

APPROVED

**DONNER SUMMIT PUBLIC UTILITY DISTRICT
P.O. BOX 610 – SODA SPRINGS – CALIFORNIA – 95728
TELEPHONE (530) 426-3456 – FAX (530) 426-3460**

**Minutes of the Regular Meeting of the Board of Directors
Held: August 17, 2010**

STAFF PRESENT: Tom Skjelstad, General Manager; Jim King, Plant Manager; Julie Bartolini, Office Manager

OTHERS PRESENT: Geoffrey O. Evers, General Counsel by telephone from 8732 Casa Del Rio Court, Fair Oaks, CA 95628; Hal Kessler; Peter Van Zant; Susan Snyder; Amber Waddle

1. Call to Order

The Regular Meeting of August 17, 2010 of the Donner Summit Public Utility District Board of Directors was called to order at 6:10 p.m. by President Cathy Preis, at 53823 Sherritt Lane Soda Springs, California.

2. Roll Call

Cathy Preis, President	- Present
Dave Oneto, Vice President	- Present
Bob Sherwood, Secretary	- Absent – arrived at 6:45 p.m.
Philip Gamick, Director	- Present
Taylor Dolph, Director	- Present

3. Clear the Agenda

No changes

4. Public Participation

None

5. 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 requests an item to be removed from the Consent Calendar for a separate action. Any items removed will be considered after the motion to approve the Consent Calendar.

- A. Cash Disbursements – General, Month of July 2010 --
\$ 197,021.48**
- B. Cash Disbursements – Payroll, Month of July 2010 --
\$ 53,013.23**
- C. Financial Statements through May 2010**

- D. Regular Meeting Minutes of July 20, 2010**
- E. Special Joint Board Meeting of July 10, 2010**

Motion: Accept the Consent Calendar
By: Dave Oneto
Second: Taylor Dolph
Vote: 4 Ayes, 0 Noes, 1 Absent, 0 Abstain

Motion Carries

6. Department Reports

A. Administration: Tom Skjelstad, General Manager

- 1. Stantec to Acquire ECO:LOGIC Engineering-** announcement of the pending acquisition of ECO:LOGIC Engineering, Inc. by Stantec. Tom Skjelstad reported that earlier in the month he was informed that Stantec, a multi-national company, would be acquiring ECO:LOGIC Engineering. The change is scheduled to occur in September of this year. He has been assured by Dave Bennett, CEO of ECO:LOGIC, that the current team of engineers working on the District's project will not change. ECO:LOGIC was not seeking this transaction but as they got into negotiations it was clear that the opportunity to join with Stantec was something they couldn't pass up. It is interesting to note that two other firms approached ECO:LOGIC in an effort to acquire them.
- 2. Update on Environmental Surveys for the Wastewater Treatment Plant Upgrade and Expansion Project-** work accomplished to date and tentative timeline for public scoping meeting(s). Tom Skjelstad reported that all the field surveys have been completed at the District footprint site and the Soda Springs ski area. It is Tom's understanding that no significant flora, fauna, or archeological ruins were discovered. The District and USFS are planning the required Public Scoping meeting(s) for sometime in September. The District will be mailing out notice of the meeting and also placing on our website.
- 3. Contract with Hansford Economic Consulting-** contract with Catherine Hansford (formerly with ECO:LOGIC) for financial assistance consulting for the District's wastewater treatment plant upgrade and expansion project. Tom Skjelstad reported that Catherine Hansford left ECO:LOGIC in late June and started her own firm. In March of this year the Board authorized a contract with ECO:LOGIC for Finance Consulting on the District's project. Catherine was the consultant representing ECO:LOGIC. In July Tom signed an agreement with Hansford Economic Consulting and notified Dave Bennett of ECE:LOGIC. Catherine's charge out rate is \$30.00 less per hour than when she was at ECO:LOGIC.

4. **Allocation of Costs for the Wastewater Treatment Plant Upgrade and Expansion Project-** discussion of ECO:LOGIC methodology of allocating project costs between existing and new users of the treatment plant. Tom Skjelstad reported that Jeff Hauser is developing the methodology by which allocation of costs of the treatment plant project will be assigned between existing and new users. Jeff is proposing establishing a current value of the existing facilities and have new user buy into those existing facilities that will be continued in use based on the proportional usage of new users.

At last month's Board meeting the Board decided to delete this methodology from the contract that were authorized. Based upon discussions Tom has had with Jeff and Catherine Hansford Tom believes the Board may want to reconsider that action. According to Jeff, if there is no buy-in costs for new users who are taking advantage of what others have already paid for then the cost between user groups is about the same.

Currently there three alternatives being discussed:

- ECO:LOGIC's recommendation as explained above;
- Identify the cost of the expansion portion of the project and the upgrade portion, charge existing and new users equally for the improvement portion and the new users for the expansion portion;
- Identify the expansion portion of the project and the upgrade portion, charge the new users for the expansion portion and a percentage of the improvement portion.

Tom recommends that further discussions are warranted with Catherine Handsford, and Geoff Evers as part of those discussions.

5. **Draft Letter to Unimproved Property Owners Within the District Boundaries-** draft letter to unimproved property owners asking if there is interest in acquiring capacity for their unimproved property during the upcoming wastewater treatment plant upgrade and expansion project. Tom Skjelstad review the draft letter.
6. **Renewal of Independent Auditing Services with Gibson & Company-** request for a three year renewal for annual auditing services from Gibson & Company. Discussion and possible action.

Motion: Accept the Three Year Renewal of Independent Auditing Services with Gibson & Company for Annual Auditing Services.

By: Phil Gamick

Second: Dave Oneto

Vote: 4 Ayes, 0 Noes, 1 Absent, 0 Abstain

Motion Carries

Bob Sherwood arrived 6:45 P.M.

7. **Gibson & Company Engagement Letter for the Fiscal Year Ending June 30, 2010** – letter authorizing Gibson & Company, the District's Auditors to conduct the annual independent audit for the year ending June 30, 2010.

Motion: Authorizing the Board of Director's President to Sign the Engagement Letter with Gibson & Company

By: Taylor Dolph

Second: Phil Gamick

Vote: 5 Ayes, 0 Noes, 0 Absent, 0 Abstain

Motion Carries

B. Sewer and Water Department – Jim King, Chief Plant Operator

1. **Waste Water Flow Data – for July**
2. **Fresh Water Flow Data – for July**
3. **Operations and Maintenance Summary** – activities during the month of July. Jim King reported the following:

Operations WWTP

- Completed installation and programming of spray irrigation equipment.
- Cleaned 1.5 MG irrigation storage tank in preparation for spray irrigation.
- Began spray irrigation to ski hill on July 14th.

Operations Water Plant

- Annual inspection of the Lake Angela dam performed by The Division of Dam Safety.
- Annual inspection of the fresh water plant treatment plant and reservoirs performed by The Department of Health Services.
- Rerouted and installed a new 4" main water line at Big Bend.

Repairs and Maintenance WWTP

- Repaired and or replaced multiple sprinklers on the spray irrigation site.
- Repaired water leak on a 12" line on Snow Lab Road.
- Repaired water leak on 4" main in Big Bend by camp ground.

4. **Volunteer Operator-in-Training Program-** request to implement a volunteer OIT program. Discussion and possible action. Jim King reviewed the volunteer worker Requirements and Policies contingent on legal council to review.

Motion: To Implement a Volunteer Operator in Training Program Contingent on Legal Counsel to Review

By: Bob Sherwood

Second: Taylor Dolph

Vote: 5 Ayes, 0 Noes, 0 Absent, 0 Abstain

Motion Carries

C. Monthly Safety Committee Meeting Minutes, Months of July

Motion: Accept the Safety Committee Meeting Minutes for July

By: Dave Oneto

Second: Bob Sherwood

Vote: 5 Ayes, 0 Noes, 0 Absent, 0 Abstain

Motion Carries

7. **President's Report: None**

8. **Committee Reports: None**

9. **Correspondence:**

1.) **Letter from Sierra Lakes County Water District, Dated August 6, 2010, to Jim Curtis, Legal Counsel for Sierra Lakes County Water District Regarding Allocation of Costs for the Proposed Wastewater Treatment Plant Upgrade Expansion Project - Reported**

2.) **Emails Between Sierra Lakes County Water District and Joe Gray - Reported**

10. **Closed Session: None**

11. **Informational** In accordance with Government Code Section 54954.2(a), Directors may make brief announcements or brief reports on their own activities (concerning the District). They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda.

12. Adjournment

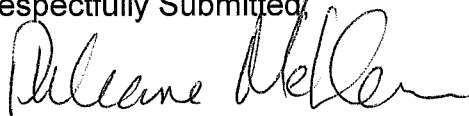
Motion: Adjourn Meeting at 7:18 P.M.
By: Bob Sherwood
Second: Dave Oneto
Vote: 5 Ayes, 0 Noes, 0 Absent, 0 Abstain
Motion Carries

Schedule of Upcoming Meetings

Regular Meeting - September 15, 2010
Regular Meeting - October 19, 2010
Regular Meeting - November 16, 2010

The wording in these minutes are as reread from the notes by the Clerk of the Board.

Respectfully Submitted,



Deleane Mehler
Clerk of the Board