

**MINUTES OF THE
NORTH TAHOE PUBLIC UTILITY DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING
North Tahoe Community Conference Center
8318 North Lake Boulevard, Kings Beach, CA 96143
April 8, 2008**

A. CALL TO ORDER – ROLL CALL - PLEDGE OF ALLEGIANCE

President Lewis called the meeting to order at 9:00 AM Present were Directors Daniels, Mooney, Ferrell, and President Lewis. Director Bergmann attended via teleconference. A quorum was established.

Staff present was General Manager/CEO Aaron, Public Works Director Schegg, Chief Financial Officer Marple, Chief Engineer Goebel, Utility Operations Manager Hopkins, Parks and Facilities Manager Long, Conference Services Director Daniels, and Acting Clerk of the Board and Executive Assistant Lefrancois. Also present were Counsel Neil Eskind and Judy Friedman, Recording Secretary.

President Lewis asked for moment of silence in remembrance of Dale Thompson.

The Board and staff welcomed the new General Manager/CEO, Curtis Aaron.

B. REVIEW AGENDA

The Board agreed that items might be taken out of order.

At the request of Public Works Director Schegg, Item H2, authorization to enter into a Professional Services Agreement with Stantech for Bay Street Sewer Alternatives Evaluation, was tabled to the May Board meeting.

It was moved by Director Daniels and seconded by Director Mooney to add an agenda item to “President’s Comments” to consider the start time of the Board meetings. This item is added to today’s agenda because a decision could impact the May Board meeting. ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Motion carried unanimously.

C. APPROVAL OF MINUTES:

1. Approve minutes for March 11, 2008 Regular Board Meeting

It was moved by Director Daniels and seconded by Director Daniels to approve the minutes of the March 11, 2008 Board meeting as presented. ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Motion carried unanimously.

D. TIMED ITEMS:

1. 9:05 PUBLIC COMMENTS

Ellie Waller asked if staff has been working with developers, now that the CEPs have been given conditional use approval. Chief Engineer Goebel said that only one developer has contacted staff regarding plan review, but it was just yesterday and the request has not yet been considered. Discussion followed regarding the process for developers to work with NTPUD staff and it was noted that requests for water service could be accommodated since the capacity was built taking expansion into consideration.

2. 9:30 AM Timed Item: Farmer’s Market Location Change Request at the Kings Beach State Recreation Area.

E. MANAGEMENT TEAM INFORMATIONAL UPDATES

1. Acting General Manager/Public Works Director

It was noted that the Placer County Board of Supervisors will be meeting at the Conference Center on April 15th, time to be advised.

Director Ferrell asked about the location of the proposed water tank and PWD Schegg explained that the surveyor has staked the contour line and explained the survey work that was done. Director Daniels asked about leaks causing the Unaccounted for Water numbers to increase. Discussion followed regarding the methods being used to detect and repair leaks. Utility Operations Manager Hopkins advocated assigning someone from the current staff to

focus on leak detection and assist with repairs. He feels this could be a full-time position, but at this time is recommending that it be filled internally. He explained how these tasks are currently being done and why he suggests this course of action, instead of using a “traveling” consultant. He will keep the Board apprised.

2. Attorney

Counsel Eskind is working on presentation to Placer County regarding the status of the Conference Center and the need for County assistance.

3. Treasurer

There were no questions or comments.

4. Chief Financial Officer

a. Review and Discuss Monthly Financial Statement through February 2008

b. Monthly Labor Report

There were no questions or comments.

5. Parks and Facilities Manager

Director Daniels asked about the staffing. Parks and Facilities Manager Long said that she is ready to offer a candidate the Maintenance 1 position, which will make the full-time positions fully staffed. She is advertising for seasonal workers and expects those positions to begin in early May. Director Mooney asked about the plans for parking at Kings Beach State Recreation Area (KBSRA) this summer. PFM Long explained the staff time and scheduling of kiosks that will be used in addition to citation warnings.

President Lewis asked the status of the Tahoe Vista Recreation Area phase 2 plans and the Department of Boating and Waterways (DBW). PFM Long explained her correspondence with DBW regarding the grant request of just over \$1 million. She is waiting to hear the response to the request and clarification of the process. PWD Schegg said that Phase 2 has not been permitted yet. The consultant has finalized the plans, but they have not been submitted to the Tahoe Regional Planning Agency (TRPA). PWD Schegg has met with the design engineers and clarified the District’s intent regarding fee collection for parking, noting that the gates have been abandoned in favor of a pay-and-display system, but the impact of that change is minimal to the plan. Although there is no drawing included for a concession building, the footprint for the building and utilities are included in the plan. In addition to parking and an area for concessions, the plans include the bike trail extension, and trailer and vehicle parking. PFM Long said that when the amount of the DBW grant is known, a grant request will be submitted to the North Lake Tahoe Resort Association (NLTRA) for additional funding. The estimate for the complete project is approximately \$3.2 million.

6. Conference Services Director

Counsel Eskind noted that there would not be another Board meeting before he meets with Placer County on April 25th and recommends that the Conference Center Committee meet one more time to complete the proposal. Alex Mourelatos, chair of the Technical Working Group, which was established as a result of the SMG Conference Center report, addressed the Board, saying that he felt that the Working Group has had productive dialog with the Conference Center Committee, community, and NTPUD staff on how to improve the status of the Conference Center. He announced that \$35,000 in grants has been received from the NLTRA for the enhancement of software and marketing collateral.

7. Public Works Director (See Item E-1 above)

There were no questions or comments.

8. Chief Engineer

There were no questions or comments.

9. Utility Operations Manager

There were no questions or comments.

10. Committee Reports: a) Conference Center Committee; b) Finance Committee; c) Legal Committee; d) Operations and Planning Committee; e) Personnel Committee; f) Placer County RDA Committee; g) Recreation and Parks Committee.

There were no questions or comments.

11. Recreation and Parks Commission – Draft Minutes of March 26, 2008 meeting.

There were no questions or comments.

12. President's Comments

President Lewis asked the Board and Staff to consider changing the start time of the Board meetings to 9:00 AM. Discussion followed regarding the options and conflicts. It was decided that the May 13th Board meeting will begin at 3:00 PM and this topic will be on the agenda for further discussion and possible action.

13. Director's Comments

There were no questions or comments.

14. TTSA Director's Report

President Lewis reported that there are three items on the checklist that need to be addressed and at that point, the plant expansion will be complete.

F. CONSENT CALENDAR

Regarding Item F20, Counsel Eskind asked that the language be revised to reflect that the contract be approved, subject to review by Counsel.

Director Daniels asked that Items F2 and F13 be removed for discussion. Director Mooney asked that F10 be removed for discussion.

Item F2 – Director Daniels asked if the contract should have an amendment to accommodate the new pricing. PFM Long said that the contract does include the new numbers, explaining that there was a change in the basic maintenance rate and a contingency was added for additional expenses.

Item F10 – Director Mooney asked if this is a Memorandum of Understanding issue. PWD Schegg said that this is really a meet and confer issue, which has been done and is acceptable.

Item F13 – Director Daniels noted that \$15,000 was approved for each of these projects. CE Goebel explained that this item is for the budget adjustment. The additional funds being requested include anticipated internal staff and consultant time for review and possible relocations of the design. Discussion followed regarding the components of the plan and possible conflicts that may result in relocations.

It was moved by Director Mooney and seconded by Director Daniels to approve the Consent Calendar, noting the change to Item F20 requiring Counsel's review and the General Manager's signature. ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Directors Mooney and Bergmann abstained from voting on any conflicts of interest noted on the Accounts Paid and Payable List. Motion carried.

The following actions were taken in the Consent Calendar:

1. The Board approved Accounts Paid in the amount of \$131,997.48 and Payable in the amount of \$299,319.76 for the period from March 11, 2008 to April 8, 2008
2. The Board authorized entering into a contract with the California Tahoe Conservancy (CTC) for Maintenance on CTC beaches.
3. The Board approved a Professional Services Agreement with Nichols Consulting Engineers for Erosion Control Planning for water, sewer, and recreation facilities in an amount not to exceed \$120,000.00.
4. The Board approved Resolution 2008-2 requesting election services from Placer County Elections Division.
5. The Board approved Resolution 2008-3 appointing General Manager Curtis Aaron as Treasurer.

6. The Board approved Resolution 2008-4 adding Curtis Aaron and Tim Ferrell as authorized signatories on the administration checking, payroll, and general account at the Bank of the West.
7. The Board approved Resolution 2008-5 authorizing signature, transfer, and deposit transactions at UBS Financial Services.
8. The Board approved Resolution 2008-6 authorizing Curtis Aaron to authorize transfer of funds related to the District's LAIF Fund.
9. The Board approved Resolution 2008-7 authorizing the General Manager and the Chair of the Finance Committee open new Bank Accounts or Certificates of Deposit with Bank of the West Account.
10. The Board approved a Revised Bilingual Incentive Policy.
11. The Board approved Resolution 2008-8 to accept new water facilities installed in Trout and Rainbow.
12. The Board authorized entering into a Cooperative Agreement between the North Tahoe Public Utility District and Placer County for work on the Tahoe Estates Erosion Control Project and associated budget adjustments.
13. The Board approved a budget adjustment related to work on the Brockway Erosion Control Project and the Caltrans EIP Project on Highway 28.
14. The Board approved a revised retention amount in the amount of \$3000.00 for the Beaver Street Project and authorization of Progress Payment #10 to Aspen Developer's Corporation.
15. The Board approved a Professional Service Agreement with Sandel Avery related to the Removal of U.E.S. Equipment at the National Avenue Water and Sewer Stations in an amount not to exceed \$1,600.00.
16. The Board approved a Professional Services Agreement with Boyle Consulting Engineers for National Avenue Water Treatment Plant Electrical Work and SCADA Project Design and Construction Services.
17. The Board authorized the General Manager to execute a Professional Services Agreement with an Engineering Firm in an amount not to exceed \$20,000.00 for preliminary work on the Pump and Motor Replacement Master Plan project.
18. The Board approved the continuation of Pam Lefrancois as the Acting Clerk of the Board and continuation of the Acting General Manager salary adjustment for Public Works Director Schegg for a period of one month.
19. The Board adopted Ordinance No. 372 amending section 10.75.050 of the Code of Ordinances and adding sections 10.75.051 and 10.75.052 Related to Soccer Field Rental Rates and Usage Policies.
20. The Board authorized entering into a maintenance contract with B&B Sweeping for the Kings Beach State Recreation Area, subject to review by District Counsel. The General Manager is to sign the contract when approved by Counsel.

The meeting recessed at 10:32 AM and reconvened at 10:42.

G. NEW BUSINESS

1. Adopt: Conference Services Director Daniels recommends adoption of Ordinance 373 adjusting fees and policies related to the North Tahoe Community Conference Center.

Director Mooney said that the Conference Center Committee has reviewed this ordinance and recommends approval. Director Daniels asked how the recommended rates compare with others in the area. CSD Daniels said that although there is no study on that, these rates are competitive to those charged by other facilities in the area that do not offer lodging. She noted that the rates for Tuesday and Thursday nights have been discounted in order to get back some of the local business that has been lost. Weddings seem to be priced just right and CSD Daniels said that she has made a slight revision to the local "social" rate for events such as family reunions. It was noted that staff would have some flexibility to negotiate rates.

It was moved by Director Mooney and seconded by Director Ferrell to adopt Ordinance 373, adjusting the fees and policies related to the North Tahoe Community Conference Center, effective May 8, 2008. ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Motion carried unanimously.

2. Approve: Parks and Facilities Manager Long recommends the final Extension of Contract with George Galante for Tennis Program at the North Tahoe Regional Park.

It was moved by Director Daniels and seconded by Director Mooney to approve the final Extension of Contract with George Galante for the tennis program at the North Tahoe Regional Park, subject to

Counsel's review. **ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Motion carried unanimously.**

- 3. Approve: Utility Operations Manager Hopkins recommends a Lease/Purchase Agreement of a used TV Truck with a cost not to exceed \$160,000 and a 2007/08 budget adjustment of \$70,000.00 for lease payments.**

Utility Operations Manager Hopkins explained that during the budgeting process, he set a range for this item and what was adopted was the low end of the range, which is not feasible for purchase of the recommended equipment. Discussion followed regarding the age and technology of the current vehicle and the need to replace it.

It was moved by Director Mooney and seconded by Director Daniels to approve a Lease/Purchase Agreement of a used TV Truck with a cost not to exceed \$160,000 and a 2007/08 budget adjustment of \$70,000.00 for lease payments. ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Motion carried unanimously.

- 4. Approve: Resolution 2008-9 Celebrating the 20-Year Anniversary of the North Tahoe Community Conference Center.**

It was moved by Director Ferrell and seconded by Director Daniels to approve Resolution 2008-9 Celebrating the 20 Year Anniversary of the North Tahoe Community Conference Center, specifying the date of April 15th. ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Motion carried unanimously.

- 5. Approve: Utility Operations Manager Hopkins recommends Award of Bid for the Miscellaneous Patch Paving Contract.**

Director Ferrell has worked with the proposed contractor and knows them to be conscientious and do good work.

It was moved by Director Mooney and seconded by Director Ferrell to award the bid for the miscellaneous patch-paving contract. ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Motion carried unanimously.

- 6. Approve: Parks and Facility Manager Long recommends approval of the Farmer's Market Location Change Request at the Kings Beach State Recreation Area.**

PFM Long reviewed the background information included in the Board packets regarding the current location of the Farmer's Market and Recreation and Parks Commissioner Kopley's recommendation to change the site in order to make the Market more visible, thus more successful. Cheri Sprenger, Executive Director of the North Tahoe Business Association, was present and spoke in favor of the change of location. Commissioner Kopley said that she feels that this is a "last effort" to grow the Market and keep it in Kings Beach. Discussion followed regarding the possible impacts to parking revenue.

It was moved by Director Daniels and seconded by Director Ferrell to approve the location change request for the Farmer's Market at the Kings Beach State Recreation Area for the 2008 season and to review the impacts of the move at the end of the season. ROLL CALL VOTE: Ayes: Directors Mooney, Daniels, Ferrell, and President Lewis. Noes: None. Abstention: Director Bergmann. Motion carried.

- 7. Approve: Public Works Director Schegg recommends approval of Resolution 2008-10 in recognition of Dale Thompson.**

It was moved by Director Mooney and seconded by Director Daniels to approve Resolution 2008-10 in recognition of Dale Thompson. ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Motion carried unanimously.

- 8. Authorize: Public Works Director Schegg recommends authorization for the General Manager to execute contracts related to the North Tahoe Community Conference Center marketing grant including website and collateral development.**

PWD Schegg reviewed the written report in the Board packet, noting the supplemental allocation from NLTRA for \$5,000 to update the collateral material and \$10,000 to reconfigure the website, both of which were identified in the SMG Report. He explained the next steps, including the selection of a designer, in order to get this work done quickly. PWD Schegg said that the software upgrade is a separate issue and will require approval from the Placer County Board of Supervisors. Alex Mourelatos added that the return-on-investment would be apparent with these expenditures.

It was moved by Director Mooney and seconded by Director Daniels to authorize the General Manager to execute contracts related to the North Tahoe Community Conference Center marketing grant including website and collateral development. ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Motion carried unanimously.

H. OLD BUSINESS

1. Approve: Chief Engineer Goebel recommends approval of a Water Line Extension Agreement with David & Pamela Reese, APN 117-130-009.

Chief Engineer Goebel reviewed a map of the area in question and explained the proposed plan. Discussion followed regarding the associated costs, the proposed loop hook-up, and whether or not this can be capitalized for meeting some of the District's CIP goals. CE Goebel was asked to consider adopting a minimum size of pipe for projects such as this.

It was moved by Director Daniels and seconded by Director Ferrell to approve a Water Line Extension Agreement with David & Pamela Reese, APN 117-130-009. ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Motion carried unanimously.

2. Authorize: Chief Engineer Goebel recommends authorization to enter into a Professional Services Agreement with Stantech for Bay Street Sewer Alternatives Evaluation in the amount of \$28,178.00.

This item was tabled to the May Board meeting.

I. CORRESPONDENCE

The Board reviewed all correspondence.

General Manager Aaron noted that May 12th is Legislative Day in Sacramento. The focus will be the amount of property tax that is received by Special Districts, which may be impacted by California State budget cuts. He asked that at least one Board member attend with him in order to demonstrate that the District is concerned by the possible reallocation of up to 50% of funds from Placer County Special Districts.

A brief discussion was held regarding the water supply for the proposed development in the area, the need to get the new tank on line, the proposed work to be done, and options for allocating water in the event of a catastrophic fire.

The Board convened Closed Session at 11:35 AM.

J. CLOSED SESSION AGENDA

1. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE (pursuant to Government Code Section 54957)

Open Session was reconvened at 11:53 AM President Lewis reported that in Closed Session the Board voted unanimously to approve an agreement with an employee over disciplinary action.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 11:54 AM. The next scheduled meeting of the NTPUD Board of Directors is Tuesday, May 13, 2008 at 3:00 PM.

Respectfully submitted,

Judy Friedman, Recording Secretary

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