

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
BOARD OF DIRECTOR REGULAR MEETING
DECEMBER 10, 2013**

SALUTE TO THE FLAG

President Fairbanks opened the meeting with the salute to the flag.

MOMENT OF SILENCE

President Fairbanks asked for a moment of silence in honor of the holiday season.

CALL TO ORDER

President Fairbanks called the meeting to order at 2:00 P.M. Directors present were Dennis, Kiely, Kuehner and Onken. Representing the District were Manager Long, Field Operations Supervisor Sanders, Engineer Knibb, and Clerk Quigley.

CONSENT AGENDA

The Board reviewed the minutes of the Regular Board Meeting of November 12, 2013 the Financial Report and Warrant List for month ending November 30, 2013. After discussion, it was moved by Director Dennis and seconded by Director Kiely that the items on the consent agenda be approved as presented. The motion passed with a unanimous affirmative vote.

APPROVAL OF AMENDED DISTRICT CAPACITY CHARGE STUDY

President Fairbanks noted that the Board at the last regular meeting had reviewed this item. Manager Long reviewed the changes made based on the recommendation of the Board, noting that the Capacity Charge would increase from \$3,383 to \$4,777 per EDU. He stated that the Capacity Charge would now include a Buy-In Method component intended to recover funds for capacity in the existing system as well as the Incremental Cost Method to provide funds for the incremental cost of future system expansion needed to provide service to future development.

After discussion, it was moved by Director Kiely and seconded by Director Onken to approve the Amended District Capacity Charge Update with the recommendation to charge \$4, 777 per EDU. The motion passed with a unanimous affirmative vote.

ADOPTION OF RESOLUTION 08-2013 ADOPTING SCHEDULE OF RATES AND MODIFYING RATES AND CHARGES OF THE DISTRICT

Manager Long stated this resolution is intended to make changes to the rate schedule only, the 2013-14 budget would not be affected by the adoption of Resolution 08-2013. He also noted adoption of this resolution will change the Connection fee from \$793 to \$200 per EDU for owner installed connections only, connections completed by the District will be charged at actual cost incurred, and the Capacity Charge will change from \$3,383 to \$4,777 per EDU.

After discussion, it was moved by Director Onken and seconded by Director Dennis to adopt Resolution No. 08-2013 Adopting Schedule of Rates and Modifying Rates and Charges of the District. The motion passed with a unanimous affirmative roll call vote.

DESIGNATION OF SIGNATORIES ON THE BANK OF AMERICA ACCOUNT

Manager Long noted that Jack Ball's retirement and Larry Kuehner's subsequent appointment to the Board necessitated the designation of new signatories on the Bank of America account.

After discussion, it was moved by Director Dennis and seconded by Director Kiely to designate Dee G. Fairbanks, Steven C. Onken, T. C. Dennis, John J. Kiely, Larry E. Kuehner, and Dwayne Long as signers on the District's Bank of America account. The motion passed with a unanimous affirmative vote.

CSDA CALL FOR NOMINATIONS BOARD OF DIRECTORS REGION 2 SEAT C

No action taken.

ANNUAL BOARD REORGANIZATION

President Fairbanks opened the meeting to nominations for 2014 Board Officers. Director Kiely nominated Vice-President Onken for the office of President. Director Kiely moved to close the nominations. Director Dennis seconded the motion. The motion passed with a unanimous affirmative vote. President Fairbanks called for the vote, Vice-President Onken was elected to the office of President for 2014.

Director Kiely nominated Director Dennis for the office of Vice-President. Director Kiely moved to close the nominations. Director Onken seconded the motion. The motion passed with a unanimous affirmative vote. President Fairbanks called for the vote, Director Dennis was elected to the office of Vice-President for 2014.

2014 REGULAR BOARD MEETING SCHEDULE

Manager Long directed the Board's attention to the schedule included in their packets, noting the proposed schedule did not deviate from the normal meeting dates of the second Tuesday of each month. Director Onken noted that the November meeting was

scheduled on Veterans' Day. Manager Long suggested the November meeting be moved to Wednesday November 12, 2014.

After discussion, it was moved by Director Kiely and seconded by Director Dennis to approve the 2014 Regular Board Meeting Schedule as presented with the exception of changing the November meeting to Wednesday November 12, 2014. The motion passed with a unanimous affirmative vote.

SC-OR COMMISSIONER'S REPORT

Directors Kiely noted that the draft minutes were included in the Board. He stated that SC-OR had completed the Filter Vessel Media replacement.

BCSDA REPRESENTATIVES' AND LAFCo REPORT

Vice-President Onken noted the next BCSDA Executive Board meeting would be December 11, 2013.

TRI COUNTIES BANK LETTER DESIGNATING SIGNATORIES

Manager Long noted that the required letter had been submitted removing Jack Ball and adding Larry Kuehner to the Tri Counties Bank accounts.

BOARD MEMBER'S, MANAGER AND STAFF COMMENTS

Field Operations Supervisor Sanders noted that the crew had pulled a pump that was having fault errors and made repairs then reinstalled it at the Mooretown Liftstation.

Manager Long stated TWSD had borrowed the District excavator this past month as part of a concerted effort in resource and equipment sharing between LOAPUD, TWSD, and SFWP. Field Operations Supervisor Sanders noted the District had done some cctv work recently for SFWP assisting with the location of a water leak near Olive Hwy.

Manager Long also noted that the District Employee Appreciation Dinner is scheduled for Friday January 17, 2014 at the Bird Street Café. He asked the Board to RSVP as soon as possible.

Manager Long updated the Board on the conversion from UMAN to Black Mountain Software. He stated the new BMS should be up and running January 1, 2014.

Manager Long wished everyone a Merry Christmas and a Happy New Year.

President Fairbanks thanked everyone for making it a productive year. He noted that the District had made great, positive growth.

ADJOURNMENT

There being no further business to come before the Board the meeting was adjourned 2:53 P. M.

Respectfully submitted,

Cindy Quigley,
Clerk of the Board