

**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, October 12, 2010
8:30 A.M. Closed Session
9:30 A.M. Open Session**

CALL TO ORDER

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, October 12, 2010 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 the cited authority (all references are to the Government Code, 54956.8, 54956.9, 54956.9 (b) (1), and 54957.6), 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
2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Discussion pursuant to subdivision (a) of Section 54956.9. Name of case: 8679 Trout, LLC vs. 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: One

Upon convening Open Session at 9:37 A.M., President Lewis reported that regarding Items #2 and #3, no action was taken. Regarding Item #1, the Board considered a counter-offer and directed the General Manager to respond.

ESTABLISH QUORUM/PLEDGE OF ALLEGIANCE

Director Daniels led the Pledge of Allegiance. Present were Directors Mooney, Bergmann, Daniels, Ferrell and Lewis. A quorum was established.

Staff present were General Manager/CEO/Clerk of the Board Aaron, Chief Financial Officer Marple, Parks and Facilities Manager Long, Planning and Engineering Manager Paul Schultz, Contracts and Planning Coordinator Gibbons, Sr. Financial Analyst Rosenthal, Utility Operations Manager Hopkins, Human Resources Specialist Keechler, Executive Assistant Lefrancois, and Board and Records Secretary Potts. Also present was Legal Counsel Eskind.

REVIEW AGENDA

No items were added or deleted from the agenda.

TIMED ITEMS: 9:05 A.M. – PUBLIC COMMENTS:

Karen Honeywell addressed the Board about the District's Carnelian Bay Water Line Replacement Project being performed by Campbell Construction. She addressed specific concerns regarding the stream environment zone in the area, revegetation, and the quality of pavement replacement after the completion of the project. General Manager Aaron thanked her for bringing her concerns to the Board, and President Lewis asked her to address specific concerns with staff.

CONSENT CALENDAR: Director Mooney removed Consent Calendar Items #5 from the calendar for discussion.

1. Approve Accounts Paid and Payable for the period from September 14, 2010 to October 11, 2010. Account paid were submitted for approval in the amount of \$942,107.59 and payable in the amount of \$255,536.53 with possible conflicts noted for Directors Bergmann and Mooney in the amount of \$1,904.40
2. Approve Minutes of the September 14, 2010 Regular Board Meeting
3. Re-award Contract and Authorize General Manager to Execute Contract for Playground and Equipment at the North Tahoe Regional Park to Miracle Recreation Equipment
4. Approve Request from the North Tahoe Hebrew Congregation for Use of North Tahoe Event Center for the annual Holiday Food and Clothing Project
5. Authorize General Manager/CEO to Execute Agreement with Placer County Redevelopment Agency for the Tahoe Vista Recreation Area

Director Mooney inquired about acceptance of redevelopment funds from Placer County for the Tahoe Vista Recreation Area and confirmed that the project would not proceed until funding was complete.

MOTION: Upon motion by Director Daniels and second by Director Bergmann, the Board voted unanimously by roll call vote to approve staff's recommendations for the Consent Calendar.

MANAGEMENT TEAM INFORMATIONAL UPDATES

1. Management Services Department Report
 - a. Review and Discuss Monthly Financial Statement through August 2010
 - b. Treasurer's Report
2. Parks and Facilities Department Report
Planning and Engineering Department Report
3. Utility Operations Department Report

The Board had no questions regarding the Financial Statement. The use of loan proceeds for reimbursement of reserves was addressed.

General Manager Aaron responded to Director Bergmann's question regarding North Tahoe Regional Park Bike Trail improvements as Park and Facilities Manager Long was not present at the meeting. Repaving of the bike trail, drainage area stabilization, repairs to the bike trail railing, and paving in front of the District's well in the Regional Park will be complete by the end of October.

Contracts and Planning Coordinator Gibbons responded to Director Mooney's question regarding Olson Headquarters, and she gave the Board an update on the two customer

connections needed for the Speckled and Cutthroat main prior to abandonment of the back yard main on October 14th.

Utility Operations Manager Hopkins presented highlights of his reports. Director Daniels inquired as to whether he felt that system replacements could be responsible for the decreased water production to date in 2010 versus 2009. Utility Operations Manager Hopkins believed that if the lower water production is related to system replacements versus weather conditions, it could be determined after December's water production figures were available.

NEW BUSINESS

1. Consideration of Claims:
 - a. Donna Hansen – 7511 Forest Glen Drive
 - b. 8679 Trout, LLC – Loss of Property Interest

General Manager Aaron advised the Board of the details filed by the property owner of 7511 Forest Glen Drive.

MOTION: After further discussion, Director Bergmann motioned to deny the claim pending further supporting information be presented by the property owner. Upon second by Director Daniels, the motion carried unanimously.

MOTION: Director Ferrell motioned to deny the claim placed by 8679 Trout, LLC for Loss of Property Interest based on the earlier Closed Session discussion of Closed Session Item #2. Upon second by Director Bergmann, the motion carried unanimously.

BOARD OF DIRECTORS WORKSHOP

Dr. Bill Mathis of The Mathis Group presented the results of a survey taken by District employees regarding the culture, or performance of the District. He will send the results of the employee workshop held to the District and recommended the Board prepares a strategic plan and initiatives. President Lewis directed General Manager Aaron to present recommendations for a strategic plan with three to four major initiatives to be discussed at the next Board meeting.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:15 p.m.

Marianne Potts
Board and Records Secretary