

MINUTES
LASSEN MUNICIPAL UTILITY DISTRICT
SPECIAL BOARD MEETING
October 30, 2006
5:30 P.M.

ITEM NO. 1: CALL TO ORDER, FLAG SALUTE AND ROLL CALL:

The Special Board meeting of the Lassen Municipal Utility District was called to order at 5:30 PM by President Langston.

Board Members Present: Wayne Langston (President) Fred Nagel (Vice-President), George Sargent (Treasurer) and Nancy Cardenas (Director).

Absent: Director Wood.

Also Present: General Manager Frank Cady, Legal Counsel Jaimee Richey, Director of Engineering & Operations Ray Luhning, Business Office Manager Keri Richards, Public Benefits Specialist Theresa Boucher and Board Secretary Jerri Kresge.

ITEM NO. 2: APPROVAL OF AGENDA:

President Langston requested that Consent Agenda and Action Items 7A1 & 7B be heard before Closed Session Item 5A. A motion was made and seconded to approve the agenda with these changes. Floor opened for public comment. No comment. Motion passed unanimously.

ITEM NO. 3: INVITATION FOR PUBLIC COMMENT:

[President Langston opens the floor for public comment after pointing out the Rules for Public Comment.]

➤ None.

ITEM NO. 4: INFORMATION ITEMS:

A. Board and Staff Response (if any) to Public Comment.

➤ None.

B. Board/Staff Items.

- Director Nagel stated that an entity had requested copies of maps showing the City of Susanville's entire water system. He understood this request had something to do with Homeland Security. He asked if this request was related and/or in conflict with the Public Records Act and would the City be obligated to release this information. General Manager Cady suggested that the City's attorney research, decide what the answers should be, and put together a legal argument in support of the decision. He stated the PRA contains "black & white" rules, as well as, non-specific rules. There may be specific rules in the Public Records Act that would apply to this particular circumstance.

- General Manager Cady commented on the following:
 - Memo from Western to their Full Load and First Preference Customers regarding the CAISO Market Redesign & Technology Upgrade (MRTU) and the Resource Adequacy Capacity (RA Capacity) ruling.

 - Cost to belong to NCPA. General Manager Cady stated that NCPA is rewriting its Joint Powers Agreement (JPA) and many of its other agreements in order to provide fairness and equity among all its members.

 - General Manager Cady handed out excerpts from APPA entitled, "The Changing Structure of the Electric Utility Industry"; "Federal Regulation of Electricity Markets"; and "The Bumpy Journey to Restructured Electric Markets".

Board discussion ensued. General Manager Cady responded to the Board of Directors' questions.

ITEM NO. 5: CLOSED SESSION:

The Board adjourned to Closed Session at 6:20 PM.

- A. Conference with Labor Negotiator (Pursuant to Government Code §54957.6).
Agency Designated Representatives: Frank Cady, Jaimee Richey and Stacey Sheston.
Employee Organization: IBEW

The Board returned to Open Session at 7:25 PM.

ITEM NO. 6: REPORT OF ACTION TAKEN (IF ANY) IN CLOSED SESSION:

The following was orally reported for Closed Session Item 6A:

- No reportable action was taken.

ITEM NO. 7: ACTION ITEMS:

A. CONSENT AGENDA:

1. Consideration of Resolution 2006-06: Job Descriptions and Salary Ranges for Executive Assistant to the General Manager and Administrative Assistant to the Assistant General Manager.

- General Manager Cady stated that these two positions will provide the support necessary to help staff work smarter. The Administrative Assistant is a new position and will be advertised in the local newspaper and posted to LMUD's web site. The existing Executive Assistant position is before the Board because it has been updated. Assistant General Manager Luhring said that the AA position is needed, most importantly, as a confidential assistant, as well as, supporting other management personnel.

Board discussion ensued. General Manager Cady and Assistant General Manager Luhring responded to the Board of Directors' questions. There being no further Board discussion, a motion was made and seconded to approve Resolution 2006-06. Floor

opened for public comment. No comment. Motion passed unanimously.

B. Presentation of Community Support Program.

- Reported by Business Office Manager Richards. The concept of the Community Support Program would be the “rounding up” of utility bills, and targeting the monies collected for community events/projects. As an example, approximately 9,000 LMUD customers are billed each month and if there was 100% participation in “rounding up” their bill, to the next higher dollar, the amount could possibly total \$4,250 a month. The funds would be placed in a “restricted” account and used only according to program guidelines. Ms. Richards stated that she had contacted the District’s billing software provider who said it is possible to set up a program that would track these funds and keep them in a separate account. A committee could be formed from members of the community to establish program guidelines and oversee the program. She asked the Board for their input on the program and if staff should pursue it further.
- Director Cardenas felt the customers would want a specific reason to donate before they participated. She also felt if the program becomes a reality, that it would be a good idea if updates were given in the Ruralite.
- Public Benefits Specialist Theresa Boucher stated she has seen some very positive results from other utilities that were doing similar programs. She said this type of program would allow flexibility in how the dollars were spent in comparison to the restrictions of the Public Benefits Program. She stated that LMUD has a good relationship with their customers and felt they would be receptive to this type of program.
- Director Nagel agreed with the concept and felt the money should be targeted for worthy causes. He felt that participation should be strictly voluntary. He said the committee could report to the Board each month on the progress and once the program

was firmly established, perhaps the City could be invited to participate.

- Ms. Boucher commented that the City's Round-Up Program targets City projects only. LMUD staff is looking at this program as an opportunity to pool small resources into something worthwhile to benefit the entire community.
- Director Langston felt this program had merit and said it should be kept simple and easy to understand.

The Board directed staff to research what the cost would be to get this program started (including any system software upgrades) and to do a detailed analysis on what the anticipated participation would be. After these tasks are complete, staff will report the findings at a future Board meeting. No further Board action was taken.

ITEM NO. 8: ADJOURN:

There being no further business, the meeting was adjourned at 7:26 PM.