

FORESTHILL PUBLIC UTILITY DISTRICT

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BOARD OF DIRECTORS

Brett C. Grant
George S. Shaw
Gregory L. Wells
Duane L. Frink
William L. Sadler, Jr.

Kurt W. Reed, General Manager
Paul Chamberlain, District Counsel

OFFICIAL MINUTES FORESTHILL PUBLIC UTILITY DISTRICT BOARD WORKSHOP

MAY 1, 2007

7:00 P.M.

District Office

24540 Main Street

Foresthill, California 95631

A. CALL TO ORDER AND ROLL CALL

The workshop of the Board of Directors was called to order at 7:03 p.m. by President George S. Shaw.

Present

George S. Shaw, President
Gregory L. Wells, Vice President
Duane L. Frink, Treasurer
William L. Sadler, Jr., Director
Brett C. Grant, Director

Absent

Also present: Kurt W. Reed, General Manager; Pat Pappas, Business Manager.

B. PUBLIC COMMENT

Any member of the public may address the Board on any matter within the jurisdictional authority of the District, or any item on this agenda before or during the Board's consideration of that item. Such testimony shall be limited to three minutes per person, or such other time limit as may be imposed by the President in order to enable the Board to complete its agenda within a reasonable period of time.

Public comment not read – no public present.

C. GENERAL ITEMS

1. Review and Discuss District System Connect Charges

- Need Fair/Defensible Basis for Connect Fees

Board discussed at length the method of calculation establishing connection fees and the required nexus. Nexus is the link between the realized expenditure of future improvements and the amount of future units or parcels (equivalent dwelling units)

- Establish Fairness to Existing Rate Payers by Having Growth/New Impacts to Water System Pay Costs Up Front.
Board discussed financing options for capital improvements versus collecting connection fees upfront from developers. Also discussed using sliding scale depending on size of development.
- Review of Existing Fees by Size of Demand (5/8"x 3/4" and 3/4"x 3/4") Meter Policy.
Board discussed difference in fees versus benefit – 20 gpm vs. 30 gpm and, the idea of only offering the 3/4"x 3/4" meter.
- Seek a Common Understanding of Laws Governing Establishing/Collecting and Expenditure of "Connect" Charges.
Board reviewed material discussing in detail how the connect fee monies must be handled according to state law.

Finance Committee to meet May 23, 2007 to finalize a draft ordinance to be presented to the full Board at the regular June 2007 meeting. Staff to request District Engineer's opinion on flows in dual taps with 1" lines if only 3/4" meters were used and, what impact, if any, this action would have on the system.

F. ADJOURNMENT

ACTION: At 9:30 p.m. Vice President Gregory Wells motioned to adjourn the workshop. Treasurer Duane Frink seconded the motion.
PASSED UNANIMOUSLY.

ATTEST:

George S. Shaw
President, Board of Directors

Kurt W. Reed
Clerk Thereof