

**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, April 10, 2012
8:30 A.M. Closed Session
9:30 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, April 10, 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 this 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.

President Lewis reported that no action was taken during Closed Session.

PLEDGE OF ALLEGIANCE

President Lewis called Open Session to order at 9:30 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, Executive Assistant Lefrancois, and Board Secretary Potts. Counsel Eskind was also present.

REVIEW OF AGENDA: At this time it was noted that the 11:00 a.m. Timed Item would not be held due to a scheduling conflict for Ron Treabess who was scheduled to give a report to the Board regarding Transient Occupancy Tax Renewal.

PUBLIC FORUM (TIMED ITEM 9:35 a.m.): Kings Beach resident, Dale Munsterman addressed the Board of Directors asking for support to paragliders by allowing them

use of the Kings Beach State Recreation Area (KBSRA) for landing. Park and Facilities Manager Long stated that it was disallowed by State Parks regulations, however if the District chose to request an exception, State Parks would consider modifying the regulation for the KBSRA. The item was referred to the Recreation and Parks Committee for a recommendation.

Also present to address the Board under Public Forum was Utility Operations Maintenance Worker Ken Fischer. Utility Operations Manager Begin thanked Mr. Fischer for assisting coworkers through the certification process. Utility Operations Maintenance Worker Fischer thanked the Board and Management for the opportunity to achieve a high success rate utilizing the District's Certification and Education provisions within the District's Memorandum of Understanding with the employees. He noted that in the past year, thirteen employees took and passed seventeen certification exams. The State average for passing these exams was 68% while the District's success rate was 100%. Planning and Engineering Manager Stelter noted that the large increase in certifications not only increased the base of knowledge within the District, but exceeding the minimum requirements was notable on the annual reports required by the State. President Lewis thanked Mr. Fischer for the assistance he provided to the employees of the District in order to achieve this objective.

There being no further public to address the Board on items not on the agenda, closed Public Forum at 9:40 a.m.

CONSENT CALENDAR: The following consent calendar items were approved.

1. Approve Accounts Paid in the amount of \$228,884.45 and Payable in the amount of \$142,070.04 for the period from March 13, 2012 to April 9, 2012 with noted conflicts for Directors Bergmann and Mooney in the amount of \$15,946.21.
2. Approve Minutes of the March 13, 2012 Regular Board Meeting. Director Bergmann removed the minutes for discussion noting that he had recused himself from the discussion related to Dog Day at the Park, and abstained from voting on the motion made to donate use of North Tahoe Regional Park Field #1 for the fundraising event to be held on September 8, 2012.
3. Authorize General Manager to Execute Revised Memorandum of Understanding for Public Utility Districts with Tahoe Regional Planning Agency.
4. Authorize General Manager to Execute Task Order 003 for Task Item 6 for Additional Design Phase Services with Tieslau Civil Engineering for Tahoe Vista Recreation Area Accessory Parking (#0823). Director Mooney abstained from voting on this item due to a conflict of interest. Planning and Engineering Manager Stelter explained the need for this task order, and noted that the Development and Planning Committee had reviewed the item and recommended approval.

Consent Calendar Items #2 and #4 were removed for discussion per the information noted above. The items were discussed briefly and remained on the consent calendar.

MOTION: A motion to approve the Consent Calendar was made by Director Ferrell and seconded by Director Daniels. The motion carried unanimously (5-0) with noted conflicts for Directors Mooney and Bergmann for accounts paid and payable, a correction to the minutes as they related to last month's action related to Dog Day at the Park, and Director Mooney's abstention from Item 4.

10:00 a.m. Boys and Girls Club of North Lake Tahoe: Executive Director Mindy Carbajal presented the Club's Annual Report for 2010 and 2011. Club President John Neary and Vice President Dan Flores were in the audience for the report. Ms. Carbajal highlighted the Club's membership, funding, programming, and the ongoing relationship between the District and the Club. Park and Facilities Manager Long thanked the Club for increased cooperation, responsiveness, and communication over the previous year.

The Board discussed the District's funding of the Club through CFD 94-1, and concurred that funding should remain at 25% of the total received for the upcoming fiscal year, and advised the Club representatives present that this is the direction they will give to District staff during the preparation of the Fiscal Year 2012-2013 Budget.

MANAGEMENT TEAM INFORMATIONAL UPDATES

Management Services Department Report

a. Review and Discuss Monthly Financial Statement through February 2012

b. Treasurer's Report

No questions or comments were made regarding the monthly Financial Statement. The chart within the Treasurer's Report representing Cash and Investments Available to Spend was noted to contain restricted funding for the current fiscal year Capital Improvement Program (CIP) only.

Parks and Facilities Department Report

Park and Facilities Manager (PFM) Long announced that Peter Kraatz of Placer County would be present at the May Board meeting to update the District on the North Tahoe Regional Bike Trail project. The Board expressed interest in a commitment from the County that the trail planning will continue for connection to the Regional Park trail.

Planning and Engineering Department Report

Contracts and Planning Coordinator (CPC) Gibbons updated the Board on the upcoming construction season and advised them of the National Water Treatment Plant project which will be taking down the plant for approximately two weeks during which the Park Well will be utilized. SCADA servers to be phased in over the next six months by TESCO were discussed. She stated that the Rural Community Assistance Corporation (RCAC) is performing an energy audit for the District through a grant received by the District. She also stated that the District was successful in obtaining a grant which will provide for 2/3 funding for utility relocations associated with the Kings Beach Commercial Core Improvement Project for all locations other than those within State Highway 28.

Utility Operations Department Report

Utility Operations Manager (UOM) Begin advised the Board that the Utility Operations Crews are performing a training exercise for installing a bypass at the Secline Sewer Pump Station. Director Ferrell commended UOM Begin on his proactive approach. There were no other comments or questions on the report.

OLD BUSINESS

Base Facilities Update

Construction Administrator Butterworth updated the Board on base facilities planning, and discussed space issues. He will present further information as it is made available.

Kings Beach Commercial Core Improvement Project Update

Planning and Engineering Manager Stelter stated that he and staff have worked closely with the project designers for the County, and have made progress resolving utility conflicts. He noted that Phase 3 of the project to be constructed during 2013 and 2014 contains some water line conflicts, but no sewer conflicts.

NEW BUSINESS

Authorize Agreement for Information Technology (IT) Contract with Mark Hammon

General Manager Schultz stated that the District would like to renew the agreement, while realizing additional savings by the outsourcing of routine maintenance to another vendor. The District will distribute a Request for Proposals for managed services. Director Mooney stated that he does not want to include a Consumer Price Index (CPI) increase nor mileage reimbursement in the agreement.

MOTION: Director Mooney moved to authorize the General Manager to Execute the agreement at \$103 per hour with no CPI increase and no reimbursement for mileage. Upon second by Director Ferrell, the motion carried unanimously (5-0).

Adopt Resolution 2012-08 Supporting Transient Occupancy Tax (TOT) Renewal

Director Bergmann updated the rest of the Board on the survey supported by the District to poll our voters regarding the existing TOT. Voters surveyed stated that they would likely support the tax to remain at 2% for the area without an increase.

MOTION: Director Bergmann motioned to adopt Resolution 2012-08, but the motion died with no second.

Discussion followed indicating that Directors felt that although they may be in support of the tax as individuals, the District should remain neutral on this issue since the District is in the position of benefitting from TOT.

Adopt Resolution 2012-09 Regarding Ownership of the Kings Beach State Recreation Area

Language of the resolution and ongoing negotiations with State Parks for an operating agreement were discussed.

MOTION: Director Ferrell motioned to adopt Resolution 2012-09, A Resolution of the Board of Directors of the North Tahoe Public Utility District Regarding Ownership of the Kings Beach State Recreation Area. The motion received a second by Director Bergmann, and carried unanimously (5-0) by roll call vote.

Consider Maintenance Agreement with the California Tahoe Conservancy (CTC)

General Manager Schultz presented information regarding the current agreement, and consideration of continuing the agreement on a month to month basis. Director Mooney recommended authorizing continuance of the maintenance agreement with the CTC on a month-to-month basis until General Manager Schultz decides it is

appropriate to execute a one year agreement. This direction was given to General Manager Schultz by consensus.

GENERAL MANAGER AND BOARD OF DIRECTORS COMMENTS

General Manager Schultz noted his one year anniversary as the General Manager of the District, thanking the Board for the challenge. President Lewis thanked him for his service on behalf of the Board.

President Lewis commended District staff as a pleasure to work with and noted that they provided answers to every question asked at this Board meeting, stating that it is a testament to the knowledge that staff brings to the important issues brought before the Board and is reassured that the District staff is knowledgeable and competent.

Director Bergmann advised staff to continue to critically consider issues and speak their mind.

CORRESPONDENCE

Placer County Local Agency Formation Commission (LAFCo) Election Notice

Discussion led to a decision to nominate only one candidate, Brian Sheehan of Squaw Valley Public Service District for the office.

MOTION: Director Bergmann moved to authorize President Lewis to vote for Brian Sheehan of the Squaw Valley Public Service District for Placer County LAFCo Special District Representative. Upon second by Director Daniels, the motion carried unanimously (5-0).

ADJOURNMENT

No action was taken in Closed Session. There being no further business to be considered by the Board, the meeting was adjourned at 11:45 a.m.

Marianne Potts
Board and Records Secretary