

**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
213 Buenos Aires St., Los Barriles, Baja, California, Mexico
Tuesday, November 10, 2015 at 2:00 P.M.**

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, November 10, 2015. Present at the meeting were President Bergmann, Directors Daniels and Thompson, and Director Lewis by teleconference establishing a quorum. Director Ferrell was not in attendance.

President Bergmann called the meeting to order at 2:00 p.m.

OPEN SESSION/PLEDGE OF ALLEGIANCE/REVIEW AGENDA

Staff in attendance included General Manager Whitelaw, Chief Financial Officer Marple, Engineering and Operations Manager Stelter, Interim Park and Facilities Manager Long, Technology/Public Information Administrator Emmerich and Executive Assistant/Board Secretary Potts.

General Manager Whitelaw noted that the new business item for approval of organizational chart modifications was not ready for discussion at this meeting. This item was tabled for a future meeting.

Director Thompson led the Pledge of Allegiance.

TIMED ITEMS:

2:05 p.m. PUBLIC COMMENT

No members of the public were present to address the Board on items not on the agenda, and Public Comment was closed.

CONSENT CALENDAR: The following consent calendar items were presented for approval. Director Bergmann noted his specific conflicts with accounts paid and payable.

1. Approve Accounts Paid and Payable for the period from October 13, 2015 through November 10, 2015.
2. Approve Minutes of the October 13, 2015 Regular Board Meeting, October 19, 2015 Special Board Meeting and October 27, 2015 Strategic Planning Workshop.

MOTION: Director Lewis moved to approve the Consent Calendar noting Director Bergmann's accounts paid and payable conflicts and the removal of the minutes. Upon second by Director Daniels, the motion to approve the Consent Calendar carried unanimously (4-0) by roll call vote with Director Ferrell absent.

MANAGEMENT TEAM INFORMATIONAL UPDATES

Minutes of Meeting of November 10, 2015 by Marianne Potts, Board Secretary

General Manager/CEO Report

General Manager Whitelaw reported to the Board that the ribbon cutting and building dedication for the new base facilities was scheduled on December 10th in conjunction with the December regular meeting and spoke about the schedule for the day. He discussed the options being considered for use of the Placer County animal shelter versus constructing a new park maintenance facility at this time. Placer County Deputy Director of Public Works Peter Kraatz was present and discussed use of the animal shelter, use of the pit area in the regional park for snow storage, and provided an update on the Dollar Creek Shared Use Trail.

Technology and Public Information Administrator Report

Technology and Public Information Administrator Emmerich provided updated information on the District's new email management system, and public outreach efforts. She also advised the Board of work being done to correct router issues affecting the Wi-Fi signal at base.

Accounting Department Report for September 2015

a. Monthly Financial Statement

b. Treasurer's Report

Chief Financial Officer Marple provided the monthly financial statement for September 2015 and reported that expenses were under budget as a whole as of September 30th. The Treasurer's Report was discussed with a focus on the upcoming discussion on reserves.

Park and Facilities Department Report

Interim Park and Facilities (P&F) Manager Long advised of work being done within the Parks Department, noting that the District is selling lumber harvested in the Regional Park, and efforts for outreach via a bulletin board about water needs at the dog park, and dog training classes. She updated the Board on the park signage project, and the wayfinding sign at Tahoe Vista Recreation Area, noting that it has been received by TRPA. She advised that staff is reviewing changes proposed for the location of the adventure course. Interim Park and Facilities Manager Long discussed work being proposed for repairs to the event center roof in response to problems with leaking.

Recreation and Parks Commission Update

Recreation and Parks Chairman Charlie Teran initiated a discussion about the role of the Commission. He advised that the Brown Act requirements were unfamiliar to new Commission members and recommended an introduction for new commissioners which would include familiarization with the Brown Act, the Commission By-laws, and the Recreation and Parks Masterplan and associated budget. Interim Park and Facilities Manager Long and the Board stated their appreciation for the Commission's time and energy for the departmental issues faced.

Planning and Engineering Department Report

Engineering and Operations Manager (EOM) Stelter stated that the primary projects completed during the 2015 construction season were the Kings Beach water tank rehabilitation and line relocations associated with the Kings Beach Commercial Core Improvement Project. He also noted work being done to amend and remove the Park Maintenance Building Project from the TRPA permit for base facilities since the bids for

the park maintenance building were rejected. The District's response and comment letter to the Martis Valley West Draft Environmental Impact Report were also discussed.

Utility Operations Department Report

Utility Operations Manager Begin provided the Operations Department report regarding recent work accomplished with meter and ERT replacements, stating that there have been over 300 recently replaced. He advised that staff is working with Rick Madrid of Liberty Energy to perform an analysis of power usage in order to save on electrical costs needed for the District's infrastructure. He advised that the technicians will schedule pump times based on the results of the energy survey in conjunction with the system's needs in order to maximize savings.

Tahoe Truckee Sanitation Agency (T-TSA) Report

The District's T-TSA Representative, Director Lewis, reported on the T-TSA project regarding the Truckee River Interceptor. He advised that the project will increase capacity by an additional two million gallons per day.

OLD BUSINESS

Adopt Ordinance 388 Changing the Method of Election for North Tahoe Public Utility District Directors.

Ordinance 388 supports action taken at the regular meeting in October which changes the method of election from "by seat" to "at large" for the seats on the Board in future elections. It was also moved at that time that this decision would be placed on the ballot at the next regular election for consideration by the District's voters, and the Board agreed to be bound by the voters decision.

MOTION: After discussion, Director Lewis moved to adopt Ordinance 388 changing the method of election for NTPUD Directors. Upon second by Director Daniels, the motion carried by roll call vote (4-0) with Director Ferrell absent.

Adopt Resolution 2015-15 Authorizing the Transfer of the Firestone Property to Placer County.

Director Lewis stated that Placer County is providing the Dollar Creek Shared Use Trail to the District's residents at no cost to the District. Peter Kraatz was present for the discussion and noted that construction will begin next year on the initial 2.4 mile section which will traverse the Firestone property. Engineering and Operations Manager Stelter confirmed that all utility easements necessary for District operations have been addressed and are in place.

MOTION: Upon motion by Director Lewis and second by Director Thompson, the Board voted to adopt Resolution 2015-15 authorizing the transfer of the Firestone Property to Placer County. The motion carried unanimously (4-0) by roll call vote with Director Ferrell absent.

Authorize Board President to Execute Grant Funding Agreement with Placer County for future trail support facilities in the North Tahoe Regional Park.

General Manager Whitelaw stated that this agreement will provide for the construction of bike trail related support facilities in the park.

MOTION: Director Lewis moved to authorize the agreement. Upon second by Director Daniels, the motion carried (4-0) with Director Ferrell absent.

Adopt Resolution 2015-16 Modifying the District's Reserve Policy

Chief Financial Officer (CFO) Marple presented his recommendations for the reserve policy which had been considered by the Finance Committee. CFO Marple led a discussion regarding restricted reserves which are legally restricted versus designated reserves which could be changed by Board action. He specifically explained the recommended action to designate reserves for vehicle replacement. He advised that during the last ten + year, over one million has been accumulated for fleet and equipment charges to various departments, exceeding the actual expenses for the vehicles. CFO Marple noted that no capital replacement funding has been in place for vehicle replacement, and recommended designating one million for this purpose in reserves. Director Daniels stated that the Finance Committee believes this is clearer and more transparent. Other changes were discussed as recommended in CFO Marple's staff report.

MOTION: Upon motion by Director Daniels and second by Director Thompson, the motion to Adopt Resolution 2015-16 carried by roll call vote (4-0) with Director Ferrell absent.

NEW BUSINESS

Approve Change Order for NTPUD Base Facilities Project (#1413)

A discussion was held regarding the change order. Director Thompson stated that the amount of the change order was excessive. Director Daniels noted that direction had been given to change the material used for the trim on the building, and the upgraded material was an increased expense from the specifications. Director Thompson noted that when the change was presented by Construction Administrator Butterworth, he had estimated the cost for the change to be \$25,000, however the actual expense was \$42,000.

MOTION: After further discussion, Director Thompson moved to approve the change order. Upon second by Director Lewis, the motion carried (4-0) with Director Ferrell absent.

Provide Nomination for Alternate Special District Representative for Placer County LAFCO for Interim Representative to Serve for the Remainder of Term Expiring May 2016

MOTION: Director Lewis moved to nominate Director Daniels as Interim LAFCO Special District Representative. Upon second by Director Thompson, the motion carried (4-0) with Director Ferrell absent.

Approve Agreement for Quitclaim of Easement on 8308 North Lake Boulevard (APN 090-072-026).

MOTION: Upon motion by Director Lewis and second by Director Thompson, the Board voted to approve the quitclaim of easement on APN 090-072-026. The motion carried (4-0) with Director Ferrell absent.

CORRESPONDENCE

Request for use of Event Center by North Tahoe High School Band for 40s Night Fundraiser

Staff was provided direction by consensus to authorize the request for use of the building.

BOARD OF DIRECTORS COMMENTS

The schedule for the tree lighting was noted as taking place on the evening of December 4th, as well as the District's Employee Appreciation Party which is to be held on December 5th.

ADJOURNMENT

There being no further business to come before the Board, President Bergmann adjourned the meeting at 5:25 p.m.

Marianne J. Potts
Board Secretary