

**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, March 12, 2013**

**CALL TO ORDER/ESTABLISH QUORUM**

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, March 12, 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, Ferrell, Daniels, Thompson and President Lewis. A quorum was established.

**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 54967.9. Name of case: Stuart Corvin v. North Tahoe Public Utility District, et al.
2. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION  
Discussion pursuant to subdivision (b) of Section 54956.9. Number of cases: Two (2)
3. 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 Parties: State of CA. Under Negotiation: Terms of Agreement.
4. 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. Under Negotiation: Terms of Agreement.

President Lewis reported that no action was taken by the Board during Closed Session.

**PLEDGE OF ALLEGIANCE**

President Lewis called Open Session to order at 9:38 a.m. Director Ferrell led the Pledge of Allegiance.

Staff in attendance included General Manager/CEO Schultz, Chief Financial Officer Marple, Parks and Facilities Manager Long, Planning and Engineering Manager Stelter, Construction Administrator Butterworth, Contracts and Planning Coordinator Gibbons, Executive Assistant Emmerich, Human Resources Technician Lazzareschi, Utility Operations Manager Begin, and Board Secretary Potts. Counsel Eskind was also present.

**REVIEW OF AGENDA:** No additions or deletions were made to the agenda.

**PUBLIC FORUM (9:35 a.m.):** There were no members of the public present to address the Board on items not on the agenda. Public Forum was closed at 9:40 a.m.

**CONSENT CALENDAR:** The following consent calendar items were presented for approval. Items 2, 3, and 4 were discussed but remained on the Consent Calendar. Item 6 was removed from the Consent Calendar for separate action.

1. Approve Accounts Paid and Payable for the period from February 12, 2013 through March 11, 2013 with noted conflict for the vendor, Rainbow Printing, for Director Bergmann
2. Approve Minutes of the February 12, 2013 Regular Board Meeting. A clerical error was noted for the vote taken regarding the claim against the District on Page 6 of the 2/12/13 minutes; the motion was seconded by Director Bergmann. This correction will be made to the minutes.
3. Authorize General Manager to Execute Task Order 002 with Nichols Consulting Engineers for California Tahoe Conservancy Erosion Control Planning Grant Projects (#0810)
4. Approve Budget Adjustment and Authorize General Manager to Execute Task Order 003 with Peter Gerdin Architect for New Base Facilities Design Project (#1008)
5. Approve Budget Adjustment and Authorize General Manager to Execute Contract Change Order #2 with Marques Pipeline, Inc. for Brook Avenue Sewer Main Project (#1022)
6. Consider Claims against District
  - a. 7990 Tiger – Deny Claim for \$600 for expenses incurred due to toilet not flushing properly
  - b. 8684 Trout – Approve Claim for \$911.05 for sewer backup at cleanout
  - c. 1138 Regency – Deny Claim for \$620 loss of rental income

**MOTION:** Director Ferrell moved to deny all claims listed under Item #6. Upon second by Director Thompson, the motion carried unanimously (5-0).

**MOTION:** Director Ferrell moved to approve the Consent Calendar with noted Accounts Paid and Payable conflicts for Director Bergmann. Upon second by Director Daniels, the motion carried unanimously (5-0).

## **MANAGEMENT TEAM INFORMATIONAL UPDATES**

### **Finance Department Report**

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

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

A short discussion focused on a ten percent increase in energy costs for the upcoming year. Park and Facilities Manager (PFM) Long stated that we had underestimated these charges over the last two years. President Lewis inquired about Redevelopment Agency money being returned to the District in February, and Chief Financial Officer (CFO) Marple stated that it would be represented on the February Treasurer's Report

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

Park and Facilities Manager (PFM) Long relayed a discussion held with General Manager Bill Horn of Incline Village General Improvement District regarding

comparative operations of the Chateau in Incline Village, NV and the Event Center. A lack of revenue to support building operations is experienced by both entities.

PFM Long expressed her gratitude for Event Center Coordinator Kathy Giebel's participation in the Youth Trust Fund Pancake Breakfast, noting that she was instrumental in obtaining more donations than received in previous years including donations from Liberty Energy, Safeway and North Shore Hardware. The breakfast netted \$1,285 for the District's Youth Trust Fund, and PFM Long thanked the Board and District staff for their volunteer hours.

PFM Long stated that she had met with Leah Kaufmann in planning for proposed kayak racks. General Manager stated that he was meeting with Tahoe Regional Planning Agency representatives to request a reduced permitting costs.

At this time, Departmental Reports were postponed to hear the 10:00 a.m. timed item.

**TIMED ITEM: 10:00 a.m. NORTH LAKE TAHOE RESORT ASSOCIATION – Infrastructure Funding Update by Ron Treabess**

Mr. Treabess, Director of Partnerships and Community Planning, presented information to the Board regarding the Resort Association's action plan to assist the community with economic and tourism needs. The District's Director Bergmann serves on the NLTRA Board as the only public Board member. In 2012, voters elected to continue the 2% Transient Occupancy Tax (TOT) for the North Lake Tahoe area for a ten year extension. Funding strategy and criteria for the use of TOT funds are under review because of a greater need because of lesser availability of other sources.

Mr. Treabess noted the increased need for transportation costs to be covered because of environmental concerns, and a desire to reduce automobile travel for both employee commuting and visitor needs. Transportation needs have now matched funding needed for infrastructure. Maintenance is being considered to an increased extent, and he gave examples of NLTRA funding the cost for clearing the bike trail in Squaw Valley during the winter months, and paying for traffic calming devices.

Director Ferrell asked how the District could be included in the NLTRA five-year focus. Mr. Treabess stated that the District could apply for funding while the plan is being developed. He noted that projects could be placed on the list without implementing the entire application process. Jennifer Merchant was present and advised that the District be highly involved in the visioning process taking place, and she recommends that District staff develop a list of projects for the infrastructure committee, and to try to include an estimate of costs so that the project is on the list and available for funding when the funding is needed to proceed.

The Board thanked Mr. Treabess and Ms. Merchant for the update.

**Planning and Engineering Department Report**

Planning and Engineering Manager (PEM) Stelter updated the Board on various projects. Contracts and Planning Coordinator (CPC) Gibbons advised the Board on a productive meeting regarding the Base Facilities Project regarding permitting, and noted that the District will be submitting permit applications soon.

## **Utility Operations Department Report**

Utility Operations Manager Begin stated that the crew has been working on jet rodding on State Highway 28, noting that jet rodding and closed-circuit televising (CCTV) are weather permitting. Problems found while performing CCTV will be corrected by Utility Operations crews during the summer months.

## **OLD BUSINESS**

### **New Base Facilities Project**

- 1) **Discuss and Approve Building Parameters** – Discussion was held regarding the building, but no action was taken.
- 2) **Establish Ad Hoc Committee for Base Facilities Construction** – Discussion was held with President Lewis opposed to the establishment of an ad hoc committee for Base Facilities Construction. Directors Ferrell and Thompson requested to be on the committee. Director Daniels requested that the committee meet and provide direction to staff prior to the next Board meeting. President Lewis requested that the full Board be kept informed of direction given.

**MOTION: Upon motion by Director Daniels and second by Director Bergmann, the Board voted to establish an Ad Hoc Committee for Base Facilities Construction and appointed Directors Ferrell and Thompson to the Committee. The motion carried (4-1) with President Lewis opposed.**

### **Confirm Board Recommendations for Financing for Base Facilities and Dollar Hill Sewer Pump Station**

- 1) Utilize Unrestricted Sewer Fund Reserves to Pay for Capital Projects
  - a) \$3,000,000 for Base Facilities Project
  - b) \$2,200,000 for Dollar Hill Sewer Station

**MOTION: Upon motion by Director Ferrell and second by Director Bergmann, the Board voted unanimously (5-0) to utilize unrestricted sewer fund reserves in the amount of \$3 million for the Base Facilities Project, and \$2.2 million for the Dollar Hill Sewer Station.**

- 2) Transfer Land from Water Department to Compensate Sewer Department for its Portion of the Base Facilities Project

**MOTION: After discussion, Director Daniels moved to transfer land from the Water Department to the Sewer Department to compensate it for its portion of the Base Facilities Project. Upon second by Director Bergmann, the motion carried unanimously (5-0).**

- 3) Use Water System Replacement Fee Revenue to Balance Water Operation Fund's Deficit

**MOTION: After discussion, the Board voted to utilize Water System Replacement Fee revenue in the amount of \$225,000 annually to repay debt service for the Zone 1 Water Storage Tank through the end of the 15 year term, beginning in the current fiscal year. Motion was made by Director Ferrell, seconded by Director Daniels, and carried unanimously (5-0).**

## **NEW BUSINESS**

### **Adopt Budget Parameters for Fiscal Year 2013-2014**

CFO Marple noted that he was not budgeting for an increase in property tax revenues, and that the parameters had not changed from the current year.

**MOTION: Upon motion by Director Bergmann and second by Director Ferrell, the motion carried unanimously (5-0) to approve the proposed Budget Parameters for Fiscal Year 2013-2014.**

### **GENERAL MANAGER/CEO COMMENTS**

General Manager Schultz informed the Board on specifics which will allow for the District to reduce its workers compensation by Board participation in the Special Districts Risk Management Authority's incentive program. Directors Daniels and Bergmann volunteered to attend the SDRMA Safety Education Day in Sacramento on March 28, 2013 with Human Resources Specialist Lazzareschi and Board Secretary Potts.

### **BOARD OF DIRECTORS COMMENTS**

The Board directed staff to move the April meeting from April 9<sup>th</sup> to April 16<sup>th</sup> due to a lack of quorum available on the 9<sup>th</sup>. Director Daniels commented on the success of the Youth Trust Fund Pancake Breakfast and expressed gratitude to Kathy Giebel for her coordination of the event.

### **CORRESPONDENCE**

1. Letter from Project Mana thanking District for allowing a donation barrel to be placed in Event Center lobby for the holidays
2. Letter of thanks from District customers for Utility Operations Department staff's excellent customer service

### **ADJOURNMENT**

There being no further business to be considered by the Board, the meeting adjourned at 12:30 p.m.

**Marianne Potts**  
**Board and Records Secretary**