

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
SEPTEMBER 20, 2016**

MEMBERS PRESENT: Directors Eldridge, Griffith, Johnson, Kilburn
Director Opel was absent due to a prior commitment.

STAFF PRESENT: Melvin Matthews, General Manager
Chris Burt, Facilities Supervisor
Shirley Burt, Administrative Assistant & Secretary to the Board

CALL TO ORDER: The meeting was called to order by the Chairman, Director Kilburn, at 1930 hours. A quorum of Board Members was present.

PUBLIC COMMENT ON AGENDA ITEMS: The Board acknowledged receipt of a letter from Joe Lonergan and requested that the General Manager reply addressing Mr. Lonergan's concerns.

STATUS OF VOSBURG PUMP STATION REPLACEMENT PROJECT:

The **General Manager** reported that he and the District's Engineer had met with two representatives from R C Foster Corporation regarding P.C.O. 20. Documentation of various aspects of the project were discussed and the Contractor will consider and reply.

STATUS OF EAST TANK - WEST TANK CONNECTOR PIPELINE PROJECT:

The **General Manager** reported that equipment and materials had been brought to the site by the Contractor and that the initial breakup of the asphalt had begun.

Director Kilburn questioned whether daily logs were being kept and the **General Manager** replied in the affirmative.

REVIEW OF MULTI-YEAR FINANCIAL FORECAST, 2017 DRAFT BUDGET AND PROPOSED RATES:

The Board reviewed in detail the reports presented in the Agenda Packet:

- 10-year Actual and Forecasted Income and Expenses
- 2017 Budget Worksheet
- Proposed 2017 Budget
- Rate Survey of FMWD Agencies and the Cities of Sierra Madre and Pasadena

A lengthy question and answer discussion followed the review, and many concerns were expressed, among them:

- 1) Will the revenue continue at the current level to meet the needs of the District?
- 2) Is the District keeping up with general maintenance?
- 3) Is the amount estimated for legal expenses sufficient to meet the needs in view of the ongoing expenses with the Vosburg Project.

Director Kilburn requested that a list of needed maintenance projects be presented to the Board for their review.

Director Kilburn then questioned if any Board Member wished to make a motion.

It was M/S/C-(Eldridge/Johnson-3/1)

"That the Board approve the proposed rates of \$4.17 per unit for the Usage Charge and \$2.08 for the Daily Service Charge \$4.17 for the year 2017."

(Aye-Eldridge, Johnson, Kilburn/Nay-Griffith/Abstain-0)

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It was M/S/C-(Eldridge/Johnson-3/1)

“That the Board approve the Proposed Budget for the year 2017 as presented.”

(Aye-Eldridge, Johnson, Kilburn/Nay-Griffith/Abstain-0)

The **General Manager** stated that he will send a letter to all property owners and customers to notify them that a Public Hearing regarding the proposed rates will be held on November 15, 2016, at 7:30 P.M. at the District office.

Director Griffith declined to support the motions as he felt that certain information in the reports needed to be reviewed in more detail.

GENERAL MANAGER’S REPORT: The Report was reviewed by the Board and clarification of items was provided as requested.

REVIEW OF MINUTES: The minutes of August 16, 2016, were reviewed and approved for filing with the correction of two typographical errors.

REVIEW OF FINANCIAL REPORTS: The Financial Reports for August 31, 2016, were reviewed and approved for filing.

ITEMS FOR THE NEXT AGENDA:

Vosburg Pump Station Replacement Project Update
East Tank - West Tank Connector Pipeline Project Update
Maintenance Project List

ADJOURNMENT: The meeting was adjourned at 2128 hours. The next meeting will be on October 18, 2016, at 7:30 P.M.

Respectfully submitted,

Shirley Burt
Secretary to the Board