

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING  
MAY 13, 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 in remembrance of those who are no longer with us.

**CALL TO ORDER**

President Kiely called the meeting to order at 2:00 P.M. Directors present were Ball, Dennis, and Fraser. Representing the District were Manager Brown, Field Operations Supervisor Magliocca, and Clerk Rustenhoven. Also attending the meeting was Mr. & Mrs. Bruce Williams in reference to the property identified as APN 069-330-016. Director Onken was absent.

**BOARD MEETING MINUTES**

The Board reviewed the minutes of the Regular Board Meeting of April 8, 2008 and the Adjourned Special Board Meeting of April 8, 2008. After discussion, it was moved by Director Ball and seconded by Director Fraser that the minutes of the Regular Board Meeting of April 8, 2008 and the Minutes of the Adjourned Special Board Meeting of April 8, 2008 be approved as submitted. The motion passed with a majority affirmative vote. The results were as follows:

AYES: President Kiely, Director Ball, Dennis and Fraser

ABSENT: Director Onken

**FINANCIAL REPORT AND AUTHORIZATION OF WARRANTS**

The Board reviewed the Financial Report for the month of April 2008. After discussion it was moved by Director Dennis and seconded by Director Ball that the Financial Report ending April 30, 2008 be approved and that Warrants No. 10722 through 10812, as well as bank transfers No. 70292 and 12952, (Account #11697-80000) totaling \$176,110.68 and Warrant 573 in the amount of \$193.98 (Account #11694-80238) and Warrants #5055 through #5057 (Account #11692-80239) totaling \$175.00 be approved for payment. The motion passed with a majority affirmative vote. The results were as follows:

AYES: President Kiely, Director Ball, Dennis and Fraser

ABSENT: Director Onken

**APPROVAL OF RESOLUTION NO. 3-08 "CALLING A GENERAL DISTRICT ELECTION AND REQUEST FOR CONSOLIDATION"**

Manager Brown stated that three Director's term expire this year therefore, the District must file with Butte County a Resolution Calling for a General Election and Request for Consolidation. The result of the filing allows the District to share in the General Election costs which is a fraction of the expense when compared to the total costs associated with a District Election.

After discussion, it was moved by Director Fraser and seconded by Director Dennis for the Approval of Resolution No. 3-08 "Calling a General District Election and Request for Consolidation. The motion passed with a majority affirmative vote. The results were as follows:

AYES: President Kiely, Director Ball, Dennis and Fraser

ABSENT: Director Onken

**RESOLUTION NO. 4-08 APPROVING DEVELOPMENT AGREEMENT FOR ROB ROMAQUERA RIVERVIEW DRIVE MAIN LINE EXTENSION**

Manager Brown reported the Development Plans for this project have been reviewed by Engineer Knibb and are ready to be signed off; additionally Mr. Romaquera has paid all the District fees as required. Manager Brown reported an easement for access to the property was still pending, however he was recommending the Board Adopt Resolution No. 4-08 pending the procurement of the proper easement document. Manager Brown continued Mr. & Mrs. Williams, who recently annexed into the District, are neighbors of Mr. Romaquera. The Williams' have a failing septic tank and with the approval of this mainline extension it will allow The Williams' to connect to the sewer now and will provide future service for Mr. Romaquera's property.

After discussion, it was moved by Director Ball and seconded by Director Dennis to Adopt Resolution No. 4-08 Authorizing the Execution of the Development Agreement for Rob Romaquera Riverview Drive Mainline Extension once the proper easement document has been received/reviewed and recorded by the District. The motion passed with a majority affirmative vote. The results were as follows:

AYES: President Kiely, Director Ball, Dennis and Fraser

ABSENT: Director Onken

At this time, Mr. & Mrs. Williams left the meeting at 2:07 P.M.

**ADOPTION OF RESOLUTION NO. 5-08 APPLICATION FOR ANNEXATION OF MALCOLM HALL PROPERTY ON HILDALE AVE**

Manager Brown reported that although this has been a lengthy process Malcolm Hall has an approved Tentative Subdivision Map of APN 068-341-010 for twenty residential parcels. Manager Brown added this Annexation to the District is a condition of approval for the project to obtain sewer service. For continuity, two additional parcels to the east are also part of the Annexation. Manager Brown closed with the District has the proper documentation needed and he can recommend Approval of Resolution No. 5-08.

After discussion, it was moved by Director Fraser and seconded by Director Dennis to Approve Resolution No. 5-08, Application for Annexation of Malcolm Hall Property on Hildale Ave. reference APN 068-341-010. The motion passed with a majority affirmative vote. The results were as follows:

AYES: President Kiely, Director Ball, Dennis and Fraser

ABSENT: Director Onken

**ADOPTION OF RESOLUTION NO. 6-08 APPROPRIATIONS LIMIT FOR THE 2008/2009 FISCAL YEAR**

Manager Brown identified the Adoption of Resolution No. 6-08 Appropriations Limit for the 2008/2009 Fiscal Year as the formula for mandated percentages provided by the State of California for the purpose of determining exactly how much money the District could receive in taxes from Butte County.

After discussion, it was moved by Director Dennis and seconded by Director Ball for the Adoption of Resolution No. 6-08 setting the Appropriations Limit In the amount of \$493,628.26 for the 2008/2009 Fiscal Year. The motion passed with a majority affirmative vote. The results were as follows:

AYES: President Kiely, Director Ball, Dennis and Fraser

ABSENT: Director Onken

**ADOPTION OF RESOLUTION NO. 7-08 AUTHORIZING SUBMITTING KELLY RIDGE ESTATES MAINTENANCE/OPERATION CHARGE TO THE BUTTE COUNTY 2008/2009 TAX ROLL**

Manager Brown stated the following resolution is a standard document required by Butte County, which authorizes the District to submit service charges for Maintenance and Operation charges as direct assessments of the Butte County 2008/2008 Tax Rolls.

After discussion, it was moved by Director Ball and seconded by Director Fraser for Approval of Resolution No. 7-08 Authorizing Submission of Kelly Ridge Estates Maintenance/Operation Charges to the Butte County 2008/2009 Tax Roll. The motion passed with a majority affirmative vote. The results were as follows:

AYES: President Kiely, Director Ball, Dennis and Fraser

ABSENT: Director Onken

**ADOPTION OF RESOLUTION NO, 8-08 AUTHORIZING SUBMITTING DELINQUENT SERVICE ACCOUNT TO THE BUTTE OCUNTY 2008/2009 TAX ROLL.**

Manager Brown advised the following resolution is a standard document required by Butte County, which authorizes the District to submit service charges for delinquent service accounts as direct assessments of the Butte County 2008/2009 Tax Rolls.

After discussion, it was moved by Director Ball and seconded by Director Dennis for Approval of Resolution No. 8-08 Authorizing Submission of Delinquent Service Accounts to the Butte County 2008/2009 Tax Roll. The motion passed with a majority affirmative vote. The results were as follows:

AYES: President Kiely, Director Ball, Dennis and Fraser

ABSENT: Director Onken

**LATERAL TESTING PROGRAM UPDATE/APPROVAL**

Manager Brown reported, the Lateral Testing Program Committee met this week and reviewed the first two sections of the Draft Sewer Ordinance. The committee is hoping to meet twice per month until the Ordinance review and revisions are finished and ready to present to the Board.

Manager Brown stated a key component to implementing and operating the Lateral Program is having a good Data Base System in place. As the foundation to build the Data Base we have designed a filing system where each District customer or potential customer, will have a file. These will be organized by parcel number, and color coded for pumping zones. Each file will contain the history of that parcel.

There are additional benefits from the creation of the "parcel file system". All customer documents become available in one centralized folder verses as they are now in several file folders disbursed throughout the office. It is our plan to virtually provide ALL pertinent facts in an individual parcel file to provide quick access to accurate information. Eventually this system will be supported with a complementing software program, of which the parcel file would provide the organized data required for the start up of an Electronic Data Base.

Initially there will be almost 5000 files to assemble. We would like to store them in a new High Density Rotary Filing System. This is a moveable system, but to start these will be placed in the Front Office. The front office cabinets and files will be removed and placed along the south Board room wall after the existing built in cabinets are removed. These existing cabinets take up a lot of room and are not used much.

After discussion, it was moved by Director Fraser and seconded by Director Ball for Approval of the Parcel File System concept, and Authorize the Purchase of a High Density Rotary File System along with the File Organizers and Supplies associated with this project with a total cost not to exceed \$25,000.00. The motion passed with a majority affirmative vote. The results were as follows:

AYES: President Kiely, Director Ball, Dennis and Fraser

ABSENT: Director Onken

Manager Brown asked if any Board Member would be interested in joining the Lateral Ordinance Committee, adding he thought it would be beneficial to the team to have the opinion of a Board Member when developing this Ordinance. Director Fraser volunteered his time for this endeavor.

#### **DRAFT BOARD POLICY 2151-AMENDMENT**

Manager Brown noted that this Board Policy is submitted as part of the Budget Adoption procedure as prepared based on the personnel committee recommendations. The personnel committee recommended that the District provide all the employees with an increased contribution of 2.3% to the CalPERS employee's share of this benefit cost and increase wages by 2.7% which are reflected in the Proposed Amendment of Board Policy 2151. Manager Brown stated that these changes would begin July 1, 2008, and he will bring back this Amendment as an action item for consideration at the next Regularly Scheduled Board Meeting.

#### **RDA DEBT RESERVE ACCOUNT**

Manager Brown reported the Certificate of Deposit which holds the RDA Debt Reserve Account has matured and was reinvested into "liquid" money market account with a yield of 3.5%. This investment yield was notably high than the Certificate of Deposit rates offered at this time. Manager Brown added the interest rates will be watched and if the rates improve a change would be made.

#### **LAKE OROVILLE STATE RECREATION AREA ANNEXATION**

Manager Brown reported the Lake Oroville State Recreation Area Annexation is now complete; the final documents were recorded last week.

## **BLUE SHIELD HEALTH SAVINGS ACCOUNT**

Manager Brown stated this was an informational item, the District will provide a monthly contribution to "Patelco Credit Union" on the behalf of the employees who are enrolled under the High Deductible Health Insurance Benefit. The Health Savings Account is an accompanying component the High Deductible Plan used as the funding mechanism for the reimbursement of the employee's annual deductible.

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

Manager Brown reported that the Notice of Non-Compliance from BCAQMD was included in the March 11, 2008 Board packet, the settlement offer made by BCAQMD was \$300 with a ten day acceptance term. Manager Brown added payment had been made to BCAQMD as an effort to close this matter.

## **FINANCIAL INSTITUTION EVALUATION**

Manager Brown reported during the process of shopping for competitive interest rates for the renewing Certificate of Deposit, the District received interest from a local bank to serve our banking needs. Manager Brown expressed interest in evaluating services and comparing costs to make an informed consideration of Financial Institutions. Manager Brown added that he would bring this matter back to the Board with a recommendation if necessary.

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

Director Fraser made reference to the SC-OR Meeting Minutes included in the Board Packet. Manager Brown added the SC-OR committee who is studying the current Excess Peak Flow charges, are most likely to recommend a significant increase. If that does take place, Manager Brown assured the Board he would include the specifics in his report to the Board.

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

Manager Brown reported on the BCSDA General Membership Dinner Meeting of Thursday, May 8, 2008, the speaker; Director Bill Kellogg of PID provided a short program on the concept of building a Butte County Botanical Garden. Manager Brown announced the next General Membership Meeting will be on August 23<sup>rd</sup> at the Merlo Park in Sterling City. The event will include a BBQ luncheon.

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

The Board had no further comments or questions.

## **ADJOURNMENT**

There being no further business to come before the Board the meeting was adjourned at 2:45 P.M.

Respectfully submitted,

Janette Rustenhoven,  
Clerk of the Board