

**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, August 12, 2014**

CALL TO ORDER/ESTABLISH QUORUM

The Regular 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, August 12, 2014. 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 8:30 a.m. and identified closed session items for discussion as listed below before adjourning to Closed Session at 8:35 a.m.

CLOSED SESSION AGENDA: Pursuant to Government Code, the Board of Directors held a Closed Session to discuss 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 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.
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.

OPEN SESSION/PLEDGE OF ALLEGIANCE

President Lewis called Open Session to order at 9:30 a.m. The full Board was present. President Lewis reported that there was no action taken during Closed Session.

Staff in attendance included General Manager/CEO Schultz, Chief Financial Officer Marple, Park and Facilities Manager Towner, Engineering and Operations Manager Stelter, Contracts and Planning Coordinator Gibbons, Construction Administrator Butterworth, and Executive Assistant/Board Secretary Potts. Counsel Eskind was also present.

Director Daniels led the Pledge of Allegiance.

REVIEW AGENDA: No changes were made to the agenda.

TIMED ITEMS:

9:35 a.m. PUBLIC FORUM:

District customer, Paul Wood, was present to address the Board regarding the District's billing format for its water and sewer bills. He stated that he found them difficult to read

and interpret. He had recently experienced a water overage over the past three months and wanted the District to advise customers of excessive use over ordinary for their property. He asked for relief on his water bill, and was advised of the District's process for requesting relief on water bills. No other members of the public were present to address the Board on unagendized subjects. Public Forum was closed at 9:45 a.m.

9:45 A.M. – Adopt Resolution 2014-12 of the North Tahoe Public Utility District Board of Directors Implementing Stage 2 Mandatory Water Conservation Measures and Establishing Enforcement Plan

Contracts and Planning Coordinator Gibbons advised that the goal of the water conservation measures mandated by the State of California is to reduce consumption overall by 20%. In addition to State monitoring and reporting, Stage 2 mandatory water conservation measures include irrigation being limited to certain hours of the day, no over-irrigating/runoff, and no washing down of sidewalks, driveways, etc. The District's enforcement plan is tiered to give a preliminary warning, a secondary violation notification which must be complied with in five days after which a \$100 per day fine would be issued. If a third violation notification is issued, there will be a \$250 per day fine assessed for two days after which the customer's water will be turned off.

MOTION: Upon motion by Director Bergmann, and second by Director Ferrell, the Board voted unanimously (5-0) by roll call to adopt Resolution 2014-12 Implementing Stage 2 Mandatory Water Conservation Measures and Establishing an Enforcement Plan.

10:00 A.M. Placer County Executive Officer David Boesch/Discussion regarding Firestone Property; and 10:30 A.M. Dollar Creek Shared Use Trail Project Update (10:00 A.M. and 10:30 A.M. Timed Items combined)

Mr. Boesch introduced Peter Kraatz of the Placer County Public Works Department who showed the meeting attendees a Power Point presentation regarding the project. He advised that funding is available for the project construction with \$3.4 million from Federal Lands, \$985,000 from the California Tahoe Conservancy and Placer County Transient Occupancy Tax (TOT). Mr. Kraatz noted that the class 1 trail segment to be implemented in 2015 will provide progress toward the common goal held by the District, County, CTC and Tahoe Regional Planning Agency (TRPA) to provide a non-automotive transportation alternative around Lake Tahoe. Mr. Kraatz discussed the maintenance commitment of the District, and the County's willingness to assume the District's maintenance responsibilities with the transfer of the Firestone Property to the County.

The public presented comments regarding the trail, funding sources for operation and maintenance of the trail, completion of the rest of the trail to Tahoe Vista, and inquired about Placer County's intent to place jail facilities on the site. Mr. Boesch explained that this property is one of the potential sites for the justice center, and would be considered alongside the other available sites.

Mr. Boesch stated that the County will be forced to forgo the Federal funding if the County and District are unable to reach an agreement for control of the site. General Manager Schultz noted that the District is anxious to move forward with the trail and had fully complied with the specific easement requests for 2.86 acres from County Counsel's

request for easements to enable trail construction. In exchange for providing the easements (2.86 acres of the 85 acre property), Counsel Eskind stated that the District had requested that it is not responsible for operation and maintenance of the trail planned and constructed by Placer County. President Lewis asked Counsel Eskind to clarify the easement documents to show the responsibility to be assumed by Placer County to be only the 2.4 mile section within the easement on the Firestone Property, and to bring the revised easement document back to the Board for approval.

President Lewis stated that it was the consensus of the Board to grant the easements requested by Placer County Counsel, but not acquisition of the property to the County.

A short break was held at 11:25 a.m. The meeting reconvened at 11:30 a.m.

2014 Outdoor Summer Concert Series Update (11:00 A.M. Timed item was held at 11:30 A.M.)

Park and Facilities Manager Towner presented the public input received regarding the concert series. She advised that the Recreation and Parks Commission had discussed the concert series and listened to input from the community at a commission meeting, stating that a full house was present, many of whom felt that the District had not been responsive to the needs of the surrounding community. Ms. Towner stated that the District needs to provide more information about future concerts and wanted to lessen the impact of the events on the surrounding communities as much as possible.

Public concerns surrounded the type of music and attendees, noise violations of the permit issued for the events, fire danger, crime, wildlife endangerment, and a request for a financial and environmental analysis.

The Board directed staff to place further discussion of the concert series on next month's agenda as a timed item. The Board consensus was to hold a public hearing regarding future concerts after a fiscal and benefit analysis are complete.

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

1. Approve Accounts Paid and Payable for the period from July 8, 2014 through August 11, 2014.
2. Approve Minutes of the July 8, 2014 Regular Board Meeting and July 28, 2014 Special Board Meeting
3. Authorize General Manager to Execute a Agreement for Placer County Beach Maintenance for 2014-2016.

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

MANAGEMENT TEAM INFORMATIONAL UPDATES

Accounting Department Report

- a. Monthly Financial Statement for June 2014
- b. Treasurer's Report

Chief Financial Officer Marple presented the Financial Statement and Treasurer's Report for June 2014. The Board discussed expenses incurred in preparation to give Kings Beach State Recreation Area (KBSRA) back to the State for maintenance and operations. Director Daniels noted increased costs in May for KBSRA reflected increased work at the park to present it to the State in good condition.

Park and Facilities Department Report

Park and Facilities Manager Towner reported to the Board regarding Park and Facilities Superintendent Kim Ingstad's retirement, recent work performed by Parks staff, and advised of a bocce ball league held on Thursday nights. Director Thompson stated that he had received a letter from the Recreation Commission Chair, Dave Shaw, about concerns about the Parks Department budget. Park and Facilities Manager Towner advised Director Thompson that she had held a budget workshop for the Commission on June 23rd and Chief Financial Officer Marple had made himself available to meet with any Commissioner who would like further explanation or detail regarding any aspect of the budget. Ms. Towner will also provide each Commissioner with a copy of the budget when available.

Planning and Engineering Department Report

Engineer Stelter presented his department's report to the Board. The Board had no questions.

Utility Operations Department Report

Utility Operations Manager Begin presented highlights of his report including water leaks being fixed including a leak on Canterbury. He advised the Board that property owner David Nestle expressed concerns about work done on the water lines in the Kingswood Village area two years ago.

NEW BUSINESS

Award Bid and Authorize General Manager to Execute Agreement for Kingswood 500 Tank and Booster Demolition/Griff Creek Restoration Project (#1114)

Engineer Stelter stated that he is recommending award of the project to the sole bidder, Olcese Construction as the bid was within the engineer's estimate. Regrading and revegetation of the tank site adjacent to Griff Creek is grant funded as restoration. Mr. Stelter noted that this revegetation project meets a condition of the Zone 1 Tank in lieu of water quality mitigation fees.

MOTION: Director Bergmann moved to award the bid and authorize General Manager Schultz to execute the agreement for Kingswood 500 Tank and Booster Demolition and Griff Creek Restoration Project to Olcese Construction in the amount of \$242,562.50.

Adopt Resolution 2014-12 of the North Tahoe Public Utility District Implementing Stage 2 Mandatory Water Conservation Measures and Establishing Enforcement Plan (Timed Item heard earlier at 9:45 A.M.)

Placer County Executive Office David Boesch – Discussion and Possible Action regarding Transfer of Firestone Property to Placer County (Timed Item heard earlier at 10:00 A.M.)

Consider North Tahoe Event Center Room Reservation Request from Tahoe Neighborhood Table/North Tahoe Family Resource Center

Community member, Meera Beser, was present to make a request for gratis room rental at the Event Center for the Fourth Annual Community Thanksgiving, a Winter Clothing Drive, and Family Soup and Game Night during the winter months.

MOTION: Director Ferrell moved to authorize the gratis room rental for the events requested. Upon second by Director Bergmann, the motion carried unanimously (5-0).

OLD BUSINESS

Peter Kraatz – Dollar Hill Shared Use Trail Project Update (Timed Item heard earlier at 10:30 A.M.)

2014 Outdoor Concert Series Update (Timed Item heard earlier at 11:30 A.M.)

GENERAL MANAGER/CEO COMMENTS

General Manager Schultz thanked the Board for their approval of the agreement for the new base administration facilities. He noted that the contractor would be breaking ground on Monday, August 25th. President Lewis requested a groundbreaking ceremony be held prior to construction, and the date and time were set for Friday, August 22nd at 10:00 A.M. General Manager Schultz brought the Board's attention to correspondence included in the packet.

BOARD OF DIRECTORS COMMENTS

Director Bergmann announced that Dog Day at the Park will be on Sunday, September 7th and a ribbon cutting will take place at 1:00 p.m. during the event at the site of the new dog park. Director Ferrell wants to begin the campaign for a new Community Facilities District to support the District's park services.

CORRESPONDENCE

The following correspondence was presented in the Board packet.

1. Correspondence from Placer County regarding transfer of Firestone Property
2. Placer County LAFCo Special District Representative Election Results

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:55 p.m.

Marianne J. Potts
Board Secretary