

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT
BOARD OF DIRECTOR REGULAR MEETING
JUNE 14, 2016**

SALUTE TO THE FLAG

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

MOMENT OF SILENCE

President Kuehner asked the Board to observe a moment of silence.

CALL TO ORDER

President Kuehner called the meeting to order at 2:00 P.M. Directors present were Dennis, Fairbanks, and Onken. Representing the District were Manager Long, Field Supervisor Dan Sanders, District Engineer Keith Knibb, and Clerk Cindy Quigley. Director Kiely was absent.

CONSENT AGENDA

The Board reviewed the minutes of the Regular Board Meeting of May 10, 2016 the Financial Report and Warrant List for month ending May 31, 2016. After discussion, it was moved by Director Dennis and seconded by Director Fairbanks that the items on the consent agenda be approved as presented. The motion passed with the following vote,

Ayes: Directors Dennis, Fairbanks, Kuehner and Onken.
Absent: Director Kiely

CONSIDERATION OF DRAFT BUDGET FOR FISCAL YEAR 2016/17 AND ADOPTION OF RESOLUTION NO. 03-2016 "ADOPTING BUDGET FOR FISCAL YEAR 2016/17"

General Manager Long presented the draft budget for fiscal year 2016/17 to the Board as recommended by the Personnel and Finance Advisory Committees

After discussion, it was moved by Director Onken and seconded by Director Dennis to adopt Resolution No. 03-2016 "Adopting Budget for Fiscal Year 2016/17". The motion passed with the following vote,

Ayes: Directors Dennis, Fairbanks, Kuehner and Onken.
Absent: Director Kiely

APPROVAL OF BOARD POLICY NO. 2151 "EMPLOYEE COMPENSATION SCHEDULE"

Manager Long noted this Board Policy is submitted as part of the Budget Adoption package as prepared based on the Personnel Committee recommendations.

After discussion, it was moved by Director Fairbanks and seconded by Director Onken for the Approval of Board Policy No. 2151 "Employee Compensation Schedule". The motion passed with the following vote,

Ayes: Directors Dennis, Fairbanks, Kuehner, and Onken.
Absent: Director Kiely

CONSIDERATION OF AMENDED DEVELOPMENT AGREEMENT FOR BERRY CREEK RANCHERIA RV PARK DEVELOPMENT

Manager Long stated legal counsel LaMoe has amended the District's standard Development Agreement to accommodate the Rancheria's project schedule. He noted by executing the agreement early the District can review plans, model sewer flows for offsite, and perform inspections before the annexation is complete. He also clarified the modified agreement makes it clear that continuing construction is done at the Rancheria's own risk

and connection to the sewer system is contingent on LAFCo's approval of annexation of the subject properties.

After discussion, it was moved by Director Onken and seconded by Director Fairbanks to approve the Amended Development Agreement for Berry Creek Rancheria's RV Park Construction Project. The motion passed with the following vote,

Ayes: Directors Dennis, Fairbanks, Kuehner, and Onken.

Absent: Director Kiely

Director Kiely arrived at 2:14PM.

SEWER BOND REFUNDING PROCESS

Manager Long, reviewed the documents included in the Board packet, provided by Brandis Tallman LLC on the possibility of refunding the existing Series A and Series B Bonds currently held by USDA Rural Development. He also presented the cost benefit analysis as prepared by Davis Hammon & Co.

After discussion the Board directed staff to discontinue the refunding process with Brandis Tallman LLC, and to continue exploring other financial options of paying off all or a portion of the Series A and Series B bonds.

WHISPER RIDGE GOLF RESORT

Manager Long, informed the Board that NorthStar Engineering presented a proposal to change how the wastewater is collected and treated for the remaining phases of the project that were to use the offsite sewer system and SC-OR.

The Developers are proposing the following:

- Construct a larger onsite treatment plant
- Use the treated water for irrigation
- Construct a force main from the development to the District main line on Mt. Ida Rd.
- Propose that LOAPUD or SC-OR own and operate the onsite treatment plant.

After discussion it was the consensus of the Board to oppose the force main construction and request a gravity main line be constructed instead. No action was taken.

SC-OR COMMISSIONER'S REPORT

Directors Dennis and Kiely updated the Board on SC-OR's current business.

BCSDA REPRESENTATIVES' AND LAFCo REPORT

Manager Long noted the LAFCo June 2, 2016 Agenda was included in the Board packet.

BOARD MEMBER'S, MANAGER AND STAFF COMMENTS

The Board reviewed the Field Operations Supervisor's report.

ADJOURNMENT

There being no further business to come before the Board the meeting was adjourned 3:30 P. M.

Respectfully submitted,

Cindy Quigley,
Clerk of the Board