

**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, October 8, 2013

CALL TO ORDER/ESTABLISH QUORUM

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, October 8, 2013 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, 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 no action was taken by the Board during Closed Session.

PLEDGE OF ALLEGIANCE

Director Daniels led the Pledge of Allegiance.

In addition to the Board of Directors, staff in attendance included General Manager/CEO Schultz, Chief Financial Officer Marple, Parks and Facilities Manager Towner, Engineering and Operations Manager Stelter, Utility Operations Manager

Begin, Contracts & Planning Coordinator Gibbons, and Executive Assistant/Board Secretary Potts. Counsel Eskind was also present.

REVIEW OF AGENDA: Mr. Michael Hope was present at the meeting to discuss correspondence which was included in the Board packet. This discussion was moved to follow public forum.

PUBLIC FORUM (9:35 a.m.): Mr. Bob Habeger was present to request a transfer of sewer allocations from private property under his ownership to property at which he is starting a business, which is not under his ownership. Contracts and Planning Coordinator (CPC) Gibbons stated that Mr. Habeger was present to begin the variance process after determining if the Board was receptive to his request. Ms. Gibbons noted that business improvements in the Kings Beach Commercial Core would increase this type of request, and the Board would need to make a determination. He was advised that permits transferred would stay with the property to which they are transferred. Director Thompson wants the Sewer Ordinance to be more business friendly. President Lewis does not believe that this would have a negative impact on the District, and would like to give consideration to such requests on a case by case basis. A consensus of the Board directed that General Manager Schultz, CPC Gibbons, and Counsel Eskind work with Mr. Habeger if a variance is requested to try to comply with his request without creating a commodities market for sewer permits. Mr. Habeger requested a waiver of the \$1,000 fee required for a Variance Request, however a waiver was not granted. No other items were discussed under Public Forum, and it was closed at 9:50 a.m.

Correspondence from Michael and Bonnie Hope regarding Sewer Line at 435 Bear Street, Kings Beach, CA

Mr. Hope advised the Board that he purchased the property at 435 Bear Street without knowledge of the sewer line which runs under a structure through the middle of his property. He requested that clear and consistent procedures be developed, and reimbursement for costs to run a new sewer lateral to the main which he completed.

CPC Gibbons reported that she began working with Mr. Pope and discovered that the sewer lateral serving the property was not within the easement in July 2013. Three structures were originally on the same parcel, and under the same ownership. In 2003, a letter was sent to the owner of 435 Bear informing them that the sewer lateral must be built within an easement recorded between the two property owners. General Manager Schultz noted that since Mr. Hope owns both properties, there is no violation of the District's Sewer Ordinance, nor a requirement relocate the sewer line in this situation. He noted that public records held by the District records are available for review and advised Mr. Hope of the process for making a Public Records Request.

PUBLIC HEARING: 2013 Sanitary Sewer Management Plan

President Lewis opened the Public Hearing at 10:10 a.m. Director Ferrell addressed clarifications he recommended within the document which he noted were minor in nature. He requested that these recommendations be reviewed with changes made, if necessary.

MOTION: Director Ferrell moved to adopt the 2013 Sanitary Sewer Management Plan after review of his comments, making changes or clarifications as needed. Upon second by Director Daniels, the motion carried (5-0).

President Lewis commended staff for completing the document in-house, and closed the Public Hearing at 10:30 a.m.

CONSENT CALENDAR: The following consent calendar items were presented for approval. Director Bergmann noted his specific conflicts with accounts paid and payable. Director Thompson requested a discussion regarding Items 5, 7, and 8.

1. Approve Accounts Paid in the amount of \$295,737.71 and Payable in the amount of \$111,546.18 for the period from September 10, 2013 through October 7, 2013 with conflicts for Director Bergmann in the amount of \$2,316.38.
2. Approve Minutes of the September 10, 2013 Regular Board Meeting
3. Adopt Resolution 2013-13 Authorizing Withdrawal from 1988 Joint Powers Agreement relating to the California Special Districts Finance Authority
4. Approve Claim against District for Cleanup at 1136 Regency Way on August 20, 2013 for Sewer Overflow inside Home
5. Authorize Budget Adjustment, Award Bid, and Authorize General Manager to Execute Agreement for Snow Removal
6. Award Bid and Authorize General Manager to Execute Agreement for the National Avenue Water Treatment Plant Lake Intake Pump Replacement (#1319)
7. Authorize General Manager to File Notice of Completion for Zone 1 Water Storage Tank (#0833)
8. Authorize General Manager to Execute Extension of Winter Concession Agreement with North Tahoe Winter Adventures
9. Declare Equipment and other Items no longer used or useful as Surplus for Sale, Donation and/or Disposal

Director Thompson expressed concern over the cost for snow removal and the agreement to be awarded. He believes that a time and materials agreement would be fairer to the District and the contractor. Director Daniels inquired about the possibility of extending the current agreement for one additional year, but was advised that it was not possible. Director Daniels tabled the item until a discussion could be arranged with B & G Excavation, Inc., the bidder. This item was removed from the Consent Calendar.

Director Thompson inquired why the Zone 1 Water Storage Tank (Consent Calendar Item #7) was over budget by 5%, and was advised that the overage was created by Change Orders to the project. This item remained on the Consent Calendar.

Park and Facilities Manager Towner explained why she requested a one year extension of the Winter Concession Agreement with North Tahoe Winter Adventures (Consent Calendar Item #8). She would like to solicit bids for the concession in the spring allowing for a competitive bid process. This item remained on the Consent Calendar.

MOTION: Director Bergmann moved to approve the Consent Calendar Items 1-4, and 6-9 (all except Item 5 which was removed from the calendar) with noted

accounts paid and payable conflicts for Director Bergmann. 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 August 2013

b. Treasurer's Report

Chief Financial Officer (CFO) Marple presented the Financial Statement and Treasurer's Report for August 2013. Kings Beach State Recreation Area revenues and expenses were discussed.

Park and Facilities Department Report

Park and Facilities Manager (PFM) Towner presented recent projects being completed by staff. She noted that she was currently looking at rate structures, and Director Ferrell stated that soccer field rentals needed to be increased. PFM Towner advised the Board of her plan to capture parking revenues at Kings Beach State Recreation Area and in the North Tahoe Regional Park. She plans to complete an economic impact analysis which will help garner more funding from the North Lake Tahoe Resort Association. The District's expenses and lost revenue associated with the Ironman event were also discussed.

Authorize Budget Adjustment, Award Bid, and Authorize General Manager to Execute Agreement for Snow Removal

Consent Calendar Item #5 was reopened for further discussion. Guy Meerschaert and Brad Jurach of B & G Excavation, Inc. were present, stating that they lost money on performance of the snow removal completed over the last few years on a time and materials basis due to the staffing required for the agreement. Discussion included shortening the season and dates of the agreement, and staff was directed to review the dates snow removal was completed over the last few years to see if this would be an option for a change order after awarding the contract.

MOTION: After discussion, Director Bergmann voted to award the bid and authorize a budget adjustment, and to authorize General Manager Schultz to execute an agreement with B & G Excavation Inc. for Snow Removal for the District. Upon second by Director Ferrell, the Board motion carried with 3 ayes (Directors Bergmann, Daniels and Ferrell) and 2 noes (Director Thompson and President Lewis).

Planning and Engineering Department Report

CPC Gibbons presented the departmental report, highlighting completion of the Zone 1 Tank, and an award given to Pam Emmerich for her leadership in the joint effort to place a drug destruction box for expired prescriptions into the Placer County Sheriff's Department Substation.

Utility Operations Department Report

Utility Operations Manager Begin presented recent projects completed by the District's Utility Operations Department.

CORRESPONDENCE

1. Correspondence from Chinquapin Homeowners Association General Manager Bob Duffield requesting Sewer Maintenance on Chinquapin Sewer Facilities
2. Correspondence from Michael and Bonnie Hope regarding Sewer Line at 435 Bear Street, Kings Beach, CA
3. Correspondence between Technology and Public Information Administrator Emmerich and General Manager Schultz regarding refund from AT&T

Correspondence from Chinquapin Homeowners Association (CHOA) was discussed. Bob Duffield, CHOA General Manager was present. He was advised that the District would clean the Chinquapin sewer lines by November 22nd and have the sewer televising records, and information requested in his correspondence to him within three weeks.

General Manager Schultz commended Public Information/IT Administrator Emmerich for her diligence in working to analyze and reduce the District's telephone costs.

GENERAL MANAGER/CEO AND BOARD OF DIRECTORS COMMENTS

General Manager Schultz requested that the Board consider setting a date for a Special Board Meeting in order to award the bid for the NTPUD Base Facilities – Modular Bid Project. The bid opening is scheduled for October 18th. The Board set a date and time of October 24, 2013 at 12:00 noon as a Special Meeting for this purpose.

Director Ferrell commended staff for its work on completing the 2013 Sanitary Sewer Management Plan in-house.

ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting was adjourned at 1:35 p.m.

Marianne Potts
Board Secretary