

**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 10, 2010
8:30 A.M. Closed Session
9:30 A.M. Open Session**

CALL TO ORDER

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, August 10, 2010 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, Daniels, Ferrell and Lewis. Director Mooney, absent. 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), and 54957.6), 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
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: One (APN's 090-223-008 and 90-306-001)
4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION – Discussion pursuant to Section 54957. Title: General Manager/CEO

Upon convening Open Session at 9:30 A.M., President Lewis reported that no action was taken in closed session. The following motion relative to A-4 was made in open session:

MOTION: Director Bergmann motioned to amend the District's contract with the General Manager to conform with CalPERS benefits offered to the District's full time regular employees. Upon second by Director Daniels, the motion carried unanimously (one absent).

ESTABLISH QUORUM/PLEDGE OF ALLEGIANCE

Present were Directors Bergmann, Daniels, Ferrell and President Lewis. Director Mooney was not in attendance. A quorum was established. Director Daniels led the Pledge of Allegiance.

Staff present were General Manager/CEO/Clerk of the Board Aaron, Chief Financial Officer Marple, Planning and Engineering Manager Schultz, Park and Facilities Manager Long, Utility Operations Manager Hopkins, Human Resources Specialist Keechler, Senior

Financial Analyst Rosenthal, Executive Assistant Lefrancois, Planning and Contracts Coordinator Gibbons, and Board and Records Secretary Potts. Also present was Legal Counsel Eskind.

REVIEW AGENDA

The Agenda was reviewed, and the Board reserved the right to take items out of order.

PUBLIC COMMENTS

No members of the public were present to address the Board regarding items not on the agenda.

PUBLIC PRESENTATION: Employee Service Awards

- **Chris Carrillo – 5 Years of Service**
- **Joe Steck – 5 Years of Service**
- **Rob Hopkins – 5 Years of Service**
- **Larry Marple – 20 Years of Service**

General Manager Aaron and the Department Managers provided a brief presentation of service pin awards to the named employees.

Timed Item 10:00 A.M. – Former District Director, Jeff Lanini to Address District Board Regarding Request for Legal Representation

Former Director Lanini advised the Board of Directors of his request for the District to provide legal representation for him to speak as a witness during a recent deposition, and stated that he did not want to be represented by the District's counsel, but would have wanted to select his own representation.

CONSENT CALENDAR: Consent Calendar items are routine items which are approved without discussion or comment. If an item requires discussion it will be removed from the Consent Calendar prior to action.

1. Approve Accounts Paid in the amount of \$465,296.48 for the period from July 13, 2010 to August 9, 2010 and Accounts Payable in the amount of \$144,426.88 with vendor conflicts noted for Director Bergmann in the amount of \$5,045.77.
2. Approve Minutes of the July 13, 2010 Regular Board Meeting
3. Authorize General Manager to Execute Agreement with Placer County for Beach Maintenance Services
4. Authorize General Manager to Execute Memorandum of Understanding with the Tahoe Regional Planning Agency for Operation of Boat Launches on Lake Tahoe
5. Authorize Purchase of Global Positioning System and Software (Item was removed for discussion.)
6. Adopt Resolution 2010-19, A Resolution of the Board of Directors of the North Tahoe Public Utility District Honoring Senator Dave Cox
7. Adopt Ordinance 382, An Ordinance of the Board of Directors of the North Tahoe Public Utility District Amending the Provisions of the Conflict Of Interest Code, Chapter 2, Article 2.05 of the North Tahoe Public Utility District Code of Ordinances.
8. Award Bid and Authorize General Manager to Enter into Agreement for Zone 1 Water Storage Tank (#0833)
9. Award Bid and Authorize General Manager to Enter into Agreement for Carnelian Bay Force Main Bypass and Repair (#0924)

10. Adopt Resolution 2010-20, A Resolution of the Board of Directors of the North Tahoe Public Utility District Endorsing the Sierra Nevada Geo-tourism Project
11. Authorize General Manager to Enter into Cooperative Purchase Agreement with Coalinga Motors through Placer County (#1106)

Item #5. Purchase of Global Positioning System and Software. Item was removed for discussion at the request of Director Ferrell. After discussion, Director Ferrell stated that he would approve the purchase if authorization was modified to include only one GPS unit and appurtenances.

MOTION: Upon motion by Director Daniels and second by Director Ferrell, the Board voted unanimously (one absent) by Roll Call Vote to approve the Consent Calendar as presented with standing conflicts noted for accounts paid and payable for Director Bergmann, and modification discussed to Item #5 for the Purchase of Global Positioning System and Software.

MANAGEMENT TEAM INFORMATIONAL UPDATES:

1. Management Services Department Report

a. Review and Discuss Monthly Financial Statement through June 2010

Reports generated through Springbrook will be presented to the Board in next month's packets. A discussion of the new format will be placed on the agenda in order to explain differences from the current Excel formatting. The new formatting procedure will save the Management Services Department approximately 20 hours of labor monthly.

Director Daniels requested Chief Financial Officer Marple to review the year end report for the North Tahoe Event Center. The department reported a use of reserves of \$34,000 versus a projected income of \$15,000 in the budget. It was noted that although this was an improvement from the prior fiscal year, no deferred maintenance is included in these figures for the building. The need for strong advocacy for the Center with the North Lake Tahoe Resort Association was emphasized.

b. Treasurer's Report

The Treasurer's Report and balances in reserves were discussed.

2. Parks and Facilities Department Report

Planned maintenance for the North Tahoe Regional Park Bike Trail was discussed.

3. Planning and Engineering Department Report

Planning and Contracts Coordinator Gibbons presented the department's update to the Board, and advised them of the award for the Carnelian Bay West Waterline Project to Campbell Construction. She offered to represent the District at Homeowner's Association meetings to present updates on current operations and capital projects.

4. Utility Operations Department Report

Utility Operations Manager Hopkins updated the Board on the activities of the department. President Lewis inquired about leaks taking place in the Kingswood Area and was advised that the leaks were occurring because of the integrity of the main being replaced by the current project.

Timed Item 10:30 A.M. – GBA Master Series Representative Chris Crupi: Infrastructure and Asset Management System (#1102)

Purchase of the GBA Master Series which will replace the Hansen System currently being used by the District was approved by the Board at July's meeting. Training and implementation of the new system is anticipated to take place before November 2010. The system will also generate useful reports which will be custom to the District, although reports can be shared within user groups of other municipal or public utility providers. All District assets and departments are included in this system, i.e. Parks and Facilities, Sewer, Water, Pump Stations, and Fleet.

NEW BUSINESS

1. Kings Beach State Recreation Area and Kings Beach Plaza Events: Allowable Uses and Concessions

Park and Facilities Manager Long stated that the department is not able to manage events, however local vendors and restaurants are recommended to the planners. Sheri Sprenger from the North Tahoe Business Association (NTBA) spoke to local businesses about providing food at events, however, most scheduled events coincide with the busiest times for local restaurants and they are unable to participate. Director Bergmann suggested that the District incorporate a listing of local restaurants on the District's application form, and Director Daniels suggested that NTBA contact them during the slower winter season to encourage them to plan ahead to participate during the following summer season. Park and Facilities Manager Long suggested a link to local restaurants and NTBA vendors be placed as a link on the District's website.

2. District Facilities Planning

Planning and Engineering Manager Schultz presented two concepts for replacement of aging District base facilities. Three concepts were initially developed, and Director Ferrell requested that the third concept which had not been presented be reconsidered. This item was continued to an upcoming meeting and will be brought back to the Operations and Planning Committee prior to Board consideration.

OLD BUSINESS

1. NORTH TAHOE PUBLIC UTILITY DISTRICT MONEY PURCHASE PENSION PLAN:

Adopt Resolution 2010-21, A Resolution of the Board of Directors of the North Tahoe Public Utility District Adjusting Contributions to the District's Money Purchase Pension Plan to Zero.

MOTION: Upon Motion by Director Daniels and second by Director Ferrell, the Board voted unanimously (one absent) by Roll Call Vote to Adopt Resolution 2010-21.

2. CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CaIPERS):

- a. Adopt Resolution 2010-22, A Resolution Authorizing Contract Between the Board of Directors of the North Tahoe Public Utility District and the Board of Administration of the California Public Employees' Retirement System.
- b. Adopt Resolution 2010-23 for Employer Pick-Up, A Resolution of the Board of Directors of the North Tahoe Public Utility District To Tax Defer Member Paid Contributions

- c. Adopt Resolution 2010-24, A Resolution of the Board of Directors of the North Tahoe Public Utility District To Tax Defer Service Credit Purchases
- d. Adopt Resolution 2010-25, A Resolution of the Board of Directors of the North Tahoe Public Utility District Providing for Employer Paid Member Contributions (EPMC).

MOTION: Director Bergmann motioned to adopt Resolutions 2010-22, 23, 24 and 25. Upon second by Director Daniels, the Board voted unanimously (one absent) by Roll Call to pass all Resolutions as presented.

JOINT SEWER FACILITIES AGREEMENT WITH TAHOE CITY PUBLIC UTILITY DISTRICT

Planning and Engineering Manager Schultz advised the Board that the Joint Sewer Facilities Agreement will be complete after receipt of some numbers from the Tahoe City Public Utility District and will be brought to the Board for adoption at the Regular Board Meeting in September. The agreement calls for an annual meeting so that the Districts can effectively budget for a 5 year projection. Director Ferrell verified that District responsibility only includes maintenance for the sewer line and manholes needed for transport of District sewage as measured by Tahoe Truckee Sanitation Agency at the top of Dollar Hill.

Timed Item 11:30 A.M. – PUBLIC FINANCING FOR WATER DEPARTMENT CAPITAL: Craig Hill of Northcross Hill and Ach, and Andy Hall of Jones Hall

Mr. Hill advised the Board of the options and his recommendation to use a bank as a financing mechanism because of preliminary rate proposals of approximately 4.1% versus the issuance of Certificates of Participation/Bonds which include the cost of underwriting, rating and other additional fees.

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 11:37 A.M. The District's Regular Meeting continued concurrently.

Present at the meeting were Directors Bergmann, Daniels, Ferrell and Lewis. Director Mooney, absent. 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 JANUARY 19, 2010 MEETING OF THE NORTH TAHOE BUILDING CORPORATION

MOTION: Motion was made by Director Bergmann to approve the minutes of the January 19, 2010 meeting of the North Tahoe Building Corporation as presented. Upon second by Director Ferrell, the motion carried unanimously (one absent).

Andy Hall addressed the Board, explaining North Tahoe Public Utility District Resolution 2010-26 and North Tahoe Building Corporation Resolution 2010-02, the Installment Sale Agreement, and the Assignment Agreement needed for financing.

A noted correction to be made within the text of District Resolution 2010-26 corrects the Installment Sale Agreement "not to exceed" amount to \$4,500,000.

Resolution 2010-26, A Resolution of the Board of Directors of the North Tahoe Public Utility District Approving, Authorizing and Directing Execution of Certain Installment Sale Financing Documents and Authorizing and Directing Certain Actions With Respect Thereto.

Resolution 2010-02, A Resolution of the Board of Directors of the North Tahoe Building Corporation Approving, Authorizing and Directing Execution of Certain Installment Sale Financing Documents and Authorizing and Directing Certain Actions With Respect Thereto.

MOTION: Motion was made by Director Bergmann to adopt District Resolution 2010-26 with the noted correction, and Corporate Resolution 2010-02 as presented. Upon second by Director Daniels, the Board voted unanimously (one absent) by Roll Call Vote to adopt the Resolutions.

**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 12:07 P.M. The District's Regular Meeting continued.

CORRESPONDENCE

- 1. California Highway Patrol Certificate of Achievement**
- 2. North Tahoe Business Association (NTBA) Correspondence Regarding Independence Day Celebration**

General Manager Aaron presented the cited correspondence.

GENERAL MANAGER/CEO COMMENTS

- 1. Discussion Regarding Kings Beach Dog Beach: General Manager Remanding Discussion of Dog Parks/Beaches to the Recreation and Parks Commission**
- 2. Utility Elected Officials 2010 Conference Information**

General Manager Aaron recommended the Board remand discussion regarding Kings Beach Dog Beach to the Recreation and Parks Commission for a recommendation. The Board concurred.

General Manager Aaron asked for any Directors who are able to attend the Utility Elected Officials 2010 Conference to be held September 8 – 10, 2010 to do so.

General Manager Aaron thanked District Staff and Legal Counsel for their hard work.

BOARD OF DIRECTOR'S COMMENTS

Director Bergmann advised the Board of a Redevelopment Area Map being developed by Tahoe Regional Planning Agency and Placer County currently taking input on determination of the redevelopment area.

Director Daniels thanked the Event Center staff for her recent work with them. She also stated that she wished the Tahoe Vista Recreation Area Boat Launch could remain open for two additional weeks.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:18 P.M.

Marianne Potts
Board and Records Secretary