

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE KINNELOA IRRIGATION DISTRICT
APRIL 18, 2017**

MEMBERS PRESENT: Directors Tim Eldridge, Frank Griffith, Gordon Johnson, Bill Opel

MEMBERS ABSENT: Director Gerrie Kilburn

STAFF PRESENT: Melvin Matthews, General Manager
Chris Burt, Facilities Supervisor
Bernadette Allen, Administrative/Accounting Assistant

PUBLIC PRESENT: Terry Kerger, Don Murphy, Iliana Swick, Thomas Swick

CALL TO ORDER: The meeting was called to order by the Secretary, Director Eldridge, at 7:31 P.M. A quorum of Board Members was present. The Agenda was reviewed and no changes were requested.

PUBLIC COMMENTS: None

REVIEW OF MINUTES: The minutes of March 21, 2017, were reviewed. Director Opel requested a sentence added to the end of the Water Supply item: "In addition, the Board agreed to support projects in the future that are beneficial to the District, such as conservation initiatives and efforts to recharge the aquifer." With this edit, the minutes were approved for filing and posting on the web site.

SIERRA MADRE VILLA AND EAST BARHITE STREET PROJECT: The Board reviewed the General Manager's memo. The General Manager stated that the memo outlined the due diligence done in reviewing the bid, checking references and meeting with the foreman to walk the entire project. He summarized that the recommendation from staff is to award the contract to J.A. Salazar subject to an agreement with the Swicks and payment of the job deposit, which is their share of the project. Questions regarding project management, contract review, awarding of the contract procedures, allocation of costs and benefits to the District, difference in project estimate costs and actual bids were answered by the General Manager, Facilities Supervisor and engineer, Terry Kerger. Director Eldridge asked Mr. Swick if at this point, the project bid and contract are acceptable to him. Mr. Swick said yes, but expressed concern over the contract language regarding surprises and unexpected costs to be paid by the owner. Mr. Kerger stated that on the job walk with the contractor, they were careful to itemize potential surprises that were above ground, and the contractor confirmed that there did not appear to be any place where he had a reasonable expectation that he would be asking for change orders for additional costs, which included the possibility of materials in the soil that may be difficult to excavate. Mr. Swick also asked about the 5-year reimbursement policy and Director Griffith asked what date would apply. The General Manager confirmed that this 5-year reimbursement policy is part of our Rules and Regulations, and the applicable date is the job completion date. The final item discussed was the 10-Year Actual and Forecasted Income and Expenses sheet to show the cash flow if the project is undertaken.

It was M/S/C-(Johnson/Griffith-4/0)

"That the Board delegate authority to the General Manager to award the construction contract for the Sierra Madre Villa Avenue and East Barhite Street Pipeline Project to J.A. Salazar Construction & Supply Corp., based upon the bid dated March 10, 2017, in the amount of \$408,354.00, after the reimbursement agreement with Thomas Swick is executed. (Aye-Eldridge, Griffith, Johnson, Opel/Nay-0/Abstain-0)

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POLICIES AND PROCEDURES FOR BID PROCUREMENT, PURCHASING AND CONTRACT

MANAGEMENT: The Board reviewed the General Manager's memo. The information provided shows that there are procedures and contracts in place for projects. The General Manager stated that the staff has started a redline version of the next revision of the Rules and Regulations and the Board is welcome to contribute suggestions or changes. Director Johnson requested that when the Rules and Regulations are revised, that the attorney is consulted regarding what public contract code rules apply to the District. Director Griffith requested that there be a review for consistency regarding dollar amount break points. Director Opel pointed out a typographical error in Section 10.06E. No additional action was taken.

REPORT ON PUBLIC HEARING FOR CONSTRUCTION OF TWO NEW HOMES ON DOYNE ROAD:

The General Manager reported that he and Director Kilburn attended the public hearing on March 29, 2017. It was not a hearing on the homes. It was a hearing on a consolidation of 8 lots to 2 lots. The hearing did not address structures, permits or zoning. The request to consolidate the lots was approved by the L. A. County Regional Planning Commission.

WILCOX RESERVOIR BOOSTER 2 MOTOR REPAIR: The Facilities Supervisor stated that he did not have a cost estimate for repair. His discussion with the contractor did not yield a source for a licensed contractor to handle potential asbestos that may be found in the rewinding process. And, at this time, there is not an estimated cost to replace the motor and pump. The pump is currently not in use. Director Johnson said he would provide contact information for a contractor that may be licensed to handle asbestos. No action was taken pending additional information.

VILLA HEIGHTS ROAD PAVING: The General Manager recapped that the Villa Heights Paving is the last remaining portion of the East Tank – West Tank Connector Pipeline Project. It was not part of the original contract and Perry Thomas was prepared to submit a change order based upon the bid by Commercial Paving. Director Griffith and the North Kinneloa Ranch Property Owners' Association (NKRPOA), which is considering a more extensive paving project for the area, requested that no paving be done. As a courtesy, the paving was postponed. At this time, the District has a commitment to Mr. Kouladjian to repair the street. Director Griffith has been involved in getting estimates on behalf of the association. Director Griffith added that the NKRPOA prefers to use a different contractor, Mission Paving for the work.

The General Manager recommended that the District pay Mission Paving the amount of the Commercial Paving quote \$32,200. Director Griffith recommended that based upon his discussions with NKRPOA President, Paul Beach, the District pay the amount of \$33,000. Director Griffith made a motion:

“That the District will pay Mission Paving when the project is approved by the water district, \$33,000.”

The motion failed for lack of a second.

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VILLA HEIGHTS ROAD PAVING (Continued):

After further discussion regarding the agreement with Mr. Kouladjian, prior communication with NKRPOA, the obligation to the homeowners in the project area, and the value of the bid, it was M/S/F-(Griffith/Opel-2/2)

“That the Board delegate authority to the General Manager to pay Mission Paving \$33,000, contingent on signing a release of responsibility with Mr. Vartan Kouladjian and the North Kinneloa Ranch Property Owners’ Association for the completion of the paving for the East Tank - West Tank project.”

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

The motion failed for lack of a majority in support of the motion.

After further discussion on previous topics and including: completing the project paving as originally bid, the District procedures for bidding, the release of responsibility, the delay in completion of the project and contract with Perry Thomas,

it was M/S/C-(Griffith/Opel-3/1)

“That the Board delegate authority to the General Manager to pay Mission Paving \$32,200, contingent on signing a release of responsibility with Mr. Vartan Kouladjian and the North Kinneloa Ranch Homeowners’ Association for the completion of the paving for the East Tank - West Tank project.”

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

RESOLUTION IN SUPPORT OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES’ POLICY STATEMENT ON BAY-DELTA FLOW REQUIREMENTS:

The General Manager recommended that the Board support the Association of California Water Agencies’ Policy Statement on Bay-Delta Flow Requirements.

It was M/S/C-(Opel/Griffith-4/0)

“That the Board adopt Resolution 2017-04-18 In Support of the Association of California Water Agencies’ Policy Statement on Bay-Delta Flow Requirements.”

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

JOB DESCRIPTION UPDATE: The Board reviewed the General Manager’s memo and job lists that were provided by the staff. Director Opel requested clarification as to whether the personnel procedure in Appendix G:II.2 of the Rules and Regulations is operative or optional. If not operative, then he requested that the appendix be revised. The Board agreed to schedule a special meeting be held to discuss Appendix G.II. Personnel, 2. The General Manager will provide job descriptions in a standard format in advance of the special meeting. In the special meeting, the Board will review Appendix G.II. Personnel, 1-13 and, if necessary, revise this section.

GENERAL MANAGER’S REPORT: Discussion on items was provided as requested.

REVIEW OF FINANCIAL REPORTS: The Financial Reports for March 31, 2017, were reviewed and approved for filing as presented.

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POSSIBLE ITEMS FOR THE NEXT REGULAR MEETING AGENDA:

1. Further discussion regarding the Wilcox Reservoir Booster 2 Motor Repair
2. 2016 Audit

ADJOURNMENT: The next regular meeting will be on May 16, 2017, with closed executive session at 6:30 P.M. and open meeting at 7:30 P.M. Director Griffith stated that he will not be available for the meeting in June. The meeting was adjourned at 9:36 P.M.

Respectfully submitted by,



Bernadette C. Allen
Administrative/Accounting Assistant and Acting Secretary to the Board