

**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 14, 2010

8:30 A.M. Closed Session

9:00 A.M. Open Session

CALL TO ORDER

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, September 14, 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 9:00 A.M., President Lewis reported that regarding Item #3, Counsel was directed to file suit against Arizona Pipeline, NV Energy for Damage Claim for Carnelian Force Main. Closed Session was continued to the end of the Open Session.

ESTABLISH QUORUM/PLEDGE OF ALLEGIANCE

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

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, Construction Administrator Butterworth, Utility Operations Manager Hopkins, 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:

No members of the public were present to address the Board under Public Comments regarding items not on the agenda.

CONSENT CALENDAR: Director Mooney removed Consent Calendar Items 4, 5, and 9 from the calendar for discussion. Director Ferrell removed Items 3, 6, 8 and 10 for discussion.

1. Approve Accounts Paid and Payable for the period from August 10, 2010 to September 13, 2010

Accounts payable were submitted for approval in the amount of \$257,972.89 and account paid in the amount of \$923,295.00. Possible conflicts for Directors Bergmann and Mooney were noted in the amount of \$23,236.55.

2. Approve Minutes of the August 10, 2010 Regular Board Meeting

3. Authorize General Manager to Enter into a Professional Services Agreement with Nichols Consulting (#1114)

Jack Norberg, P.E., of Nichols Consulting addressed the scope of work.

4. Adopt Resolution 2010-28 A Resolution of the Board of Directors of the North Tahoe Public Utility District Requesting that North Tahoe Public Utility District Parks and Beaches be Included in Placer County Parks Ordinances

Director Mooney asked if District's liability is increased by adopting including the District owned and/or operated facilities in the Placer County Parks Ordinances.

MOTION: Upon motion by Director Mooney and second by Director Daniels, the Board voted by Roll Call to adopt Resolution 2010-28 as presented. Ayes: Director Bergmann, Ferrell and President Lewis. Noes: Directors Mooney and Daniels. The motion carried.

5. Award Contract and Authorize General Manager to Execute Contract for Playground and Equipment at North Tahoe Regional Park (#0934)

General discussion and questions were addressed regarding funding, the current bidding climate, prospective grants, and Sewer and Recreation Department reserves.

MOTION: Upon motion by Director Ferrell and second by Director Bergmann, the Board voted to authorize a contract with Dyer and Associates for the purchase and installation of playground equipment, fall material and curbing in the amount of \$125,258.01 plus a 10% contingency; and a loan of \$44,000 from the Sewer Reserve Fund to Fund 49 Capital Improvement Budget for the project. Ayes: Directors Ferrell, Bergmann, Daniels and President Lewis. Noes: Director Mooney. The motion carried.

6. Authorize General Manager to Enter into a Professional Services Agreement with Acumen Engineering (#1008)

District resident, Phil Thompson addressed Item E-6 stating that should the Board commit to this agreement, it is moving forward with the project and he doesn't feel that the economic climate allows for this extensive a project for base facilities. President Lewis responded to Mr. Thompson's concerns, stating that the project would not change the rate structure as construction will be planned in phases.

MOTION: Upon motion by President Lewis and second by Director Ferrell to authorize the General Manager to approve staff's recommendation. Ayes: Director Ferrell and President Lewis. Noes: Directors Mooney, Daniels and Bergmann. The motion failed.

Staff was directed to discuss this item at the Finance, and Development and Planning Committees.

7. **Adopt Memorandum of Understanding with Tahoe City Public Utility District Regarding Joint Sewer Facilities**

8. **Authorize General Manager to Execute Task Order 002 with Harris & Associates for Secline Pump Station Rehabilitation (#1021-SPSR)**

Director Ferrell address a change in the scope of the project recommended by the Planning and Engineering Department, and advised that the project involves a more permanent solution than previously envisioned, of which he is supportive.

9. **Adopt Resolution 2010-29 A Resolution of the Board of Directors of the North Tahoe Public Utility District Authorizing Records Destruction Request**

Destruction of general journal entries which, per the District's adopted Retention Schedule, are scheduled for destruction "two years after audit" were reconsidered and shall be kept by the District for five years after audit.

10. **Authorize General Manager to Execute Task Order 004 with Auerbach Engineering Corporation for Inspection Services for Kings Beach Housing Now.**

Contract and Planning Coordinator Gibbons advised the Board that Placer County Redevelopment Agency will reimburse the District for the expense.

MOTION: After discussion, a motion was made by Director Bergmann and seconded by Director Daniels to approve staff recommendation. The motion carried unanimously.

MOTION: Motion was made to approve staff recommendation for Consent Calendar Items # 1, 2, 3, 7, 8, and 9. Upon second by Director Bergmann, the motion carried unanimously by Roll Call vote.

President Lewis adjourned to a recess at 10:35 A.M. and reconvened at 10:45 A.M.

MANAGEMENT TEAM INFORMATIONAL UPDATES

1. Management Services Department Report
 - a. Presentation of New Format for Monthly Financial Statements
 - b. Review and Discuss Monthly Financial Statement through July 2010
 - c. Treasurer's Report
2. Parks and Facilities Department Report
Planning and Engineering Department Report
3. Utility Operations Department Report

Chief Financial Officer Marple presented the new formatting for the monthly financial reports and responded to questions and comments from the Board regarding the standard reports generated by the District's financial software.

Park and Facilities Manager Long reported on the work done on Tahoe Forest Stewardship Day at the North Tahoe Regional Park, and the success of the John Reichert Memorial Car Show on the Kings Beach State Recreation Area on the same day. She also advised the Board that the Placer County Parks Commission toured the

District's facilities from the lake recently, and discussed issues faced by local residents. The Parks Commission thanked the District for its work done in conjunction with the County-owned facilities maintained by the District.

Contracts and Planning Coordinator Gibbons and Utility Operations Manager Hopkins presented highlights of their respective reports.

CORRESPONDENCE

1. Letter from District Resident and Letters of Commendation to Maintenance Workers Chris Cannizzaro, Jason Dicey, and Sebastian Ramirez for Water Line Repair in Kingswood
2. Letter from District Resident and Response Regarding Secline Pump Station
3. Tahoe Forest Stewardship Day at the North Tahoe Regional Park
4. Special Districts Risk Management Association (SDRMA) Notice of Director Vacancy

GENERAL MANAGER/CEO COMMENTS

1. Placer County Chapter of California Special Districts Association Meeting on October 14, 2010 at Squaw Valley Public Service District Offices
2. Assembly Bill 192 and Pending Legislation Regarding Executive Compensation Information

General Manager Aaron thanked Directors Bergmann and Daniels for their participation in a recent training event for public officials. He also advised the Board of the posting of Executive and Board of Director's Compensation Information on the District's website.

BOARD OF DIRECTOR'S COMMENTS

Director Bergmann expressed his gratitude to the District employees receiving a letter complimenting their work on a water line repair near his residence, and asked that staff remain cognizant of a high level of scrutiny on public utilities. He also requested that in addition to sending agenda notifications to the local press, the District makes the newspaper aware that they are encouraged to attend and report on District business.

Director Daniels spoke to a focus of planning for future water supply and level of service. She also thanked volunteers for their participation in Tahoe Forest Stewardship Day at the Regional Park.

President Lewis gave encouragement to staff for moving forward with numerous projects and contracts, and commended staff for their field work during the 2010 construction season.

ADJOURNMENT

The meeting was adjourned to the continued Closed Session at 11:40 A.M. The Board reconvened to Open Session at 11:55 A.M. President Lewis reported that no action was taken during Closed Session. The meeting was adjourned.

Marianne Potts
Board and Records Secretary