

BOARD MEETING
APPROVED MINUTES

April 23, 2010

DIRECTORS PRESENT: President Dan Wilkins, Vice President Ron Treabess
Directors Lou Reinkens, Judy Friedman and Erik Henrikson

STAFF PRESENT: Cindy Gustafson, General Manager
Jim Dykstra, Director of Accounting & Employee Services/Treasurer
Matt Homolka, District Engineer
Tony Laliotis, Director of Utilities
Bob Bolton, Director of Parks and Recreation
Mike Sexton, Legal Counsel
Ginger Charlton, District Clerk

A. CALL TO ORDER

President Wilkins called the meeting to order at 8:30 a.m. and led the audience in the Pledge.

B. AGENDA AMENDMENTS AND APPROVAL

1. Agenda Deletions, Changes, and Audience Requests

Director Wilkins said that staff requested to pull item #13, Approval of Purchase of a GPS Vehicle Tracking System, from the consent calendar and place it after item #6. He added that item #26, Water System Acquisition Policy, should be reviewed by the full Board. If that item hasn't been handled by 11:00, he is going to ask to move it up so that Director Henrikson can leave before the public hearing for the Lake Forest Water System takes place.

2. Additions to Agenda

Director Reinkens said that an election is going to be held at ACWA/JPIA and he wanted to know if the Board would like to add an emergency item for him to review the candidates so they could decide who to have him vote for. The Board felt that Director Reinkens could decide for them since he knew the candidates.

3. Approval of Agenda

Motion to approve the agenda as amended: Treabess/Reinkens/5-0

D. RECOGNITION

4. Bob Bolton – 5 Year Service Recognition

Ms. Gustafson reviewed Mr. Bolton's on-again off-again history with the District and noted that he is really completing his 16th year. She went over all of his accomplishments with the District and thanked him for his work through the years.

Ms. Gustafson introduced Dan Lewis to the Board and announced that he has been promoted up to Supervisor for Underground in the Utilities Department. Mr. Laliotis added that Dan has been doing a great job and they're glad to have him.

C. PUBLIC FORUM

There was no public input.

E. FINANCIAL

5. Caporicci and Larson Certified Public Accountants 2009 Financial Audit Findings

Mr. Dykstra introduced Gary Caporicci, the head audit partner for the audit of TCPUD. He did a power point presentation on the financial audit findings and said that he is very impressed with what he sees go on in the District. Director Wilkins thanked Bob McClintock for his participation with the Audit Committee.

Motion to accept the 2009 Financial Audit Findings: Reinkens/Treabess/5-0

6. Approval of 2009 Basic Financial Statements

Mr. Dykstra pointed out the new footnote disclosures in the statements and reviewed what the District has done with each item. He recommended approval. Director Wilkins added that he and Director Reinkens attended the Audit Committee meeting a couple of weeks ago and reviewed the document. He said that he is satisfied with the document.

Motion to approve: Reinkens/Treabess/5-0

J. CONSENT CALENDAR

13. Approval of Purchase: GPS Vehicle Tracking System

Mr. Laliotis reported that over the past eight months staff has been evaluating the purchase of a GPS-based vehicle tracking system. He reviewed the benefits of having the system and explained all of its capabilities. Mr. Laliotis explained his recommendation of USA Fleet Solutions to the Board and answered their questions.

Director Wilkins added that he implemented one of these systems on a fleet that he manages and it has been extremely useful. He urged staff to sit down with the employees that deal with the system so that they can see how it works as a management tool for the District.

Motion to approve: Treabess/Henrikson/5-0

Virginia Graham said that it will be interesting to hear about the savings after this begins.

F. PUBLIC HEARING

7. Public Hearing to Consider all Comments Received and Adoption of the Sewer System Management Plan

Ms. Gustafson said that this is a part of our State mandates and Mr. Laliotis has done an incredible job putting the document together. Mr. Laliotis reviewed the process involved with

this adoption and noted that there were no comments from the public during the public review period of March 23rd – April 22nd, 2010.

Director Reinkens asked if we have a system that will be compatible with GIS. Staff said that we are transitioning into a GIS-compatible system. Mr. Laliotis also explained that this is a fluid document that can have changes made to it when necessary. He added that it should be brought back to the Board annually for review.

Director Reinkens asked if the sewer line that needs work near the beach is on the capital plan. Mr. Homolka said that it is on the capital plan and staff is working on it. Director Reinkens said that there is quite a lot of reporting involved in monitoring this system and asked how staff would be able to handle this without increasing costs. Mr. Laliotis said that staff is already doing electronic reporting and that it is a major cost savings to the District.

Director Wilkins opened the public hearing for public comment at 9:45 a.m. There being none, he closed the public hearing at 9:46 a.m.

K. RESOLUTIONS

21. Acceptance of Sewer System Management Plan (SSMP)

Motion to accept the SSMP provided that the capital plan is consistent with the latest thinking that we have: Reinkens/Henrikson/5-0 by roll call vote

G. PROJECTS

All items covered under consent calendar.

H. SEWER AND WATER UTILITIES

All items covered under consent calendar.

I. PARKS AND RECREATION

Ms. Gustafson left the room before discussion began on item #8.

8. Lakeside Trail Phases 5-7 – Agreement for Professional Services with Auerbach Engineering – Additional Services and Compensation

Mr. Homolka said that at the April 13th Parks and Recreation Committee meeting, he spent a good amount of time updating the group on the status of the project and on the full budget update. He said that we are funded for a good bit of the project construction and the time. There is only enough coverage mitigation to complete Phase 7 so they will move forward with Phase 7 construction and continue to search for coverage on Phases 5 and 6. He reviewed the items covered by the contract amendment and requested approval. Director Friedman added that the Parks and Recreation Committee reviewed this amendment and recommended approval.

Motion to approve: Friedman/Reinkens/5-0

J. CONSENT CALENDAR

Director Friedman asked to pull item #12. Director Henrikson asked to pull items #11 and #14.

Motion to approve remainder of calendar: Reinkens/Henrikson/5-0

Ms. Gustafson returned to the meeting.

10. Minutes

- Finance Committee – February 26, 2010
- Board Meeting – March 19, 2010
- Special Board Meeting – April 2, 2010

11. Finance Report

Director Henrikson asked how many nights Ms. Gustafson and Director Wilkins spent in Washington, DC. They responded they stayed four nights.

Director Friedman asked about the insurance claims being pursued in the report. Mr. Dykstra responded that they are claims where people have damaged District property and we're trying to recover costs.

Motion to approve: Henrikson/Treabess/5-0

12. General Manager and Staff Reports

- a. General Manager
 - Director of Utilities
 - District Engineer
 - Project Status
 - Technical Services
- b. Director of Parks and Recreation
 - Parks Superintendent
 - Recreation Superintendent

Director Friedman asked what is happening with the combined Sewer and Water Committee meeting with NTPUD. Ms. Gustafson said that the time selected for the meeting fell through and now NTPUD is requesting a combined full Board meeting with us instead.

Director Henrikson asked what information Ms. Gustafson is submitting to Doyce Boesch. She responded that staff is submitting information on our census track data for some federal funding. She added that he is also looking for grant money and low interest loans for the District.

Motion to approve: Friedman/Reinkens/5-0

14. Approval of Purchase: Mower Replacement

Director Henrikson asked what will happen with the approximately \$23,000 in left over money for this item. Ms. Gustafson said that it would go back into the District's general budget. Mr. Dykstra added that it could come into play if a project came to the Board where they had gone

over and the Board authorized moving it. Director Henrikson also reported that he found a place where trailers can be purchased for less money. Staff will check into it.

Motion to approve: Reinkens/Treabess/5-0

15. Tahoe Tavern Booster Pump Station & Well Rehabilitation Project – Agreement for Professional Services with Nolte Associates, Inc. – Engineering Construction Services
16. Tahoe Tavern Booster Pump Station & Well Rehabilitation Project – Agreement for Professional Services with Mid-Pacific Engineering Inc. – Construction Inspection & Materials Testing Services
17. Lower Tahoe Tavern Heights Distribution Improvements – Agreement for Professional Services with Auerbach Engineering Corp. – Engineering Construction Services
18. Lower Tahoe Tavern Heights Distribution Improvements – Agreement for Professional Services with Mid-Pacific Engineering Inc. – Construction Inspection & Materials Testing Services

I. PARKS AND RECREATION

9. West Commons Beach Planning Process

Ms. Gustafson said that TCPUD took the lead on the development of the Commons Beach Master Plan process as well as the final design and implementation of the Commons Beach Renovation/Rehabilitation Project. That plan has the art center remaining if the fire station moves. There has been public interest in commencing a planning process to look at the Master Plan again to see if it is felt that it should be changed or left alone. Our MOU with the Fire District says that TCPUD will be the lead agency on the planning process. That question was brought to the last Parks and Recreation Committee meeting and they supported the District being the lead because we're responsible for the maintenance of the area and because of the past history where the District handled the process to get Commons Beach completed. The County would need to appoint the District as the lead agency.

Director Treabess said that there were some minor disagreements with the Commons Beach process but a community group acted as the mitigating force rather than a certain Board doing it. He said that a special district should lead because there are some funding opportunities that would be eligible for them and not the other groups.

The Board basically supported the District taking the lead on the project with Director Henrikson noting that he hopes that the project doesn't grow bigger than the original plan.

Virginia Graham said that there would be a lot of community interest in the project and she would rather have the District take the lead than the County.

Motion to accept staff's recommendation to direct staff to pursue lead agency status in funding for the Master Plan: Friedman/Reinkens/5-0

K. RESOLUTIONS

22. Resolution Approving and Authorizing Execution of MOU with Local 39

Ms. Gustafson said that the Board previously directed staff in closed session to accept the terms that were agreed to with Local 39. It has taken two months to get the agreement signed and back to us. She reviewed the costs and recommended approval. She noted that it is a cost savings to the District for the term of the two-year contract. The employees are participating by contributing up to 1% in the second year towards their pension contribution.

Director Wilkins said that he is impressed that the employees are recognizing that participation in the pension program is something that is necessary for the long term viability of the District.

Motion to approve Resolution #10-15: Treabess/Henrikson/5-0 by roll call vote

24. Resolution Approving and Authorizing Execution of Memorandum with Management, Supervisory, Professional, and Confidential Employees

Ms. Gustafson reviewed the cost impacts for the two-year contract. The impact to the District is a financial savings and the employees are shouldering a burden in their retirement calculations in perpetuity with the 1% calculation.

Motion to approve Resolution #10-17: Henrikson/Reinkens/5-0 by roll call vote

23. Mutual Aid Agreement with McKinney Water District (MWD)

Mr. Lalotitis explained that the District is currently under a compliance order with the State of California Department of Public Health to provide a backup supply of water for the McKinney Quail Water System during the winter months. The construction of a year round treatment facility isn't financially feasible without significant financial assistance and it doesn't make sense to move forward with a large project until many factors are better understood. He explained that an intertie will benefit both the District and MWD by providing the District with a winter time backup supply for its McKinney Quail service area and by providing a backup supply for MWD during emergency conditions. The District and MWD negotiated a draft Mutual Aid Agreement for the construction and operation of a water system intertie. Mr. Lalotitis answered questions of the Board and recommended approval.

Ms. Gustafson commended Mr. Lalotitis for building a level of trust with representatives of the McKinney Water District. She also added that 50% of the costs are being covered by federal funding.

Motion to approve Resolution #10-16: Reinkens/Treabess/5-0 by roll call vote

L. GENERAL

25. Video Recording of Board Meeting Demonstration – Granicus, Inc.

Ms. Gustafson introduced Kelly Barlow from Granicus, Inc. Ms. Barlow gave a power point presentation on their webcasting service and explained that they are doing a free demonstration at this meeting. Ms. Gustafson explained the cost and said that she strongly supports having this service since so many of our customers are out of the area and would be able to see firsthand what happens at meetings. She also noted that the District is able to post 200 hours of promotional videos from the site. She asked the Board for direction on putting this item on next month's agenda for possible action. The Board asked to get more information at the next meeting.

26. Water System Acquisition Policy – Draft #2

Ms. Gustafson said that this policy contains the revisions that the Board requested in March. She reviewed all the changes made since the first draft and said that Director Wilkins spoke with her about item #3a and she agrees that the publicly owned parcels within a private water system should be excluded from voting or signing petitions. She also noted that an “s” needs to be added to the word “parcel” in paragraph 3a. Director Wilkins said that he believes this draft document goes a long way toward capturing the Board discussion. It does a good job of laying out the Board’s intent and the rationale for it with the appropriate amount of flexibility to consider the systems on a case-by-case basis related to the circumstances on hand when they come forward.

Director Henrikson said that he feels the policy is way too aggressive and he doesn’t feel comfortable with it. He said there would be no system that wasn’t acquirable under this system. The rest of the Board felt comfortable with the policy.

Mr. Sexton said that if the District is being asked to take over a private water company, they should contractually require the owner to get approval from his/her customers of the District’s rates prior to taking action to take over the system.

Motion to approve with the noted minor changes: Reinkens/Friedman/4-1 with Director Henrikson voting no

26a. Lake Forest Improvement District and Acquisition of Lake Forest Water System

Director Henrikson and Ms. Gustafson left the room before the discussion of Lake Forest began.

Mr. Laliotis gave an update on the funding sources that staff has been investigating for the acquisition of the Lake Forest Water System. He noted that although there is a potential of multiple funding sources for improvements to the system, most of these funds may not be officially applied for or guaranteed until the District owns the system. While this leaves the Board with some level of uncertainty regarding the level of rehabilitation that can be done for the system, adequate improvements can be made initially with the rate revenue from new customers and RDA funding. He added that the Board won’t be committed to undertake any other improvements until it is determined to be fiscally prudent.

Paul Vatistas asked how much had been spent to date in terms of due diligence processes on the Lake Forest system and how it would be funded. Mr. Homolka answered that he doesn’t have a full budget update on expenses but on the assessment district and improvement district work, he feels that the District has spent close to the budgeted \$68,000. On the consulting side, they have spent about \$36,000. On the design side of the improvement district, the District has expended \$86,000 in consulting fees and about \$20,000 in staff time. Director Wilkins said that to date those funds have come out of District property tax revenue.

J. PUBLIC HEARING

19. Public Hearing to Receive Comments on the Proposed Acquisition of the Water System of the Tahoe Park Water Company, dba Lake Forest Water Company by the Exercise of Eminent Domain

Mr. Laliotis reviewed the District’s history with attempting to negotiate the purchase of the water system from Mr. Dewante since September 2008. On August 25, 2009 the TCPUD Board of Directors voted to initiate the process of acquiring the system through eminent domain. On

March 19 the Board adopted Resolution #10-11, Adopting a Mitigated Negative Declaration for the Lake Forest Water Company Acquisition and Water System Reconstruction Project. The basic issue is lack of supply and lack of fire protection in the area. The regulatory records for Lake Forest include numerous compliance orders and citations dating from the early 1990's to April 26, 2007. He said that the District has submitted four offers for the system since September, 2008. He reported that the District has properly noticed the Public Hearing for the adoption of the Resolution of Necessity and reviewed the reasons that the District is seeking to acquire the assets of the Lake Forest Water Company. Mr. Laliotis recommended adoption of Resolution No. 10-14.

Mr. Sexton said that public members could comment for both the public hearing and the resolution during the public hearing item to be more efficient and save time.

20. Resolution of Necessity – Water System of the Tahoe Park Water Company, DBA Lake Forest Water Company

Dennis Viglione introduced himself as a partner of the law firm of Montague and Viglione, 1500 River Park Drive, Sacramento, 95815, special counsel to the District for purposes of this Resolution of Necessity. He explained that this resolution would authorize an eminent domain lawsuit for the acquisition of the water system of the Tahoe Park Water Company doing business as the Lake Forest Water Company and he would refer to that entity as the Owner. Adoption of this resolution requires a two-thirds vote of the District's Board. The water system assets to be acquired are described among other places in "Exhibit A" of the draft resolution. Written notice of this hearing was given to the owner by Mr. Viglione's law office by letter dated March 30, 2010. He signed the letter and sent it by both regular and certified mail. The pre-condemnation offer of compensation that is required by Government Code Section 7267.2 was made to the Owner by Mr. Viglione's office and he signed it dated Oct. 1, 2009, That offer was based on an appraisal of the water system prepared by a qualified appraiser. The attached "Exhibit B" to the proposed Resolution of Necessity contains portions of the California PUC's decision that approved the sale of the water system to the present owner. In the decision the PUC makes a number of comments regarding the condition of the water system. They also include comments regarding the possible acquisition of the system by this District. The California Code of Civil Procedures requires that certain findings be made in adopting this resolution. These include the findings that are in the proposed Resolution of Necessity, specifically findings 6 – 10. Mr. Viglione reviewed the findings aloud. He emphasized that on Section 9, the Code of Civil Procedure sections that are included provide that when property that is already being put to a public use is owned by a private party and that property is condemned by a public entity, then the use by the public entity is automatically deemed to be a more necessary public use even if it is exactly the same use.

Section 10 does require a finding that the offer of compensation required by Section 7267.2 of the Government Code has been made to the owner of record and Mr. Viglione certified that was indeed done.

Director Wilkins opened the Public Hearing and discussion on the recommended adoption of the Resolution of Necessity at 11:45 a.m.

Rick Dewante, owner of Lake Forest Water Company, submitted his comments and questions to the Clerk for the record and highlighted some items. In his opinion, the District and he have yet to have a formal negotiation session to discuss any appraisal formally. He said that he has advised the District that its appraisal is not acceptable and that he has his own appraisal. He said that he sent Mr. Laliotis a letter expressing his desire for a formal negotiation dated about two weeks ago. He said that everyone agrees that the system needs replacement and he

needs to provide a water supply. He stated that he has a grant promised to him from the State of California which he feels would pay for the supply portion of the needs but the funds are frozen. He stated his view that the District's grants may not prove to be available and that in his opinion the District is probably giving up the \$1 million from his Prop. 50 grant.

Mr. Dewante said that he owns the system and is in a position to fix it and stated his opinion that the District needs to prove that they can fix it. He stated his opinion that during the PUC proceeding involving the late transfer of the water system to him from Mr. Robinson that the District intervened and submitted its plan to provide potable water to the Lake Forest customers in what he described as an effort by the District to try to have the PUC block the transfer to him. In Mr. Dewante's view, the judge sided with him. He admitted that, in the PUC's decision they put conditions on him and he said that he is following them. He reviewed his efforts to secure financing for work needed on his water system and said that he has secured financing. He said that he is in a position to make the improvements but that in his opinion the District persists on trying to take over. He stated that he feels that what he can do is in the best interest of the customers and stated that the District is not doing what is in their best interest. Mr. Dewante stated that if the District wants to take over the system, they should let all of the rate payers in the District vote.

Paul Vatisstas said that if the District moves ahead without a willing seller, they should ask themselves what the rationale is for proceeding. He also asked the District to be sure that existing PUD customers don't subsidize the takeover. He said there is confusion about the Lake Forest customers paying an assessment fee or a water rate and he asked for clarification. He also noted section 618 of the PUC code which in his opinion limits what a public utility company can do with eminent domain and urged the Board to be sure that this proceeding isn't in violation of the law.

Darlene Bray, property owner in Lake Forest, said that her family has suffered financially because they couldn't put in a hookup on a lot they wanted to sell due to the building moratorium imposed by the Health Department due to the inadequacy of the Lake Forest water system to meet drinking water standards. As a consequence and a solution, they had a well drilled. She went over all the problems that they have had with their water system and asked the Board to take action to enable the District to take over.

Logan Carnell said that the main reason that she would like the District to take over is for the health and safety of their water supply and neighborhood. She thanked the Board for allowing Mr. Dewante to purchase water from the District and encouraged the Board to continue with the acquisition.

Director Wilkins closed the public hearing at 12:15. He asked legal counsel if Mr. Dewante's or other public comments affected the sufficiency of the draft Resolution of Necessity. Mr. Viglione said it didn't. Director Wilkins asked for a short synopsis of what the District's intervention into the PUC proceeding involving the late transfer of the water system to Mr. Dewante from Mr. Robinson was all about.

Mr. Sexton said that the intervention came about after members of the public repeatedly came to this Board asking for the District to take over the Lake Forest Water System. It then came to the District's attention that Mr. Dewante had been operating the water system for 11 – 12 years as an outlaw operator. The District advised counsel to intervene in the PUC proceeding and asked engineering staff to develop a plan to provide potable water to the Lake Forest customers. The purpose was to tell the PUC that because of the history of non-compliance with federal and state drinking water regulations and not providing potable water to the community, the TCPUD might be in a better position to take care of Lake Forest customers and

the District was willing to do so if the PUC wanted to make that assignment. The PUC chose to give Mr. Dewante title to the property and issued an order in that regard which imposed conditions upon Mr. Dewante and required him to submit reports to the PUC every 90 days. Mr. Sexton stated that, to the best of his knowledge, there have been no improvements made to the Lake Forest Water System since the PUC order was filed so the people of Lake Forest continued to be delivered water that did not meet federal and state drinking water standards.

Director Wilkins asked if any information had been submitted that gave Mr. Viglione pause as to the ability of this District to make the requisite findings for eminent domain should the Board choose to do so. Mr. Viglione said no.

Regarding Mr. Vatistas' question about where the money comes from, Director Wilkins said that he wants the customers of Lake Forest to be satisfied with their water provider and since they couldn't get help from anyone for a primary source of good water, it was a role for the District no matter how uncomfortable that role was. Regarding finances, he stated that he was originally of the opinion that the District should not contribute funds toward the acquisition of the Lake Forest water system. Director Wilkins stated that, at that time, he didn't understand the level of property tax monies that had been used by the District to develop its public water system. Over the past year, a significant amount of research has shown that property tax monies received from all District customers, and not just from water customers, has been used to fund the District's water system. He stated that his policy viewpoint changed then. Because of the significant property tax investment made by customers of private water systems into the public water district, he feels that to a certain extent it's payback time. He said that a portion of District property tax revenue should be on the table to fund a portion of the Lake Forest System upgrade.

Motion to adopt the Resolution of Necessity in connection with the acquisition of the Tahoe Park Water Company, DBA Lake Forest Water Company by the exercise of eminent domain: Treabess/Reinkens/4-0 by roll call vote with Director Henrikson absent.

Mr. Sexton said that as a matter of clarification, he wanted to be sure that the Board had made all of the requisite findings that Mr. Viglione walked them through before making the motion, seconding, and voting on the motion. The Board said yes.

The Board took a 3-minute break. Ms. Gustafson returned to the meeting.

L. 27. Reports

Mr. Homolka said that construction will begin on the Lower Tahoe Tavern Heights Distribution Improvements and Tahoe Tavern Booster Pump Station Project sometime before May 15. Public notices go out next week.

Ms. Gustafson updated the Board that beginning May 1, staff will be doing 9-80 shifts on a trial basis. Staff believes it is in the best interest of reducing overtime costs for the District and providing more flexibility to staff to get errands done.

Ms. Gustafson said that we sent a letter to TTSA regarding connection fees. The meeting will be 1:30 on Monday via a conference call regarding connection fees for the McKinney Water Treatment Plant.

TCPUD staff will have a table at Earth Day this year highlighting water conservation, FOG, and the Parks and Recreation Department.

Ms. Gustafson and Director Wilkins have been attending meetings on the Eastern Placer County effort to be involved in the TOT re-election. Special Districts have received over \$5 million in TOT funding since the increases have been in place and we are talking with the County to see if we can get additional operating money for Parks and Recreation facilities. The County has said no new money for our facilities.

Mr. Homolka, Mr. Bolton, and Ms. Gustafson met with Jan Brisco and Larry Boerner regarding Lakeside Trail to draft language that we will support Mr. Boerner's efforts with regulatory agencies related to reducing the number of parking spaces that he needs for the Tahoe Gal.

Ms. Gustafson reported that the Parks and Recreation/Community Issues Committee had a meeting yesterday with TCDA regarding the redevelopment plans for TRPA and who's going to do the community planning for the area.

28. General Correspondence

There was no comment.

29. Board Follow-up

There was no comment.

M. DIRECTOR'S FORUM

30. Director's Comments and Correspondence

Director Reinkens said that people aren't coming to Tahoe because of the expense and TOT should be reduced. Director Wilkins suggested that Director Reinkens should have a Board level dialogue at the next Board meeting as to whether or not the PUD should play a role towards the TOT.

N. MEETING REVIEW AND STAFF DIRECTION

Ms. Gustafson reported the following:

Staff will update the capital plan and the SSMP.

Staff will talk to the County about being the lead agency on West Commons.

Staff will change the Water System Acquisition Policy to make the changes noted in discussion.

O. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Subdivision (a) of Government Code Section 54956.9

32. Eminent Domain Proceeding of Lake Forest Water Company

CONFERENCE WITH REAL PROPERTY NEGOTIATORS: LAKE FOREST WATER COMPANY – Government Code Section 54956.8

33. District Negotiators: Tony Laliotis, Jim Dykstra, Harold Morgan, and Dennis Viglione

Negotiating Party: Rick Dewante

District negotiators will be given instruction concerning whether the District will seek to purchase the water company and, if so, price and terms of such purchase.

**PUBLIC EMPLOYEE APPOINTMENT/EMPLOYMENT/PERFORMANCE
EVALUATION/COMPENSATION – Government Code Section 54957**

34. General Manager

P. CLOSED SESSION REPORT

32. The Board gave direction to the District's legal counsel.

33. No reportable actions were taken.

34. This item was not discussed and will be rescheduled for another date.

Q. ADJOURNMENT

The meeting was adjourned at 1:15 p.m.

Dan Wilkins, President

Ginger Charlton, District Clerk

Prepared by Ginger Charlton