

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING  
MARCH 11, 2008**

**SALUTE TO THE FLAG**

President Kiely asked Director Ball to open the meeting with the salute to the flag.

**MOMENT OF SILENCE**

The Board observed a moment of silence for fellow Board Director "Bob" Simpson and Director T. C. Dennis who is traveling today.

**CALL TO ORDER**

President Kiely called the meeting to order at 2:00 P.M. Directors present were Ball, and Fraser. Representing the District were Manager Brown, Field Operations Supervisor Magliocca, Clerk Rustenhoven and Engineer Knibb of Sauers Engineering. Also present were Dennis Overfield and Steve Onken, both candidates for the Board Member Vacancy. Director Dennis was absent.

**BOARD MEETING MINUTES**

The Board reviewed the minutes of the Regular Board Meeting of February 12, 2008. After discussion, it was moved by Director Ball and seconded by Director Fraser that the minutes of the Regular Board Meeting of February 12, 2008 be approved as submitted. The motion passed with a majority affirmative vote. The results were as follows:

AYES: Director Ball, Fraser, and Kiely  
ABSENT: Director Dennis

**FINANCIAL REPORT AND AUTHORIZATION OF WARRANTS**

The Board reviewed the Financial Report for the month of February 2008. After discussion it was moved by Director Ball and seconded by Director Fraser that the Financial Report ending February 29, 2008 be approved and that Warrants No. 10516 through 10613, as well as bank transfers No. 66442 and 02528, (Account #11697-80000) totaling \$336,358.92 and Warrants No. 569 through No. 572 (Account #11694-80238) totaling \$1,080.09 and Warrants No. 5052 through No. 5054 in the amount of \$175.00 (Account #11692-80239) be approved for payment. The motion passed with a majority affirmative vote. The results were as follows:

AYES: Director Ball, Fraser and Kiely  
ABSENT: Director Dennis

**CANDIDATE INTERVIEWS FOR BOARD MEMBER VACANCY**

President Kiely acknowledged both Dennis Overfield and Steve Onken were present today as both individuals had expressed interest in the fulfilling the Board Member Vacancy. President Kiely stated the Board would like to remain in open session however, would prefer to offer each candidate the opportunity to address the Board privately. Therefore, President Kiely ask Dennis Overfield to step outside of the Boardroom and upon completion of their discussion with Steve Onken he would be given the same opportunity to address the Board privately.

At this time, Dennis Overfield left the Boardroom at 2:04 P.M.

The Board pursued a discussion with Candidate Steve Onken. The conversation encompassed many topics and included several questions from the Board.

At this time, 2:22 P.M. Steve Onken stepped out of the Boardroom and Dennis Overfield rejoined the meeting.

The Board engaged in a conversation with Candidate Dennis Overfield regarding his interest in the Board Member Vacancy. The Board inquired about Mr. Overfield's interests and work experiences. Many subjects were discussed.

At this time, Dennis Overfield left the Boardroom at 2:32.

President Kiely stated no action would be taken on this item.

#### **APPOINTMENT OF SUCCESSOR TO FILL BOARD MEMBER VACANY**

After much discussion, the Board concluded not to act on this matter, due to the absence of Director Dennis. General Manger Brown provided several options to the Board to contemplate for this matter to be considered again at a later date.

#### **APPROVAL OF PURCHASE A COLOR COPIER AND TRADE IN MINOLTA COPIER**

Manager Brown requested that consideration of this item be postponed.

#### **APPOINTMENT OF 2008-09 PERSONNEL ADVISORY COMMITTEE**

President Kiely announced the Personnel Advisory Committee for the upcoming Fiscal Year Planning would be Director Fraser and Director Dennis.

#### **APPOINTMENT OF 2008-09 FINANCIAL ADVISORY COMMITTEE**

President Kiely announced the Financial Advisory Committee for the upcoming Fiscal Year Planning would be Director Ball and Director Kiely.

#### **LAO PROPOSES TO SHIFT WATER/WASTERWATER DISTRICTS' PROPERTY TAX**

Manager Brown reported this was an informational item for the Board. This proposed legislation is currently in the Legislative Analysis Office for review and consideration and has not been considered by the Governor; he felt compelled to make this report to the Board. Manager Brown further explained this legislation suggests a shift of property tax revenue from the water and wastewater special districts to the County as a source of funding the County's parole program. The estimated percentage of tax revenue which could be potential lost from our District is 50%; however the amount can increase up to 70%. Manager Brown added that this legislation does not include a term period, which would also indicate this could possibly be a long term loss of revenue for the District.

#### **STATE WATER RESOURCES CONTROL BOARD MONITORING AND REPORTING AMENDMENT NO. 1**

Manager Brown stated this was an informational item for the Board, providing an update to the Board regarding some of the recent reporting changes and deadlines the District must comply with when a "spill" occurs. The Board had several questions which General Manager Brown answered.

#### **CALPERS 457 DEFERRED COMPENSATION PLAN**

Manager Brown stated that although the District offers each employee the option to participate in a 457 Deferred Compensation Plan which is administered by Nationwide Investments, some of the employees have expressed interest in utilizing the 457 Deferred Compensation Plan offered by CalPERS, thus managing their funds with a single administrator.

## **BUTTE COUNTY AIR QUALITY MANAGEMENT DISTRICT - INSPECTION**

Field Operations Supervisor reported that a representative from BCAQMD contacted him last week requesting a field site inspection. FOS Magliocca met with the representative and during the yard inspection; an infraction was noted and discussed. FOS Magliocca detailed the problem to the Board, concluding that he has scheduled the repair work and the problem will be corrected. FOS Magliocca also accompanied the inspector to the Royal Oaks Pump Station where the newest generator was on site awaiting installation pending the progress of the construction work. FOS Magliocca further reported later that day he received a call from the inspector who communicated that the District failed to obtain a construction permit from BCAQMD for the installation of the Royal Oaks P.S. generator and could expect a fine for this oversight.

## **VILLA VERONA SEWER LINE EXTENSION - PHASE I**

Manager Brown reported this project is gearing up to start, the legal descriptions were received from the District Surveyor and staff has begun creating the easement document, which will be distributed to the property owners. Manager Brown added that once the right of ways are obtained the crew could begin the project.

At this time, Steve Onken rejoined the meeting, at 2:50 P.M.

## **LATERAL TESTING PROGRAM**

Manager Brown reported that he had began writing the District ordinance for the Lateral Testing Program, adding that Clerk Rustenhoven and Administrative Assistant Quigley have scheduled a visit to Truckee Sanitary District later this month to look at the necessary administration which would accompany a similar program.

## **DISTRICT SPRING FACILITY TOUR**

Manager Brown suggested the possibility of scheduling a tour of the District Facilities for the Board, adding there will be a new Board Member appointed soon and perhaps providing a facilities tour would be beneficial for many reasons. The Board was in favor of a facilities tour and directed the Manager to use his discretion as to when to set the appropriate date.

## **SPHERE OF INFLUENCE RFP'S**

Manager Brown reported based on several conversations with Lafco; he directed staff to circulate the Request for Proposal for the District's Sphere of Influence Update. As soon as Lafco received a copy of the RFP, Manager Brown received a call from Executive Director of Lafco, Steve Lucas, who communicated his non-response regarding the Draft SOI submitted, did not indicate Lafco's support of the District's update. Manager Brown withdrew the Request for Proposals and is waiting for the response from Lafco before moving forward with the update.

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

Director Fraser made reference to the SC-OR Meeting Minutes included in the Board Packet. Manager Brown expanded on the discussion regarding the current I & I Rebate Program SC-OR sponsors and how the Commission is considering changing that program.

## **BCSDA REPRESENTATIVES' AND LAFCO REPORT**

Manager Brown reported that BCSDA will meet on April 1, 2008 and at the Lafco Meeting of March 6, 2008 the District's Williams Annexation was approved. Also discussed was Lafco's 08/09 Budget, which does not increase. The District's Membership fee should not increase as a result.

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

FOS Magliocca reported the Palermo Advisory Committee has been recognized by Butte County. The Committee will now have access to County personnel and County services in the process of studying the feasibility of servicing Palermo with water and sewer service.

**ADJOURNMENT**

There being no further business to come before the Board the meeting was adjourned at 3:49 P.M.

Respectfully submitted,

Janette Rustenhoven,  
Clerk of the Board