

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
BOARD OF DIRECTOR REGULAR MEETING
APRIL 13, 2010**

SALUTE TO THE FLAG

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

MOMENT OF SILENCE

President Onken asked for a moment of silence.

CALL TO ORDER

President Onken called the meeting to order at 2:00 P.M. Directors present were Fraser, Ball, Dennis, and Kiely. Representing the District were Manager Brown, Field Operations Supervisor Sanders, Clerk Rustenhoven and Engineer Knibb.

BOARD MEETING MINUTES

The Board reviewed the minutes of the Regular Board Meeting of March 9, 2010. After discussion, it was moved by Director Dennis and seconded by Director Fraser that the minutes of the Regular Board Meeting be approved. The motion passed with a unanimous vote.

FINANCIAL REPORT AND AUTHORIZATION OF WARRANTS

The Board reviewed the Financial Report for the month ending March 31, 2010. After discussion it was moved by Director Kiely and seconded by Director Ball that the Financial Report ending March 31, 2010 be approved and Warrants No. 12646 through 12727 and Bank Transfers No. 220096 and 646008 including voided Warrant #12614 (Account #191047059) totaling \$303,816.69 and Warrant No. 1029 through Warrant No. 1032 (Account #191047035) totaling \$145.00 and Warrant No. 1057 (Account #191047047) totaling \$90.00 and be approved for payment. The motion passed with a unanimous vote.

ANNUAL RENEWAL OF BLUE SHIELD EMPLOYEE HEALTH INSURANCE PLAN

Manager Brown reported the Personnel Committee met and reviewed the renewal policy with Blue Shield of California, along with other quotes from other carriers. Manager Brown continued although the Blue Shield premium increased by 21% overall, they still have the lowest renewal cost. The Personnel Committee recommended renewing the Blue Shield of California Policy with Dayton Sayer Insurance Agency.

After discussion it was moved by Director Kiely and seconded by Director Ball to Approve the Renewal Policy with Blue Shield of California through Dayton Sayer Insurance Agency offering all of the plans to the employees. The motion was passed with a unanimous affirmative vote.

ANNUAL RENEWAL OF PRINCIPAL LIFE AND DENTAL INSURANCE PLAN

Manager Brown reported the Personnel Committee also had reviewed the Principal Life and Dental Renewal Proposal, adding the premium increased 5.9%. The Personnel Committee recommended renewing the Principal Life and Dental Policy with Dayton Sayer Insurance Agency.

After discussion, it was moved by Director Fraser and seconded by Director Kiely to Approve the Renewal of the Life and Dental Insurance Policy with Principal Financial through Dayton Sayer Insurance Agency. The motion was passed with a unanimous affirmative vote.

AUTHORIZATION TO ADVERTISE FOR BIDS FOR THE HWY 162 AT KELLY RIDGE ROAD SEWER CROSSING

Manager Brown stated that included in today's packet was the Engineer's Estimate for this project. Manager Brown added the Engineer Estimate was substantially higher than he initially planned, however he would like to advertise the project for bids, to provide the opportunity to perhaps receive a favorable bid. Engineer Knibb provided the details of the project, including the benefits of completing this work before Caltrans begins their project later this year.

After discussion, it was moved by Director Kiely and seconded by Director Dennis to Authorize the Advertising for Bids for the Hwy 162 Sewer Crossing at Kelly Ridge Road. The motion was passed with a unanimous affirmative vote.

AUTHORIZATION TO PAY WAYNE ROWE THE APPRAISED VALUE FOR THE VILLA VERONA GRAVITY SYSTEM EASEMENT

Manager Brown stated Mr. Wayne Rowe is a property owner in the Villa Verona District that we need an easement from to continue the gravity main line extension. Manager Brown continued Mr. Rowe has indicated that he is willing to grant the District an easement however he is looking for remuneration for the easement. Manager Brown reported Azevedo and Associates has prepared an Appraisal Report which is included in today's packet. Manager Brown asked the Board to consider the approval of payment to Mr. Wayne Rowe in the amount of \$2,924.00 as compensation for granting a temporary and permanent easement located on parcel identified as APN #078-310-067.

After discussion, it was moved by Director Fraser and seconded by Director Ball to Authorize payment of \$2,924.00 to Wayne Rowe as compensation for granting a temporary and permanent easement on APN #078-310-067. The motion was passed with a unanimous affirmative vote.

ADOPT BOARD POLICY NO. 2005 PERSONNEL

Manager Brown introduced the Board Policy No. 2005 at the previous Board Meeting. Manager Brown reported there was only one minor change and is now recommending the Adoption of Board Policy No. 2005.

After discussion it was moved by Director Ball and seconded by Director Kiely to Adopt Board Policy No. 2005 Personnel. The motion was passed with a unanimous affirmative vote.

APPROVAL TO SUBMIT "SPHERE OF INFLUENCE UPDATE REPORT" TO LAFCo

Manager Brown reported the District Engineer has completed his report to update the District's Sphere of Influence. Manager Brown continued LAFCo would like to begin processing the SOI Update Report. LAFCo could utilize the Butte County's Environmental Document for the General Plan Update as a base for our Environmental Study. Engineer Knibb provided the specifics of the S.O.I. Update Report for the Board, along with fielding several questions which imparted an understanding of the document. Therefore Manager Brown would like to submit the District's Sphere of Influence Update Report to LAFCo.

After discussion it was moved by Director Ball and seconded by Director Kiely to Approve the Submittal of the Sphere of Influence Update Report to LAFCo and begin the process of updating the District Sphere of Influence. The motion was passed with a unanimous affirmative vote.

DWR CCTV INSPECTION

Manager Brown asked F.O.S. Sanders to provide a report to the Board. F.O.S. Sanders gave a brief summary of the inspection scope of work performed at the Thermalito Power Plant, also stating DWR was pleased with the service provided by District staff.

COLLECTING FEES ON FORECLOSED PROPERTIES

Manager Brown reported the number of foreclosure properties has greatly increased over the last year. He continued, in response the District has obtained more current foreclosure information via an online data service. Manager Brown commented this should assist with the collection of the sewer service charges by providing up to date property owner information.

BURBANK BYPASS PROJECT

Engineer Knibb described the outfall lines which serve the North West quadrant of Southside. He continued this line surcharges during wet weather and is highly suspect as a source of infiltration. Manager Brown has asked the District Surveyor to review the lands and provide a report.

JPA-TAC MEETING

Manager Brown provided a summary of the April Meeting along with answering various questions from the Board.

SC-OR COMMISSIONER'S REPORT

Director Dennis said he had nothing additional to report, referring to the SC-OR Minutes.

BCSDA REPRESENTATIVES' AND LAFCo REPORT

Vice President Dennis gave a brief summary of the March 30, 2010 BCSDA Meeting, which Steve Lucas of LAFCo provided some insight to the procedural changes implemented within his Division. Manager Brown reminded the Board of the General Membership Meeting on May 6, 2010 at Western Pacific Brewing & Dining, here in Oroville.

BOARD MEMBER'S, MANAGER AND STAFF COMMENTS

Director Ball commented the lack of new District connections during the current fiscal year. President Onken stated he would not be able to attend next month's Meeting; he would be out of town.

ADJOURNMENT

There being no further business to come before the Board the meeting was adjourned at 2:57 P.M.

Respectfully submitted,

Janette Rustenhoven,
Clerk of the Board