

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTOR REGULAR MEETING  
DECEMBER 8, 2009**

**SALUTE TO THE FLAG**

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

**MOMENT OF SILENCE**

President Fraser asked 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 Sanders, Engineer Knibb and Clerk Rustenhoven.

**BOARD MEETING MINUTES**

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

**FINANCIAL REPORT AND AUTHORIZATION OF WARRANTS**

The Board reviewed the Financial Report for the month of November 2009. After discussion it was moved by Director Dennis and seconded by Director Onken that the Financial Report ending November 31, 2009 be approved and Warrants No. 12321 through 12397 and Bank Transfers No. 544602 and 742564 (Account #191047059) totaling \$93,638.95 and Warrant No. 1021 (Account #191047035) totaling \$50.00 and Warrant No. 1042 through No. 1047 (Account #191047047) totaling \$1,052.33 and be approved for payment. The motion passed with a unanimous affirmative vote.

**ANNUAL BOARD REORGANIZATION**

President Fraser opened the meeting to nominations for Board Officers. Director Ball nominated Vice President Onken for the office of President. Director Kiely moved to close the nominations, Director Dennis seconded the motion. President Fraser asked for a vote on the nomination. The motion passed with a unanimous affirmative vote. The results were as follows:

AYES: President Fraser, Director Ball, Dennis, Kiely and Onken.

Director Kiely nominated Director Dennis as Vice President. Director Kiely moved to close the nominations, Director Onken seconded the motion. President Fraser asked for a vote on Director Dennis for Vice-President. The motion passed with a unanimous affirmative vote. The results were as follows:

AYES: President Fraser, Director Ball, Dennis, Kiely and Onken.

**STATE LINE SEWER REPLACEMENT PROJECT 2009 PHASE 2 CONTRACT CHANGE ORDER NO. 2**

Manager Brown reported the nature of this change order is for rock excavation and additional costs associated with the tie-in to the existing sewer pipeline, due to an alignment change encountered in the field. Engineer Knibb provided more detail, and his recommendation for approval of CCO No. 2.

After discussion, it was moved by Director Onken and seconded by Director Ball to Approve Contract Change Order No. 2 for the State Line Replacement Project 2009, Phase 2 in the amount of \$6,569.75. The motion passed with a unanimous vote.

### **STATE LINE SEWER REPLACEMENT PROJECT 2009 PHASE 2 PPE NO. 3**

Manager Brown reported the contractor had completed the final tie-in for the project and is done with the by-pass pumping. The project cleanup work is almost done, and the District staff has begun the project closeout process. Engineer Knibb added the project is considered to be substantially complete and Partial Payment Estimate No. 3 does include CCO No. 2, which the Board just approved, and is recommending PPE No. 3 in the amount of \$90,187.88 for payment.

After discussion it was moved by Director Onken and seconded by Director Dennis to Approve Progress Pay Estimate No. 3 for the State Line Phase, 2009 Project in the amount of \$90,187.88. The motion passed with a unanimous vote.

### **APPROVAL TO PURCHASE COLOR COPIER/SCANNER/PRINTER**

Manager Brown stated the existing District Copier/Printer is eight years old and is in need of a drum replacement. Staff has reviewed several options on the available along with addressing the current needs and inefficiencies along with the upcoming needs for the future business effectiveness. Manager Brown added this was an item on the 2008/2009 Budget however never purchased, now is recommending the purchase of a Bizhub C353 Copier/Printer/Scanner from Inland Business Systems for \$9,903.00.

After discussion it was moved by Director Dennis and seconded by Director Onken to Approve the Purchase of a Bizhub C353 Copier/Printer/Scanner for Inland Business Systems in the amount of \$9,903.00. The motion passed with a unanimous vote.

### **VILLA VERONA GRAVITY LINE SYSTEM**

Manager Brown reported the District Field Crew is doing an excellent job on the installation of the Villa Verone Gravity System. Detailing they have installed 425' of pipe, taking advantage of the dry weather. Manager Brown added based on the progress made he is projecting it will take approximately 3 years to complete Phase 1 of this project. F.O.S. Sanders reported that two tank systems had been decommissioned.

### **UTILITY BILLING RATE ADJUSTMENTS**

Manager Brown reported as a follow up, staff has contacted the utility company which provide the District services and can report success with a reduction of costs resulting with an annual savings of \$2,200.00.

### **MANAGEMENT RESPONSE TO 2009/2010 AUDIT**

Manager Brown stated that a Management Response had been prepared as a follow up to the 2009/2010 Independent Auditor's Report. It was suggested by the Board to send a copy of the Management Response to the Auditor, Mr. Duckett of Davis Hammon and Associates.

### **DISTRICT INVESTMENT SUMMARY**

Manager Brown noted a Summary of the District Investments has been included as an informational item.

## **DRAFT AMENDMENT TO BOARD POLICY NO. 3075 DISCONTINUATION OF SEWER SERVICE**

Manager Brown reported the Board adopted amendments of Board Policy No. 3075 in March. Since then, we have had requests to waive reconnection fees and found that we did not take into consideration the individual sewer service's that were already disconnected and make accommodations for those who have disconnected service agreements in place without penalty at time of reconnection to our system. Therefore, amendments for Board Policy No. 3075 have been included for review.

## **STATE REVOLVING FUND – ECONOMIC STIMULUS**

Manager Brown reported the District's Financial Assistance Application for the Clean Water State Revolving Fund (CWSRF) Program Small Communities Wastewater Grant (SCWG) Program was completed and submitted. Manager Brown continued this week the District received notice from the Project Manager that she is currently reviewing our application and has scheduled a "Kick-Off" meeting for December 13, 2009.

## **PROPOSITION 1A SECURITIZATION**

Manager Brown reported the Proposition 1A Bonds have been sold and we are on schedule to receive our first distribution on January 15, 2010.

## **SC-OR COMMISSIONER'S REPORT**

President Fraser referred to correspondence SC-OR received from LAFCo last month. Some discussion ensued regarding LAFCo's current position and SC-OR and the member entities.

## **BCSDA REPRESENTATIVES' AND LAFCo REPORT**

Manager Brown reported BCSDA last meeting was held on December 1, 2009. The elections were held for the upcoming year and SFWPA chairing the meetings offered to continue another year. Therefore, Jim Edwards was elected President again along with Nan Johnson, Vice-President for 2010.

## **BOARD MEMBER'S, MANAGER AND STAFF COMMENTS**

Director Kiely thanked F.O.S. Sanders for his efforts in providing a more informative Supervisor's report to the Board.

## **ADJOURNMENT TO THE LAKE OROVILLE GOLF AND COUNTRY CLUB AT 6:00 PM**

There being no further business to come before the Board the meeting was adjourned at 2:50 P.M. to the Lake Oroville Golf & Country Club at 6:00 PM.

Respectfully submitted,

Janette Rustenhoven,  
Clerk of the Board