

**MINUTES
LASSEN MUNICIPAL UTILITY DISTRICT
SPECIAL BOARD MEETING
OCTOBER 21, 2008
12:00 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 12:00 PM by President Bowden.

Roll Call by Board Secretary Jerri Kresge:

Director Nagel – present
Director Dow – absent
Director Lavacot – present
Director Bowden – present
Director Langston - absent

Also Present: General Manager Ray Luhring, Electric Operations Manager Dave Folce, General Counsel Jaimee Jones, Accounting & Finance Manager Bill Stewart, Business Office Manager Keri Richards, Energy Services and Compliance Specialist Theresa Boucher, Accounting Technician Cady Schroeder, Executive Assistant Karen Rollings, and Board Secretary Jerri Kresge.

ITEM NO. 2: APPROVAL OF AGENDA:

A motion was made by Director Nagel and seconded by Director Lavacot to approve the agenda as presented. Floor opened for public comment. No comment. Motion passed unanimously.

ITEM NO. 3: INVITATION FOR PUBLIC COMMENT:

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

- Kristen Webster, a resident of Litchfield, stated that she has been experiencing power outages at least once a week in her home and asked that this issue be placed on a board agenda. She suspects

that some of her major appliances are being damaged.

- Electric Operations Manager Folce will follow up and report back at the board meeting when Ms. Webster's item is on the agenda.
- Delva Huss apologized for her outbursts at a recent board meeting directed at a certain Board Director. Her apology was accepted by the Board.

ITEM NO. 4: STAFF MEMBERS' REPORTS:

- None.

ITEM NO. 5: BOARD MEMBERS' REPORTS:

- None.

a. Board Members' Meetings Attended:

- No Report.

ITEM NO. 6: CONSENT AGENDA:

a. Consideration of adopting Resolution 2008-06 – Adoption of an Identity Theft Prevention Policy.

- Business Office Manager Richards stated that having an Identity Theft Prevention Policy is a Federal Mandate which must be in place by November 1, 2008. Ms. Richards said that she had training on identity theft prevention from two different organizations. She used a "boiler plate" policy and customized it for LMUD's needs. Service Reps will be trained to recognize certain "red flags" that could possibly indicate identity theft when handling customer's accounts.
- Director Nagel said customer security is a top priority and asked if there were any issues with customer information being on-line. Ms. Richards stated that security on the site LMUD uses for this purpose is very secure.
- Director Lavacot asked if this policy was an audit requirement. Ms. Richards responded that it was

not an audit requirement, but mandated by federal legislation.

There being no further Board discussion, a motion was made by Director Nagel and seconded by Director Lavacot to approve Resolution 2008-06 and adopt an Identity Theft Prevention Policy. Floor opened for public comment. No comment. A call for the vote was as follows:

Director Nagel – aye
Director Bowden – aye
Director Lavacot – aye – motion passed.

b. Receive General Manger’s PUC §14401 Report regarding the Revised Power Delivery Cost Adjustment Mechanism; and set date for Public Hearing.

- General Manager Luhring stated that it is required that the Board receives his PUC §14401 Report; and then a public hearing is scheduled regarding amending Rate Schedule PDCA. He recommends the public hearing be held on November 13, 2008 at 5:30 PM.
- General Counsel Jones made reference to the pared down version of the revised PDCA in the board packet with her recommendations.

Board discussion ensued. General Counsel Jones responded to the Board of Directors’ questions. There being no further discussion, a motion was made by Director Nagel and seconded by Director Lavacot to receive the General Manager’s PUC §14401 Report and schedule a pubic hearing on November 13, 2008 at 5:30 PM for the Revised Power Delivery Cost Adjustment Mechanism. Floor opened for public comment. No comment. A call for the vote was as follows:

Director Nagel – aye
Director Bowden – aye
Director Lavacot – aye – motion passed.

ITEM NO. 7: ADJOURN:

There being no further business, the meeting was adjourned at 12:21 PM.