

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

Thursday, September 27, 2012 at 8:30 A.M.

CALL TO ORDER/ESTABLISH QUORUM

A Special Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, July 2, 2012 at the North Tahoe Event Center in Kings Beach, California. Present were Directors Bergmann, Mooney, Daniels, Ferrell, and Lewis. A quorum was established. President Lewis called the meeting to order at 8:30 a.m.

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION. Discussion pursuant to subdivision (b) of Section 54956.9. Number of cases: Two (2)
2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – Discussion pursuant to Section 54956.8. Property: 8318 North Lake Boulevard, Kings Beach State Recreation Area. Agency Negotiator: General Manager Schultz. Negotiating Parties: State of California. Under Negotiation: Terms of Agreement.

OPEN SESSION – 10:00 A.M.

President Lewis stated that no action had been taken in Closed Session. Director Daniels led the Pledge of Allegiance.

PUBLIC FORUM: There being no public to address the Board on items not on the agenda, Public Forum was closed at 10:00 a.m.

Chinquapin Sewer Facilities Discussion

James Porter, Attorney for Chinquapin Homeowners Association (CHOA) gave his presentation regarding the history of the District's maintenance of the sewer facilities at Chinquapin. He referred to documents which he said state that the lines at Chinquapin were maintained for 39 years by the District, and had therefore been accepted by the District by action.

Mr. Porter described documents found by Bob Duffield, General Manager of the Chinquapin Homeowners Association which supported his position. He noted that Chinquapin Developer Bob Harmon and Don Williams both stated that the Moana Corporation did not own any other sewer facilities for developments in the area which include Tahoe Tavern, Tavern Shores and Tahoe Marina Lodge.

Mr. Duffield read a statement also stated that the other three Moana projects in the area are all maintained by public utilities (Tahoe City Public Utility District).

Director Ferrell asked about the condition of the sewer facilities and stated that before the District could assume responsibility for the facilities, they would need a current

report as to the condition of the sewer stations. Mr. Duffield stated that a study had been done and report written which he will provide for review.

Mr. Eskind, Attorney for the District, stated that this is a hearing and after it is closed, a decision will be made on the evidence presented, and that the reports about the conditions of the pump stations should be given to the District by October 15th. Any further evidence regarding the pump stations should be presented to the District before the close of business on October 5th at 5:00 p.m.

Kathy Payne, President of the CHOA stated that the Homeowners were not informed that this Board meeting was a hearing. It was agreed that should any compelling evidence that was found could be submitted at any time, and a new hearing could be scheduled if necessary.

General Manager Schultz requested that the hearing be closed as far as evidence regarding the gravity sewer lines. He noted that a reference to the District's acceptance of facilities is for the quality of the lines only, and not acceptance of ownership. Placer County correspondence referencing the District's acceptance of the sewer lines refers only to acceptance of the standards required for the line. He did maintain that the District has been performing maintenance of the lines on an interim basis in order to help. He added that the pump stations within the Chinquapin property had not been accepted for quality or ownership with the exception of the station called D-6. He did not recommend acceptance of the additional facilities under discussion.

President Lewis stated that the information presented has been received and the Board will take all information into consideration. He stated that Friday, October 12, 2012 at 5:00 p.m. was the final date and time to submit information for consideration on the pump stations.

Further discussion was set for November 13th regarding the issue. President Lewis stated that the Board would make a decision on ownership and maintenance of the sewer facilities at that time.

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