

**MINUTES OF JOINT WORKSHOP OF THE  
NORTH TAHOE PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS AND THE  
RECREATION AND PARKS COMMISSION**

**North Tahoe Event Center  
8318 North Lake Boulevard, Kings Beach, CA 96143  
Tuesday, April 29, 2015 at 9:00 a.m.**

**CALL TO ORDER/ESTABLISH QUORUM**

A Joint Workshop of the North Tahoe Public Utility District Board of Directors and the Recreation and Parks Commission was held at the North Tahoe Event Center in Kings Beach, California on Tuesday, April 29, 2015. Present at the meeting were President Lewis, Directors Bergmann, Daniels, Ferrell, and Thompson, Commission Chairman Teran, and Commissioners Pepin, Mattson, McDermott and Righellis. Staff in attendance included General Manager/CEO Whitelaw, Chief Financial Officer Marple, Park and Facilities Manager Towner, IT/Public Information Administrator Emmerich, and Board Secretary Potts. President Lewis called the meeting to order at 9:08 a.m.

**PUBLIC FORUM**

No members of the public were present to address the Board of Directors or the Recreation and Parks Commission on items not listed on the agenda, and Public Forum was closed.

**INTRODUCTION OF BOARD AND COMMISSIONERS**

President Lewis thanked the individuals in attendance, and introduced himself and asked each of the Directors and Commissioners to do so. The full Board and Commission were in attendance and introduced themselves including their length of time in the community and business or other interests.

**WORKSHOP OVERVIEW**

**Process** – President Lewis stated that he felt that this meeting was an excellent forum in which to share ideas.

**Time Constraints** – President Lewis advised that the workshop is expected to conclude at 11:30 a.m. He turned the meeting over to General Manager Whitelaw. General Manager Whitelaw introduced himself, advising that he has been the General Manager for the District for 2 ½ months. He asked the visitors in attendance to introduce themselves. The attendees were community members Carolyn Pretzer, Sara Coolidge, Katy Hickey, Dan Daniels, and Cadence Matijevec and Peter Kraatz of Placer County.

**GOALS**

**What are the challenges currently facing the Recreation and Parks Department?**

General Manager Whitelaw referred to the Recreation and Parks Master Plan adopted in 2007 as the most recent directive and founding document. He also referred to the Mission Statement for the Recreation and Parks Department, noting that the District may need to update the statement to specify affordability and other directives that may result from new direction given.

General Manager (GM) Whitelaw and Park and Facilities Manager (PFM) Towner began discussion by providing a presentation outlining current challenges facing the

Recreation and Parks Department, stating that the department which is currently deficit driven as opposed to needs driven. GM Whitelaw sees this as more reactive than proactive and would like to address the problem through a needs assessment determining what services the community wants, appropriate maintenance, service, and staffing levels. PFM Towner expressed the importance of capital replacement funding to allow for depreciation.

### **How do we determine the types and level of service?**

PFM Towner posed the question how the District determines what services it can provide, discussing core services versus preferred services. Core services were identified as keeping the facilities clean, safe, and accessible. This would include basic maintenance levels to take care of existing infrastructure. Deferred maintenance is a need not yet being met. A preferred level of service would allow for the department to explore options for new facilities, programs and services. PFM Towner considers a needs assessment necessary in the near future.

### **Once determined, how should limited dollars be prioritized?**

Chief Financial Officer (CFO) Marple presented projections for a financial analysis of the North Tahoe Regional Park, Tahoe Vista Recreation Area, and the North Tahoe Event Center. His projections concluded that at the end of the fiscal year on June 30, 2015, the department will require a use of reserves in the amount of \$143,000.

### **Given current services and level of funding, how long can the budget be sustained?**

CFO Marple stated that Recreation Reserves will be depleted in the next fiscal year. GM Whitelaw stated that the Board and Commission need to explore options and make decisions to balance the budget.

### **What are the options for recreation to maintain solvency?**

GM Whitelaw presented the manner surrounding districts fund recreation, noting that all relied on property taxes to some degree. South Tahoe PUD, Tahoe City PUD, Truckee Donner PUD, and IVGID rely on property taxes to support their recreation departments.

Options for the District to be considered are asking the voters to pass a special tax, finding grant funding for operations and maintenance, obtaining other outside funding, or the use of property tax to support the department. GM Whitelaw stated that the department may need a bridge loan to cover operating costs over the next fiscal year until a solution is found. He stated that for recreation to continue at its current service level at the current funding level, the District will be deficit spending. Should the Board consider providing a bridge loan, the District would use the next year to continue the process and come up with solutions for the long term.

GM Whitelaw asked how the District can change its thinking from reactive to proactive, and spoke of a change in paradigm to include consideration for:

- A recreation joint powers agreement with TCPUD
- Creation of a new recreation district
- Private management like the national parks agreement with the Curry Company
- Profit-centered focus for the event center. Use of the building as a visitor center or museum with a long term lease for use
- Service cuts

## **NEXT STEPS**

President Lewis opened the discussion to all interested parties in attendance. The discussion revolved around the steps needed to determine the department's priorities, public outreach, and the Porter Cologne Act which has restricted the District's spending of property taxes to the sewer department since the early 1990s. Additionally, consensus of the Board was that the event center is a community asset, and its closure would lead to losses in the private sector locally.

It was stated that the current funding mechanism for the department is Measure C, Community Facilities District (CFD) 94-1. The Board stated its concerns about the use of property taxes to fund shortfalls for the department. A legislative counsel determination seven years later advised a District subject to the Porter-Cologne Act exemption could use property taxes in any manner authorized. However, the Board has always taken a conservative approach at using property taxes for sewer programs only.

GM Whitelaw stated that he is working to answer that question and obtain an updated determination from the State and from the Placer County Auditor's Office on the use of property taxes.

Transient Occupancy Tax (TOT) funding was discussed as a possible source of income for the North Tahoe Event Center due to the visitor serving nature of the building which brings overnight tourists to the area. TOT funds were cited as being used for capital projects and infrastructure, but not generally available for operations and maintenance.

The Commission voiced concerns about how to reach out to the public and that the ongoing funding issues for the department have not been addressed. The Board discussed reaching out to the public through public meetings, press releases, the District's web page, local television and radio, and social media. A consensus of the Commission and Board determined the need for consistent and increased communication and outreach telling the department's story in order to gain an appreciation for moving forward with a CFD or other funding mechanism including the use of property tax subsidies.

A history of the department's budget was discussed stating that in 1994, recreation programming was provided at a cost of \$400,000. The Board made the decision to have the Boys and Girls Club of North Lake Tahoe take over that segment of the Department's programming. It has saved the District each year since while still providing for youth recreation in the community. It was noted that at that time, the recreation department was supplemented by property taxes in an amount close to what is needed today for operations.

Generating an advocacy effort was discussed, noting that the District can provide information, but cannot be an advocate for a measure or funding mechanism. An advocacy group must be formed, possibly with the Commissioners and interested individuals from the public without the use of public monies.

## **Action Items**

The Board summarized that the department's needs are issues for all of us, and the District has community assets which are beneficial to all who live in or visit the facilities.

GM Whitelaw asked for direction on how we are going to bridge this interim period, while deciding on new revenue sources and amounts, to continue recreation services during the next fiscal year.

**Update needs assessment/Survey property owners about interest in new directions/Time constraints**

GM Whitelaw stated that the District knows that whatever action is taken for the future of the recreation department, we need funding for the department to take us past June 30<sup>th</sup> until a solution is found. He stated that he, Park and Facilities Manager Towner and IT/PIA Emmerich will try to assemble the information and analyze it in a manner that will provide for the department's short term, mid-term, and long term needs.

GM Whitelaw stated that campaign for recreation has to begin immediately. During our budget formation, the District will look carefully at living within our means and assuring that all funds are spent wisely. He advised that one of the first steps would be to update a needs assessment created in 2009 in order to assess the public's views regarding the importance of specific District facilities, interest in new services, and a willingness to pay.

GM Whitelaw asked the Board, Commission, staff, and interested parties to continue to brainstorm for a source of new revenue, value-added services, and how to reach out to the public to attend the next meeting. He would like to see this topic on the Recreation and Parks Commission agenda, and requested that Park and Facilities Manager Towner reports back to the Board as progress is made.

**NEXT MEETING**

**Dates and Outreach**

No specific dates were proposed, but it was decided that another joint meeting should be scheduled in the next month.

Formation of a committee was discussed with interested parties attending the joint meeting signing up to receive all future information provided regarding the topic.

**ADJOURNMENT**

There being no further business to come before the Board and Commission, President Lewis thanked the attendees for a great morning, and the meeting was adjourned at 11:30 a.m.

Marianne J. Potts  
Board Secretary