

**MINUTES OF THE
NORTH TAHOE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS MEETING
North Tahoe Community Conference Center
8318 North Lake Boulevard, Kings Beach, CA 96143
August 12, 2008**

A. CALL TO ORDER – ROLL CALL - PLEDGE OF ALLEGIANCE

President Lewis called the meeting to order at 9:03 AM Present were Directors Bergmann, Mooney, Daniels, Ferrell, and President Lewis. A quorum was established.

Staff present was General Manager/CEO Aaron, Public Works Director Schegg, Utility Operations Manager Hopkins, Parks and Facilities Manager Long, Conference Services Director Daniels, and Acting Clerk of the Board and Executive Assistant Lefrancois. Also present were Counsel Neil Eskind and Judy Friedman, Recording Secretary.

B. REVIEW AGENDA

The Board reserves the right to take items out of order.

C. TIMED ITEMS

1. 9:05 PUBLIC COMMENTS

There was no Public Comment.

D. CONSENT CALENDAR

Directors Bergmann and Mooney asked that Item D3 be removed for discussion. Director Mooney asked that Item D4 be removed for discussion.

Discussion on Item D3 – Director Mooney asked if North Lake Tahoe Resort Association (NLTRA) is funding the \$20,000 for this item. General Manager Aaron said that although the funds have not been received yet, he would like to get the Professional Services Agreement ready for if and when the money is received from NLTRA. GM Aaron is still working with NLTRA on some details of the funding. It is understood that the \$20,000 needs to be awarded from NLTRA before any work is performed.

Discussion on Item D4 – Director Mooney asked for clarification on how Committee meetings would be scheduled. President Lewis explained that in order to streamline operations and use staff time more efficiently, the recommendation is to empower the General Manager to determine when Committee meetings are necessary. Discussion followed regarding the process of Committee meetings and their recommendations to the Board, what decisions are brought directly to the Board for consideration, and ways to make the Committee structure more productive and the Board meetings more efficient. Director Mooney voiced concern about budget accountability and loss of internal controls if the Committees are not constantly reviewing budgets, both revenue and expenses. He also feels that without regular Committee meetings, the Board may not have the background investigation for the decisions they are asked to make.

It was moved by Director Bergmann and seconded by Director Daniels to approve the Consent Calendar, with removal of Item D4. ROLL CALL VOTE: Ayes: Directors Mooney, Bergmann, Daniels, Ferrell, and President Lewis. Noes: None. Directors Bergmann and Mooney abstained from voting on any conflicts of interest noted on the Accounts Paid and Payable. Motion carried.

It was moved by Director Ferrell and seconded by Director Daniels to approve Item D4. ROLL CALL VOTE: Ayes: Directors Bergmann, Daniels, Ferrell, and President Lewis. Noes: Director Mooney. Motion carried.

The following actions were taken in the Consent Calendar:

1. The Board approved Accounts Paid in the amount of \$299,829.32 and Payable in the amount of \$584,522.77 for the period from July 8, 2008 to August 12, 2008
2. The Board approved minutes of July 8, 2008 Board of Director's Meeting and July 17, 2008 Special Board of Director's Meeting.
3. The Board approved Professional Services Agreement with SmallPond Marketing and Design for creation of new logo and website for the North Tahoe Community Conference Center in an amount not to exceed \$20,000.00.
4. The Board approved Resolution 2008-15 Updating Administrative Policy and Procedure for District Committees and Meetings
5. The Board approved Resolution 2008-16 regarding Truckee River Operating Agreement
6. The Board accepted a donation of an equipment building and equipment with a total value of \$2100.00 from Tesoro Companies, Inc.

E. MANAGEMENT TEAM INFORMATIONAL UPDATES

1. Chief Financial Officer

a. Review and Discuss Monthly Financial Statement through June 2008

There were no questions or comments.

b. Monthly Labor Report

Director Mooney noted the Finance Committee recommendation to remove the Labor Report from the monthly Board agenda.

c. Treasurer Report

There were no questions or comments.

2. Parks and Facilities Manager

i. Draft Minutes of July 23, 2008 Recreation and Parks Commission

Parks and Facilities Manager Long reported that Josh, the foreman on the construction of the soccer field, has seen the low spots on the field and will be getting back to her with a solution. **ACTION: PFM Long was asked to make a sketch of the field, noting the location and size of the depressions.** Director Bergmann asked about the status of the public outreach for the bike trail and PFM Long said that the consultants, EDAW, thought that the process would be further along by now, but they are waiting for an agreement from the Forest Service before the environmental documents can be prepared, and that has slowed down the entire process.

Director Mooney noted that some local non-profit organizations have considered renting space for their offices in the Conference Center. PFM Long reported that at this point, no one is interested in renting space, but before any space is rented out, a proposal would be presented to the Board. This is just one of many ideas to create revenue streams for the facility. The Board considered other items in her written report.

3. Conference Services Director

Conference Services Director Daniels said that inquiries are coming in for use of the facility and weddings are being booked. Director Bergmann asked about the letter in the Board packets regarding the Tahoe Superior Court agreement for use of the facility. Counsel Eskind explained that because of the parking requirements, and that because the agreement with the State regarding the parking lot at Kings Beach State Recreation Area will expire in December, it was best to advise the court that NTPUD may not be able to enter into a new agreement. Discussion followed regarding the impacts of not having a finalized agreement with the State regarding the parking lot and the issues that need to be addressed.

4. Public Works Director

Public Works Director Schegg reported that he has been working in support of CIP projects and with staff. Utility Operations Manager Hopkins reported on the Unaccounted for Water, noting that overall the

leak repair project has been productive, and clarified the area referred to in Item 5 of his report. Discussion followed regarding the Tahoe Estates Water Main Project and the contractor selected by Placer County.

PWD Schegg is working with the Forest Service on the Special Use Permits for the zone 2 water tank. He reviewed the process. PWD Schegg believes that the Sunset Pines project will begin this summer. Discussion followed regarding the status of the back lot easements.

5. Chief Engineer

There were no questions or comments.

6. Utility Operations Manager

It was noted that UOM Hopkins will be on Military leave from the District for 6 months beginning on August 15. The Board wished him well.

7. General Manager/CEO

i. Godfern Easements

On July 29, GM Aaron sent letters to all residents on Godfern as the District continues to obtain all easements. Discussion followed on the options available to accomplish this.

8. Board of Director's Comments

There were no questions or comments.

The meeting recessed at 10:33 AM and reconvened at 10:55 AM. Director Ferrell left the meeting at 11:30 AM, during the following discussion.

F. NEW BUSINESS

1. Discussion: Community Facilities District 94-1 - Recreation and Parks Adopted Budget Fiscal Year 2008-2009 Recreation Department

i. Approve: Expenditure and Procurement of services in the amount of \$150,000 budget for Ballot Assessment proceeding for CFD 94-1.

GM Aaron stated that the Finance Committee asked staff to consider ways to improve savings or cost cutting measures in regards to Community Facilities District 94-1 (CFD 94-1) funds. He provided some background on the use of the funds and noted his written recommendations, which were included in the Board packet. Discussion followed regarding the options to amend Measure C and the decisions that need to be considered for a new ballot measure. Discussion followed on how best to get public input, how landholders and second homeowners would support a ballot measure, and how to conduct the analysis of getting the measure to ballot. The Board considered the costs in maintaining properties and facilities not owned by the District. The use of consultants to help with the measure was discussed.

It was moved by Director Daniels and seconded by Director Bergmann to authorize expenditure and procurement of services up to \$120,000 for Ballot Assessment, which is to be done in phased increments and with consideration from an ad-hoc Committee comprised of Directors Daniels and Mooney. ROLL CALL VOTE: Ayes: Directors Bergmann, Daniels, and President Lewis. Noes: Director Mooney. Motion carried.

G. CORRESPONDENCE

The Board reviewed all correspondence.

H. CLOSED SESSION AGENDA

Closed Session was convened at 1:10 P.M. to consider:

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Government Code Section 54956.9: two cases

Pursuant to subdivision (c) of Government Code Section 54956.9, the incident to which said anticipated litigation exists involves the Bay Street Sewer Main Repair.

2. DISCUSSION WITH REAL ESTATE NEGOTIATOR

Property: Easements on Bay Street

Open Session was reconvened at 2:17 P.M. President Lewis reported no reportable actions were taken in Closed Session.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 2:19 P.M. The next scheduled meeting of the NTPUD Board of Directors is Tuesday, September 9, 2008 at 12 Noon.

Respectfully submitted,
Judy Friedman, Recording Secretary
THE PAPER TRAIL SECRETARIAL & BUSINESS SOLUTIONS