

KINNELOA IRRIGATION DISTRICT

Regular Meeting – Board of Directors
1999 Kinclair Drive, Pasadena, CA 91107
Tuesday, June 18, 2019
3:00 P.M.

AGENDA

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. **2018 AUDIT** – Final Draft of 2018 Financial Statements and Independent Auditor’s Report to be presented by General Manager and Egan & Egan, Certified Public Accountants
Recommended Action: Review and approve motion to publish with any corrections identified in the discussion
4. **REVIEW OF MINUTES** – April 16, 2019 and May 21, 2019 minutes
Recommended Action: Review and approve motion to file with any corrections
5. **REVIEW OF FINANCIAL REPORTS** – May 31, 2019 financial reports
Recommended Action: Review and approve motion to file
6. **GENERAL MANAGER’S REPORT** – Information item presented by General Manager
Recommended Action: General Manager to summarize the report and respond to questions
7. **WATER MAIN IMPROVEMENT PROJECTS** – General Manager to present proposal from Civiltec Engineering for preparation of plans and specifications and bidding documents for the Brown/Glen Replacement Pipeline Project
Recommended Action: Discuss proposal and approve motion to accept proposal
8. **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.
9. **CALENDAR** – July 16, 2019
August 20, 2019
September 17, 2019

10. 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>.

**KINNELOA IRRIGATION DISTRICT
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2018 AND 2017**

AND INDEPENDENT AUDITORS' REPORT

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**KINNELOA IRRIGATION DISTRICT
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DECEMBER 31, 2018 AND 2017**

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**KINNELOA IRRIGATION DISTRICT
BOARD OF DIRECTORS AND DISTRICT PERSONNEL
DECEMBER 31, 2018 AND 2017**

BOARD OF DIRECTORS

<u>NAME</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Gerrie Kilburn	Chairman	2019
Gordon Johnson	Treasurer	2021
Timothy Eldridge	Secretary	2019
Frank J. Griffith	Director	2021
William Opel	Director	2019

MANAGEMENT PERSONNEL

Melvin L. Matthews General Manager

OFFICE PERSONNEL

Bernadette Allen Accounting Assistant

FIELD PERSONNEL

Chris Burt Facilities Supervisor

Brian Fry Facilities Operator

**KINNELOA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018 AND 2017**

Management's discussion and analysis of the financial performance of Kinneloa Irrigation District (the "District") provides an overview of the District's financial activities for the fiscal year ended December 31, 2018. Please read it in conjunction with the District's financial statements, which begin on page 9.

FINANCIAL HIGHLIGHTS

The District's operating revenues, consisting primarily of water sales, increased by 3.3% to \$1,690,731 as compared to 2017 operating revenues of \$1,636,661. The increase is primarily the result of the rate increase in January 2018.

Total operating, maintenance, administrative and general expenses including depreciation decreased by 16% to \$1,263,701 as compared to \$1,505,483 in 2017. The net decrease is primarily due to the change of estimate due to GASB 68. A schedule of expenses is presented on page 24.

DESCRIPTION OF BASIC FINANCIAL STATEMENTS

The District operates as a utility enterprise and its annual report consists of a series of financial statements presented on the full accrual basis of accounting. The Balance Sheets and the Statements of Revenues, Expenses and Changes in Net Position provide information about the District as a whole and present a longer-term view of the District's finances.

DESCRIPTION OF OPERATIONS

The District provides water to 587 retail customers in a service area that includes a portion of the unincorporated Los Angeles County that is east of Altadena and an adjacent portion of the City of Pasadena. The District also sells excess groundwater when available to the City of Pasadena on a wholesale basis.

The District obtains its water from two vertical wells and five horizontal wells. These sources are sufficient to meet customer demand except in periods of extreme drought or other emergency. The District has five interconnections with the City of Pasadena municipal water system which allow either agency to supply water to the other agency under emergency conditions.

More information about the Kinneloa Irrigation District can be found on our Internet site at <http://www.kinneloairrigationdistrict.info>.

**KINNELOA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018 AND 2017**

CONDENSED FINANCIAL INFORMATION

The following condensed financial information provides an overview of the District's financial activities for the year ended December 31, 2018 and 2017.

	<u>2018</u>	<u>2017</u>
ASSETS AND DEFERRED OUTFLOWS		
Current assets	\$ 2,299,748	1,941,999
Capital assets, net	5,612,230	5,889,007
Deferred outflows of resources	99,141	21,181
Total assets and deferred outflows of resources	<u>\$ 8,011,119</u>	<u>7,852,187</u>
LIABILITIES AND DEFERRED INFLOWS		
Current liabilities	\$ 189,909	169,414
Noncurrent liabilities	2,006,232	2,200,456
Deferred inflows of resources	36,648	83,822
Total liabilities and deferred inflows of resources	<u>2,232,789</u>	<u>2,453,692</u>
NET POSITION		
Investment in capital assets	5,612,230	5,889,007
Unrestricted	166,100	(490,512)
Total net position	<u>5,778,330</u>	<u>5,398,495</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 8,011,119</u>	<u>7,852,187</u>

Capital and other assets – The change in capital and other assets is net of a decrease in capital and other assets less current year's depreciation of \$332,812.

Net position – The net position increased from the prior year due to the current year's excess of revenues over expenses. Unrestricted net assets consist of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

**KINNELOA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018 AND 2017**

CHANGES IN NET POSITION

	<u>2018</u>	<u>2017</u>
Total operating revenues	\$ 1,690,731	1,636,661
Total non-operating revenues	<u>24,095</u>	<u>16,953</u>
Total revenues	1,714,826	1,653,614
Total operating expenses	1,263,701	1,505,483
Total non-operating expenses	<u>71,290</u>	<u>75,916</u>
Total expenses	<u>1,334,991</u>	<u>1,581,399</u>
Change in net position	379,835	72,215
Net position, beginning of year	<u>5,398,495</u>	<u>5,326,280</u>
Net position, end of year	<u>\$ 5,778,330</u>	<u>5,398,495</u>

Revenues – Retail water sales by volume increased to 615 acre-feet as compared to 594 acre-feet in 2017 and the total operating revenue increased to \$1,690,731 from \$1,636,661 due to an increase of rates in January 2018 and the increased water sales.

The District also received \$36,703 in non-operating revenue from interest on its temporary investments and a refund from JPIA. The District's temporary investments at year end were \$2,063,236 and \$1,667,327 in 2018 and 2017, respectively. The District has identified \$4,212,000 in future projects in its Water Master Plan. The temporary investments will be used for some of these projects and also provide an operating reserve in accordance with the District's reserve policy.

Expenses – The District's operating and maintenance expenses increased by \$89,949 in 2018 as compared to 2017. This increase is due primarily to increases in operating payroll expenses. The District's administrative and general expenses decreased by \$316,975 due primarily to changes in estimate relating to GASB 68. A schedule of these expenses is provided on page 24.

**KINNELOA IRRIGATION DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018 AND 2017**

BUDGET ANALYSIS AND VARIANCES

Revenue from water sales for 2018 was \$1,690,731 as compared to the budgeted amount of \$1,485,000 for retail and wholesale water sales. The budgeted revenue was based on the actual amount from the previous year, adjusted for rate changes and/or expected new service connections for the year. However, water usage by volume increased for 2018 despite a significant educational campaign on conservation measures. Therefore, the District’s revenue was significantly higher in 2018. Total revenue for 2018 was \$1,714,826 as compared to the budgeted amount of \$1,495,000.

Overall, for 2018, the net operating income before depreciation was \$712,647, as compared to the budgeted amount of \$212,217. Capital and planned maintenance projects in the amount of \$56,035 were completed as compared to the budgeted amount of \$81,500. The cash reserve at year end was \$2,063,236 which is in the target range of \$1,000,000 to \$5,500,000 established by the Board in the Reserve Policy Funding Guidelines in the District’s Rules and Regulations. Each year the District budgets amounts for capital projects and planned maintenance projects based on its expected operations and available reserves. In 2018, the major projects and equipment purchases included water main and valve replacements, SCADA equipment and water meters.

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CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets – At December 31, 2018 and 2017, the District had investments in land, water rights, buildings, wells and distribution systems, machinery and equipment as follows:

	<u>2018</u>	<u>2017</u>
Land	\$ 96,700	96,700
Water rights	52,060	52,060
Buildings, wells and distribution system	9,500,288	9,482,141
Machinery and equipment	<u>889,384</u>	<u>851,496</u>
 Totals	 <u>\$ 10,538,432</u>	 <u>10,482,397</u>

**KINNELOA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018 AND 2017**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Average inflation as measured by the consumer price index for all urban consumers in the Los Angeles area was 3.1% for the 12 months ended December 2018 and the current average rate for 2019 is 2.7%.

General economic conditions improved in 2018 and is expected to improve at a moderate pace in 2019. Although water service is considered a necessity, the continued efforts of our customers to increase water use efficiency consistent with the restrictions and regulations imposed by the State of California and the County of Los Angeles may cause a further reduction in volumetric sales. The increase in sales in 2018 was attributed to the drought in the first part of the year and the hot weather during the summer; however, normal rainfall returned in the last three months of the year and the annual rainfall in the 2018-2019 season was above average. The District anticipates that an increase in rates will probably be needed in future years to maintain water sales revenue.

In 2019, the District plans to continue capital improvement projects included in the District's Water Master Plan and planned maintenance projects using available cash reserves rather than using an installment purchase agreement or other financing.

To continue our high-priority time-critical capital improvement and planned maintenance projects, the Board of Directors approved a budget for 2019 that produces a net operating surplus near zero. However, favorable results to budget will allow additional projects to be completed.

The Board approved a 3% rate increase for 2019 to maintain the current level of water sales revenue in case there is a decline in volumetric sales or an inflationary increase in expenses. Wholesale water sales are budgeted in 2019 to offset any possible decline in retail water sales.

Although weather will continue to play a significant role in determining retail water sales for 2019, other factors such as drought regulations make it increasingly difficult to forecast volumetric sales. However, we will continue to have the option of selling surplus water to the City of Pasadena if there is significant rainfall in 2019 and/or if there is a decline in retail sales due to greater conservation efforts. These factors when combined make it difficult to know the effect on the District's operations in 2019. Fortunately, the District has the flexibility to adjust expenditures for capital improvements and planned maintenance to meet the overall budget objectives for 2019.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our purveyors, customers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report, or need additional financial information, contact the District's finance office at 1999 Kinclair Drive, Pasadena, CA 91107. Current and archived documents of the Kinneloa Irrigation District can also be found on our Internet site at <http://www.kinneloa Irrigation District.info>.

EGAN & EGAN
CERTIFIED PUBLIC ACCOUNTANTS
1545 N. COLUMBUS AVENUE
GLENDALE, CA 91202
(877) EGAN 4 US EGANCPA.COM

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Kinneloa Irrigation District
Pasadena, California

We have audited the accompanying financial statements of Kinneloa Irrigation District (the "District") as of December 31, 2018 and 2017 and the related notes to the financial statements which collectively comprise the District's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles, this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kinneloa Irrigation District as of December 31, 2018 and 2017, the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

U.S. generally accepted accounting principles require that the management's discussion and analysis supplementary information on pages 2 to 6 and the Schedules of District's Proportionate Share of the Plan's Net Pension liability and Contributions to the Pension Plan on pages 25 and 26 and be presented to supplement the basic financial statements be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Operating Expenses on page 24 is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Operating Revenues and the Schedule of Operating Expenses are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May __, 2019 in our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

June __, 2019

**KINNELOA IRRIGATION DISTRICT
STATEMENTS OF NET POSITION
DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current assets		
Cash and cash equivalents	\$ 776,921	393,403
Temporary investments		
Cash, restricted as to use	1,286,315	1,273,924
Receivables		
Customer receivables	185,347	222,975
Prepaid expenses	31,165	31,697
Materials and supplies	<u>20,000</u>	<u>20,000</u>
Total current assets	2,299,748	1,941,999
Capital assets, net of accumulated depreciation	5,612,230	5,889,007
Deferred outflows of resources		
Deferred amounts from pension plan	<u>99,141</u>	<u>21,181</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ <u>8,011,119</u>	<u>7,852,187</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
Current liabilities		
Current portion of installment purchase contract	\$ 133,574	128,854
Accounts payable and accrued expenses	35,244	25,924
Accrued payroll and payroll taxes	19,936	14,381
Customer deposits	<u>1,155</u>	<u>255</u>
Total current liabilities	189,909	169,414
Installment purchase contract, net of current portion	1,734,903	1,868,536
Net pension liability	<u>271,329</u>	<u>331,920</u>
Total liabilities	2,196,141	2,369,870
Deferred inflows of resources		
Deferred amounts from pension plan	36,648	83,822
Net position		
Invested in capital assets, net of related debt	5,612,230	5,889,007
Unrestricted	<u>166,100</u>	<u>(490,512)</u>
Total net position	<u>5,778,330</u>	<u>5,398,495</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ <u>8,011,119</u>	<u>7,852,187</u>

The accompanying notes are an integral part of the financial statements.

**KINNELOA IRRIGATION DISTRICT
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Operating revenues		
Water sales and service fees	\$ <u>1,690,731</u>	<u>1,636,661</u>
Operating expenses		
Operating and maintenance	700,293	610,344
Administration and general	230,596	547,571
Depreciation	<u>332,812</u>	<u>347,568</u>
Total operating expenses	<u>1,263,701</u>	<u>1,505,483</u>
Operating income	<u>427,030</u>	<u>131,178</u>
Non-operating revenue and expense		
Interest	25,858	13,010
Interest expense	(71,290)	(75,916)
Unrealized loss	(12,608)	-
Other income	<u>10,845</u>	<u>3,943</u>
Net non-operating revenue and expense	<u>(47,195)</u>	<u>(58,963)</u>
Change in net position	379,835	72,215
Net position, beginning of year	<u>5,398,495</u>	<u>5,326,280</u>
Net position, end of year	<u>\$ <u>5,778,330</u></u>	<u><u>5,398,495</u></u>

The accompanying notes are an integral part of the financial statements.

**KINNELOA IRRIGATION DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

Cash flows from operating activities:	<u>2018</u>	<u>2017</u>
Cash received from customers	\$ 1,728,359	1,558,996
Cash payments to employees for services	(393,240)	(350,511)
Cash payments for services and goods	<u>(522,242)</u>	<u>(713,942)</u>
Net cash provided by operating activities	<u>812,877</u>	<u>494,543</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(56,035)	(448,164)
Net cash used (provided) for pension liabilities	(185,725)	104,474
Principal paid on installment purchase agreement	(128,913)	(124,285)
Customer deposits	900	(3,645)
Other non-operating loss, net	(1,763)	3,943
Interest expense paid	<u>(71,290)</u>	<u>(75,916)</u>
Cash used by capital and related financing activities	<u>(442,826)</u>	<u>(543,593)</u>
Cash flows from investing activities:		
Interest received	<u>25,858</u>	<u>13,010</u>
Net increase (decrease) in cash and cash equivalents	395,909	(36,040)
Cash and temporary investments, beginning of the year	<u>1,667,327</u>	<u>1,703,367</u>
Cash and temporary investments, end of the year	<u>\$ 2,063,236</u>	<u>1,667,327</u>
SUMMARY OF BALANCE SHEET CASH and CASH EQUIVALENTS		
Cash	\$ 776,921	393,403
Temporary investments, restricted as to use	<u>1,286,315</u>	<u>1,273,924</u>
Total cash	<u>\$ 2,063,236</u>	<u>1,667,327</u>

The accompanying notes are an integral part of the financial statements.

**KINNELOA IRRIGATION DISTRICT
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018	2017
Reconciliation of operating income to net cash operating activities:		
Operating income	\$ 427,030	224,133
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	332,812	347,568
Increase in receivables	37,628	(77,665)
(Increase) decrease in prepaid expenses	532	(5,953)
Increase (decrease) in accounts payable and accrued expenses	14,875	6,470
Net cash provided by operating activities	\$ 812,877	494,553

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The accompanying notes are an integral part of the financial statements.

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Kinneloa Irrigation District (the "District") is a special district organized in 1953 under the provisions of Division 11 of the Water Code of the State of California. The District delivers water to the residents in a specific area of Los Angeles County, northeast of the City of Pasadena. This District is not a subdivision of a larger governmental organization.

The District is governed by an elected Board of Directors. At December 31, 2018, the Board of Directors were as follows:

<u>Name</u>	<u>Title</u>
Gerrie Kilburn	Chair
Gordon Johnson	Treasurer
Timothy Eldridge	Secretary
Frank J. Griffith	Director
William Opel	Director

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental enterprise funds. The more significant policies reflected in the financial statements are summarized as follows:

a. Basis of Presentation and Measurement Focus

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs of providing water to its customers on a continuing basis be financed or recovered, primarily through user charges (water sales and services) or similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses are generated and incurred through the water sales activities to the District's customers. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

In accordance with U.S. GAAP, the Balance Sheet reports separate sections for Deferred Outflows of resources, and Deferred Inflows of Resources, when applicable.

b. Deferred Outflows of Resources

Represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources

Represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, will not be recognized as revenue until that time.

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

**NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
continued**

c. Net Position

The financial statements utilize a net position presentation. Net position is categorized as follows:

Net Investment in Capital Assets – This component of net assets consists of capital assets, net of accumulated depreciation and reduced by any debt outstanding against the acquisition, construction or improvement of those assets.

Unrestricted – This component of net position consists of net assets that do not meet the definition of restricted or net investment in capital assets.

d. Utility Plant

Utility plant is stated at cost. The District capitalizes applicable overhead costs in connection with self-constructed assets. Depreciation of all exhaustible utility plant is charged as an expense in the accompanying statements of income. Depreciation is provided over the estimated useful lives of the asset using the straight-line method. Estimated useful lives are as follows:

	<u>Number of Years</u>
Water system	5 to 50
Autos and trucks	3 to 5
Office equipment	5 to 10
Office and production facilities	10 to 40

e. Restricted Assets

The Board of Directors has designated a portion of the District's cash and cash equivalents to be maintained for future capital improvements.

f. Uncollectible Accounts

The District's management estimates that accounts receivable are collectible. Unpaid water accounts receivable become a lien on the property and must be paid upon the sale of the property.

g. Cash and Cash Equivalents

The District defines cash and cash equivalents as demand account balances, cash on hand and money market accounts.

The District invests cash in excess of its operating requirements primarily with the State Treasurer's Local Agency Investment Fund (LAIF) and CalTrust, a money market account.

h. Materials and Supplies

Materials and supplies are stated at cost and consist of expendable supplies held for consumption or future additions to Utility Plant.

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

**NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
continued**

i. Concentration of Credit Risk

The District's receivables are from consumers within a specific geographic area.

j. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

k. Budgetary Process

Each year, the District adopts a budget which provides for its general operations. Budgets are prepared on the accrual basis of accounting. The District follows these procedures in establishing the budget for the fiscal year:

- i. Formal budgetary integration is employed as a management control device during the year for the operations.
- ii. The Board approves the total budget for the year for the District. The Board is authorized to make any budget adjustments during the year.
- iii. Unused appropriations lapse at the end of the year unless extended into the subsequent year by a vote of the Board of Directors.

l. Income Taxes

The District is exempt from income taxes under provisions of the Internal Revenue Code and related California statutes; accordingly, no provision for income taxes is required.

m. Compensated Absences

It is the District's policy to permit employees to accumulated paid time off for either vacation or illness in accordance with the limits expressed in its employee handbook. Upon termination, retirement or death of an employee, the District pays eligible accrued time in a lump-sum payment to the employee or beneficiary. Accumulated paid time off is recorded as an expense and a liability at the time the benefit is earned.

n. Operating Revenues and Expenses

Operating revenues, principally water sales, are charges for services resulting from exchange transactions associated with the principal activity of the District and billed monthly. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues result from non-exchange transactions or ancillary activities in which the District gives or receives value without directly receiving or giving equal value in exchange.

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

**NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
continued**

o. Property taxes

The Constitution of the State of California, Article 13A, limits the District's ability to levy taxes on property within the District. Taxes may be imposed upon the vote of a two-thirds vote of the qualified electors of the District. Such taxes would be limited for a specific purpose such as bond indebtedness or improvements to the water system.

p. Subsequent Events

The District has evaluated subsequent events through the date at which the financial statements were available to be issued, which was June __, 2019. No material subsequent events required disclosure.

NOTE 2. CASH AND CASH EQUIVALENTS

At December 31, 2018 and 2017 cash and cash equivalents consist of:

	<u>2018</u>	<u>2017</u>
Insured with financial institutions	\$ 776,921	393,403
Local Agency Investment Fund ("LAIF")	122,548	120,494
Uninsured and uncollateralized	<u>1,163,767</u>	<u>1,153,430</u>
	<u>\$ 2,063,236</u>	<u>1,667,327</u>

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

NOTE 2. CASH AND CASH EQUIVALENTS, continued

The District is a voluntary participant in LAIF, which is regulated by California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The District invests in CalTrust, a Joint Powers Authority established by public agencies in California for the purpose of pooling and investing local agency funds. A Board of Trustees, comprised of experienced investment officers and policy-makers of the members, supervises and administers the investment program of the Trust. CalTrust invests in fixed income securities eligible for investment pursuant to California Government Code. Investment in CalTrust accounts are uninsured and uncollateralized.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The District manages its exposure to interest rate risk by participating in LAIF.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District does not believe a credit risk exists from its deposits with LAIF.

NOTE 3. CAPITAL ASSETS

Capital asset activity for the years ended December 31, 2018 and 2017 was as follows:

	2018			
	Balance January 1	Additions	Transfers	Balance December 31
Land	\$ 96,700			96,700
Water rights	52,060			52,060
Buildings, wells and distribution system	9,482,141	18,147		9,500,288
Machinery and equipment	851,496	37,888		889,384
	10,482,397	56,035		10,538,432
Less accumulated	(4,593,390)	(332,812)		(4,926,202)
Total capital assets	\$ 5,889,007	(276,777)		5,612,230

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

NOTE 3. CAPITAL ASSETS, continued

2017					
		Balance January 1	Additions	Transfers	Balance December 31
Land	\$	96,700			96,700
Water rights		52,060			52,060
Buildings, wells and distribution system		8,347,247	421,217	713,677	9,482,141
Machinery and equipment		824,549	26,947		851,496
Construction in progress		713,677		(713,677)	-
		10,034,233	448,164		10,482,397
Less accumulated		(4,245,822)	(347,568)		(4,593,390)
Total capital assets	\$	5,788,411	100,596		5,889,007

NOTE 4. INSTALLMENT PURCHASE AGREEMENT

During the year ended December 31, 2015, the District entered into a \$2,300,000 installment purchase agreement ("the Agreement") to provide funds for the construction and acquisition of a booster pump station and connector pipelines. The Agreement requires semi-annual payments of principal and interest of \$100,101. Future annual debt service is as follows:

Year ended December 31,		Installment Payments	Interest	Total Debt Service
2019	\$	133,574	66,628	200,202
2020		138,467	61,735	200,202
2021		143,538	56,664	200,202
Thereafter		1,452,898	248,715	1,701,613
	\$	1,868,477	433,742	2,302,219

NOTE 5. PENSION PLAN

Plan Description

The District contributes to the State of California Public Employees Retirement System ("PERS"), an agent multi-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by statute and city ordinance. Copies of PERS' annual financial report may be obtained from their offices or through their web site.

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

NOTE 5. PENSION PLAN, continued

All full time employees are eligible to participate as members of PERS. Benefits vest after five years of service. District employees are eligible to retire upon attaining age 60. Annual retirement benefits are determined based upon the age at retirement, the length of membership service and the amount of earnings based upon the highest twelve consecutive months' average.

Benefits Provided

Active participants are required to contribute 7% of their annual covered salary. The District is required to contribute at an actuarially determined rate. The contribution requirements of plan members and the District are established and may be amended by PERS.

	<u>Prior to January 1, 2013</u>	<u>On or after January 1, 2013</u>
Hire Date	12/31/12	01/01/13
Benefit formula	2% @ age 60	2% @ age 62
Benefit vesting schedule	50	52
Benefit payments	Monthly for life	Monthly for life
Retirement age	50	52
Monthly benefits, as a % of eligible comp	2%	2%
Required employee contribution rates	7%	6.25%
Required employer contribution rates	6.89%	6.73%

Contributions

California Public Law requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. Funding contributions are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarial determined rate and the contribution rate of employees.

Net Pension Liability, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of December 31, 2018 the District reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ <u><u>271,329</u></u>

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

NOTE 5. PENSION PLAN, continued

The District's net pension liability for the Plan is measure as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2018, and the total pension liability for the Plan was determined by an actuarial valuation as of June 30, 2018.

The District's proportionate share of the net pension liability for the Plan as of the reporting period ending December 31, 2018 and 2017 was as follows:

	<u>Miscellaneous</u>
Proportion - December 31, 2017	0.00692%
Proportion - December 31, 2018	0.00720%
Change - Increase	0.00028%

For the year ended December 31, 2018, the District recognized pension expense of \$85,463. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between actual and expected experience	\$ 10,410	3,543
Change in assumptions	30,932	7,580
Change in employer's proportion and differences between the District's contributions and the District's proportionate share of contributions	56,457	25,525
Differences between projected and actual earnings on Plan investments	1,342	
	\$ 99,141	36,648

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2019	\$ 57,032
2020	14,784
2021	(6,883)
2022	(2,440)
2023	-
Thereafter	-
	\$ 62,493

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

NOTE 5. PENSION PLAN, continued

Actuarial Assumptions and Methods

The actuarial valuation is computed using the entry age normal actuarial cost method. The actuarial assumptions include: (a) an investment rate of return of 7.15% compounded annually, (b) projected annual salary increases that vary by duration of service, and (c) payroll cost-of-living adjustments of 2.75%.new The rates used in (a) and (b) are compounded annually at 3%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. Initial unfunded liabilities are amortized over a specific period that depends upon the plan's date of entry into PERS. Subsequent plan amendments are amortized as a level percentage of projected payroll over a closed 20-year period. The District does not have an unfunded liability.

Discount Rate

CalPERS used a 7.15% discount rate to determine the total pension liability for the year ended December 31, 2018 and 2017. The District relies upon the actuarial analysis performed by CalPERS actuaries for the reasonableness of this discount rate.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u> %	<u>Real Return Years 1 - 10</u> %	<u>Real Return Years 11+</u> %
Global Equity	50.0	4.80	5.98
Fixed Income	28.0	1.00	2.62
Inflation Assets	0.0	0.77	1.81
Private Equity	8.0	6.30	7.23
Real Assets	13.0	3.75	4.93
Liquidity	1.0	0.00	-0.92
	<u>100.0</u>		

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

NOTE 5. PENSION PLAN, continued

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

	Discount Rate		
	Less 1% - 6.15%	Current - 7.15%	Plus 1% - 8.15%
Proportionate Net Pension Liability	\$ <u>455,719</u>	<u>271,329</u>	<u>119,118</u>

The District relies upon CalPERS to compute the liability using an expected long-term rate of return. The following presents the District's proportionate share of the net pension liability calculated using the discount rate for the Plan and what the District's proportionate share would be if it was calculated using a discount rate that is one percent lower and one percent higher:

NOTE 6. INSURANCE POOLS

The District is a member of the Joint Powers Insurance Authority ("JPIA"), which pools together members of the Association of California Water Agencies for the purpose of paying group property, general liability and workers' compensation claims. Premiums are remitted directly to the JPIA by its members. The property portion is entirely self-funded, and the general liability self-funded portion is capped at \$5,000,000. Excess liability insurance in the amount of \$55,000,000 has been purchased by the Authority, bringing the total liability coverage to \$60,000,000.

To date, the District and its counsel are not aware of any material claims incurred through the period ended December 31, 2018, regarding these insurance plans. The District does not anticipate the need for a reserve for IBNR.

NOTE 7. CONTINGENCIES AND COMMITMENTS

Contingencies

The District is the subject of certain claims and assessment arising in the normal course of its operations. Management of the District does not believe that the resolution of these matters will have a material adverse effect on the District's financial condition.

Contingencies

The District is subject to water usage requirements of the State of California. The District's primary source of water is from groundwater wells and its water rights are sufficient to meet customer demand under normal conditions. Interconnections with the City of Pasadena are used for supplemental water in the event of an operational emergency. The District is also a member agency of the Foothill Municipal Water District which is a wholesale supplier of imported water from the Metropolitan Water District of Southern California.

The accompanying financial statements do not include the effects, if any, should the District be required to import additional water to meet demand.

SUPPLEMENTARY INFORMATION

DRAFT

**KINNELOA IRRIGATION DISTRICT
SCHEDULE OF OPERATING EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Operating & Maintenance		
Power	\$ 127,199	122,814
Purchased water	63,135	-
Labor	184,342	164,121
Engineering	4,770	10,955
Maintenance and repairs	33,403	28,159
Water analysis	22,540	15,108
Outside contractors	114,816	129,294
Truck maintenance and fuel	19,931	12,889
Insurance	107,722	93,945
Watermaster	10,740	11,039
Other	11,695	22,020
	<u>700,293</u>	<u>610,344</u>
	\$ <u><u>700,293</u></u>	<u><u>610,344</u></u>
Administrative and General		
Administrative salaries	\$ 134,291	130,064
Office labor	93,934	61,425
Payroll taxes	30,644	26,627
CalPERS retirement	27,756	28,499
CalPERS change in estimates	(174,306)	197,419
Outside services	28,996	27,980
Legal fees	8,425	2,205
Professional dues	10,644	10,608
Board meetings	5,000	5,200
Office expense	27,035	29,440
Telephone, internet	9,206	8,477
Accounting fees	6,750	6,750
Permits and operational fees	7,308	7,333
Information systems	14,832	5,544
Election	81	-
	<u>230,596</u>	<u>547,571</u>
	\$ <u><u>230,596</u></u>	<u><u>547,571</u></u>

KINNELOA IRRIGATION DISTRICT
Required Supplementary Information (Unaudited)
Schedule of the District's Proportionate Share of the Plan's Net Pension Liability
For the Year Ended December 31, 2018

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Measurement Date:	<u>June 30, 2018¹</u>	<u>June 30, 2017¹</u>	<u>June 30, 2016¹</u>
District's Proportion of the Net Pension Liability	0.008070%	0.008910%	0.008780%
District's Proportionate Share of the Net Pension Liability	\$ 271,329	\$ 331,920	\$ 173,870
District's Covered-Employee Payroll	\$ 398,795	\$ 350,511	\$ 309,239
a Percentage of Covered-Employee Payroll	<u>68.04%</u>	<u>94.70%</u>	<u>56.23%</u>
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	<u>80.09%</u>	<u>79.77%</u>	<u>78.50%</u>

¹ Historical information is presented only for measurement periods for which GASB No. 68 is applicable.

KINNELOA IRRIGATION DISTRICT
Required Supplementary Information (Unaudited)
Schedule of the District's Contributions to the Pension Plan
For the Year Ended December 31, 2018

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Fiscal Year:	<u>2017-18¹</u>	<u>2016-17¹</u>	<u>2015-16¹</u>	<u>2014-15¹</u>
Actuarially Determined Contribution ²	\$ 23,647	\$ 21,100	\$ 19,754	\$ 22,832
Determined Contribution ²	<u>(23,647)</u>	<u>(21,100)</u>	<u>(19,754)</u>	<u>(22,832)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	<u>\$ 398,795</u>	<u>\$ 350,511</u>	<u>\$ 309,239</u>	<u>\$ 312,539</u>
Employee Payroll	<u>5.93%</u>	<u>6.02%</u>	<u>6.39%</u>	<u>7.31%</u>

¹ Historical information is presented only for measurement periods for which GASB No. 68 is applicable.

² Employers are assumed to make contributions equal to the actuarially determined contributions (which is the actuarially determined contribution). However, some employers may choose to make additional contributions towards their side-fund or their unfunded liability. Employer contributions for such plan exceed the actuarial determined contributions. CalPERS has determined that employer obligations referred to as *side-funds* are not considered separately financed specific liabilities.

³ Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB No. 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

KINNELOA IRRIGATION DISTRICT
Regular Meeting – Board of Directors
1999 Kinclair Drive, Pasadena, CA 91107
Tuesday, April 16, 2019
3:00 p.m.
Minutes

DIRECTORS PRESENT: Frank Griffith, Gordon Johnson, Bill Opel and Gerrie Kilburn

DIRECTORS ABSENT: Tim Eldridge

STAFF PRESENT: Melvin Matthews, General Manager/Acting Board Secretary; Chris Burt, Sr. Facilities Operator

PUBLIC PRESENT: None

1. **CALL TO ORDER:** Chair Gordon Johnson called the meeting to order at 3:04 p.m. A quorum of Board Members was present. The Agenda was reviewed, and no changes were requested.
2. **PUBLIC COMMENT:** None
3. **REVIEW OF MINUTES:** The minutes of March 19, 2019 were reviewed. Director Opel requested the first sentence in item 8 be changed to read: "The General Manager reviewed the two pipeline projects that he recommended to proceed". He also requested adding a description of the projects. Motioned/seconded/carried-(Opel/Griffith) and approved by a vote of 4/0 to file and publish as revised.
4. **REVIEW OF FINANCIAL REPORTS:** Director/Treasurer Opel reviewed the financial reports for March 31, 2019, highlighting that the District had significantly lower water sales as compared to the budget, but that operations and maintenance expenses were lower than the budgeted amount. Therefore, the net income was only slightly lower than the budgeted amount. The General Manager said the water sales were expected to increase in the months ahead. Motioned/seconded/carried-(Griffith/Kilburn) and approved by a vote of 4/0 to receive and file the financial report.
5. **GENERAL MANAGER'S REPORT:** The General Manager reviewed the report and answered questions from the Directors regarding his activities and projects.
6. **INFORMATION ITEMS:** The items were presented and discussed. No action was taken.
7. **COST OF LIVING ADJUSTMENT:** Chairman Johnson asked the General Manager to give an overview of past practices regarding salary adjustments. The General Manager indicated that Board-approved adjustments for all employees have only been done irregularly in the past few years and that there was no specific policy in place. He also indicated that the Board periodically reviewed salary ranges but the General Manager had the responsibility to make all adjustments to staff salaries after considering cost of living, employee performance and the review of compensation for each position at other districts as long as the total payroll was within the Board-approved budget. However, if total compensation exceeded the budgeted amount or if individual compensation was above the established salary range, the matter would be placed on an agenda for discussion.

Regarding the General Manager's salary, he indicated that any increases are at the discretion of Board and should consider cost of living, performance and the review of compensation at other districts. He confirmed that on two occasions several years ago the Board approved a bonus in lieu of a salary increases but there have been no merit increases in recent years.

KINNELOA IRRIGATION DISTRICT
Regular Meeting – Board of Directors
1999 Kinclair Drive, Pasadena, CA 91107
Tuesday, April 16, 2019
3:00 p.m.
Minutes

After Board discussion, no action was taken on a cost of living adjustment. The General Manager was instructed to provide current salary information to the Personnel Committee as he has done in the past for further review and that the committee would make a recommendation to the Board at a future meeting.

- 8. CLOSED SESSION – PUBLIC EMPLOYEE PERFORMANCE EVALUATION – Government Code §54957(b)(1): Title: General Manager:** The Board adjourned the regular meeting at 4:23 pm and entered the closed session.
- 9. OPEN SESSION – REPORT ON CLOSED SESSION:** The Chairman reconvened the open session at 4:50 and reported that the Board reviewed the General Manager’s Performance evaluation and that no action was taken.
- 10. DIRECTOR REPORTS AND/OR COMMENTS:** None
- 11. CALENDAR:** The next regular meeting will be at 3:00 p.m. on Tuesday, May 21, 2019.
- 12. ADJOURNMENT:** The meeting was adjourned at 4:55 p.m. by motion/second (Griffith/Opel) and carried by a vote of 4/0.

Prepared by:

Melvin L. Matthews

Melvin L Matthews
Acting Secretary to the Board

KINNELOA IRRIGATION DISTRICT
Regular Meeting – Board of Directors
1999 Kinclair Drive, Pasadena, CA 91107
Tuesday, May 21, 2019
3:00 p.m.
Minutes

DIRECTORS PRESENT: Tim Eldridge, Frank Griffith, Gordon Johnson, Gerrie Kilburn, Bill Opel

DIRECTORS ABSENT: None

STAFF PRESENT: General Manager Melvin Matthews, Sr. Facilities Operator Chris Burt, Office Manager/Acting Board Secretary Bernadette Allen

1. CALL TO ORDER: Chair Gordon Johnson called the meeting to order at 3:03 p.m. A quorum of Board Members was present. The Agenda was reviewed, and no changes were requested.

2. PUBLIC COMMENT: District residents Don Murphy and Dave Moritz were present. Mr. Moritz introduced himself and expressed his interest in the local water supply.

3. REVIEW OF MINUTES: The minutes of April 16, 2019, were reviewed. In Item 7, Director Opel requested a couple word changes in the second sentence. In Item 7, Director Griffith asked if the third sentence was an accurate paraphrase. After discussion, the Chair requested that staff listen to the recording and confirm that the minutes are consistent with what was said and revise Item 7 if necessary. The Board agreed to postpone review of the minutes until the next meeting.

4. REVIEW OF FINANCIAL REPORTS: Director/Treasurer Bill Opel reviewed the financial reports for April 30, 2019, highlighting that the net income was now ahead for the year by \$2,242.66, total revenues exceeded budget, water sales were up, interest was better than anticipated, and expenses were less than budgeted.

The General Manager answered questions regarding expense accounts with a large variance. Director Opel asked about the change in the balance sheet, and the General Manager stated that audit adjustments made at year-end, such as depreciation and PERS liability did affect the assets, liabilities and fund balance on the current balance sheet.

It was motioned/seconded/carried unanimously-(Griffith/Kilburn-5/0/0).

“That the Board approve the financial reports for filing as presented.”

5. KINNELOA CANYON ASSOCIATION EMERGENCY STORAGE SHED: The General Manager summarized that at the Board’s direction, he sent the agreement to the attorney for review. On Item 5, redline items were suggestions from the attorney. The revised agreement was sent to the Kinneloa Canyon Association (KCA). KCA President, Don Murphy, stated that the agreement was sent to the KCA Board members for review. The agreement was discussed at their last meeting and approved. Director Griffith asked if a survey had been sent to residents. Don Murphy said that a survey was not done, but information was posted on the KCA website, and the project plans had been very transparent and were presented at annual meetings.

KINNELOA IRRIGATION DISTRICT
Regular Meeting – Board of Directors
Tuesday, May 21, 2019
Minutes

The General Manager said that staff recommends the Board approve authorization to sign the agreement.

It was motioned/seconded/carried unanimously-(Opel/Eldridge-5/0/0).

“That the Board authorize the General Manager to sign the Grant of Revocable License Agreement.”

6. GENERAL MANAGER’S REPORT: The General Manager and Board reviewed the report.

II.B Annual Audit: He reported that the audit was being reviewed by Director Opel, Bernadette, and him and he anticipates that the auditor may be present at the next meeting to answer questions.

II.C. FirstNet: The account has been established for cell phone service and is an optional service available for District staff and Board members. FirstNet is a unique cell phone band that is more reliable in an emergency.

II.E Activities/Meetings/Webinars/Conferences: The Sanitary Inspection on 4/3/19 was a routine on-site overall inspection of the District’s water system by the State Water Resources Control Board (SWRCB) Division of Drinking Water. The General Manager spent almost the whole day with the SWRCB’s engineer. It was a very “clean” inspection, with few and very minor action items, such as a small patch in screening at one of the reservoirs.

III. Water Samples and Test Results: Director Opel requested that the Water Samples and Test Results, which was not included in the May General Manager’s Report, be included in future reports and the Board concurred that the results are useful information.

7. WATER MAIN IMPROVEMENT PROJECTS: The General Manager reviewed the SA Associates proposal for preparation of plans and specifications and bidding documents for the Sierra Madre Villa (SMV) and Villa Heights Water Main Improvement Project, which will complete the East Tank loop. He had simultaneously requested that Civiltec prepare an engineering proposal for the Brown/Glen Replacement Pipeline Project between Barhite St. and Villa Highlands Dr. That proposal had not been received yet. Director Opel asked if the SMV & Villa Heights Project will affect the priority of the Wilcox motor replacement. The General Manager stated they are two separate projects. The Board approved going ahead with the replacement of the 50 HP motor, and since these projects are independent of one another, there will be no effect. Director Griffith asked if SA Associates was chosen through a competitive process. The General Manager stated that SA Associates and Civiltec are the two engineering firms used by the District. SA Associates did the original pipeline design for the East Tank area. For the other project, Civiltec did the original pipeline design for the Vosburg area.

It was motioned/seconded/carried unanimously-(Eldridge/Griffith-5/0/0)

“That the Board accept the SA Associates proposal for Engineering Design Services for the Sierra Madre Villa and Villa Heights Water Main Improvement Project.”

8. DIRECTOR REPORTS AND/OR COMMENTS:

Director Griffith asked if there is a list of regular maintenance projects. General Manager stated that he will consider modifying the Manager’s Report to include maintenance projects that are on the horizon.

KINNELOA IRRIGATION DISTRICT
Regular Meeting – Board of Directors
Tuesday, May 21, 2019
Minutes

The Chair stated that the personnel committee met as a follow-up to the last Board meeting that had a discussion on Cost of Living Increases and Board practices and policies in the past. The committee had a useful discussion with the General Manager, and the committee appreciates how the direction is moving forward for the District. It has been a successful year. The committee has discussed uncoupling merit increases from the annual evaluation and the practice of providing separate increases for merit at a different time of year from potential cost of living increases at the budget time. The committee's feeling, not a proposal for action, is that the District should align salary increases and cost of living increases with merit increases at one time. This would also uncouple performance reviews from merit increases. The topic of salary increases will be discussed by the Board at a future time.

9. CALENDAR: The next regular meeting will be at 3:00 p.m. on Tuesday, June 18, 2019.

10. ADJOURNMENT: The meeting was adjourned at 4:12 p.m.

Respectfully submitted by,



Bernadette C. Allen
Acting Board Secretary

Kinneloa Irrigation District
Income Statement for the Five Months Ending May 31, 2019

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance
Revenues						
4000 Water Sales	106,686.56	115,000.00	(8,313.44)	496,609.43	566,000.00	(69,390.57)
4015 Wholesale Water Sales	0.00	0.00	0.00	27,003.03	0.00	27,003.03
4020 Service/Installation Charges	898.83	833.33	65.50	5,483.11	4,166.65	1,316.46
4035 Interest-Reserve Fund	3,591.83	1,250.00	2,341.83	22,825.01	6,250.00	16,575.01
4070 Misc. Income	0.00	0.00	0.00	5,969.27	0.00	5,969.27
Total Revenues	111,177.22	117,083.33	(5,906.11)	557,889.85	576,416.65	(18,526.80)
Expenses						
5005 Electricity	5,430.70	10,000.00	(4,569.30)	35,445.32	48,000.00	(12,554.68)
5010 Maintenance/Repair Supplies	2,180.97	2,083.33	97.64	19,784.43	10,416.65	9,367.78
5011 Material and Labor for Install	0.00	833.33	(833.33)	0.00	4,166.65	(4,166.65)
5012 Safety Equipment	8.82	133.33	(124.51)	1,239.61	666.65	572.96
5015 Operations Labor	16,496.20	16,533.33	(37.13)	79,073.83	82,666.65	(3,592.82)
5016 Operations OT	941.40	750.00	191.40	7,698.40	3,750.00	3,948.40
5020 Stand-by Compensation	1,050.00	912.50	137.50	4,200.00	4,562.50	(362.50)
5022 Training/Certification	140.00	133.33	6.67	140.00	666.65	(526.65)
5025 Water Treatment/Analysis	1,768.51	1,833.33	(64.82)	8,069.58	9,166.65	(1,097.07)
5030 Maintenance/Repair Contractors	26,793.27	10,416.67	16,376.60	76,830.06	52,083.35	24,746.71
5034 Equipment Maintenance	0.00	1,041.67	(1,041.67)	10,479.43	5,208.35	5,271.08
5035 Vehicle Maintenance	201.13	833.33	(632.20)	3,475.72	4,166.65	(690.93)
5036 Fuel	1,219.85	1,250.00	(30.15)	6,880.71	6,250.00	630.71
5045 Insurance-Workers Compensatio	0.00	0.00	0.00	9,550.96	4,000.00	5,550.96
5046 Insurance-Liability	1,211.17	1,333.33	(122.16)	6,055.85	6,666.65	(610.80)
5048 Insurance-Property	0.00	208.33	(208.33)	433.50	1,041.65	(608.15)
5049 Insurance-Medical	8,848.42	6,375.00	2,473.42	32,453.14	31,875.00	578.14
6000 Engineering Services	4,335.25	3,958.33	376.92	11,131.50	19,791.65	(8,660.15)
6005 Watermaster Services	880.83	1,000.00	(119.17)	4,404.15	5,000.00	(595.85)
6015 Administrative Salary	11,489.02	12,333.33	(844.31)	57,445.10	61,666.65	(4,221.55)
6017 Administrative Travel	30.62	250.00	(219.38)	339.82	1,250.00	(910.18)
6020 Board Compensation	400.00	466.67	(66.67)	2,100.00	2,333.35	(233.35)
6021 Administrative & Board Expens	0.00	83.33	(83.33)	0.00	416.65	(416.65)
6024 Customer/Public Info. Prog.	0.00	166.67	(166.67)	0.00	833.35	(833.35)
6025 PERS - KID	2,775.96	3,000.00	(224.04)	12,320.37	15,000.00	(2,679.63)
6030 Social Security - KID	2,379.54	2,416.67	(37.13)	11,035.63	12,083.35	(1,047.72)
6031 Medicare - KID	556.52	516.67	39.85	2,580.97	2,583.35	(2.38)
6035 Office/Computer Supplies	1,391.05	583.33	807.72	3,221.81	2,916.65	305.16
6036 Postage/Delivery	660.00	416.67	243.33	1,603.84	2,083.35	(479.51)
6040 Professional Dues	1,153.32	1,000.00	153.32	5,906.60	5,000.00	906.60
6045 Legal Services	(2,375.82)	1,250.00	(3,625.82)	3,259.41	6,250.00	(2,990.59)
6050 Telephone	436.70	375.00	61.70	1,810.24	1,875.00	(64.76)
6051 Mobile Telephone	5.20	125.00	(119.80)	565.21	625.00	(59.79)
6052 Pagers	29.88	41.67	(11.79)	208.84	208.35	0.49
6053 Internet Service	59.99	83.33	(23.34)	323.83	416.65	(92.82)
6059 Computer Software Maintenance	413.75	1,000.00	(586.25)	2,651.23	5,000.00	(2,348.77)

Kinneloa Irrigation District
Income Statement for the Five Months Ending May 31, 2019

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance
6061 Office Equipment Maintenance	361.34	83.33	278.01	361.34	416.65	(55.31)
6070 Office & Accounting Labor	9,206.00	8,045.83	1,160.17	31,398.25	40,229.15	(8,830.90)
6075 Professional/Contract Services	1,879.24	2,333.33	(454.09)	15,526.32	11,666.65	3,859.67
6080 Administrative Fees	795.83	750.00	45.83	3,892.04	3,750.00	142.04
6081 Permits/Fees	975.21	1,250.00	(274.79)	2,202.64	6,250.00	(4,047.36)
6088 Interest Expense	33,914.74	33,915.00	(0.26)	33,914.74	33,915.00	(0.26)
6120 Bank Service Charges	634.58	541.67	92.91	2,767.98	2,708.35	59.63
Total Expenses	138,679.19	130,656.64	8,022.55	512,782.40	519,623.20	(6,840.80)
Net Income	(27,501.97)	(13,573.31)	(13,928.66)	45,107.45	56,793.45	(11,686.00)
Other Expenditures						
1511 WaterTreatment Plant	0.00	0.00	0.00	1,750.80	2,000.00	(249.20)
1527 SCADA Equipment	0.00	0.00	0.00	42,260.42	51,000.00	(8,739.58)
2400 Installment Purchase Agreement	66,186.24	66,186.00	0.24	66,186.24	66,186.00	0.24
Total Other Expenditures	66,186.24	66,186.00	0.24	110,197.46	119,186.00	(8,988.54)
Total Increase or (Drawdown)	(93,688.21)	(79,759.31)	(13,928.90)	(65,090.01)	(62,392.55)	(2,697.46)

Kinneloa Irrigation District Balance Sheet as of May 31, 2019

ASSETS

Current Assets

1010	Checking-Wells Fargo Bank	\$ 233,085.67
1012	Reserve Fund-LAIF	124,061.57
1014	Reserve Fund-CalTRUST	1,692,882.88
1015	Unrealized Gain(Loss)-CalTRUST	(7,250.58)
1016	Accrued Interest-LAIF	596.67
1100	Accts. Receivable-Water Sales	31,841.57
1190	Allowance for Bad Debts	(771.48)
1200	Inventory	20,000.00
1340	Accrued Water Sales	106,924.12
1350	Prepaid Insurance	3,231.13
1360	Prepaid Expenses	17,751.32

Total Current Assets

2,222,352.87

Property and Equipment

1501	Water Rights	52,060.41
1503	Land Sites	96,700.08
1504	Water Mains	3,584,517.77
1505	Water Tunnels	729,074.60
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	189,139.08
1512	Water Meters	104,486.33
1513	Electrical/Electronic Equip.	256,918.72
1514	Computer/Office Equipment	75,205.63
1515	Vehicles & Portable Equipment	242,548.91
1516	Water Company Facilities	70,422.20
1517	KID Office	54,741.36
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	350,158.34
1528	Tanks and Reservoirs	119,491.90
1529	Holly Tanks	181,113.76
1530	Tools	6,273.13
1600	Accum. Depreciation	(4,926,201.76)

Total Property and Equipment

5,656,241.21

Other Assets

1901	PERS-Deferred Outflows	99,141.00
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Total Assets

\$ 7,977,735.08

Kinneloa Irrigation District
Balance Sheet as of May 31, 2019

LIABILITIES AND CAPITAL

Current Liabilities

2000	Accounts Payable	\$ 28,601.67	
2272	Job Deposits	900.00	
2275	Deposits-Water Customers	255.02	
2290	Accrued Vacation	19,935.60	
	Total Current Liabilities		49,692.29

Long-Term Liabilities

2400	Installment Purchase Agreement	1,802,291.11	
2801	PERS- Net Liability	265,666.84	
2901	PERS- Deferred Inflows	36,648.00	
	Total Long-Term Liabilities		2,104,605.95
	Total Liabilities		2,154,298.24

Capital

3040	Fund Balance	5,778,329.39	
	Net Income	45,107.45	
	Total Capital		5,823,436.84
	Total Liabilities & Capital		\$ 7,977,735.08

Kinneloa Irrigation District
Statement of Cash Flow
For the Five Months Ended May 31, 2019

	Current Month	Year to Date
Cash Flows from Operating Activities		
Net Income	\$ (27,501.97)	\$ 45,107.45
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>		
1100 Accts. Receivable-Water Sales	(5,700.23)	18,199.60
1101 Accts. Receiv.-Service Charges	(1,300.00)	263.84
1102 Accts. Receiv.-Wholesale Water	11,244.55	0.00
1340 Accrued Water Sales	19,063.69	27,738.16
1350 Prepaid Insurance	1,211.17	6,489.35
1360 Prepaid Expenses	2,681.40	3,693.50
2000 Accounts Payable	3,905.88	(6,642.63)
2271 Deposits-Construction Meters	(850.00)	0.00
	30,256.46	49,741.82
Total Adjustments	30,256.46	49,741.82
Net Cash Provided by Operations	2,754.49	94,849.27
 Cash Flows from Investing Activities		
<i>Used for</i>		
1511 WaterTreatment Plant	0.00	(1,750.80)
1527 SCADA Equipment	0.00	(42,265.68)
	0.00	(44,016.48)
Net Cash Used in Investing	0.00	(44,016.48)
 Cash Flows from Financing Activities		
<i>Proceeds from</i>		
<i>Used for</i>		
2400 Installment Purchase Agreement	(66,186.24)	(66,186.24)
2801 PERS- Net Liability	(1,132.38)	(5,661.90)
	(67,318.62)	(71,848.14)
Net Cash Used in Financing	(67,318.62)	(71,848.14)
Net Increase (Decrease) in Cash	\$ (64,564.13)	\$ (21,015.35)
 Summary		
Cash Balance at End of Period	\$ 2,043,376.21	\$ 2,043,376.21
Cash Balance at Beg. of Period	(2,107,940.34)	(2,064,386.30)
	(64,564.13)	(21,010.09)
Net Increase (Decrease) in Cash	\$ (64,564.13)	\$ (21,010.09)

Kinneloa Irrigation District
Check Register
For the Period from May 1, 2019 to May 31, 2019

Date	Check #	Payee	Amount	Description
5/15/19	EFT3876	Arco Gaspro Plus	1,219.85	fuel for trucks
5/15/19	EFT3877	CA Public Employees Ret. Sys.	1,132.38	CalPERS unfunded liability - monthly payment
5/15/19	EFT3878	CA Public Employees Ret. Sys.	4,667.37	CalPERS April KID & employee contributions
5/15/19	EFT3879	Century Business Solutions	162.95	credit card processing fees
5/15/19	EFT3880	Pasadena Municipal Services	1,414.04	electricity for Wilcox Well
5/15/19	EFT3881	Southern California Edison Co.	3,093.64	electricity for 10 sites, 3 not billed
5/15/19	EFT3882	VeriCheck, Inc.	82.44	echeck processing fees
5/15/19	9080	ACWA/JPIA	10,051.64	employee health benefits
5/15/19	9081	AmeriPride Services	69.01	shop rag service
5/15/19	9082	BrightView Landscape Services	1,490.00	landscape maintenance service
5/15/19	9083	Joel Bundy	47.10	mileage reimbursement
5/15/19	9084	Byrd Industrial Electronics	2,253.59	antenna replacement/installation
5/15/19	9085	Byrd Industrial Electronics	1,627.62	Holly Tks level sensor replacement
5/15/19	9086	Byrd Industrial Electronics	1,807.62	Brown Resv level sensor calibration
5/15/19	9087	Byrd Industrial Electronics	732.36	SCADA system update for 2 sites
5/15/19	9088	Byrd Industrial Electronics	1,042.46	pager modem replacement/installation
5/15/19	9089	Civiltec Engineering, Inc.	1,203.75	system hydraulic model
5/15/19	9090	Clinical Laboratory, SB	84.00	water sample analysis
5/15/19	9091	Eurofins Eaton Analytical, Inc.	184.80	water sample analysis
5/15/19	9092	Foothill Municipal Water District	795.83	administrative fee
5/15/19	9093	Lagerlof, Senecal, Gosney & Kruse	31.25	general matters: PWAG website and website projec
5/15/19	9094	Lagerlof, Senecal, Gosney & Kruse	160.00	general matters: Eucalyptus Res. agreement
5/15/19	9095	Melvin L. Matthews	135.13	mileage reimbursement
5/15/19	9096	McMaster Carr	726.61	maintenance/repair supplies
5/15/19	9097	Perry Thomas Construction Co.	2,115.00	Vosburg leak repair WO#1812 on 5/1/19
5/15/19	9098	Pump Check	1,760.00	pump efficiency and water meter testing for 3 sites
5/15/19	9099	Red Supply	43.28	maintenance supplies
5/15/19	9100	Slater Waterproofing Inc.	11,505.00	Brown Resv joint/crack repair
5/15/19	9101	Ultimate Cleaning Solutions, Inc.	150.00	janitorial services for 2 months
5/15/19	9102	Utility Service Co., Inc.	4,877.18	tank maintenance agreement
5/15/19	9103	Western Water Works	1,751.79	maintenance supplies
5/15/19	EFT3883	Bernadette C. Allen	1,421.66	salary
5/15/19	EFT3884	Joel D. Bundy	1,526.13	salary
5/15/19	EFT3885	Christopher A. Burt	2,974.60	salary
5/15/19	EFT3886	Brian L. Fry	1,795.14	salary
5/15/19	EFT3887	Melvin L. Matthews	3,851.78	salary
5/15/19	EFT3888	Juan R. Tello	1,654.18	salary
5/15/19	EFT3889	Christopher A. Burt	150.00	salary
5/15/19	EFT3890	Automatic Data Processing, Inc.	5,584.21	payroll taxes and withholdings
5/16/19	9104	Wei Felix Yu	650.00	net refund on fire flow deposit

Kinneloa Irrigation District
Check Register
For the Period from May 1, 2019 to May 31, 2019

Date	Check #	Payee	Amount	Description
5/16/19	9105	Sean Monahan Design	650.00	net refund on fire flow deposit
5/21/19	EFT3891	American Messaging Services	29.88	pager service
5/21/19	EFT3892	Athens Services	196.07	trash pickup
5/21/19	EFT3893	Century Business Solutions	15.00	banking service fee
5/21/19	EFT3894	Verizon Wireless	5.20	cell phone for C. Burt
5/21/19	9106	South Coast AQMD	265.96	hot spots fee - 2 sites
5/21/19	9107	South Coast AQMD	398.94	hot spots fee - 3 sites
5/21/19	9108	Denram Products	437.77	water service envelopes
5/21/19	9109	McMaster Carr	497.57	K-3, generator maintenance supplies and tools
5/21/19	9110	Perry Thomas Construction Co.	920.00	Vosburg leak repair
5/21/19	EFT3895	Kinneloa Irrigation District CA	100,100.98	loan installment payment - principal and interest
5/31/19	EFT3896	Automatic Data Processing, Inc.	83.42	payroll processing fee
5/31/19	EFT3897	Umpqua Bank	2,399.26	credit card payment - see attached detail
5/31/19	9111	Christopher A. Burt	140.00	reimbursement for D3 operator certification
5/31/19	9112	Utility Service Co., Inc.	161.58	tank maintenance agreement Holly Tanks
5/31/19	9113	Dig Safe Board	16.81	California State Fee for Regulatory Costs
5/31/19	9114	Underground Service Alert	34.75	digalert
5/31/19	9115	Huntington Pools, Inc.	694.08	net refund on construction meter deposit
5/31/19	EFT3898	Bernadette C. Allen	1,562.99	salary
5/31/19	EFT3899	Joel D. Bundy	1,628.62	salary
5/31/19	EFT3900	Christopher A. Burt	2,586.54	salary
5/31/19	EFT3901	Timothy J. Eldridge	92.35	salary
5/31/19	EFT3902	Brian L. Fry	2,121.03	salary
5/31/19	EFT3903	Francis J. Griffith	92.35	salary
5/31/19	EFT3904	Gerrie G. Kilburn	92.35	salary
5/31/19	EFT3905	Melvin L. Matthews	3,851.78	salary
5/31/19	EFT3906	Arthur W. Opel	92.35	salary
5/31/19	EFT3907	Juan R. Tello	1,669.22	salary
5/31/19	EFT3908	Christopher A. Burt	150.00	salary
5/31/19	EFT3909	Automatic Data Processing, Inc.	<u>5,912.01</u>	payroll taxes and withholdings
Total			<u>202,924.25</u>	

Credit Card Detail Umpqua Bank
April 2019
(Expenses incurred/billed in April and due/paid in May)

Acct. No.	Account Description	Additional Description	MLM	CAB	BLF	JDB	TOTAL
1514	Computer/Office Equip.						\$0.00
5010	Maintenance Supplies	pump parts, asphalt; batteries			\$82.29	\$62.71	\$145.00
5012	Safety Equipment						\$0.00
5022	Training/Certification						\$0.00
5025	Water Treatment/Analysis	salt softener pellets;salt			\$61.25	\$867.25	\$928.50
5035	Vehicle Maintenance	antifreeze, motor oil, wiper blades, wax			\$106.83		\$106.83
5036	Fuel						\$0.00
6017	Adm. Travel						\$0.00
6021	Adm. & Bd. Exp.						\$0.00
6035	Office/Computer Supplies	clock, toner; note pads, file folders, pens, binders, snacks	\$504.94			\$248.99	\$753.93
6036	Postage/Delivery	stamps				\$330.00	\$330.00
6040	Professional Dues						\$0.00
6050	Telephone	answering service	\$75.00				\$75.00
6051	Mobile Phone						\$0.00
6053	Internet Service						\$0.00
6059	Computer/Software Maint.	remote access software	\$60.00				\$60.00
6061	Office Equipment Maint.						\$0.00
6075	Outside Services						\$0.00
6081	Permits/Fees						\$0.00
TOTAL			\$639.94	\$0.00	\$250.37	\$1,508.95	\$2,399.26

**Kinneloa Irrigation District
 Government Code Section 53065.5 Disclosure Report
 Reimbursements for Individual Charges of \$100 or More for Services or Product Received
 January 1, 2018 through December 31, 2018**

Name	Title	Payment/ Reimbursement Date	Event Date(s)	Amount of Payment	Service/Product Description and Business Purpose
Mel Matthews	General Manager	10/16/2018	9/24/18-9/27/18	\$132.22	Mileage reimbursement to attend CSDA Conference in Indian Wells, CA
Mel Matthews	General Manager	10/16/2018	9/24/18-9/27/18	\$405.09	3-night accomodation reimbursement to attend CSDA Conference in Indian Wells, CA

General Manager's Report for the Board of Directors Meeting on June 18, 2019

I. Customer Account Information and Internet Usage

A. Delinquent Accounts –

- 28 accounts received past-due notice
- 28 accounts received late charges in the total amount of \$456.09
- 7 accounts received door hanger shut off notice
- 1 account was shut off for non-payment
- 1 account remains shut off for non-payment

B. Aged Receivables –

Month	Current	30 days	60 days	90 days or greater	Total
January	\$19,576.69	\$3,491.39	\$0.00	\$0.00	\$23,068.08
February	\$32,588.72	\$4,502.38	\$381.98	\$0.00	\$37,473.08
March	\$18,623.41	\$2,023.53	\$64.12	\$59.92	\$20,770.98
April	\$35,258.88	\$1,661.07	\$247.83	\$124.04	\$37,291.82
May	\$29,629.02	\$1,897.19	\$98.82	\$216.54	\$31,841.57
June					
July					
August					
September					
October					
November					
December					

C. Internet Usage –

Month	Users	Page Views	Online Payments	Online Amount
January	227	657	76	\$19,881.25
February	171	414	58	\$10,629.13
March	226	457	77	\$12,350.13
April	196	483	61	\$9,696.11
May	223	517	66	\$14,734.69
June				
July				
August				
September				
October				
November				
December				
Year to Date	1,043	2,528	338	\$67,291.31

II. General Manager's Projects and Activities

- A. Kinneloa Canyon Association Storage Shed** – The license agreement has been signed and the site is being prepared for construction of the shed.
- B. Annual Audit** – The final draft of the 2018 Financial Audit has been completed and will be presented at the June 18, 2019 meeting for review and approval to publish.
- C. Water Main Improvement Projects** – The kickoff meeting for the East Tank Pipeline project design has been scheduled. The proposal for the Brown/Glen replacement pipeline design is being presented at the June 18, 2019 meeting for review and approval.
- D. House Tunnel** – Juan and I will be inspecting the pipeline and tunnel to determine why no water is being received at the Holly tanks.
- E. Activities/Meetings/Webinars/Conferences**

Subject or Organization	Location	Start	End	Purpose/Notes/Action/Benefit
Staff Meetings	Office	Mondays 9:00 AM	Mondays 10:00 AM	<ul style="list-style-type: none"> • Tasks for the week • Projects -- current and future • Operations update • Customer service update • Operations update • GM update • Safety topic
CCC Wrap-up and Lunch	Pasadena Glen	Wed 5/1/2019 12:00 PM	Wed 5/1/2019 1:00 PM	<ul style="list-style-type: none"> • Meeting with leaders and crew finalizing brush clearance project
PWAG	Rowland Water District	Thu 5/2/2019 10:00 AM	Thu 5/2/2019 12:00 PM	<ul style="list-style-type: none"> • Quarterly meeting • Emergency preparedness • Legislative update • Presentation on project management software
ACWA Spring Conference	Monterey	Mon 5/5/2019 8:00 AM	Fri 5/10/2019 10:00 AM	<ul style="list-style-type: none"> • ACWA JPIA Board Meeting • General and Breakout Sessions
ACWA Region 8	Conference Call	Mon 5/13/2019 11:00 AM	Mon 5/13/2019 11:30 AM	<ul style="list-style-type: none"> • Workgroup on policy regarding use of region carry-over funds for scholarships
FMWD	La Cañada	Tue 5/14/2019 3:00 PM	Tue 5/14/2019 4:00 PM	<ul style="list-style-type: none"> • Finance Committee meeting • 2019-2020 Budget
EGL	Arcadia	Thu 5/16/2019 10:00 AM	Thu 5/16/2019 12:00 PM	<ul style="list-style-type: none"> • To sign Doyme Road easement documents
FMWD	La Cañada	Mon 5/30/2019 3:00 PM	Mon 5/20/2019 5:00 PM	<ul style="list-style-type: none"> • Regular board meeting
KID	Office	Tue 5/21/2019 3:00 PM	Tue 5/21/2019 5:00 PM	<ul style="list-style-type: none"> • Regular board meeting
ACONA		Tue 5/28/2019 7:00 PM	Tue 5/28/2019 9:00 PM	<ul style="list-style-type: none"> • PowerPoint presentation on water supply and conservation issues
ACWA Board Meeting	Sacramento	Thu 5/30/2019 7:00 AM	Fri 5/31/2019 5:00 PM	<ul style="list-style-type: none"> • ACWA Board Meeting (See Attachment B)

III. System and Facility Activities and Incident Reports

A. Water Leak/Water Waste/Water Quality/Customer Contact

Location	Type	Date	Description
Vosburg Street	Water Leak	5/11/2019	Customer observed leak in parkway. Chris determined that leak was in Brown Reservoir pipeline. Leak was repaired by Brian with the help of our contractor.
Fairpoint Street	Water Leak	5/14/2019	Customer requested leak check due to receiving high water bill. No leak was observed.
Old Grove Road	Customer Contact	5/20/2019	Customer requested payment extension after receiving shut-off notice.
Villa Heights Road	Water Waste	5/20/2019	Chris noticed water running off the property into the street. Joel notified customer.

B. Current and Completed Capital Improvement, Facilities Improvement, Maintenance and Repair Projects and Activities

1. Routine daily and monthly activities
 - a. Operator training
 - b. Meter and transmitter maintenance and replacement
 - c. Water samples
 - d. Vehicle and equipment maintenance and testing
 - e. Facility cleanup
 - f. Chlorine generator maintenance
 - g. Meter reading
 - h. Customer service calls
2. Facility and Equipment Repair and Maintenance for May
 - a. Repair leak in Brown Reservoir pipeline
 - b. Replace broken pressure gauges at Sage Tank
 - c. Replace K-3 vault fan motor
 - d. Rodent proofing on Wilcox Reservoir generator
 - e. Water softener maintenance at K-3 Well, Holly Tanks and Wilcox Well
3. Completed Projects
 - a. Inspection and cleanout of Eucalyptus and Wilcox Reservoirs
 - b. Repair leaks in Brown Reservoir
 - c. Replace 17 obsolete SCADA radios at all sites and install radio diagnostic program
 - d. Replace Glen Reservoir chlorination equipment

C. Future Capital Improvement Projects, Facilities Improvement, Maintenance and Repair Projects

1. Install additional shelving, add anti-slip covers to stairs and other safety items at Vosburg Warehouse
2. Replace chlorination equipment at Eucalyptus Reservoir
3. Install solar panel, battery and charger for utility power backup at Transfer Valve
4. Remove, replace and widen Office driveway and expand parking area
5. Replace 1996 Chevrolet and 1999 Ford pickups with new pickups and accessory equipment
6. Replace 50 hp booster (motor and pump) and sandblast and paint pump stand at Wilcox Reservoir

7. Test Advanced Water Meter Analytics (Hardware/software for cellular data collection test)
8. Sierra Madre Villa and Villa Heights Pipeline Improvement Project (Design phase)
9. Brown/Glen Pipeline Improvement Project (Design phase)

IV. Water Supply Summary as of May for the Watermaster Year July 2018 through June 2019

Raymond Basin Groundwater (Acre Feet)		Kinneloa Irrigation District Water Tunnels (Acre Feet)	
Water Rights	516	Eucalyptus	4
Prior Year Carryover	52	Far Mesa	3
Less Temporary 30% Reduction in Water Rights	-155	Delores	3
Leases/Exchanges	207	House	0
Prior Year Spreading	65	Holly High/Low	5
Short Term Storage	145		
Current Year Spreading	0		
Total Allowable Extractions	830		
Less Water Extracted YTD This Watermaster Year	-586	Current Tunnel Monthly Production	15
Remaining Allowable Groundwater Extractions through June 2019	244	Remaining Estimated Tunnel Production through June 2019	30
Total Available Water Supply (Remaining Allowable Groundwater + Remaining Estimated Tunnel Production through June 2019)		274 Acre Feet	
Less Remaining Forecasted Retail Water Sales through June 2019		-85 Acre Feet	
Surplus Water through June 2019*		189 Acre Feet	

* This is the forecasted surplus water available for sale in the current year and/or carryover to the next Watermaster year which starts on July 1 subject to the carryover limits established by the Raymond Basin Management Board. Regarding the available surplus water, we will generally maximize the carryover to the next year and deliver the balance of the forecasted surplus water (if any) to the City of Pasadena. In the 2017-2018 year, 87 Acre-Feet were sold to the City, 52 Acre-Feet were carried over to 2018-2019 and 145 Acre-Feet were put into our short-term storage account. Although we may lease additional pumping rights from another agency with surplus pumping rights, this is not considered a guaranteed source of supply since it is subject to negotiation. In addition to the available water, the KID has 790 Acre Feet in a long-term storage account. Additions to long-term storage are no longer permitted but withdrawals can be made at any time to supplement allowable extractions. However, since long-term storage is considered by KID staff to be an emergency supply, we do not plan to use or sell this water now.

V. Information Items

- A. Water Samples and Test Results – See Attachment A
- B. Summary of ACWA and ACWA JPIA Spring Conference – See Attachment B

Attachment A

Water Samples and Test Results

Sample Date	Source or Distribution	Lab	Description	# of tests	Results*	Maximum Contaminant Level* (MCL)
01/04/19	Source	Weck	Title 22 DEHP	5	ND or A	4ppb
01/04/19	Source	Weck	Title 22 nitrate	2	<MCL	10ppm
01/04/19	Source	Weck	Title 22 fluoride	5	1.1 - 2.7 ppm	3ppm
01/08/19	Distribution	Clinical	color, odor, turbidity	18	<MCL	15 units, 3 units, 5 units
01/08/19	Distribution	Clinical	fluoride	6	1.0 - 1.4 ppm	3ppm
01/08/19	Both	Eurofins	coliform, e. coli	72	ND or A	1 positive sample
01/22/19	Both	Eurofins	coliform, e. coli	64	ND or A	1 positive sample
01/22/19	Source	Eurofins	coliform, e. coli	8	ND or A	1 positive sample
02/06/19	Both	Eurofins	coliform, e. coli	72	ND or A	1 positive sample
02/06/19	Both	Eurofins	coliform, e. coli	8	ND or A	1 positive sample
02/07/19	Distribution	Clinical	color, odor, turbidity	18	<MCL	15 units, 3 units, 5 units
02/07/19	Both	Eurofins	coliform, e. coli	8	ND or A	1 positive sample
02/07/19	Both	Eurofins	coliform, e. coli	8	ND or A	1 positive sample
02/19/19	Both	Eurofins	coliform, e. coli	64	ND or A	1 positive sample
03/04/19	Both	Eurofins	coliform, e. coli	80	ND or A	1 positive sample
03/05/19	Distribution	Clinical	color, odor, turbidity	18	<MCL	15 units, 3 units, 5 units
03/06/19	Both	Eurofins	coliform, e. coli	16	ND or A	1 positive sample
03/07/19	Both	Eurofins	coliform, e. coli	16	ND or A	1 positive sample
03/19/19	Both	Eurofins	coliform, e. coli	64	ND or A	1 positive sample
04/02/19	Distribution	Clinical	color, odor, turbidity	18	<MCL	15 units, 3 units, 5 units
04/02/19	Distribution	Clinical	fluoride	6	1.2 - 1.6 ppm	3ppm
04/02/19	Both	Eurofins	coliform, e. coli	80	ND or A	1 positive sample
04/04/19	Source	Weck	Title 22 fluoride	3	1.1 - 2.6 ppm	3ppm
04/04/19	Source	Weck	Title 22 nitrate	2	<MCL	10ppm
04/04/19	Source	Weck	Title 22 1,2,3 TCP	4	ND	80ppb
04/15/19	Both	Eurofins	coliform, e. coli	64	ND or A	1 positive sample
05/08/19	Distribution	Clinical	color, odor, turbidity	18	<MCL	15 units, 3 units, 5 units
05/08/19	Both	Eurofins	coliform, e. coli	80	ND or A	1 positive sample
05/08/19	Distribution	Eurofins	coliform, e. coli	16	ND or A	1 positive sample
05/09/19	Distribution	Eurofins	coliform, e. coli	16	ND or A	1 positive sample
05/21/19	Both	Eurofins	coliform, e. coli	64	ND or A	1 positive sample

Total samples to date: 923

*ppm = parts-per-million, ppb = parts-per-billion, pCi/L = picocuries per liter, <MCL = less than Maximum



Memo

Date: June 10, 2019
To: Board of Directors
From: Mel Matthews
Subject: ACWA Spring Conference

In recognition of the change in the administration in Sacramento and the appointment of new department heads at our regulatory agencies, the title of the conference was ***Change, Challenge and Opportunity for 2019 and Beyond***. The conference included keynote addresses from State Water Resources Control Board Chair Joaquin Esquivel, California Environmental Protection Agency Secretary Jared Blumenfeld and California Natural Resources Agency Secretary Wade Crowfoot and Department of Water Resources Director Karla Nemeth.

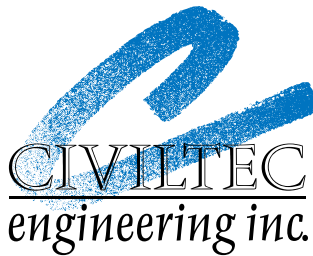
Gov. Gavin Newsom’s recent executive order to develop a Water Resilience Portfolio provided a central theme throughout the week with speakers committing themselves to giving the water community an active role in the portfolio’s creation. Notwithstanding the Governor’s opposition to the twin-tunnel conveyance project and his desire to impose a water tax, there was an expression of support with the water agencies regarding the path forward.

In addition to the general sessions, I attended the following program sessions:

- Water Rate and Regulation Trends – Where are We Now and Where are We Going?
- Fire Infrastructure: The Benefits Far Exceed the Cost
- Developing the Next Generation of Water System Operators
- Safe and Affordable Drinking Water – Is 2019 the Year for Agreement
- A Connected World has Risks: Systems, Data and Privacy
- Reserve Policy and Understanding Risks

I also attended the ACWA JPIA Board and Town Hall meetings. The highlights are as follows:

- Financial Report indicated another favorable year with no large claims and refunds to most agencies (including FMWD and Kinneloa Irrigation District)
- ACWA JPIA received a “clean” audit by the independent auditor
- Board voted to accept five new agencies to join the liability program
- Board gave final approval to establish the captive insurance company and fund it starting in October 2019 and eventually provide a portion of the excess liability coverage that is now purchased from other firms
- Program sessions included: *40 Years of Partnership, Good Governance and Success; Differences That Make a Difference*



*Civil, Water, Wastewater, Drainage, Transportation and
Electrical/Controls Engineering • Construction Management • Surveying
California • Arizona*

Kinneloa Irrigation District
1999 Kinclair Drive
Pasadena Ca. 91107-1017

May 24, 2019

Attention: Melvin Matthews General Manager

Subject: Proposal for Design and construction services Brown/Glen replacement pipeline

Dear Mr. Matthews:

Kinneloa Irrigation District is considering preparing plans and specification for replacing some existing system pipelines in three phases. The first phase includes a new Glen Zone pipeline in Sierra Madre Villa from Barhite to Villa Knolls, with a tie in to Villa Highlands Drive. The second phase includes a new pipeline in Villa Knolls Drive from Sierra Madre Villa to Edgecliff Lane and in Edgecliff Lane from Villa Knolls Drive south to the cul-de-sac. Phase 3 includes a new pipeline in Sierra Madre Villa from Villa Knolls south to Trevan Road, West on Trevan Road to Hartwood Point and south on Hartwood point to the south end of Hartwood point. This proposal will provide the scope of services for all phases and engineering fees for phase 1 only and engineering fees for all three phases combined. Civiltec will prepare plans and specifications for each phase separately if the design for all three phases is authorized as one design project. This will allow for the District to have all phases designed initially and issue each phase separately for construction if required to match the District's annual capital improvement budget. We look forward to continuing to provide engineering services to the district on this pipeline replacement project.

As you know we value our professional relationship, with the District and propose to work closely with our clients to meet the dynamic demands of the real-world projects. We are confident that we are the right firm to complete your watermain installation projects. Feel free to contact me at (626) 357-0588 with any comments or questions.

Sincerely,

Terry Kerger PE | Principal Engineer

Scope of Work

Phase 1 - Design Engineering Services

Task 1 – Meetings

Civiltec will schedule a kick-off meeting with Kinneloa Irrigation District to discuss project information, goals, schedules, identify potential conflicts and requirements. We will request and obtain record drawings of all affected streets where the new mains will be installed within the project limits. A Kick-off meeting agenda and kick-off meeting minutes will be prepared.

Task 2 – Utility and Records Research

Civiltec will conduct complete utility research and contact each utility company requesting verification of location, size and depth of facilities within the project limits. Utility research performed may include, but is not limited to, existing water, storm drain, gas, telephone, electrical, cable TV, and fiber optic. We will perform a record and data search consisting of survey information (assessor maps, parcel maps, records of survey, right-of-way maps, easement documents, etc.) obtained as a part of the research efforts. A project base map will be prepared utilizing information received from the utility and records research efforts.

Task 3 –Field Investigation

Civiltec will perform a detailed field investigation to locate water valve covers, water meter boxes, fire hydrants, drainage features, air/vac cans, blow-offs, telephone poles and other visible aboveground facilities within the street right-of-way. Additionally, any utility markings will be documented for greater accuracy of the base plans with the assistance of Kinneloa Irrigation District opening a DigAlert (Underground Service Alert) ticket and marking project limits.

Task 4 – Draft Construction Plans

Civiltec will prepare draft construction plans in collaboration with Kinneloa Irrigation District operations staff. A final replacement pipe alignment and existing pipeline abandonment limits will be submitted for review and approval prior to finalizing the detailed design. All fire hydrants and water services will be replaced and or reconnected in kind. A field walk will be conducted to verify topographic data and review potential conflicts with the proposed alignment. We will compile all data from record mapping, utility record drawings and field investigation into a comprehensive utility base map as a basis for the draft construction plans. Plan drawings will be prepared in AutoCAD, Version 2019 on 24-inch by 36-inch sheets with 1-inch equals 40-foot horizontal scale. Sheets will be prepared on Kinneloa Irrigation District title block and drawings prepared in accordance with its drafting standards. Plans will include notes, dimensions, standard drawings references, connection details and other pertinent information. Large-scale details and/or sections will be provided in accordance with Kinneloa Irrigation District's drawing format. Submit draft plans for review and comment.

Task 5 – Hydraulic Analysis

Civiltec will prepare a hydraulic analysis of the Glen Zone to confirm the most efficient pipe diameter required for the pipeline replacement. Pipeline diameter recommendation will be made based on the smallest pipe diameter that will improve the fire flow the most.

Task 6 – Final Construction Plans, Specifications, and cost estimate

Civiltec will prepare a pre-final construction plan check set based on comments from the draft construction plans. We will submit the check set for review and approval. Final revisions will be made, if necessary, and final plan sets will be signed by a California Registered Civil Engineer. A final quantity take-off will also be prepared.

Design Deliverables

Draft Construction Plans. The draft construction plans will be submitted for review by Kinneloa Irrigation District. We will submit a PDF copy of the plans via email.

Final Construction Plans, Engineers Construction Cost estimate, and Specifications. Two (2) bond sets of the plans and one (1) Mylar print of construction drawings will be submitted for Signature. Civiltec will provide final drawing and construction specifications document files in PDF, and Microsoft Excel. All plans will be signed and stamped by a California Registered Civil Engineer.

Task 7 – Permit and plan check

Civiltec will submit and process the signed plans to the County of Los Angeles through the Counties electronic “EPICLA” Excavation permit process. The excavation permit will be included for reference with the contract specifications and bid items. The excavation permit will likely require submittal of a traffic control plan for work within Sierra Madre Villa. This traffic control plan will be a requirement of the contract specification for the contractor to submit. The traffic control plan will require coordination with the contractor’s construction activity schedule.

Task 8 – Construction Phase Services

Civiltec will provide construction phase services including preparing potential bidders list, distributing bid documents, conducting pre bid meeting, responding to contractors RFI’s, opening bids, analyzing bids, preparing a bid award recommendation letter, Reviewing contract documents, conducting pre construction meeting, reviewing and processing material submittals, responding to any requests for change orders, processing pay requests, conducting final job walk and preparing punch list, preparing Notice of Completion and release of retention recommendation letter.

SCHEDULE

We anticipate the plans for Phase 1 can be completed in 6-8 weeks. The completion of all three phases of the plans can be completed in 8-12 weeks.

FEE

See attached spreadsheets for phase 1 and phases 1-3.

**Brown/Glen Pipeline Replacement
Kinneloa Irrigation District**

Time and Fee Estimate

Date: May 24, 2019

Scope of Work Phase 1	HOURS BY SrPM	HOURS BY Sr. D	HOURS BY D	HOURS BY CADT	HOURS BY PT	HOURS BY 2MS	HOURS BY SM	REIMB. EXPENSES	TOTAL COST
	\$ 200.00	\$ 175.00	\$ 135.00	\$ 100.00	\$ 110.00	\$ 240.00	\$ 175.00		
Phase 1 - Design Engineering Services									\$ 22,010.00
Task 1 - Meetings	4							\$ 100.00	\$ 900.00
Task 2 - Utility and Records Research			4		8			\$ 200.00	\$ 1,620.00
Task 3 - Field Survey			8					\$ 150.00	\$ 1,230.00
Task 4 - Draft Construction Plans	4	4	36	16					\$ 7,960.00
Task 5 - Hydraulic Analysis		4		8					\$ 1,500.00
Task 6 - Final Construction Plans, Specifications, and Cost Estimate	16	8	16	8					\$ 7,560.00
Task 7 -Permit and Plan Check	4				4				\$ 1,240.00
Phase 1 -Construction Phase Services									\$ 11,160.00
Bidders list	2								\$ 400.00
Distribute Documents and Maintain log	2				4			\$ 300.00	\$ 1,140.00
Pre Bid Meeting	4								\$ 800.00
RFI's	4		8						\$ 1,880.00
Open Bids	2								\$ 400.00
Analyze bids and approval recommendation	4								\$ 800.00
bid award and recommendation	2								\$ 400.00
Review contract documents	4								\$ 800.00
Pre construction Meeting	4								\$ 800.00
Proccess Material submittals	4								\$ 800.00
Change orders	2								\$ 400.00
Proccess Pay requests	2	4							\$ 1,100.00
Punch list			4					\$ 100.00	\$ 640.00
Notice of Completion, Ret. Release	4								\$ 800.00
HOURS	68	20	76	32	16	0	0		212
BUDGET	\$ 13,600.00	\$ 3,500.00	\$ 10,260.00	\$ 3,200.00	\$ 1,760.00	\$ -	\$ -	\$850.00	\$ 33,170.00

SrPM = Sr. Project Manager
CADT = CAD Technician
SM = Survey Manager

SrD = Sr. Designer
PT = Planning Technician

D = Designer
2MS = Two Person Survey Crew

**Brown/Glen Pipeline Replacement
Kinneloa Irrigation District**

Time and Fee Estimate

Date: May 24, 2019

	HOURS BY SrPM	HOURS BY Sr. D	HOURS BY SE	HOURS BY D	HOURS BY CADT	HOURS BY PT	HOURS BY 2MS	HOURS BY SM	REIMB.	TOTAL
Scope of Work Phase 1-3	\$ 200.00	\$ 175.00	\$ 145.00	\$ 135.00	\$ 100.00	\$ 110.00	\$ 240.00	\$ 175.00	EXPENSES	COST
Phase 1-3 - Design Engineering Services										\$ 31,990.00
Task 1 - Meetings	4								\$ 100.00	\$ 900.00
Task 2 - Utility and Records Research				4		8			\$ 200.00	\$ 1,620.00
Task 3 - Field Survey				8					\$ 150.00	\$ 1,230.00
Task 4 - Draft Construction Plans	4	4		80	16					\$ 13,900.00
Task 5 - Hydraulic Analysis		4			16					\$ 2,300.00
Task 6 - Final Construction Plans, Specifications, and Cost Estimate	16	8		40	8					\$ 10,800.00
Task 7 -Permit and Plan Check	4					4				\$ 1,240.00
Phase 1-3 - Construction Phase Services 3 seperate projects										\$ 31,680.00
Bidders list	6									\$ 1,200.00
Distribute Documents and Maintain log	6					4			\$ 900.00	\$ 2,540.00
Pre Bid Meeting	12									\$ 2,400.00
RFI's	12			8						\$ 3,480.00
Open Bids	6									\$ 1,200.00
Analyze bids and approval recommendation	12									\$ 2,400.00
bid award and recommendation	6									\$ 1,200.00
Review contract documents	12									\$ 2,400.00
Pre construction Meeting	12									\$ 2,400.00
Proccess Material submittals	12									\$ 2,400.00
Change orders	6									\$ 1,200.00
Proccess Pay requests	6	16								\$ 4,000.00
Punch list				16					\$ 300.00	\$ 2,460.00
Notice of Completion, Ret. Release	12									\$ 2,400.00
HOURS	136	16	0	132	40	12	0	0		336
BUDGET	\$ 27,200.00	\$ 2,800.00	\$ -	\$ 17,820.00	\$ 4,000.00	\$ 1,320.00	\$ -	\$ -	\$ 1,650.00	\$ 63,670.00

SrPM = Sr. Project Manager
CADT = CAD Technician
SM = Survey Manager

SrD = Sr. Designer
PT = Planning Technician

D = Designer
2MS = Two Person Survey Crew