

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
BOARD OF DIRECTOR REGULAR MEETING
SEPTEMBER 14, 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 Dennis, Fraser, Ball, and Kiely. Representing the District were Manager Brown, Field Operations Supervisor Sanders, Clerk Rustenhoven and Engineer Knibb. Superintendent Sousa of SC-OR was also in attendance.

BOARD MEETING MINUTES

The Board reviewed the minutes of the Regular Board Meeting of August 10, 2010. After discussion, it was moved by Director Ball and seconded by Director Fraser that the minutes of the Regular Board Meeting of August 10, 2010 be approved. The motion passed with a unanimous vote.

At this time, President Onken moved to Item No. 9, for the convenience of the audience.

SC-OR PIPE PATCH GRANT PILOT PROGRAM

Manager Brown opened discussion, noting as a by-product of the TAC meetings the three entities along with SC-OR have been discussing the option of exchanging equipment, technique and ideas with each other. Manager Brown further stated that all three service providers currently are using the same pipe patch technology. Manager Brown asked Superintendent Sousa to address the Board regarding the Pipe Patch Grant Pilot Program. Superintendent Sousa detailed the SC-OR Commission is developing a grant program, which would match the dollar amount expended by each participating entity towards the installation of pipe patches. Superintendent Sousa provided more details and answered several questions from the Board. The discussion concluded with a general positive consensus from the Board for the support of the SC-OR Commission to offset this cost to each District.

Superintendent Sousa left the meeting at 2:25 P.M., President Onken moved to Item No. 5 for discussion.

FINANCIAL REPORT AND AUTHORIZATION OF WARRANTS

The Board reviewed the Financial Report for the month ending August, 2010. After discussion it was moved by Director Ball and seconded by Director Kiely that the Financial Report ending August 31, 2010 be accepted and Warrants No. 13039 through 13112 and Bank Transfers No. 90865 and 98012 (Account #191047059) totaling \$105,129.53 and Warrant No. 1072 through 1074 (Account #191047047) totaling \$468.96 and Warrant No. 1043 through 1046 (Account #191047035) totaling \$205.00 be approved for payment. The motion passed with a unanimous vote.

ADOPT BOARD POLICY NO. 3011, EMPLOYEE INJURY AND ILLNESS RETURN TO WORK PROGRAM

Manager Brown stated this Board Policy was re-introduced at last month's Board Meeting. All edits and additions have been incorporated and is now recommending Board Adoption.

After discussion it was moved by Director Kiely and seconded by Director Ball to Adopt Board Policy No. 3011, employee Injury and Illness Return to Work Policy. The motion passed with a unanimous vote.

APPROVAL TO PURCHASE TRENCH SHORING

Manager Brown summarized this purchase was approved by Board action following the July 2010 meeting. Due to a pricing increase from the vendor, the order was not placed. Manager Brown continued, FOS Sanders had discussed shoring with TWSD, and researched their recommendation for a similar product. Manager Brown reported a quote from American Shoring has been obtained, and the total quote of \$7,400 is lower than the amount Budgeted for this item and is recommending Board approval for the purchase of trench shoring.

After discussion, it was moved by Director Dennis and seconded by Director Fraser to Approve the Purchase of Trench Shoring from American Shoring in the amount of \$7,400.00. The motion passed with a unanimous vote.

STATELINE REPLACEMENT PROJECT, PHASE 3-CEQA ENVIRONMENTAL REVIEW

Manager Brown stated this is the next process in the administration phase of the Stateline Replacement Project, Phase 3. The recommended actions items to follow are typical administration for these types of projects. Engineer Knibb provided a project update for the Board.

After discussion, the following were moved by Director Ball and seconded by Director Kiely;

- 1) Authorize the filing of the proposed Negative Declaration and Environmental Initial Study with the Office of the Butte County Clerk.
- 2) Authorize the circulation of the proposed Negative Declaration and environmental Initial Study with responsible and interested agencies and with the State Clearinghouse.
- 3) Authorize publication of a Notice of Public Review Period and Public Hearing in the proposed Negative Declaration.
- 4) Schedule a public hearing for the proposed Negative Declaration at the Regular Board Meeting on October 12, 2010.

The motion passed with a unanimous vote.

F/Y 2010-2011 BUDGET PRESENTATION

Manager Brown stated the final formatted approved copy of the F/Y 2010-2011 Budget has been included the Board's Packet. Manager Brown added this is a valuable tool for the future planning of the District.

DAVIS HAMMON & COMPANY F/Y 2009-2010 AUDIT

Manager Brown reported Davis Hammon has completed the preliminary work for the 2009-2010 Fiscal Year annual audit and will be back later this month to complete the field work. Manager Brown anticipates Mr. Jim Duckett of Davis Hammon & Company to make his audit presentation to the Board during the November 9, 2010 Regularly Scheduled Board Meeting.

HWY 162 SEWER CROSSING PROJECT - 2010

Manager Brown provided a project update to the Board, noting the Notice to Proceed will be issued soon. Manager Brown highlighted the construction schedule for the Board.

MUTUAL AID/ASSISTANCE AGREEMENT

Manager Brown reported our District had a need for shoring last month, and since the shoring had not been received yet, Field Staff borrowed the Mighty Lite Shoring System from TWSD to assist with the placement of a manhole. Manager Brown added the District has verbal agreements in place with the other service entities to provide assistance such as this, as well as manpower and equipment support as needed and in the event of an emergency.

ENVIRONMENTAL HEALTH INSPECTION

Manager Brown reported during the month of August, Butte County Public Health did a schedule inspection of the District's aboveground petroleum storage facilities. Manager Brown noted a copy of the report findings was provided in today's packet.

JPA TAC MEETING

Manager Brown stated the participating entities are continuing to work on a common pre-application form. Additionally, project tracking has been discussed; this would include a method of reporting accessible to each participant to provide updated project information from each entity with in the JPA.

VILLA VERONA LINE EXTENSION

Manager Brown asked FOS Sanders to provide a project update for the Board. FOS Sanders cited the details of the work his crew has completed along with a brief outlook for next year's anticipated project.

LAFCo SPHERE ON INFLUENCE UPDATE

Manager Brown reported he and Engineer Knibb had met with LAFCo staff recently to discuss the possibility of updating the District's Sphere of Influence boundary. Manger Brown referred to the correspondence from LAFCo dated September 2, 2010, which addresses their response to the District SOI update.

SC-OR COMMISSIONER'S REPORT

Director Dennis had nothing further to report; referring to the SC-OR minutes included in the packet.

BCSDA REPRESENTATIVES' AND LAFCo REPORT

Manager Brown stated BCSDA had not met since our last Board Meeting, therefore has nothing to report. Manager Brown did refer to the LAFCo memorandum dated August 25, 2010 which reads favorably as to the improved cooperation among the three service provider entities.

BOARD MEMBER'S, MANAGER AND STAFF COMMENTS

There were no further comments.

ADJOURNMENT

There being no further business to come before the Board the meeting was adjourned at 3:00 P.M.

Respectfully submitted,

Janette Rustenhoven,
Clerk of the Board