



AGENDA

1960 Elgin Street
Oroville, CA 95966
530-533-2000
www.loapud.com

Board of Directors
Regular Meeting
May 13, 2025
2:00PM

Materials related to an item on the open meeting agenda that are provided to the Board of Directors, including those provided to the Board after distribution of the agenda packet, are available on the District website.

California Government Code section 54954.2(a)(1) requires the agenda include “information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting. An example of agenda language that would satisfy this requirement is: “Any persons requiring a disability-related modification or accommodation to participate in the public meeting can contact the District Secretary at 530-533-2000 at least 48 hours in advance of the meeting.”

We invite you to join today’s scheduled meeting via Zoom by using your phone or computer to attend this meeting. Please call our District office at **(530)533-2000** for assistance in participating in the teleconference.

Dial in: 1-669-900-9128
Meeting ID: 875 3482 7782
Passcode: 591113

To ensure that our meetings are as orderly as possible, and to enable public participation at the proper times during the meeting, we are asking that everyone take a moment to ensure your line stays muted until public comment is invited. When it comes time for public comment, we will leave enough time for participants to unmute and speak to the entire group and our Board. Because attendees cannot see each other’s mute status, we will simply need to be patient as we wait in between comments and do our best not to speak over each other. Please state your name for the record before sharing comments. We are committed to keeping the public engaged and appreciate your help in making that happen.

1. CALL TO ORDER

- 1.1 Roll Call
- 1.2 Flag Salute
- 1.3 Moment of Silence

2 CONSENT AGENDA

All items listed under the Consent Agenda are considered routine and will be enacted by one motion unless an item is removed. Consent Agenda items will be read by title only. There will be no separate discussion of these items unless members of the Board or person in the audience request a specific item to be removed from the Consent Agenda to the Regular Agenda for separate discussion, prior to the time the Board votes on the motion to adopt the Consent Agenda. If any item(s) is removed from the Consent Agenda, the item(s) will be considered immediately following action on the Consent Agenda.

2.2 Regular Board Meeting Minutes of April 8, 2025

2.3 Financial Reports for Month Ending April 30, 2025

2.4 Claims Report for Month Ending April 30, 2025

3 ITEMS REMOVED FROM THE CONSENT AGENDA (IF ANY)

4 DEVELOPMENT AGREEMENT FOR CONNECTION OF THE LINCOLN STREET SENIOR APARTMENTS DEVELOPMENT

The Board will review and consider approving the Development Agreement for the Connection of the Lincoln Street Senior Apartments Development.

DISCUSSION WITH POSSIBLE ACTION

5 SECOND ADDENDUM TO DEVELOPMENT AGREEMENT FOR CONSTRUCTION OF THE A-LINE PIPELINE REPLACEMENT AND CONNECTION OF THE LINCOLN STREET AFFORDABLE HOUSING SEWER SYSTEM

The Board will review and consider approving the Second Addendum to Development Agreement for Construction of the A-Line Pipeline Replacement and Connection of the Lincoln Street Affordable Housing Sewer System.

DISCUSSION WITH POSSIBLE ACTION

6 AMENDMENT TO DEVELOPMENT AGREEMENT FOR CONSTRUCTION OF THE A-LINE PIPELINE REPLACEMENT AND CONNECTION OF THE LINCOLN STREET AFFORDABLE HOUSING SEWER SYSTEM

The Board will review and consider approving the Amendment to Development Agreement for Construction of the A-Line Pipeline Replacement and connection of the Lincoln Street Affordable Housing Sewer System.

DISCUSSION WITH POSSIBLE ACTION

7 ADOPTION OF RESOLUTION NO. 05-2025 – KRE MAINTENANCE & OPERATION CHARGE TO TAX ROLLS & DELINQUENT SEWER SERVICE ACCOUNTS TO TAX ROLLS

The Board will review and consider approving “Resolution No. 05-2025 – KRE Maintenance & Operation Charge to Tax Rolls & Delinquent Sewer Service Accounts to Tax Rolls” adding the Kelly Ridge Estates maintenance & operations charge and the delinquent sewer service accounts to the Butte County 2025/2026 tax roll.

DISCUSSION WITH POSSIBLE ACTION

8 ADOPTION OF RESOLUTION NO. 04-2025 – APPROPRIATIONS LIMIT FOR THE 2025-26 FISCAL YEAR

The Board will review and consider approving “Resolution No. 04-2025 – Appropriations Limit for the 2025/2026 Fiscal Year” setting the Fiscal Year 2025/2026 Appropriations Limit at \$1,171,400.03 per State mandated percentages for Butte County.

DISCUSSION WITH POSSIBLE ACTION

9 APPROVAL TO RENEW HUMANA SPECIALITY BENEFITS DENTAL & LIFE INSURANCE PLANS FOR THE 2025-26 YEAR

The Board will consider approving the renewal of Humana Specialty Benefits for Life and Dental Insurance Plan commencing June 1, 2025.

DISCUSSION WITH POSSIBLE ACTION

10 APPROVAL TO MOVE FROM THE EXISTING BLUE SHIELD HEALTH INSURANCE PLAN TO ANTHEM FOR THE 2025-26 YEAR

The Board will consider renewal of health insurance benefits with Anthem commencing June 1, 2025.

DISCUSSION WITH POSSIBLE ACTION

11 EMPLOYEE COMPENSATION REVIEW FOR BUDGET YEAR 2025/26

The Board will review and make a recommendation for the 2025/26 Budget year cost of living increase to the Employee Compensation Schedule Board Policy #2151 and GM Compensation Schedule – Board Policy #2152.

DISCUSSION WITH POSSIBLE ACTION

12 APPROVAL OF SINGLETONAUMAN AUDIT SERVICE PROPOSAL

The Board will review and consider approving the SingletonAuman proposal for audit services for fiscal years ending 2025/2027.

DISCUSSION WITH POSSIBLE ACTION

REPORTS AND CONSULTATIONS

13 SC-OR COMMISSIONER'S REPORT

14 BOARD MEMBERS', MANAGER, AND STAFF COMMENTS

- FIELD OPERATIONS ACTIVITY REPORT
- MANAGER'S REPORT

15 FUTURE AGENDA ITEMS

16 ADJOURNMENT



Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: May 13, 2025

RE: Item #1 – CALL TO ORDER

- 1.1 Roll call
- 1.2 Flag Salute
- 1.3 Moment of Silence
- 1.4 Public Comment



Manager's Report

To: Board of Directors
From: David Goyer, General Manager
Date: May 13, 2025
RE: Item #2 – Consent Agenda

Item No. 2.1 **Board Meeting Minutes** - Minutes from the April 8, 2025 Regular Board meeting are included for the Board's review and approval.

Item No. 2.2 **Financial Reports** – Cash Report and Income Statement through April 30, 2025 is attached for the Board's review and approval.

Item No. 2.3 **Payment of Claims** - The April 30, 2025 Claims report is attached for the Board's review and approval.

Attachments for each item included.

Recommended Action:

A motion to approve the minutes from the Regular Board meeting of April 8, 2025, and approve the Financial Reports and Payment of Claims from April 30, 2025 as presented.

Roll call vote.

**UNADOPTED
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
APRIL 8, 2025**

CALL TO ORDER

President Marciniak called the meeting to order at 2:00 P.M. Directors present were Mastelotto, Salvucci and Sharman. General Manager (GM) Goyer, Field Operations Supervisor (FOS) Victorino and Board Clerk (BC) Hamblin represented the District in person. Claudia Knaus was a guest in the audience. Rick Westberg and Kristen Miller of the Richman Group attended via Zoom.

SALUTE TO THE FLAG

FOS Victorino led the meeting with the salute to the flag.

Engineer Knibb arrived at the meeting at 2:02 P.M.

MOMENT OF SILENCE

President Marciniak requested a moment of silence.

PUBLIC COMMENT

No Public Comment.

INTERVIEW APPLICANT TO FILL FUTURE BOARD MEMBER VACANCY

The Board interviewed Ms. Claudia Knaus in consideration of appointment to the Board for the vacancy left by the resignation of Director Fairbanks.

Ms. Claudia Knaus left the meeting at: 2:15 P.M.

CONSENT AGENDA

The Board reviewed the minutes of the Regular Meeting of March 11, 2025, the Special Meeting of March 18, 2025 and the Special Meeting of March 27, 2025 and the Financial Reports and the Claims List for the month ending March 31, 2025. After discussion, it was moved by Director Salvucci and seconded by Director Mastelotto that the items on the consent agenda be approved as presented. The motion passed with the following roll call vote:

Ayes: Directors Marciniak, Mastelotto, Sharman and Salvucci.

RESOLUTION NO. 03-2025 – RESOLUTION APPLICATION FOR ANNEXATION OF THE LANDS OF TODD A. & HEATHER E. HOFFMAN, NICHOLAS DANIEL SANS, AND WILBER GENE AND SHARON HIGGINS

The Board reviewed Resolution No. 03-2025 – Resolution of application of the Lake Oroville Area Public Utility District requesting the Local Agency Formation Commission to take proceedings for the annexation of the Territory of the District lands of:

Todd A. & Heather E. Hoffman	APN 079-100-003	40 Melrose Drive
Nicholas Daniel Sans	APN 079-100-002	50 Melrose Drive
Wilbur Gene & Sharon Higgins	APN 079-100-001	60 Melrose Drive

After discussion, it was moved by Director Salvucci and seconded by Director Sharman to adopt Resolution No. 03-2025 – Resolution for Annexation of the Lands of Todd A. & Heather E. Hoffman, Nicolas Daniel Sans, and Wilbur Gene and Sharon Higgins. The motion passed with the following roll call vote:

Ayes: Directors Marciniak, Mastelotto, Salvucci and Sharman.

BUTTE LAFCO ELECTION FOR ONE (1) SPECIAL DISTRICT REGULAR “NON ENTERPRISE” MEMBER AND ONE (1) ALTERNATE “ENTERPRISE/NON ENTERPRISE” MEMBER.

After discussion, it was decided by the Board to not submit a vote in the Butte LAFCo election.

REQUEST FROM THE RICHMAN GROUP FOR CONSIDERATION OF PAYMENT OF LICENSE FEES ASSOCIATED WITH A-LINE LICENSING AGREEMENT WITH THE UNION PACIFIC RAILROAD (UPRR)

GM Goyer presented the Board the information that was requested from the Special Board meeting on March 27, 2025. After review, GM Goyer presented the Board with three options to secure the UPRR License Agreement to aid in the completion of the A-Line Project.

After discussion, it was moved by Director Marciniak and seconded by Director Salvucci for the District to commit to providing funds in the amount of \$100,000.00 for the partial payment of the UPRR License Agreement fee. The balance of the \$17,060.00 would be paid by The Richman Group. The motion passed with the following roll call vote:

Ayes: Directors Marciniak, Mastelotto, and Salvucci.

Noes: Director Sharman

Rich Westberg and Kristen Miller left the meeting at 3:03 P.M.

SC-OR REPORTS

Director Mastelotto reported that the SC-OR policy for Commissioners to discuss pertinent items at their respective boards passed with the approved edits.

Director Salvucci stated that SC-OR only has 600 EDU's available.

BOARD MEMBERS', MANAGER, AND STAFF REPORTS

FOS Victorino presented the Field Operations Report

- Reported that we had no SSO's for March 2025.
- Reported a new ADU lateral connection permit was issued.
- Reported 13 of 22 new single-family dwellings in The Ridge subdivision have completed the lateral testing.
- Reported that the final fixture count for Lincoln Family Apartments is complete.
- Reported that a new flow meter was installed at Bidwell Canyon L1.
- Reported that Christen Halterman has started as a Utility Worker 1.

GM Goyer presented the Manager's Report

- Reported that the painting and fencing was moving forward on 3515 Myers.
- Reported that River Ranch was in a holding pattern due to the contractor working on other projects.
- Reported on the status of the L3 pump station parts and upgrades.
- Reported that the A-Line had been exposed by an outside contractor. No damage was reported and the field crew coordinated to get the concrete back into place.
- Updated the Board on the future upgrades at Mooretown Lift Station.
- Requested that the Financial and Personnel Committee set meetings to go over the 2025/2026 Budget items. A meeting for the Personnel Committee was set on April 22, 2025 at 2:00 P.M. and a meeting for the Budget Committee was set on April 29, 2025 at 2:00 P.M.

Engineer Knibb Comments

- Engineer Knibb reported on the progress of the Master Plan.
- Stated that the A-Line and River Ranch were in holding patterns.

ADJOURNMENT

There being no further business to come before the Board the meeting was adjourned at 3:20 P.M.

Respectfully submitted,

Kelly Hamblin,
Clerk of the Board

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
Cash Report
For the Accounting Period: 4/25

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
53 Sewer						
10001 Five Star Bank - General	98,383.20	1,108,514.05	0.00	1,937.50	71,104.47	1,133,855.28
10021 Five Star USDA	4,229.33	0.00	0.00	0.00	0.00	4,229.33
10031 Five Star Money Market	1,673.28	0.00	0.00	0.00	0.00	1,673.28
10100 GVB GENERAL CHECKING	-56,860.55	152,181.24	3,610.31	0.00	704,410.38	-605,479.38
10105 GVB - MONEY MARKET ACCOUNT	1,987,810.21	5,014.59	0.00	900,000.00	0.00	1,092,824.80
10110 GVB - USDA ACCOUNT	29,581.20	0.00	0.00	0.00	0.00	29,581.20
10200 California CLASS	4,947,843.67	750,000.00	0.00	0.00	0.00	5,697,843.67
10400 LAIF 10401 Series A Bond	114,515.41	2,441.65	0.00	0.00	0.00	116,957.06
10401 LAIF ACCOUNT SERIES A BOND	107,048.00	0.00	0.00	0.00	0.00	107,048.00
10500 Petty Cash	500.00	0.00	0.00	0.00	0.00	500.00
Total Fund	7,234,723.75	2,018,151.53	3,610.31	901,937.50	775,514.85	7,579,033.24
55 RIVER RANCH OROVILLE LLC						
10001 Five Star Bank - General	81,824.40	0.00	0.00	0.00	0.00	81,824.40
10100 GVB GENERAL CHECKING	-2,821.83	0.00	0.00	0.00	0.00	-2,821.83
Total Fund	79,002.57					79,002.57
57 LEAP GRANT						
10001 Five Star Bank - General	-1,839.08	0.00	0.00	0.00	0.00	-1,839.08
58 REAP GRANT						
10001 Five Star Bank - General	-343.04	0.00	0.00	0.00	0.00	-343.04
62 PALERMO WASTEWATER CONSOLIDATION						
10001 Five Star Bank - General	-19,150.00	0.00	0.00	0.00	0.00	-19,150.00
71 Payroll Clearing						
10001 Five Star Bank - General	-2,060.84	0.00	75,565.19	71,028.53	0.00	2,475.82
10100 GVB GENERAL CHECKING	2,526.97	0.00	0.00	0.00	0.00	2,526.97
Total Fund	466.13		75,565.19	71,028.53		5,002.79
73 Claims Clearing						
10001 Five Star Bank - General	48,569.12	0.00	707,791.57	32,414.50	0.00	723,946.19
Totals	7,341,429.45	2,018,151.53	786,967.07	1,005,380.53	775,514.85	8,365,652.67

*** Transfers In and Transfers Out columns should match, with the following exceptions:

- 1) Cancelled electronic checks increase the Transfers In column. Disbursed column will be overstated by the same amount and will not balance to the Redeemed Checks List.
- 2) Payroll Journal Vouchers including local deductions with receipt accounting will reduce the Transfers Out column by the total amount of these checks.

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
Income Statement
For the Accounting Period: 4 / 25

53 Sewer

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
Revenue						
41100	Sewer Service Charge	-149.58	1,399,847.07	1,903,642.00	-503,794.93	74
41150	Pumping Charge		100,731.18	135,200.00	-34,468.82	75
41200	Kelly Ridge Pumping Chg (Taxes)	16,706.25	44,624.25	45,000.00	-375.75	99
41300	Connection Fee		752.00		752.00	
41350	Other Services		1,549.50		1,549.50	
46998	LOAPUD Estimated Exp: Full Cost Recovery		1,000.00		1,000.00	
						74
	Total Revenue	16,556.67	1,548,504.00	2,083,842.00	-535,338.00	74
Expenses						
51000	Administration					
60100	Salaries & Wages	23,582.12	243,968.83	294,515.00	50,546.17	83
60200	Sick Time Buy Back			2,000.00	2,000.00	
62100	Health Insurance	4,014.54	43,676.46	62,508.00	18,831.54	70
62150	HSA PAYABLE		6,249.90	7,500.00	1,250.10	83
62200	Dental Insurance	334.96	3,517.08	4,961.00	1,443.92	71
62250	Life Insurance	48.36	507.78	550.00	42.22	92
62300	Vision Insurance		1,400.00	3,000.00	1,600.00	47
62400	Deferred Comp 457	460.10	4,758.25	5,891.00	1,132.75	81
62450	CALPERS Contribution	12,855.90	129,546.49	156,360.00	26,813.51	83
62500	Workers Comp Ins.		4,279.60	3,000.00	-1,279.60	143
62550	Payroll Taxes/Ins.	1,775.57	19,103.04	22,890.00	3,786.96	83
66100	Office Supplies & Expenses		-389.18		389.18	
	Total Account	43,071.55	456,618.25	563,175.00	106,556.75	81
51100	Director					
60100	Salaries & Wages	1,600.00	19,200.00	24,000.00	4,800.00	80
62300	Vision Insurance			5,000.00	5,000.00	
62550	Payroll Taxes/Ins.	148.00	1,776.00	2,220.00	444.00	80
	Total Account	1,748.00	20,976.00	31,220.00	10,244.00	67
57000	General Operating					
62200	Dental Insurance	413.44	413.44		-413.44	
64100	Engineering Services	6,722.50	70,421.18	49,500.00	-20,921.18	142
64150	Legal Services	7,371.00	13,000.50	24,000.00	10,999.50	54
64152	SURVEYING SERVICES			5,000.00	5,000.00	
64200	Accounting/Audit Services		24,100.00	29,260.00	5,160.00	82
64250	Insurance	68,282.00	125,697.00	57,415.00	-68,282.00	219
64300	Software Licenses, Annual Fees and Tech	1,793.30	51,492.57	49,750.00	-1,742.57	104
65100	Office Utilities	1,731.19	16,456.76	15,730.00	-726.76	105
65150	Shop/Yard Utilities	599.41	7,999.71	8,495.00	495.29	94
65175	PUMP STATION UTILITIES			2,500.00	2,500.00	

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
Income Statement
For the Accounting Period: 4 / 25

53 Sewer

		----- Current Year -----				
Account Object	Description	Current Month	Current YTD	Budget	Variance	%
66100	Office Supplies & Expenses	-988.24	3,435.23	7,500.00	4,064.77	46
66102	BILLING AND PAYMENT PROCESSING	3,174.33	28,992.21	38,005.00	9,012.79	76
66150	Office Equipment	180.11	1,892.96	20,000.00	18,107.04	9
66200	Building & Yard Repairs / Maintenance		1,689.34	6,000.00	4,310.66	28
66250	Small Tools & Consumables	10.93	305.43	2,500.00	2,194.57	12
66300	Safety Supplies		64.92		-64.92	
66350	Outside services	720.00	8,646.57	31,000.00	22,353.43	28
67100	Education & Training		888.07	5,000.00	4,111.93	18
67150	Membership/Subscriptions	95.23	12,872.88	12,500.00	-372.88	103
67200	Permits & Licenses		6,098.40	8,500.00	2,401.60	72
67250	Travel, Meals & Entertainment		623.09	4,500.00	3,876.91	14
67300	Elections		1,190.99	5,000.00	3,809.01	24
67350	Bank and collection fees	4,540.79	9,091.58	12,000.00	2,908.42	76
67400	Safety Training		1,176.94	1,000.00	-176.94	118
67550	LAFCo Operating Fees		2,500.82	2,900.00	399.18	86
69155	Propane			200.00	200.00	
	Total Account	94,645.99	389,050.59	398,255.00	9,204.41	98
58000	Field					
60100	Salaries & Wages	27,267.76	244,042.94	398,500.00	154,457.06	61
60110	I & I Wages		7,913.16		-7,913.16	
60200	Sick Time Buy Back			1,500.00	1,500.00	
61150	Standby Wages	512.41	5,147.03	6,500.00	1,352.97	79
61200	Reoccurring Overtime Wages	1,498.08	14,831.55	25,000.00	10,168.45	59
61250	Call-Out OT - Not VV	277.30	5,053.67	5,000.00	-53.67	101
61350	Villa Verona Reg Time	56.49	1,308.85		-1,308.85	
61351	Villa Verona Overtime	151.20	1,366.23	2,500.00	1,133.77	55
62100	Health Insurance	4,976.76	35,068.22	50,409.00	15,340.78	70
62150	HSA PAYABLE		8,749.86	7,500.00	-1,249.86	117
62200	Dental Insurance	1,066.03	3,214.19	5,329.00	2,114.81	60
62250	Life Insurance	78.36	743.13	700.00	-43.13	106
62300	Vision Insurance		580.00	5,000.00	4,420.00	12
62400	Deferred Comp 457	579.90	5,566.40	8,500.00	2,933.60	65
62450	CALPERS Contribution	7,683.34	75,577.21	104,500.00	28,922.79	72
62500	Workers Comp Ins.		25,238.72	24,801.00	-437.72	102
62550	Payroll Taxes/Ins.	2,263.22	21,683.44	31,200.00	9,516.56	69
63500	Boots and Uniforms	493.61	2,720.56	5,000.00	2,279.44	54
63502	Boots& Uniforms-Broderson		303.09	550.00	246.91	55
63506	Boots & Uniforms - VICTORINO		515.19	550.00	34.81	94
63510	boots & Uniforms - WATSEN			550.00	550.00	
63511	Boots & Uniforms - Eads			550.00	550.00	
63512	Boots & Uniforms - FRANKLIN		454.38	550.00	95.62	83
64300	Software Licenses, Annual Fees and Tech		4,740.00	14,000.00	9,260.00	34
65175	PUMP STATION UTILITIES	3,056.83	63,007.80	78,625.00	15,617.20	80
66100	Office Supplies & Expenses	324.74	969.85		-969.85	
66200	Building & Yard Repairs / Maintenance	-16.40	4,951.26		-4,951.26	
66250	Small Tools & Consumables	463.31	1,521.83	5,000.00	3,478.17	30
66300	Safety Supplies		739.23	10,000.00	9,260.77	7

53 Sewer

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
66350	Outside services	505.00	11,107.36	7,500.00	-3,607.36	148
67100	Education & Training			1,500.00	1,500.00	
67150	Membership/Subscriptions			7,500.00	7,500.00	
67200	Permits & Licenses	58.00	1,239.90		-1,239.90	
67250	Travel, Meals & Entertainment	147.94	191.14		-191.14	
67400	Safety Training		669.89	15,000.00	14,330.11	4
68100	Routine Operations & Maintenance - Sewer	178.57	12,111.84	25,000.00	12,888.16	48
68125	REPAIRS AND MAINTENANCE ON PUMP STATIONS	62.30	8,697.78	92,000.00	83,302.22	9
68150	I & I Operations & Maintenance	10.81	197.53		-197.53	
68650	VV Operations & Maintenance		194.83	25,000.00	24,805.17	1
69100	Diesel Fuel		14,415.27	10,250.00	-4,165.27	141
69150	Gasoline	293.00	13,469.35	18,000.00	4,530.65	75
69155	Propane			200.00	200.00	
69250	Heavy Equipment Repairs & Maintenance		3,105.37	7,500.00	4,394.63	41
69300	Auto Repairs & Maintenance	816.60	5,139.19	20,000.00	14,860.81	26
	Total Account	52,805.16	606,547.24	1,021,764.00	415,216.76	59
	 Total Expenses	 192,270.70	 1,473,192.08	 2,014,414.00	 541,221.92	 73
	 Net Income from Operations	 -175,714.03	 75,311.92			
	 Other Revenue					
47100	Capacity Charge	-5,000.00	19,331.00		19,331.00	
47150	Sewer Service Late Fees	-354.89	76,613.72		76,613.72	
47200	Interest	7,456.24	264,566.68		264,566.68	
47250	RD Surcharge	-29.40	272,332.20	370,440.00	-98,107.80	74
47310	Tax Asses Admin Fee		6,020.00	6,020.00		100
47350	Current Sec Taxes	176,987.48	422,275.87	379,990.00	42,285.87	111
47400	Current Unsec Tax	342.28	20,467.76	19,310.00	1,157.76	106
47420	PRIOR SECURED TAXES		292.67		292.67	
47450	Prior Unsec Tax	58.87	436.90	515.00	-78.10	85
47475	SUPPLEMENTAL APPORTIONMENT	658.16	2,527.61	23,287.00	-20,759.39	11
47500	Other Taxes	154.50	3,195.34	3,535.00	-339.66	90
47821	Annexation Processing	900.00	900.00		900.00	
49000	Other Income	120.00	375.00		375.00	
	 Total Other Revenue	 181,293.24	 1,089,334.75	 803,097.00	 286,237.75	 136

05/08/25
07:41:56

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
Income Statement
For the Accounting Period: 4 / 25

Page: 4 of 7
Report ID: LB170A

53 Sewer

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
	Other Expenses					
81000	Capital Outlay					
81110	Equipment Purchase		127,620.44	252,000.00	124,379.56	51
81120	Capitalized Expenditure - Other		33,733.39	251,000.00	217,266.61	13
81200	District Projects-CIP	117,060.00	124,439.24	597,780.00	473,340.76	21
	Total Account	117,060.00	285,793.07	1,100,780.00	814,986.93	26
85000	Debt Service					
85200	Loan Principal			71,000.00	71,000.00	
85250	Loan Interest Expense		93,053.75	94,562.00	1,508.25	98
	Total Account		93,053.75	165,562.00	72,508.25	56
87000	Other Expense					
74400	Depreciation			556,000.00	556,000.00	
	Total Account			556,000.00	556,000.00	
	Total Other Expenses	117,060.00	378,846.82	1,822,342.00	1,443,495.18	21
	Net Income	-111,480.79	785,799.85			

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07:41:56

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
Income Statement
For the Accounting Period: 4 / 25

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55 RIVER RANCH OROVILLE LLC

Account Object	Description	Current Year				%
		Current Month	Current YTD	Budget	Variance	
Expenses						
57000	General Operating					
64150	Legal Services		2,511.00		-2,511.00	
	Total Account		2,511.00		-2,511.00	
59000	RIVER RANCH OROVILLE LLC					
60100	Salaries & Wages		1,931.64		-1,931.64	
62100	Health Insurance		239.44		-239.44	
62200	Dental Insurance		10.72		-10.72	
62250	Life Insurance		3.87		-3.87	
62400	Deferred Comp 457		38.64		-38.64	
62450	CALPERS Contribution		306.16		-306.16	
62550	Payroll Taxes/Ins.		150.11		-150.11	
	Total Account		2,680.58		-2,680.58	
	Total Expenses	0.00	5,191.58	0.00	-5,191.58	
	Net Income from Operations					
			-5,191.58			
	Net Income	0.00				
			-5,191.58			

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LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
Income Statement
For the Accounting Period: 4 / 25

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57 LEAP GRANT

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
	Other Revenue					
48000	GRANT REVENUE		64,318.24		64,318.24	
	Total Other Revenue	0.00	64,318.24	0.00	64,318.24	
	Net Income	0.00	64,318.24			

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LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
Income Statement
For the Accounting Period: 4 / 25

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Report ID: LB170A

58 REAP GRANT

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
	Other Revenue					
48000	GRANT REVENUE		51,703.50		51,703.50	
	Total Other Revenue	0.00	51,703.50	0.00	51,703.50	
	Net Income	0.00	51,703.50			

Note: Formula for % columns = revenue*100/total expense for Fund.

Claims

Check #	Check Type	Vendor/Employee/Payee Number/Name	Check Amount	Period	Date Issued	Notes
-99466	Clm E	209 CINTAS CORP	55.00	4/25	04/04/25	
-99465	Clm E	32 CA WATER SERVICE	85.29	4/25	04/04/25	
-99464	Clm E	139 VERIZON WIRELESS	403.50	4/25	04/04/25	
-99463	Clm E	194 GLOBAL OFFICE INC.	137.63	4/25	04/04/25	
-99462	Clm E	115 SOUTH FEATHER WATER	33.11	4/25	04/04/25	
-99461	Clm E	38 COMCAST	299.77	4/25	04/04/25	
-99460	Clm E	209 CINTAS CORP	55.00	4/25	04/11/25	
-99459	Clm E	38 COMCAST	330.71	4/25	04/11/25	
-99458	Clm E	93 PACIFIC GAS & ELECTRIC	7769.10	4/25	04/11/25	
-99457	Clm E	172 STRATTI	1445.30	4/25	04/18/25	
-99456	Clm E	133 UMPQUA BANK	95.23	4/25	04/18/25	
-99455	Clm E	133 UMPQUA BANK	252.24	4/25	04/18/25	
-99454	Clm E	133 UMPQUA BANK	765.68	4/25	04/18/25	
-99453	Clm E	133 UMPQUA BANK	234.62	4/25	04/18/25	
-99452	Clm E	209 CINTAS CORP	55.00	4/25	04/18/25	
-99451	Clm E	106 RECOLOGY BUTTE COLUSA COUNTIES	148.11	4/25	04/18/25	
-99450	Clm E	106 RECOLOGY BUTTE COLUSA COUNTIES	60.00	4/25	04/18/25	
-99449	Clm E	30 CA PUBLIC EMPLOYERS' RETIREMENT S	14848.92	4/25	04/18/25	
-99448	Clm E	30 CA PUBLIC EMPLOYERS' RETIREMENT S	62.50	4/25	04/18/25	
-99447	Clm E	60 HUMANA	1167.23	4/25	04/18/25	
-99446	Clm V	Check not processed in this period	0	/ 0 / /		
-99445	Clm E	209 CINTAS CORP	55.00	4/25	04/25/25	
-99444	Clm E	115 SOUTH FEATHER WATER	66.73	4/25	04/25/25	
-99443	Clm E	115 SOUTH FEATHER WATER	24.42	4/25	04/25/25	
-99442	Clm E	115 SOUTH FEATHER WATER	16.26	4/25	04/25/25	
-99441	Clm E	209 CINTAS CORP	55.00	4/25	05/02/25	
-99440	Clm E	139 VERIZON WIRELESS	403.49	4/25	05/02/25	
-99439	Clm E	32 CA WATER SERVICE	45.85	4/25	05/04/25	
-99438	Clm E	32 CA WATER SERVICE	93.97	4/25	05/04/25	
-99437	Clm E	115 SOUTH FEATHER WATER	25.26	4/25	05/02/25	
-99436	Clm E	93 PACIFIC GAS & ELECTRIC	3324.58	4/25	05/02/25	
-88421*	Pay P	2 ROBERT L BRODERSON	2001.29	4/25	04/04/25	
-88420	Pay P	26 JUSTIN FRANKLIN	2039.36	4/25	04/04/25	
-88419	Pay P	21 DAVID GOYER	2962.01	4/25	04/04/25	
-88418	Pay P	27 CHRISTEN HALTERMAN	1464.18	4/25	04/04/25	
-88417	Pay P	4 KELLY J HAMBLIN	2240.58	4/25	04/04/25	
-88416	Pay P	16 ROBERT MARCINIAK	365.00	4/25	04/04/25	
-88415	Pay P	9 ANGELA D MASTELOTTO	365.00	4/25	04/04/25	
-88414	Pay P	11 ANNELYN A RACKLEY	586.69	4/25	04/04/25	
-88413	Pay P	17 RICHARD SALVUCCI	365.00	4/25	04/04/25	
-88412	Pay P	19 VINCENT M VICTORINO	2534.92	4/25	04/04/25	
-88411	Pay P	24 JASEN WATSON	1945.74	4/25	04/04/25	
-88410	Pay P	CALPERS 457 CAL 457	1331.42	4/25	04/04/25	
-88409	Pay P	PERS CLASS CAL PERS CLASSIC	2688.84	4/25	04/04/25	
-88408	Pay P	PEPRA CAL PERS PEPRA	2004.49	4/25	04/04/25	
-88407	Pay P	CA TRAIN (ETT) EDD	1203.37	4/25	04/04/25	
-88406	Pay P	FIT EFTPS	6226.57	4/25	04/04/25	
-88405	Pay P	HEALTH INS LAKE OROVILLE AREA PUD	4666.09	4/25	04/04/25	

Check Types: MC=Manual Claim, SC=System Claim, V=Void (never in system), E=ACH
P=Payroll, C=Cancelled (cancelled in system), R=Reissued, D=Deleted (deleted in system)

Payroll

Check #	Check Type	Vendor/Employee/Payee Number/Name	Check Amount	Period	Date Issued	Notes
-88404	Pay P	AD&D LOPUD	1060.02	4/25	04/04/25	
-88403	Pay P	2 ROBERT L BRODERSON	2362.33	4/25	04/18/25	
-88402	Pay P	26 JUSTIN FRANKLIN	1840.50	4/25	04/18/25	
-88401	Pay P	21 DAVID GOYER	2839.91	4/25	04/18/25	
-88400	Pay P	27 CHRISTEN HALTERMAN	1477.99	4/25	04/18/25	
-88399	Pay P	4 KELLY J HAMBLIN	2240.58	4/25	04/18/25	
-88398	Pay P	11 ANNELYN A RACKLEY	651.89	4/25	04/18/25	
-88397	Pay P	19 VINCENT M VICTORINO	2375.89	4/25	04/18/25	
-88396	Pay P	24 JASEN WATSON	1851.61	4/25	04/18/25	
-88395	Pay P	CALPERS 457 CAL 457	1480.55	4/25	04/18/25	
-88394	Pay P	PERS CLASS CAL PERS CLASSIC	2688.84	4/25	04/18/25	
-88393	Pay P	PEPRA CAL PERS PEPRA	2004.49	4/25	04/18/25	
-88392	Pay P	CA TRAIN (ETT) EDD	1191.37	4/25	04/18/25	
-88391	Pay P	FIT EFTPS	6245.90	4/25	04/18/25	
-88390	Pay P	HEALTH INS LAKE OROVILLE AREA PUD	4666.09	4/25	04/18/25	
-88389	Pay P	AD&D LOPUD	1060.02	4/25	04/18/25	
13141*	Pay P	5 DARIN K KAHALEKULU	2072.70	4/25	04/04/25	this should have been listed as check #30141
13142	Pay P	13 WILLIAM P SHARMAN	365.00	4/25	04/04/25	this should have been listed as check 30142
13143	Pay P	AFLAC 125 AFLAC	26.26	4/25	04/04/25	this should have been listed as check 30143
30146*	Clm SC	3 ACCULARM	144.00	4/25	04/04/25	
30147	Clm SC	12 AT & T	218.35	4/25	04/04/25	
30148	Clm SC	24 BUTTE COUNTY PUBLIC HEALTH DEPT	191.00	4/25	04/04/25	
30149	Clm SC	46 DATATREE	99.00	4/25	04/04/25	
30150	Clm SC	58 HOBBS PEST SOLUTIONS, INC	150.00	4/25	04/04/25	
30151	Clm SC	63 JAMES J. COX INSURANCE	68282.00	4/25	04/04/25	
30152	Clm SC	79 MIRY'S CLEANING SERVICES	295.00	4/25	04/04/25	
30153	Clm SC	119 STREAMLINE	249.00	4/25	04/04/25	
30154	Clm SC	13 BATTERIES PLUS BULBS	163.35	4/25	04/11/25	
30155	Clm SC	85 NORTHERN CA GLOVES	218.61	4/25	04/11/25	
30156	Clm V	Vendor not on File	0	/	0 / /	
30157	Clm SC	113 SHARP'S LOCKSMITHING	10.93	4/25	04/11/25	
30158	Clm SC	166 VALLI INFORMATION SYSTEMS, INC	3174.33	4/25	04/11/25	
30159	Clm SC	86 O'REILLY AUTOMOTIVE, INC	100.47	4/25	04/11/25	
30160	Clm SC	29 BUTTE LAFCO	3000.00	4/25	04/10/25	
30161	Pay P	5 DARIN K KAHALEKULU	2072.70	4/25	04/18/25	
30162	Clm SC	190 CANON FINANCIAL SOLUTIONS	180.11	4/25	04/18/25	
30163	Clm SC	999998 CHRISTEN HALTERMAN	58.00	4/25	04/18/25	
30164	Clm SC	78 MINASIAN LAW	7371.00	4/25	04/18/25	
30165	Clm SC	88 OROVILLE CABLE & EQUIPMENT	92.22	4/25	04/18/25	
30166	Clm SC	154 PAC MACHINE CO., INC	390.00	4/25	04/18/25	
30167	Clm SC	110 SC-OR	5000.00	4/25	04/18/25	
30168	Clm V	Vendor not on File	0	/	0 / /	
30169	Clm SC	999999 UNION PACIFIC RAILROAD COMPANY	117060.00	4/25	04/18/25	
30170	Clm SC	999998 JUSTIN FRANKLIN	27.30	4/25	04/21/25	
30171	Clm SC	11 ANSWERLINE COMMUNICATIONS	275.00	4/25	04/25/25	

Check Types: MC=Manual Claim, SC=System Claim, V=Void (never in system), E=ACH
P=Payroll, C=Cancelled (cancelled in system), R=Reissued, D=Deleted (deleted in system)

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LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
Combined Check Register

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Report ID: W100X1

Claims

Check #	Check		Check Amount	Date		Notes
	Type	Vendor/Employee/Payee Number/Name		Period	Issued	
30172	Clm SC	86 O'REILLY AUTOMOTIVE, INC	156.17	4/25	04/25/25	
30173	Clm SC	109 SAUERS ENGINEERING INC	6722.50	4/25	04/25/25	
30174	Clm SC	110 SC-OR	460658.11	4/25	04/25/25	
30175	Clm SC	143 WEIMER AND SONS	178.57	4/25	04/25/25	
30176	Clm V	Check not processed in this period	0	/ 0	/ /	
30177	Clm V	Check not processed in this period	0	/ 0	/ /	
30178	Clm SC	12 AT & T	219.84	4/25	05/02/25	
30179	Clm SC	86 O'REILLY AUTOMOTIVE, INC	328.21	4/25	05/02/25	
30180	Clm SC	95 PARAMEX	115.00	4/25	05/02/25	
30181	Clm SC	119 STREAMLINE	249.00	4/25	05/02/25	
Grand Total # of Checks: 103			Total: 783356.76	Total Claims	707791.57	Total Payroll 75565.19

Check Types: MC=Manual Claim, SC=System Claim, V=Void (never in system), E=ACH
P=Payroll, C=Cancelled (cancelled in system), R=Reissued, D=Deleted (deleted in system)



Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: May 13, 2025

RE: Item #3 – Items Removed From Consent Agenda



Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: May 13, 2025

RE: Item #4 – Lincoln Family Apartments – Phase 2 Senior Housing

GM Goyer will present the proposed Development Agreement for the Connection of the Lincoln Street Senior Apartments Development as presented by The Richman Group for the Lincoln Family Apartments – Phase 2 Senior Housing.

Attachment Included

Recommended Action – A motion to direct President Marciniak to execute Development Agreement for the Connection of the Lincoln Street Senior Apartments Development as presented.

Roll Call Vote

DEVELOPMENT AGREEMENT FOR CONNECTION OF THE LINCOLN STREET SENIOR APARTMENTS DEVELOPMENT

This Development Agreement for Connection of The Lincoln Street Senior Apartments Development (the Agreement) is made on April 24, 2025, by the Lake Oroville Area Public Utility District (the District) and The Richman Group (the Developer). The District and the Developer may be referred to, together, as “the Parties,” and either may be referred to as “Party.”

Recitals.

The Developer owns certain real property located within the city of Oroville, California, APN 030-040-065, more particularly described and shown in Exhibit A to this Agreement (the Property).

The Developer intends to develop the Property as the Lincoln Street Senior Apartments (the Development).

The District owns and operates a wastewater collection system which conveys wastewater from throughout the District’s service area to the regional treatment facility (the District Sewer System).

The Development is within the District’s service area.

The Developer has requested connection of the Development to the District Sewer System.

Connection to the District Sewer System requires that the Developer construct on the Property a sewer system serving the Development (the Development Sewer System). The Development Sewer System must comply with District Improvement Standards.

Connection to the District Sewer System also requires the expansion and improvement of the District Sewer System (District Sewer System Improvements). The Developer has requested that the District perform the District Sewer System Improvements at the Developer’s expense.

Connection to the District System also requires completion of work under the Development Agreement for Construction of the A-Line Pipeline and Connection of the Lincoln Street Affordable Sewer System, made April 19, 2024 (with addenda and amendment) and acceptance of that work by the District.

Agreement

The Parties agree:

1. **CONSTRUCTION OF IMPROVEMENTS:** The District will construct the District Sewer System Improvements (the Development Project). The work will be part of a larger project undertaken by the District (Project A-LINE CIP 25/26-001 or the District Project). The District Project, including the Development Project, is described in Exhibit B to this Agreement.
2. **METHOD OF PROCUREMENT:** The District Project procurement method will be design-bid-build. Contract Documents, including District Project plans and specifications, will be produced for Developer's inspection, on request.
3. **PAYMENT FOR IMPROVEMENTS:** The Developer will pay the District an amount equal to 21% of the cost of completion of the District Project. The estimated cost of the District Project is \$647,400. The Developer's estimated share of the cost is \$135,945. See Exhibit B for a cost breakdown
4. **TIME FOR PAYMENT; COMMENCEMENT OF WORK; CHANGES:** On execution of this Agreement, the Developer shall pay to the District the sum of \$135,945 for the Development Project portion of the District Project cost. The District Project work will not begin until payment is received.
 - a. If the actual cost of the District Project is greater than \$647,400, the Developer shall pay the District an amount equal to 21% of the amount of the accepted bid for the District Project work, plus 21% of additional cost reasonably and actually incurred for necessary changes to the work. Connection to the District System is conditioned on payment of Developer's share of any additional cost.
 - b. If the actual cost of the District Project is less than \$647,400, the District will promptly refund to the Developer an amount equal to 21% of the savings.
 - c. If the actual cost increase or decrease is because of a change of scope of work for the Development Project, the District Project, or both, the Developer's payment percentage shall be adjusted to reflect proportionate cost.
 - d. The District will proceed diligently with the prosecution of the District Project Work.

5. **CONDITIONS FOR CONNECTION; APPLICATION FOR SEWERAGE SERVICE:** The Development Sewer System will not be connected to the District Sewer System, other than for testing purposes, until:
- a. The Development Sewer System is completed in accordance with District Improvement Standards.
 - b. The District Improvements, including the Development Improvements, are completed pursuant to contract and in accordance with approved plans and specifications, and they are accepted by the District.
 - c. The A-Line Replacement Project is completed under the Development Agreement for Construction of the A-Line Pipeline and Connection of the Lincoln Street Affordable Sewer System, made April 19, 2024 (with addenda and amendment), and project improvements are conveyed to and accepted by the District.
 - d. The proper applications for sewer service have been filed with and accepted by the District.
6. **OBLIGATION FOR PIPELINE AND/OR FACILITIES:** The District shall be under no obligation to provide additional pipelines or facilities to serve the Development.
7. **RESPONSIBILITY FOR RATES, FEES AND CHARGES FOR SERVICE:** All sanitary sewer service made available by District to users of the Development Sewer System shall be at the established rates and charges as fixed by District's Board of Directors from time to time, including all applicable connection fees and capacity charges, periodic service charges, and surcharges required to retire the loan to the District made by the USDA Rural Development. Prior to connecting any residential structure or other structure requiring wastewater discharge to District's System, payment of District's Sewer Connection Fee (\$200/EDU or the prevailing rate at time of connection), District's Capacity Charge (\$4,777/EDU or the prevailing rate at the time of connection), and Sewage Commission Oroville Region's (SC-OR) Regional Facility Charge (\$6,638/EDU or prevailing rate at time of connection) shall be made.
8. **NOTICES:** Notices or requests from any Party to this Agreement to the remaining Party shall be in writing and delivered or mailed, postage prepaid, to the following addresses:

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
1960 Elgin Street
Oroville, California 95966
Attention: David Goyer, General Manager

DEVELOPER
777 West Putnam
Avenue Greenwich,
CT 06830 Attention:
Ms. Miller

With a copy to:

2727 Newport Boulevard,
Suite 203 Newport Beach, CA
92663 Attention: Rick
Westberg

9. **SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties. Developer shall not assign any of its rights, duties or obligations under this Agreement without the prior written consent of the District, which consent shall not be unreasonably withheld.
10. **DISTRICT POWERS:** Nothing in this Agreement shall be deemed to limit, restrict, or modify any right, duty, or obligation given, granted, or imposed upon the District by the laws of the State of California now in effect, or hereafter adopted, nor to limit or restrict the power or authority of the District, including the enactment of any rules, regulations, resolutions or ordinances.
11. **TERMINATION:**
This Agreement shall terminate if the Developer's Property is detached from the District. In the event of detachment and termination, the Developer waives and releases the District from all claims for fees or expenses or damages arising out of, relating to, or incurred in connection with this Agreement, the Development, the Development Improvements, and the District Improvements, including any claims for refund of amounts paid under sections 3 and 4, above.

DEVELOPER:	<p>RICHMAN OROVILLE APARTMENTS, LP, a Delaware limited partnership</p> <p>By: Butte County Affordable Housing Development Corporation</p> <p>Its: Managing General Partner</p> <p>By: _____</p> <p style="text-align: center;">Lawrence C. Guanzon</p> <p>Its: President</p> <p>By: Richman Oroville GP, LLC, a Delaware limited liability company</p> <p>Its: Administrative General Partner</p> <p>By: TRG Oroville Member, LLC, a Delaware limited liability company</p> <p>Its: Manager</p> <p>By: _____</p> <p style="text-align: center;">Rick Westberg,</p> <p style="text-align: center;">Its: Executive Vice President</p>
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DISTRICT:
LAKE OROVILLE AREA PUBLIC UTILITY

By: _____
Robert T. Marciniak, President

ATTEST:
By: _____
David Goyer, General Manager



Manager's Report

To: Board of Directors
From: David Goyer, General Manager
Date: May 13, 2025

RE: Item #5 – Second Addendum to the Development Agreement for the Construction of the A-Line Pipeline Replacement and Connection of the Lincoln Street Affordable Housing Sewer System.

GM Goyer will present the proposed Second Addendum to the Development Agreement for the Construction of the A-Line Pipeline Replacement and Connection of the Lincoln Street Affordable Housing Sewer System.

Attachment Included

Recommended Action – A motion to direct President Marciniak to execute the Second Addendum to the Development Agreement for the Construction of the A-Line Pipeline Replacement and Connection of the Lincoln Street Affordable Housing Sewer System as presented.

Roll Call Vote

SECOND ADDENDUM TO DEVELOPMENT AGREEMENT FOR CONSTRUCTION OF THE
A-LINE PIPELINE REPLACEMENT AND CONNECTION OF THE LINCOLN STREET
AFFORDABLE HOUSING SEWER SYSTEM

This Second Addendum To Development Agreement For Construction Of The A-Line Pipeline Replacement And Connection Of The Lincoln Street Affordable Housing Sewer System is made on April 24, 2025, by the Lake Oroville Area Public Utility District (the District) and the Richman Oroville Apartments, LP (the Developer). The District and the Developer may be referred to, together, as “the Parties” and either may be referred to as “Party.”

Recitals:

The Development Agreement for the Construction of the A-Line Pipeline Replacement and Connection of the Lincoln Street Affordable Housing Sewer System, made and entered April 19, 2024 (the Development Agreement), conditions Developer’s connection of its Lincoln Street Affordable Housing Development to the District’s wastewater collection system on Developer’s construction of the A-Line Construction Project (the Project).

The completion of the Project requires the crossing of, and the construction of improvements on, land owned by the Union Pacific Railroad (the Railroad).

The Railroad has granted permission to cross and perform and construct the Project Work on the Railroad’s land, on terms and conditions set forth in the Longitudinal and Crossing Pipeline Agreement (the License Agreement). A copy of the License Agreement is attached to this Second Addendum as Exhibit A, and its terms and conditions are incorporated by this reference.

Agreement:

The Parties agree:

1. The District shall execute the License Agreement.
2. The Railroad has imposed a License Fee in the amount of \$117,060.00. The responsibility for payment of the License Fee is: The Developer shall contribute \$17,060.00; the District shall contribute \$100,000.00. The entire License Fee shall be advanced by the District, and the Developer shall promptly reimburse the District for the Developer’ contribution. The License Fee is due and payable upon execution of the License Agreement. Payment shall be on terms set forth by the Railroad in its letter dated March 19, 2025. A copy of the letter is attached as Exhibit B to this Second Addendum, and its terms and conditions are incorporated by this reference.

3. Project Work performed on the Railroad's land shall be constructed by Developer and its contractors in accordance with the terms and conditions of the License Agreement and as set forth in the specifications approved by the Railroad and attached to the License Agreement as Exhibit A-1 and Exhibit A-2, with any modifications of the specifications hereafter made by the Railroad.
4. During construction and until acceptance of the Project Work by the District, the Developer shall be responsible for compliance with the License requirements imposed on the District, as Licensee. Upon the District's acceptance of the A-Line Project Work, the District shall be responsible for compliance with the License requirements imposed on the District, as Licensee.
5. The License Agreement provides that the Railroad may, at its sole discretion, terminate the License Agreement. It is contemplated by the Parties that portions of the Project Work will be completed by "bore and jack" method. The Railroad has approved this method of installation. If, before acceptance of the Project Work, the Railroad withdraws its approval, or terminates the License Agreement, whatever the cause or reason, the Parties shall meet and confer regarding alternatives for providing wastewater collection and transportation services to the Lincoln Street Affordable Housing Development. If the Parties cannot agree to an alternative for providing services, or if there is a disagreement as to the apportionment of the cost of completing an agreed alternative, the dispute, at the request of either Party, shall be submitted to mediation. The mediator shall be a licensed engineer experienced with the design and construction of public wastewater collection and conveyance systems. The cost of the mediator shall be shared equally by the Parties. If, after good faith efforts to meet and confer and to mediate differences, an agreement for an alternative for providing services is not reached, the Developer may pursue detachment of its land from the District. The District will not object to detachment provided that the Developer: (a) pays and indemnifies the District against all cost of detachment, including but not limited to any detachment fees and charges, the cost of compliance with LAFCo or other public agency orders and requirements, and the time and expense for participation in the detachment process; (b) waives all claims against the District for fees or expenses or damages arising out of, relating to, or incurred in connection with the Project, the Lincoln Street Affordable Housing Development, the Lincoln Street Senior Apartments Development, or the detached land; and (c) reimburses the District for the District's License Fee contribution. Developer shall retain the right to use, and to authorize use of, any plans, reports, or technical studies it has funded for the A-Line Project, in connection with any alternative wastewater solution, including connection to the City of Oroville system, subject to third-party rights. Nothing in this section limits the Developer's obligations under sections 9 and 10 of the Development Agreement.

6. Except as expressly stated in this Second Addendum, the rights and obligations of the Parties under the Development Agreement for Construction of the A-Line Pipeline Replacement and Connection of the Lincoln Street Affordable Housing Sewer System, made and entered April 19, 2024, shall remain in effect.
7. Except as expressly stated in this Second Addendum, the rights and obligations of the Parties under the Addendum to Development Agreement for Construction of the A-Line Pipeline Replacement and Connection of the Lincoln Street Affordable Housing Sewer System, made and entered on June 26, 2024, shall remain in effect.

DEVELOPER:	<p>RICHMAN OROVILLE APARTMENTS, LP, a Delaware limited partnership By: Butte County Affordable Housing Development Corporation Its: Managing General Partner</p> <p>By: _____ Lawrence C. Guanzon Its: President</p> <p>By: Richman Oroville GP, LLC, a Delaware limited liability company Its: Administrative General Partner By: TRG Oroville Member, LLC, a Delaware limited liability company Its: Manager</p> <p>By: _____ Rick Westberg, Its: Executive Vice President</p>
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DISTRICT:
 LAKE OROVILLE AREA PUBLIC UTILITY

By: _____
 Robert T. Marciniak, President

ATTEST:

By: _____
 David Goyer, General Manager



Manager's Report

To: Board of Directors
From: David Goyer, General Manager
Date: May 13, 2025

RE: Item #6 – Amendment to the Development Agreement for Construction of the A-Line Pipeline Replacement and Connection of the Lincoln Street Affordable House Sewer System.

GM Goyer will present the proposed Amendment to the Development Agreement for Construction of the A-Line Pipeline Replacement and Connection of the Lincoln Street Affordable House Sewer System.

Attachment Included

Recommended Action – A motion to direct President Marciniak to execute Amendment to the Development Agreement for Construction of the A-Line Pipeline Replacement and Connection of the Lincoln Street Affordable House Sewer System. as presented.

Roll Call Vote

AMENDMENT TO DEVELOPMENT AGREEMENT FOR CONSTRUCTION OF THE A-
LINE PIPELINE REPLACEMENT AND CONNECTION OF THE LINCOLN STREET
AFFORDABLE HOUSING SEWER SYSTEM

This Amendment To Development Agreement For Construction Of The A-Line Pipeline Replacement And Connection Of The Lincoln Street Affordable Housing Sewer System is made on April 24, 2025, by the Lake Oroville Area Public Utility District (the District) and the Richman Oroville Apartments, LP (the Developer). The District and the Developer may be referred to, together, as “the Parties” and either may be referred to as “Party.”

Recitals:

Under the Development Agreement for the Construction of the A-Line Pipeline Replacement and Connection of the Lincoln Street Affordable Housing Sewer System made and entered April 19, 2024, (the Development Agreement), the Developer’s connection to the District’s wastewater collection and conveyance system is conditioned on the Developer’s construction of the A-Line Replacement Project (the Project), and the construction of the Project is conditioned on the consent of the Union Pacific Railroad (the Railroad).

After the Development Agreement was made and entered, the Railroad consented to the Project work on the terms and conditions set forth in the Longitudinal and Crossing Pipeline Agreement (the License Agreement). The License Agreement is executed concurrently with this Amendment. A copy of the License Agreement is attached as Exhibit A to this Amendment, and its terms and conditions are incorporated by this reference.

The estimated cost to construct the Project in accordance with plans and specifications approved by the District and the Railroad, and in compliance with the terms and conditions of the Development Agreement and the License Agreement is \$3,178,642.00.

The District has determined that the completion of the Project will, in addition to serving the Development and the Lincoln Street Senior Apartments Development, benefit the District’s property owners and customers. The District has considered and determined the value of the Project to the District, and it agrees to contribute to payment of the cost of Project construction on that basis.

Agreement:

The Parties agree to amend section 18 of the Development Agreement, as follows:

1. The first paragraph of section 18 is amended to state:

The Project is designed to serve Developer's Lincoln Street Affordable Housing Development and the Lincoln Street Senior Apartments Development. The Project also furthers the interests of the District's property owners and customers. The District will, therefore, contribute to the cost of constructing the Project.

2. The second and third paragraphs of section 18 are deleted.

3. This paragraph is added to section 18:

The District shall pay the Developer an amount equal to 20% of the actual cost of the construction of the Project work, reasonably and necessarily incurred and paid (the Cost of Work), not to exceed \$629,102. The Parties acknowledge that Developer may have incurred certain eligible Project costs prior to the effective date of this Amendment. Such costs, if documented in accordance with this Section, shall be eligible for reimbursement from the District's contribution. If the District disputes any portion of the Developer's submitted Cost of Work, it shall notify Developer in writing within fifteen (15) business days and provide a written explanation. The Parties shall meet and confer in good faith to resolve such dispute. Any unresolved dispute may be submitted to mediation upon request by either Party. The Cost of Work shall not include the Developer's indirect construction costs; the Developer's share of the Railroad's License Fee; or the cost of curing or correcting defective Project work or materials provided, however, that reasonable project management and construction oversight expenses directly related to the Project shall be reimbursable. The Developer shall provide to the District, for the District's review, adequate proof of the Developer's charges and payments for the Cost of Work. The District shall pay its share of the Cost of Work upon: (a) the Developer's completion of the Project work in accordance with approved plans and specifications and in compliance with the terms and conditions of the License Agreement and the Development Agreement; (b) the District's acceptance of the Project work, in accordance with the terms and conditions of the Development Agreement; and (c) the Developers payment of fees and charges pursuant to Section 13 of the Development Agreement. The District shall remit its share of the Cost of Work no later than fifteen (15) days following completion of the conditions set forth in this Section 18, unless extended by mutual written agreement. Except as expressly stated in this Amendment, the terms and conditions of the Development Agreement shall remain in effect.

DEVELOPER:	<p>RICHMAN OROVILLE APARTMENTS, LP, a Delaware limited partnership</p> <p>By: Butte County Affordable Housing Development Corporation</p> <p>Its: Managing General Partner</p> <p>By: _____ Lawrence C. Guanzon</p> <p>Its: President</p> <p>By: Richman Oroville GP, LLC, a Delaware limited liability company</p> <p>Its: Administrative General Partner</p> <p>By: TRG Oroville Member, LLC, a Delaware limited liability company</p> <p>Its: Manager</p> <p>By: _____ Rick Westberg, Its: Executive Vice President</p>
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DISTRICT:
LAKE OROVILLE AREA PUBLIC UTILITY

By: _____
Robert T. Marciniak, President

ATTEST:
By: _____
David Goyer, General Manager



Manager's Report

To: Board of Directors
From: David Goyer, General Manager
Date: May 13, 2025

RE: Item #7 – Resolution No. 05-2025 Kelly Ridge Estates Maintenance & Operations Charge to Tax Rolls and Delinquent Sewer Service Accounts to Tax Roll

This Resolution authorizes District staff to submit and collect unpaid charges on an annual assessment for the Kelly Ridge Estates Subdivision operation and maintenance, and delinquent sewer service account balances to the Butte County Auditor-Controller's office as a direct assessment to be placed on the Butte County 2025/2026 tax roll.

Attachment Included

Recommended Action: A motion to adopt Resolution No. 05-2025 authorizing submittal of Kelly Ridge Estates operation and maintenance charges, and delinquent sewer service account balances as direct assessments on the Butte County 2025/2026 tax roll.

Roll call vote.

RESOLUTION NO. 05-2025
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT

**AUTHORIZING SUBMITTING KELLY RIDGE ESTATES
MAINTENANCE/OPERATIONS CHARGE
AS DIRECT ASSESSMENTS ON THE BUTTE COUNTY 2025/2026 TAX ROLL
AND AUTHORIZING SUBMITTING DELINQUENT SERVICE ACCOUNTS
AS DIRECT ASSESSMENTS ON THE BUTTE COUNTY 2025/2026 TAX ROLL**

WHEREAS, Lake Oroville Area Public Utility District, formerly North Burbank Public Utility District, entered into an agreement with Southern California Financial Corporation, developer of Kelly Ridge Estates Subdivision, on August 10, 1973, wherein said developer agreed to pay a per lot annual maintenance and operation charge for all lots to be developed within said subdivision;

WHEREAS, said agreement provides that the Lake Oroville Area Public Utility District may place the charge on the county tax statement as part of the Lake Oroville Area Public Utility District or County assessment;

WHEREAS, said agreement is recorded in the office of the Butte County Recorder in Book 1862 at Page 445 through Page 457, and binds said developer's heirs, successors and assigns;

WHEREAS, said annual per lot maintenance and operation charge is set at \$29.70 in accordance with said agreement and Lake Oroville Area Public Utility District's Board of Directors' Resolution No. 2-96;

WHEREAS, Lake Oroville Area Public Utility District Policy No. 7080, "Sewer Service Charge Delinquencies," as amended September 8, 2015, addresses the issue of collection of delinquent sewer service charge accounts;

WHEREAS, sections 16469 through 16472 of the California Public Utilities Code provide for the addition of charges unpaid at the time specified for fixing taxes to be added to the annual assessment made by the County against the property involved in said accounts; and

WHEREAS, Lake Oroville Area Public Utility District has complied with all relevant laws pertaining to these assessments.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Lake Oroville Area Public Utility District that:

- (1) In accordance with said agreement, the annual \$29.70 per lot maintenance and operation charge for all lots within the Kelly Ridge Estates Subdivision project shall be submitted to the Butte County Auditor-Controller's

office as a direct assessment to be placed on the 2025/2026 tax roll, and all future tax rolls;

(2) In accordance with the Lake Oroville Area Public Utility District Board Policy No. 7080.14, delinquent accounts may be submitted to the Butte County Auditor-Controller's office to be placed on the 2025/2026 tax roll, and all future tax rolls;

(3) The District agrees to indemnify and hold the County harmless for liability or loss arising out of the addition of these items to the tax rolls; and

PASSED AND ADOPTED this 13th day of May 2025, at Oroville, California, after being moved by Director _____ and seconded by Director _____ by the following vote:

AYES: Directors

NOES:

ABSENT:

ABSTAINED:

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT

By _____
Robert Marciniak, President

ATTEST:

Kelly Hamblin, Secretary



Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: May 13, 2025

RE: Item #8 – Adoption of Resolution No. 04-2025 Appropriations Limit for the 2025/2026 Fiscal Year

Each year, special districts must establish an annual Appropriations Limit. We are required to calculate the District's appropriations limit and present the calculation as part of our annual audit. This year's appropriations limit is calculated at \$1,171,400.03 per state mandated percentages for Butte County.

Attachment Included

Recommended Action: A motion to adopt Resolution No. 04-2025 setting the Fiscal Year 2025/2026 Appropriations Limit at \$1,171,400.03

Roll call vote.

RESOLUTION NO. 04-2025
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT

**ADOPTING APPROPRIATIONS LIMIT FOR THE
2025/2026 FISCAL YEAR**

WHEREAS, in accordance with the provisions of Article XIII B of the California Constitution, certain public agencies of the State of California are required to annually adopt an appropriations limit specifying the limits of expenditures for appropriation of taxes for the then current year; and,

WHEREAS, said appropriation limit is based on data and information provided by the State of California, Office of the Controller, related to population and economic growth within the area served by this special district; and,

WHEREAS, the appropriation limitation for the 2025/2026 fiscal year was determined by utilizing the change in California Per Capita Income for the 2025/2026 fiscal year and the percentage of population change within Butte County as projected by the State of California, Department of Finance estimates as of January 1, 2025.

WHEREAS, Lake Oroville Area Public Utility District has received the foregoing data and information and has, from said information, prepared and calculated its appropriations limit for the 2025/2026 fiscal year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Lake Oroville Area Public Utility District that the appropriation limit of Lake Oroville Area Public Utility District for the 2025/2026 fiscal year shall be \$1,171,400.03 said limit to be the limit on expenditure of tax proceeds of Lake Oroville Area Public Utility District.

PASSED AND ADOPTED this 13th day of May 2025 at Oroville, California, after being moved by Director _____ and seconded by Director _____ by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT

By _____
Robert Marciniak, President

ATTEST: _____
Kelly Hamblin, Clerk of the Board



Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: May 13, 2025

RE: Item #9 – Presentation of the Humana Specialty Benefits Dental & Life Insurance Plan for 2025/26

Sayers Insurance Company has provided the District with the renewal quotation from Humana Specialty Benefits Dental & Life Insurance Company. The quotation included an increase in the premium of 1.8% (\$8.49 per month) for the 2025/2026 policy year. The Personnel Committee reviewed the renewal and recommended accepting the proposed plan for the 2025/2026 policy year.

Recommended Action: A motion to approve the renewal of the current plans Humana Specialty Benefits Dental & Life Insurance Company for the policy year June 1, 2025 to June 1, 2026 as presented.

Roll call vote.



Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: May 13, 2025

RE: Item #10 – Presentation of Health Insurance Benefit plans from Dayton Sayer and Anthem.

Sayers Insurance Company and Anthem have provided the District with several options for Health Insurance benefits for employees. The current plans have an average of 12.98% (\$1,123.57 per month) increase in premium to the District for the 2025/2026 policy year. The Personnel Committee reviewed the proposed plan options and recommended continuing with the current plans for the 2025/2026 policy year.

Recommended Action: A motion to approve the renewal of the current plans from Anthem for the policy year June 1, 2025 to June 1, 2026 as presented.

Roll call vote.



Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: May 13, 2025

RE: Item #11 – Employee Compensation Review for 2025/2026 Budget year

The Board to review the current Employee Compensation Schedule – Board Policy 2151 and the GM Compensation Schedule – Board Policy 2151 and make a recommendation regarding the percentage for the cost of living (COLA) increase for the budget year 2025/2026.

Recommended Action: A motion to set the cost of living increase to _____% for the 2025/26 budget year.

Roll call vote.

POLICY #	ADMINISTRATION	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F RANGE	
2365	ACCOUNTS PAYABLE CLERK REGULAR FULL TIME	\$28.25	\$29.68	\$31.16	\$32.74	\$34.37	\$36.10	\$36.10
2367	ACCOUNTS PAYABLE CLERK II REGULAR FULL TIME	\$28.25	\$29.68	\$31.16	\$32.74	\$34.37	\$36.10	\$36.10
2372	ACCOUNTS RECEIVABLE CLERK REGULAR FULL TIME	\$25.87	\$27.10	\$28.42	\$29.77	\$31.20	\$32.70	\$32.70
2370	ACCOUNTS RECEIVABLE CLERK II REGULAR FULL TIME	\$28.25	\$29.68	\$31.16	\$32.74	\$34.37	\$36.10	\$36.10
2377	ADMINISTRATIVE AIDE REGULAR FULL TIME	\$19.94	\$20.95	\$22.00	\$23.08	\$24.24	\$25.44	\$25.44
2377	ADMINISTRATIVE AIDE PART TIME OR TEMPORARY	\$16.77	\$17.07	\$17.37	\$17.67	\$17.96	\$18.26	\$18.26
2368	CLERK OF THE BOARD/BOOKKEEPER REGULAR FULL TIME	\$31.16	\$32.74	\$34.37	\$36.10	\$37.89	\$39.80	\$39.80
2379	CUSTOMER ACCOUNT SPECIALIST REGULAR FULL TIME	\$31.16	\$32.74	\$34.37	\$36.10	\$37.89	\$39.80	\$39.80
2374	OFFICE CLERK	\$27.75	\$29.14	\$30.61	\$32.13	\$33.73	\$35.41	\$38.86
	TEMPORARY ASSISTANT TO THE MANAGER	\$39.51	\$41.39	\$43.38	\$45.45	\$47.63	\$50.01	\$53.42

FIELD OPERATIONS

	UTILITY WORKER PART TIME	\$16.77	\$17.37	\$17.96	\$18.56	\$19.16	\$19.76	\$19.76
2320	FIELD OPERATIONS FOREMAN REGULAR FULL TIME	\$30.42	\$31.95	\$33.56	\$35.22	\$36.98	\$38.83	\$38.83
2310	FIELD OPERATIONS SUPERVISOR REGULAR FULL TIME	\$39.51	\$41.39	\$43.38	\$45.45	\$47.63	\$50.01	\$53.42
2327	FIELD OPERATIONS TECHNICIAN REGULAR FULLTIME	\$28.25	\$29.68	\$31.16	\$32.74	\$34.37	\$36.10	\$36.10
	OPERATOR PART TIME	\$25.87	\$27.10	\$28.42	\$29.77	\$31.20	\$32.70	\$32.70
2330	OPERATOR REGULAR FULL TIME	\$27.75	\$29.14	\$30.61	\$32.13	\$33.73	\$35.41	\$38.86
2340	UTILITY WORKER I REGULAR FULL TIME	\$23.56	\$24.72	\$25.95	\$27.23	\$28.60	\$30.03	\$30.03
2345	UTILITY WORKER II REGULAR FULL TIME	\$24.72	\$25.95	\$27.23	\$28.60	\$30.03	\$31.53	\$31.53

**Step F can include merit and cola increases which are calculated differently for each employee in Step F

BOARD POLICY
Lake Oroville Area Public Utility District

TITLE: GM Compensation Schedule
ADOPTION DATE: July 10, 2012

NUMBER: 2152
AMENDED DATE: February 11th 2025
EFFECTIVE DATE: February 14th 2025

RANGE		Step A	Step B	Step C	Step D	Step E	Step F
No.	Position Title	Date of Hire	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025	July 1, 2026
1	General Manager	87,360	99,738	104,725	109,961	115,459	121,232

General Managers Compensation Conditions:

The Board of Directors appoints the General Manager, and the position is an “at will” position.
All compensation actions are based on the Manager’s Date of Hire.
Salary increases will be based on date of hire or as directed by the Board of Directors.
COLA increases will be the same amount at the same time as all other employees.
Compensation Schedule will be adjusted as needed as the annual budget dictates.

Amended Policy



Manager's Report

To: Board of Directors
From: David Goyer, General Manager
Date: May 13, 2025

RE: Item #12 – Approval of SingletonAuman Service Proposal

SingletonAuman has provided our auditing Services for the last 9 years. The current proposal from SingletonAuman to continue with the auditing of the District's books for Fiscal years 2025, 2026 and 2027 is attached. Last year's audit services, including the pre-audit cost (\$5,775.00), were \$21,975.00. This year CLA Connect will be conducting the pre-audit and journal entries prior to the yearend audit. SingletonAuman's base audit fees are 24.65% over 23-24 year's audit fees. They increase approximately 1.8% each year 2025/2026 & 2026/2027.

Clay Singleton forward the following regarding the increase in costs.

1. There is a huge decrease in CPA firms performing audits.
2. There is also a huge lack of CPA's & accounting professionals, so we have to pay more \$ to keep good employees.
3. Professionals are not wanting to work in rural areas.
4. The accounting & auditing standards are getting more complex & tedious.
5. Peer reviewers, the folks who audit us, are getting much more detailed & demanding, so we have to work longer hours, with fewer professionals to get the jobs done.

Attachment included.

Recommended Action:

A motion to approve the proposal from SingletonAuman to engage their auditing services for the 2025, 2026 and 2027 fiscal years.

Roll call vote.

ENGAGEMENT LETTER

January 14, 2025

To the Board of Directors
Lake Oroville Public Utility District
1960 Elgin Street
Oroville, CA 95966

Dear Board Members,

We are pleased to confirm our understanding of the services we are to provide Lake Oroville Area Public Utility District for the years ended June 30, 2025, June 30, 2026, and June 30, 2027.

As required by federal and state legal requirements, we are a Certified Public Accounting Firm, duly authorized to practice, and licensed by the California State Board of Accountancy. License Number COR5923.

We will audit the financial statements of the governmental activities, the major fund, and the related notes to the financial statements, which collectively comprise the basic financial statements of Lake Oroville Area Public Utility District as of and for the years ended June 30, 2025, June 30, 2026, and June 30, 2027.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Lake Oroville Area Public Utility District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Lake Oroville Area Public Utility District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and may be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Required supplementary information under GASB 34, GASB 68 and GASB 75.
- 3) Supplementary schedules required by the California State Controller.
- 4) Other Supplementary Information

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Lake Oroville Area Public Utility District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report

upon completion of our audit of Lake Oroville Area Public Utility District's financial statements. Our report will be addressed to the Board of Directors of Lake Oroville Area Public Utility District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Lake Oroville Area Public Utility District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting waste and abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Lake Oroville Area Public Utility District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will prepare the Districts Annual Financial Transactions Report for the California State Controller's Office (billed separately) for years ended June 30, 2025, June 30, 2026, and June 30, 2027, based on information provided by you. We will assist in preparing the financial statements and related notes of the Organization in conformity with U.S. generally accepted accounting principles based on information provided by you. We will assist in maintaining the District's Depreciation Schedule. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements

aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide the necessary copies of our reports to Lake Oroville Area Public Utility District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of SingletonAuman PC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the cognizant agency, the State Controller's Office, or the General Accounting Office or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of

SingletonAuman PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the cognizant agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the parties contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately June 1st each year and to issue our reports no later than December 15. Clay Singleton, Principal is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our professional fees are based on the time spent on an engagement at our standard hourly rates. Our hourly rates are established in relation to the level of experience of the individual assigned to the audit. We believe that our services, approach and technique provide the capability to achieve cost savings while maintaining the highest quality standards. Our proposed fee includes all related expenses including travel costs and 15 copies of the audit report. We will not charge for out-of-pocket expenses such as mileage or per diem associated with this engagement.

The proposed fee for the audit of the Lake Oroville Area Public Utility District for the years ending June 30, 2025, 2026, and 2027 is as follows:

<u>For the Year Ended</u>	<u>Audit Fee</u>
June 30, 2025	\$21,500
June 30, 2026	\$21,900
June 30, 2027	\$22,300

***Single Audit Fee if required (if Federal Expenditures Exceed \$750,000)**

A Single Audit would add an additional \$12,000 per year to the contract total.

Our audit proposal is based on the expectation that your books will be closed, balanced and in auditable condition for the audit period. If during the course of the project the nature or scope of our work should change, we would discuss such matters with you and any effects of our fee estimates. The estimated fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary for any reason, we will discuss it with you and arrive at a new estimate before we incur any additional cost.

Government Auditing Standards require that we provide you with a copy of our most recent quality control review report. Our 2018 peer review report accompanies this letter.

We appreciate the opportunity to be of service to Lake Oroville Area Public Utility District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Clay Singleton

Clay Singleton, Principal
SINGLETONAUMAN PC

RESPONSE:

This letter correctly sets forth the understanding of Lake Oroville Area Public Utility District.

Management signature:

Title:

Date:



Manager's Report

To: Board of Directors
From: David Goyer, General Manager
Date: May 13, 2025
RE: Item #13 – SC-OR Reports

Please see attached April Agenda and flow reports for SC-OR (if available).

Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: May 13, 2025

RE: Item #14 – Board Members', Manager, and Staff Comments

14.1 Field Operations Activity Report

The April 2025 Field Operations Activity Report is included for your review and discussion.

Information only, no action to be taken at this time.

Attachment Included

14.2 General Manger's Report

Updates on ongoing activities:

- Royal Oaks Lift Station Current Condition.
- 3515 Myers St. Exterior and Fencing Project Progress.
- Lincoln Senor Apartments Agreements, Progress with construction on A-Line.
- Regional Lift Station.
- Developments on the horizon.
 - Palermo Wastewater consolidation
 - Ophir & Lincoln mainline extension
 - A-Line Capital Improvement Project

Information only, no action to be taken at this time.

FIELD OPERATIONS ACTIVITY REPORT

APRIL 2025

Meetings and Compliance

- California State Water Resource Control Board: The District reported ZERO Sanitary Sewer Overflows for the month of April 2025.
- Daily/Weekly/Monthly compliance and safety inspections at all District facilities including equipment and vehicles.
- Special District Risk Management Authority: Various on-line safety topics.
- California Governor's Office of Emergency Services: Presentation for the process and types of grant funding available for public entities.

General Updates

- Ophir-Lincoln Regional L/S: No progress.
- Feather Falls Casino: Sherwood Construction completed the sewer main reroute for the future Events Center.
- Field Maintenance Building (3515 Meyers): New fence installation commenced, and painting of the buildings completed.
- Smoke testing was delayed and rescheduled for mid-May 2025.

New Permits and Connections, Estimates, Inquiries or Termination

- 3696/3698 Spencer Avenue: Laterals installed; Passed inspection and testing.
- 3139 Oro Bangor Hwy: Inquiry to connect new 5 bedroom 3 bath home (in planning stages) to the Villa Verona System.

Lines Cleaned

- 7979' LF Cleaned with the Eco 900 Combo-Vac Truck.

CCTV Work and I&I Inspections/Repairs

- Nothing to report.

Maintenance, Repairs and Misc

- General grounds maintenance at the District office and Field Maintenance Building.
- Field Crew assisted with the removal of the old fence at the Field Maintenance Building and poured 4 yards of concrete for the sliding gates track.
- Hauled debris and burned brush at the Field Maintenance Building.
- Weed abatement at all lift stations and District lots.
- Cleared brush/berry bushes around manholes in Wahoo Ravine easement.
- 2004 Sterling Jet Rodder: Radiator replaced.
- 2024 Chevy Colorado: Emission and traction control issues addressed by Oroville Chevrolet, covered under warranty.

Primary System Service Calls/OT Call Outs

- Service Calls: 1- Sewer main location questions from a contractor.
- OT Call Outs: 1- Bidwell Canyon L3 L/S loss of 12-volt supply power to SCADA due to faulty battery charger, replaced battery charger.

Villa Verona Service Calls/OT Call Outs

- Service Calls: 9- All tanks serviced and/or pumped.
- OT Call Outs: 2- Both tanks serviced.

Fuel Consumption

- Gasoline: 241.652gals (Last Mo. 257.608gals)
- Diesel: 116.1gals (Last Mo. 153.3gals)

ADU = Additional Dwelling Unit

gals = gallons

Lf = Linear Feet

L/S = Lift Station

I&I = Inflow & Infiltration

OT = Overtime

Prepared By:

Vince Victorino

Field Operations Supervisor



Manager's Report

To: Board of Directors

From: David Goyer, General Manager

Date: May 13, 2025

RE: Item #15 – Future Agenda Items