

KINNELOA IRRIGATION DISTRICT

Special Meeting – Board of Directors
1999 Kinclair Drive, Pasadena, CA 91107
Tuesday, November 19, 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 gm@kidwater.info 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. **PUBLIC HEARING REGARDING PROPOSED 2025-2029 WATER RATES**
Recommended Action: Open public hearing; receive written and oral comments from the public; close public hearing.

4. **ADOPTION OF WATER RATES FOR 2025-2029**
Recommended Action: Discuss proposed water rates for calendar years 2025 through 2029; approve motion to adopt proposed water rates and direct the General Manager to update the District Rules and Regulations to reflect the new rates.

5. **REVIEW OF MINUTES** – October 22, 2024, Regular Meeting
Recommended Action: Review and approve motion to file.

6. **RESOLUTION 2024-11-19: REVISED RULES AND REGULATIONS OF THE KINNELOA IRRIGATION DISTRICT** –
Recommended Action: Review proposed Revision 13 dated November 19, 2024, of the District’s Rules and Regulations and approve Resolution 2024-11-19 to adopt and publish proposed Revision 13 with any changes identified in the discussion.

7. **INFORMATION ITEMS (items with * indicate that supporting documents are included)**
 - a. Water Loss Audit – October 2024*
 - b. Water Quality Testing Report – October 2024*
 - c. Fluoride Blending Permit Application Status
 - d. Winter Customer Newsletter Topics

8. GENERAL MANAGERS REPORT – Information item presented by the General Manager.

9. 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.

10. CALENDAR – Upcoming Meetings: December 17, 2024; January 28, 2025; February 25, 2025

11. ADJOURNMENT

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>.



NOTICE OF PUBLIC HEARING

To Consider Proposed Water Rate Increases

3 p.m. Tuesday, November 19, 2024
Kinneloa Irrigation District
1999 Kinclair Drive, Pasadena, CA 91107

The complete Water Rate Study report is available on the District website at www.kidwater.info

October 1, 2024

PUBLIC HEARING NOTICE
REGARDING PROPOSED WATER RATE INCREASES FOR 2025-2029

Pursuant to the requirements set forth in Article 13D of the California Constitution, we are notifying you that the Kinneloa Irrigation District's Board of Directors will consider establishing water rates for years 2025-2029, as described below, at a public hearing to be held at 3:00 p.m. on Tuesday, November 19, 2024. Information for participating in the meeting will be available by calling the office prior to the meeting and also on the District's website at <https://www.kinneloa Irrigation District.info/board-meetings>.

These rates will be applicable for water supplied to all parcels within the District's boundaries. The Board will consider oral and written comments from the public at this meeting prior to adopting any change in the District's rates. You may submit a written protest to the proposed rates at the address set forth above either prior to or at the public hearing. The Board of Directors has the authority to adjust the proposed water rate changes in response to oral testimony and written materials submitted for consideration, provided any adjustments cannot increase rates beyond those proposed in this Notice. If adopted, proposed water rate adjustments would become effective on January 1, 2025, with annual rate adjustments each January 1 through 2029.

Water sales revenue is the primary source of income to the District and this revenue is needed to provide funding for system improvements, preventative maintenance projects, and general operating costs. Regular rate studies are critical to the healthy operation of the District and are ideally conducted every 3-5 years. Utility systems must keep up with rising costs and be able to implement critical capital projects that are mandated or necessary for the health and safety of our customers. Performed regularly, water rate studies provide transparency into what the District can expect in the years ahead and ensure we have the financial resources to meet our budget, maintain our infrastructure, address existing and new state and federal regulations, and implement our Capital Improvement Plan (CIP). At its Regular Meeting of September 24, 2024, the Kinneloa Irrigation District Board of Directors adopted a new Water System Evaluation and Capital Improvement Plan. The Executive Summary of that Plan is included in this notice, the full document is available for viewing at the District's website.

Why Are Water Rate Increases Needed?

Water services are funded exclusively by the rates customers pay. While the District is dedicated to keeping water rates low by maintaining lean staffing and using reserves, when necessary, costs continue to rise. Similar to higher costs for most consumer goods, the District is impacted by rising costs to produce and store water, and for energy, fuel, equipment, parts, and labor. Per state law, revenues generated from rate increases must only be used to fund the actual costs to operate and maintain the water system including infrastructure projects and the cost of debt to finance capital improvement projects.

With no connection available to receive purchased imported water, the District relies exclusively on its well and tunnel production system. The District's water system is aging and needs upgrades and replacements to ensure reliable water service. Therefore, the District is proposing to invest more than \$11.5 million, over the next 10 years, in significant capital improvement projects (CIP), including water main replacements to meet fire flow requirements (\$5.5m), pump station rehabilitation (\$1.5m) and resiliency measures to maintain system functionality in the case of earthquakes and other disasters (\$600k).

With assistance from an independent consultant, a rate study was performed this summer to assess the District's revenue needs. A copy of its Executive Summary is included in this notice, the full document is available for viewing at the District's website or in the District's office. The proposed rates are determined based on the projected revenue needed to fund:

- Operations and Maintenance, such as producing water, labor, supplies, and equipment
- Substantial Capital Needs, such as large projects to repair/replace pipes, wells, pumping plants, and reservoirs.
- Debt Service to repay loans
- Reserves to meet minimum debt requirements and fund emergency or unplanned expenses.

Proposed Rate Recommendations

There are two components that make up the bill received every month

1. Daily Service Charge: Covers a portion of fixed costs that are not affected by water use, such as infrastructure, rehabilitation, system maintenance, and administration.
2. Water Usage Charge: Also known as commodity or volumetric rates based on how much water is consumed. The usage rate is the price per unit of water. A unit of water is 748 gallons, or one hundred cubic feet (CCF).

The updated Cost of Service analysis and the District’s total revenue needs per year result in the proposed water rate adjustments shown in the following tables. Customer rates and charges will differ depending on the meter size, and water use. All customers pay a daily service charge and a usage charge. The rates were developed to adhere to state law and to be fair to all customers.

Table 1: Proposed Daily Service Charge Schedule by Meter Size

Line	Meter Size	As of 1/1/24	Effective 1/1/25	Effective 1/1/26	Effective 1/1/27	Effective 1/1/28	Effective 1/1/29
1	3/4 inch	\$2.48	\$2.68	\$3.19	\$3.48	\$3.80	\$4.15
2	1 inch	\$2.48	\$2.68	\$3.19	\$3.48	\$3.80	\$4.15
3	1.5 inch	\$2.48	\$5.04	\$6.00	\$6.54	\$7.13	\$7.78
4	2 inch	\$2.48	\$7.87	\$9.37	\$10.22	\$11.14	\$12.15

Table 2: Proposed Water Usage Charge per CCF

Line	Usage Charge (\$/ccf)	As of 1/1/24	Effective 1/1/25	Effective 1/1/26	Effective 1/1/27	Effective 1/1/28	Effective 1/1/29
1	All customers	\$6.20	\$6.90	\$8.22	\$8.96	\$9.77	\$10.65

How Do I Protest the Proposed Rate Increases?

You have the right to protest the proposed water rate adjustments. The protest must be in writing, and it must be submitted by either the property owner or a current ratepaying tenant. It must include the KID property service address and/or the assessor’s parcel number, the eligible individual’s name (property owner or tenant), a statement to the effect of “I protest the proposed water rates,” and an original signature.

Written protests **may only be delivered** to one of the District courtesy mailboxes **or submitted by mail** to Board Secretary, Kinneloa Irrigation District, 1999 Kinclair Drive, Pasadena, CA 91107, **or in person** at the District’s office at 1999 Kinclair Drive, Pasadena, CA 91107, or during the Public Hearing at 3 p.m. on Tuesday, November 19, 2024. **All protests must be received by the District Board of Directors before the conclusion of the Public Hearing.** The Board will not accept or consider any protest received after the conclusion of the Public Hearing.

Only one written protest per affected property will be counted. Telephone, e-mail, and fax protests will not be accepted. At the Public Hearing at 3 p.m. on Tuesday, November 19, 2024, the Board of Directors will accept and consider all written protests and hear all oral comments on the proposed water rate changes. Oral comments will not be counted as protests unless accompanied by a written protest as outlined in this Notice.

At the conclusion of the Public Hearing, the Board of Directors will consider adopting the proposed changes as follows:

- (1) If fewer than a majority of property owners or ratepayers file a protest, the Board of Directors will consider adjusting water rates as proposed.
- (2) If a majority of affected property owners or ratepayers protest the proposed water rate adjustments before the conclusion of the Public Hearing, the District is prohibited by law from changing its water rates at this time.

Notice is further given that, should the District determine to adopt the rates for the Fees set forth herein, there is a 120-day statute of limitations to challenge the fees, which shall commence from the date the resolution adopting the fees is adopted, as further described in Government Code section 53759.

If adopted, the proposed water rates will take effect beginning January 1, 2025. The reasons for the rate adjustments, the basis upon which they were calculated, and the amount of the proposed water rates are described in more detail in the Water Rate Study Report, which is posted on the District's website and available at the District's main office, 1999 Kinclair Drive, Pasadena, CA 91107 between 8:00 a.m. and 5:00 p.m., Monday through Thursday. District staff can assist in answering questions about water rates, the rate study, or your bill.

Your billing and usage history are available online by registering your account at the District's website at <https://www.kinneloairrigationdistrict.info> or by phone upon request. The size of your water meter is noted on your monthly water bill, you may also call to confirm your meter size. The effect of this proposed rate increase on your monthly water bill can be offset by continuing your conservation efforts, by converting your outdoor irrigation and landscaping to California-friendly plants and by applying at <https://www.socalwatersmart.com> for rebates on appliances, weather-based irrigation controllers and other water saving devices.

Your Board of Directors, who are also customers of the District, is committed to keeping your water rates as low as possible and still provide a safe and reliable water supply and a superior emergency response capability. This increase is consistent with those goals.

Sincerely,

Kinneloa Irrigation District Board of Directors

Kinneloa Irrigation District • 1999 Kinclair Drive, Pasadena, California 91107-1017
Phone (626) 797-6295 • Fax (626) 608-3168 • E-mail: kid@kidwater.info
<https://www.kinneloairrigationdistrict.info>

KINNELOA IRRIGATION DISTRICT

Regular Meeting – Board of Directors
1999 Kinclair Drive, Pasadena, CA 91107
Tuesday, October 22, 2024, 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: Stephen Brown, William Opel, John Feliton

Via Teleconference: Timothy Eldridge

DIRECTORS ABSENT: Gordon Johnson

STAFF PRESENT: In-Person: Tom Majich-General Manager (GM), Chris Burt

PUBLIC PRESENT: none

1. **CALL TO ORDER:**

Chairman Brown 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.

Due to illness, Director Eldridge participated via teleconference through audio and visual technology from his home within District boundaries. Director Eldridge stated that no other person was in the room with him during the meeting.

2. **PUBLIC COMMENT:**

none

3. **REVIEW OF MINUTES:**

Subject to noted revisions to items 1, 6d, 8, 12 and 13, Director Brown motioned to approve the **September 22, 2024, Regular Meeting** Minutes for filing and was seconded by Director Feliton. It was motioned/seconded/carried unanimously – (Brown / Feliton – 4 Aye / 0 Nay / 0 Abstain / 1 Absent)

4. **REVIEW OF FINANCIAL REPORTS – AUGUST 2024:**

The General Manager presented the August 2024 financial reports. Director Brown motioned to approve the reports for filing and was seconded by Director Opel. It was motioned/seconded/carried unanimously – (Brown / Opel – 4 Aye / 0 Nay / 0 Abstain / 1 Absent)

5. **REVIEW OF FINANCIAL REPORTS – SEPTEMBER 2024:**

The General Manager presented the September 2024 financial reports. Director Opel motioned to approve the reports for filing and was seconded by Director Feliton. It was motioned/seconded/carried unanimously – (Opel / Feliton – 4 Aye / 0 Nay / 0 Abstain / 1 Absent)

6. INFORMATION ITEMS:

- a. The General Manager shared a water audit for the period of 8/23/24-9/28/24 indicating that 11.0% of water produced in that period was non-revenue generating while the calendar year to date loss is 14.57%.
- b. The General Manager provided a Water Quality Testing Report for September 2024
- c. The GM noted that discussion with the Division of Drinking Water (DDW) continues regarding the Fluoride blending proposal.
- d. The GM noted that that GIS field collection effort is nearing completion and that the Lead Service Line Inventory was submitted as required on 10/16/2024.
- e. The GM noted that the winter newsletter will be issued in mid-December and topics for inclusion will be discussed at the November meeting.
- f. The GM noted that various protests have been received regarding the proposed water rate adjustments and that District staff is working on a “Frequently Asked Questions” document that will be posted to the District website for customer information.

7. REVISIONS TO DISTRICT RULES AND REGULATIONS:

The Board discussed various revisions to the current version of the District Rules and Regulations proposed by the GM. The GM will prepare a redline version of the complete proposed revisions for review and approval at the November meeting. No action was taken.

8. REVISIONS TO DELEGATION OF AUTHORITY, ORGANIZATIONAL CHART AND APPROVED COMPENSATION RANGES:

The GM presented proposed revisions to the “Responsibilities and Delegation of Authority” document dated October 22, 2024 that includes a revised organizational chart and job titles. The GM also presented Proposed Compensation Ranges for 7/1/2024 through 6/30/2025. Subject to various noted revisions, Director Feliton motioned to approve adoption of the revised documents and was seconded by Director Brown. It was motioned/seconded/carried unanimously – (Feliton / Brown – 4 Aye / 0 Nay /0 Abstain/1 Absent)

9. AD HOC PERSONNEL COMMITTEE REPORT:

Director Brown reported that the Ad Hoc Personnel Committee has not met since the last meeting.

10. AD HOC FINANCE COMMITTEE REPORT:

Director Opel reported that the ad hoc committee (Directors Opel and Eldridge) met with the General Manager to review an updated 2024 budget forecast based on actual revenue and expenses through September. Based on supply chain delays for materials the GM proposed that \$75,000 budgeted for line item 1504 “Water Mains/Valves” be reallocated to line item 1522 “Booster Pumps” for calendar year 2024. Director Opel motioned to approve the budget reallocation and was seconded by Director Feliton. It was

motioned/seconded/carried unanimously – (Opel / Feliton – 4 Aye / 0 Nay /0 Abstain/1 Absent)

11. GENERAL MANAGER’S REPORT:

The General Manager presented the monthly report on District activities, water supply and production. A year-to-date summary of the Watermaster Year ending September 2025 was reviewed.

12. UPCOMING MEETINGS:

Director Feliton motioned to adjourn the Regular meetings scheduled for November 26, 2024 and December 24, 2024 and schedule Special Meetings for November 19, 2024 and December 17, 2024, and was seconded by Director Brown. It was motioned/seconded/carried unanimously – (Feliton / Brown – 4 Aye / 0 Nay /0 Abstain/1 Absent)

13. DIRECTOR REPORTS AND/OR COMMENTS:

None

14. CALENDAR:

Upcoming Meetings: November 19, 2024; December 17, 2024; January 28, 2025.

15. ADJOURNMENT:

Chairman Brown adjourned the meeting at 5:10 P.M.

Prepared and submitted by,

Tom Majich, General Manager



KINNELOA IRRIGATION DISTRICT

RULES AND REGULATIONS

Adopted
April 20, 1999

Revision 1312
July 21, 2020 November 19, 2024

Kinneloa Irrigation District

RULES AND REGULATIONS

The District was formed under the provisions of the **Irrigation District Act, Division 11 of the Water Code of the State of California**. The District's functions include the acquisition, control, conservation, storage and distribution of water for the beneficial use of inhabitants and water users within the District. The Water Code authorizes the District to establish rules and regulations governing its operations. The District has determined that it is in its best interest to adopt the following policies, rules and regulations regarding the operation of the District and the provision of water service.

ARTICLE 1: DISTRICT OBJECTIVES

The mission of the District is to deliver safe and reliable water in a sustainable and cost-efficient manner to meet our customers' essential needs. ~~strives to make available the highest quality water at the lowest possible cost.~~ The District intends to serve all property within District boundaries, provided, however, that the Board may consent to other entities providing service within its boundaries on a case-by-case basis. In furthering these objectives, the District is governed generally by the following guidelines:

1.01: OPERATIONS

To operate the water supply, treatment, storage and distribution facilities so as to provide the most economical and dependable service possible.

1.02: PLANNING

To meet existing and future demands for water service through sound planning and design after careful study, taking steps necessary to manage water as a sustainable resource.

1.03: COSTS

To establish such rates, charges, fees and assessments necessary to meet the costs of providing service and to equitably allocate such costs.

ARTICLE 2: SCOPE OF POLICIES, RULES AND REGULATIONS

The Board of Directors adopts these policies, rules and regulations with respect to the operation of the District and the provision of water service. The Board has the right to amend, change and supplement these rules at any time.

2.01: SEVERABILITY

If any policy, rule or regulation contained herein shall be found to be unenforceable, such decision shall not affect the remaining portions of these policies, rules and regulations.

2.02: APPLICABILITY

These policies, rules and regulations apply to the Board, all District personnel and any persons obtaining utility service from the District.

ARTICLE 3: DEFINITIONS

Unless the context specifically indicates otherwise, the following terms shall, for the purposes of these policies, rules and regulations have the following meanings:

A. Applicant: Any person or entity applying to the District for water service.

B. Board: Board of Directors of the Kinneloa Irrigation District.

reports shall be submitted by Board members within a reasonable time, not to exceed thirty (30) days after incurring the expense.

- E. Report on Events Attended: Each Board member who attends a Compensable Event, other than a Board meeting or Board committee meeting, at the expense of the District shall give at the next regular Board meeting a brief report (oral or written, at the Board member's discretion) of the event attended. If multiple Directors attend the same event a joint report may be made.
- F. Reporting of Expenditures: To implement the reporting requirements of **Government Code Section 53065.5**, the District will prepare an Annual Disclosure Report, and list the amount and purpose of each expense reimbursement of \$100 or more made to each Board member for the preceding fiscal year, which will be available to the public and posted on the District's website.

4.06: MEETINGS OF THE BOARD

Regular meetings of the Board shall be held on the ~~fourth~~^{third} Tuesday of each month, at 3:00 p.m., at the District's office, or at such other time and place as the Board may determine. When a regular meeting falls on a holiday, as may be designated from time to time by the Board, such meeting shall be held on the next business day, or other day as determined by the Board.

4.07: SPECIAL MEETINGS

Special meetings of the Board shall be held at a time and place as may be designated by the presiding officer or by a majority of the members of the Board upon notice of such meeting received by, or personally delivered to, each Board member at least 24 hours prior to such special meeting. The notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meeting by the Board. Such notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the Board Clerk a waiver of notice. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.

4.08: EMERGENCY MEETINGS

In the case of emergency involving matters upon which prompt action is necessary due to the disruption or threatened disruption of water service of the Water Works System, a special meeting may be held without complying with the 24-hour notice requirement. A majority of the Board may determine that an emergency exists. All other special meeting requirements must nonetheless be met. Additionally, the minutes of such emergency special meeting shall list those persons notified or who were attempted to be notified. A copy of the roll call vote on any actions taken at such meeting shall be publicly posted for at least 10 days as soon after the meeting as possible. A closed session cannot be conducted at an emergency meeting.

4.09: ADJOURNED MEETINGS

The Board may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Meetings having less than a quorum of the Board may so adjourn from time to time. If all members are absent from any regular or adjourned regular meeting, the Board Clerk may declare the meeting adjourned to a stated time and place and shall cause a written notice of the adjournment to be given in the same manner as provided for special meetings, unless such notice is waived. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held, within 24 hours after the time of adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings.

that may be detrimental to either the Consumer, the District or to the District's other Consumers.

5. When the District has discovered that a Consumer has obtained service by fraudulent means, or has diverted the water service for unauthorized use, the service to that Consumer may be discontinued without notice. The District will not restore service to such Consumer until that Consumer has complied with all applicable rules and reasonable requirements of the District and the District has been reimbursed for the full amount of the service rendered and the actual cost to the District incurred by reason of the fraudulent use.

C. Restoration of Service: In order to resume or continue service that has been disconnected, the Consumer must pay a reconnection charge as set forth under **Article 8.03F(1)**. The District will endeavor to make reconnections as soon as practicable, to suit the Consumer's convenience; however, the District shall make the reconnection before the end of the next regular working day following the Consumer's request and payment of any applicable reconnection charges pursuant to **Article 8.03F(1)**.

8.06: CHANGES IN METER SIZE, LAND USE OR INCLUSION OF ADDITIONAL LAND AREA

The owner of a property who desires a change in meter size or location of such meter, or changes substantially the type of land use (such as residential to commercial), or wishes to include adjacent land areas not served at the time of the original commencement of service, shall make a request in writing and, if approved by the District, shall pay various costs and charges as set forth below.

A. Charges for changing meter size with no upgrading of service line:~~a Smaller Meter: If the desired meter size is the next smaller size meter than the current size, the Owner~~ The Owner will be charged for the actual cost for parts and labor to install a new meter, no credit will be provided for the removed meter. ~~will not be charged for a new regular connection for the desired meter size as set forth in Article 7.05.~~

B. Charges for a Larger Meter with upgrading of Service Line: If the desired meter size is larger than the current size, and the service line is required to be upgraded to meet the service demand of the larger meter, the Owner shall pay the full current charges for a new regular service connection for the desired meter size as set forth in **Article 7.05**, less any credit on the removed meter.

C. Charges for Change in Meter Location: If the Consumer desires a change in location of the meter, the Consumer shall pay for the actual costs incurred by the District.

D. Change in Land Use: The Consumer/property owner shall notify the District of any change in the character or use of the property or buildings from that for which the service connection was originally obtained. If a residential property is to be reclassified or used as commercial or industrial, or a commercial property is to be reclassified or used as industrial, the owner shall pay any additional charges that may be applicable by reason of the reclassification. In all cases the determination of the property's zoning classification or use will be final, subject to an appeal to the Board.

E. Inclusion of Additional Land Area: The Consumer/property owner shall notify the District of any additional land area or adjacent lots not served at the time of original commencement of service that are to be served from the existing service connection.

8.07: WATER CONSERVATION

The purpose of this rule is to ensure that water resources available to the District are put to a reasonable beneficial use and that the benefits of the District's water supply and service extend to the largest number of persons.

- B. Master Plan: In cases where the total area to be developed covers more than one tract, a master plan of the entire area shall be furnished by the developer.
- C. Request for Statement of Water Availability: Upon written request by the developer to the District, and upon approval by the Manager of the proposed water system improvements required to serve the development, including any overseeing or off-site facilities required by the District, the District will provide the developer with a letter regarding water availability to the development. Such letter shall expressly condition water service upon the terms set forth in the letter and upon the completion in accordance with the plans and specifications and acceptance by the District of all system improvements required by the District in connection with the development.
- D. Plan Check Fees: The District shall charge and collect a fee for checking plans for parcel maps and subdivisions, as set forth on **Appendix C**.
- E. Compliance with Government Code Section 65589.7: The district will give priority to new developments which include housing units affordable to lower income households should it become necessary for applications for new service connections to be restricted in the future due to unforeseen and unanticipated water supply interruptions in accordance with Resolution 2006-11-21 adopted by the Board of Directors on November 21, 2006.

10.02: CIRCULATING WATER SYSTEM

In order to preserve water quality and to conserve water, the District will approve the design of and subsequently accept only project water systems for subdivisions, apartment complexes, etc. which provide not only for full circulation for each water main within the system but also each water main within the system must be connected to active mains of each end of said system main to provide two separate sources of supply.

- A. Project Street Patterns: Designers and planners should develop street patterns for projects under their jurisdiction which permit installation of fully circulating water systems.
- B. Off-Site Improvements: Where necessary, the District shall construct off-site facilities as required to provide a fully circulating water system. The developer shall pay for the facilities and obtain and subsequently convey to the District such easements as may be necessary for installation of such off-site facilities.
- C. Easements Required: Where street patterns cannot reasonably be designed to accommodate circulating systems, or for other reasons deemed valid by the District, easements shall be granted to the District for circulating mains to enable District to have access to such facilities for repair or replacement. Where necessary, the developer shall provide access easements between public ~~right-of-ways~~rights-of-way and the circulating water main easements. Any easements provided there under shall be in accordance with District policy regarding easements, as set forth in **Article 11.05**.

10.03: SELECTION OF CONTRACTOR FOR INSTALLATION

The District must approve any contractor who will perform work on District facilities, or on facilities intended to become a part of the District’s water works system. The District shall advise the Developer, in advance of construction of water system improvements, of its selection of a contractor for the construction of on-site and off-site facilities. All work will be performed in accordance with applicable law governing construction of public works, and in accordance with the District's Bid Procurement Policy, attached hereto as **Appendix J**. The Developer will not be allowed to perform work on the on-site or off-site facilities without written authorization by the District.

10.04: APPROVAL OF MATERIALS

The District must approve all materials necessary for the water system improvements.

2. A written offer to sell or lease for park and recreational or open space purposes shall be sent:
 - a. To the park or recreation department of the city where the land is located;
 - b. To the Los Angeles County Parks and Recreation Department;
 - c. To the regional park authority having jurisdiction where the land is located;
 - d. To the State Resources Agency or any agency succeeding to its powers.
 3. A written offer to sell or lease for enterprise zone purposes shall be sent to the nonprofit neighborhood enterprise association in the area where the land is located.
 4. A written offer to sell or lease shall be made to the public school district where the land is located.
- C. Fair Market Value: The District shall dispose of any surplus District land for its fair market value. Where necessary, an appraisal by a qualified appraiser shall be utilized to determine fair market value.
- D. Good Faith Negotiations: After any entity specified in paragraph B above has notified the District in writing, within 60 days of receipt of the District's notification of intention to sell the land, of its interest in acquiring or leasing the land, the District and such entity shall enter into good faith negotiations for sale or lease. If the price or terms cannot be agreed upon after a negotiation period of at least 60 days, the District may dispose of the land to any interested party, in the Board's discretion.
- E. Exempt Surplus Land: The requirements set forth in this **Article 12.01** shall not apply to District surplus lands which are exempt. Exempt surplus land is land which is:
1. Less than 5,000 square feet in area;
 2. Less than minimum legal residential building lot size;
 3. Has no access of record and is less than 10,000 square feet in area.
- Provided, however, that such surplus land is not contiguous to land owned by a state or local agency used for park, recreational, open space or low- and ~~moderate income~~ moderate-income housing and is not located within an enterprise zone. Provided further, that unless such exempt surplus land is sold to an owner of property contiguous to the surplus land, it is not considered exempt for purposes of this Article.
- F. Appraisal: Where a sale of District land is consummated, the District and the buyer shall share appraisal costs equally. Where the District is willing to sell but the buyer elects not to buy, the buyer shall pay the full cost of appraisal, which cost shall be retained from the buyer's deposit. Where the buyer is willing but the District elects not to go forward with the sale, the District shall pay the full cost of appraisal.
- G. Deposit: All offers to be considered by the Board shall be accompanied by a deposit in the amount of 10% of the proposed purchase price.
- H. Broker's Fees: Brokerage fees shall be paid as agreed upon by the parties.
- I. Escrow: The District and the buyer shall share escrow fees equally. The District will provide the buyer with a policy of Title Insurance at District expense.
- J. Down Payment: The minimum down payment shall be 25% of the purchase price, unless modified by the Board.

RATES AND CHARGES FOR WATER SERVICE

Effective ~~December 19, 2019~~ January 1, 2025

Service Charge: The service charge is a standby or "readiness to serve" charge and does not provide for any minimum water consumption allowance. Quantity charges are applicable to all water consumption in addition to the service charge.

The charge is variable by meter size as follows: The charge is \$2.27 per day or \$69.05 per average month.

	Effective Date	Effective Date	Effective Date	Effective Date	Effective Date
METER SIZE	01/01/25	01/01/26	01/01/27	01/01/28	01/01/29
3/4 inch	\$ 2.68	\$ 3.19	\$ 3.48	\$ 3.80	\$ 4.15
1 inch	\$ 2.68	\$ 3.19	\$ 3.48	\$ 3.80	\$ 4.15
1-1/2 inch	\$ 5.04	\$ 6.00	\$ 6.54	\$ 7.13	\$ 7.78
2 inch	\$ 7.87	\$ 9.37	\$ 10.22	\$ 11.14	\$ 12.15

Quantity or usage rate for regular customers: The rate charged by the District for water consumption is per the table below, rates are \$4.56 per 100 cubic feet (CCF).

	Effective Date	Effective Date	Effective Date	Effective Date	Effective Date
METER SIZE	01/01/25	01/01/26	01/01/27	01/01/28	01/01/29
all sizes	\$ 6.90	\$ 8.22	\$ 8.96	\$ 9.77	\$ 10.65

Quantity rate for temporary service: The rate charged by the District for water consumption is per the table below, rates are \$9.12 per 100 cubic feet (CCF) with a minimum charge of \$100.00. A meter deposit, as set forth in **Article 9.01A** is required to establish service.

	Effective Date	Effective Date	Effective Date	Effective Date	Effective Date
METER SIZE	01/01/25	01/01/26	01/01/27	01/01/28	01/01/29
all sizes	\$ 13.80	\$ 16.44	\$ 17.92	\$ 19.54	\$ 21.30

RESERVE POLICY FUNDING GUIDELINES AND TARGET LEVELS For Calendar Year 2025

Fund*	Purpose	Target Range	Criteria	Type of Investment Account**
Operating	Cash flow variations due to seasonality and other factors	\$100,000- \$200,000 <u>\$446,781</u>	1-2 Months of Operating Expenses <u>25% of Annual Operating Expenses</u>	General Fund Checking or Savings Account
Emergency	Unexpected repair or replacement of facilities or equipment	\$200,000- \$400,000 <u>\$500,000</u>	5%-10% of Fixed Assets**** <u>Net Replacement Cost of a major asset</u>	Short to Medium Term
<u>Capital</u>	<u>Cash availability for planned Capital Improvement Projects</u>	<u>\$1,375,279</u>	<u>100% of five-year average annual CIP costs</u>	<u>Short to Medium Term</u>
<u>Replacement</u>	<u>Planned maintenance, rehabilitate or replace existing facilities, equipment and vehicles</u>	\$200,000- \$400,000	<u>Planned Maintenance Schedule with a Minimum of 5% of Fixed Assets****</u>	<u>Medium Term</u>
<u>Rate Stabilization</u>	<u>Minimize rate increases in future years to provide the current level of service</u>	<u>\$212,700</u>	<u>10% of Rate Revenue</u>	<u>Short to Medium Term</u>
<u>Improvement***</u>	<u>Capital improvement projects and facilities</u>	\$500,000- \$4,500,000	<u>Projects from the Master Plan or Other Planning Documents</u>	<u>Medium to Long Term</u>
Total Target Range		\$1,000,000- \$5,500,000 <u>\$2,534,760</u>		

*Unless specifically restricted by Board action, all reserves in these funds are unrestricted and unassigned and may be spent for purposes authorized by the Board.

**All accounts are to be insured and/or considered "low-risk" by regulatory authorities. Currently the District's reserve funds are in accounts at Well Fargo Bank, N.A., and Local Agency Investment Fund (LAIF) ~~and Investment Trust of California (CalTRUST).~~

~~***-It is the intent of the Board to fund capital improvement projects from reserves. However, if the planned project is deemed to be too large to fund from reserves, the Board will determine the most appropriate funding alternatives such as direct borrowing, issuance of capital improvement bonds, etc.~~

~~****The Board acknowledges that the cost for replacement of existing facilities, equipment and vehicles will exceed the original cost in most cases and that the value of the property and equipment on the District's balance sheet after depreciation does not represent the total replacement cost of its assets.~~

RESOLUTION 2024-11-19

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KINNELOA IRRIGATION DISTRICT
REVISING THE RULES AND REGULATIONS POLICY MANUAL**

WHEREAS, this District has previously established a Rules and Regulations policy manual governing the conduct of the business affairs of the District; and

WHEREAS, the Board periodically revises the Rules and Regulations to conform to current laws, rates and policies of the District; and

WHEREAS, the Board wishes to revise the Rules and Regulations previously published on July 21, 2020.

NOW THEREFORE, IT IS RESOLVED that the Board adopts Revision 13 of the Rules and Regulations as the policy manual in conducting the business affairs of the District; and

RESOLVED FURTHER, that the General Manager is directed to publish Revision 13 of the Rules and Regulations on the District’s Internet site and provide a printed copy at the office for public inspection.

PASSED, APPROVED AND ADOPTED THIS NINETEENTH DAY OF NOVEMBER 2024.

SIGNED: _____
Stephen Brown, Chair

ATTEST: _____
Gordon Johnson, Secretary

System Water Loss Audit - October 2024

Subeca Read Date	9/25/24	10/28/24				
Subeca Read Time	9:22	8:27			Variance	
	Level	Level	Variance	Gal/Foot	Gallons	
Eucalyptus Reservoir	17.58	17.34	(0.24)	8,410.00	(2,018.40)	
Sage Tank	21.55	20.57	(0.98)	10,000.00	(9,800.00)	
West Tank	21.63	21.62	(0.01)	22,124.00	(221.24)	
Wilcox Reservoir	17.57	19.15	1.58	65,739.00	103,867.62	
Holly East	21.41	20.04	(1.37)	6,388.00	(8,751.56)	
Holly West	16.58	15.43	(1.15)	7,610.00	(8,751.50)	
Glen Reservoir	13.72	14.27	0.55	7,812.00	4,296.60	
Brown Reservoir	14.44	15.10	0.66	7,812.00	5,155.92	
Vosburg Reservoir	13.40	13.26	(0.14)	22,800.00	(3,192.00)	
East Tank	20.38	17.72	(2.66)	6,976.00	(18,556.16)	
			TANK VOLUME CHANGE		62,029	gallons
			TOTAL GROUNDWATER PRODUCED		24,240,779	gallons
				PWP IMPORT	335,104	gallons
				PWP EXPORT	(1,359,864)	gallons
			NET SYSTEM DEMAND		23,153,990	gallons
					30,955	CCF
				Metered Sales	27,204	CCF
				Loss	3,751	CCF
				Loss	2,805,398	gallons
				Loss %	12.1%	
			Previous Month Loss%		11.0%	
			YTD System Demand		221,633	
			YTD Metered Sales		190,098	
				YTD Loss %	14.23%	

**WATER SAMPLE RESULTS SUMMARY
OCTOBER 2024**

SAMPLE DATE	LAB	SOURCE OR DISTRIBUTION	TEST ANALYSIS	DESCRIPTION	SAMPLES #	# TESTS	RESULTS	COMMENTS
10/7/24	Clinical	Distribution	Bacteriological	Total Coliform, E.coli	6	12	ND	
10/7/24	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.
10/7/24	Clinical	Distribution	Field	Chlorine Residual	6	6	1.10 - 1.59 mg/L	District permit requires Chlorine Residual to be > 0.5 mg/L.
10/7/24	Clinical	Distribution	Fluoride	Fluoride	6	6	1.0 - 2.0 mg/L	CA Fluoride MCL is 2.0 mg/L.
10/7/24	Clinical	Source*	Bacteriological	Total Coliform, E.coli	2	4	ND	1st week sources tested are groundwater wells - Kinneloa #3 Well & Wilcox Well.
10/7/24	Clinical	Title 22 - Sources	Fluoride	Fluoride	2	2	1.1 - 1.8 mg/L	CA Fluoride MCL is 2.0 mg/L. Sources tested were Kinneloa #3 & Wilcox Well.
10/21/24	Clinical	Distribution	Bacteriological	Total Coliform, E.coli	6	12	ND	
10/21/24	Clinical	Distribution	Field	Chlorine Residual	6	6	1.18 - 1.47 mg/L	District permit requires Chlorine Residual to be > 0.5 mg/L.
10/21/24	Clinical	Source*	Bacteriological	Total Coliform, E.coli	5	10	3 positives	Groundwater source-tunnels are tested during the 3rd week of the month. Eucalyptus Tunnel, Hi Pressure Tunnel, and House Tunnel all tested positive for TC and E.coli < 1. All these tunnels have been diverted to spreading since 12/1/2023.
10/21/24	Clinical	Title 22 - Sources	Fluoride	Fluoride	5	5	1.6 - 2.7 mg/l	CA Fluoride MCL is 2.0 mg/L. Sources tested were Eucalyptus Tunnel, Far Mesa Tunnel, Delores Tunnel, Hi Pressure Tunnel, and House Tunnel. Far Mesa Tunnel and House Tunnel tested above 2.0 mg/l.

Total Samples 50 81

NOTES:

*All source groundwater tunnels were diverted to spreading on 12/01/2023. Delores Tunnel turned was into the system on 5/01/2024. < MCL = less than Maximum Contaminant Level, ND = not detected, mg/L = milligrams per liter, ug/L = micrograms per liter, A = Absence