

**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, February 14, 2012  
8:30 A.M. Closed Session  
10:00 A.M. Open Session**

**CALL TO ORDER/ESTABLISH QUORUM**

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, February 14, 2012 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 Mooney, Bergmann, Daniels, Ferrell, and President Lewis. A quorum was established.

**CLOSED SESSION AGENDA**

Pursuant to Government Code, 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. Director Mooney recused himself from the discussion.
2. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION  
Discussion pursuant to subdivision (b) of Section 54956.9. Number of cases: Two (2)
3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – Property: 8318 North Lake Blvd., Kings Beach State Recreation Area. Agency Negotiator: General Manager Schultz. Negotiating Parties: State of California. Under Negotiation: Terms of Agreement. Discussion pursuant to Section 54956.8.
4. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION.  
Discussion pursuant to subdivision (a) of Section 54956.9. Name of Case: Cris Connolly vs. North Tahoe Public Utility District, et al.

President Lewis reported that no action was taken during Closed Session. General Manager Schultz reported to the Board on the final negotiated results of Closed Session Agenda Item #4, Connolly vs. North Tahoe Public Utility District, et al., and the Board authorized General Manager Schultz to execute various legal and ministerial documents associated with and necessary to close this matter.

**PLEDGE OF ALLEGIANCE**

President Lewis called Open Session to order at 9:35 a.m. Director Daniels led the Pledge of Allegiance.

Staff present were General Manager/CEO Schultz, Chief Financial Officer Marple, Parks and Facilities Manager Long, Construction Administrator Butterworth, Planning and Engineering Manager Stelter, Contracts and Planning Coordinator Gibbons, Sr. Financial Analyst Rosenthal, Utility Operations Manager Begin, Utility Operations

Supervisor Orr, Executive Assistant Lefrancois, Human Resources Specialist Keechler, Systems and Mapping Coordinator Berry, and Board Secretary Potts. Counsel Eskind was also present.

**REVIEW OF AGENDA:** No changes were made to the agenda.

**CONSENT CALENDAR:**

1. Approve Accounts Paid in the amount of \$450,365.39 and Payable in the amount of \$116,218.87 for the period from January 17, 2012 to February 14, 2012 with potential conflicts for Directors Bergmann and Mooney in the amount of \$9,975.96.
2. Approve Minutes of the January 17, 2012 Regular Board Meeting.
3. Authorize General Manager to Execute an Agreement with Caltrans for Snow Storage in the North Tahoe Regional Park upon review and approval of Counsel.
4. Authorize General Manager to Execute Task Order 002 in the amount of \$215,195 with Harris and Associates for the Dollar Pump Station Rehabilitation Design (#1021-CDSD).
5. Adopt Resolution 2012-03, A Resolution of the Board of Directors of the North Tahoe Public Utility District Modifying its Minimum Unrestricted Reserve Policy, thereby adjusting the minimum reserve goal for the Sewer Department from \$630,000 to \$1,260,000.
6. Authorize General Manager to Request Park Mitigation Fees for the Tahoe Vista Recreation Area Multi-Use Trail.

Item #6 was discussed and voted upon separately at the request of Director Mooney.

Park and Facilities Manager Long stated that the multi-use trail within the Tahoe Vista Recreation Area Accessory Parking Project is eligible for possible funding through Park Mitigation Fees designated for our area, and funding could be used for contingency in the event of a cost overrun, and/or would allow for enhancement of the TVRA Accessory Parking portion of the project if funds remained from the Department of Boating and Waterways, the Resort Association, and/or the Placer County Redevelopment Agency. She noted that funding from Boating and Waterways was specific to the parking lot, and could not be used for the multi-use trail aspect of the project.

**MOTION:** Upon motion by Director Daniels and second by Director Bergmann, the Board voted to authorize a request for Park Mitigation Fees for the multi-use trail aspect of the Tahoe Vista Recreation Area project, with Directors Mooney and Lewis voting no. The motion carried (3-2).

**MOTION:** A motion to approve the remaining items on the Consent Calendar was made by Director Bergmann and seconded by Director Ferrell. The motion carried unanimously (5-0) by a roll call vote, with noted possible conflicts for Directors Mooney and Bergmann for accounts paid and payable.

**9:45 a.m. EMPLOYEE ANNIVERSARIES:** Item tabled until the March meeting.

**MANAGEMENT TEAM INFORMATIONAL UPDATES**

**Management Services Department Report**

**a. Review and Discuss Monthly Financial Statement through December 2011**

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

No questions or comments were made on the Financial Statement or Treasurer's Report.

## **Parks and Facilities Department Report**

Park and Facilities Manager Long announced the upcoming March 10<sup>th</sup> date for the Recreation Department's SnowFest Pancake Breakfast fundraiser. Wedding bookings and advance reservations were discussed. She noted that although reservations were in line with last season, income for the North Tahoe Event Center was less due to customers using their own resources more frequently, and the District's catering concessionaire less than in previous years.

## **Planning and Engineering Department Report**

Contracts and Planning Coordinator (CPC) Gibbons addressed recent activity associated with the Woodvista Lodge, LLC agreement. The cost for the water line installed on Beach Street cost \$147,000 and acceptance by the District will be placed on next month's agenda. Bacteriological testing will take place before placing the line into service as early as crews are able to set the 14 meters needed to make final connection to the system, approximately the first week of May.

CPC Gibbons also reported that the District is revising its Memorandum of Understanding with the Tahoe Regional Planning Agency. The final document will be brought before the Board for approval. The revisions allow for the District to receive a qualified exemption for replacement sewer and water lines of any length.

**PUBLIC FORUM (TIMED ITEM 10:05 a.m.):** No members of the public were present to address the Board in Public Forum. President Lewis closed Public Forum at 10:06 a.m.

## **Utility Operations Department Report**

Utility Operations Manager Begin presented his report noting recent correspondence received commending the District's crew for work completed in response to an after-hours frozen water line call. He also noted that the District's employee, Maintenance Technician Joe Steck received an award as the California Water Environment Association (CWEA) Sierra Section's Mechanical Technician of the year for 2011. Recent issues with damaged electrical wiring at the National Avenue Water Treatment Plant, and the work completed to resolve the problems was explained.

## **OLD BUSINESS**

### **Update on Base Facilities**

Construction Administrator Butterworth presented the status of the elevations and floor plans for the building, and was requested to send the Board members a copy of the plans received to date. He stated that the next step in the process will be to gather input from employees in order to finalize the plans.

### **Approve Budget Adjustment for SCADA Server Replacement Project (#1203)**

Systems and Mapping Coordinator Berry presented the request for approval of a budget adjustment to the Board, explaining that the server replacement will communicate with all SCADA stations and will be a backup server for the system.

**MOTION: Director Ferrell moved to approve a budget adjustment in the amount of \$32,715 for the SCADA Server Replacement Project (#1203). Upon second by Director Daniels, the motion carried (5-0).**

**10:30 a.m. PUBLIC HEARING: Brook Avenue Sewer Main Replacement Project – Sewer Lateral Relocations (#1022)**

President Lewis opened the Public Hearing at 10:30 a.m. Planning and Engineering Manager Stelter opened the discussion, and introduced project engineer Vern Phillips. Contracts and Planning Coordinator Gibbons addressed the high maintenance sewer lines within the project boundaries. She stated that the District's Ordinance 361 authorizes relocation of the lines when in the best interest of the District. It also states that the relocation service lateral is at the expense of the property owner. She advised that this project will affect thirteen laterals on ten properties.

Project Engineer Phillips explained the project, stating that pipe bursting may be used within the sewer main on Brook Avenue where practical in order to avoid the expense and inconvenience to property owners of replacing the line.

Coon Street will require removal and replacement of the entire line due to a storm drain which runs along the sewer main which will make it difficult for property owners to reconnect without the District lowering the sewer main.

A new sewer line will be installed on State Highway 28. Installation of this line will be complex because of the number of utilities buried in the same trench. Project completion is planned prior to the commercial core project scheduled for mid-summer of 2012.

CEQA notice was filed on February 3, 2012, and construction must be complete by July 1<sup>st</sup>. Staff is recommending that property owners are granted two construction seasons to reconnect to the new lines with reconnection required by September 1, 2014. One letter was received and included in the packet from 8561 North Lake Boulevard. Staff will be considering input from the property owner, and may address concerns in future committee meetings.

There being no members of the public present to address the Board under the Public hearing, the hearing was closed at 11:00 a.m.

**NEW BUSINESS**

**Establish Relocation Timeline for Private Sewer Laterals within Brook Avenue Sewer Replacement Project (#1022)**

Because of the complexity of the project, staff made a recommendation to exceed the two season timeline required by District Ordinance 361, and establish September 1, 2014 as the date for relocations associated with the project. The Development and Planning Committee endorsed this timeline.

**MOTION: Upon motion by Director Ferrell and second by Director Daniels, the Board voted (5-0) to establish September 1, 2014 as the required date for reconnection to the new line associated with the Brook Avenue Sewer Replacement Project.**

**11:00 a.m. Timed Item: Consider Concession Proposal at Kings Beach State Recreation Area**

Park and Facilities Manager Long gave specifics to the Board about a proposed concession at Kings Beach State Recreation Area (KBSRA). The District received a proposal from Poppy's Frozen Treats who requested a seasonal concession at the KBSRA. After researching whether or not the District could allow a concession for one year on a trial basis, she discovered that the District is required to submit a public Request for Proposals. Because of the month to month agreement for operation of the KBSRA between the District and the State, she was seeking input from the Directors after a discussion by the Recreation and Parks Committee.

Dennis Correa was present as a representative of Poppy's Frozen Treats, and inquired as to the nature of the agreement of the water sports concession also located on the beach. He was advised that that agreement had been extended on a month to month basis also.

Director Mooney stated that he would not approve the concession because of competition with local businesses. Director Bergmann recognized that concessions offer an opportunity to expand services in a manner that the District could not, and although this concession might be unique in its own right, it still offered competition with local business, which was dissimilar to the craft fairs offered during the summer which he felt were unique and therefore non-competitive. Director Daniels stated that it would be a nice amenity which was offered on the beach years ago, and she feels this type of concession would offer a benefit to the public, and she would support it if it were offered through the RFP process to any other interested local business. Director Ferrell stated that he is open to the idea, and President Lewis said he was concerned about competition with local restaurants, but if they were not against the concession, he would be in support of it.

Although no vote was taken, a majority of directors were not in support of further discussion. Directors Daniels and Ferrell were interested in considering it at the Recreation Committee level because it could offer an amenity to the public, and an additional source of revenue to the Recreation Department. Director Mooney remained against due to the competitive nature of the concession, and Directors Bergmann and Lewis felt that it was not the right time to pursue a concession on the State property because of the current month to month agreement with the State for operation of the KBSRA.

**Reclassification of Senior Administrative Analyst to Finance Manager**

General Manager Schultz presented a recommendation to reclassify the Senior Administrative Analyst to Finance Manager. Included in the Board packet were a proposed job description and salary scale for the new position. The Personnel Committee offered mixed recommendations, with Director Ferrell recommending the reclassification, and Director Daniels desirous for the reclassification to be discussed by the full Board. Director Bergmann believed that the Finance Committee should be involved in resolving any shortcomings in the Accounting Department, while Director Mooney stated that he did not feel that this change was necessary within the department or the organization.

**MOTION: Director Ferrell motioned for the reclassification, and President Lewis seconded in order for a vote to be taken. After further discussion, President Lewis withdrew his second, and the motion died. No vote was taken.**

**Consider Claim Against the District: Reimbursement Request Made by Property Owner of 3745 North Lake Blvd.**

HR Technician/Risk Manager Keechler presented the claim by the homeowner who incurred a plumbing bill of \$250 due to a frozen main belonging to the District. She recommended reimbursement to the homeowner based on District staff's determination of District responsibility.

**MOTION: Director Daniels moved to approve the claim. Upon second by Director Mooney, the motion carried (5-0).**

**GENERAL MANAGER AND BOARD OF DIRECTORS COMMENTS**

General Manager Schultz advised the Board of development of a policy for small claims against the District so that these claims can be placed on the Consent Calendar.

No comments were made by the Board.

**ADJOURNMENT**

There being no further business to be considered by the Board, the meeting was adjourned at 11:55 a.m.

Marianne Potts  
Board and Records Secretary