

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
APRIL 14, 2009**

SALUTE TO THE FLAG

President Fraser asked Director Onken to open the meeting with the salute to the flag.

MOMENT OF SILENCE

President Fraser asks for a moment of silence.

CALL TO ORDER

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

BOARD MEETING MINUTES

The Board reviewed the minutes of the Special Board Meeting of March 10, 2009 as well as the minutes of the Regular Board Meeting of March 10, 2009. After discussion, it was moved by Director Kiely and seconded by Director Ball that the minutes of the Special Board Meeting of March 10, 2009 along with the minutes of the Regular Board Meeting of March 10, 2009 be approved as presented. The motion passed with a unanimous affirmative vote.

FINANCIAL REPORT AND AUTHORIZATION OF WARRANTS

The Board reviewed the Financial Report for the month of March 2009. After discussion it was moved by Director Kiely and seconded by Director Dennis that the Financial Report ending March 31, 2009 be approved and that bank transfers No. 44123, and 32707 (Account #11697-80000) totaling \$9,964.48 and Warrants No. 11648 through 11733 (Account #191047059) totaling \$273,877.59 and Warrant No. 1006 (Account #191047035) totaling \$50.00 and Warrant No. 1018 through Warrant No. 1019 (Account #191047047) totaling \$190.00 and be approved for payment. The motion passed with a unanimous affirmative 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. Manager Brown stated he had obtained two other quotes for comparable health insurance from outside brokers and did not find better premium rates. Manager Brown added although the current Blue Shield policy renewal increases the premium by 17%, in addition to a Rate Adjustment Factor increase of 5%, it still offered the District the lowest cost. The Personnel Committee recommended the renewal of the current policy.

After discussion it was moved by Director Ball and seconded by Director Onken to Approve the Renewal Policy with Blue Shield of California through Dayton Sayer Insurance Agency offering all of the Health Plans to the employees. In addition the District will provide the Health Savings Account \$2500/\$5000 Plan and fund it to the deductible limits per health plan. If an employee does not choose the HD/HSA compatible plan, the District will pay the equivalent value of the Blue Shield premium and H.S.A. funding towards the alternative Health plan premium selected. The motion was passed with a unanimous affirmative vote.

ANNUAL RENEWAL OF PRINCIPAL FINANCIAL LIFE AND DENTAL INSURANCE PLAN

Manager Brown reported the Personnel Committee also met and reviewed the Principal Financial Life and Dental Insurance renewal premiums. Manager Brown added the renewal reflected a 4.8% increase, and the committee recommended the renewal of this policy.

After discussion it was moved by Director Dennis and seconded by Director Kiely to Approve the Renewal Policy with Principal Financial Life & Dental through Dayton Sayer Insurance Agency commencing May 15, 2009. The motion was passed with a unanimous affirmative vote.

APPROVAL TO PURCHASE PVC PIPE AND FITTINGS

Manager Brown reported he hopes to begin the Villa Verona Gravity Line Phase I Project soon, and in anticipation of the project beginning in the near future he would like to take the opportunity to purchase the necessary pipe in order to take advantage of the lower prices due to these economic times. Manager Brown stated based on the quotes obtained; he would like the Board to consider this purchase up to the amount of \$40,000.

After discussion it was moved by Director Onken and seconded by Director Dennis to Approve the purchase up to \$40,000 for the following:

- A) 3000 lf of 8" PVC, SDR 35;
- B) 3640 lf of 12" PVC, SDR 35;
- C) 8" and 12" Wyes Gasket SDR 35 and misc fittings;

The motion was passed with a unanimous affirmative vote.

ELECTION OF SPECIAL DISTRICT LAFCo COMMISSIONERS

Manager Brown announced the Butte Local Agency Formation Commission is currently holding an election for a Non-Enterprise Special District Regular Commissioner as well as an Enterprise or Non-enterprise Special District Alternate Commissioner. For review a copy of the Ballot was included in the Board's packet.

After discussion it was moved by Director Kiely and seconded by Director Onken to cast the District's vote for Loren Gill, of Feather River Recreation & Park for the Non-Enterprise Special District Regular Commissioner. The motion was passed with a unanimous affirmative vote.

After discussion it was moved by Director Kiely and seconded by Director Onken to cast the District's vote for Loren Gill, of Feather River Parks & Rec, for the Non-Enterprise Special District Alternate Commissioner. The motion was passed with a unanimous affirmative vote.

APPROVAL OF BOARD POLICY NO. 3050 OFF-ROAD DIESEL EQUIPMENT IDLING POLICY

Manager Brown stated this Board Policy was introduced to the Board at last month's meeting for review, adding he has incorporated all revisions/suggestions. At this time he is recommending the Board Adopt Board Policy No. 3050, Off Road Diesel Equipment Idling Policy.

After discussion it was moved by Director Ball and seconded by Director Kiely to Adopt Board Policy No. 3050, Off Road Diesel Equipment idling Policy. The motion was passed with a unanimous affirmative vote.

APPROVAL OF ROMAGUERA LINE EXTENSION REIMBURSEMENT AGREEMENT

Manager Brown stated this item was not ready for discussion at this time, adding he would bring it back to the Board for consideration at a later date.

ADOPTION OF PROPOSED DISTRICT MISSION STATEMENT

Manager Brown reported this issue was brought to the Board in February for consideration. Following the Board consensus, he trimmed the previously submitted statement and has included two suggestions for the Board's review.

After discussion it was moved by Director Onken and seconded by Director Ball to Adopt the following as the District's Mission Statement, "The Mission of the Lake Oroville Area Public Utility District is to provide dedicated service and efficient wastewater collection at a reasonable price to all customers." The motion was passed with a unanimous affirmative vote.

NOTICE OF EASEMENTS ACCEPTED ON BEHALF OF THE DISTRICT

The Lake Oroville Area Public Utility District pursuant to the authority conferred by Resolution No. 15-02 of the Lake Oroville Area Public Utility District, adopted October 8, 2002, by its duly authorized officer has hereby accepted the easements offered to it by the owners of the parcels hereinafter listed:

<u>Assessor's Parcel Number</u>	<u>Owner's Name</u>
078-310-070	Oscar Oster Estate
078-310-065	Charles H. Preader and Marilyn McMain Preader
078-310-066	Marilyn Mc Main Preader
078-310-062	The Thompson Family Trust
078-310-061	The Thompson Family Trust
078-310-068	N. L. Fortier
079-030-022	Anthony & Mindy L. Ripperger
069-330-015	Nolan C. & Alvida J. Bush Family Trust

CLEAN WATER STATE REVOLVING FUND – PROJECT PRIORITY LIST

Manager Brown provided an update, due to the increased interest in the American Recovery and Reinvestment Act, the Clean Water State Revolving Fund Program has offered a second comment period extended through April 14, 2009 and will delay the posting of the preliminary 2009/2010 CWSRF Priority List until April 20, 2009.

COUNTY OF BUTTE INDIAN GAMING LOCAL BENEFIT GRANT APPLICATIONS

Manager Brown detailed the District applied for a \$158,000 grant from BIGLBF to complete a portion of the 2006 Stateline project. The District's application has been sponsored by Berry Creek Rancheria/ Gold Country Casino and Hotel, and the Mooretown Rancheria/Feather Falls Casino and Hotel; the BIGLBF committee will announce their decision on April 16, 2009.

SC-OR DRAFT DEVELOPERS AGREEMENT

Director Dennis reported The City of Oroville has developed a list of questions regarding this agreement, along with requesting additional time to facilitate review of the document and the Q & A. The consensus of the Developer Agreement Advisory Committee was to extend the deadline for consideration to July 1, 2009.

LATERAL TESTING SEWER ORDINANCE

Manager Brown stated he felt the Special Meeting held for the Lateral Testing Sewer Ordinance was very productive, adding that he is incorporating the changes and anticipates the final document presented to the Board for consideration/adoption at the May 12, 2009 Regularly Scheduled Board Meeting.

PRELIMINARY 2009-10 BUDGET

Manager Brown reiterated the Personnel Committee had met earlier this month adding he anticipates meeting with the Finance Committee next month. The Budget is being developed as the information is gathered and becomes available.

DISTRICT INVESTMENTS

Manager Brown stated that there had been no significant changes made with regard to the District's Investments.

COUNTY INVESTMENT POOL

Clerk Rustenhoven provided an update following a conversation with the Assistant County Treasurer regarding the possibility of the District joining the Butte County Investment Pool. The District had not received any expressed response from the County, but if additional information was obtained the Board would be updated accordingly.

CREDIT CARD PAYMENTS

Manager Brown reviewed the according charges associated with the acceptance of credit cards for sewer service charges. It was the recommendation of the General Manager to continue monitoring the applicable charges and provide another update to the Board in three months for discussion/consideration.

SC-OR COMMISSIONER'S REPORT

Director Dennis referred to the SC-OR Minutes as all pertinent information has been included within the document or was previously discussed during the SC-OR Developer's Agreement.

BCSDA REPRESENTATIVES' AND LAFCO REPORT

Manager Brown reported the Executive Board met on April 7, 2009. President Jim Edwards of SFWP chaired the meeting and made the necessary committee appointments. The next General Membership Meeting will be held on May 7, 2009 at the Western Brewery in Oroville at 7:00 P.M.

BOARD MEMBER'S, MANAGER AND STAFF COMMENTS

ADJOURNMENT

There being no further business to come before the Board the meeting was adjourned at 2:58 P.M.

Respectfully submitted,

Janette Rustenhoven,
Clerk of the Board