

**MINUTES OF MEETING OF THE  
NORTH TAHOE PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS  
North Tahoe Event Center  
8318 North Lake Boulevard, Kings Beach, CA 96143  
Tuesday, April 14, 2015**

**CALL TO ORDER/ESTABLISH QUORUM**

A Meeting of the North Tahoe Public Utility District Board of Directors was held at the North Tahoe Event Center in Kings Beach, California on Tuesday, April 14, 2015. Present at the meeting were President Lewis, Directors Bergmann, Ferrell, Thompson, and Daniels, comprising the full Board and establishing a quorum.

President Lewis called the meeting to order at 2:00 p.m. and identified items for discussion listed below before adjourning to Closed Session. General Manager Whitelaw and Chief Financial Officer Marple were in attendance during Closed Session, as well as Counsel Morris. Counsel Eskind attended by teleconference as needed for agenda item #3.

General Manager Whitelaw advised the Board that he had a conversation with Liberty Utilities about the easement that they would like to acquire on the Gentry Property. This conversation and the need for Board direction came to staff's attention after the agenda was posted.

**MOTION: Motion was made by Director Daniels and seconded by Director Bergmann to add item #4 to the closed session agenda regarding real estate negotiations with Liberty Utilities regarding the Gentry Property. The motion carried unanimously (5-0).**

**CLOSED SESSION AGENDA**

Pursuant to Government Code, the Board of Directors discussed the following items:

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Initiation of Litigation pursuant to paragraph (4) subdivision (d) of Section 54956.9. One case.
2. CONFERENCE WITH LABOR NEGOTIATORS – Discussion pursuant to Section 54957.6. District Negotiators: General Manager Whitelaw and Chief Financial Officer Marple. Under Negotiation: IUOE Local 39 Memorandum of Understanding for Classified Employees
3. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Discussion pursuant to subdivision (a) of Section 54956.9. Name of case: Stuart Corvin v. North Tahoe Public Utility District, et al.
4. Added to Agenda per motion above: CONFERENCE WITH REAL ESTATE NEGOTIATOR. Property Description: Gentry Property APN's 111-010-013, -014, and -015. District Negotiator: General Manager Whitelaw. Negotiating Parties: Liberty Utilities. Under Negotiation: Terms of Agreement

**OPEN SESSION/PLEDGE OF ALLEGIANCE/REVIEW AGENDA**

President Lewis reconvened to Open Session to order at 3:00 p.m. The full Board was present. President Lewis reported that no action was taken in Closed Session and that the Board would return to closed session after the open session of the meeting to discuss closed session Item #2.

Staff in attendance included General Manager Whitelaw, Chief Financial Officer Marple, Park and Facilities Manager Towner, Engineering and Operations Manager Stelter, Utility Operations Manager Begin, Contracts and Planning Coordinator Gibbons, Construction Administrator Butterworth, and Executive Assistant/Board Secretary Potts.

Director Daniels led the Pledge of Allegiance. The agenda was reviewed and no other changes were made.

## **TIMED ITEMS**

### **3:05 p.m. PUBLIC FORUM:**

Tahoe Vista resident Ellie Waller advised the Board of a lakefront parcel, where the Shore House is situated, being purchased by the Ritz Carlton of Northstar. She inquired as to the billing status of the parcel at the corner of East Agatam and North Lake Blvd, and advised that she was concerned about its use as a snowmobile repair shop, and stated that she had contacted Tahoe Regional Planning Agency. She also asked the Board about revisiting consolidation with the Tahoe City Public Utility District as it has not been considered for several years.

King Beach resident Joe Huelle stated that he would like to see answers from the Board and from staff. He asked to see an analysis of why the District is installing a new waterline in the road rather than using the backyard trench already in use on Dolly Varden. He stated that the District already has the right of way (easement) and repairs are less intrusive in the backyard easements. He also asked for the General Manager to provide an assessment of the District and for him to advise what the District was doing badly before, and is doing better now. He stated the need for good communication. He handed written questions to Engineering and Operations Manager Stelter and General Manager Whitelaw requesting a response.

Kings Beach resident and realtor Ann Nichols presented a request for gratis use of the fields for a fundraising concert at the North Tahoe Regional Park. She stated that the event was to raise funds to keep urban sprawl from affecting the Tahoe basin ridgeline, and environmental awareness. The Board asked staff to work with Ms. Nichols or place this item for consideration on the May agenda.

Tahoe Vista resident Sarah Coolidge asked for an item to be heard by the Board regarding open elections and term limits. The Board directed staff to place this item on the May agenda for discussion.

There being no other member of the public present to address the Board at this time, Public Forum was closed at 3:16 p.m.

**CONSENT CALENDAR:** The following consent calendar items were presented for approval. Director Bergmann noted his specific conflicts with accounts paid and payable and advised that the Finance Committee recommends adoption of Resolution 2015-05.

1. Approve Accounts Paid and Payable for the period from March 10, 2015 through April 13, 2015.
2. Approve Minutes of the March 10, 2015 Regular Board Meeting
3. Award Bid and Authorize General Manager to Execute Agreement with Mountain Pipeline for Gravity Sewer CCTV Inspection Services

4. Adopt Resolution 2015-05 Establishing Authorized Signatures for the Local Agency Investment Fund

**MOTION: Director Daniels moved to approve the Consent Calendar noting Director Bergmann's accounts paid and payable conflicts. Upon second by Director Ferrell, the motion carried unanimously (5-0) by roll call.**

## **MANAGEMENT TEAM INFORMATIONAL UPDATES**

### **General Manager/CEO Report**

General Manager Whitelaw directed the Board's attention to his report specifically noting that he would like to have a list of the street lights requested from Liberty Energy so that the District could begin public notification of its intent to stop paying for the lights. He reminded the Board of Directors about the District reception for the Board of Supervisors, noting that all interested members of the public are invited.

### **Accounting Department Report for February 2015**

#### **a. Monthly Financial Statement**

#### **b. Treasurer's Report**

Chief Financial Officer Marple presented the District's financial statement and Treasurer's report through the month ending February 2015. A discussion was held regarding the North Tahoe Event Center budget, a reserve policy, and philosophy specifying when spending is allowed and when it is restricted. General Manager Whitelaw advised that although this discussion could be brought to the joint Board and Commission meeting scheduled for April 29<sup>th</sup>, the first meeting would provide a more general overview of the Park and Facilities budget and funding needs. The Treasurer's report was discussed briefly.

### **Park and Facilities Department Report**

Park and Facilities Manager Towner updated the Board on current projects including the way finding sign project, Tahoe Unleashed dog park, and ongoing improvements at the event center. She advised that she had been speaking to Caltrans and Placer County regarding a two hour parking limit on Highway 28 and National Avenue, but neither agency was able to commit to the time limit and required enforcement. As the Tahoe Vista Recreation Area (TVRA) launch will not be opened this season due to the low lake level, Director Thompson inquired about kayak racks at that location. Park and Facility Manager Towner stated that although initially permitted with the project, the District is restricted from the rental of the existing kayak racks to generate revenue as the racks are for the use of individuals arriving at TVRA via kayak. A discussion was held regarding the Request for Proposals for a non-motorized concession and the process for choosing the successful proponent. The Board took New Business Item H-2 out of order for consideration of award of the concession at TVRA.

### **Award Concession and Authorize General Manager to Execute Agreement for Non-Motorized Concession at the Tahoe Vista Recreation Area subject to Successful Negotiations**

Director Bergmann recused himself from the discussion due to a conflict of interest. Park and Facilities Manager Towner presented a recommendation from the vetting committee who reviewed two proposals for the concession. She advised that the committee reviewing the proposals consisted of staff and one member of the Recreation and Parks Commission. The term of agreement was discussed at length as was the

process and the timing of the Request for Proposals. President Lewis recommended negotiating an agreement for a single year and going out for proposals for 2016 in October. The vetting committee recommended Tahoe Adventure Company as the successful proponent. Kevin Hickey, owner of Tahoe Adventure Company stated that he would like consideration for an agreement for multiple years, and felt that the RFP was put out in a time frame that allowed for a good bidding climate. Director Daniels felt that Mr. Hickey had been given a single year extension last season and would like to offer an agreement that covers more than one year. Director Ferrell stated that a policy should be developed for staff to follow in the future which would include Board committee review of the proposals, adding that although the percentage income from one proposal may be higher than the other, consideration may not have been given to an increased volume of business offered by another proposer. Director Thompson stated that although he trusted staff, because of the recommendation which requires additional negotiations, the Board did not know the specifics of the agreement which they were being asked to approve.

**MOTION: Director Thompson moved to award the concession and authorize General Manager Whitelaw to execute a two year agreement for a non-motorized concession at the Tahoe Vista Recreation Area with Tahoe Adventure Company subject to successful negotiations and review by the Recreation and Parks Committee and Counsel. Upon second by Director Daniels, the motion carried (3-1) with President Lewis voting no, and Director Bergmann abstaining.**

### **Planning and Engineering Department Report**

Engineering and Operations Manager Stelter presented an update on the Kings Beach Commercial Core Improvement Project advising that the KBCCIP is beginning early due to an early grading exception granted by TRPA, and District projects including the Dollar Force Main Rehabilitation and the Kings Beach Tank Rehabilitation. He addressed public outreach efforts which included District staff participating in the Earth Day event at Squaw Valley regarding water conservation, and creating awareness about FOG and placing disposables in the sewers. He discussed his work on the upcoming budget and a minor reorganization he is proposing for the Utility Operations crew.

### **Utility Operations Department Report**

Utility Operations Manager Begin reported that the crews were geared up for the season and had begun work on the KBCCIP including numerous responses to Underground Service Alert location requests (USA's). He reported the crew's involvement with USA's at base related to the new base facilities and updated the Board on work begin performed by Al Pombo to remove the old sign shed and digester in the yard. He also reported on upcoming training for emergency rescue scheduled with North Tahoe Fire, and projects the crew is working on including valve exercising, root problems in the sewer mains due to drought conditions, with Engineering and Operations Manager Stelter stating that the District plans to include CCTV'ing sewer laterals in the future due to the problems being discovered. Director Daniels thanked the Utility Operations crew for their work in repairing leaks and asked to see a graph showing water usage and meter consumption over the last five years, and the target goals of water conservation.

### **OLD BUSINESS**

**Approve Budget Adjustment, Award Bid, and Authorize General Manager to Execute Agreement for Parks Maintenance Building (#1430)**

Contracts and Planning Coordinator Gibbons provided a history of the project. Park and Facilities Manager Towner presented a needs assessment for the building and discussed the department's current use of the sprung structure. Construction Administrator Butterworth presented the bidding process used advising that staff tried to keep costs down by proposing a simple steel corrugated metal building containing 2400 s.f. of equipment storage and a 600 s.f. office.

Board discussion focused on the cost of the building and the bids received. Director Ferrell believes the building cost is too high, stating that the costs are much greater than the original budget.

**MOTION: Director Ferrell moved to reject all bids for the Parks Maintenance Building. Upon second by Director Thompson, the motion carried (4-0) with Director Bergmann voting no.**

**Authorize Budget Adjustment and Contingency Increase from 5% to 10% for the Base Facilities Related Projects (#1408 & 1413)**

Discussion revolved around design errors, coordination issues, and a statement by Director Thompson that the architect's plans were not complete. Staff was requesting the increase from 5% to 10% to gain authorization for approval of any necessary change orders up to 10%.

**MOTION: Director Ferrell moved to authorize a budget adjustment and contingency increase to 10% for the Base Facilities and related projects. Upon second by Director Daniels, the motion carried (4-1) with Director Thompson voting no.**

**Discussion to Consider Parameters for General Legal Counsel Request for Qualifications**

General Manager Whitelaw requested specific parameters be considered before preparing a Request for Qualifications for general legal counsel for the District including reaching out to the Sacramento region. Directors Daniels and Bergmann were appointed as an ad hoc committee for review of the proposals received. General Manager Whitelaw stated that two or three of the most qualified proposers as determined by the ad hoc committee would come before the full Board for an introduction and discussion.

**NEW BUSINESS**

**Adopt Resolution 2015-04 Implementing Additional Mandatory Water Conservation Measures**

Contracts and Planning Coordinator Gibbons introduced the parameters of the resolution and advised the Board that further action may be needed after the State takes additional action to increase restrictions.

**MOTION: Upon motion by Director Bergmann and second by Director Ferrell, the motion to adopt Resolution 2015-04 implementing additional mandatory water conservation measures carried unanimously by roll call (5-0).**

**Authorize General Manager to Execute Cooperative Agreement with Placer County for the Coon Clean Water Pipe Project**

Action was taken in conjunction with the cooperative agreement for the lower Chipmunk water quality improvement project.

**Authorize General Manager to Execute Cooperative Agreement with Placer County for the Lower Chipmunk Water Quality Improvement Project**

Engineering and Operations Manager Stelter introduced the cooperative agreements proposed with Placer County which allows for the District to coordinate the water and sewer projects which are both contained in the CIP Five Year Focus. Placer County will manage the jobs and handle the bidding and construction process.

**MOTION: Motion was made by Director Thompson to authorize General Manager Whitelaw to execute cooperative agreements with Placer County for the Coon Clean Water Pipe Project and the Lower Chipmunk Water Quality Improvement Project. Upon second by Director Ferrell, the motion carried unanimously (5-0).**

**Establish Funding Level for Fiscal Year 2015-2016 and Authorize General Manager to Execute Agreement with the Boys and Girls Club of North Lake Tahoe**

Director Bergmann recused himself from the discussion due to a conflict of interest. General Manager Whitelaw and Park and Facilities Manager Towner recommended funding the Club at the same level as approved by the District Board for the 2014-2015 Fiscal Year. Boys and Girls Club Executive Director Mindy Carbajal presented the annual report to the Board summarizing the number of children served by the club. She and Park and Facilities Manager Towner have been renegotiating the agreement and adjusting the scope of work to provide a true reflection of the recreation currently provided by the Club. The Board stated that the contribution given by the District is money well spent to provide recreation for the youth in the community with the Club generating nine times the dollars using the District's contribution as a base for their fundraising.

**MOTION: Upon motion by Director Daniels and second by Director Thompson, the Board voted to continue funding the agreement for Fiscal Year 2015-2016 in the amount of \$116,000. The motion carried (4-0) with Director Bergmann abstaining.**

**CORRESPONDENCE**

**Letter from Tahoe Public Art Program Coordinator thanking North Tahoe Event Center staff for assistance with meeting arrangements**

Correspondence was acknowledged.

**BOARD OF DIRECTOR COMMENTS**

Director Bergmann thanked the Development and Planning Committee and Engineering and Operations Manager Stelter for their work and perspective on recent projects. President Lewis commented that he was pleased after meeting the District's new general counsel, Andrew Morris.

**CLOSED SESSION**

President Lewis adjourned to closed session at 7:10 p.m. for discussion of Closed Session Item #2.

**ADJOURNMENT**

Closed Session Item #2 was discussed regarding Conference with Labor Negotiators, and President Lewis reported that no action was taken in closed session after reconvening to open session. There being no further business to come before the Board of the North Tahoe Public Utility District, the meeting was adjourned at 8:00 p.m.

Marianne J. Potts  
Board Secretary