

**MINUTES OF THE
REGULAR MEETING OF THE
LEE LAKE WATER DISTRICT**

June 19, 2007

PRESENT

C.W. Colladay
O. Garrett
P. Rodriguez
G. Destache

ABSENT

J. Deleo

GUESTS

M. Leinen
S. Stout

STAFF

J. Pape
R. Mann
C. Trees
A. Harnden

1. Roll Call and Call to Order.

The regular meeting of the Lee Lake Water District was called to order by President Colladay at 8:30 a.m.

2. Presentations and Acknowledgments.

Since the number of qualified candidates did not exceed the number of offices to be filled no election will be held. The County Board of Supervisors will appoint the qualified candidates Charles Colladay and Joyce Deleo in lieu of election and they will take office and serve as if they had been elected.

3. Public Comment.

BOARD ITEMS:

4. Minutes of the May 15, 2007 Regular Meeting.

ACTION: Director Destache moved to approve the Minutes as written. Director Garrett seconded. Motion carried unanimously.

5. Payment Authorization Report.

ACTION: Director Garrett moved to approve the financial report and to authorize payment of the May 2007 invoices. Director Rodriguez seconded. Motion carried unanimously.

The Board asked staff to clarify the Bank of America charge on page 5 and include in the minutes. The charge is the Federal payroll tax.

The Board asked staff to break down charges into reimbursable and non-reimbursable to line up with budget items.

The Board asked staff to break down the Dudek bill into 3 categories (1) contract management, (2) budgeted and (3) reimbursable.

6. Revenue & Expenditure Reports (Unaudited).

a. Revenue & Expenditure Report.

ACTION: Note and file.

b. Bad Debt Write-Off.

ACTION: Director Garrett moved to approve the write off of \$12,257.54 in delinquent accounts. Director Destache seconded. Motion carried unanimously.

7. FY 07/08 Budget.

ACTION: President Colladay opened the public hearing at 9:36 am and called for public comment. Hearing none, President Colladay closed the public hearing at 9:37 am. Director Destache moved to approve Resolution No. R-07-04. Director Garrett seconded. Motion carried unanimously.

The Board stated that the audit should address reserves.

8. Resolution No. R-07-05 Establishing the Day, Time and Place of the Regular Meetings.

ACTION: Director Rodriguez moved to approve the change of the regular meetings to the fourth Tuesday of each month starting in September 2007. Director Destache seconded. Motion carried unanimously.

9. Modifications to Employee Handbook.

ACTION: Director Destache moved to approve the modifications to the Employee Handbook. Director Rodriguez seconded. Motion carried unanimously.

Director Destache left the meeting at this time.

10. Gail Trucking cost sharing for line upsizing.

ACTION: Director Rodriguez moved to approve Lee Lake's participation subject to the following conditions:

1. Staff to verify bid cost of up-sizing for maximum District contribution.
2. Staff, Engineering Committee and legal counsel to develop an agreement for payment of contribution.

3. Staff, Engineering Committee and legal counsel to develop an agreement for future reimbursement of the District's contribution by landowner's at such time as they are connected.

Director Garrett seconded. Director Destache absent. Motion carried.

11. Amendment No. 2 to Agreement No. A-04-08 for Management Services.

ACTION: At 10:02 a.m. President Colladay adjourned the meeting to Closed Session in order to discuss personnel issues in accordance with Section 54957.6 of the Government Code.

At 10:12 a.m. President Colladay re-opened the public meeting and announced that by motion of Grant Destache Amendment No. 2 to Agreement A-04-08 was approved for a period of three (3) years effective July 1, 2007. Item was seconded by Director Garrett. Motion carried unanimously.

12. Sycamore Creek CFD #1.

- a. Project Update – Steve Stout reported that they had only had 2 sales in May and only 1 for June to date. Steve reported that they will finish grading Tract 31908 next Monday and that a third party was mobilizing this morning on the reservoir.
- b. 1526 houses to be built. 956 houses occupied to date. 63% complete.

13. Empire Capital “The Retreat CFD #3”.

- a. Project Update – The General Manager reported that very little has changed and that Empire is still working diligently on all improvements. Jeff also reported that the panel for Well 1A will be delivered in one week however SCE now wants a communication cable moved and then it will be four weeks for them to mobilize.
- b. 527 houses to be built. 408 houses occupied to date. 77% complete.

14. KB Home “Painted Hills” Project.

- a. Project Update – The General Manager reported that they are finalizing project and they need to take a sag out of the sewer line.
- b. 204 houses to be built. 201 houses occupied to date. 99% complete.

15. KB Home “Canyon Oaks” (Painted Hills No. 2).

- a. Project Update – The General Manager reported that they are building homes but none have been released to date.

- b. 30 houses to be built. 0 houses occupied to date. 0% complete.
- 16. Shea Homes “Trilogy” Project.**
- a. Project Update – The General Manager reported that Shea has contacted the District to discuss EDU allocation because they are getting ready to start Commercial Center which will include retail, condos, pool/spa and commercial sites.
 - b. 1266 houses to be built. 1200 houses occupied to date. 99% complete.
- 17. Ranpac “Toscana” Project.**
- a. Project Update – None.
 - b. 1443 estimated houses to be built.
- 18. Ridge Properties “Wildrose East Business Park” Project (Jeff Cornett).**
- a. Project Update – The General Manager reported that they are still working on the recycled system.
- 19. Mission Clay “Serano Specific Plan” Project (Blair Dahl).**
- a. Project Update – Director Garrett reported that Blair Dahl will make a report at the July 2007 Board Meeting.
- 20. Water Utilization Reports.** – Note and file.
- 21. Committee Reports.**
- a. Finance (Director Garrett) – None.
 - b. Engineering (Director Rodriguez) – None.
 - c. Public Relations (Director Deleo) – None.
- 22. General Manager’s Report.**
- a. General Manager’s Report – Note and file.
 - b. Operations Report – Note and file.
- 23. District Engineer’s Report.**
- a. Status of Projects – Note and file.

24. District Counsel's Report.

25. Seminars/Workshops.

26. Consideration of Correspondence.

An informational package containing copies of all pertinent correspondence for the Month of May was distributed to each Director along with the Agenda.

27. Adjournment.

There being no further business, the June 19, 2007 Regular Meeting of the Lee Lake Water District Board of Directors was adjourned at 11:50 a.m. by President Colladay.

ATTEST:

APPROVED:

Owen Garrett, Secretary

Charles Colladay, President

Date: _____

Date: _____