

**LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING  
FEBRUARY 13, 2018**

**CALL TO ORDER**

Vice-President Onken called the meeting to order at 2:00 P.M. Directors present were Dennis, and Kiely. Representing the District were Manager Long, Field Supervisor Dan Sanders, Engineer Keith Knibb and Clerk Cindy Quigley. Property owner Costel Angheluta was present in the audience. Directors Fairbanks and Kuehner were absent.

**SALUTE TO THE FLAG**

Vice-President Onken opened the meeting with the salute to the flag.

**MOMENT OF SILENCE**

Vice-President Onken asked the Board to observe a moment of silence.

**CONSENT AGENDA**

The Board reviewed the minutes of the Regular Board Meeting of January 9, 2018, the Financial Report and Warrant List for month ending January 31, 2018. After discussion, it was moved by Director Kiely and seconded by Director Dennis that the items on the consent agenda be approved as presented. The motion passed with the following vote,

Ayes: Directors Dennis, Kiely, and Onken.

Absent: Directors Fairbanks and Kuehner

President Fairbanks arrived at 2:10 P.M.

**PROPERTY OWNER'S REQUEST TO ADDRESS THE BOARD**

Manager Long, introduced property owner Costel Angheluta and explained he was here to discuss with the Board the policy requiring payment of sewer service fees on dwellings that are connected to the system but are unoccupied.

Mr. Angheluta, first noted that his sewer service bill was paid in full. He then went on to explain that the property he purchased a few months earlier at 2693 D Street had burned down on December 25, 2017. He noted that he had installed a new service lateral and a two-way clean-out that was approved by Field Operations Supervisor Sanders. He noted that he was in dispute with the City of Oroville as they had not allowed a caretaker travel trailer on the property during construction. He referenced his billings then stated that spoke with an engineer, not from this area that works in this type of field, and asked him what he could do about the situation of paying for the property that is not receiving service. He requested from the Board a letter showing their decision and the justification for the decision on why he should pay the bill. He went on to inquire why he should pay for sewer collection or sewer treatment when he was not discharging anything into the system. He asked the Board to please remember he needed a letter stating the Board's decision and the justification for that decision.

Vice-President Onken asked if he was planning to rebuild. Mr. Angheluta stated he did not know, he was working on cleanup at this time. He noted that he is fighting with the City of Oroville's Building Department about installing a mobile home older than ten years. He stated that to build a new house was expensive and would make the property taxes go up.

Vice-President Onken asked if the District had ever had a similar situation and Manager Long responded it had not, stating when policy is written it doesn't differentiate between whether there is a standing structure or not it is specific to the site being connected to the sewer system and that property's right to that sewer connection. The policy states to keep that connection the sewer service fees have to be paid, whether or not there is a structure on the property, if the property owner wants to stop paying the policy states the property owner must physically disconnect the property from the sewer system thereby giving up the connection. To reestablish the sewer service to the property the owner would be required to pay the current Connection fee, Capacity Charge and Regional Facility Charge. Mr. Angheluta interjected that the amount was over \$10,000, which Manager Long confirmed to be \$11,615 at this time. Mr. Angheluta stated it was a ridiculous amount. Manager Long also noted that SC-OR, TWSD and the City of Oroville all have like policies.

Director Kiely explained the reason the policy has never been change and probably would not be changed, is because there is a certain capacity at the sewer plant, and the property owns the capacity at the plant, but if they give it up there is no guarantee that capacity will be available when reconnection is requested. He also noted that in this case where the house was burned down, if Mr. Angheluta was going to refurbish the house he would be agreeable to deferring sewer service charge payments for a limited time. He also stated there were a lot of property owners who make the financial decision to either continue to pay the sewer service charges or give up the connection and pay current connection fees and charges at the time reconnection is requested. Vice- President Onken responded that the District could only defer or waive the sewer connection portion of the billing. SC-OR and USDA RD would still have to be paid.

Mr. Angheluta responded this was not unreasonable to say the policy could not be changed, anything can be changed. He stated this has to be stopped and if the Board did not allow him not to be billed anymore but still keep the connection then he would take it to court. Director Dennis stated that not only would the District have to change the policy, but SC-OR, TWSD and the City of Oroville would as well.

Mr. Angheluta reiterated he needed the Board's written decision and justification why he should pay the bill.

Director Onken explained if the Board agreed to suspend or defer the billing for a short period of time, the District would still have to pay SC-OR on behalf of Mr. Angheluta which would constitute a gift of public funds to Mr. Angheluta. He also noted there have been no other requests to change this policy and the policy works well, and sees no reason to change the policy.

After discussion the Board directed General Manager Long to write the letter requested.

Mr. Angheluta left the meeting at 2:30 P.M.

Clay Singleton of SingletonAuman joined the meeting via Skype at 2:30 P.M.

#### **PRESENTATION OF THE 2016-17 INDEPENDENT AUDIT REPORT**

Clay Singleton of SingletonAuman PC presented the Board with a summary of the 2016/2017 Financial Statement and Independent Audit Report, this being the second year of a three year contract between the District and SingletonAuman PC. He stated that the audit went very smoothly this year and they found no reportable issues, and overall it was a favorable audit.

After discussion, it was moved by Director Kiely and seconded by Director Onken to approve the 2016/17 Independent Audit Report as prepared and presented by SingletonAuman PC. The motion passed with the following vote,

Ayes: Directors Dennis, Fairbanks, Kiely, and Onken.

Absent: Director Kuehner

Mr. Singleton left the meeting at 2:45 P.M.

#### **APPOINTMENT OF 2018-19 BUDGET PERSONNEL ADVISORY COMMITTEE**

President Fairbanks appointed Director Kiely and Director Kuehner to the 2018-19 Budget Personnel Advisory Committee.

#### **APPOINTMENT OF 2018-19 BUDGET FINANCIAL ADVISORY COMMITTEE**

President Fairbanks appointed Director Dennis and Director Onken to the 2018-19 Budget Financial Advisory Committee.

#### **APPROVE RESOLUTION NO. 01-2018 RESOLUTION OF APPRECIATION FOR DIRECTOR T.C. DENNIS**

President Fairbanks presented Director T.C. Dennis with a plaque in appreciation of his 35 years representing the District on the SC-OR Commission.

After discussion it was moved by Director Kiely and seconded by Director Onken to approve the adoption of Resolution No. 01-2018 Resolution of Appreciation for Director T.C. Dennis. The motion passed with the following vote,

Ayes: Directors Dennis, Fairbanks, Kiely, and Onken.  
Absent: Director Kuehner

### **SC-OR COMMISSIONER'S REPORT**

SC-OR Commissioners Fairbanks and Kiely reviewed the draft minutes of the December Regular Meeting of the Sewerage Commission – Oroville Region.

### **BCSDA REPRESENTATIVES' AND LAFCo REPORT**

LAFCo Commissioner Onken reported on the January 24, 2018 Butte LAFCo regular meeting.

### **BOARD MEMBER'S, MANAGER AND STAFF COMMENTS**

Field Supervisor Sanders noted that during the smoke testing process Field Staff located 33 leaks and all but 6 had been repaired. Director Dennis thanked the Board for the plaque and resolution recognizing his 35 years on the Sewerage Commission.

### **ADJOURNMENT**

There being no further business to come before the Board the meeting was adjourned 3:15 P. M.

Respectfully submitted,

Cindy Quigley,  
Clerk of the Board