

**MINUTES OF SPECIAL MEETING OF  
NORTH TAHOE PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS  
North Tahoe Event Center  
8318 North Lake Boulevard, Kings Beach, CA 96143  
Monday, March 10, 2014**

**CALL TO ORDER/ESTABLISH QUORUM**

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was changed to Monday, March 10, 2014 at the North Tahoe Event Center in Kings Beach, California. President Lewis called Closed Session to order at 8:30 a.m. Present were Directors Bergmann, Ferrell, and Thompson, Daniels, and President Lewis. The full Board was present, establishing a quorum.

**CLOSED SESSION AGENDA:** Pursuant to Government Code, the Board of Directors held a closed session to discuss the following listed 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 – EXISTING LITIGATION Discussion pursuant to subdivision (a) of Section 54956.9. Name of case: North Tahoe Public Utility District v. Diablo Contractors, Inc. a CA Corp., Coral Construction Company, an Oregon Corp., and DOES 1 through 50.
3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – Discussion pursuant to Section 54956.8. Property: 8318 North Lake Blvd., Kings Beach State Recreation Area. Agency Negotiator: General Manager Schultz. Negotiating Party: State of CA. Under Negotiation: Terms of Agreement.
4. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – Discussion pursuant to Section 54956.8. Property: Coon Street Boat Ramp/Parking Area (Assessor's Parcel Nos. 090-134-021 & -022 (8607 and 8603 Brockway Vista Avenue, 090-135-014 (No assigned address) and 090-141-001 (8628 Brockway Vista Avenue). Agency Negotiator: General Manager Schultz. Negotiating Party: State of CA, Division of Boating and Waterways. Under Negotiation: Terms of Lease Agreement.
5. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – Discussion pursuant to Section 54956.8. Property: Firestone Property, Assessor's Parcel Nos. 092-010-040, -041, -042, and 093-010-037, -038, -039. Agency Negotiator: General Manager Schultz. Negotiating Party: Placer County. Under Negotiation: Terms of Agreement.
6. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – Discussion pursuant to Section 54956.8. Property: 8308 North Lake Blvd., Sun and Sand Lodge, Assessor's Parcel No. 090-072-026. Agency Negotiator: General Manager Schultz. Under Discussion: Terms of Agreement.

**OPEN SESSION/PLEDGE OF ALLEGIANCE**

President Lewis called Open Session to order at 9:35 a.m. The full Board was present. President Lewis reported that no action was taken by the Board during Closed Session.

In addition to the Board of Directors, staff in attendance included General Manager/CEO Schultz, Chief Financial Officer Marple, Park and Facilities Manager Towner, Engineering and Operations Manager Stelter, Contracts & Planning Coordinator Gibbons, Construction Administrator Butterworth, Public Information/IT Manager Emmerich, and Executive Assistant/Board Secretary Potts. Counsel Eskind was also present.

Director Daniels led the Pledge of Allegiance.

**REVIEW AGENDA:** No additions or deletions were made to the agenda.

**TIMED ITEMS:**

**9:35 A.M. PUBLIC FORUM:** No members of the public were present to address the Board of Directors on non-agendized items under Public Forum, and it was closed at 9:36 a.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 and Payable for the period from February 11, 2014 through March 9, 2014
2. Approve Minutes of the February 11, 2014 Regular Board Meeting
3. Authorize General Manager to Execute Intergovernmental Grant Administration Agreement with South Tahoe Public Utility District for the 2014 United States Forest Service Grant for Fire Protection
4. Deny Claim against District for Sewer Backup at 8681 Rainbow Avenue in Kings Beach

**MOTION:** Director Daniels moved to approve the Consent Calendar, with noted accounts paid and payable conflicts for Director Bergmann. Upon second by Director Bergmann, the motion carried unanimously (5-0) by roll call vote.

**10:00 A.M.: Andy Chapman of North Lake Tahoe Resort Association (NLTRA) – Request for Continued Use of Kings Beach State Recreation Area (KBSRA) and North Tahoe Event Center for 2014 and Future Years for IRONMAN Triathlon (New Business Item G-2)**

Mr. Chapman presented a video created by the NLTRA promoting IRONMAN and the North Lake Tahoe area. He noted that the event was not sold out for 2014, and discussed challenges faced by the planners which includes changes to the course, and the addition of head inside the changing tents. President Lewis stated his desire to encourage local grant funding for extension of the pier at KBSRA, and completion of the track around the soccer field at the North Tahoe Regional Park. Director Daniels noted that although the District donated use of the KBSRA and Event Center for the event in 2013, she requested that NLTRA quantify the benefit to the community, and expressed the community's assessment that the financial benefit was seen in Northstar and Squaw Valley. Mr. Chapman stated that Northstar had not seen as significant an increase in tourism as Squaw Valley had experienced. He also asked about the District's valuation of its costs, requesting actual costs versus calculations showing what he considered to

be optional services and hypothetical loss of income. He stated that in order to expand business around the region which was centered in Squaw Valley in 2013, an athlete dinner on Friday preceding the event will be replaced by a dining coupon for participating restaurants in the entire region. Director Bergmann requested Transient Occupancy Tax (TOT) collected which could be credited to the event. Mr. Chapman advised that income in the third quarter of 2013 had been 15% above any previous third quarter in the North Tahoe area. He also indicated an increase in tourism dollars during October 2013 due to visitors who scheduled weddings and other events after the IRONMAN. President Lewis asked that the IRONMAN be discussed jointly with the NLTRA to solicit input from the community in a Public Forum.

**MOTION: Upon motion by Director Thompson and second by Director Bergmann, the Board voted unanimously (5-0) to support use of the KBSRA for the 2014 IRONMAN with parameters and costs to be deliberated during future discussions.**

## **MANAGEMENT TEAM INFORMATIONAL UPDATES**

### **Accounting Department Report**

#### **a. Monthly Financial Statement for January 2014**

#### **b. Treasurer's Report**

Chief Financial Officer presented the Financial Statement and Treasurer's Report. Both reports were discussed briefly.

### **Park and Facilities Department Report**

Park and Facilities Manager Towner discussed creation of a Special Events Committee, recent projects, deferred maintenance, equipment needs of the department, and procedures for reinstatement of the Recreation and Parks Commission. Director Daniels, Recreation and Parks Committee member, stated that the Special Events Committee would include Staff, local residents, and business owners from the area. In an update about the Dog Park, PFM Towner advised the Board that the plan was being completed by an architect for presentation.

### **11:00 A.M.: Paul Reder of PR Entertainment, Inc. (PRE) – Request to hold Concert on July 19th & 20th with Overnight Camping on July 19th at the North Tahoe Regional Park**

Mr. Reder presented his professional background to the Board, and a request to produce a two-day concert at the North Tahoe Regional Park (NTRP) with overnight car camping. Andy Chapman of the NLTRA provided an endorsement of his experience with PRE, stating that these events have been well managed and successful. Directors Thompson and Ferrell supported planning the concerts in the NTRP with consensus of the Board. President Lewis asked for Staff's recommendation after soliciting input from Placer County Sheriff's Department, North Tahoe Fire Department, and mitigating concerns from the community in the neighborhoods surrounding the park. Staff was directed to keep the Board updated on the planning process.

## **MANAGEMENT TEAM INFORMATIONAL UPDATES (Continued)**

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

Contracts and Planning Coordinator Gibbons presented the Planning and Engineering Department Report, including project updates. The beach raking permit schedule for raking and grading was discussed.

### **Utility Operations Department Report**

Engineering and Operations Manager Stelter commended Utility Operations crews for work done at Chinquapin, noting that work was completed in response to the homeowner's association review of the District's televising and maintenance records. Current maintenance records are being provided to Chinquapin Homeowners' Association (CHOA). Mr. Stelter stated that General Manager Schultz was going to present his findings after researching District records regarding maintenance responsibility at condominium subdivisions throughout the District later in this meeting.

### **NEW BUSINESS**

#### **Approve 2014/2015 Budget Parameters**

Chief Financial Officer Marple invited questions or comments from the Board of Directors on the budget parameters as presented for Fiscal Year 2014/2015. The Board inquired about the cost of the position for IT. General Manager Schultz advised that he would study the cost for the position, giving consideration to the benefits of an internal position versus utilizing a consultant. No further discussion.

**MOTION: Upon motion by Director Bergmann and second by Director Thompson, the Board approved the Budget Parameters set forth for Fiscal Year 2014/2015 unanimously (5-0).**

### **OLD BUSINESS**

#### **Research regarding Responsibility for Sewer Facilities for Condominium Subdivisions within District Boundaries**

General Manager Schultz presented preliminary findings for Chateau Chamonix, Heratage Cove, and Tahoya Shores which are not maintained by the District. Chinquapin has been researched and District responsibility was transferred to the homeowners as of January 20, 2014 by Board action. No change is recommended for these Condominium Subdivisions. Brockway Springs sewer system is maintained by the District as it was accepted by Resolution as part of Sewer Assessment District A-52, therefore no change is recommended. Further research is required to determine the extent of the District's responsibility for sewer facility maintenance at Carnelian Woods, Kings Run, and Kingswood Village. General Manager Schultz shall research these subdivisions and provide a recommendation for Board review in May.

#### **Base Facilities Update**

Engineering and Operations Manager Stelter stated that staff modified the floor plan originally presented to include a large meeting space for public meetings. New floor plans were not available for review, but are expected before next month's meeting.

Director Ferrell stated that he wants to separate the Base Facilities project from the Park Maintenance Building so that they will be permitted, advertised, and bid as two separate projects. The Board concurred with this recommendation.

## **GENERAL MANAGER/CEO COMMENTS**

General Manager Schultz noted Mr. Polivy's correspondence item which commented on the District's Press Release regarding KBSRA, and commended District employee, Janine Dougan, for her years of service and recent award for Past Presidency of the California Water Environment Association (CWEA) Sierra Section.

## **BOARD OF DIRECTORS COMMENTS**

Chinquapin HOA General Manager, Bob Duffield, thanked staff for their assistance in resolving issues brought forth by a third party review of the current sewer facilities maintenance records provided to CHOA.

## **CORRESPONDENCE**

Correspondence was reviewed without discussion.

1. Letter from Customer commending North Tahoe Event Center Staff
2. Correspondence from Special District Risk Management Authority regarding Longevity Distribution
3. CWEA Letter of Commendation for Sierra Section Past President, Janine Dougan
4. Email from David Polivy regarding District Press Release

## **TIMED ITEM:**

### **12:00 P.M.: Kings Beach State Recreation Area Update and Public Comment**

President Lewis opened Public Comment at 12:00 p.m. and advised those present that KBSRA is a public facility which is important to the community, and the District wanted to advise the public the State's plans for the facility. He stated that the District had received correspondence from State Parks indicating that as of November 1, 2014, the State planned to operate and maintain the beach and parking lot, and tentatively planned to close the KBSRA from November through March of each year. He advised that the District has managed the area since it opened in 1978 and has kept it open year-round since that time, and is willing and able to continue managing the property if a long-term agreement could be reached with the State. The Board asked for public comment.

Duane Whitelaw, local resident, former Parks Director (1985-1991), and Placer County Parks Commissioner, addressed the Board noting that KBSRA is a highlight for visitors to the area. He supports the District continuing management of the park due to the stability of locally generated revenues, and the availability of local government for public input, especially when there is a problem. The District's budget and enterprise funding was discussed, and he was advised that revenues received at KBSRA were spent at the facility. Mr. Whitelaw stated that he supports the District's position not to fund the facility with Community Facilities District (CFD 94-1) revenues unless the District either owns the property or a long term agreement can be reached.

Former NTPUD General Manager, John Hassenplug, stated that as a key facility for Kings Beach, KBSRA will only increase its importance to the community with the improvements being completed by Placer County in its commercial core project. He stated it is important to keep KBSRA under the control of local government so that any problems can be resolved effectively by the District who has extensive experience and the skill set to do so.

Community member, Meera Beser stated that the District has shown commitment by virtue of the revenue/loss statements over the years. The District has remained responsive to the needs of the community versus expecting the needs to coincide with a convenient seasonal schedule. She asked for an explanation as to why the State is taking control of the property at this time. General Manager Schultz stated that State Parks has gone through tremendous turnover, and the lack of a cohesive chain of leadership has stymied negotiations throughout the process, ongoing since 2006.

Robert Cramer, community member and member of the Kings Beach Downtown Association who stated that he was speaking for himself, advised that he was supportive of keeping local government in control of the facility.

Park and Facilities Manager Towner stated that in 2009, at the same time that the State was cutting services, the District increased its level of service in response to the requirements for providing good maintenance of the facility. In addition to scheduling increased trash pickups and additional dumpsters at KBSRA, in the last year, the District has sought and obtained a beach grading permit, and continues to seek additional ways to increase performance.

President Lewis asked for Directors' comments. Director Daniels stated that the District's position to continue operating KBSRA is in response to community input. Director Thompson noted that the State's plan to close the parking lot would be at the very time it is needed the most when back street parking is not viable due to snow, ice, and inclement weather. Director Bergmann suggested that staff prepare a report for the State about the levels of service required to adequately maintain KBSRA.

President Lewis encouraged the public to attend the Town Hall Meeting being hosted by Senator Gaines at 6:00 p.m. on March 20<sup>th</sup> at the North Tahoe Event Center.

Public Comment was closed at 12:55 p.m.

## **ADJOURNMENT**

There being no further business to be brought before the Board of Directors, the meeting was adjourned at 12:56 p.m.

Marianne J. Potts  
Board Secretary