCIAL REPORTS –** November 2023

*Recommended Action: Review and approve motion to file.*

**6. INVESTMENT POLICY –**

*Recommended Action: Authorize General Manager to liquidate holdings in CalTrust Medium Term Fund and transfer all reserve funds to LAIF account.*

**7. ADJOURNMENT OF REGULAR FEBRUARY BOARD MEETING –**

*Recommended Action: Adjourn February 20, 2024 meeting to February 27, 2024*

**8. INFORMATION ITEMS**

- a. 2024 COLA Pay Adjustments for Staff
- b. DDW Citation issued December 2023
- c. Draft Fire Response Action Plan
- d. Pasadena Interconnection Agreement Status
- e. Customer Care Report – December 2023
- f. Water Quality Testing Report – December 2023

g. Customer Outreach/Newsletter - Jan/Feb 2024

**9. AD HOC MASTER PLAN COMMITTEE REPORT** – Information item presented by the Committee Chair. Summarize Master Plan Workshop activities, discuss Mission Statement development and establish milestones for 2024.

**10. GENERAL MANAGERS REPORT** – Information item presented by the General Manager. General Manager to summarize the report and respond to questions.

**11. KINNELOA IRRIGATION DISTRICT GOALS AND OBJECTIVES FOR 2024**  
Discussion of the District's goals and objectives for calendar year 2024.

**12. DIRECTOR REPORTS AND/OR COMMENTS –**

In accordance with Government Code §54954.2 Directors may make brief announcements or brief reports on their own activities. Directors may ask a question for clarification, provide a reference to staff or other resources for information, request staff to report back to the Directors at a subsequent meeting, or act to direct staff to place a matter of business on a future agenda.

**13. CALENDAR** – Upcoming regular meetings: February 20, 2024; March 19, 2024; April 16, 2024

**14. ADJOURNMENT**

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In compliance with the Americans with Disabilities Act, if you are a disabled person and need a disability-related modification or accommodation to participate in this meeting, please contact the District office 48 hours prior to the meeting at 626-797-6295. 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 <https://kinneloairrigationdistrict.info>.

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# KINNELOA IRRIGATION DISTRICT

Regular Meeting – Board of Directors  
1999 Kinclair Drive, Pasadena, CA 91107  
Tuesday, December 19, 2023, 3:00 P.M.

## MINUTES

The meeting was conducted in the District Board Room and by teleconference in accordance with the Brown Act and AB 2449. The District offered the public the option to attend the meeting by telephone, videoconference or in-person as stated in the agenda.

**DIRECTORS PRESENT:** (In-Person): Gordon Johnson, Gerrie Kilburn, Stephen Brown, Timothy Eldridge, William Opel

**DIRECTORS ABSENT:** none

**STAFF PRESENT:** (In-Person): General Manager, Tom Majich; Martin Aragon, Chris Burt,

**PUBLIC PRESENT:** Frank Griffith

**1. CALL TO ORDER:**

Chairman Johnson called the meeting to order at 3:00 P.M. and took roll call. A quorum of Board Members was present and reviewed the agenda.

**2. PUBLIC COMMENT:** Mr. Griffith noted that he may wish to speak on Agenda Item #4.

**3. OATH OF OFFICE** – Division 5, William Opel

Chairman Gordon Johnson administered the oath of office for Director William Opel, in the presence of Kinneloa Irrigation District Secretary Stephen Brown.

**4. PUBLIC HEARING REGARDING PROPOSED 2024 WATER RATES:**

There was no public comment on the proposed increase of water rates.

**5. WATER RATES:**

Resolution 2023-12-19 for water rates effective as of 12/27/23 was presented and reviewed. Director Brown motioned to approve the Resolution and was seconded by Director Eldridge. It was motioned/seconded/carried unanimously – (Brown / Eldridge– 5 Aye/0 Nay/0 Abstain)

**6. ELECTION OF KINNELOA IRRIGATION DISTRICT BOARD OFFICERS FOR YEAR 2024:**

Director Johnson nominated **Stephen Brown for Chairman** and was seconded by Director Eldridge. It was motioned/seconded/carried unanimously – (Johnson / Eldridge – 4 Aye / 0 Nay / 1 Abstain-Brown)

Director Kilburn nominated **Timothy Eldridge for Treasurer** and was seconded by Director Brown. It was motioned/seconded/carried unanimously – (Kilburn / Eldridge – 4 Aye / 0 Nay / 1 Abstain-Eldridge)

Director Kilburn nominated **Gordon Johnson for Secretary** and was seconded by Director Brown. It was motioned/seconded/carried unanimously – (Kilburn / Brown – 5 Aye / 0 Nay / 0 Abstain)

**7. REVIEW OF MINUTES:**

Director Johnson noted one revision necessary on Item 11. Director Eldridge motioned to approve the **November 28, 2023 Regular Meeting** Minutes for filing with the noted revision and was seconded by Director Brown. It was motioned/seconded/carried unanimously – (Eldridge / Brown– 4 Aye / 0 Nay / 1 Abstain-Opel)

**8. REVIEW OF FINANCIAL REPORTS:**

The General Manager presented draft November 2023 financial reports except for the Balance Sheet. Action was deferred to the next Regular Meeting when the complete financial reports are available.

**9. INFORMATION ITEMS:**

a. The General Manager reviewed the November 2023 report on water quality testing and results.

b. The General Manager presented a table and chart showing historical water supply availability from the Raymond Basin and Tunnels along with historical demand and projected demand based on running annual averages.

c. The General Manager reviewed the Permit Amendment Application for Fluoride Treatment via Blending submitted to DDW on 12/11/23.

d. The General Manager reviewed the Investigative Report on E. coli positive Raw Water sample of the Hi-Lo Pressure tunnel line submitted to DDW on 11/16/23.

e. A summary of the recently adopted Los Angeles County Water Plan was reviewed.

f. The next customer newsletter will be prepared in late January. The General Manager will add a section to each edition highlighting a particular District facility and discuss its history and importance. Information on available rebates to customers will also be included in the next edition.

**10. AD HOC MASTER PLAN COMMITTEE:**

The General Manager presented a draft Mission Statement and examples for Director review. A Special Meeting will be scheduled for 2pm before the next Regular Board Meeting for a Master Plan and Mission Statement Workshop.

**11. GENERAL MANAGER'S REPORT:**

The General Manager presented the monthly report on District activities and water supply and production. A year-to-date summary of the Watermaster Year ending June 2024 was reviewed.

**12. CLOSED SESSION – PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Chairman Johnson concluded the closed session at 5:15 pm and reported that no action was taken.

**13. DIRECTOR REPORTS AND/OR COMMENTS:**

Director Opel requested that District staff prepare a written action plan for review at the next Regular Board Meeting for system operations in the event of a fire occurring in an area of the District where the fire hydrants are known to not meet current regulatory fire flow standards.

**14. CALENDAR:** Upcoming regular meetings: January 16, 2024; February 20, 2024; March 19, 2024

**15. ADJOURNMENT:**

Chairman Johnson adjourned the meeting at 5:20 P.M.  
Prepared and submitted by,

*Martin Aragon*

Martin Aragon  
Office Manager/Board Clerk

# KINNELOA IRRIGATION DISTRICT

Special Meeting – Board of Directors  
1999 Kinclair Drive, Pasadena, CA 91107  
Wednesday, January 3, 2024, 2:00 P.M.

## MINUTES

The meeting was conducted in the District Board Room and by teleconference in accordance with the Brown Act and AB 2449. The District offered the public the option to attend the meeting by telephone, videoconference or in-person as stated in the agenda.

**DIRECTORS PRESENT:** (In-Person): Stephen Brown, Gordon Johnson, Gerrie Kilburn, Timothy Eldridge, William Opel

**DIRECTORS ABSENT:** none

**STAFF PRESENT:** (In-Person): Tom Majich (General Manager), Martin Aragon (Board Clerk)

**PUBLIC PRESENT:** none

**1. CALL TO ORDER:**

Chairman Brown called the meeting to order at 2:00 P.M. and took roll call. A quorum of Board Members was present and reviewed the agenda.

**2. PUBLIC COMMENT:** none

**3. CLOSED SESSION – PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

The Board of Directors provided the General Manager with a written annual performance evaluation. The General Manager will review and provide in writing an acknowledgement and any responsive commentary to the Board Chair. Chairman Brown concluded the closed session at 3:45pm and reported that no action was taken.

**4. EMPLOYMENT CONTRACT – GENERAL MANAGER:**

Director Eldridge motioned to award the General Manager a one-time performance bonus equivalent to 1/24 of the General Manager's calendar year 2023 salary payable at the next regular payroll date; and was seconded by Director Kilburn. It was motioned/seconded/carried unanimously – (Eldridge / Kilburn– 5 Aye/0 Nay/0 Abstain/0 Absent)

**5. DIRECTOR REPORTS AND/OR COMMENTS:** none

**6. CALENDAR:** Upcoming regular meetings: January 23, 2024; February 20, 2024; March 19, 2024

7. **ADJOURNMENT:**

Chairman Brown adjourned the meeting at 3:55 P.M.

Prepared and submitted by,

*Martin Aragon*

Martin Aragon

Office Manager/Board Clerk

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## Kinneoloa Irrigation District

### Income Statement Compared with Budget for the Eleven Months Ending November 30, 2023

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance	Annual Budget
<b>Revenues</b>							
4000 Water Sales	145,851.30	122,000.00	23,851.30	1,385,684.26	1,478,000.00	(92,315.74)	1,600,000.00
4015 Wholesale Water Sales	0.00	0.00	0.00	187,081.40	50,000.00	137,081.40	50,000.00
4020 Service/Installation Charges	438.80	833.33	(394.53)	5,653.58	9,166.63	(3,513.05)	10,000.00
4035 Interest-Reserve Fund	3,658.64	833.33	2,825.31	46,591.72	9,166.63	37,425.09	10,000.00
4036 Unrealized Gain(Loss)-CalTRU	10,583.30	2,083.33	8,499.97	1,724.03	22,916.63	(21,192.60)	25,000.00
4050 Capacity Charge	0.00	0.00	0.00	3,000.00	0.00	3,000.00	0.00
<b>Total Revenues</b>	<b>160,532.04</b>	<b>125,749.99</b>	<b>34,782.05</b>	<b>1,629,734.99</b>	<b>1,569,249.89</b>	<b>60,485.10</b>	<b>1,695,000.00</b>
<b>Expenses</b>							
5000 Leased Water Rights	0.00	0.00	0.00	103,500.00	63,135.00	40,365.00	63,135.00
5005 Electricity	19,754.32	11,000.00	8,754.32	163,982.29	159,000.00	4,982.29	170,000.00
5010 Maintenance/Repair Supplies	1,666.19	3,500.00	(1,833.81)	19,408.19	36,500.00	(17,091.81)	40,000.00
5011 Material and Labor for Install	31,750.00	3,333.33	28,416.67	31,750.00	36,666.63	(4,916.63)	40,000.00
5012 Safety Equipment	1,311.23	166.67	1,144.56	3,724.03	1,833.37	1,890.66	2,000.00
5015 Operations Labor	23,669.90	27,646.67	(3,976.77)	297,806.98	304,113.37	(6,306.39)	331,760.00
5016 Operations OT	2,641.24	1,666.67	974.57	36,346.64	18,333.37	18,013.27	20,000.00
5020 Stand-by Compensation	1,047.24	915.00	132.24	10,865.34	10,065.00	800.34	10,980.00
5022 Training/Certification	(94.68)	133.33	(228.01)	1,554.69	1,466.63	88.06	1,600.00
5025 Water Treatment/Analysis	1,245.91	2,500.00	(1,254.09)	22,443.66	27,500.00	(5,056.34)	30,000.00
5026 Water Treatment/Analysis Equip	1,203.78	0.00	1,203.78	17,525.96	0.00	17,525.96	0.00
5030 Maintenance/Repair Contractors	6,072.45	11,666.67	(5,594.22)	128,454.75	128,333.37	121.38	140,000.00
5031 SCADA Operating/Maintenance	130.30	833.33	(703.03)	16,628.74	9,166.63	7,462.11	10,000.00
5034 Equipment Maintenance	0.00	2,083.33	(2,083.33)	2,336.38	22,916.63	(20,580.25)	25,000.00
5035 Vehicle Maintenance	171.99	1,333.33	(1,161.34)	10,766.85	14,666.63	(3,899.78)	16,000.00
5036 Fuel	1,371.64	1,833.33	(461.69)	21,739.94	20,166.63	1,573.31	22,000.00
5040 Equipment Rental	0.00	0.00	0.00	0.00	0.00	0.00	500.00
5045 Insurance-Workers Comp.	0.00	0.00	0.00	14,585.75	15,000.00	(414.25)	20,000.00
5046 Insurance-Liability	615.82	1,416.67	(800.85)	23,011.82	15,583.37	7,428.45	17,000.00
5048 Insurance-Property	658.45	208.33	450.12	3,781.48	2,291.63	1,489.85	2,500.00
5049 Insurance-Medical	6,096.72	7,744.58	(1,647.86)	67,097.26	85,190.38	(18,093.12)	92,935.00
6000 Engineering Services	2,267.10	3,958.33	(1,691.23)	16,925.35	43,541.63	(26,616.28)	47,500.00
6005 Watermaster Services	1,310.41	1,416.67	(106.26)	14,460.13	15,583.37	(1,123.24)	17,000.00
6015 Administrative Salary	14,241.68	14,500.00	(258.32)	129,482.80	159,500.00	(30,017.20)	174,000.00
6017 Administrative Travel	514.57	250.00	264.57	1,116.06	2,750.00	(1,633.94)	3,000.00
6020 Board Compensation	450.00	700.00	(250.00)	5,550.00	7,700.00	(2,150.00)	8,400.00
6021 Administrative & Board Exp.	0.00	83.33	(83.33)	227.85	916.63	(688.78)	1,000.00
6022 Board of Directors Election	0.00	0.00	0.00	0.00	0.00	0.00	12,500.00
6024 Customer/Public Info. Prog.	1,103.34	1,250.00	(146.66)	13,853.53	13,750.00	103.53	15,000.00
6025 PERS - KID	4,169.00	4,400.00	(231.00)	45,111.81	48,400.00	(3,288.19)	52,800.00
6030 Social Security - KID	3,508.23	3,300.00	208.23	38,995.64	36,300.00	2,695.64	39,600.00
6031 Medicare - KID	820.48	779.17	41.31	9,120.10	8,570.87	549.23	9,350.00
6035 Office/Computer Supplies	1,131.75	583.33	548.42	6,896.40	6,416.63	479.77	7,000.00
6036 Postage/Delivery	6.66	416.67	(410.01)	2,236.25	4,583.37	(2,347.12)	5,000.00



**Kinneloa Irrigation District**  
**Income Statement Compared with Budget for the Eleven Months Ending November 30, 2023**

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance	Annual Budget
6040 Professional Dues	927.57	1,333.33	(405.76)	13,252.61	14,666.63	(1,414.02)	16,000.00
6045 Legal Services	1,329.00	1,250.00	79.00	7,071.24	13,750.00	(6,678.76)	15,000.00
6050 Telephone	159.96	375.00	(215.04)	2,869.50	4,125.00	(1,255.50)	4,500.00
6051 Mobile Communications	142.05	166.67	(24.62)	1,597.01	1,833.37	(236.36)	2,000.00
6052 Pagers	36.39	41.67	(5.28)	451.38	458.37	(6.99)	500.00
6053 Internet Service	114.98	133.33	(18.35)	1,254.78	1,466.63	(211.85)	1,600.00
6059 Computer Software Maintenance	158.40	2,000.00	(1,841.60)	20,638.16	22,000.00	(1,361.84)	24,000.00
6061 Office Equipment Maintenance	0.00	83.33	(83.33)	2,115.13	916.63	1,198.50	1,000.00
6065 Accounting Services	0.00	0.00	0.00	13,700.00	7,000.00	6,700.00	7,000.00
6070 Office & Accounting Labor	14,929.70	12,008.33	2,921.37	153,966.73	132,091.63	21,875.10	144,100.00
6075 Professional Services	1,980.84	7,916.67	(5,935.83)	36,160.59	87,083.37	(50,922.78)	95,000.00
6076 Contract Services	0.00	0.00	0.00	1,371.84	0.00	1,371.84	0.00
6080 Administrative Fees	969.28	1,036.67	(67.39)	10,529.28	11,403.37	(874.09)	12,440.00
6081 Permits/Fees	468.06	1,250.00	(781.94)	12,357.43	13,750.00	(1,392.57)	15,000.00
6086 Taxes - Sales/Use	0.00	41.67	(41.67)	0.00	458.37	(458.37)	500.00
6088 Interest Expense	22,284.14	24,500.00	(2,215.86)	45,955.47	49,000.00	(3,044.53)	49,000.00
6090 Customer Requested Expense	(800.00)	0.00	(800.00)	(430.00)	0.00	(430.00)	0.00
6120 Bank Service Charges	945.34	1,000.00	(54.66)	6,577.42	11,000.00	(4,422.58)	12,000.00
<b>Total Expenses</b>	<b>172,481.43</b>	<b>162,755.41</b>	<b>9,726.02</b>	<b>1,610,725.24</b>	<b>1,690,944.51</b>	<b>(80,219.27)</b>	<b>1,847,200.00</b>
<b>Net Income</b>	<b>(11,949.39)</b>	<b>(37,005.42)</b>	<b>25,056.03</b>	<b>19,009.75</b>	<b>(121,694.62)</b>	<b>140,704.37</b>	<b>(152,200.00)</b>
<b>Other Expenditures</b>							
1505 Water Tunnels	0.00	0.00	0.00	5,509.35	1,000.00	4,509.35	10,000.00
1511 WaterTreatment Plant	34,323.42	0.00	34,323.42	54,323.42	0.00	54,323.42	10,000.00
1512 Water Meters	0.00	0.00	0.00	10,533.70	0.00	10,533.70	20,000.00
1513 Electrical/Electronic Equip.	16,970.00	0.00	16,970.00	16,970.00	0.00	16,970.00	5,000.00
1514 Computer/Office Equipment	1,721.97	0.00	1,721.97	10,208.89	0.00	10,208.89	5,000.00
1515 Vehicles & Portable Equipment	0.00	0.00	0.00	0.00	0.00	0.00	45,000.00
1516 Water Company Facilities	1,970.00	0.00	1,970.00	30,868.14	0.00	30,868.14	35,000.00
1522 Eucalyptus Booster Station	0.00	0.00	0.00	0.00	0.00	0.00	45,000.00
1527 SCADA Equipment	0.00	0.00	0.00	14,860.00	0.00	14,860.00	0.00
1530 Tools	1,251.29	0.00	1,251.29	2,334.12	0.00	2,334.12	3,000.00
2400 Installment Purchase Agreement	77,816.84	75,601.00	2,215.84	154,246.49	151,202.00	3,044.49	151,202.00
<b>Total Other Expenditures</b>	<b>134,053.52</b>	<b>75,601.00</b>	<b>58,452.52</b>	<b>299,854.11</b>	<b>152,202.00</b>	<b>147,652.11</b>	<b>329,202.00</b>
<b>Total Increase or (Drawdown)</b>	<b>(146,002.91)</b>	<b>(112,606.42)</b>	<b>(33,396.49)</b>	<b>(280,844.36)</b>	<b>(273,896.62)</b>	<b>(6,947.74)</b>	<b>(481,402.00)</b>

# Kinneloa Irrigation District

## Balance Sheet as of November 30, 2023

### ASSETS

#### Current Assets

1010	Checking-Wells Fargo Bank	\$	403,572.17
1012	Reserve Fund-LAIF		132,854.31
1014	Reserve Fund-CalTRUST		1,033,018.53
1016	Accrued Interest-LAIF		1,058.96
1100	Accts. Receivable-Water Sales		65,694.72
1101	Accts. Receiv.-Service Charges		680.47
1190	Allowance for Bad Debts		(3,199.39)
1200	Inventory		20,000.00
1340	Accrued Water Sales		146,694.75
1350	Prepaid Insurance		(1,656.13)
1360	Prepaid Expenses		15,138.96

Total Current Assets

1,813,857.35

#### Property and Equipment

1501	Water Rights		52,060.41
1503	Land Sites		96,700.08
1504	Water Mains		4,010,066.35
1505	Water Tunnels		742,983.95
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		260,892.49
1512	Water Meters		416,372.33
1513	Electrical/Electronic Equip.		273,888.72
1514	Computer/Office Equipment		85,867.73
1515	Vehicles & Portable Equipment		308,656.75
1516	Water Company Facilities		135,090.34
1517	KID Office		64,899.78
1518	Shaw Ranch		280,789.92
1519	Dove Creek Project		487,383.87
1520	Glen Reservoir/Booster		24,190.86
1521	Kinneloa Ridge Project		690,492.58
1522	Eucalyptus Booster Station		532,342.43
1526	Vosburg Booster		1,647,215.66
1527	SCADA Equipment		376,977.90
1528	Tanks and Reservoirs		119,491.90
1529	Holly Tanks		181,113.76
1530	Tools		8,607.25
1600	Accum. Depreciation		(5,933,805.76)

Total Property and Equipment

5,669,454.73

#### Other Assets

1901	PERS-Deferred Outflows		64,858.00
	Total Assets	\$	7,548,170.08

# Kinneloa Irrigation District

## Balance Sheet as of November 30, 2023

### LIABILITIES AND CAPITAL

#### Current Liabilities

2000	Accounts Payable	\$ 43,289.71	
2005	Umpqua Visa Payable	4,603.80	
2250	PERS Withholding-Employee	1.68	
2271	Deposits-Construction Meters	100.00	
2272	Job Deposits	35,900.00	
2275	Deposits-Water Customers	255.02	
2290	Accrued Vacation	13,237.40	
	Total Current Liabilities		97,387.61

#### Long-Term Liabilities

2400	Installment Purchase Agreement	1,150,732.16	
2801	PERS- Net Liability	72,401.50	
2901	PERS- Deferred Inflows	160,498.00	
	Total Long-Term Liabilities		1,383,631.66
	Total Liabilities		1,481,019.27

#### Capital

3040	Fund Balance	6,048,141.06	
	Net Income	19,009.75	
	Total Capital		6,067,150.81
	Total Liabilities & Capital	\$ 7,548,170.08	

**Kinneloa Irrigation District**  
**Statement of Cash Flow**  
**For the Eleven Months Ended November 30, 2023**

	Current Month	Year to Date
<b>Cash Flows from Operating Activities</b>		
Net Income	\$ (11,949.39)	\$ 19,009.75
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>		
1100 Accts. Receivable-Water Sales	(29,739.79)	(41,137.09)
1101 Accts. Receiv.-Service Charges	12.40	(680.47)
1190 Allowance for Bad Debts	0.00	2,427.91
1340 Accrued Water Sales	(1,746.04)	(18,225.39)
1350 Prepaid Insurance	1,274.27	21,446.50
1360 Prepaid Expenses	2,416.96	15,023.94
2000 Accounts Payable	10,125.46	(24,112.25)
2005 Umpqua Visa Payable	421.55	4,603.80
2250 PERS Withholding-Employee	1.68	1.68
2271 Deposits-Construction Meters	(850.00)	(750.00)
2272 Job Deposits	(900.00)	33,200.00
Total Adjustments	(18,983.51)	(8,201.37)
<b>Net Cash Provided by Operations</b>	<b>(30,932.90)</b>	<b>10,808.38</b>
<b>Cash Flows from Investing Activities</b>		
<i>Used for</i>		
1505 Water Tunnels	0.00	(5,509.35)
1511 WaterTreatment Plant	(34,323.42)	(54,323.42)
1512 Water Meters	0.00	(12,560.91)
1513 Electrical/Electronic Equip.	(16,970.00)	(16,970.00)
1514 Computer/Office Equipment	(1,721.97)	(10,208.89)
1516 Water Company Facilities	(1,970.00)	(30,868.14)
1527 SCADA Equipment	0.00	(14,860.00)
1530 Tools	(1,251.29)	(2,334.12)
Net Cash Used in Investing	(56,236.68)	(147,634.83)
<b>Cash Flows from Financing Activities</b>		
<i>Proceeds from</i>		
<i>Used for</i>		
2400 Installment Purchase Agreement	(77,816.84)	(154,246.49)
2801 PERS- Net Liability	0.00	(28,502.00)
Net Cash Used in Financing	(77,816.84)	(182,748.49)
<b>Net Increase (Decrease) in Cash</b>	<b>\$ (164,986.42)</b>	<b>\$ (319,574.94)</b>
<b>Summary</b>		
Cash Balance at End of Period	\$ 1,570,503.97	\$ 1,570,503.97
Cash Balance at Beg. of Period	(1,735,490.39)	(1,888,051.70)
<b>Net Increase (Decrease) in Cash</b>	<b>\$ (164,986.42)</b>	<b>\$ (317,547.73)</b>

**Kinneloa Irrigation District**  
**Check/EFT Register**  
**November 1, 2023 to November 30, 2023**

Date	Check #	Payee	Amount	Description
11/14/23	10808	Tony Cummins	522.56	Overpayment Reimbursement
11/15/23	EFT5948	Bernadette C. Allen	680.29	Payroll
11/15/23	EFT5949	Arthur M. Aragon	2,347.33	Payroll
11/15/23	EFT5950	Ramon Jr. Ascencio	2,521.92	Payroll
11/15/23	EFT5951	Christopher A. Burt	4,198.38	Payroll
11/15/23	EFT5952	Felipe Gallegos	413.67	Payroll
11/15/23	EFT5953	Thomas L. Majich	4,698.02	Payroll
11/15/23	EFT5954	Juan R. Tello	1,464.51	Payroll
11/15/23	EFT5955	Melanie E. Timoteo	2,250.75	Payroll
11/15/23	EFT5956	Christopher A. Burt	300.00	Payroll
11/15/23	EFT5957	Juan R. Tello	353.00	Payroll
11/15/23	EFT5958	Automatic Data Processing, Inc.	7,996.18	Payroll Taxes & Withholdings
11/19/23	10809	ACWA-JPIA	6,492.28	KID & Employee Health Benefits Contributions
11/19/23	10810	Applied Technology Group, Inc.	120.00	PWAG Radios
11/19/23	10811	E Engineers	2,267.10	Main Office Electrical Assessment
11/19/23	10812	Foothill Municipal Water District	969.28	Administrative Fee (O & M charge)
11/19/23	10813	Geotab USA, Inc	79.00	Vehicle Maintenance
11/19/23	10814	McMaster Carr	1,250.31	House Tunnel Backflow Valve
11/19/23	10815	National Construction Rentals	196.03	Portable Restroom
11/19/23	10816	Paydirt Printing Services	854.34	Print & Mail Statements
11/19/23	10817	Public Water Agencies Group	289.08	PWAG Monthly Assessment for Emergency Preparedness Program
11/19/23	10818	Ultimate Cleaning Solutions, Inc.	90.00	Janitorial Service
11/19/23	10819	Utility Service Co., Inc.	6,072.45	Tank Maintenance
11/19/23	10820	Ware Disposal	466.12	Trash Pickup Services
11/19/23	10821	Clinical Lab of San Bernardino	630.00	Water Treatment/Analysis
11/19/23	10822	Clinical Lab of San Bernardino	745.00	Water Treatment/Analysis
11/20/23	10824	Mission Paving & Sealing, Inc.	590.45	Net Refund on Deposit
11/28/23	10825	David Stone Electrical Contractors Inc.	16,970.00	K3 Well VFD AC Replacement
11/28/23	10826	Matt Chlor Inc.	34,323.42	DAC Fluoride Controller/Sensor/Pressure Valve
11/28/23	10827	McMaster Carr	252.42	Maintenance Supplies
11/28/23	10828	David Stone Electrical Contractors Inc.	1,970.00	Dedicated Copier Receptacle
11/28/23	10829	Matt Chlor Inc.	901.86	Multifunction Valve
11/30/23	EFT5959	AT&T - SCADA	126.82	SCADA Communication
11/30/23	EFT5960	VeriCheck, Inc.	45.16	Electronic Check Processing
11/30/23	EFT5961	Streamline	249.00	Website Service
11/30/23	EFT5962	CA Public Employees Ret. Sys.	8,962.52	KID & Employee Retirement Contributions
11/30/23	EFT5963	Southern California Edison Co.	8,870.20	Electricity - 12 Sites
11/30/23	EFT5964	Automatic Data Processing, Inc.	115.45	Payroll Processing Fee
11/30/23	EFT5965	Century Business Solutions	15.00	Bank Services
11/30/23	EFT5966	Arco Gaspro Plus	1,371.64	Vehicle Fuel
11/30/23	EFT5967	Nexbillpay	140.85	Bank Services
11/30/23	EFT5968	Pasadena Municipal Services	4,204.08	Electricity - Wilcox
11/30/23	EFT5969	Automatic Data Processing, Inc.	107.22	Payroll Processing Fee
11/30/23	EFT5970	AT&T Mobility	121.96	FirstNet Wireless Service
11/30/23	EFT5971	Spectrum	274.94	Internet / Telephone Services
11/30/23	EFT5972	Citizens Business Bank	100,100.98	Loan Payment
11/30/23	EFT5973	Umpqua Bank	3,732.25	Staff Credit Card
11/30/23	EFT5974	Century Business Solutions	90.55	Bank Services
11/30/23	EFT5975	Bernadette C. Allen	253.41	Payroll
11/30/23	EFT5976	Arthur M. Aragon	2,368.96	Payroll

**Kinneloa Irrigation District**  
**Check/EFT Register**  
**November 1, 2023 to November 30, 2023**

Date	Check #	Payee	Amount	Description
11/30/23	EFT5977	Ramon Jr. Ascencio	3,050.06	Payroll
11/30/23	EFT5978	Stephen Brown	138.53	Payroll
11/30/23	EFT5979	Christopher A. Burt	3,733.54	Payroll
11/30/23	EFT5980	Timothy J. Eldridge	138.53	Payroll
11/30/23	EFT5981	Felipe Gallegos	1,740.02	Payroll
11/30/23	EFT5982	Gerrie G. Kilburn	138.52	Payroll
11/30/23	EFT5983	Thomas L. Majich	4,743.11	Payroll
11/30/23	EFT5984	Juan R. Tello	1,823.80	Payroll
11/30/23	EFT5985	Melanie E. Timoteo	2,271.18	Payroll
11/30/23	EFT5986	Christopher A. Burt	300.00	Payroll
11/30/23	EFT5987	Juan R. Tello	353.00	Payroll
11/30/23	EFT5988	Automatic Data Processing, Inc.	8,642.44	Payroll Processing Fee
11/30/23	EFT5990	Nexbillpay	653.78	Bank Services
			<u>262,153.25</u>	

\* Gap in check sequence:

Voided check #10823 (Bank couldn't match vendor and was rejected)

Replaced with Check #10824

Voided EFT5989

Replaced with EFT5990

Kinneloa Irrigation District  
Umpqua Bank Visa - Cash Disbursements Journal  
Nov 1, 2023 to Nov 30, 2023

Date	Check #	Name	Line Description	Amount	Account ID	Account Description
11/1/23	20231101MA-1	Google LLC	Computer Software	158.40	6059	Computer Software Maintenance
11/2/23	20231102MA-1	Amazon.com Inc	Office Supplies	145.57	6035	Office/Computer Supplies
11/2/23	20231102MA-2	Amazon.com Inc	Office Supplies	38.70	6035	Office/Computer Supplies
11/3/23	20231103-TM-1	Cla-Val University	Cla Valve Training	200.00	5022	Training/Certification
11/3/23	20231103JT-1	Crown City Tire Auto Care	Truck #4 - Tire Patch Kit	40.00	5035	Vehicle Maintenance
11/3/23	20231103JT-2	Lucky Car Wash	Truck #5 - Car Wash	52.99	5035	Vehicle Maintenance
11/5/23	20231105MA-1	Amazon.com Inc	Safety Supplies	132.27	5012	Safety Equipment
11/6/23	20231106TM-1	United States Postal Service	Mail	6.66	6036	Postage/Delivery
11/7/23	20231107RA-1	Home Depot	Cooler Container	33.33	5026	Water Treatment/Analysis Equip
11/8/23	20231108CB-1	RS Americas Inc.	CHlorine Generator Relays K3, Wil. & Vos.	268.59	5026	Water Treatment/Analysis Equip
11/8/23	20231108MA-1	Amazon.com Inc	Label tape and Utensils	33.04	6035	Office/Computer Supplies
11/9/23	20231109TM-1	Blue Cactus Printing	Safety Gear	988.17	5012	Safety Equipment
11/10/23	20231110TM-1	Amazon.com Inc	Video to Digital Recorder	175.15	6035	Office/Computer Supplies
11/15/23	20231115RA-1	Ganahl Lumber Company	Safety Glasses	11.66	5012	Safety Equipment
11/16/23	20231116MA-1	American Messaging Services	Pager Service	36.39	6052	Pagers
11/16/23	20231116MA-2	Home Depot	Safety Gear	108.85	5012	Safety Equipment
11/16/23	20231116TM-1	Sky Blueprint & Supplies Inc.	24" X 36" Prints	18.74	6035	Office/Computer Supplies
11/18/23	20231118-TM-1	Mission Ace Hardware	Landscaping Equipment	1,251.29	5010	Maintenance/Repair Supplies
11/19/23	20231119MA-1	Amazon.com Inc	Safety Goggles	21.05	5012	Safety Equipment
11/20/23	20231120TM-1	Amazon.com Inc	Batteries	13.37	6035	Office/Computer Supplies
11/21/23	20231121JT-1	Harbor Freight	Broom & Small Supplies	38.54	5010	Maintenance/Repair Supplies
11/21/23	20231121MA-1	Amazon.com Inc	2 Pack Pager Holster	28.46	5010	Maintenance/Repair Supplies
11/22/23	20231122FG-1	7 - Eleven	Office Supplies	24.86	6035	Office/Computer Supplies
11/22/23	20231122MA-1	Amazon.com Inc	Cleaing Supplies	4.91	6035	Office/Computer Supplies
11/22/23	20231122TM-1	HomeState	Group Training	155.32	5022	Training/Certification
11/26/23	20231126FG-1	Home Depot	Rain Suit	49.23	5012	Safety Equipment
11/26/23	20231126MA-1	Staples, Inc.	Scissors, Index Labels & Toner	375.22	6035	Office/Computer Supplies
11/28/23	20231128MA-1	Staples, Inc.	Toner	302.19	6035	Office/Computer Supplies
11/3/23	20231103TM-1	Home Depot	Refund	-109.15	5025	Water Treatment/Analysis Equip
<b>Total</b>				<b><u>4,603.80</u></b>		



California State Treasurer  
**Fiona Ma, CPA**



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**LOCAL AGENCY INVESTMENT FUND**

## Program Description

The Local Agency Investment Fund (LAIF), a voluntary program created by statute, began in 1977 as an investment alternative for California's local governments and special districts and it continues today under Treasurer Fiona Ma's administration. The enabling legislation for the LAIF is Section 16429.1 et seq. of the California Government Code.

This program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office professional investment staff at no additional cost to the taxpayer.

The LAIF is part of the Pooled Money Investment Account (PMIA). The PMIA began in 1955 and oversight is provided by the Pooled Money Investment Board (PMIB) and an in-house Investment Committee. The PMIB members are the State Treasurer, Director of Finance, and State Controller.

The Local Investment Advisory Board (LIAB) provides oversight for LAIF. The Board consists of five members as designated by statute. The State Treasurer, as Chair, or her designated representative, appoints two members qualified by training and experience in the field of investment or finance, and two members who are treasurers, finance or fiscal officers or business managers employed by any county, city or local district or municipal corporation of this state. The term of each appointment is two years or at the pleasure of the Treasurer.

All securities are purchased under the authority of Government Code Section 16430 and 16480.4. The State Treasurer's Office takes delivery of all securities purchased on a delivery versus payment basis using a third party custodian. All investments are purchased at market and a market valuation is conducted monthly.

Additionally, the PMIA has Policies, Goals and Objectives for the portfolio to make certain that our goals of Safety, Liquidity and Yield are not jeopardized and that prudent management prevails. These policies are formulated by Investment Division staff and reviewed by both the PMIB and the LIAB on an annual basis.

The State Treasurer's Office is audited by the Bureau of State Audits on an annual basis and the resulting opinion is posted to the State Treasurer's Office website following its publication. The Bureau of State Audits also has a continuing audit process throughout the year. All investments and LAIF claims are audited on a daily basis by the State Controller's Office as well as an internal audit process.

Under Federal Law, the State of California cannot declare bankruptcy, thereby allowing the Government Code Section 16429.3 to stand. This Section states that "moneys placed with the Treasurer for deposit in the LAIF by cities, counties, special districts, nonprofit corporations, or qualified quasi-governmental agencies shall not be subject to either of the following: (a) transfer or loan pursuant to Sections 16310, 16312, or 16313, or (b) impoundment or seizure by any state official or state agency."

During the 2002 legislative session, California Government Code Section 16429.4 was added to the LAIF's enabling legislation. This Section states that "the right of a city, county, city and county, special district, nonprofit corporation, or qualified quasi-governmental agency to withdraw its deposited moneys from the LAIF, upon demand, may not be altered, impaired, or denied in any way, by any state official or state agency based upon the state's failure to adopt a State Budget by July 1 of each new fiscal year."

The LAIF has grown from 293 participants and \$468 million in 1977 to 2,350 participants and \$21.0 billion at the end of December 2023.

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# PMIA/LAIF Performance Report as of 1/17/24



## Quarterly Performance Quarter Ended 12/31/23

LAIF Apportionment Rate <sup>(2)</sup> :	4.00
LAIF Earnings Ratio <sup>(2)</sup> :	0.00010932476863589
LAIF Administrative Cost <sup>(1)*</sup> :	0.29
LAIF Fair Value Factor <sup>(1)</sup> :	0.993543131
PMIA Daily <sup>(1)</sup> :	3.96
PMIA Quarter to Date <sup>(1)</sup> :	3.81
PMIA Average Life <sup>(1)</sup> :	230

## PMIA Average Monthly Effective Yields<sup>(1)</sup>

December	3.929
November	3.843
October	3.670
September	3.534
August	3.434
July	3.305**

## Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 12/31/23 \$158.0 billion

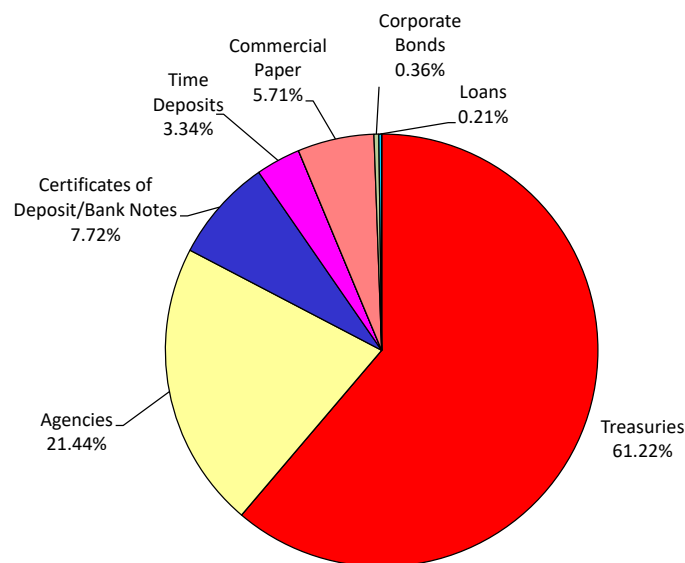


Chart does not include \$2,164,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

\*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

\*\* Revised

Source:

<sup>(1)</sup> State of California, Office of the Treasurer

<sup>(2)</sup> State of California, Office of the Controller

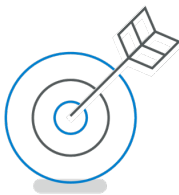
# Our Funds

A convenient method of pooling funds

## Three Diverse Account Options

### One Convenient & Safe Method of Pooling Funds

Each of our accounts seek to attain as high a level of current income as is consistent with the preservation of principal by investing only in high-quality, fixed-income securities. All CalTRUST accounts comply with the limits and restrictions placed on local investments by California statutes; no leveraging is permitted in any of the CalTRUST accounts.



### Liquidity Fund

**Liquidity:** Same-Day

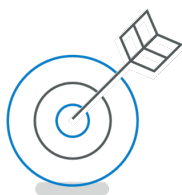
**Cut-Off Times:** 9:00am, 11:15am and 12:00pm PST

**Maximum Duration:** 60 Days

**S&P Rating:** [AAAm](#)

**Benchmarks:** 3-Month US Treasury Bill Index

**Portfolio Holdings:** [Available here](#)



## Short Term Fund

**Liquidity:** Next-Day

**Cut-Off Time:** 10:30am PST

**Target Duration:** 0-2 Years

**S&P Rating:** [AAf / S1+](#)

**Benchmarks:** Local Agency Investment Fund (LAIF) and the Barclays Short-Term Government/Corporate Index

**Portfolio Holdings:** [Available here](#)



## Medium Term Fund

**Liquidity:** Two-Days

**Cut-Off Time:** 10:30am PST

**Target Duration:** 1 – 3 Years

**S&P Rating:** [AA-f / S1](#)

**Benchmark:** Bank of America Merrill Lynch 1-3 Year AAA-A US Corporate & Government Index

**Portfolio Holdings:** [Available here](#)

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**Disclaimer:** For the CalTRUST Short-Term and Medium-Term Accounts, funds from all participants are pooled in each of the accounts. Participants receive units in the Trust and designated shares for the particular accounts in which they invest. CalTRUST invests in fixed income securities eligible for investment pursuant to California Government Code Sections 53601, et. seq. and 53635, et. seq. Investment guidelines adopted by the Board of Trustees may further restrict the types of investments held by the Trust. Leveraging within the Trust's portfolios is prohibited.

## Ready to Diversify your Portfolio?

Now that you have an idea of the kind of account options CalTRUST offers, you can get started with our easy enrollment.

# CalTRUST Medium Term Fund

## Fund Credit Quality Ratings (FCQR) Definitions

**AAAf** The credit quality of the fund's portfolio exposure is extremely strong.

**AAf** The credit quality of the fund's portfolio exposure is very strong.

**Af** The credit quality of the fund's portfolio exposure is strong.

**BBBf** The credit quality of the fund's portfolio exposure is adequate.

**BBf** The credit quality of the fund's portfolio exposure is weak.

**Bf** The credit quality of the fund's portfolio exposure is very weak.

**CCCf** The credit quality of the fund's portfolio exposure is extremely weak.

**CCf** The fund's portfolio has significant exposure to defaulted or near defaulted assets and/or counterparties.

**Df** The fund's portfolio is predominantly exposed to defaulted assets and/or counterparties.

The ratings from 'AAf' to 'CCCf' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

FCQRs are assigned to fixed-income funds, actively or passively managed, typically exhibiting variable net asset values. They reflect the credit risks of a fund's portfolio investments, the level of a fund's counterparty risk, and the risk of a fund's management ability and willingness to maintain current fund credit quality.

## About the Pool

Pool Rating	<b>AA-f / S1</b>
Pool Type	Variable NAV Government Investment Pool
Investment Adviser	Investment Trust of California (CalTRUST)
Portfolio Manager	Tom Musmanno
Pool Rated Since	December 2016
Custodian	U.S. Bank N.A.

## Pool Highlights

- The CalTRUST Medium Term Fund provides strong protection against losses from credit default.
- The average maturity of securities held in the fund is 1.5 to 3.5 years.

## Management

The investment manager for CalTRUST is BlackRock Financial Management, Inc. BlackRock conducts the daily management of the pool's investments as well as all research. As of March, 2022, BlackRock held in excess of \$9.57 trillion in global assets across multiple currencies. U.S. Bank N.A. is the custodian for CalTRUST.

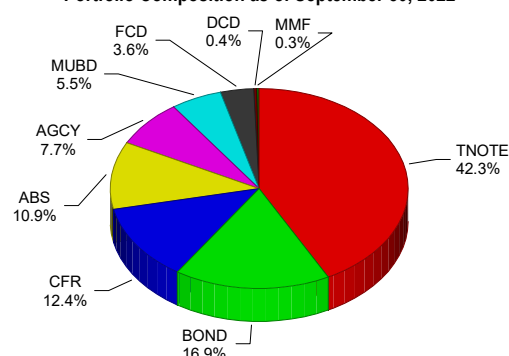
## Credit Quality

S&P Global Rating assigned its 'AA-f' fund credit quality rating and 'S1' fund volatility rating to the CalTRUST Medium Term Fund. CalTRUST is a joint powers authority created by California public agencies for local public agencies in California to pool their assets and invest local agency funds, such as operating reserves and bond proceeds. Any California public agency may participate in the CalTRUST, including the state, counties, cities, and special districts. Funds from all participants are pooled in each of their four account options. Participants receive units in the trust and designated shares for the particular accounts in which they invest.

## Portfolio Assets

CalTRUST offers five account options: two money-market funds (each rated 'AAAm' by S&P Global Ratings), a liquidity fund, a short-term fund, and a medium-term fund. The CalTRUST Medium-Term Fund invests in high-quality fixed-income securities eligible for investment pursuant to California Government Code Sections 53601 and

Portfolio Composition as of September 30, 2022



TNOTE - US Treasury Note; BOND - Corporate Fixed Rate; CFR - Corporate Floating Rate; ABS - Asset-Backed Security; AGCY - Agency Fixed Rate; MUBD - Municipal Bonds; FCD - Floating Rate Certificate of Deposit; DCD - Fixed Rate Certificate of Deposit; MMF - Money Market Fund

\*As assessed by S&P Global Ratings

53635. Investment guidelines adopted by the board of trustees further restrict the types of investments held by the pool. The board of trustees, made up of local public agency treasurers and investment officers, governs and administers CalTRUST. The board is comprised of experienced investment officers and policymakers of public agencies.

CalTRUST has several objectives: first, provide for the preservation of principal; second, meet the daily liquidity needs of participants; and third, maximize the yield in a manner consistent with the first two goals. The CalTRUST Medium-Term Fund currently has approximately \$644 million in assets, (as of September 30, 2020). Any California public agency may participate in the fund, including the state, counties, cities, and special districts.

**S&P Global Ratings Analyst:** Marissa Zuccaro - + 1 (303) 721 4762

[www.spratings.com](http://www.spratings.com)

Participants should consider the investment objectives, risks, charges and expenses of the pool before investing. The investment guidelines which can be obtained from your broker-dealer, contain this and other information about the pool and should be read carefully before investing.

**Fund Volatility Ratings (FVR) Definitions**

**S1** A fund that exhibits low volatility of returns. Within this category, a fund may be designated with a plus sign (+). This indicates its extremely low volatility of monthly returns.

**S2** A fund that exhibits low to moderate volatility of returns.

**S3** A fund that exhibits moderate volatility of returns.

**S4** A fund that exhibits moderate to high volatility of returns.

**S5** A fund that exhibits high to very high volatility of returns.

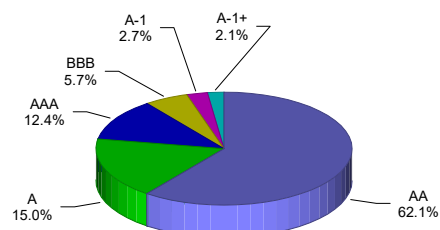
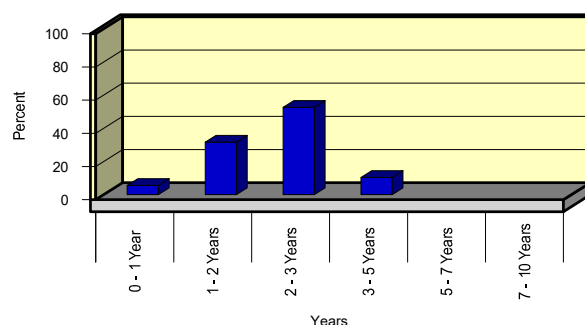
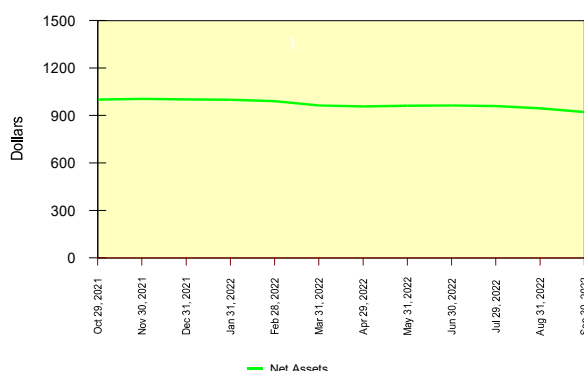
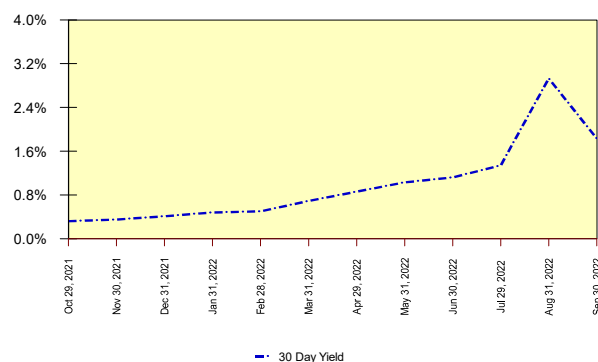
FVRs reflect our view of the fund's sensitivity to interest rate risk, credit risk, and liquidity risk, as well as other factors that may affect returns such as use of derivatives, use of leverage, exposure to foreign currency risk, and investment concentration, and fund management.

FVRs typically accompany FCQRs (e.g., 'A1/S3') to communicate our opinion of risks not addressed by FCQRs. For some funds, we may assign an FCQR without an accompanying FVR. When this occurs, we note the FVR as NR (not rated).

**Data Bank as of September 30, 2022**

Ticker Symbol..... N/A  
NAV..... \$9.67

Net Assets (millions)..... \$921.00  
Inception Date..... N/A

**Portfolio Credit Quality as of September 30, 2022 \*****Portfolio Maturity Distribution as of September 30, 2022****Net Assets as of September 30, 2022****Portfolio 30 Day Yield as of September 30, 2022****Top Ten Holdings as of September 30, 2022**

Security	%	Security	%
UNITED STATES TREASURY	44.50	CAPITAL ONE MULTI-ASSET EXE.TRUST	2.20
FHLMC	3.60	CREDIT SUISSE AG (NY BRANCH)	1.90
BANK OF AMERICA CORP	2.70	INTER-AMERICAN DEVELOPMENT BANK	1.80
JPMORGAN CHASE_CO	2.50	GOLDMAN SACHS GROUP INC/THE	1.70
FEDERAL HOME LOAN BANKS	2.40	MORGAN STANLEY	1.40

A Volatility Rating is not a credit rating. S&P Global Ratings is neither associated nor affiliated with the fund.

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## State Water Resources Control Board

### Division of Drinking Water

December 19, 2023

System No. 1910035

Tom Majich, General Manager  
Kinneloa Irrigation District  
1999 Kinclair Drive  
Pasadena, CA 91107

**CITATION NO. 04\_07\_23C\_019**

**FAILURE TO COMPLY WITH DOMESTIC WATER SUPPLY PERMIT, CONDITION 12 FOR SEPTEMBER 2023, FAILURE TO FOLLOW STATE BOARD-APPROVED, BACTERIOLOGICAL SAMPLE SITING PLAN IN SEPTEMBER 2023, REVISED TOTAL COLIFORM RULE MONITORING VIOLATION IN OCTOBER 2023, AND FAILURE TO TIMELY NOTIFY STATE WATER BOARD OF THE E. COLI POSITIVE TEST RESULT IN OCTOBER 2023**

Enclosed is Citation No. 04\_07\_23C\_019 (hereinafter "Citation"), issued to the Kinneloa Irrigation District (hereinafter "District") public water system. Please note that there are legally enforceable deadlines associated with this Citation.

The District will be billed at the State Water Resources Control Board's (hereinafter "State Water Board") hourly rate for the time spent on issuing this Citation. California Health and Safety Code (hereinafter "CHSC") Section 116577 provides that a public water system must reimburse the State Water Board for actual costs incurred by the State Water Board for specified enforcement actions, including preparing, issuing and monitoring compliance with a citation.

The District will receive a bill sent from the State Water Board in August of the next fiscal year. This bill will contain fees for any enforcement time spent on the District for the current fiscal year.

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E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

500 North Central Avenue, Suite 500, Glendale, CA 91203 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)

A process exists by which a public water system can petition the State Water Board for reconsideration of this citation. Petitions sent to the State Water Board "shall include the name and address of the petitioner, a copy of the order or decision for which the petitioner seeks reconsideration, identification of the reason the petitioner alleges the issuance of the order or decision was inappropriate or improper, the specific action the petitioner requests, and other information as the state board may prescribe. The petition shall be accompanied by a statement of points and authorities of the legal issues raised by the petition." (Health & Saf. Code, § 116701, subd. (b).)

Petitions must be received by the State Water Board within 30 days of the issuance of this citation by the State Water Board. If the 30th day falls on a Saturday, Sunday, or state holiday, the petition is due the following business day by 5:00 p.m. Information regarding filing petitions may be found at:

[Drinking Water Petitions for Reconsideration](https://www.waterboards.ca.gov/drinking_water/programs/petitions/instructions.html)

[https://www.waterboards.ca.gov/drinking\\_water/programs/petitions/instructions.html](https://www.waterboards.ca.gov/drinking_water/programs/petitions/instructions.html)

If you have any questions regarding this matter, please contact Kurtis Lee of my staff at (818) 551-2015 or me at (818) 551-2022.

Sincerely,



Dmitriy Ginzburg, P.E.  
District Engineer  
Hollywood District

Enclosures: (1) Citation No. 04\_07\_23C\_019

Certified Mail No. 7008 3230 0001 6331 1914

cc: Gerrie Kilburn, Board of Directors  
Stephen Brown, Board of Directors  
Gordon Johnson, Board of Directors  
Timothy Eldridge, Board of Directors  
Melanie Timoteo, Administrative Assistant

# ENCLOSURE



**STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER**

**Name of Public Water System:** Kinneloa Irrigation District

**Water System No:** 1910035

**Attention:** Tom Majich, General Manager and

Board of Directors:

Gerrie Kilburn

Stephen Brown

Gordon Johnson

Timothy Eldridge

1999 Kinclair Drive, Pasadena, CA 91107

**Issued:** December 19, 2023

**CITATION FOR NONCOMPLIANCE  
DOMESTIC WATER SUPPLY PERMIT NO. 04-07-05P-005  
CONDITION NUMBER 12 AND  
CALIFORNIA HEALTH AND SAFETY CODE, SECTION 116555 AND  
CALIFORNIA CODE OF REGULATIONS, TITLE 22, SECTION 64422 AND  
CALIFORNIA CODE OF REGULATIONS, TITLE 22, SECTION 64424 AND  
CALIFORNIA CODE OF REGULATIONS, TITLE 22, SECTION 64426 (c)(1)**

**FAILURE TO COLLECT MONTHLY RAW SOURCE WATER SAMPLES FOR  
BACTERIOLOGICAL QUALITY IN SEPTEMBER 2023  
AND  
FAILURE TO FOLLOW STATE BOARD-APPROVED BACTERIOLOGICAL SAMPLE  
SITING PLAN IN SEPTEMBER 2023  
AND  
REVISED TOTAL COLIFORM RULE MONITORING VIOLATION IN OCTOBER 2023  
AND  
FAILURE TO CONTACT STATE WATER BOARD BY THE END OF THE DAY ON  
WHICH NOTIFIED OF THE E. COLI POSITIVE TEST RESULT IN OCTOBER 2023**

The California Health and Safety Code (hereinafter "CHSC"), Section 116650, authorizes the State Water Resources Control Board (hereinafter "State Water Board") to issue a citation to a public water system when the State Water Board determines that the public water system has violated or is violating the California Safe Drinking Water Act (hereinafter "California SDWA") (CHSC, Division 104, Part 12, Chapter 4, commencing with Section 116270), or any regulation, standard, permit, or order issued or adopted thereunder.

The State Water Board, acting by and through its Division of Drinking Water (hereinafter "Division"), and the Deputy Director for the Division, hereby issues Citation No 04\_07\_23C\_019 (hereinafter "Citation"), pursuant to Section 116650 of the CHSC to the Kinneloa Irrigation District (hereinafter "District"), for violation of Condition Number 12 of Domestic Water Supply Permit No. 04-07-05P-005, and violations of CHSC, Section 116555 (a)(1), and California Code of Regulations (hereinafter "CCR"), Title 22, Sections 64422 (b), 64424 (a) (1) and 64426 (c) (1).

## STATEMENT OF FACTS

The District is classified as a community public water system with a population of 1,953, serving 592 connections. The District operates under Domestic Water Supply Permit No. 04-07-05P-005 issued by the State Water Board on July 18, 2005. The District has seven active groundwater sources (two wells and five tunnels) to supply potable water to the distribution system.

Condition Number 12 of Permit No. 04-07-05P-005 requires the District to sample at all sources at least monthly for bacteriological quality. Specifically, the District is required to collect raw water samples prior to chlorination. On October 24, 2023, the Division informed the District, that raw water sampling was not completed in accordance with Condition 12 of the permit. In the month of September 2023, the District failed to collect a raw water sample from Delores Tunnel (PS Code 1910035\_002\_002), Far Mesa (PS Code 1910035\_005\_005), and Kinneloa Well 03 (PS Code 1910035\_009\_009).

The California SDWA requires all public water systems to comply with primary drinking water standards. (CHSC, Section 116555 (a) (1).) "Primary drinking water standards" include maximum levels of contaminants, specific treatment techniques, and monitoring and reporting requirements as specified in regulations adopted by the State Water Board. (CHSC, Section 116275 (c).)

California SDWA regulations require all public water systems to develop and submit to the State Board a bacteriological sample siting plan (BSSP) that identifies sampling sites and a sample collection schedule for the collection of bacteriological samples for total coliform analysis. (CCR, Title 22, Section 64422 (a).) A public water system shall collect bacteriological samples for total coliform analysis in accordance with their State Board-approved BSSP. (CCR, Title 22, Section 64422 (b).)

According to the District's approved BSSP, six routine distribution sampling sites are tested on the first and third week of each month. One of the six routine sampling sites include 1939 Kinneloa Cyn. Rd. On October 24, 2023, the Division informed the District that routine distribution system bacteriological sampling was not completed in accordance with the approved BSSP. The District failed to collect a routine distribution system bacteriological sample at 1939 Kinneloa Cyn. Rd during the third week of September 2023.

CCR, Title 22, Section 64424 (a) (1), states that a repeat sample set shall be at least three samples for each total coliform-positive sample. When collecting the repeat sample set, the water supplier must collect at least one repeat sample from the sampling tap where the original total coliform-positive sample was taken. Other repeat samples must be collected within five service connections upstream or downstream of the original site. At least one sample must be from upstream and one from downstream unless there is no upstream and/or downstream service connection.

The State Water Board received laboratory results (attached to this citation as Appendix 6) for 13 bacteriological samples collected during October 2023 from the District. One routine distribution system sample collected at 2351 Kinclair Dr., tested positive for total coliform bacteria. The total coliform positive sample showed no presence of *Escherichia coli* (*E. coli*) bacteria. As of the date of this Citation, the State Water Board received only one out of three required repeat sample results for repeat bacteriological samples taken during October 2023.

A public water system shall determine whether a possible significant rise in bacterial count has occurred for each month in which it is required to monitor for total coliforms. (CCR, Title 22, Section 64426). Results of all samples collected in a calendar month pursuant

to Sections 64423, 64424, and 64425 that are not invalidated by the State Board or the laboratory shall be included in determining a possible significant rise in bacterial count. Special purpose samples such as those listed in Section 64421 (b) and special purpose samples collected by a public water system during special investigations shall also be included to determine a possible significant rise in bacterial count.

A public water system shall perform special purpose bacteriological monitoring. (CCR, Title 22, Section 64421 (b). (2) For a groundwater (not GWUDI) source that is treated with a primary or residual disinfectant on a continuous basis and is not monitored pursuant to Section 64654.8 (b) (1) (B):

(A) A raw water sample shall be collected each calendar quarter, with samples collected during the same month (first, second, or third) of each calendar quarter

When the coliform criteria specified in subsection (b) are reached or exceeded, the public water system shall (CCR, Title 22, Section 64426 (c)):

]

(1) Contact the State Board by the end of the day on which the system is notified of the test result(s)

The District received a call from the laboratory on October 18, 2023, notifying the District of the presence of total coliform and E. coli for the raw water tap sample dated October 17, 2023 which was collected at Hi Pressure Tunnel (PS Code 1910035\_007\_007). On October 19, 2023 at 6:28 PM, the Division was notified of the result by the District (see correspondence attached to this citation as Appendix 5). The District did not notify the Division by the end of the day of October 18.

## DETERMINATION

The State Water Board has determined that the District has failed to comply with Condition Number 12 of Domestic Water Supply Permit Number No. 04-07-05P-005 for the month of September 2023.

The State Water Board has also determined that the District has failed to comply with CHSC, Section 116555 (a) (1), and CCR, Title 22, Section 64422 (b), in that it has failed to follow its State Board-approved BSSP.

The District was required to collect three repeat bacteriological samples during October 2023 following one total coliform-positive routine sample. The District failed to collect the required number of repeat bacteriological analytical samples for October 2023. Therefore, the State Water Board has determined that the District has failed to comply with drinking water standards pursuant to CHSC, Section 116555 and CCR, Title 22, Section 64424 (a) (1) during October 2023.

The State Water Board has determined that the District has failed to comply with CCR, Title 22, Section 64426 (c) (1), in that when the coliform criteria specified in Section 64426 (b) are reached or exceeded, the District failed to contact the State Board by the end of the day on which the District was notified of the test result.

## DIRECTIVES

The District is hereby directed to take the following actions:

1. By **October 24, 2024**, notify all persons served by the District of the violation of Condition Number 12 of Permit No. 04-07-05P-005, and CCR, Title 22, Section 64422, and CCR, Title 22, Section 64426 (c) (1), and CCR, Title 22, Section

64424 (a) (1), in conformance with Sections 64463.7 and 64465. Appendix 1: Notification Template, must be used to fulfill this Directive unless otherwise approved by the State Water Board and contents of Appendix 1 must be approved by the State Water Board prior to issuance. **The District must edit the wording of the notification template as necessary.** The notification must be completed in accordance with the following:

- By mail or direct delivery of the Public Notification to each customer served by the water system **and**;
- By one of the following secondary methods to reach persons not likely to be reached by mail or direct delivery;
  - By publication in a local newspaper, by delivery to community organizations or by posting in conspicuous public places served by the water system or on the internet. If the water system opts to issue the notice via internet website, the public notice must remain posted for a minimum of seven (7) consecutive days.

Section 64463.7 allows the District to utilize the **2023** Consumer Confidence Report to meet the requirement of notification within a one-year period. In addition to the required information for the Consumer Confidence Report, the District must include the following language in the Consumer Confidence Report: “We are required to monitor your drinking water for specific contaminants on a regular basis. Results of regular monitoring are an indicator of whether or not our drinking water meets health standards. During September 2023, we did not monitor for bacteriological quality from three of our groundwater sources, and therefore, cannot be sure of the quality of your drinking water during that time. Additionally, during September 2023, we did

not monitor for bacteriological quality in the distribution system in accordance with our approved plan, and therefore, cannot be sure of the quality of your drinking water during that time. Additionally, during October 2023, we did not monitor in accordance with our approved plan for repeat bacteriological samples for total coliform and therefore, cannot be sure of the quality of our drinking water during that time. Furthermore, we are also required to report to the State Water Board by the end of the day on which our water system is notified of the test result(s) for when the coliform criteria indicating a possible significant rise in bacterial count are reached or exceeded. The reporting of these test result(s) on time is important when determining if there is a significant rise in bacterial count. We did not report to the State Water Board of the raw E. Coli positive test result by the end of October 18, 2023.”

The District must determine which option will be used to conduct the secondary distribution of the notice and notify the State Water Board of their decision no later than **twenty (20) days prior to distribution.**

2. The District must update its bacteriological sample siting plan (BSSP). By **January 5, 2024**, the District shall submit an updated BSSP that meets the requirements of the California Revised Total Coliform Rule (RTCR) and Permit No. 04-07-05P-005, Condition Number 12. The BSSP template is attached to this Citation as Appendix 2.
3. Complete Appendix 3: Compliance Certification Form. Submit it together with a copy of the public notification required by Directive 1 to the State Water Board by **October 24, 2024.**



4. The District shall include these violations in the **2023** Consumer Confidence Report in accordance with CCR, Title 22, Section 64481(g)(1).
5. The District shall institute improved permanent internal control mechanisms to ensure that all raw water samples are collected in accordance with the monitoring requirements per Permit No. 04-07-05P-005 and the State Board-approved BSSP. The District shall also institute permanent internal control mechanisms to ensure that all routine and repeat distribution system bacteriological samples are collected in accordance with the approved BSSP. The District shall also institute permanent internal control mechanisms to ensure to notify the State Water Board by the end of the day on which the District is notified of the test result(s) for when the coliform criteria indicating a possible significant rise in bacterial count are reached or exceeded. By **February 12, 2024**, the District shall develop and submit a plan to improve its water quality monitoring and reporting program.
6. Provide on-going training to staff responsible for overseeing compliance with bacteriological monitoring and reporting requirements and to staff responsible for sample collection. By **April 8, 2024**, submit a letter listing the names of the trainees, contents of the training, and dates and locations of the training provided. If in-house training is used, information regarding experience and qualifications of the instructors must also be provided. The training content must be related to water quality monitoring, reporting, and notification requirements.
7. By **January 5, 2024**, complete and return to the State Water Board the "Notification of Receipt" form attached to this Citation as Appendix 4. Completion

of this form confirms that the District has received this Citation and understands that it contains legally enforceable directives(s) with due dates.

All submittals required by this Citation, unless otherwise specified in the directives above, must be electronically submitted to the State Water Board at the following address. The subject line for all electronic submittals corresponding to this Citation must include the following information: Water System name and number, citation number and title of the document being submitted.

Dmitriy Ginzburg, P.E.  
District Engineer, Hollywood District  
[Dwpdist07@waterboards.ca.gov](mailto:Dwpdist07@waterboards.ca.gov)

The State Water Board reserves the right to make modifications to this Citation as it may deem necessary to protect public health and safety. Such modifications may be issued as amendments to this Citation and shall be effective upon issuance.

Nothing in this Citation relieves the District of its obligation to meet the requirements of the California SDWA (CHSC, Division 104, Part 12, Chapter 4, commencing with Section 116270), or any regulation, standard, permit or order issued or adopted thereunder.

### **PARTIES BOUND**

This Citation shall apply to and be binding upon the District, its owners, shareholders, officers, directors, agents, employees, contractors, successors, and assignees.

### **SEVERABILITY**

The directives of this Citation are severable, and the District shall comply with each and every provision thereof notwithstanding the effectiveness of any provision.

### **FURTHER ENFORCEMENT ACTION**

The California SDWA authorizes the State Water Board to issue a citation or order with assessment of administrative penalties to a public water system for violation or continued violation of the requirements of the California SDWA or any regulation, permit, standard, citation, or order issued or adopted thereunder including, but not limited to, failure to correct a violation identified in a citation or compliance order. The California SDWA also authorizes the State Water Board to take action to suspend or revoke a permit that has been issued to a public water system if the public water system has violated applicable law or regulations or has failed to comply with an order of the State Water Board, and to petition the superior court to take various enforcement measures against a public water system that has failed to comply with an order of the State Water Board. The State Water Board does not waive any further enforcement action by issuance of this Citation.



Dmitriy Ginzburg

12/19/2023

Date

## **AGREEMENT NUMBER \_\_\_\_\_**

The parties to this Agreement are: the CITY OF PASADENA ("Pasadena"), a charter city duly incorporated under the laws of the State of California and KINNELOA IRRIGATION DISTRICT ("Kinneloa"), a special water district incorporated under the provisions of the Irrigation District Law (Division 11, Water Code), located at 1999 Kinclair Drive, Pasadena, California 91107; herein referred to individually as "Party" and collectively as "Parties".

### **RECITALS**

The Agreement is made with reference to the following facts, among others:

1. The Parties both operate water distribution systems and wish to operate their respective systems in a manner that provides maximum reliability for their customers.
2. The Parties are currently operating a 2-inch manual normally closed working interconnection at 3410 Fairpoint Street, by Pasadena's Murray Reservoir, installed under Agreement Number 16,549. The Parties desire to continue the operation of this existing interconnection facility. This interconnection delivers water from Kinneloa to Pasadena's Calaveras Zone and is currently supplied by Kinneloa's Vosburg Reservoir at an elevation of 1437.5 feet.
3. The Parties are currently operating a 4-inch manual normally closed interconnection at 2765 Kinneloa Canyon Road - Outpost West, installed under Agreement Number 16,591. The Parties desire to continue the operation of this existing interconnection facility. This interconnection delivers water from Pasadena to Kinneloa and is currently supplied by Pasadena's Calaveras Reservoir at an elevation of 1209 feet.
4. The Parties are currently operating a two-way 8-inch standby interconnection with a 2-inch low flow by-pass that will open automatically in case of an emergency at 3650 Ranch Top Road, installed under Agreement Number 16,549. The Parties desire to continue the operation of this existing interconnection facility. The interconnection delivers water from Pasadena to Kinneloa and is supplied by Pasadena's Don Benito Reservoir at an elevation of 1432 feet, and from Kinneloa to Pasadena and is supplied by Kinneloa's Vosburg Reservoir at an elevation of 1437.5 feet.
5. The Parties are currently operating a 6-inch standby interconnection at 3410 Fairpoint Street by Pasadena's Murray Reservoir for the purpose of delivering water from Kinneloa to Pasadena's Murray Zone as supplied by Kinneloa's Vosburg Reservoir at an elevation of 1437.5 feet. The interconnection will open automatically in case of an emergency.

6. The Parties are currently operating a 6-inch manual normally closed interconnection at 2999 New York Drive. The Parties desire to continue the operation of the existing interconnection. This interconnection can deliver water from Pasadena's Sheldon Reservoir at an elevation of 1050 feet to Kinneloa after a new meter is installed.
7. The Parties hereby set forth terms and conditions under which they shall continue operating the existing interconnection facilities and the proposed upgraded interconnection facilities between their water distribution systems.
8. This agreement shall supersede the existing Agreement Number 16,549.

## **AGREEMENT**

In consideration of the mutual covenants and conditions herein, the Parties agree as follows:

- 1. EFFECTIVE DATE AND TERM.** This Agreement shall become effective upon the later of the two signature dates appearing in Section 21 and shall continue in effect indefinitely unless terminated pursuant to Section 9 or by mutual agreement.
- 2. DEFINITIONS.** The following terms, when used in this Agreement with initial capitalization, whether in singular or the plural, shall have the following meaning:
  - 2.1 Agreement:** This document, all reference documents, and all amendments hereto.
  - 2.2 Interconnection Facility A:** The existing 2-inch interconnection located at 3410 Fairpoint Street by Pasadena's Murray Reservoir depicted as "Interconnection Facility A" on Exhibit 1, attached hereto and incorporated herein by this reference. This manual normally closed interconnection is used as a working interconnection to deliver water from Kinneloa to Pasadena.
  - 2.3 Interconnection Facility B:** The existing 4-inch interconnection located at 2765 Kinneloa Canyon Road - Outpost West in Pasadena depicted as "Interconnection Facility B" on Exhibit 2, attached hereto and incorporated herein by this reference. This manual normally closed interconnection is used as an emergency interconnection to deliver water from Pasadena to Kinneloa.
  - 2.4 Interconnection Facility C:** The existing two-way 8-inch interconnection with a 2-inch low flow by-pass at 3650 Ranch Top Road in Pasadena depicted as "Interconnection Facility C" on Exhibit 3, attached hereto and incorporated herein by this reference. This standby interconnection will open automatically in case of an emergency to deliver water from Pasadena to Kinneloa or from Kinneloa to Pasadena.
  - 2.5 Interconnection Facility D:** The existing 6-inch interconnection at 3410 Fairpoint Street by Pasadena's Murray Reservoir depicted as "Interconnection Facility D" on Exhibit 1, attached hereto and incorporated herein as reference. This standby interconnection will open automatically in case of emergency to deliver water from Kinneloa to Pasadena.
  - 2.6 Interconnection Facility E:** The existing 6-inch manual normally closed

interconnection located at 2999 New York Drive in Pasadena depicted as "Interconnection Facility E" on Exhibit 4, attached hereto and incorporated herein by this reference. This interconnection can deliver water from Pasadena to Kinneloa after a new meter is installed.

- 2.7 Operation and Maintenance Cost: This consists of well operating and/or booster pumping cost in dollars per acre-foot per 100 feet of lift incurred by either Party in producing and pumping water delivered to the interconnection facilities. Such expenses are limited to those listed and defined by the Uniform System of Accounts "Operation Expense Accounts for Class A Water Utilities" as "Source of Supply Expenses" and "Pumping Expenses" in the following categories only: (070100) and (072100) Operation Supervision and Engineering, (070600) and (072900) Maintenance Supervision and Engineering, (071100) Maintenance of Wells, (072400) Pumping Labor and Expenses, (072600) Fuel or Power Purchased for Pumping, and (073200) Maintenance of Pumping Equipment.
- 2.8 Uniform Systems of Accounts: "The Uniform System of Accounts for Water Utilities" prescribed by the Public Utilities Commission of the State of California, effective January 1, 1955, or the most recent version thereof.
- 2.9 Total Power, Operation, and Maintenance Cost for Wells: The average well Operation and Maintenance Cost (dollars per acre-foot) for the most recent period of record incurred by either Party in pumping and/or producing the water from wells.
- 2.10 Unit Cost of Pumped Water from Booster Plants: The average booster pump Operation and Maintenance Cost (dollars per acre-foot per 100 feet of lift) for the most recent period of record incurred by either Party in pumping the water delivered to the interconnection facilities.
- 2.11 Leased Groundwater Rate: The leased groundwater rate shall be the rate on file with the "Raymond Basin Management Board" during the period of delivering water pursuant to this Agreement.

### **3. OWNERSHIP, MAINTENANCE, & OPERATION OF INTERCONNECTION FACILITIES**

- 3.1 Kinneloa shall continue to maintain, operate, and own the existing Interconnection Facility A. Kinneloa shall be solely responsible for the compliance with all federal, state, county, and city laws, ordinances, and regulations; environmental laws; and industry safety standards that apply in the operation and maintenance of the interconnection facility.
- 3.2 Pasadena shall continue to maintain, operate, and own the existing

Interconnection Facility B. Pasadena shall be solely responsible for the compliance with all federal, state, county, and city laws, ordinances, and regulations; environmental laws; and industry safety standards that apply in the operation and maintenance of the interconnection facility.

- 3.3 Pasadena shall continue to maintain, operate, and own the existing Interconnection Facility C. Pasadena shall be solely responsible for the compliance with all federal, state, county, and city laws, ordinances, and regulations; environmental laws; and industry safety standards that apply in the operation and maintenance of the interconnection facility.
- 3.4 Kinneloa shall continue to maintain, operate, and own the existing Interconnection Facility D. Kinneloa shall be solely responsible for the compliance with all federal, state, county, and city laws, ordinances, and regulations; environmental laws; and industry safety standards that apply in the operation and maintenance of the interconnection facility.
- 3.5 Pasadena shall continue to maintain, operate, and own the existing Interconnection Facility E. Pasadena shall be solely responsible for the compliance with all federal, state, county, and city laws, ordinances, and regulations; environmental laws; and industry safety standards that apply in the operation and maintenance of the interconnection facility.
- 3.6 All components of the interconnection facilities and all related equipment shall be accessible to both parties at all times.
- 3.7 Either Party shall have the right to disconnect its water system from the other Party's system at any time if, in Party's sole discretion, continued operation of said interconnection facilities poses a hazard to safe and proper operation of its water system. Each Party shall give a written notice to the other party within 24 hours after disconnection.
- 3.8 Either Party may, at its expense, install and maintain telemetry equipment at the interconnection facilities.
- 3.9 Both Parties shall be responsible for maintaining accurate and up-to-date records concerning operation and maintenance of their respective interconnection facilities. Either Party shall have the right to review, audit, and reproduce such records at any time upon reasonable advance notice to the other Party.

#### **4. METERING**

- 4.1 Kinneloa shall, at its sole expense, meter all water delivered at the existing



Interconnection Facility A and the new Interconnection Facility D.

- 4.2 Pasadena shall, at its sole expense, meter all water delivered at the existing Interconnection Facilities B and C.
- 4.3 There is currently no metering by either party at Interconnection Facility E. Water delivered by Pasadena to Kinneloa at this location shall begin after the installation of a new meter.
- 4.4 Either Party may request a test of the other Party's meter at any time upon written notice. A qualified firm acceptable to both Parties shall conduct such test at a mutually agreed time. The Party requesting the test shall pay for the cost incurred by the other Party in performing the test. If such test shows the metering equipment to be defective or inaccurate by more than five percent, the Party that owns such meter shall make prompt repairs. The Parties shall, within 60 days after the repair is completed, estimate, and agree upon the actual amount of water that passed through the meters during the period of inaccuracy. Such adjusted amount shall be used in determining the total amount of water exchanged during the period of inaccuracy.

## **5. WATER SERVICE**

- 5.1 On demand by either Party, the other Party shall deliver water through the interconnections designated by the demanding Party in such quantity or as the demanding Party desires as provided in this Section 5.1. The responding Party shall furnish all the water so demanded or immediately notify the demanding Party in accordance with Section 19 that it cannot in whole or in part comply with the demand. Responding Party shall use reasonable efforts under the circumstances to comply with such demand.
- 5.2 Neither Party shall use water delivered pursuant to this Agreement other than for emergency purposes without written consent from the authorized representative of the Party delivering the water. Such written consent shall not be unreasonably withheld.
- 5.3 Responding Party shall inform demanding Party of any water quality parameter that does not meet California's Maximum Contaminant Level (MCL) or any water quality standards prior to delivery of water pursuant to this Agreement. Each Party assumes the risk that the other Party's water delivered through interconnections subject to this Agreement may not meet applicable MCL or other applicable water quality standards. Each Party shall have the right to reject water for delivery into its system, which does not meet said applicable standards. Each Party hereby waives any and all other rights and remedies against the other Party for breach of this

Agreement associated with failure to deliver such suitable quality water.

- 5.4 If there is a failure of Pasadena's pumping system to deliver water such that Pasadena is unable to maintain normal or emergency service to both Pasadena's customers and Kinneloa, Pasadena's customers shall have first priority to water produced by Pasadena pursuant to this Agreement.
- 5.5 If there is a failure of Kinneloa's pumping system to deliver water such that Kinneloa is unable to maintain normal or emergency service to both Kinneloa's customers and Pasadena, Kinneloa's customers shall have first priority to water produced by Kinneloa pursuant to this Agreement.

## **6. PAYMENTS AND BILLINGS**

- 6.1 No later than ten (10) days after the end of each calendar month during the term of this Agreement, each Party shall submit to the other a detailed written report on the transfer of water through the interconnection facilities during said calendar month. This report shall be in a form satisfactory to both Parties and shall include a tabulation of how much water was exchanged through the interconnection facilities and the total amount of water exchanged during said calendar month.
- 6.2 The Parties' authorized representatives and/or alternates designated pursuant to Section 10 hereof shall determine the total amount of water exchanged through the interconnection facilities. Such determination shall be documented to writing, signed by both authorized representatives, and maintained with the other records concerning the interconnection facilities provided in Section 3.
- 6.3 Each Party shall compensate for water received from the other Party in any given fiscal year pursuant to this Agreement by delivering an equivalent amount of water into the other Party's water distribution system through its' interconnection facilities. This return of water must be completed within the Watermaster year or within six months whichever is longer after receiving detailed report on the transfer of water through the interconnection facilities as provided in section 6.1. Any amount of water not returned within this period shall be paid in accordance with section 6.4, 6.5 or 6.6.
- 6.4 For Interconnection Facilities A and D, Pasadena shall pay for water delivered pursuant to this Agreement by transferring to Kinneloa Pasadena's Raymond Basin groundwater pumping rights (Pasadena's Rights) an equivalent to the amount of water delivered by Kinneloa; plus Pasadena's Rights equivalent to the cost incurred by Kinneloa in pumping

the water out of wells; plus Pasadena's Rights equivalent to the cost incurred by Kinneloa in pumping the water from the well discharge elevation of 960 feet to the Vosburg Reservoir elevation of 1437.5 feet.

- 6.5 For Interconnection Facilities B, C and E, Kinneloa shall pay for water delivered pursuant to this Agreement by transferring to Pasadena Kinneloa's Raymond Basin groundwater pumping rights (Kinneloa's Rights) an equivalent amount of water delivered; plus Kinneloa's Rights equivalent to the cost incurred by Pasadena in pumping the water out of wells; plus Kinneloa's rights equivalent to the cost incurred by Pasadena in pumping the water from the well discharge elevation of 945 ft. to the elevation of reservoir that supply water to the interconnection facility.
- 6.6 The groundwater rights in acre-foot equivalent to the cost incurred by either Party in pumping the water out of wells shall be computed by multiplying the amount of water delivered to the Total Power, Operation, and Maintenance for Wells (dollars per acre-foot) divided by the Leased Groundwater Rate (dollars per acre-foot). The groundwater rights in acre-foot equivalent to the cost incurred by either Party in pumping the delivered water shall be computed by multiplying the difference between the well discharge head elevation and the elevation of the reservoir that supply water to the interconnection, by the amount of water delivered to each interconnection facility by the Unit Cost of Pumped Water from Booster Plant (dollars per acre-foot per 100 ft. of head), and then dividing the resultant figure by the Leased Groundwater Rate.
- 6.7 Each Party shall submit a report to the other and to Raymond Basin Watermaster within 30 days of the close of the Raymond Basin Watermaster Year showing how much water has been furnished by each Party pursuant to this Agreement, a computation of each Party's pumping cost and the amount of Raymond Basin groundwater pumping rights in which each Party transfer to one another for said year.
7. **ARBITRATION OF DISPUTES.** Any controversy or claim under \$25,000 arising out of or relating to the provisions of this Agreement, or the breach thereof, shall be settled by Arbitration in accordance with the rules of the American Arbitration Association in the County of Los Angeles, California and judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.
8. **INDEMNITY.** Kinneloa shall indemnify, hold harmless and defend the City and its officers, agents and employees from all liability, loss, cost, and expense of any nature (in contract or tort, including personal injury, death at any time and

property damage), from any claims, actions, or suits in law or equity, to the extent arising out of the wrongful or negligent acts or omission of Kinneloa or its officers, agents, or employees in performing this Agreement. The City shall indemnify, hold harmless and defend Kinneloa and its officers, agents and employees from all liability, loss, cost, and expense of any nature (in contract or tort, including personal injury, death at any time and property damage), from any claims, actions, or suits in law or equity, to the extent arising out of the wrongful or negligent acts or omission of the City or its officers, agents or employees in performing this Agreement.

9. **DEFAULT AND TERMINATION.** In the event one Party defaults by failing to fulfill its obligation hereunder, either of the two Parties may declare a default and termination of this Agreement by written notice to the defaulting Party. Termination shall be effective on the date stated in the notice; provided that such termination shall not take effect sooner than thirty (30) days after personal service of such notice or if such default is remedied before the effective date of such termination stated in such notice. If this Agreement is so terminated for cause, the terminating Party shall be relieved of further liability and responsibility under the Agreement, or as a result of termination thereof, including payment of money, except for payment for services satisfactorily and timely performed or water delivered prior to the mailing or service of the notice of termination.
10. **AUTHORIZED REPRESENTATIVE.** Within 30 days after the date of this Agreement, each Party shall notify the other Party of the name of its Authorized Representative and one alternate. Each Party may change the designation of its Authorized Representative or alternate by written notice to the other party signed by the Authorized Representative, but not by the alternate. Each Authorized Representative shall be authorized to act on behalf of his or her respective Party in carrying out the terms of this Agreement; however, the Authorized Representative shall have no authority to amend, to modify or to waive any term or condition of this Agreement.
11. **SEVERABILITY.** In the event that any term, covenant, or condition of this Agreement or the application of any such term, covenant, or condition shall be held invalid as to any person, entity, or circumstance by any court having jurisdiction, such term, covenant, or condition shall remain in force and effect to the maximum extent permitted by the law, and all other terms, covenants, or conditions of this Agreement and their application shall not be affected thereby, but shall remain in force and effect unless a court holds that such provisions are not separable from all other provisions of this Agreement.
12. **NON-WAIVER.** None of the provisions of this Agreement shall be considered waived by a Party except when such waiver is given in writing. Neither Party's

waiver of one term or condition of this Agreement shall be deemed a waiver or breach of others, nor of subsequent breach of the one waived.

13. **ASSIGNMENT.** Neither Party shall assign this Agreement, in whole or in part or any of its interests hereunder, to any other person or entity, without the prior written consent of the other Party. Any attempt to transfer or assign this Agreement, or any privilege hereunder, without such written consent shall be void and confer no right on any person or entity that is not a Party to this Agreement.
14. **DEDICATION OF FACILITIES.** Nothing in this Agreement shall constitute a dedication of either Party's water distribution system, or any portion thereof, to or for the other Party or to the public.
15. **AMENDMENT.** This Agreement may be amended only by written instrument duly executed by both Parties.
16. **TITLES.** The captions and headings in this Agreement are inserted to facilitate reference and shall have no bearing upon the interpretation of any of the terms and provisions of this Agreement.
17. **GOVERNING LAW.** This Agreement shall be interpreted, governed by, and construed under the laws of the State of California or the laws of the United States, as applicable.
18. **RELATIONSHIP OF PARTIES**

18.1 This Agreement is solely for the benefit of Pasadena and Kinneloa. It shall not be construed as granting any expressed or implied right to any other persons, including the customer of either Party, or as imposing upon either Party any obligation to such other persons.

18.2 The covenants, obligations, rights, and liabilities of the Parties under this Agreement are intended to be several and not joint or collective, and nothing herein is intended to be construed to create an association, joint venture, trust, or to impose a trust or partnership covenant, obligation, or liability on or with regard to either of the Parties.

18.3 Each Party shall be individually responsible for its own covenants, obligations, and liabilities under this Agreement. Neither Party shall be under the control of the other Party nor be deemed to control the other Party.

18.4 No Party shall be the agent of or have the right or power to bind the other Party without its consent, except as expressly provided for in this Agreement.

- 19** ENTIRE AGREEMENT. This Agreement constitutes the entire Agreement and understanding between the Parties and supersedes all prior or contemporaneous understandings, negotiations, and agreements, whether written or oral.
- 20** NOTICES. Any notice required under this Agreement shall be in writing and shall be deemed properly given if delivered in person or sent by first class mail to the persons designated as follows:

To Pasadena:        Sidney Jackson, General Manager  
Pasadena Water and Power  
150    South Los Robles Avenue, Suite 200  
Pasadena, CA 91101

To Kinneloa:        Tom Majich, General Manager  
Kinneloa Irrigation District  
1999 Kinclair Drive  
Pasadena, CA 91107-1017

Notice given in person shall be effective upon delivery. Notice given by mail shall be effective upon receipt. Either Party may, by notice to the other Party, change the designation or address of the person specified above to receive notices on its behalf.

**21. SIGNATURE CLAUSE.** The signatories hereto represent that they have been appropriately authorized to execute this Agreement on behalf of the Party for whom they sign.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed on the date appearing below.

DATED:

CITY OF PASADENA

ATTEST:

By \_\_\_\_\_  
Miguel Márquez  
City Manager

\_\_\_\_\_  
Mark Jomsky  
City Clerk

KINNELOA IRRIGATION DISTRICT

DATED:

By \_\_\_\_\_  
Tom Majich  
General Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Lisa Hosey  
Assistant City Attorney

LAGERLOF, LLP

\_\_\_\_\_  
William F. Kruse  
Kinneloa Irrigation District Counsel

**WATER SAMPLE RESULTS SUMMARY  
DECEMBER 2023**

SAMPLE DATE	LAB	SOURCE OR DISTRIBUTION	TEST ANALYSIS	DESCRIPTION	# SAMPLES	# TESTS	RESULTS	COMMENTS
12/5/2023	Clinical	Distribution	Bacteriological	Total Coliform, E.Coli	6	12	ND	
12/5/2023	Clinical	Distribution	General Physical	Color, Odor, Turbidity	6	18	< MCL	Color, odor, turbidity are regulated by a secondary standard to maintain aesthetic qualities such as taste, smell, & appearance.
12/5/2023	Clinical	Distribution	Field	Chlorine Residual	6	6	1.29 - 1.79 mg/L	District permit requires Chlorine Residual to be > 0.5 mg/L.
12/5/2023	Clinical	Source*	Bacteriological	Total Coliform, E.Coli	7	14	2 Positives for Total Coliform 1 Positive for E. Coli	Eucalyptus Tunnel was postive for Total Coliform. Eucalyptus Tunnel has been offline since 4/7/2023. Hi Pressure Tunnel was postive for Total Coliform and E.Coli. Hi Pressure Tunnel has been offline since 10/18/2023.
12/19/2023	Clinical	Distribution	Bacteriological	Total Coliform, E.Coli	6	12	ND	
12/19/2023	Clinical	Distribution	Field	Chlorine Residual	6	6	1.27 - 1.48 mg/L	District permit requires Chlorine Residual to be > 0.5 mg/L.
12/19/2023	Clinical	Source	Bacteriological	Total Coliform, E.Coli	1	2	ND	
<b>Total Samples</b>					<b>38</b>	<b>70</b>		

**NOTES:**

\*All active tunnels were diverted to spreading on 12/01/2023.

< MCL = less than Maximum Contaminant Level, ND = not detected, mg/L = milligrams per liter