

**MINUTES OF JOINT SPECIAL BOARD MEETING
OF THE NORTH TAHOE PUBLIC UTILITY DISTRICT
AND THE TAHOE CITY PUBLIC UTILITY DISTRICT
Tahoe City Public Utility District Administrative Offices
221 Fairway Drive, Tahoe City, CA 96145
May 25, 2010**

Call to Order – Presidents Wilkins called the meeting to order at 8:00 A.M. and led the pledge of allegiance. Tahoe City Public Utility Directors present were President Wilkins, Vice President Treabess, and Directors Reinkens, Henrikson and Friedman. North Tahoe Public Utility District Directors present were President Lewis, Vice President Bergmann, and Directors Mooney and Daniels. Both full Boards were present upon Director Ferrell’s arrival at 8:05 A.M. North Tahoe Public Utility District staff present were General Manager Aaron, Counsel Eskind, and Board and Records Secretary Potts. Tahoe City staff present were General Manager Gustafson, Director of Accounting Jim Dykstra, Director of Utilities Laliotis, and Director of Parks & Recreation Bolton. Additional staff from both Districts were present in the audience.

Public Forum – No members of the public were present to address the Boards on items not related to the agenda. Public forum was closed.

I. Sewer Interceptor Agreement

- a) **M.O.U. – Connections vs. Flow; Maintenance Cost Tracking**
- b) **Future Invoice**

President Lewis opened the discussion of the joint sewer interceptor agreement between the two Districts established in 1967. General Manager Aaron presented the Boards with the history of the agreement for which Board direction was given to the two Districts’ technical committees to update in 1982, however the revisions never took place.

Both Boards concur that a agreement should be developed within a timeframe of sixty (60) days, and directed staff to work together to draft an agreement and bring it back to the Board committees for resolution of any conflicts prior to Board adoption.

II. Joint Infrastructure/Services

- a) **Dollar Cove Lake Intake/Treatment Facility**
- b) **Regional Park – J.P.A.**
- c) **Other**

General Manager Aaron stated the District’s interest to utilize the Dollar Cove Area for development of a lake intake and water treatment facility. The District suggests looking at the needs of the two Districts jointly relative to water source development. The District is interested in Tahoe City Public Utility District’s input regarding it future needs in that location, and possible development of a joint water treatment facility on the Firestone property.

General Manager Gustafson indicated that the Tahoe City Public Utility District’s Five Year Capital Plan includes looking for an additional source in the Tahoe City area, and expressed interest in participating in a feasibility study.

The Boards directed the General Managers to outline an approach bring back to Board within 60 days, after review by both Districts' Board committees.

President Lewis addressed the Boards regarding development of a joint powers agreement for use of the North Tahoe Regional Park. He noted that the fields at the park are underutilized. Future use of Tahoe City Public Utility District's Pomin Field and its possible wetland restoration were discussed. Currently, Pomin is actively used for little league and soccer. Both Boards concurred that the Districts should seek to lower costs through combining of efforts.

A lengthily discussion followed concerning the locations and conditions of facilities in both Districts, cost savings through combining resources, and encouraged a perception of the two Districts as a single community.

Funding of the North Tahoe Regional Bike Trail was discussed. The North Tahoe Public Utility District's recent action to reenlist the California Tahoe Conservancy for planning of the trail was addressed.

President Wilkins acknowledged the interest of both Boards to work together on common issues in the recreation and parks departments. It was agreed that the Recreation and Parks Committees from the two Districts should meet annually in order to discuss items of mutual concern.

- III. North Lake Tahoe Resort Association**
- a) T.O.T. – Capital vs. Maintenance Funds**
- b) Support for Measure Reauthorization**
- c) Other**

The Board discussed developing a unified approach to request Transient Occupancy Tax (TOT) funding be allowed for maintenance of existing facilities as well as provide capital for new infrastructure. General Manager Aaron indicated that TOT funding does not currently provide for infrastructure maintenance of facilities used to support a large tourism base, estimated to be approximately 70% of facility users at Lake Tahoe. General Manager Gustafson encouraged the Boards to partner in an effort to approach Placer County for reauthorization of the TOT tax in 2012.

Discussion indicated that the two Districts needed additional funding for operations and maintenance, and capital replacement of existing facilities. The Boards agreed that unifying efforts could benefit the Districts in realizing additional revenue for operating and maintenance costs. Director Friedman stated that a recent North Tahoe Public Utility District Recreation Survey indicated that District residents are not willing to vote for an increase in their taxes to support facilities which further supports the need for development of a unified approach to educate both voters and Placer County.

Director Bergmann suggested that the Districts determine the percentage of funds dedicated to maintenance costs of facilities for tourism in order to justify a request for a specific percentage of TOT funds.

The Boards recommended producing a joint policy statement requesting that Placer County increases facility maintenance funding in the budget, as the residents of the two Districts cannot continue to absorb ongoing maintenance costs for regional facilities utilized by visitors to the area.

Director Treabess encouraged the Boards to act soon while Placer County and the Resort Association are developing their budgets for the upcoming fiscal year.

Randy Hill, a Tahoe Vista resident in attendance at the meeting, recommended consideration by both Boards of the viability of consolidating the two utility Districts.

IV. Elected Official Comments/Schedule Follow-up Joint Meeting

President Lewis stated that he is pleased by the outlook of the Boards and asked that they schedule joint meetings on an annual basis.

President Wilkins stated that he felt the discussion at the meeting had been productive, and in responding to Mr. Hill, that the Districts should continue working together and engage in discussions regarding subjects of joint concern.

Director Ferrell stated that he believes that Dollar Hill is a great opportunity for the Tahoe City Public Utility District.

Director Mooney stated that the two Districts should be merged, and that he believes the expense in maintaining two districts is detrimental to District customers.

Director Daniels thanked the members of both Boards for engaging in this discussion, and believes that recreation should be considered regionally, rather than separately within each District.

Director Reinkens stated that he believes the priority of the two Districts should be shifting toward tourism and needs to support of the local business community. He encouraged the use of State and Federal lobbyists as a necessary expense to fund large projects such as the Regional Bike Trail.

Director Friedman wants to see a joint meeting of the Boards occur annually because of the many commonalities between the Districts.

No other Director comments were made.

V. Adjournment of North Tahoe Public Utility District Board to a Closed Session of the Board of Directors at the North Tahoe Public Utility District Administrative Office, 875 National Avenue, Tahoe Vista, CA 96148.

There being no further business between the Boards, the joint meeting was adjourned at 9:40 a.m., and the Board of Directors of the North Tahoe Public Utility District adjourned to the District Administrative Offices in Tahoe Vista.

The Closed Session meeting was concluded and adjourned at 11:30 a.m. at which time, President Lewis reported that no reportable action was taken.

Marianne Potts
Board & Records Secretary
North Tahoe Public Utility District