

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
BOARD OF DIRECTOR REGULAR MEETING
MAY 14, 2013**

SALUTE TO THE FLAG

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

MOMENT OF SILENCE

President Fairbanks asked for a moment of reflective silence.

CALL TO ORDER

President Fairbanks called the meeting to order at 2:00 P.M. Directors present were Ball, Dennis, Kiely, and Onken. Representing the District were Manager Long, Field Operations Supervisor Sanders, Engineer Knibb, Legal Counsel Meith, Accounts Receivable Clerk Kahalekulu and Clerk Quigley.

CONSENT AGENDA

The Board reviewed the minutes of the Regular Board Meeting of April 9, 2013, the Financial Report and Warrant List for month ending April 30, 2013. After discussion, it was moved by Director Dennis and seconded by Director Kiely that the items on the consent agenda be approved as presented. The motion passed with a unanimous affirmative vote.

DIRECTOR JACK J. BALL RETIREMENT

President Fairbanks noted that Director Ball had notified the Board of his intent to retire from the Board of Directors effective June 30, 2013.

After discussion, it was moved by Director Ball and seconded by Director Onken to accept Director Jack J. Ball's resignation effective June 30, 2013.

ADOPTION OF RESOLUTION NO. 02-2013 AUTHORIZING SUBMITTING KELLY RIDGE ESTATES MAINTENANCE/OPERATION CHARGE TO THE BUTTE COUNTY 2013/14 TAX ROLL

Manager Long stated this is an annual requirement, which authorizes the District to submit service charges for Maintenance and Operation charges as direct assessments for the Butte County 2013/2014 Tax Rolls.

After discussion, it was moved by Director Onken and seconded by Director Dennis to adopt Resolution No. 02-2013 Authorizing Submitting Kelly Ridge Estates Maintenance/Operation Charges to the Butte County 2013/2014 Tax Roll. The motion was passed with a unanimous, affirmative roll call vote.

ADOPTION OF RESOLUTION NO. 03-2013 AUTHORIZING SUBMITTING DELINQUENT SERVICE ACCOUNTS TO THE BUTTE COUNTY 2013/14 TAX ROLL

Manager Long stated this is an annual requirement, which authorizes the District to submit service charges for delinquent service account as direct assessments for the Butte County 2013/2014 Tax Rolls.

After discussion, it was moved by Director Onken and seconded by Director Dennis to adopt Resolution No. 03-2013 Authoring Submitting Delinquent Service Accounts to the Butte County 2013/2014 Tax Roll. The motion was passed with a unanimous, affirmative roll call vote.

ADOPTION OF RESOLUTION NO. 04-2013 APPROPRIATIONS LIMIT FOR THE 2013/14 FISCAL YEAR

Manager Long identified the Adoption of Resolution No. 04-2013 Appropriations Limit for the 2013/2014 fiscal year as the formula for mandated percentages provided by the State of California for determining exactly how much money the District could receive in taxes from Butte County.

After discussion, it was moved by Director Ball and seconded by Director Kiely for the Adoption of Resolution No. 04-2013 setting the Appropriations Limit in the amount of \$575,091.38. The motion passed with a unanimous affirmative roll call vote.

REVIEW AMENDED DISTRICT DEVELOPMENT AGREEMENT

Manager Long directed the Board's attention to the District's current Development Agreement and the proposed amendments to the document. He noted that the purpose of the amendments was to bring the document up to date with current policies and regulations.

Legal Counsel Meith explained the changes that he proposed to the current Development Agreement.

After discussion, it was the consensus of the Board that General Manager Long and Legal Counsel Meith make corrections and resubmit a final draft for approval at the June 14, 2013 regular meeting.

Legal Counsel Meith left the meeting at 3:10 P.M.

DISTRICT CONTRIBUTION PLAN FOR CALPERS PENSION PROGRAM

Manager Long stated the Budget Finance Committee discussed the District's continued contribution to the employees' portion of the Calpers pension program. He noted given the increasing costs and potential operating pressure, the District should analyze its current plan to determine whether to continue as is or make changes to the current contribution plan.

After discussion, it was the consensus of the Board that General Manager Long continue to develop a transition plan to possibly be implemented in fiscal year 2014/15.

LAFCo SPECIAL DISTRICT COMMISSIONER ELECTION

President Fairbanks presented LAFCo's 2013 Election Ballot for one (1) Non-Enterprise and one (1) Enterprise or Non-Enterprise Alternate Commissioners.

After discussion, it was moved by Director Kiely and seconded by Dennis to cast a vote for Tom Lando, Chico Area Recreation & Park District, Non-Enterprise Special District Commissioner, the motion passed with a unanimous affirmative vote.

After further discussion, it was moved by Director Onken and seconded by Director Dennis to cast a vote for Wes Gilbert, Butte County Resource Conservation District, Special District Alternate Commissioner, the motion passed with a unanimous affirmative vote.

SC-OR COMMISSIONER'S REPORT

Director Dennis noted the SC-OR minutes were included in the Board packets. He also stated that SC-OR was working on its 2013-14 budget without a rate increase.

BCSDA REPRESENTATIVES' AND LAFCo REPORT

Manager Long stated that LAFCo adopted its 2013-14 Final Budget that was included for review

WHISPER RIDGE GOLF RESORT AT LAKE OROVILLE UPDATE

Manager Long stated the Butte County Board of Supervisors gave unanimous approval of the project including certification of the Final Environmental Impact Report. The Developer will need to execute the District's Development Agreement and be provided a letter of Conditions of Sewer Service before they can obtain a building permit from Butte County.

SPHERE OF INFLUENCE UPDATE

Manager Long state DeNovo had released the Draft Environmental Impact Report (DEIR) for the 45-day public review period on Thursday May 9, 2013. LAFCo will hold a public hearing on Thursday June 6, 2013 to review and accept comments on the DEIR. He noted LAFCo anticipates the adoption of the Final Environmental Impact Report (FEIR) and approval of the Final Sphere of Influence Plan at the Commission's July 10, 2013 regular meeting.

RIO D'ORO DEVELOPMENT UPDATE

Manager Long noted that JKB Homes has reinitiated the development process for the proposed Rio D'Oro subdivision. He stated, along with Engineer Knibb, Field Operations Supervisor Sanders, he met Thursday May 9, 2013 with the developers and discussed possible alignments for the sewer infrastructure. The District's preferred alignment would construct a sewer line and lift stations through the town of Palermo. Manager Long continued he would be contacting Supervisor Bill Connelly's office regarding possible funding for a portion of the Palermo project.

BUTTE COUNTY WASTE WATER ADVISORY COMMITTEE

Manager Long stated that he along with Jayme Boucher of Thermalito Water and Sewer District had attended a Waste Water Advisory Committee meeting. The County intends to move ahead with a pond ordinance and creation of community waste water systems and community service areas (CSA) outside of a district's existing sphere of influence boundaries. He stated the District would be included in the continued discussion and development of policy to allow community waste water services within existing district boundaries.

DISTRICT BILLING SYSTEM

Manager Long updated the Board on the continued quest for a new District utility billing system, noting that staff had been pursuing the customization of the QuickBooks accounting program as well as reviewing Black Mountain Software's utility billing program.

RETAINING WALL EASEMENT ENCROACHMENT ON JACK HILL DRIVE

Manager Long noted that John Starr of Better Builders Construction had saw cut the retaining wall over the public utility easement and District sewer line located at 6341 Jack Hill Drive. Mr. Starr needs to execute the Easement Encroachment Agreement to complete this project.

SURPLUS EQUIPMENT UPDATE

Manager Long stated Jack Biggs of Roto Rooter had purchased the two whackers, manhole-patching gun and camera inspection tv equipment. The scuba respirator was donated to Oroville Fire Department.

BOARD MEMBER'S, MANAGER AND STAFF COMMENTS

Field Operations Supervisor Sanders stated the field crew had done some contract cleaning for Jack Biggs of Roto Rooter. He also noted the Villa Verona project was in full swing.

President Fairbanks welcomed Account Clerk Kahalekulu to the meeting.

ADJOURNMENT

There being no further business to come before the Board the meeting was adjourned 4:30 P. M.

Respectfully submitted,

Cindy Quigley,
Clerk of the Board