

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
OLIVEHURST PUBLIC UTILITY DISTRICT**

May 20, 2010

President Morrison called the regular meeting of the Board of Directors of the Olivehurst Public Utility District (OPUD) to order at 7:00 p.m., at 1970 9th Avenue, Olivehurst.

PLEDGE OF ALLEGIANCE

Everyone was asked to stand and give the Pledge of Allegiance to the Flag of the United States of America.

ROLL CALL

Responding to roll call was: Director Patty, King, Dougherty, and Morrison. Director Hollis was absent. Others present were:

Timothy R. Shaw	General Manager
Cindy Van Meter	District Clerk/Resource Coordinator
John Tillotson	Director of Public Works
Glen Phillips	Finance Manager
Karl Cozad	Operations Manager
Greg Axline	WWTF Chief Plant Operator
Wade Harrison	Fire Chief
Jeffrey Meith	Legal Counsel
Jim Carson	Affinity Engineering
Jim DeHart	Affinity Engineering
Kent MacDiarmid	The MacDiarmid Company

And other interested people.

RECOGNITION OF AUDIENCE

There was no response to President Morrison's invitation for comments from the audience.

CONSENT AGENDA

A MOTION WAS MADE BY DIRECTOR PATTY AND SECONDED BY DIRECTOR KING TO APPROVE ITEMS ON THE CONSENT AGENDA, INCLUDING: (a) APPROVE MINUTES OF MARCH 13, 2010, SPECIAL MEETING;

(b) APPROVE MINUTES OF MARCH 18, 2010, SPECIAL MEETING; (c) APPROVE MINUTES OF MARCH 18, 2010, REGULAR MEETING; and (d) APPROVE CLAIMS FOR PAYMENTS FOR APRIL 2010, IN THE AMOUNT OF \$520,577.38. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

DISTRICT DEVELOPMENT

Mr. Shaw explained that the District's current Workers' Compensation insurance is through State Fund. The District recently changed to SDRMA for General Liability Insurance. The cost associated with changing to SDRMA for Workers' Compensation Insurance is a \$15,000 savings to the District.

A MOTION WAS MADE BY DIRECTOR DOUGHERTY AND SECONDED BY DIRECTOR KING TO APPROVE WORKERS' COMPENSATION QUOTE FROM SDRMA. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

A MOTION WAS MADE BY DIRECTOR PATTY AND SECONDED BY DIRECTOR DOUGHERTY TO APPROVE RESOLUTION NO. 2220, A RESOLUTION OF THE BOARD OF DIRECTORS OF OPUD APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A SIXTH AMENDED AND RESTATED JOINT POWERS AGREEMENT AND AUTHORIZING PARTICIPATION IN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY WORKERS' COMPENSATION PROGRAM. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

A MOTION WAS MADE BY DIRECTOR PATTY AND SECONDED BY DIRECTOR KING TO APPROVE RESOLUTION NO. 2221, A RESOLUTION AUTHORIZING APPLICATION TO THE DIRECTOR OF INDUSTRIAL RELATIONS, STATE OF

CALIFORNIA FOR A CERTIFICATE OF CONSENT TO SELF INSURE WORKERS' COMPENSATION LIABILITIES. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

Mr. Shaw stated the SB-610 Water Supply Assessment and SB-221 Water Supply Verification for Magnolia Ranch is a regulatory requirement. PBS&J has done a few of these for the District and Mr. Shaw recommended that the Board approve their proposal subject to satisfactory funding from the Developer.

A MOTION WAS MADE BY DIRECTOR PATTY AND SECONDED BY DIRECTOR DOUGHERTY TO APPROVE PROPOSAL FROM PBS&J FOR PREPARATION OF SB-610 WATER SUPPLY ASSESSMENT AND SB-221 WATER SUPPLY VERIFICATION FOR THE MAGNOLIA RANCH, SUBJECT TO SATISFACTORY FUNDING FROM THE DEVELOPER. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

Mr. Shaw explained that the District has been working on the Plumas Lake Owners Group (PLOG) agreements for several months. The first draft agreement was treating the existing credits as similar to a prepayment agreement. Both sides had reached a stalemate on how long to keep these credits. PLOG felt that the credits could be diluted as costs increase, but has now agreed to absorb the risk for possible dilution of these credits and will address Well No. 34 and the future water storage tank at a later date.

Mr. MacDiarmid stated that given the current market, PLOG is asking the District to extend OPUD's current 10 year reimbursement to 20 years. Mr. MacDiarmid stated that is will take over 2000 building permits to be pulled outside of PLOG to be fully reimbursed the seven million dollars. That is only if the developer makes no additional improvements which would garner credits.

A MOTION WAS MADE BY DIRECTOR PATTY AND SECONDED BY DIRECTOR KING TO APPROVE AMENDMENT NO. 1 TO OLIVEHURST PUBLIC UTILITY DISTRICT FEE CREDIT AND REIMBURSEMENT AGREEMENT FOR WATER AND SEWER FAILITIES (PLUMAS LAKE SPECIFIC PLAN SOUTH AREA). MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

Mr. Shaw commented that at a previous Board Meeting, the Board discussed Yuba County's request to consider waiver of Drinking Water Capacity Fees associated with former trail head parcels in Rio Del Oro subdivision. The Board requested additional information from the County regarding these parcels including how many of them exist.

The response came back from the County that there are four of these former trail head entry parcels. There is no maintenance component in the current maintenance funding, so if you can't maintain it, why should you build it. Due to this impasse RD 784 is disinclined to every dedicate easements for these trails which are also maintenance roads.

This request represents negotiations between the County and the Developer. If the Developer puts in a little bit of landscaping for these stranded parcels the County will release their performance. The next issue is watering the minimally landscaped parcels. OPUD charges capacity fees for new water services, with would include these orphaned parcels. The District's capacity fee program does have an administrative provision clause which allows the Board to administratively waive capacity fees for temporary use, such as construction trailers which are only going to use the service temporarily. Once the landscaping reaches maturity (3 to 5 years) there will be no need to continue watering the parcels.

A MOTION WAS MADE BY DIRECTOR PATTY AND SECONDED BY DIRECTOR DOUGHERTY TO WAIVE THE ¾ INCH WATER CAPACITY FEES FOR FOUR TRAIL HEAD PARCELS, FOR UP TO FIVE YEARS. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

PUBLIC WORKS ENGINEER'S REPORT

A written report on the status of development and other District projects was submitted to the Board.

Ms. Van Meter opened the bids for the Well No. 34 Water Treatment Plant Project. The bids were as follows:

<u>Company</u>	<u>Amount</u>
Pacific Mechanical Corporation	\$2,750,000.00
C.W. Roen Construction	\$2,772,000.00
Auburn Constructors	\$2,459,300.00
J.R. Filanc Construction Company	\$2,574,967.00
Ariza Construction	\$2,346,250.00
Conco West, Incorporated	\$2,467,100.00

A MOTION WAS MADE BY DIRECTOR PATTY AND SECONDED BY DIRECTOR KING TO APPROVE THE APPARENT LOW BID ARIZA CONSTRUCTION FOR THE WELL NO. 34 WATER TREATMENT PLANT PROJECT, DEPENDENT UPON VERIFICATION BY PUBLIC WORKS DIRECTOR. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

A MOTION WAS MADE BY DIRECTOR KING AND SECONDED BY DIRECTOR DOUGHERTY TO APPROVE BID SPECIFICATIONS FOR FLUORIDE/PARK BUILDING, AND AUTHORIZE SOLICITATION OF BIDS. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

A MOTION WAS MADE BY DIRECTOR DOUGHERTY AND SECONDED BY DIRECTOR KING TO APPROVE ANNUAL MAINTENANCE REQUEST FOR PROPOSAL FOR WATER AND SEWER EQUIPMENT, AND AUTHORIZE SOLICITATION OF BIDS. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

Mr. Shaw explained that the revised OPUD Service Area Boundary Map before the Board tonight represents the additions of Arboga School, Bear River Project, Westmark Partners and Tower Mart.

A MOTION WAS MADE BY DIRECTOR DOUGHERTY AND SECONDED BY DIRECTOR KING TO APPROVE THE REVISED OPUD SERVICE AREA BOUNDARY MAP. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

Mr. Phillips and Mr. Shaw reported that the cost-to-date for repairing Well No. 2 is approximately \$49,000.00. There are still invoices pending.

Mr. Meith stated that he still needs to look into the legal aspect of this matter regarding whether there is a liability issue. He will discuss the matter with Mr. Shaw and Mr. Tillotson and come back to the Board with additional information.

FIRE DEPARTMENT

A written report on the status of the Fire Department was submitted to the Board.

A written District Safety Report was submitted to the Board.

A MOTION WAS MADE BY DIRECTOR PATTY AND SECONDED BY DIRECTOR KING TO APPROVE THE FIRE DEPARTMENT INTERNAL APPOINTMENT POLICY AND INTERNAL APPOINTMENT FORM. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

A MOTION WAS MADE BY DIRECTOR DOUGHERTY AND SECONDED BY DIRECTOR KING TO APPROVE AGREEMENT WITH YUBA SUTTER COMMUNITY CONSERVATION CORP FOR WEED ABATEMENT. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

A MOTION WAS MADE BY DIRECTOR KING AND SECONDED BY DIRECTOR PATTY TO APPROVE CHANGES TO ARTICLE 10 OF THE FIRE DEPARTMENT RULES AND

REGULATIONS REGARDING OVERTIME POLICY. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

A written committee report was submitted to the Board.

WASTEWATER COLLECTION AND TREATMENT FACILITIES

A written report on the status of the WWTF was submitted to the Board.

A written committee report was submitted to the Board.

PARKS AND PUBLIC FACILITIES

A written report on the status of the parks and district facilities was submitted to the Board.

Ms. Van Meter opened Request for Proposals for seasonal Park Turf Maintenance. The proposals were as follows:

<u>Company</u>	<u>Amount</u>
Infinity Federal Services Group	\$2,725.00 per week
Botanica Landscapes	\$2,301.00 per week

A MOTION WAS MADE BY DIRECTOR KING AND SECONDED BY DIRECTOR DOUGHERTY TO APPROVE THE APPARENT LOW BID FROM BOTANICA LANDSCAPES FOR SEASONAL PARK TURF MAINTENANCE, DEPENDENT UPON VERIFICATION BY PUBLIC WORKS DIRECTOR. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

A MOTION WAS MADE BY DIRECTOR DOUGHERTY AND SECONDED BY DIRECTOR KING TO APPROVE BID SPECIFICATIONS/REQUEST FOR PROPOSALS FOR SPRAY PARKS AND AUTHORIZE SOLICITATION OF BIDS. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,

DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

A written committee report was submitted to the Board.

Mr. Shaw requested that the Board add item 11(f) to the agenda, consider approval of bid specifications for Wheeler Ranch Park C, and authorize solicitation of bids. The District just received the bid specifications yesterday after the agenda had been posted.

A MOTION WAS MADE BY DIRECTOR PATTY AND SECONDED BY DIRECTOR DOUGHERTY TO ADD ITEM 11 (f) TO THE AGENDA, CONSIDER APPROVAL OF BID SPECIFICATIONS FOR WHEELER RANCH PARK C, AND AUTHORIZE SOLICITATION OF BIDS. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

A MOTION WAS MADE BY DIRECTOR PATTY AND SECONDED BY DIRECTOR DOUGHERTY TO APPROVE BID SPECIFICATIONS FOR WHEELER RANCH PARK C, AND AUTHORIZE SOLICITATION OF BIDS. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

OPERATIONS AND MAINTENANCE DEPARTMENT

A written report was submitted to the Board concerning the activities in the Operations Department.

A written committee report was submitted to the Board.

BUSINESS OFFICE

A written report was submitted to the Board concerning the activities in the Business Office.

Mr. Shaw explained that the annual Sensus Metering Systems support contract is for the software only. The District has not needed support for the software in over a year. If staff discovers that the software support is needed in the future, they will bring this item back to the Board for consideration. No action was taken on this item.

RESOURCES COORDINATOR REPORT

Ms. Van Meter reported that the District received approximately 30 applications for the Intermittent/Seasonal Lifeguard position. Four of the applications are from returning lifeguards that already have their certifications. This item was discussed in committee and sent on to the Board to do a re-appointment process similar to that of the Intermittent/Seasonal Park Maintenance Worker positions done early this year.

A MOTION WAS MADE BY DIRECTOR KING AND SECONDED BY DIRECTOR DOUGHERTY, TO AUTHORIZE HIRING INTERMITTENT/SEASONAL LIFEGUARDS THAT HAVE PREVIOUSLY BEEN EMPLOYED BY DISTRICT FOR UP TO 5 YEARS, SUBJECT TO APPLICATION REVIEW AND BACKGROUND CHECK. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

A MOTION WAS MADE BY DIRECTOR DOUGHERTY AND SECONDED BY DIRECTOR HOLLIS, TO APPROVE THE MERIT INCREASE FOR MELODY RASOR, ACCOUNT CLERK I, STEP 2 TO STEP 3, EFFECTIVE MAY 24, 2010. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

A MOTION WAS MADE BY DIRECTOR KING AND SECONDED BY DIRECTOR DOUGHERTY TO APPROVE THE APRIL 2010 OVERTIME REPORT, AS PRESENTED. MOTION PASSED AS FOLLOWS:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING,
DOUGHERTY, AND MORRISON.

ABSENT : DIRECTOR HOLLIS.

The Board established the dates and times for the June committee meetings as follows:

Parks & Recreation Committee Meeting –Wednesday, June 2, 2010 @ 10:00 am

Fire Department Committee Meeting – Wednesday, June 2, 2010 @ 1:00 pm

Water/Sewer Committee Meeting – Friday, June 4, 2010 @ 10:00 am

CORRESPONDENCE

Correspondence included report from Sacramento County Grand Jury regarding unfunded liability for retiree health benefits owed by Sacramento County School Districts.

GENERAL MANAGER'S REPORT

Mr. Shaw updated the Board on the status of the District drinking water system fluoridation. The South Plumas Lake drinking water system is now fluoridated.

Mr. Shaw reported that he received the draft version of the Yuba County/OPUD liaison committee report today which was distributed to attendees for review. The final committee report will be distributed to the Board next week.

ADJOURNMENT

As there was no further business to come before the Board at this time, the meeting was adjourned at 8:43 p.m.