

FORESTHILL PUBLIC UTILITY DISTRICT

www.foresthillpud.com

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 OCTOBER 10, 2007

A. CALL TO ORDER AND ROLL CALL

The regular meeting of the Board of Directors was called to order at 7:03 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: John Laster; Doug Ryan; Foresthill PUD Employee: Salvador Mercado, Jr..

B. INTRODUCTIONS AND PRESENTATIONS

1. Special Recognition and Thank You to Salvador Mercado, Jr., Safety Coordinator and All District Employees for Their Safe Work Practices Leading to the District Being Awarded the Special District Risk Management Association's (SDRMA) David McMurchie Worker's Compensation Excellence in Safety Award.
2. Doug Ryan representing Forest Ranch Project submitted more comments on District's Administrative Draft Master Plan dated June 2007.

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 – None.
2. Planning Committee – Please Note Minutes of Planning Committee Meeting Held September 20, 2007 Under Item G. Consent Calendar.

E. DIRECTOR'S COMMENTS

1. Director Duane Frink – Association of California Water Agencies (ACWA), Region 3; Mountain Counties Water Association (MCWA) and Local Agency Formation Commission (LAFCo) Report and Update.
Announced Mountain Counties application for watershed grant from Sierra Conservancy for our regions. General Manager Kurt Reed attended ACWA Meeting as proxy for Director Frink. There was no LAFCo meeting.

F. CORRESPONDENCE / AGENDA CHANGES AND REVIEW

1. Invitation to Attend Placer County Water Agency's (PCWA) 50 Year Anniversary to be Held October 24, 2007, Memorial Hall at 5:00 p.m.. Participation With PCWA in Water Efficiency Booth (No Cost) Concurrently With Program Has Also Been Requested.
Board agreed the District should participate in PCWA's event. General Manager to request Customer Service Representatives manage the booth.
2. General Manager announced and congratulated Director Duane Frink for his re-election to ACWA's Board of Directors.
3. National Water Resources Association (NWRA) ballot was submitted. Board discussed choices with General Manager who will complete the ballot on behalf of the District.

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 September 12, 2007.
2. Approve Minutes of Planning Committee Meeting Held September 20, 2007.
3. Approve August 2007 Financial Report from LAIF.
4. Approve Balance Sheet, Revenue/Expense Report September 30, 2007.
5. Approve October 2007 A/P warrants for payment.

ACTION: Treasurer Duane Frink requested the Minutes of the Regular Board of Directors Meeting Held September 12, 2007 be pulled for discussion.

ACTION: Vice President Gregory Wells motioned to approve the remaining items of the Consent Calendar as presented. Treasurer Duane Frink seconded the motion.

PASSED UNANIMOUSLY.

Treasurer D. Frink: September 12, 2007 Minutes – General Items, Old Business, Item C – contends that according to Robert's Rules there should have been a call for a second to the original motion before the motion to amend the original motion before the Board was addressed; therefore, is that action valid? President G. Shaw: Conceded that technically yes, a second to the original motion could have been called but, if it had, Treasurer Frink could not have pulled the motion once it was seconded as was eventually done. The President stated that since he had no solution to the question he would turn it over to the Board under General Business for a decision.

Audience member, Doug Ryan: September 12, 2007 Minutes – General Items, Old Business, Item B – asked if the record could be changed on his question to the Board for a letter "...stating that PUD does have enough water to supply the entire Forest Ranch Project." to say "storage" rather than "water". Business Manager explained the minutes cannot be changed from reality.

ACTION: President G. Shaw called for motion. Treasurer Duane Frink motioned the Minutes be approved as presented. Vice President Gregory Wells seconded the motion.

PASSED UNANIMOUSLY.

H. GENERAL ITEMS

1. New Business

- a. Action Item: Approve Agreement With Eco:Logic Engineers for General Engineering Services on an "As Needed" Basis.

ACTION: Treasurer Duane Frink motioned to approve the Agreement as presented. Director Brett Grant seconded the motion.

PASSED UNANIMOUSLY.

- b. Action Item: Approve Quotation From John Peterson's Reliable Paving for Asphalt Seal Coating Not to Exceed \$10,200.00.

General Manager explained PUD has received several quotes – Mr. Peterson's being the lowest that meets the District's requirements. Director Grant felt District should request bids from more locals.

ACTION: President George Shaw motioned for General Manager to check with locals and then, if none beat Peterson's bid then General Manager can proceed. Vice President Gregory Wells seconded the motion.

PASSED UNANIMOUSLY.

- c. Action Item: Approve Resolution No. 07-07 Declaring 1999 Chevrolet 4x4 Pickup As Surplus and Authorizing Disposition by Sale.

ACTION: Treasurer Duane Frink motioned to approved Resolution No. 07-07 as presented. Director William Sadler, Jr. seconded the motion.

PASSED UNANIMOUSLY.

2. Old Business

- a. Action Item: Discuss and Approve Amended Scope of Work for Master Plan Completion and Additional Scope Items for Addenda to Master Plan.

Board discussed that the letter from Eco:Logic did not clarify the cost overrun. General Manager offered that Eco:Logic will, of course, honor the contract. Planning Committee agreed to meet October 22, 2007 to discuss the issue in detail.

ACTION: Director Brett Grant motioned to table until further explanation of the cost overrun can be obtained. Director William Sadler, Jr. seconded the motion.

PASSED UNANIMOUSLY.

- b. Action Item: Approve Ordinance No. 07-02 Applicable to Connect Charges.

ACTION: Director Brett Grant motioned to proceed with the business of Ordinance No. 07-02 despite the question of procedure raised previously in this meeting. Treasurer Duane Frink seconded the motion.

PASSED UNANIMOUSLY.

ACTION: Director William Sadler, Jr. motioned to approve Ordinance No. 07-02 as presented. Director Brett Grant seconded the motion.

Treasurer Duane Frink discussed amending the Ordinance to use the 5/8" x 3/4" meter as a basis rather than the 3/4" x 3/4" to continue to give customers a choice.

ACTION: Treasurer Duane Frink motioned to amend the motion to approve the Ordinance with the amendment of 1., #4, A. to read 5/8" x 3/4" ... then B. would begin the 3/4" x 3/4" and so on adding an E. Vice President Gregory Wells seconded the motion.

Director Grant stating there is the same monthly cost (\$25.00) and allotment per month (0-10,000 gal) for the 5/8" or 3/4" and, in his opinion, the 3/4" will serve the customer better by attenuating the peak demand on their personal system.

ACTION: President called for a vote on the amendment.

AYES: Frink, Wells. NAYS: Sadler, Grant and Shaw

MOTION FAILED

ACTION: Treasurer Duane Frink motioned to amend the Ordinance to insert in Section 1, #5, last sentence, prior to 5/8" x 3/4", the words "Radio Read" for clarification. Vice President Gregory Wells seconded the motion.

PASSED UNANIMOUSLY.

ACTION: President Shaw called for a vote on the original motion made by Director Sadler. Seconded by Director Grant.

AYES: Sadler, Grant, Shaw, Wells. NAY: Frink.

MOTION PASSED.

ACTION: Director Brett Grant motioned to close regular meeting to go into Closed Door Session. Director William Sadler, Jr. seconded the motion.

PASSED UNANIMOUSLY.

c. Closed Door Session - A Significant Exposure to Litigation Pursuant to (B),(C), Section 54956.9 Government Code.

At 9:30 p.m. Board went into Closed Session.

NO ACTION REPORTED BY THE BOARD.

ACTION: At 9:55 p.m. Director Duane Frink motioned to open regular meeting. Director William Sadler, Jr. seconded the motion.

PASSED UNANIMOUSLY.

I. REPORTS BY DIRECTORS, LEGAL COUNSEL AND GENERAL MANAGER

1. General Manager – General Information

a. Parks and Recreation Meeting of October 1, 2007 Report

General Manager and Vice President, Gregory Wells, attended meeting on October 1, 2007 with Placer County Parks and Recreation Survey Consultants. Discussed ideas for survey. Anticipate two (2) surveys: First to determine costs to fix and maintain existing pool facilities, or to determine costs to build and maintain new complex at High School. Survey to ask preference on the above. Second to ask voters of District who (what public agency) should provide parks and recreation services on the Divide and to what amount of financial responsibility residents would be willing to support.

Note: If the first level of the survey is not supported, the second survey is a moot point.

2. General Manager – Construction Projects

a. No New Information to Report

J. ADJOURNMENT

Next Regular Meeting Date: Wednesday, November 14, 2007 at 7:00 p.m. in the District Office, 24540 Main Street, Foresthill, California 95631.

ACTION: There being no further business, at 10:00 p.m. Treasurer Duane Frink 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