

**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, December 10, 2013**

**CALL TO ORDER/ESTABLISH QUORUM**

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, December 10, 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: 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

President Lewis called Open Session to order at 9:35 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, Operations and Engineering Manager Stelter, Utility Operations Manager Begin, Contracts & Planning Coordinator Gibbons, Public Information/IT Manager

Emmerich, and Executive Assistant/Board Secretary Potts. Counsel Eskind was also present.

**REVIEW OF AGENDA:** No items were added to or removed from the agenda. Because Chinquapin Homeowners Association General Manager Bob Duffield was present to discuss his correspondence to the Board, this item was reordered to be held immediately after Public Forum.

**PUBLIC FORUM (9:35 a.m.):** 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 9:35 a.m.

## **CORRESPONDENCE**

### **Letter from Chinquapin Homeowners Association (CHOA) requesting proposal from NTPUD for maintenance of sewer facilities**

Mr. Duffield requested that the District provide a proposal for CHOA sewer facility maintenance. Operations and Engineering Manager Stelter advised Mr. Duffield that all preventative maintenance and televising records had been completed at Chinquapin, and the records would be turned over to CHOA by the end of the week. Mr. Duffield requested an extension of time for consideration of the District's proposal. General Manager Schultz advised Mr. Duffield that an extension of time for District maintenance of the CHOA sewer facilities could be included in the District's proposal on which he is working in conjunction with counsel and the District's risk manager. The proposal will go before the Board of Directors for approval on January 14, 2014.

**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 item #6 clarifying that the change order was necessary due to unearthing large rocks during construction on Minnow. Director Ferrell requested a discussion regarding item #4 regarding the cost of private fire hydrants, and time and materials billings for water taps for which a flat fee is proposed, and Director Bergmann advised of changes made to Item #3, Exhibit A, to update costs as discussed and recommended by the Finance Committee. All items remained on the consent calendar.

1. Approve Accounts Paid and Payable for the period from November 12, 2013 through December 9, 2013.
2. Approve Minutes of the November 12, 2013 Regular Board Meeting
3. Adopt Ordinance No. 384 of the North Tahoe Public Utility District Amending Chapter 2 of the Code of Ordinances Establishing Miscellaneous Fees Charged by the District for a Variety of Services
4. Adopt Ordinance No. 385 of the North Tahoe Public Utility District Amending Sections 3.02, 7.05, 15.01 and Exhibit A of the District's Water Ordinance relating to Water Overage Charges for Uncontrollable Loss of Water over 100,000 Gallons, Fees for Water Taps, Adjustment of Meter Installation and Fire Service Detector Check Assembly Fees, and Directing the Filing of a Notice of Exemption Pursuant to the California Environmental Quality Act
5. Authorize General Manager to File Notice of Substantial Completion for the Dollar Sewer Pump Station Rehabilitation Project (#1412)

6. Approve Budget Adjustment and Contract Change Order #1 and Authorize General Manager to File Notice of Completion for the Minnow Water Main Replacement Project (#1421)
7. Adopt Mitigated Negative Declaration and De Minimus Impact Report for the Kingswood West Tank Access Road Project and Direct Staff to File Notice of Determination
8. Adopt Mitigated Negative Declaration and De Minimus Impact Report for the Carnelian Woods Tank Access Road Project and Direct Staff to File Notice of Determination
9. Authorize Budget Adjustment for CMMS/GIS Equipment and Software Purchase and Consulting Services

**MOTION: Director Bergmann moved to approve the Consent Calendar, with noted accounts paid and payable conflicts and changes to Exhibit A as discussed. 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 October 2013**

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

Chief Financial Officer (CFO) Marple presented the Financial Statement and Treasurer's Report for the month ending October 2013. He noted that all overages were due to seasonal expenses. Parking revenues for both Kings Beach State Recreation Area and Coon Street were both up for the 2013 season.

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

Park and Facilities Manager (PFM) Towner noted that she was working on obtaining a grant for the dog park. Tracey is concerned about the location currently designated for the park as the area is where snow for the sled hill is harvested when it is low. PFM Towner recommended a site in the Regional Park adjacent to the tennis courts at which restrooms would serve a dual purpose, and a shorter road could be constructed. She stated that the Department of Boating and Waterways is considering a project which includes a new boat ramp at Coon Street, noting that design for the project is being completed prior to any dredging at the site. Tracey requested an adhoc Special Events committee be established, and that a Board member sits on the committee with her and staff. Other projects being worked on include LED lighting at the Event Center, development of a tourist oriented survey, and installation of safety lighting at the southeast corner of the Event Center.

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

Contracts and Planning Coordinator (CPC) Gibbons highlighted the District's recent projects. She updated the Board on the Kings Beach booster pump station demolition and Griff Creek restoration. Director Ferrell requested that the plans for this project be presented to the Development and Planning Committee before proceeding. CPC Gibbons stated that Public Information/IT Manager Emmerich had recently issued a press release regarding freezing water lines to local newspapers and radio stations, and Director Daniels thanked Ms. Emmerich for the recent press release, noting its timeliness with recent extreme temperatures. The five year plan for Capital

Improvement Projects was discussed, and President Lewis noted that the Board is supportive of adjusting the schedule due to coordination with other agency projects, and needs of the District.

### **Utility Operations Department Report**

Utility Operations Manager Begin presented recent projects completed by the District's Utility Operations Department. He noted that required retrofits for three diesel vehicles had been completed. He noted that the recent snowfall was helping to avoid many of the freezing problems which would otherwise be taking place due to recent low temperatures. A discussion of a recent project and training exercise to clean the Carnelian Bay wet well took place, with UOM Begin noting that the wet well was in good shape, however many components of the station need planned replacement.

### **OLD BUSINESS**

#### **Authorize Budget Adjustment, Award Bid, Authorize Change Order No. 1 and Execution of Agreement subject to review and approval by the General Manager of Scope of Fee for NTPUD Base Administration Facilities – Modular Building Bid to Design Space Modular Buildings, Inc.**

On November 12, 2013 Director Ferrell tabled discussion and action on this item for consideration at the December Board meeting.

General Manager Schultz stated that the District had sought a consultant to provide an estimate on stick framing the building. He introduced a team, Doris and Jerry, from Clark and Sullivan to answer questions from the Board and receive direction if the Board chooses to proceed with a contract for their consulting services for value engineering. Jerry noted that they would need to analyze the building to determine the best method of construction for value, noting that with multiple stories, a modular building may not be less costly than stick construction.

Director Thompson noted that approximately one third of the building will require stick framing in the currently proposed building. Director Ferrell stated that if it does not appear that changing the building's features through value engineering will be successful in reducing the cost to the budgeted amount, the next step would be to reduce the square footage of the building. He feels that the currently proposed design is oversized for the District's needs. Director Daniels also believed that the building size could be reduced due to improved work space allocation. General Manager Schultz noted that although the size of the proposed base facilities mirrors the size recommended in the Steinmann Report, the District came to that square footage independent of that report. Director Bergmann recommended that the District keep 12,000 square feet as its goal, and phases into the building by leaving some square footage unfinished in order to reduce expenses.

The Board directed General Manager Schultz and staff to work with Clark and Sullivan on scope and fee for the project, and to hold an ad hoc Building Committee meeting when findings are available.

### **NEW BUSINESS**

#### **Consider Sale of Excess Property adjacent to New Zone 1 Water Tank**

General Manager Schultz advised that the site holds 48 acres and it outside of the TRPA Urban Boundary. Director Daniels noted that the lots could be developed into a private park which is open to the public, with General Manager Schultz indicating that the buyer would be responsible for any necessary environmental impact reports. The Plan Area Statement for the parcels allow for public service or recreational use with an allowance of eight campsites per acre. District staff is investigating a change in the allowed uses to include residential development for two single family lots in order to maximize the benefit to the District for selling the property.

**MOTION: Upon motion by Director Ferrell and second by Director Thompson, the Board voted unanimously (5-0) to consider offering the property for sale, and directed staff to move forward with necessary measures to implement.**

**Discuss potential purchase of the Sun and Sand Lodge in Kings Beach for expansion of the North Tahoe Event Center**

Director Daniels stated that she had requested that this item be placed on the agenda for discussion. Uses of the property were discussed including the creation of parking for the North Tahoe Event Center, temporary use of the motel units for administrative offices, and improvements of the existing structures and/or tearing the structures down to create additional parking for the Kings Beach Commercial Core.

**MOTION: Director Daniels moved that the District pursues negotiating a cost for the property. Upon second by Director Thompson, the motion failed (2-3) with ayes from Directors Daniels and Thompson, and Directors Ferrell, Bergmann and Lewis voting no.**

**OLD BUSINESS**

**Update on Kings Beach Commercial Core Improvements Project (KBCCIP) and Sewer and Water Conflict Costs**

Operations and Engineering Manager Stelter stated that the District is pleased with the result for its portion of the costs for Sewer and Water relocations, and with the responsiveness and coordination with Placer County. Per the cooperative agreement with the County, the District will reimburse Placer County for its share of the costs and OEM Stelter noted that the intangible benefits of the cooperative agreement include a significant cost reduction due to economics of scale, and possible conflicts between contractors. The Board thanked OEM Stelter for the cooperation with Placer County, and encouraged him to look at further cost savings which could be realized for a main line replacement while the road is being excavated for the KBCCIP.

**BOARD ORGANIZATIONAL MATTERS**

- 1. Set Regular Board Meeting Dates, Time, and Location for 2014 – Regular Board Meetings** were set for the second Tuesday of each month to begin at 8:30 a.m.
- 2. Selection of Officers for 2014: President, Vice-President, and Secretary –** Officers for 2014 were elected as follows: President Lewis, Vice-President Bergmann, and Secretary Daniels.
- 3. Committee Assignments:**
  - a. Finance Committee –** Directors Bergmann and Daniels
  - b. Development and Planning Committee –** Directors Ferrell and Lewis

- c. **Recreation and Parks Committee** – Directors Lewis and Thompson
- d. **Personnel Committee** – Directors Ferrell and Thompson
- e. **Tahoe-Truckee Sanitation Agency Representative** – Director Lewis
- f. **Other** – Placer County Redevelopment Successor Agency and Oversight Board Representative and Substitute Representative – Directors Lewis and Daniels, respectively

**MOTION:** Upon motion by Director Thompson and second by Director Ferrell, the Board voted unanimously (5-0) to retain the same Regular Meeting Date/Time, Officers, and Committee Assignments as established in 2013 which are noted above.

### **CORRESPONDENCE**

1. **Letter from Chinquapin HOA requesting proposal from NTPUD for maintenance of sewer facilities** – This item was discussed earlier in the meeting due to CHOA General Manager Duffield's request.
2. **Letter to TriSage Consulting regarding easement encumbrance on SR267**
3. **Letter from Meera Beser requesting space at North Tahoe Event Center for Holiday Food and Clothing Drive**

Correspondence was reviewed by the Board, and direction was given to General Manager Schultz to provide the space requested by Ms. Beser at the North Tahoe Event Center for the Holiday Food and Clothing Drive.

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

General Manager Schultz thanked the Board for their support for the analysis to be completed by Clark and Sullivan. He also encouraged the Board to attend the upcoming Employee Appreciation Party scheduled for Saturday, December 14<sup>th</sup>.

Director Thompson asked to be kept informed regarding information from Clark & Sullivan regarding base facilities. Director Daniels wished staff and the Board a merry Christmas. President Lewis inquired about developments made regarding an agreement with Tahoe City Public Utility District concerning the intersection of State Routes 28 and 89 where the joint facility connects to the Truckee River Interceptor. OEM Stelter advised that the District has not yet seen an agreement from TCPUD subsequent to the joint Development and Planning/Sewer and Water Committee meeting held to discuss this project.

It was noted that the next regular Board Meeting will be held on January 14, 2014, however, because of the expected absence of two Directors (Daniels and Lewis), the meeting may be continued to a date later in the month after resolution of Accounts Payable and any other time sensitive matters.

### **ADJOURNMENT**

There being no further business to come before the Board of Directors, the meeting was adjourned at 12:40 p.m.

**Marianne Potts**  
**Board Secretary**