

**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, August 14, 2012

CALL TO ORDER/ESTABLISH QUORUM

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, August 14, 2012 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, and President Lewis. Director Ferrell was not in attendance. 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 this discussion.
2. **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.
3. **CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION**
Discussion pursuant to subdivision (b) of Section 54956.9. Number of cases: One (1)
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 Parties: State of CA. 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 9:30 a.m. Director Daniels 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, Contracts and Planning Coordinator Gibbons, Human Resources Technician Keechler, Sr. Financial Analyst Rosenthal, Executive Assistant Emmerich, and Board Secretary Potts. Counsel Eskind was also in attendance.

REVIEW OF AGENDA: The Chinquapin Homeowners' Association Sewer Line Maintenance Discussion, a timed item scheduled for 10:30 a.m., was continued to a

special meeting to be scheduled as soon as possible at the convenience of the Homeowners' Association.

A discussion regarding medical insurance options for the District Board was also tabled for a future meeting when additional information about the options is available.

PUBLIC FORUM (9:35 a.m.): There being no public to address the Board on items not on the agenda, Public Forum was closed at 9:35 a.m.

CONSENT CALENDAR: The following consent calendar items were presented for approval.

1. **Approve Accounts Paid in the amount of \$675,343.40 and Payable in the amount of \$93,245.05, with conflicts for Directors Bergmann and Mooney in the amount of \$13,117.84, for the period from July 17, 2012 to August 13, 2012**
2. **Approve Minutes of the July 17, 2012 Regular Board Meeting**
3. **Authorize Budget Adjustment in the amount of \$70,000 and Add the Dollar Hill Force Main Repair as a Project to the District's Capital Improvement Program**
4. **Adopt Resolution 2012-18 Granting Easements including, but not limited to, Placer County and Liberty Energy/California Pacific Electric Company, LLC at Tahoe Vista Recreation Area (APN 177-080-068)**

MOTION: A motion to approve the Consent Calendar was made by Director Bergman and seconded by Director Daniels. The motion carried unanimously by Roll Call (4-0 with Director Ferrell absent) with noted conflicts for Directors Mooney and Bergmann for accounts paid and payable.

MANAGEMENT TEAM INFORMATIONAL UPDATES

Management Services Department Report

a. Review and Discuss Monthly Financial Statement through June 2012

b. Treasurer's Report

President Lewis commented on the Treasurer's Report noting that Restricted Reserves were decreasing showing that planned projects were being completed with over 3 million being put into the system this fiscal year. He added that the reduction in "Unaccounted-For Water" demonstrates a significant operational savings for all taxpayers in the District.

Park and Facilities Department Report

Park and Facilities Manager (PFM) Long stated that she was excited about the June 30th Financial Statement for the Parks department. She noted that summer of 2012 has been a very busy season showing significant parking and other revenue. She stated that she wanted to focus on deferred maintenance planning for all District facilities. Public member, Phil Thompson inquired about launch capabilities at the Tahoe Vista Recreation Area boat ramp, and was advised that boats were currently launching at the ramp in spite of a sandbar located beyond the distance the District was permitted to dredge in 2011. It was noted that the North Lake Tahoe Resort Association Shuttle was not able to utilize the ramp because of the sandbar and its requirement for a minimum of 38" clearance.

Planning and Engineering Department Report

Contracts and Planning Coordinator (CPC) Gibbons advised the Board that the Engineering Report required for Community Facilities District (CFD) 94-1 had been completed for 2012 prior to schedule, and thanked Customer Service Representative Colburn for her work on the project. During the year, she and CSR Colburn will continue to work to keep the database current in order to streamline the process and eliminate the need for significant last minute parcel changes.

Construction Administrator Butterworth stated that he was continuing to work on the Zone 1 Water Tank hard start and stop which has not yet been remedied, and noted that the electrical panels for the tank are being priced, and still needed to be installed.

Utility Operations Department Report

In the absence of Utility Operations Manager Begin, Planning and Engineering Manager Stelter advised the Board that the Rim Drive Water Line which was constructed in-house by District crews is complete, and the District is pleased with the project. He also noted that crews had been focusing on manhole inspections which are vital to meeting the requirements of the Sanitary Sewer Management Plan, as well as working a zone meter replacement for the Old County Zone, and utilizing the District's closed circuit televising equipment to locate root intrusion in problematic sewer laterals throughout the District.

OLD BUSINESS

Base Facilities Planning

Construction Administrator Butterworth stated that he did not have a cost estimate for the base facilities, but would have this information prior to the next Board meeting. He noted that two modular plants are working with the District as the plans are being developed in order to ensure a competitive bidding process. Director Bergmann requested, and the Board directed staff to bring further information to the Development and Planning Committee for a recommendation prior to presenting it to the full Board.

Approve Change Order #1 for the Brook Avenue Sanitary Sewer Improvements Project (#1022)

Construction Administrator Butterworth stated that this change order was created by a 48" storm drain which adds a difficult component to the project. The change order is covered within the 2012/2013 Fiscal Year Budget because bids received were much lower than anticipated by the Engineer's Estimate. This sewer line which serves almost half of Kings Beach will provide for 225 feet of new line with improved flow, and will allow for relocation of the backyard mains prior to the Kings Beach Commercial Core improvements which would require additional funds for repaving if done after the KBCCIP improvements are made.

MOTION: Motion was made by Director Mooney and seconded by Director Daniels to approve Change Order #1 for the Brook Avenue Sanitary Sewer Improvements Project (#1022). The motion carried (4 ayes) with Director Ferrell absent.

Discussion Regarding Kingswood 500 Tank and Booster Demo/Griff Creek Restoration Project (#1114)

The Development and Planning Committee recommended taking this project back to the full Board for discussion. Previously, the Board had given direction to proceed with tank removal and rehabilitation of the site. Planning and Engineering Manager (PEM) Stelter presented the project timeline. PEM Stelter stated that he wanted to continue the Board's directive to meet the Tahoe Regional Planning Agency permitting requirements and capture United States Forest Service grant funding currently available for the restoration.

MOTION: After discussion, Director Daniels moved to go forward with staff's recommendation to continue with previous Board direction to remove the tank and pump station, and re-grade the site to restore SEZ function and re-vegetate. Upon second by Director Mooney the motion carried (3-1) with Directors Daniels, Mooney and Bergmann voting in favor, President Lewis voting against, and Director Ferrell absent.

NEW BUSINESS

Consider Waiver of Parking Fees at Kings Beach State Recreation Area for Board Meeting Attendees

MOTION: After a short discussion, Director Daniels motioned to waive parking fees for Board Meeting attendees. Upon second by Director Bergmann, the motion carried (4 ayes) with Director Ferrell absent.

Authorize General Manager to Execute Sewer Relocation Agreement for Olson Property Cedar Flat Sewer Realignment Project for Assessor's Parcel Numbers 092-190-051, -052, and -065

MOTION: After a short discussion, Director Daniels motioned to authorize General Manager Schultz to execute the sewer relocation agreement as noted above. Upon second by Director Bergmann, the motion carried (4 ayes) with Director Ferrell absent.

Authorize Budget Adjustment in the amount of \$14,000 for Base Parking Lot Repairs from Miscellaneous Patch Paving Accounts 21-2120 and 31-2120

MOTION: After a short discussion, Director Daniels motioned to authorize the budget adjustment in the amount of \$14,000 for Base Parking Lot Repairs as requested. Upon second by Director Bergmann, the motion carried (4 ayes) with Director Ferrell absent.

GENERAL MANAGER AND BOARD OF DIRECTORS COMMENTS

General Manager Schultz advised the Board that he was working to secure a 20 year agreement with CA State Parks for the operation of the Kings Beach State Recreation Area, and was seeking funding from Placer County Park Mitigation Fees for Americans with Disabilities Act (ADA) improvements required on the property. Within the contract, it would be addressed that should the operating agreement be terminated

before 20 years, the funds utilized for the ADA improvements would be returned to the District for reimbursement to the County.

CORRESPONDENCE: Correspondence presented in the packet was reviewed. No discussion or questions were generated.

- **Certificate of Achievement from California Highway Patrol for Biennial Inspection of Terminals (BIT) Program**
- **Letter from North Tahoe Business Association thanking District for July 3rd Fireworks support**
- **Letter from Tahoe Resource Conservation District thanking District for fee waiver**
- **Letter from customer commending District Employee, Michael Warren**

ADJOURNMENT

There being no further business to be considered by the Board, the meeting was adjourned at 10:45 a.m.

Marianne Potts
Board and Records Secretary