

**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, June 14, 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, June 14, 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 Government Code, 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 – POTENTIAL LITIGATION
Discussion pursuant to subdivision (b) of Section 54956.9. Number of cases: One (1)

Upon adjourning to Open Session, President Lewis reported no action taken during Closed Session.

PLEDGE OF ALLEGIANCE

President Lewis called Open Session to order at 9:30 a.m. Director Daniels led the Pledge of Allegiance.

Staff present were General Manager 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, Human Resources Technician Keechler, and Board and Records Secretary Potts. Counsel Eskind was also present.

PUBLIC FORUM (TIMED ITEM 9:35 a.m.): No members of the public were present to address the Board, therefore Public Forum was closed at 9:40 a.m.

REVIEW OF AGENDA: The agenda was approved by consensus. It was agreed that some items would be taken out of order.

NEW BUSINESS:

Request on behalf of United for Action for use of the North Tahoe Event Center for Community Thanksgiving Celebration.

A request was presented by community member, Meera Beeser, and a discussion was held defining the proposed use of the building for a community dinner.

MOTION: Director Bergmann motioned that a contract be signed with one organization involved in United for Action so as to be the sponsor of the event, and to provide liability insurance. The District would donate the space, however would be reimbursed for staff time and any other incremental costs associated with the event. Upon second by Director Ferrell, the motion carried (4-0) with Director Mooney dissenting.

CONSENT CALENDAR:

1. Approve Accounts Paid in the amount of \$404,444.98 and Payable in the amount of \$236,764.46 for the period from May 10, 2011 to June 13, 2011 with potential conflicts of interest in the amount of \$4,945.39 for Directors Mooney and Bergmann.
2. Approve Minutes of the May 10, 2011 Regular Board Meeting and the May 25, 2011 Special Board Meeting.
3. Award Bid and Authorize General Manager to Execute Agreement for Secline Pump Station Rehabilitation Project (#1021-SPSR) with Koch & Koch, Inc. for \$624,098.00.
4. Authorize General Manager to Enter into Lease Agreement with Chinquapin Homeowner's Association for Standby Generator for a charge of \$12 annually.
5. Adopt 2010 Urban Water Management Plan (UWMP).
6. Adopt Resolution 2011-06 Authorizing A One Year Extension of the Current 2008 to 2011 Collective Bargaining Agreements with the IUOE Stationary Engineers, Local 39.

MOTION: Upon motion by Director Ferrell and second by Director Daniels, the Board voted to approve staff's recommendations for the Consent Calendar with noted conflicts. The motion carried unanimously (5-0) by Roll Call Vote.

MANAGEMENT TEAM INFORMATIONAL UPDATES

Management Services Department Report

- a. Review and Discuss Monthly Financial Statement through March 2011
- b. Treasurer's Report

Director Mooney advised the Board that the Finance Committee has requested that the Treasurer's Report be refined in the future to reflect encumbered cash by department.

Parks and Facilities Department Report

Park and Facilities Manager Long discussed the Tahoe Vista Recreation Area project and stated that we were moving forward on the necessary environmental work as quickly as possible. Maintenance of the Operations Building and other District owned facilities were discussed. Projects discussed were the North Tahoe Regional Park Playground which will be completed in approximately two weeks, and the first leg of the North Tahoe Regional Bike Trail which will begin on a section with the least topographic and environmental constraints with a trailhead at Fulton Crescent which will tie into the Tahoe City bicycle trail.

Planning and Engineering Department Report

Contracts and Planning Coordinator Suzi Gibbons presented her report, discussing progress on the Zone 1 Water Storage Tank Project, Best Management Practices (BMP) Plan for the District's corporation yard have been approved by Tahoe Regional Planning Agency which will allow for the temporary permit for the sprung structure to be released, and she responded to questions regarding the stream zone restoration at the Kingswood 500 tank. She advised the Board that new legislation will provide for a \$118,000 grant to be used for the National Avenue Water Treatment Plant Improvements Phase I.

Utility Operations Department Report

Utility Operations Manager Hopkins presented his departmental report. It was noted that this month's report reflected departmental time off in response to a request made by Director Mooney at last month's meeting. The District's snow removal contract was discussed and Director Ferrell recommended redefining the area for snow removal at the Kings Beach State Recreation Area parking lot in order to reduce costs. A large water main leak on Canterbury Drive in Kings Beach was also discussed.

NEW BUSINESS (Continued):

Boys and Girls Club of North Lake Tahoe Annual Report for 2010 (Timed Item 10:00 a.m.):

Executive Director Isabel Wilson of the Boys and Girls Club of North Lake Tahoe, addressed the Board with her annual report. Present in the audience from the Boys and Girls Club was Director John Neary. Isabel stated that the Boys and Girls Club had provided 6 ½ years of service to the community, and reported that the contribution made by the District, which provides for 17% of their total income in 2009-2010 is shown in programming and membership. She expanded on the Club's efforts to seek funding through local channels, and advised the board about developing a collaboration with the Hyatt, and increasing their relationship with Vail. She advised the Board that the Boys and Girls Club has taken our Board's recommendations very seriously and they have sought out additional local funding and support.

Park and Facilities Manager Long reported that she meets with the Boys and Girls Club on a quarterly basis, and she had placed in the draft budget a recommendation for 25% of the CFD 94-1 ("Measure C") revenues to be given to the Club. The Board agreed that this was a recommendation they would approve in the budget for the current year.

Budget Workshop: Presentation and Discussion of Draft Budget and Capital Improvement Plan (CIP) for Fiscal Year 2011-2012

Each District department head made a presentation to the Board regarding the project plans and financing required for the upcoming fiscal year. Chief Financial Officer Marple addressed a reduction expected in property tax revenues of approximately 4% as predicted by Placer County Executive Officer Tom Miller. Director Daniels responded giving consideration to a forecast of future property tax revenues in North Lake Tahoe. Because many properties, especially lakefront homes, had not sold in many years, upon their sale, the revenues could increase allowing for a leveling off in the property tax decline. She does not believe that property tax revenues will increase significantly for ten or more years.

Claim against District for Damage to Driveway (1210 Canterbury Drive, Kings Beach, California)

Human Resources/Risk Management Technician Keechler presented the claim which has been sent to the District's liability insurance carrier for processing. The Insurance company requires a denial of the claim in order for them to work with the property owner on a resolution. A motion was made by Director Daniels and a second by Director Bergmann. After subsequent discussion and direction given to obtain further clarification for the cost for the driveway repairs, the motion was withdrawn and the item was continued until the next Board meeting.

Adopt Resolution 2011-07 Declaring that Volunteers Shall Be Deemed to be Employees of the District for the Purpose of Providing Workers' Compensation Coverage for Said Volunteers, and Authorize General Manager to Enter into Agreement with Placer County for Work Release Personnel

Park and Facilities Manager Long presented the Resolution and stated that the cost for coverage would be \$3,313 for the 5,000 hours of labor provided by Placer County volunteers or individuals sentenced to community service. After discussion, the Board agreed that the cost for coverage could be paid by the District, but felt that the liability would be greater than the benefit.

MOTION: Motion was made by Director Mooney and seconded by Director Daniels to make an offer to Placer County to maintain coverage of the individuals with the District reimbursing the County for the actual cost of Workers Compensation Coverage. Additionally, it was stated that Placer County would remain primary insurer with respect to General Liability. The motion carried unanimously (5-0).

OLD BUSINESS:

Review and Terminate the Secline Pump Station Emergency Action taken on May 25, 2011.

MOTION: Upon motion by Director Bergmann and second by Director Mooney, the Board voted to terminate the Secline Pump Station Emergency Action taken on May 25th as it was no longer necessary. The motion carried unanimously (5-0).

GENERAL MANAGER/CEO COMMENTS

A Special Board Meeting was scheduled for Tuesday, June, 2011 at 8:00 a.m. in order to hold a subsequent Budget Workshop with a Finance Committee reviewing the Draft Budget prior to the full Board meeting.

BOARD OF DIRECTOR'S COMMENTS

Director Mooney requested that Board and Records Secretary Potts provides the Board members with a current and previous Board Committee structure.

ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned at 1:00 p.m.

Marianne Potts
Board and Records Secretary