

**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, January 11, 2011
8:30 A.M. Closed Session
9:30 A.M. Open Session**

CALL TO ORDER/ESTABLISH QUORUM

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, January 11, 2011 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 Mooney, Bergmann, Daniels, Ferrell, and President Lewis. A quorum was established.

CLOSED SESSION AGENDA

Pursuant to the cited authority (all references are to the Government Code, 54956.8, 54956.9, 54956.9 (b) (1), 54957.6, and 54957, the Board of Directors held a closed session to discuss the following listed items:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Discussion pursuant to subdivision (a) of Section 54956.9. Name of case: North Tahoe Public Utility District vs. The Garwood Building. Director Mooney recused himself from the discussion.
2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Discussion pursuant to subdivision (a) of Section 54956.9. Name of case: 8679 Trout, LLC vs. North Tahoe Public Utility District, et al.
3. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION
Discussion pursuant to subdivision (b) of Section 54956.9. Number of cases: Two (2)
4. PUBLIC EMPLOYMENT: Discussion pursuant to Section 54957. Title: General Manager/CEO

Upon adjourning to Open Session, the Board reported that no action was taken in Closed Session. Closed Session will reconvene upon the close of the regular meeting to discuss Items #3 and #4.

PLEDGE OF ALLEGIANCE

President Lewis called Open Session to order at 9:35 a.m. Director Daniels led the Pledge of Allegiance.

Present were Acting General Manager/CEO/Clerk of the Board Schultz, Chief Financial Officer Marple, Parks and Facilities Manager Long, Construction Administrator Butterworth, Contracts and Planning Coordinator Gibbons, Sr. Financial Analyst Rosenthal, Utility Operations Manager Hopkins, Executive Assistant Lefrancois, Board and Records Secretary Potts, and Legal Counsel Eskind.

REVIEW AGENDA: No items were added to or deleted from the agenda.

TIMED ITEM/PUBLIC COMMENT (9:35 a.m.): No members of the public were present to address the Board on items not on the agenda. Public forum was closed.

CONSENT CALENDAR: Consent Calendar Items #5 was removed from the agenda for discussion. Directors Mooney and Bergmann abstained from Item #6 and possible conflicts of interest noted in Accounts Paid and Payable in the amount of \$9,108.75. Executive Assistant Lefrancois responded to questions regarding Item #5 explaining the coordination between GBA Master Series and the proposed GIS services.

1. Approve Accounts Paid in the amount of \$759,501.47 and Payable in the amount of \$241,724.88 for the period from December 7, 2010 to January 10, 2011.
2. Approve Minutes of the December 7, 2010 Regular Board Meeting
3. Declare Vehicles, Computer Equipment, and Other Items No Longer Used or Useful as Surplus for Donation and/or Disposal
4. Adopt Resolution 2011-01 Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF)
5. Authorize General Manager to Enter into Professional Services Agreement and Task Order #1 with Psomas for GIS Services
6. Authorize General Manager to Execute One Year Extension to Agreement with North Tahoe Water Sports for Concession at the Kings Beach State Recreation Area
7. Authorize General Manager to File Notice of Completion for Zone 2 Water Storage Tank Project (#0819)

MOTION: Upon motion by Director Ferrell and second by Director Daniels, the Board voted unanimously by roll call vote to approve the Consent Calendar with abstentions noted. All ayes.

MANAGEMENT TEAM INFORMATIONAL UPDATES

1. Management Services Department Report
 - a. Review and Discuss Monthly Financial Statement through November 2010
 - b. Treasurer's Report

Chief Financial Officer Marple presented his reports and responded to questions from the Board regarding expensing vs. capitalizing the cost of debt. Director Mooney recommended discussing this issue with the District's auditors and bringing a recommendation back to the Finance Committee, and to the Board for approval.

2. Parks and Facilities Department Report

Park and Facilities Manager Long presented her report discussing a telephone conference held with California State Parks last week regarding the Kings Beach State Recreation Area. A progress report on the Courtesy Docks being placed at the Tahoe Vista Recreation Area was also given.

3. Planning and Engineering Department Report

Contracts and Planning Coordinator Gibbons presented the departmental report. She stated that the Kingswood 500 Tank & 120 Booster Pump Demolition and Griff Creek BMP Retrofit Project (#1114) was discussed with Tahoe Regional Planning Agency which requests the District reclassify the project as an Environmental Improvement

Project (EIP). This could be accomplished without changing the scope of work as directed by the Board, but opens up the potential for outside funding sources.

4. Utility Operations Department Report

Utility Operations Manager Hopkins presented his annual report for 2010. Notable was that the District had experienced no water main leaks for two consecutive months (November and December). He responded to questions from the Board regarding MLOG results, defining confirmed vs. unconfirmed leaks. He also advised the Board that the initial estimate for the sewer spill on 12/19/2010 may be high because of a timeline performed, and estimates the spill to be approximately 61,000 gallons rather than the 153,000 initially reported to Lahontan.

GENERAL MANAGER/CEO COMMENTS

General Manager Schultz thanked the Board for its support and confidence in his performance during a very busy first month.

BOARD OF DIRECTORS COMMENTS

Director Daniels thanked staff for the swift action taken during the sewer spill on December 19th, and President Lewis thanked staff for their cooperation and efforts during the transition period. President Lewis also congratulated Director Daniels for a local award recently received for Realtor of the Year. No other comments.

CALL TO ORDER: NORTH TAHOE BUILDING CORPORATION MEETING (CONCURRENT WITH REGULAR MEETING OF THE NORTH TAHOE PUBLIC UTILITY DISTRICT)

President Lewis called to order a meeting of the North Tahoe Building Corporation at 10:20 a.m. The District's Regular Meeting continued concurrently. Present at the meeting were Directors Mooney, Bergmann, Daniels, Ferrell and Lewis. A quorum was established.

PUBLIC FORUM

No individuals were in attendance to address the North Tahoe Building Corporation Board of Directors on items not listed elsewhere on the agenda. President Lewis closed Public Forum.

AGENDA ADDITIONS, DELETIONS AND APPROVAL

No agenda items were changed. The agenda was approved by affirmation.

APPROVE MINUTES OF THE AUGUST 10, 2010 MEETING OF THE NORTH TAHOE BUILDING CORPORATION

MOTION: Motion was made by Director Daniels and seconded by Director Bergmann to approve the minutes of the August 10, 2010 meeting of the North Tahoe Building Corporation as presented. All Ayes.

ELECTION OF NORTH TAHOE BUILDING CORPORATION OFFICERS FOR 2011

MOTION: Motion was made by Director Mooney and seconded by Director Ferrell to elect the same officers as the District for 2011. All ayes.

- President – Director Lewis

- Vice President – Director Bergmann
- Secretary – Director Mooney

ADOPT RESOLUTION 2011-01 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTH TAHOE BUILDING CORPORATION ESTABLISHING AN INVESTMENT POLICY FOR 2011.

MOTION: Motion was made by Director Mooney to adopt Resolution 2011-01. Upon second by Director Bergman, the Board voted unanimously by Roll Call Vote to adopt the Resolution as presented.

ADJOURNMENT OF NORTH TAHOE BUILDING CORPORATION MEETING (CONCURRENT WITH REGULAR MEETING OF THE NORTH TAHOE PUBLIC UTILITY DISTRICT)

There being no further business to come before the Board of Directors of the North Tahoe Building Corporation, President Lewis adjourned the Building Corporation meeting at 10:25 a.m. The District's Regular Meeting continued in order to discuss Closed Session Agenda Items #3 and #4.

CLOSED SESSION

The Board and Counsel Eskind adjourned to Closed Session at 10:25 a.m. for discussion of Item #3.

The Board called General Manager Schultz into Closed Session at 10:50 a.m. for discussion of Item #4.

OPEN SESSION

Upon reconvening to Open Session at 11:20 a.m., President Lewis reported no action taken in Closed Session.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 11:20 a.m.

Marianne Potts
Board and Records Secretary