

FORESTHILL PUBLIC UTILITY DISTRICT

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BOARD OF DIRECTORS

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

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

OFFICIAL MINUTES REGULAR MEETING OF THE BOARD OF DIRECTORS FORESTHILL PUBLIC UTILITY DISTRICT HELD SEPTEMBER 12, 2007

A. CALL TO ORDER AND ROLL CALL

The regular meeting of the Board of Directors was called to order at 7:00 p.m. by President George S. Shaw.

ROLL CALL:

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 Reed, General Manager; Pat Pappas, Business Manager; Members of the Public: Roy West; John Laster; Doug Ryan; Foresthill PUD Employee: Salvador Mercado, Jr..

B. INTRODUCTIONS AND PRESENTATIONS

Doug Ryan representing Forest Ranch Project submitted comments and requests for clarifications on District's Administrative Draft Master Plan dated June 2007. He further stated he will be submitting a request for information re: billing records to perform his own analysis concerning "consumptive creep". General Manager explained individual usage records sorted by customer address only go back a certain number of years – past that point usage records are general for the system. Business Manager to confirm for Mr. Ryan how many years of individual data can be gleaned from District records.

C. 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 read by President.

D. COMMITTEE REPORTS

1. Finance Committee – Met August 21 & September 5, 2007 – Committee Report in General Items.
2. Planning Committee – None.

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E. DIRECTOR'S COMMENTS

1. None.

F. CORRESPONDENCE / AGENDA CHANGES AND REVIEW

1. Second Administrative Draft Foresthill Community Plan – comments.
General Manager commented – suggested the water supply section of the Plan be updated to reflect current information as per District's Master Plan Update.
2. Suggest letter to Association California Water Agencies (ACWA) Legislative Committee to explore new legislation linking land use decisions with factual water supply data from water agencies.
Director Duane Frink brought this issue before the Board.
ACTION: Board President directed Director Frink and General Manager to prepare a letter for signature by Board President to ACWA Legislative Committee suggesting legislation be drafted linking land use decisions with factual water supply data from water agencies.

G. CONSENT CALENDAR

All items listed under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board, Audience, or Staff requests a specific item be removed from the Consent Calendar for separate action. Any item removed will be considered after the motion to approve the Consent Calendar.

1. Approve Minutes of Regular Board of Directors Meeting Held August 8, 2007.
2. Approve Minutes of Special Board of Directors Meeting and Workshop Held August 14, 2007.
3. Approve Minutes of Finance Committee Meeting Held August 21, 2007.
4. Approve Minutes of Special Board of Directors Meeting and Workshop Held August 29, 2007.
5. Approve Minutes of Finance Committee Meeting Held September 5, 2007.
6. Approve July 2007 Financial Report from LAIF.
7. Approve Balance Sheet, Revenue/Expense Report August 31, 2007.
8. Approve September 2007 A/P warrants for payment.

ACTION: Treasurer Duane Frink motioned to approve the Consent Calendar as amended. Director Gregory Wells seconded the motion.
PASSED UNANIMOUSLY.

H. GENERAL ITEMS

1. New Business

- a. Action Item: Approve Director Duane Frink's Renewal of Nomination and Service on ACWA's Federal & State Legislative Committee(s).
Board commended Director Frink for his extra efforts.
ACTION: Vice President Gregory Wells motioned to approve Director Frink's nomination as presented. Director Brett Grant seconded the motion.
PASSED UNANIMOUSLY.
- b. Action Item: Approve Eco:Logic Engineers Billing in the Amount of \$14,695.86 – Master Plan Cost Overrun of \$13,520.36.
Board President directed Planning Committee to meet with District Engineer prior to authorizing payment for overrun costs to determine an estimated final cost and to determine the reason for the overrun and for the Committee to report back to the Board. Planning Committee to meet September 20, 2007 at 6:00 p.m. in the District Office.

ACTION: Director Brett Grant motioned to release payment for presented billing (\$14,695.86) if determined billing is justified by Planning Committee and General Manager. Treasurer Duane Frink seconded the motion.
PASSED UNANIMOUSLY.

- c. Action Item: Approve Policy Amendments No. 2150.327 (Special Merit Step Adjustment) and No. 2150.50 (Retroactive Pay – Cost of Living Salary Range Adjustment). After review of District Counsel’s opinion, General Manager recommended Board approve amendments to applicable policies.

ACTION: Treasurer Duane Frink motioned to approve amendments as presented. Director William Sadler, Jr. seconded the motion.
PASSED UNANIMOUSLY.

2. Old Business

- a. Action Item: Approve Finance Committee Recommendation for Floating Holiday Policy Amendment No. 2030.30.

ACTION: Treasurer Duane Frink motioned to approve the policy amendment as presented. Director William Sadler, Jr. seconded the motion.

AYES: Frink, Sadler, Grant & Wells NAYS: Shaw
MOTION PASSED.

- b. Review and Discuss Local Agency Formation Committee (LAFCo) Executive Director’s Report – ‘Forest Ranch’.

General Manager reported there was a LAFCo meeting today where this item was tabled until the District’s Master Plan update is completed. Executive Director ruled that it is premature to address Forest Ranch’s concerns prior to formal application to annex into the District being made for the project. At this point only an informational application has been presented to LAFCo – Forest Ranch has never been before this Board for annexation; therefore, this Board has never denied nor approved any such annexation – Mr. Ryan concurred. Mr. Ryan stated he would like a letter from this Board simply stating that PUD does have enough water to supply the entire Forest Ranch Project. Director Grant explained to him that this Board would be remiss in its duties if it were to issue such a letter because there has not yet been enough information presented to this Board to make that determination. Director Grant requested Forest Ranch Project submit to District a detailed needs report to aid in the efforts.

- c. Action Item: Approve Finance Committee Report Dated September 6, 2007 – ‘Connect Charges’.

Planning Committee added its report dated August 3, 2007 concerning connect charges. Finance Committee Chair, Duane Frink, began the discussion with his view of which points each committee agrees and disagrees upon. Planning Committee Chair, Brett Grant, agreed that they fundamentally disagree on the meter size (5/8” vs. 3/4”) to be used as a standard for the District.

ACTION: Treasurer Duane Frink motioned an ordinance be drafted for approval at next regular meeting utilizing from Page 1, #1,2,3 & 5 and Page 2, Category 1.A. Option I & Category 2.B. Option II.

ACTION: Director Brett Grant amended Treasurer Frink’s motion to use Page 1, # 1,2,3 & 5 and Page 2, Category 1.B. Option II & Category 2.B. Option II plus excerpt from Planning Committee report dated August 3, 2007, “Existing physical connection to District Water System of 5/8”x 3/4” meter shall have the opportunity to upgrade to a 3/4”x 3/4” meter during District’s Radio Read Meter Retro Fit Program. Said request shall be in writing and shall include payment to the District for the cost difference between said meter size (5/8”x 3/4” vs. 3/4”x 3/4”). Those customers not desiring said upgrade shall be retrofitted with a 5/8”x 3/4” meter at no charge.” Director William Sadler, Jr. seconded the amendment. President called for a vote on the amendment.

AYES: Sadler, Grant, & Shaw NAYS: Wells, Frink

AMENDMENT PASSED.

Treasurer Frink withdrew the original motion.

MOTION WITHDRAWN.

ACTION: Director Brett Grant motioned an ordinance be drafted for approval at next regular meeting utilizing from Finance Committee Report dated September 6, 2007, Page 1, #1,2,3 & 5 and Page 2, Category 1.B. Option II and Category 2.B. Option II plus excerpt from Planning Committee report dated August 3, 2007, "Existing physical connection to District Water System of 5/8"x 3/4" meter shall have the opportunity to upgrade to a 3/4"x 3/4" meter during District's Radio Read Meter Retro Fit Program. Said request shall be in writing and shall include payment to the District for the cost difference between said meter size (5/8"x 3/4" vs. 3/4"x 3/4"). Those customers not desiring said upgrade shall be retrofitted with a Radio Read 5/8"x 3/4" meter at no charge." Director William Sadler, Jr. seconded the motion.

AYES: Grant, Sadler, Shaw & Wells NAYS: Frink

MOTION PASSED.

I. REPORTS BY DIRECTORS, LEGAL COUNSEL AND GENERAL MANAGER

1. General Manager – Construction Projects

a. Foresthill Development LLC – North End of Gold Street

Bob Rojas of High Mountain Construction delivered set of plans to create four (4) parcels at the North end of Gold Street (old Massey property). District is currently reviewing plans.

b. Placer County Water Agency (PCWA) – Old Mill Site

Met with PCWA Engineering Project Manager on proposed water system improvements at Old Mill Site. Fresh plans anticipated by October 1, 2007.

J. ADJOURNMENT

Next Regular Meeting Date: Wednesday, October 10, 2007 at 7:00 p.m. in the District Office, 24540 Main Street, Foresthill, California 95631.

ACTION: There being no further business, at 8:52 p.m. Director Brett Grant motioned the meeting be adjourned. Motion seconded by Director William Sadler, Jr..

PASSED UNANIMOUSLY.

ATTEST:

George S. Shaw
President, Board of Directors

Kurt W. Reed
Clerk Thereof