

FORESTHILL PUBLIC UTILITY DISTRICT

www.foresthillpud.com

BOARD OF DIRECTORS

Duane L. Frink
William L. Sadler, Jr.
Brett C. Grant
George S. Shaw
Adam W. Larsen

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

DRAFT
OFFICIAL MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
FORESTHILL PUBLIC UTILITY DISTRICT
HELD SEPTEMBER 9, 2009

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 Duane L. Frink.

ROLL CALL:

Present

Duane L. Frink, President
William L. Sadler, Jr., Vice President
Brett C. Grant, Treasurer (arrived at 7:05pm)
George S. Shaw, Director
Adam W. Larsen, Director

Absent

Also present:

FPUD Staff: Kurt Reed, General Manager and Jo Ann Glover, Business Manager.

Members of the Public: Tyler Harkness, Roy West (filmed the meeting) and Tamara West.

B. PLEDGE OF ALLEGIANCE

Director Shaw led the pledge of allegiance.

C. INTRODUCTIONS AND PRESENTATIONS

None.

D. PUBLIC PARTICIPATION

Any member of the public may address the Board on any matter within the jurisdictional authority of the District, or on 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.

No comments.

E. COMMITTEE REPORTS

1. Ad-Hoc Benefits Committee – Please note minutes of August 6, 2009 Committee Meeting item H-1, Consent Calendar.
2. Finance Committee – Please note minutes of August 10, 2009 Committee Meeting item H-2, Consent Calendar.
3. Planning Committee – No meeting this period.

F. DIRECTOR'S COMMENTS

1. President Frink - Report on MCWRA and ACWA efforts and written response to the "Delta Bill(s)" package.

President Frink prepared a report on his activities from August 13 to September 9 and made copies for review. Additionally, President Frink noted that MCWRA signed off on some items that meet the goals and objectives for water agencies on the West Sierra slopes.

G. CORRESPONDENCE/AGENDA CHANGES AND REVIEW

President Frink requested that the outline for the Ad-Hoc Benefits & Human Resources Committee be added under I. General Items, 2. Old Business, c.

President Frink motioned to approve, Director Grant seconded the motion.

Motion approved unanimously.

H. 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. Accept minutes of Ad-Hoc Benefit Committee Meeting held August 6, 2009.
2. Accept minutes of Finance Committee Meeting held August 10, 2009.
3. Approve minutes of Regular Directors Meeting held August 12, 2009.
4. Approve minutes of Special Directors Meeting and Workshop held August 17, 2009.
5. Approve minutes of Special Directors Meeting and Workshop held August 26, 2009.
6. Approve August Financial Statement from LAIF.
7. Approve Balance Sheet, Revenue/Expense and Budget Report as of August 31, 2009.
8. Approve September 2009 A/P warrants for payment.

Vice President Sadler and President Frink requested pulling Item 5 of the Consent Calendar for editing. Director Shaw motioned to approve items 1 through 4 and 6 through 8, as presented. Motion passed unanimously.

Vice President Sadler noted that the signature line for President Frink should be corrected. President Frink presented an edited version of Item 5 for Board review and approval.

With corrections agreed upon, Treasurer Grant motioned to approve the corrected version of Item 5 and Vice President Sadler seconded the motion.

Motion passed unanimously.

I. GENERAL ITEMS

1. New Business

a. Action Item: Consider request for medical baseline discount in water billing for Mr. & Mrs. James Herlehy.

After discussing several options, the Board directed the General Manager to approach Counsel on the legalities this issue presents to the District. Additionally, a new Ordinance outlining this issue will be required. Another option discussed was a payment agreement, allowing the customer to spread their payments out over time.

ACTION: Pending Counsel review, the Board decided the District will set aside the overages (dollar amount above \$37.32 per month) as pending and will not charge penalties or interest this account. Staff to mail letter to customer informing them of the

circumstances. This item will be presented at the next regular Board of Directors meeting on October 14, 2009.

b. Action Item: Request for consideration of water charges for Ms. Maria Cook.

The Board reviewed staff action and concluded that the District staff did follow established District Policy and Procedures in addressing this situation. Board suggested customer submit a claim to their homeowner's policy for reimbursement of charges. The Board further noted the District is able to offer a leak agreement to spread out payments, if need be.

ACTION DENIED.

c. Action Item: Approve Resolution No. 09-06 authorizing collection of unpaid utility charges by Placer County Tax Collector.

Director Shaw motioned to approve and Director Larsen seconded the motion.

MOTION PASSED UNANIMOUSLY.

d. Action item: Approve Ordinance No. 09-01 applicable to service charges and returned check charges.

Director Shaw motioned to approve and President Frink seconded the motion.

MOTION PASSED UNANIMOUSLY.

e. Action item: Approve Ordinance No. 09-02 applicable to service charge for hydrant meters.

Treasurer Grant motion to approve and Director Shaw seconded the motion

MOTION PASSED UNANIMOUSLY.

f. Action item: Approve letter notification pertaining to metered accounts payment responsibilities pertaining to Ordinance no(s). 03-02 and 08-04.

ACTION: The Board directed staff to proceed and mail out letters to those customers effected by the new Ordinance.

2. Old Business

a. Action Item: Approve Vice President William Sadler, Jr. as authorized voting representative for ACWA Region 3 Nominating committee's recommended slate. After a brief appraisal, Director Shaw motioned to approve and Treasurer Grant seconded the motion.

PASSED UNANIMOUSLY.

b. Review notice of CalPers employer contribution rates beginning fiscal year 2011-2012.

The General Manager reviewed CalPers contribution rates with the Board.

c. Ad Hoc Committee - Human Resources and Benefit.

President Frink presented his outline for this Committee and asked the Committee members if progress was being made reviewing District benefit policies. Vice President stated that the Committee was working through the District Policy Manual. Vice President Sadler expressed his dismay with policies not being followed. Amendments to the Policy Manual will be on the Agenda at the next Board of Directors meeting.

J. ADJOURNMENT

There being no further business, at 8:26 pm President Frink motioned the meeting be adjourned. Motion seconded by Director Shaw.

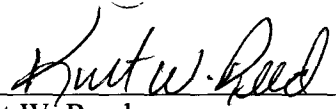
PASSED UNANIMOUSLY.

Next Regular Meeting: The next regular meeting of the Board of Directors will be held in the District Office on Wednesday, October 14, 2009 at 7:00 pm.

ATTEST:



Duane L. Frink
President, Board of Directors



Kurt W. Reed
Clerk Thereof

Director Frink's activity report for August 13 to September 9, 2009

At various times over the month I coordinated efforts enabling MCWRA could sign off on letters pertaining to the current Legislative closed door "water committees" sessions. Copies are in your packet. ACWA has also provided input to these committees by testimony by Tim Quinn (a copy is in your packet) and participation by Tim Quinn and Ron Davis (ACWA staff)

August 13, 2009 Kurt and I attended MCWRA/ACWA joint meeting in Spring Valley Calaveras County. The speaker was Dr. Mel Lytle, Water Coordinator for San Joaquin County. The Delta is a complex area of people activities and environmental interactions. A dedicated water conveyance thru or outside of the Delta would be very disruptive to the human and environmental activities. He described San Joaquin County's solution to enhance water flow through the Delta by adding gates for water flow control. The text of his talk is expected to be on MCWRA's web page.

August 23-24, 2009 I attend Region 3 tour of South Lake Tahoe Public Utility District wastewater distribution facilities. In the early 1960's septic systems were banned in the Tahoe basin. South Lake Tahoe's solution was to collect, and treat the sewage. Then export the treated effluent out of the basin. The treated sewage is pumped to Alpine County. The pipe line route is along State Highway 89 to the Carson River. Then east along the river to Wofford's and then south to lands owned or controlled by the PUD. There the effluent is used to irrigate pasture for livestock grazing. Also the PUD has contracts with ranchers down stream for irrigation of privately held pasture.

The second feature of the tour was viewing the recovery of the Angora fire which is located near the Tahoe "Y" west of State Highway 89. Home rebuilding is in progress. The toxic debris and soil from each destroyed home was collected and removed from the Tahoe Basin. The burned forest along Angora Ridge is still standing.

The third element of the tour was a lecture on the action being taken in the Tahoe Basin to control various invasive species such as the Quagga mussel. Inspection of all boats at public launching ramps is (or will be) in operation. Time will tell whether this operation will prevent further Lake Basin contamination.

Sept 1, 2009 I attended an ACWA Finance committee meeting in Sacramento. The 2010 proposed budget has been tightened. There is a proposed dues increase of 4%.
September 8, 2009. An ACWA Board conference call was made to up date the Board on the current closed Legislative sessions. Currently Quinn is drafting a set off principles ACWA can support which are to be distributed to the ACWA board via e-mail for review and comment.

Sept 9, 2009 LAFCO meeting was cancelled.

Title: Ad Hoc Committee, Human Resources and Benefit

Established: July 8, 2009

Members: Bill Sadler, Chairman, Adam Larsen, member; Bo - ?? - Staff member; Tyler Harkness, Public Member

Purpose: to review FPUD policies on Human Resources and Benefits and report findings within 4 months.

Background:

1. The district's Human Resource and Benefit policy has been developed over time
2. Recent benefit activities raised benefit questions; the employer-employee benefit contract relationship and, whether existing policies complied with existing laws?
3. The District spent many dollars for legal opinions.

Conclusion: It would be in the Districts best interest to review its Human Resource and Benefit policies while the information is current to see if any changes are warranted.

Suggested Questions;

1. Are the policies consistent with existing law and current legal advice?
2. Is the District's policy "fair" to the rate payers and to the employees?
3. Is the District's policy "in-line" with adjacent agencies the District typically uses for wage and benefit comparison purposes?
4. What would the Committee recommend the District do to limit GASBY 45 – OPEB cost in the future?
5. Should the Districts policies be codified?