

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

**Tuesday, September 10, 2013**

**CALL TO ORDER/ESTABLISH QUORUM**

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, September 10, 2013 at the North Tahoe Event Center in Kings Beach, California. President Lewis called Closed Session to order at 8:00 a.m. Present were Directors Bergmann, Daniels, Ferrell, Thompson 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. All references are to the Government Code.

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: Equal Employment Opportunity Commission (EEOC) Charge: Christopher Cannizzaro v. North Tahoe Public Utility District
3. 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.
4. 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.
5. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – Discussion pursuant to Section 54956.8. Property: “Stoker Property” – APN 090-121-010, -011, -026, -027, 090-122-030, -031, -033, and -034. Agency Negotiator: General Manager Schultz. Negotiating Party: Joseph Huelle. Under Negotiation: Terms of Agreement.

President Lewis called Open Session to order at 9:30 a.m. President Lewis reported that during Closed Session, direction was given to General Manager Schultz that the Board is in principal willing to accept an offer for the Stoker property, to continue negotiations with Mr. Huelle, with further direction to be given at the October meeting. No other action was taken by the Board during Closed Session.

**PLEDGE OF ALLEGIANCE**

Director Daniels led the Pledge of Allegiance.

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

**REVIEW OF AGENDA:** No changes were made to the agenda.

**PUBLIC FORUM (9:35 a.m.):** Pam Berger, organizer of Dog Day in the Park, thanked the Board for use of the North Tahoe Regional Park and reported that the event grossed \$11,000 in revenues toward the designated dog park. No other members of the public were present to address the Board on unagendized items so Public Forum was closed.

**CONSENT CALENDAR:** The following consent calendar items were presented for approval. Director Bergmann noted his specific conflicts with accounts paid and payable. Director Thompson noted that the Recreation and Parks Committee recommends the District Parks and Facilities Naming Policy being considered. Director Bergmann asked that language in the policy be changed so that the District would purchase any plaques placed in the park in order to ensure District approval, and that if damaged, the District would remove or repair. He did not want the District to be responsible for repairs due to vandalism or natural aging, and wanted the policy to reflect this. All items remained on the consent calendar.

1. Approve Accounts Paid and Payable for the period from August 13, 2013 through September 9, 2013.
2. Approve Minutes of the August 13, 2013 Regular Board Meeting
3. Authorize General Manager to Execute Intergovernmental Grant Administration Agreement with South Tahoe Public Utility District for the 2013 United States Forest Service Grant for Fire Protection
4. Adopt Resolution 2013-12 Establishing Signatures for Park and Facilities Administrative Checking Account at Bank of the West
5. Adopt Policy for Naming of District Parks and Facilities
6. Authorize General Manager to Execute Agreement with Western Engineering Contractors, Inc. for the Tahoe Vista Recreation Area Detention Basin Repair in the amount of \$71,500 and Authorize 10% Contingency (#1422)

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

## **MANAGEMENT TEAM INFORMATIONAL UPDATES**

### **Accounting Department Report**

#### **a. Review and Discuss Monthly Financial Statement through July 2013**

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

Chief Financial Officer (CFO) Marple presented the Financial Statement and Treasurer's Report for July 2013. No comments or questions.

### **Introduction of Park and Facilities Manager, Tracey Towner**

General Manager Schultz introduced the newly hired Park and Facilities Manager, Tracey Towner, and provided the Board with information regarding PFM Towner's experience and background. Most recently, Ms. Towner had been the Executive Director of the Amador County Recreation Agency.

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

On behalf of the Board, President Lewis welcomed Park and Facilities Manager Towner. PFM Towner thanked General Manager Schultz and President Lewis, and stated that she feels blessed for the opportunity to work with the District, and a Board who invests in the amenities. She stated that she had found the employees to be a positive group, and stated her desire to work toward development of deferred maintenance funding. She stated she is happy to provide any information the Board would like in order to direct the Department.

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

Engineering and Operations Manager (EOM) Stelter presented his report, updating the Board on current projects including the Dollar Pump Station Rehabilitation Project, completion of the Zone 1 Water Storage Tank, and New Base Facilities for which the plans would be going out within the week of the Board meeting. He noted that Western Engineering, the contractor for the Minnow Water Main project would be mobilizing that day. PEM Stelter credited Contracts and Planning Coordinator (CPC) Gibbons for her work in holding a Sustainable Landscape Workshop at the North Tahoe Event Center on August 20th. He advised the Board that the District would be holding a Public Hearing for the adoption of the District's Sanitary Sewer Management Plan.

CPC Gibbons stated that she would be holding another Sustainable Landscape Workshop in the Spring of 2014. She noted her attendance at the Lake Tahoe Summit, and said that the 2013 Restoration Act will offer increased grant amounts over recent years for water main replacements.

### **NEW BUSINESS**

#### **Proclamation 2013-02 Commending Kathy Long for Outstanding Service and Leadership to the District**

President Lewis thanked former Park and Facilities Manager Long for her service and read the proclamation of the Board commending Ms. Long. The Board members thanked Ms. Long and wished her the best in her retirement. Former PFM Long stated that the Park and Facilities staff is responsible for the success of the department.

### **OLD BUSINESS**

#### **Meeting and Discussion with Executive Director Patrick Wright of the California Tahoe Conservancy (CTC) regarding Kings Beach State Recreation Area (KBSRA), CTC Parcels, and Coon Street Boat Ramp.**

CTC Executive Director Patrick Wright addressed the Board, thanking them for their perseverance in working with State Parks and the CTC in formation of an operating agreement for the KBSRA, and thanking General Manager Schultz and Counsel Eskind for their efforts for their negotiating efforts. He noted that the process began for or more years ago with General Manager Steven Rogers. He stated that recent changes include new leadership within State Parks, and the Department of Boating

and Waterways (DBW) now a division of the Parks Department. He noted that State Parks now has more flexibility with funding throughout Parks Facilities, and all involved departments are enthusiastic about moving forward with an extended pier at KBSRA. He is hopeful that we will soon be able to work toward finalizing an operating agreement for the KBSRA. President Lewis thanked Mr. Wright and the CTC on behalf of the Board for working toward an agreement beneficial to both agencies. He stated that he is hopeful that we can reach an agreement within the next two months in order to move forward with deferred maintenance that cannot be completed until an operating agreement is reached.

**TIMED ITEM: Andy Chapman of the North Lake Tahoe Resort Association (NLTRA) IRONMAN Triathlon Update**

Mr. Chapman described the traffic management plan, staging area, local public and business communication efforts related to the IRONMAN Lake Tahoe scheduled for September 22<sup>nd</sup>. He thanked the Board for its support, and looked forward to the event and the after-meeting for discussion about the following year.

**TIMED ITEM: Brockway Springs Homeowners Association (HOA) discussion regarding Cross Connection Regulations**

Brockway Springs HOA Vice President George Orenstein described the system which allows for hot spring water to be piped into units. The development was planned and built in the early 1990s at which time he stated that the District approved the plans. He stated that District staff, including Inspector Dale Thompson and Water Quality Technician Robin Runyon, was aware of the hot springs system. He also stated that he did not believe that regulations had changed since 1987. He contended that there is no likelihood of cross contamination with the District's system.

President Lewis asked staff to respond to the statements made by Mr. Orenstein. Operations and Engineering Manager Stelter stated that although cross contamination of the District's water supply was unlikely, State regulations offer no shades of gray when eliminating cross connections, and staff has noted at least two cross connections. OEM Stelter noted that the District must follow the State Code and should the HOA get an exception or approval from the State, the District will follow their recommendation. If the State rules against allowing the system, the District will work with the HOA to disconnect the auxiliary system or install the required backflow device in the best location.

Director Ferrell noted that in the 1990s the District Engineer Lee Schegg approved the location of the auxiliary system in the street. A backflow device should have been installed at that time. President Lewis stated that when a potential cross connection is discovered or brought to the District's attention, it must follow the State regulations. President Lewis requested that the HOA obtain a ruling from the Department of Health Services, and the District will abide by those findings.

**Utility Operations Department Report**

Operations and Engineering Manager Stelter presented the Utility Operations Department Report in Utility Operations Manager (UOM) Begin's absence. The Board of Directors reviewed the report with questions from Director Bergmann and Director

Daniels regarding sewer callouts and a water leak on Highway 267. No further discussion was held on the reports.

**NEW BUSINESS (Continued)**

**Consider Porter Simon letter dated August 26, 2013 and Rescission of Direction given General Manager/CEO Schultz on April 16, 2013 regarding negotiating a Maintenance Agreement for the Sewer Facilities within Chinquapin.**

The Board discussed the letter and took the following action.

**MOTION: Director Thompson moved to take the following action: Since the direction given to General Manager/CEO Schultz on April 16, 2013 relative to the request by Chinquapin HOA Manager Duffield that the District negotiate a maintenance agreement was superseded on May 22, 2013 by a formal motion in Open Session, the Board hereby rescinds and declares the direction given to General Manager/CEO Schultz on April 16, 2013 null and void. This shall not be construed to be a waiver of any of the provisions of the Brown Act, including the provisions of Government Code Section 54960.1. Upon second by Director Bergmann, the motion carried unanimously (5-0).**

**GENERAL MANAGER/CEO AND BOARD OF DIRECTORS COMMENTS**

General Manager Schultz stated that he is very happy with the newly hired Park and Facilities Manager, and said that she was recommended as being able to find funding where none exists.

He noted that he would be on vacation from September 21<sup>st</sup> through October 3<sup>rd</sup>.

Director Thompson requested that the dog park and finding sources remain on the agendas in the future. Director Ferrell noted that by coincidence he encountered a member of the Board from the Amador County Recreation Agency who provided high recommendation of Ms. Towner who had stated that she had built their recreation agency from the ground up. President Lewis commended staff and counsel for the clarity of the action needed at this meeting, and thanked the Board members for their professionalism and goals for the community.

**ADJOURNMENT**

The meeting was adjourned at 11:50 a.m.

**Marianne Potts  
Board Secretary**