

**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, September 11, 2012

CALL TO ORDER/ESTABLISH QUORUM

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, September 11, 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 reported that no action was taken by the Board 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 in attendance included General Manager/CEO Schultz, Chief Financial Officer Marple, Parks and Facilities Manager Long, Planning and Engineering Manager Stelter, Construction Administrator Butterworth, Human Resources Technician Keechler, Sr. Financial Analyst Rosenthal, and Board Secretary Potts. Counsel Eskind was also in attendance.

REVIEW OF AGENDA: Because Mr. Thomas was present to address the Board under New Business, Item H-1 (Appeal for Further Relief for Water Use Overage Charges), the Board moved this item to be covered immediately after Public Forum.

PUBLIC FORUM (9:35 a.m.): Community member, Carolyn Pretzer, was in attendance to address the Board regarding consideration of outdoor fitness and play equipment for adults in the North Tahoe Regional Park. She also inquired as to the completion date for the Tahoe Vista Recreation Area Accessory Parking Project. She was told that the project, including the bus shelter, was scheduled to be completed by October 15th.

No further public was present to address the Board under Public Forum, and it was closed at 9:45 a.m.

New Business, Item H-1: Appeal for Further Relief for Water Use Overage Charges

Mr. Craig Thomas, property owner of #131, Carnelian Woods, addressed the Board requesting further relief on water overage charges occurring at his property due to a failed freeze brake regulator. He felt that the actions he had taken to prevent this damage were considerable and the situation was beyond his control.

Director Daniels reviewed the actions taken by District personnel stating that staff had exercised due diligence in turning off the water as soon as the leak was detected. She also noted that there is a known, inherent problem with the plumbing at the buildings in Carnelian Woods, and although the District sympathizes, there is a shared responsibility. Chief Financial Officer (CFO) Marple stated that we have followed the District's Water Ordinance in this situation and granted relief in the amount of \$340 per the section relating to appeals. Director Bergmann asked CFO Marple if the District had ever made an exception to the Ordinance, and CFO Marple responded that he did not know of any situation in which the Ordinance wasn't followed.

MOTION: Director Mooney moved to reject Mr. Thomas' appeal for further relief. Upon second by Director Daniels, the motion carried unanimously (5-0).

CONSENT CALENDAR: The following consent calendar items were presented for approval. Director Mooney abstained from voting on Item #3 due to a conflict of interest with this consultant, and requested a discussion on Item #5.

- 1. Approve Accounts Paid in the amount of \$367,620.50 and Payable in the amount of \$214,153.10, with conflicts for Directors Bergmann and Mooney in the amount of \$1,180.11, for the period from August 14, 2012 to September 10, 2012.**
- 2. Approve Minutes of the August 14, 2012 Regular Board Meeting.**
- 3. Authorize General Manager to Execute Task Order 005 with Tieslau Civil Engineering for Tahoe Vista Recreation Area Accessory Parking Project (#1122/1123/1124).**
- 4. Award Bid and Authorize General Manager to Execute Agreement for Dollar Hill 22" Force Main Repair (#1321).** Because bids were scheduled to be opened on Thursday, September 13th, the Board authorized the bid to be awarded, and agreement executed, at the discretion of General Manager Schultz.
- 5. Award Bid and Authorize General Manager to Execute Agreement for Emergency Equipment Covered Parking Structure (#1211).** Discussion was held regarding the term Emergency within the title of the project, and Director

Mooney was advised that “Emergency” referred to the type of equipment that would be held in the covered parking structure, and that the project itself was not an emergency, and had been noticed in the usual manner required by law. Director Ferrell clarified that the project will not be affected by the location of new base facilities in the future.

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, Director Mooney’s abstention from Item #3, and awarding the bid for the Dollar Hill Force Main Repair at General Manager Schultz’ discretion based on bids to be received on the following Thursday.

MANAGEMENT TEAM INFORMATIONAL UPDATES

Management Services Department Report

a. Review and Discuss Monthly Financial Statement through July 2012

b. Treasurer’s Report

Chief Financial Officer Marple noted that cash available had not significantly changed from the previous month. No other discussion or comments were made on the Financial Statement or Treasurer’s Report.

Park and Facilities Department Report

Park and Facilities Manager (PFM) Long advised the Board that she had recently requested reimbursement from the North Lake Tahoe Resort Association for marketing at the Event Center in the amount of \$10,163. Facility hours, and conditions throughout the busy summer season were also discussed. The North Tahoe Business Association’s Friday Night Music on the Beach Concert Series was also discussed.

Planning and Engineering Department Report

Planning and Engineering (P & E) Manager Stelter presented an update on projects throughout the District including the Tahoe Vista Recreation Area, Brook Avenue Sewer Line, and the District’s work with Placer County for the Kings Beach Commercial Core Improvements. Director Mooney inquired about correspondence from the Kingswood Homeowners Association citing health concerns associated with materials used for water lines servicing the subdivision. P & E Manager Stelter responded that the lines had been installed in full compliance with State and Federal safe drinking water regulations, and the water provided was safe and wholesome.

Utility Operations Department Report

In the absence of Utility Operations Manager Begin, Planning and Engineering Manager Stelter advised the Board that Utility Operations crews had recently performed a bypass on the wet well at the Secline Pump Station in order to drain it to check on a spalling of concrete in the station. He commended the crew for their work, and for finding the problem before the warranty was up. The crew discovered that there was no problem, and performing the bypass was a great training exercise. He noted that the crew had recently televised the lower laterals in the grid in Kings Beach discovering root intrusion of varying degrees, and advised that the crew had a good handle on the process. P & E Manager Stelter also advised the Board of recent work completed on the Zone Meter at Old County. Director Ferrell inquired about SCADA,

noting that the alarms were frequent. P & E Manager Stelter was requested to direct Utility Operations Manager Begin to check into the alarms to see if the frequency is warranted.

General Manager's Special Report

General Manager Schultz presented correspondence received from Dan LaPlante, of Placer County Department of Public Works thanking staff and the Board for their assistance and cooperation with the County on the Kings Beach Commercial Core Improvement Project (KBCCIP). Snow storage for the KBCCIP project was discussed.

President Lewis requested that the General Manager write a news article or editorial to the Sierra Sun about the District's recent projects and area improvements.

OLD BUSINESS

Authorize General Manager to Enter into Agreement for Completion of Base Facilities Design

General Manager presented a request to enter into a contract to complete the design for Base Facilities. Construction Administrator Butterworth noted that the engineering should be complete prior to the bid process to ensure a competitive bidding process. \$40,000 previously approved for design would be included in this agreement. General Manager Schultz stated that he is happy with the square foot building costs, and requested approval of Part A of the design proposal from Architect Peter Gerdin, AIA which includes civil engineering, architectural design and construction documents, modular design consulting, management and coordination, MEP engineering, site lighting, fire protection sprinklers, and landscape design.

MOTION: Director Ferrell moved to authorize the General Manager to execute Part A of Peter Gerdin's proposal within available budget up to \$170,000 for the completion of base facilities design. Upon second by Director Daniels, the motion carried 4-0 with Director Mooney abstaining.

NEW BUSINESS

Bid for Slurry Sealing for CIP Projects (#1310 and #1320)

P & E Manager Stelter advised the Board that bids received were higher than anticipated, and the District planned to use a contractor for slurry sealing for three projects. Rejecting the bids as recommended will give the District the option of rebidding this project next construction season, or using Placer County's program which will be in place before next season.

MOTION: After a short discussion, Director Daniels moved to reject all bids. Upon second by Director Bergmann, the motion carried unanimously (5-0).

GENERAL MANAGER AND BOARD OF DIRECTORS COMMENTS

The Board took a moment of reflection on the history and events which had taken place on September 11, 2001. They collectively thanked Director Mooney for his 25 years of service on the Board, as he had made the decision not to run for an additional term. President Lewis stated that serving with Director Mooney for the last 22 years has been a pleasure and he is proud of the work Director Mooney has done, especially

his creation of the enterprise zones which makes the District more transparent and accountable to the public.

ADJOURNMENT

There being no further business to be considered by the Board, the meeting was adjourned at 12:05 p.m.

Marianne Potts
Board and Records Secretary