

**MINUTES OF MEETING OF THE  
NORTH TAHOE PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS  
North Tahoe Event Center  
8318 North Lake Boulevard, Kings Beach, CA 96143  
Tuesday, May 12, 2015**

**CALL TO ORDER/ESTABLISH QUORUM**

A Meeting of the North Tahoe Public Utility District Board of Directors was held at the North Tahoe Event Center in Kings Beach, California on Tuesday, May 12, 2015. Present at the meeting were President Lewis, Directors Bergmann, Ferrell, Thompson, and Daniels, comprising the full Board and establishing a quorum.

President Lewis called the meeting to order at 2:00 p.m. and identified items for discussion listed below before adjourning to Closed Session. General Manager Whitelaw and Chief Financial Officer Marple were in attendance during Closed Session. Counsel Eskind attended by teleconference as needed for agenda item #1.

**CLOSED SESSION AGENDA**

Pursuant to Government Code, the Board of Directors discussed the following items:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Discussion pursuant to subdivision (a) of Section 54956.9. Name of case: Stuart Corvin v. North Tahoe Public Utility District, et al.
2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Initiation of Litigation pursuant to paragraph (4) subdivision (d) of Section 54956.9. One case.
3. CONFERENCE WITH REAL ESTATE NEGOTIATOR – Property Description: Gentry Property APNs 111-010-013, -014, and -015. District Negotiator: General Manager Whitelaw. Negotiating Parties: Liberty Utilities. Under Negotiation: Terms of Agreement.
4. CONFERENCE WITH LABOR NEGOTIATORS – Discussion pursuant to Section 54957.6. District Negotiators: General Manager Whitelaw and Chief Financial Officer Marple. Under Negotiation: IUOE Local 39 Memorandum of Understanding for Classified Employees.

**OPEN SESSION/PLEDGE OF ALLEGIANCE/REVIEW AGENDA**

President Lewis reconvened to Open Session to order at 3:08 p.m. The full Board was present.

**MOTION: President Lewis reported that the following action was taken in Closed Session and made the following announcement:**

1. The Corvin v. NTPUD matter has been settled.
2. Defendants are going to fund settlement in favor of Corvin in the sum of 1.2 million dollars, with any portion being paid on behalf NTPUD to be paid out of insurance proceeds.
3. Cross-defendants are going to fund settlement in favor of and payment to the NTPUD in the sum of \$100,000 net to the NTPUD.
4. By a vote of 5 in favor and 0 opposed, this has been approved and accepted by the NTPUD Board of Directors and Counsel of record is authorized to execute necessary documents to implement the settlement.

Staff in attendance included General Manager Whitelaw, Chief Financial Officer Marple, Park and Facilities Manager Towner, Engineering and Operations Manager Stelter, Utility Operations Manager Begin, HR/Risk Manager Lazzareschi, Contracts and Planning Coordinator Gibbons, Construction Administrator Butterworth, IT/Public Information Administrator Emmerich, and Executive Assistant/Board Secretary Potts.

Director Daniels led the Pledge of Allegiance. The agenda was reviewed and no changes were made.

**TIMED ITEM:**

**3:10 p.m. PUBLIC FORUM:**

Tahoe Vista resident Pam Berger thanked the Board and staff for the work being done to move forward with the dog park in the North Tahoe Regional Park, and advised of her intention to have a basic park to be fenced and open by Fall 2015. She advised the Board that Dog Day in the Park had raised \$3,700 toward the park at a golf tournament sponsored in part by President Lewis.

There being no other member of the public present to address the Board at this time, Public Forum was closed at 3:15 p.m.

**CONSENT CALENDAR:** The following consent calendar items were presented for approval. Director Bergmann noted his specific conflicts with accounts paid and payable.

1. Approve Accounts Paid in the amount of \$462,501.92 and Payable in the amount of \$597,610.91, with conflicts for Director Bergmann in the amount of \$1,291.49, for the period from April 14, 2015 through May 11, 2015.
2. Approve Minutes of the April 14, 2015 Regular Board Meeting.

**MOTION: Director Bergmann moved to approve the Consent Calendar noting his accounts paid and payable conflicts. Upon second by Director Ferrell, the motion carried unanimously (5-0) by roll call.**

**MANAGEMENT TEAM INFORMATIONAL UPDATES**

**General Manager/CEO Report**

General Manager Whitelaw highlighted the upcoming liability insurance program renewal scheduled for July 1, 2015. He noted that the District has received excellent service from John Sutak Risk Services, Inc. and Mr. Sutak has been proactive in assisting with claims. He noted that the Board may consider looking at other options by issuance of a request for proposals for the 2016-2017 fiscal year.

**Accounting Department Report for March 2015**

**a. Monthly Financial Statement**

**b. Treasurer's Report**

Chief Financial Officer Marple presented the District's financial statement and Treasurer's report through the month ending March 2015. The discussion focused on direction being sought from the Finance Committee regarding the designation of portions of the reserves for specific projects. The Treasurer's Report was discussed briefly.

**Park and Facilities Department Report**

Park and Facilities Manager Towner updated the Board on recent departmental projects, highlighting the dog park, and par course and nature trail improvements. She discussed the ropes/adventure course being considered at the park and impacts to the facilities. She also noted that due to the low water level in the lake, the Tahoe Vista Recreation Area will not be opened this season.

### **Planning and Engineering Department Report**

Contracts and Planning Coordinator Gibbons presented projects being worked on by the Engineering Department, highlighting progress being made on base facilities. She discussed the District's water conservation efforts and recent amendments made to regulations by the State.

### **Utility Operations Department Report**

Utility Operations Manager Begin advised of work being done by the operations crews including scheduled cleaning of the lake intake and water storage tanks. He also advised of his work with Chief Financial Officer Marple to create a budget for the upcoming fiscal year. Charts provided showing water use by the District and District customers, and a downward trend were discussed. Director Daniels requested that this information be shared with District customers on the District's website and in an upcoming newsletter.

## **NEW BUSINESS**

### **Introduction of Draft Budget for Fiscal Year 2015-2016**

General Manager Whitelaw highlighted the parameters of the budget being prepared for adoption in June. He requested that the Board reserve a date for a special meeting in the event that the budget cannot be adopted at the Public Hearing scheduled for the June 12<sup>th</sup> regular meeting. Chief Financial Officer Marple presented the proposed revenue and operating expenses which will be in the budget. Discussion focused on the recreation department advising that the department cannot continue to provide the existing level of service without assistance or a loan from the sewer department.

The Board of Directors requested a budget workshop be scheduled for further discussion to be focused on the District as a whole, and staff's recommendations for the specific needs of the recreation department.

## **TIMED ITEMS:**

### **4:30 P.M. PUBLIC OUTREACH PRESENTATION**

Information Technology/Public Information Administrator (IT/PIO) Emmerich presented the District's communication and public outreach plan. She asked for guidance on the Board's public outreach priorities, noting that the District is using its website, email, press releases, newsletters, flyers/brochures/posters, door to door communication, and social media for its outreach on drought awareness, Fats-Oils-Grease (FOG) and pipe clogging materials, and drought awareness. IT/PIA Emmerich noted particular challenges due to the demographics of the District's customers who utilize different social media, different age groups, homeowners versus renters, limited staff time, and budget constraints.

Director Thompson asked if the District needs an additional staff member assigned to public outreach specifically. He complimented Tahoe City PUD for its newsletter outreach. Director Bergmann concurred and also commended IT/PIO Emmerich for her

efforts. Director Daniels believed that hiring an outside public relations contractor would help in providing the public outreach needed. The Board also requested that IT/PIO Emmerich investigate the cost for videoing the Board meetings and placing the video online for customers.

### **5:00 P.M. NORTH TAHOE TOURISM MASTER PLAN**

North Tahoe Resort Association Executive Director Sandy Evans Hall presented an executive summary of the 2015 Draft Tourism Master Plan. She discussed the purpose of the plan to develop guidance for future tourism investment strategies designed to make North Lake Tahoe a national and international resort destination. Also present to assist in the presentation and discussion was Director of Partnerships and Community Planning Ron Treabess.

Executive Director Evans Hall provided a history of the process for creating the master plan, advising that the initial plan was created after the onset of a 2% Transient Occupancy Tax for the North Lake Tahoe area being approved by Placer County voters, and confirmed in 2012 for an additional ten years. Her presentation continued focusing on the financial impact visitors to the area has on the economy. The process for revising the plan includes extensive community outreach. Executive Director Evans Hall advised that after all comments are received and considered, the Draft Tourism is expected to be presented to the Placer County Board of Supervisors in the Fall of 2015.

### **NEW BUSINESS**

#### **Discussion of the Procedures for NTPUD Board of Director Election by Seat versus Election at Large and Term Limits**

General Manager Whitelaw opened the discussion and advised that Board Secretary Potts had researched the topic with Counsel Morris. He stated that the process is procedurally easy and requires only the passing of an ordinance to change the manner of election, but that the Board might consider placing an advisory question on the ballot in order to get input from the District's voters.

Director Daniels stated that she supported the process of elections at large, feeling the process is easier with all directors running for the Board. Director Ferrell stated that he believes that mudslinging which can occur during the election process is worse when running at large versus running by seat, or head to head, placing candidates in a position of running against all other candidates. Director Thompson stated that he is in favor of voting at large, but wants input from the public before such a change is made. He stated that there is 1 ½ years before the next election so does not want to rush this decision, and that he would also like to invite public comment on term limits.

The public present to comment on the election process included Joe Huelle and Alex Mourelatos. Both were in favor of changing the District's elections to at large. Mr. Mourelatos stated that there is angst over running against a specific director in a head to head race, and he believes more candidates would come forward with the change. Mr. Mourelatos stated that the change would provide for a more democratic process with the top vote getters being elected, and stated that in at large elections, candidates stay focused on the issues without distraction. Mr. Huelle stated that elections are a popularity contest and advised the Board to just go for it.

The Board requested that staff develop a plan for public outreach regarding changing the method for election of the District Board.

#### **BOARD OF DIRECTOR COMMENTS**

No comments.

#### **CLOSED SESSION**

President Lewis adjourned to closed session at 6:05 p.m. for discussion of Closed Session Item #4.

#### **ADJOURNMENT**

Closed Session Item #4 was discussed regarding Conference with Labor Negotiators, and President Lewis reported that no action was taken in closed session after reconvening to open session. There being no further business to come before the Board of the North Tahoe Public Utility District, the meeting was adjourned at 7:10 p.m.

Marianne J. Potts  
Board Secretary