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
FINANCE COMMITTEE

DECEMBER 11, 2007
9:00 AM
District Office
24540 Main St.; Foresthill, CA 95631

A. CALL TO ORDER AND ROLL CALL

The meeting of the Finance Committee was called to order at 9:00 a.m. by Chairman Duane L. Frink.

ROLL CALL:

Present	Absent
Duane L. Frink, Chairman	
Gregory L. Wells, Committee Member	

Also present: Kurt W. Reed, General Manager.

B. INTRODUCTIONS AND PRESENTATIONS
None.

C. AGENDA CHANGES AND REVIEW
None.

D. 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 in attendance.

E. GENERAL ITEMS

1. Review and Discuss Mid-Fiscal Year Budget Performance.
   Mid –year budget review. Currently 5 months of data are present. Revenue/Expenses are generally on target. Some maintenance items show increase.
   - 06/07 Audit showed expenses exceeded revenue by approximately $20K.
   - Reserves have declined slightly
   - Items not in the budget 1) aging system maintenance/replacement of pipe lines over 50 years of age 2) vehicle fleet aging and additional unit needed, 3) Master Plan completion costs (see Item E-5)
   - Rising operation costs; i.e. Chemicals, fuel, fees, health insurance and etc.

   Recommendation: A. Direct staff conduct a revenue/expense projection at the end of six months of the FY. B. Direct staff to project needs for: vehicles; effect of increasing operation costs; estimate of dollars to bring reserves to target levels and the completion of the interim Master Plan. C. Direct staff to provide an outline of the "aging infra structure deficiencies"

2. Review and Discuss Costs Associated With Finalization of Master Plan.
   Finalization of Master Plan. The basic objective is having the interim Master Plan ready for Board approval in January 08. Discussion cover possible cost to "complete" the Draft Plan $10K; Do a conservation/draught element $15 to $25K; adjust the interim Master Plan once Placer County has adopted a Foresthill Community Plan as part of the County's General Plan $10K, and a C.I.P. based upon the final plan $20K for a possible total of $50 to $65K.

   Recommendation: A. Look at spreading cost over next fiscal years. B Check out grant opportunities.

3. Review, Discuss and Evaluate Estimated Costs to Re-Plumb Existing Water Storage Tanks.
   Re-plumbing existing water storage tanks. Discussion, this is viewed as a maintenance effort. Dollars are within the 07/08 Budget to handle the task.

   Recommendation, proceed with staff effort.

4. Discuss Tracking Water Consumptive Data on 3/4" Meter Change Out Program vs. 5/8" Meter.
   Tracking consumptive data on the ¾ meter change over process. Discussion, staff is on top of this. Data will be collected as part of the record. This will give the District an opportunity to compare water consumpti0o based up meter size in the future.

   Recommendation: proceed.

5. Discuss and Explore Grant Application for Water Conservation/Efficiency Plan Cost Reimbursement.
   Grant application for water conservation/efficiency plan. Discussion, staff plans to apply to PCWA for a grant to accomplish this goal. Preliminary discussions with PCWA have been favorable.

   Recommendation: proceed.

6. Review and Discuss Fuel Program With Possible Local Agency Participation.
   Fuel program. Discussion, rising fuel costs (diesel, gas and propane) cause a sharp increase in operation cost. Ways to reduce cost could be renegotiate propane agreement, buy own tanks and negotiate supply cost with various vendors; look into sharing a card lock with other agencies. All seemed to be good ideas.

   Recommendation: staff to gather factual information and present to Board for action.

F. ADJOURNMENT

There being no further business, at 11:30 a.m.. Director Gregory L. Wells motioned the meeting be adjourned; motion seconded by Chairman Frink.

ATTEST:

Duane L. Frink	Kurt W. Reed
Chairman, Finance Committee	Clerk Thereof