

**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, December 11, 2014**

**CALL TO ORDER/ESTABLISH QUORUM**

A Special 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, December 11, 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 discussion items as listed below before adjourning to Closed Session at 8:35 a.m. Counsel Eskind was in attendance for Closed Session by telephone conference.

**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: Interim General Manager Marple. Negotiating Party: Placer County. Under Negotiation: Terms of Agreement.
3. CONFERENCE WITH LEGAL COUNSEL – POSSIBLE LITIGATION. Discussion pursuant to subdivision (c) of Section 54956.9. (One case)
4. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE – Discussion pursuant to Section 54957. (Last Chance Agreement)
5. PUBLIC EMPLOYMENT – Discussion pursuant to Section 54957. (Modification of General Manager Contract)
6. PUBLIC EMPLOYMENT – Discussion pursuant to Section 54957. (Interim General Manager)
7. REAL PROPERTY NEGOTIATIONS – Discussion pursuant to Section 54956.8. (Gentry Property Easement requested by Liberty Utilities)
8. CONFERENCE WITH LEGAL COUNSEL – Discussion pursuant to Section 54957. (Pending Legal Items)

**OPEN SESSION/PLEDGE OF ALLEGIANCE**

President Lewis called Open Session to order at 10:07 a.m. The full Board was present. President Lewis adjourned to open session reporting that no action was taken in Closed Session and the Board would reconvene in Closed Session following the Open Session portion of the meeting.

Staff in attendance included Chief Financial Officer Marple, Park and Facilities Manager Towner, Engineering and Operations Manager Stelter, HR/Risk Manager Lazzareschi, Information Technology/Public Information Administrator Emmerich, Contracts and

Planning Coordinator Gibbons, Construction Administrator Butterworth, and Executive Assistant/Board Secretary Potts.

Director Daniels led the Pledge of Allegiance.

**REVIEW AGENDA:** No changes were made to the agenda. The Board may hear items out of order.

#### **TIMED ITEMS**

**10:10 a.m. OATH OF OFFICE:** Board Secretary Potts administered the Oath of Office to Director S. Lane Lewis after being appointed by the Placer County Board of Supervisors to District Board Seat 4 as no other individuals ran for the seat held by President Lewis, and to Director Susan Daniels elected to District Board Seat 3 during the November 2014 election. The term of office for both seats is for four years through 2018.

**10:20 a.m. PUBLIC FORUM:** Kings Beach resident, Joe Huelle, addressed the Board regarding action taken to replace General Manager/CEO Schultz, expressed his disappointment in the decision and the Board, and presented a history of District general managers since 2008. He felt that General Manager Schultz had done an excellent job while serving as General Manager and had been more responsive to the public than previous general managers. He offered a recommendation to the Board to open communication lines with the public and respond to public inquiries in order to get more public involved. He stated that he feels the Board is not clear in what they want in a general manager, and offered his advice that the District not replace the position.

There being no other public present to address the Board at this time, Public Forum was closed at 10:30 a.m.

**10:30 a.m. EMPLOYEE AWARD:** Internet Technology/Public Information Administrator Emmerich was awarded for ten years of service. Engineering and Operations Manager Stelter thanked Ms. Emmerich for her dedication and work toward making operations as efficient as possible. President Lewis offered his appreciation on behalf of the Board of Directors, presented her service award, and thanked her for doing an excellent job for the District and the public.

#### **10:35 A.M. Tahoe Expeditionary Academy (TEA) regarding a Possible Purchase of a Portion of the Gentry Property**

Ken Martin of TEA stated the academy's interest in a purchase of a portion of the Gentry property. Director Daniels stated that she would be interested in a sale of the property which is zoned for outdoor recreation. Mr. Martin stated that although the academy is not able to build a school on the property, TEA would like to maintain a presence in the Tahoe basin. A poll taken of the Directors indicated that all are willing to consider selling of a portion of the property. President Lewis directed Chief Financial Officer Marple to arrange for an appraisal, and to follow up with Mr. Martin.

#### **10:50 A.M. NTPUD Firestone Property Discussion/ Action**

President Lewis read the letter received from Placer County Executive Officer David Boesch which was included with Correspondence in the Board Packet, and the offer received from Mr. Paul Vatistas, representing Dollar Point Homeowners Association,

requesting a conservation easement on the Firestone Property. He requested that Mr. Vatisas present the main points of the agreement to the Board. It is the consensus of Placer County, the residents surrounding the property, and the District that a bicycle trail should be constructed on the property. He also stated that the public agencies involved need to cooperate with one another and communicate openly with the public regarding the disposition of the property. Mr. Vatisas believes that the conservation easement would meet the needs of Placer County in acquiring the property for the purpose of constructing the multi-use trail, and wants the property's use to remain as passive recreation with the exception of the easement needed by the District for the water tank and existing or future infrastructure. He requests that a decision is delayed for 30 days in order to pursue a conservation easement. The amount proposed for the conservation easement is \$205,000. Director Daniels stated that this offer not only relieves the District of the cost of building the trail, but of future maintenance.

Peter Kraatz, Placer County Assistant Director of Public Works, stated that it is the County's preferred course of action to own the parcel, unencumbered, in order to maximize the benefit to the District taxpayers. The potential use of the property for all recreational uses may be restricted by the conservation easement offered. He stated that he is very proud of the County's track record on land use, protection of the environment and the impact on neighboring communities. He asked the Board to move forward with the agreement with Placer County, noting the benefits to the public from the County's commitment to construct the bike trail, not only Dollar Creek, but the entire bike trail from Dollar Hill to the North Tahoe Regional Park and its commitment to long term maintenance of the trail.

Patrick Wright, California Tahoe Conservancy (CTC) Executive Director, stated that the CTC was not supportive of the conservation easement at this time. He stated that the Firestone land is not zoned as environmentally sensitive because it is developable, and although the community would like to see the land utilized for the trail and other passive recreational uses, he cannot agree to an action that is inconsistent with the CTC Board's policies. He requested that the Board move forward with the agreement with Placer County.

Dean Headley, counsel for the Dollar Point Property Owners Association, requested that the Board delay its decision 30 days for consideration of the conservation easement.

The Board held a discussion regarding the merits of both proposals. Directors Daniels and Thompson were open to the proposal for the conservation easement and wanted to delay making a decision on the County offer for 30 days. Director Bergmann believes that it is in the best interest of the District's constituents to accept the points of agreement proposed by Placer County and let the public concerned about the disposition of the property work with the County. Director Ferrell stated that he did not want to encumber the property with a conservation easement which would limit even future recreational use on the land. President Lewis stated that the property had been given to the District for the purpose of building the bike trail 26 years prior, and he accepted the property specifically for that reason. The offer from Placer County makes the trail a reality and gives the public an amenity at no cost to the District's ratepayers.

**MOTION: Upon motion by Director Ferrell to accept Placer County's proposal with modifications to be negotiated as discussed in Closed Session, and second by Director Bergmann, the motion carried by roll call (3-2) with Directors Daniels and Thompson voting no.**

## **NEW BUSINESS**

### **Request for Naming of North Tahoe Regional Park Ball Field #2 for fallen Placer County Detective Michael Davis Jr.**

Detective Sergeant David Hunt presented a biography of Michael Davis Jr. including his personal and work history and volunteer service to the community. He noted that Michael Davis had moved to the area as a teenager to live in Kings Beach with his grandparents, Bob and Joanne Davis, after his father had been killed while serving as a police officer in Southern California. Mr. Davis had worked at the North Tahoe Public Utility District from 1991-1995 at the North Tahoe Community Conference Center (now the Event Center) while also volunteering at North Tahoe Fire. He left the employ of the District to work as a police officer in Roseville before returning to Placer County Sheriff's Department. He was killed in an ambush while on duty on October 24, 2014. The Placer County Deputy Sheriff's Association is requesting the name a ball field in the park on behalf of Officer Davis.

The Recreation and Parks Commission heard this request at its meeting in November and recommends the naming of field #2 in the Regional Park after Officer Davis. Directors Bergmann and Daniels who represented the Board of Directors at the November Commission meeting agree with the recommendation made by the Recreation Commission. Director Ferrell stated that he would like to respect the recommendation made by the Commission. Director Bergmann stated that he would like to exercise the Board Policy put in place in 2013 regarding the naming of facilities, and stated that the request being made by the Placer County Deputy Sheriff's Association meets the parameters of the policy.

Director Daniels believes honoring the request will benefit the memory of Officer Davis and will increase support of the field with signage and some assistance on the part of the Sheriff's Department members.

President Lewis stated that he is against the naming of field #2 for Officer Davis. He stated that it had previously been discussed to name field #2 after former Recreation and Parks Manager Dale Puckett who began development of the ball fields in the Regional Park.

Park and Facilities Manager Towner offered an alternative which would include naming of the field for Officer Davis, and naming the ball field complex in the Regional Park after Mr. Puckett.

Further discussion was held by the Board who referred development of an agreement for naming the field back to the Recreation and Parks Commission to include the specifics of a scoreboard, a memorial plaque, some assistance with maintenance, and an annual tournament.

**MOTION: After discussion, Director Bergmann moved to approve the naming of North Tahoe Regional Park Ball Field #2 after Placer County Detective Michael Davis with the Recreation Commission to determine specifics of an agreement for doing so. Upon second by Director Ferrell, the motion carried (4-1) by roll call, with President Lewis voting no.**

**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 November 12, 2014 through December 10, 2014.
2. Approve Minutes of the November 12, 2014 Regular Board Meeting and November 25, 2014 Special Board Meeting
3. Authorize Task Order 002 with Farr West Engineering for Construction Phase Services for the Kings Beach Tank Rehabilitation Project (#1510)
4. Authorize General Manager to Execute a Professional Services Agreement with Bay Area Coating Consultants for the Kings Beach Tank Rehabilitation Project (#1510)
5. Authorize General Manager to File Notice of Completion for the Kingswood 500 Tank/120 Booster Demolition and Griff Creek Restoration Project (#1114)
6. Authorize General Manager to Execute a Professional Services Agreement with Tesco Controls, Inc. for the National Avenue Water Treatment Project Phase 2 (#1220)

Director Daniels removed Item 2 from the calendar for discussion, noting that although the minutes reflect the action taken and reported, she felt that there was some confusion regarding action taken on November 25th. Because of the confidentiality of the action taken in Closed Session, no further discussion was held, and Item 2 (Minutes) were left on the Consent Calendar.

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

President Lewis adjourned for a short break from 12:05 p.m. to 12:15 p.m. and reconvened in Open Session.

## **MANAGEMENT TEAM INFORMATIONAL UPDATES**

### **Accounting Department Report for October 2014**

#### **a. Monthly Financial Statement**

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

Chief Financial Officer Marple presented the District's financial statement through October 2014. Director Daniels inquired about the Tahoe Vista Recreation Area agreement with Tahoe Regional Planning Agency (TRPA). Chief Financial Officer Marple reported that the District had received the agreement for reimbursement from TRPA and would recommend it to the Board for approval in January which will allow for recovery of District costs for performing the required boat inspections during the summer of 2014. The Treasurer's Report was discussed briefly.

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

Park and Facilities Manager Towner updated the Board on recent projects and activities in the department, noting that the December report reflected an annual report which included the fifteen months beginning when she came to work for the District. During that time, the District received \$370,000 in grants from Placer County for dog park construction and way finding signs. Park and Facilities Manager Towner stated that her goal is to keep the department in the black, and advised that the recently reinstated Recreation and Parks Commission was offering excellent community input. She advised that an item referred to the Commission by the Board had been discussed, with the Recreation and Parks Commission advising against a motorized concession at the Tahoe Vista Recreation Area (TVRA) based on the size of the facility, its current uses as a launch and non-motorized concession, as well as noise and conflicts with beach users. Dredging at the TVRA was also discussed.

Director Ferrell requested that future minutes of the Recreation and Parks Commission be included in the Board packets. Park and Facilities Manager Towner advised that the next meeting of the Commission will be held on the third Wednesday in January on the 21<sup>st</sup>.

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

Engineering and Operations Manager Stelter presented his report noting a new format for the department report which offers the Board consistent information about all ongoing projects. He discussed the Dollar Hill 22" Force Main Project. He noted that Contracts and Planning Coordinator Gibbons had performed 82 plan checks during the construction season, and that IT/Public Information Administrator Emmerich is making strides in working with the ActiveNet software in training and developing clear procedures which will create a good baseline for implementation of the software.

### **Utility Operations Department Report**

Engineering and Operations Manager Stelter gave the Utility Operations Department report on behalf of Utility Operations Manager Begin, reporting that the department has experienced numerous water leaks as shown on the report, and reported on a recent project completed to install a valve on Highway 267 in order to isolate the water system when necessary. He also reported a spill at approximately 4000 North Lake Boulevard, just west of D3, resulting in 1040 gallons released.

### **NEW BUSINESS**

#### **Adopt Resolution 2014-14 Appointing Larry Marple as Interim General Manager/CEO and Clerk of the Board, and Will Stelter as Treasurer; and Establishing Signature Authorization on the Administrative Checking Account at Bank of the West.**

A discussion was held regarding the Resolution, and it was moved that for assuming the duties of Interim General Manager and Clerk of the Board, Chief Financial Officer Marple would receive a 5% salary increase, an additional \$100 in automobile allowance, and a \$50 telephone stipend monthly, with consensus of the Board that adoption of Resolution 2014-14 would incur this fiscal impact. Chief Financial Marple asked for the Board to define their expectations during the interim, and the Board requested that the Personnel Committee to do so at its next meeting.

#### **MOTION: Upon motion by Director Ferrell and second by Director Bergmann, Resolution 2014-14 as stated was passed by roll call (5-0).**

**Authorize the Interim General Manager to Execute Revised Memorandum of Understanding (MOU) for the Tahoe Sierra Integrated Regional Water Management Plan.**

Contracts and Planning Coordinator Gibbons reported that the revision will place the projects in an appendix to the MOU which will allow for changes to the projects to be made in the future without having to readopt the entire plan. The plan is required to apply for 2015 grant funds.

**MOTION: Upon motion by Director Daniels and second by Director Thompson, the Board voted unanimously (5-0) to authorize Interim General Manager Marple to execute the revised MOU for the Tahoe Sierra Integrated Regional Water Management Plan.**

**Recruitment of General Manager/CEO Position**

HR/Risk Manager Lazzareschi presented the draft job description for the General Manager/CEO position which incorporated comments from staff and the Personnel Committee. A timeline was set for recruitment of 30 days of advertising, résumé submittal deadline of January 20<sup>th</sup>, and preliminary interviews to take place as early as February 4<sup>th</sup> with secondary interviews to follow. The Board directed HR/Risk Manager Lazzareschi to set the salary at \$150,000 commensurate with experience.

**OLD BUSINESS**

**Discussion regarding Kingswood Water Services Installed in 2010**

Engineering and Operations Manager Stelter advised that he was preparing a response to a customer's concerns regarding the water services installed in Kingswood during 2010. The customer's concerns were related to a recent change to the District's standard details that include a check valve on the customer's side of the meter. In addition to inclusion on the website, Engineer and Operations Manager Stelter will distribute the information to current and future property owners whose service has this check valve installed.

**Confirm Right of Entry and Discuss Necessary Easements to California Pacific Electric Company (d/b/a Liberty Utilities) for Electrical Utility Facilities and AT&T for Communication Facilities for Utility Relocations to Serve the District's Corporation Yard**

Contracts and Planning Coordinator Gibbons presented staff's recommendation to resolve the electrical and telephone lines at Base serving the District, B&G Excavation and the Placer County Animal Shelter which conflict with the new administration building. The Board had given General Manager Schultz direction to resolve the conflict at the November meeting, and although the easement still needs to be negotiated, the electric lines and conduit are being placed underground and building construction was not delayed. No Board action is required at this time.

**NTPUD Firestone Property Discussion/ Action (Heard previously as a Timed Item)**

- a. **Consider Approval of Offer of Conservation Easement for Firestone Property**
- b. **Consider Approval of Points of Agreement with Placer County for Transfer of Firestone Property**

## **BOARD ANNUAL ORGANIZATIONAL MATTERS**

### **1. Set Regular Board Meeting Dates, Time, and Location for 2015**

The Board set Regular Board of Directors meetings for 2015 to be held on the second Tuesday of each month beginning at 2:00 P.M. at the North Tahoe Event Center. The meetings will open at 2:00 P.M., adjourn to Closed Session as necessary, and will reconvene to Open Session at 3:00 p.m.

### **2. Selection of Officers for 2015: President, Vice-President, and Secretary**

After discussion, the Board set officers for the first half of 2015 to be the same as those serving in 2014 with reconsideration in June 2015.

**MOTION: Director Thompson moved to reelect Director Lewis as President, Director Bergmann as Vice-President, and Director Daniels as Secretary. Upon second by Director Ferrell, the motion carried unanimously (5-0).**

### **3. Committee Assignments were set unanimously (5-0) as follows upon motion by Director Bergmann and second by Director Daniels.**

- a. Finance Committee – Directors Bergmann and Daniels
- b. Development and Planning Committee – Directors Lewis and Thompson
- c. Recreation and Parks Committee – Directors Daniels and Ferrell
- d. Personnel Committee – Directors Ferrell and Thompson
- e. Tahoe-Truckee Sanitation Agency Representative – President Lewis

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

Director Bergmann advised the Board and public of Placer County's plans for Speedboat Beach. As managers of the beach, he wanted to be sure that the Board and staff are aware of the plans to widen the access road and increase parking for the facility. He also noted that the Placer County Animal Shelter in Tahoe Vista is under consideration for closure with the service to be provided through a Joint Powers Agreement with Nevada County for use of the recently built animal shelter in Truckee. No other comments were made.

## **CORRESPONDENCE**

- Letter sent to Placer County CEO David Boesch on November 20<sup>th</sup> regarding NTPUD Firestone Property Points of Agreement
- California Water Environment Association – Sierra Section Correspondence citing 2014 NTPUD Safety Award
- California Water Environment Association – Sierra Section Correspondence naming Sebastian Ramirez as 2014 Collection System Person of the Year
- Request from Dog Day in the Park for use of Space in Event Center on December 13<sup>th</sup> from 11 a.m. to 3:00 p.m. for Dog Park Fundraiser
- North Tahoe Truckee Leadership Program Request for Meeting Space for Program Graduation on May 28, 2015
- Correspondence Complimenting District Administrative Services Staff

Correspondence was reviewed. Requests from Dog Day in the Park and North Tahoe Leadership Program for room rentals at the North Tahoe Event Center were discussed and granted by consensus.



## **ADJOURNMENT**

The meeting was adjourned to Closed Session at 2:25 p.m. for discussion of Item #8. Upon reconvening to Open Session at 3:18 p.m., President Lewis reported that action was taken (5-0) to give direction to Staff and the Personnel Committee to begin recruitment for general counsel for the District. The District's attorney, Neil Eskind, will continue to work on his current projects and is expected to stay on for several months as needed.

There being no further business to come before the Board, the meeting was adjourned at 3:25 p.m.

Marianne J. Potts  
Board Secretary