

**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, July 17, 2012**

**CALL TO ORDER/ESTABLISH QUORUM**

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, July 17, 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 – EXISTING LITIGATION  
Discussion pursuant to subdivision (a) of Section 54967.9. Name of case: Stuart Corvin v. North Tahoe Public Utility District, et al.
3. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION  
Discussion pursuant to subdivision (b) of Section 54956.9. Number of cases: Two (2)
4. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – Discussion pursuant to Section 54956.8. Property: 8318 North Lake Blvd., Kings Beach State Recreation Area. Agency Negotiator: General Manager Schultz. Negotiating Parties: State of CA. Under Negotiation: Terms of Agreement.

President Lewis advised of direction given by the Board during Closed Session. He noted that under Closed Session Item 3 – Potential Litigation, the Board took action to give General Manager Schultz direction not to appeal the Administrative Civil Liability (ACL) order, and to pay the amount charged to the District upon receipt of the final Lahontan Board order.

**MOTION: The motion made during Closed Session described above by President Lewis was made by Director Daniels, seconded by Director Ferrell, and approved unanimously (5-0).**

**PLEDGE OF ALLEGIANCE**

President Lewis called Open Session to order at 9:30 a.m. Director Daniels led the Pledge of Allegiance.

Staff in attendance included General Manager/CEO Schultz, Chief Financial Officer Marple, Parks and Facilities Manager Long, Planning and Engineering Manager Stelter, Contracts and Planning Coordinator Gibbons, Sr. Financial Analyst Rosenthal,

Utility Operations Manager Begin, Executive Assistant Emmerich, and Board Secretary Potts. Counsel Eskind was also in attendance.

**REVIEW OF AGENDA:** The Chinquapin Homeowners' Association Sewer Line Maintenance Discussion, a timed item scheduled for 10:30 a.m., was continued to the August regular meeting.

**PUBLIC FORUM (9:30 a.m.):** Phil Thompson complimented the Recreation and Parks Department for its handling of the recent car show held at Kings Beach State Recreation Area (KBSRA). He also commented on the parking fee required for individuals parking in the KBSRA lot in order to attend Board meetings. Director Ferrell directed staff to place this issue on the next Board agenda for discussion and possible action.

There being no further public to address the Board on items not on the agenda, Public Forum was closed at 9:35 a.m.

**CONSENT CALENDAR: The following consent calendar items were presented for approval.**

1. Approve Accounts Paid in the amount of \$549,235.44 and Payable in the amount of \$238,416.53, with conflicts for Directors Bergmann and Mooney in the amount of \$20,943.76, for the period from May 8, 2012 to June 11, 2012
2. Approve Minutes of the June 12, 2012 Regular Board Meeting and June 28, 2012 and July 2, 2012 Special Board Meetings
3. Authorize General Manager to execute Task Order 004 with Tieslau Civil Engineering, Inc. for Tahoe Vista Recreation Area Accessory Parking Project (#0823)
4. Adopt Resolution 2012-17 Authorizing Records Destruction per the District's Records Retention Policy

Director Mooney abstained from Consent Calendar Item #3.

**MOTION: A motion to approve the Consent Calendar was made by Director Ferrell and seconded by Director Daniels. The motion carried unanimously by Roll Call (5-0) with noted conflicts for Directors Mooney and Bergmann for accounts paid and payable, and Director Mooney's abstention from Item #3.**

**TIMED ITEM (9:40 a.m.): Andy Chapman of the North Lake Tahoe Resort Association (NLTRA) presentation and request for use of KBSRA beach and parking lot for Ironman Triathlon on September 22, 2013**

Mr. Chapman presented the NLTRA event strategy framework for the Ironman Triathlon which will be held in September of 2013. The expected impact on housing is a five to six night stay for athletes and spectators. He stated that the Resort Association has been working with the World Triathlon Corporation and has reached a five year minimum contract for Lake Tahoe. Upon opening the event for participation, it sold out within 18 hours to athletes competing from 45 states and 20 countries. The race will begin at 7:00 a.m. in Kings Beach with two laps of 1.2 miles around the pier, after which the competitors will begin a 112 mile bike ride ending in Squaw Valley, and subsequently a 26.4 mile run including legs to Homewood, Truckee and again ending at Squaw Valley.

Director Mooney inquired about the status of the Coeur d' Alene Triathlon and other competitions. He was advised that Lake Tahoe's Triathlon will be the only full triathlon on the west coast as it has replaced the Southern California event which ended 2001.

President Lewis inquired about the expected pier improvements at KBSRA. He would like to move forward with any pier improvements possible before the event which begins at the KBSRA. Mr. Chapman explained that the pier was well received by event planners, and a temporary grandstand would be set up in order to coordinate and televise the swimming portion of the competition.

Director Ferrell spoke about the improvements needed at the pier, including decking, railing, and an adjustable ramps to help passengers safely board and disembark from watercraft.

Director Daniels stated that it behooves both entities to find funding to replank and dress up the pier in order to create a worthy centerpiece for the Triathlon with the goal of increasing tourism, and future TOT funding. She also noted that the track around the soccer field at the North Tahoe Regional Park should be built before the first year in order to provide a training facility for the event, and funding would be needed for this project before the District could move forward. Contract and Planning Coordinator Gibbons noted that should the Board give direction to complete the track, the District could get the project through the approval process in order to accomplish it in the 2013 construction season.

Alex Mourelatos, Tahoe Vista resident and Board Member of the NLTRA, stated that infrastructure funding is driven by strategic goals, and major events are a significant factor in making decisions for how this funding is spent.

Board President Lewis stated that the District was highly supportive of the event, and would do whatever it can to assist with the event, however because the District's contract with the state is not in place for the date of the triathlon, the date cannot be reserved at no cost at this time. General Manager Schultz stated that when the District signs an agreement, the issue may be discussed again.

## **MANAGEMENT TEAM INFORMATIONAL UPDATES**

### **Management Services Department Report**

#### **a. Review and Discuss Monthly Financial Statement through May 2012**

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

No questions or comments were made on the monthly financial statement or treasurer's report.

### **Parks and Facilities Department Report**

Park and Facilities Manager (PFM) Long advised the Board of increased use of the KBSRA parking lot this season over past seasons. She stated that there had been two car shows during the current season, and she is focused on a way that the District can utilize the parking lot for car shows without losing parking revenue. She noted that there had been two baseball tournaments and a baseball camp held in the regional park this year, and that in 2013 the park will hold a Triple Crown softball tournament which will recur biannually. PFM Long stated that she has addressed concerns of the

District's boating concessionaire at KBSRA and spoken to two businesses using the beach. She confirmed that one business has ceased utilizing the beach for operations.

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

Contracts and Planning Coordinator (CPC) Gibbons presented the departmental report, updating the Board on recent activity and permitting received for the Tahoe Vista Recreation Area Accessory Parking Project, and redesign of a portion of the Brook Avenue Sanitary Sewer Improvement Project which will begin in late August.

### **Utility Operations Department Report**

Utility Operations Manager Begin thanked the Board for their action which authorized District crews to move forward with water line work in Carnelian Bay and on Rim Drive in Tahoe Vista which has significantly impacted water leak callouts. He updated the Board on routine maintenance being performed throughout the District by the utility operations crews. Director Daniels inquired about televising the sewer lines in order to find leaks throughout the District. UOM Begin responded that the crews performed the closed circuit televising and inspection of the lines in the Spring when infiltration and inflow was at its highest, however time has not permitted during the summer months except as has been required to locate suspected leaks.

### **Base Facilities Funding Discussion presented by Financial Advisor Craig Hill of Northcross Hill and Ach**

Discussion took place subsequent to the Park and Facilities Department Report. Mr. Hill reported that this discussion is a follow up to his presentation from last year. He gave a credit market update which he noted would change and need to be reviewed when the District chooses to finance base facilities. He addressed various funding sources including private placement, revenue bonds by way of a public offering, and other financing programs which include banks, pooled programs and other federal and state programs. Costs for financing options vary depending on the amount borrowed due to some fixed costs with revenue bonds, and he compared the cost for borrowing \$1,000,000 through several options. He responded to President Lewis' inquiry that the District's credit is good, and improved with recent action taken by the Board to increase the amount of sewer reserve levels. Chief Financial Officer Marple requested that Mr. Hill address Public Private Partnerships. Mr. Hill noted that two structures exist in which the building is built by the private entity with the public entity leasing it, or it is turn-keyed by the private party and subsequently purchased by the District, with the benefit being that the private entity was potentially able to complete the project at less cost than a public entity.

Staff was directed to keep Base Facilities Funding on the agenda for next month when General Manager Schultz stated that we should have specific costs for the project.

### **11:00 A.M. PUBLIC HEARING:**

President Lewis opened the Public Hearing at 11:20 a.m.

- a. Adopt Resolution 2012-15, A Resolution of the Board of Directors of the North Tahoe Public Utility District Authorizing the Levy of a Special Tax within Community Facilities District 94-1 for Fiscal Year 2012-2013.**

**MOTION:** Director Bergman motioned to adopt Resolution 2012-15 as stated above. Upon second by Director Ferrell, the motion carried unanimously (5-0) by roll call.

b. **Adopt Resolution 2012-16, A Resolution of the Board of Directors of the North Tahoe Public Utility District authorizing the annual lien action for delinquent and unpaid sewer and water charges.**

**MOTION:** Director Bergman motioned to adopt Resolution 2012-16 as stated above. Upon second by Director Daniels, the motion carried unanimously (5-0) by roll call.

There being no further business for discussion or action, President Lewis closed the Public Hearing at 11:30 a.m.

## **OLD BUSINESS**

### **Sewer and Water Ordinance Codification**

General Manager Schultz advised the Board that Director Daniels had requested that this item be placed on the agenda for the July meeting. Her concern revolved around the difficulty staff faced in providing the sewer and water ordinances to a member of the public. The ongoing updates involving the two ordinances while waiting for codification, as has been completed for all other District ordinances through 2008, has made the existing ordinances difficult to understand. He noted that Counsel Eskind has been focused on other projects, but will be able to devote time to completion of the District's Code of Ordinances in the next few months.

## **GENERAL MANAGER AND BOARD OF DIRECTORS COMMENTS**

General Manager Schultz advised the Board that over the past month he was able to successfully negotiate and execute the beach maintenance agreement with Placer County, and the water shuttle landing site agreement with the North Lake Tahoe Resort Association. He noted that the difficulty experienced in reaching the agreement resulted in a better product which offers additional coverage which will address any shortcomings.

Director Bergman thanked General Manager Schultz and Counsel Eskind for working through the issues addressed over the last month. Director Daniels thanked staff for their successful efforts over the Fourth of July holiday.

## **CORRESPONDENCE**

No correspondence was included in the meeting packet for discussion.

## **ADJOURNMENT**

There being no further business to be considered by the Board, the meeting was adjourned at 11:45 p.m.

Marianne Potts  
Board and Records Secretary