

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

June 20, 2006

PRESENT

C.W. Colladay
J. Deleo
O. Garrett
P. Rodriguez

ABSENT

G. Destache

GUESTS

L. Dotson
S. Stout

STAFF

J. Pape
A. Harnden
M. McCullough
H. Riebe
K. Caldwell
R. Mann

1. Roll Call and Call to Order.

The regular meeting of the Lee Lake Water District was called to order by President Colladay at 8:32 a.m.

2. Presentations and Acknowledgments.

3. Public Comment.

BOARD ITEMS:

4. Minutes of the May 16, 2006 Regular Meeting.

ACTION: Director Rodriguez moved to approve the Minutes with the change from Richmond America to Richmond American. Director Deleo seconded. Motion carried unanimously.

Director Garrett joined the meeting at this point.

5. Payment Authorization Report.

ACTION: Director Garrett moved to approve the financial report and to authorize payment of the May 2006 invoices. Director Rodriguez seconded. Motion carried unanimously.

The Board directed staff to quantify the sludge bed usage.

6. Revenue & Expenditure Reports. (Unaudited)

- a. Revenue & Expenditure Report.
ACTION: Note and file.
 - b. Bad Debt Write-Off – None.
- 7. FY 2006/07 Budgets.**
ACTION: President Colladay opened the public hearing at 9:12 am and called for public comment. Hearing none, President Colladay closed the public hearing at 9:13 am. Director Deleo moved to approve Resolution No. R-06-01. Director Garrett seconded. Motion carried unanimously.
- 8. Rules and Regulations.**
ACTION: President Colladay opened the public hearing at 9:16 am and called for public comment. Hearing none, President Colladay closed the public hearing at 9:16 am. Director Garrett moved to approve Resolution No. R-06-02 with the change of terminology recycled water instead of reclaimed water. Director Rodriguez seconded. Motion carried unanimously.
- 9. Sycamore Creek CFD #1.**
- a. Project Update – Steve Stout reported that sales have slowed and that Fieldstone is selling about 6 homes per month. Christopher Homes has 13 homes in inventory priced in the mid \$600's. Lennar Homes has sold out. Steve added that the reservoir shell is complete and the floor will be completed by the end of next week. Steve also added that they hope to obtain a grading permit in the next two months for the commercial site and that a Vons is secured. The commercial property and the Elementary school are anticipated to be completed the end of 2007.
 - b. 1526 houses to be built. 787 houses occupied to date. 51% complete.
- 10. Empire Capital “The Retreat CFD #3”.**
- a. Project Update – Lee Dotson reported that sales have slowed, Diversified has 13 homes remaining and KB Home is struggling with their inventory. Lee added that the Clubhouse basement walls are up and the slab was poured last week, the second week in July there will be standing walls. The Golf Course is the only private club in Corona and is in the Top 10 most difficult in the U.S.. There are approximately 30-40 rounds played per day. Lee reported that a non-potable shut down is scheduled for Thursday from 10 a.m. to 2 p.m., with notices by hand delivery and mail to each homeowner.
 - b. 516 houses to be built. 313 houses occupied to date. 61% complete.
- 11. KB Home “Painted Hills” Project.**
- a. Project Update – None.

- b. 204 houses to be built. 200 houses occupied to date. 98% complete.
- 12. KB Home “Canyon Oaks” (Painted Hills No.2)**
- a. Project Update – None.
 - b. 30 houses to be built. 0 houses occupied to date. 0% complete.
- 13. Shea Homes “Trilogy” Project.**
- a. Project Update – None.
 - b. 1266 houses to be built. 1003 houses occupied to date. 79% complete.
- 14. Ranpac “Toscana” Project.**
- a. Project Update – Sam Yoo reported via telephone that there are no new updates on Toscana that they are still trying to get their Final EIR.
 - b. 1443 estimated houses to be built.
- 15. Ridge Properties “Wildrose East Business Park” Project**
- a. Project Update – None.
- 16. Mission Clay “Serano Specific Plan” Project (Blair Dahl).**
- a. Project Update – None.
- 17. Water Utilization Reports.** – Note and file.
- 18. Committee Reports.**
- a. Finance (Director Garrett) – None.
 - b. Engineering (Director Rodriguez) – None.
 - c. Public Relations (Director Deleo) – Director Deleo reported that Ali Sahabi attended the recent M.A.C. Meeting and discussed density issues relating to property that is adjacent to the Lee Lake Water District.
- 19. General Manager’s Report.**
- a. General Manager’s Report – Note and file.
 - 1. Policy No. P-93-01 Unauthorized Use of District Water Supply.

The Board directed staff to review Policy No. P-93-01 with Counsel and bring back a revised Policy at the next Board Meeting for review and approval.

2. Meter Installation Fee.

The Board directed staff to schedule a meeting with the Engineering Committee and Jay Fromlath of Water Quality Specialists to discuss validity of cost. The Board also requested that Water Quality Specialists present an invoice for services rendered at said meeting.

Director Rodriguez left the meeting at this point.

3. Sewer EDU Discussion.

The Board discussed at length the allocation of excess service rights.

4. Western Municipal Water District Conservation Item Funding Agreement Number C06-203.

ACTION: Note and file.

5. Addendum No. 7 to Western Municipal Water District Conservation Item Funding Agreement C03-203.

ACTION: Note and file.

b. Operations Report – Note and file.

c. Administration Report.

1. Greentree Applied Systems, Inc. Utility Billing Software & MasterLink Upgrade.

ACTION: Director Deleo moved to approve proposal from Greentree Applied Systems, Inc. in the amount of \$20,190.00. Director Garrett seconded. Motion carried unanimously.

2. US Netcom Corp. (BEN 2-Line System).

ACTION: Director Deleo moved to approve proposal from US Netcom Corp. in the amount of \$5,309.92. Director Garrett seconded. Motion carried unanimously.

20. District Engineer's Report.

a. Status of Projects – Note and file.

21. District Counsel's Report.

a. Cingular Lease Update.

Counsel reported that he is still negotiating three issues with Cingular.

22. Seminars/Workshops.

23. 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.

24. Adjournment.

There being no further business, the June 20, 2006 Regular Meeting of the Lee Lake Water District Board of Directors was adjourned at 11:03 a.m. by President Colladay.

ATTEST:

APPROVED:

Owen Garrett, Secretary

Charles Colladay, President

Date: _____

Date: _____