

BOARD MEETING
APPROVED MINUTES

February 19, 2010

DIRECTORS PRESENT: President Dan Wilkins, Vice President Ron Treabess
Directors Lou Reinkens, Judy Friedman, and Erik Henrikson

STAFF PRESENT: Cindy Gustafson, General Manager
Jim Dykstra, Director of Accounting & Employee Services/Treasurer
Bob Bolton, Director of Parks and Recreation
Alan Harry, Administrator of Planning & Public Works
Matt Homolka, District Engineer
Tony Laliotis, Director of Utilities
Mike Sexton, Legal Counsel
Ginger Charlton, District Clerk

A. CALL TO ORDER

President Wilkins called the meeting to order at 8:30 a.m. and led the audience in the Pledge.

B. AGENDA AMENDMENTS AND APPROVAL

1. Agenda Deletions, Changes, and Audience Requests
2. Additions to Agenda
3. Approval of Agenda

Motion to approve the agenda: Treabess/Reinkens/4-0

D. RECOGNITION

4. Jon LeRoy – 5 Year Service Recognition

Mr. Homolka reviewed Jon's history with the District and thanked him for his years of service.

Director Henrikson arrived.

C. PUBLIC FORUM

Karen Jones, Kristina Query's mother, said that she is in attendance at this meeting because of closed session item #24, where the Board will discuss requesting an easement on Query property. Mr. and Mrs. Jones and their daughter Kristina Query expressed their concerns about the easement. Director Wilkins said that the Board appreciates their concerns and explained what will take place in closed session. Kristina Query made an allegation against a staff member and Director Wilkins said that the Board will discuss the issue and give direction to staff.

E. FINANCIAL

All items covered under consent calendar.

F. PROJECTS

All items covered under consent calendar.

G. SEWER AND WATER UTILITIES

All items covered under consent calendar.

H. PARKS AND RECREATION

All items covered under consent calendar.

I. CONSENT CALENDAR

Director Henrikson asked to pull items #8 and #9.

Motion to approve remainder of calendar: Treabess/Reinkens/5-0

5. Minutes

- Board Meeting – December 18, 2009
- Sewer and Water Committee – January 14, 2010
- Board Meeting – January 26, 2010

6. Finance Report

7. General Manager and Staff Reports

- a. General Manager
 - Director of Development and Public Information
 - Director of Utilities
 - District Engineer
 - Project Status
 - Technical Services
- b. Director of Parks and Recreation
 - Parks Superintendent
 - Recreation Superintendent

8. Approval of Purchase – 2010 Ford F-250 Service Truck – Parks Dept.

9. Approval of Purchase – 2010 Ford F-250 Service Truck - Utilities

Regarding items #8 and #9, Director Henrikson said that when they were going through the budget process, the vehicles that were discussed were going to be cheaper. He said he would vote no because he doesn't like it when things are changed after the fact.

Mr. Laliotis said that there have been staffing changes since the budget process which shifted what vehicle the Utilities Department needed. Originally the vehicle was going to be used for staff to do meter readings. The small truck that Mr. Deatherage used is now available for a

full-time staff member to use for meter readings and to do USA's so the new vehicle will back-fill a service vehicle. The Parks Department vehicle is the same as was in the budget. Mr. Laliotis apologized for not explaining the change in vehicle in his report. He explained that it was an oversight and he wasn't trying to be deceptive. Ms. Gustafson said that she appreciated his statement but knew he wasn't trying to be deceptive.

Director Erikson requested that staff give written explanations to the Board when items in the budget are switched. He also asked that Board members be kept up to date on items so they aren't surprised when told about them in public.

Motion to approve items #8 and #9: Treabess/Friedman/3-2 with Directors Erikson and Reinkens voting no

J. RESOLUTIONS

10. Amendment to Ordinance 248 – Designating an Earlier Date to Commence the “Recreational Use Period” – March 31 instead of April 30

Mr. Bolton said that staff and the Parks and Recreation Committee are recommending that the date to commence the recreational use period be moved up to March 31st this year. The earlier date would only be used for flexibility if weather conditions permit. Director Henrikson said that he doesn't understand why snow is allowed on the trails at all. Ms. Gustafson said that snow removal causes damage and costs money for maintenance through public process it became clear that there are some situations where it can't be avoided. Ms. Gustafson suggested approving this for this year and looking at ways to help fix the problem for next year. Director Treabess said that this ordinance was put into place because the space was needed for storage. He felt the resolution would work fine if it's a light snow year. Director Henrikson said that he will vote for this but feels that the general public should be educated that the trails aren't a good place to put snow and staff should try to discourage it whenever possible.

Motion to approve Resolution #10-02: Friedman/Henrikson/5-0 by roll call vote

11. Resolution to Call for Bids – Tahoe-Tavern Booster/Well Station Rehabilitation

Mr. Homolka said that this is a capital project that involves the replacement of the Tahoe-Tavern Booster Pump Station, fireproofing of the well building, and a number of site improvements related to TRPA. Bids will be opened on March 30th followed by a Special Board Meeting scheduled for April 2nd.

Motion to approve Resolution #10-03: Reinkens/Treabess/5-0 by roll call vote

12. Resolution Accepting Easement and Approving Compensation – Lower Tahoe Tavern Heights Distribution Improvements

Mr. Homolka said that this is the other capital project on which staff will be calling for bids. It involves a couple thousand feet of pipeline replacement and needs an easement on Conservancy property. Director Henrikson was displeased that the District would have to pay the Conservancy \$8,000 for this. Ms. Gustafson said that the Conservancy has an obligation to reimburse the State for what the local taxpayers need from the State on a piece of property.

Motion to approve Resolution #10-04: Treabess/Reinkens/4-1 by roll call vote with Director Henrikson voting no

Virginia Graham thanked Director Henrikson for his comments on saving money on every single item.

13. Resolution to Call for Bids – Lower Tahoe Tavern Heights Distribution Improvements

Mr. Homolka said that this is the call for bids for the same project. He said that it looks like it will be a little bit over budget but is expecting the bids to come in pretty low. At approval for award of contract he will have a full understanding of where they stand with the budget.

Motion to approve Resolution #10-05: Reinkens/Henrikson/5-0 by roll call vote

14. Resolution Authorizing the Granting of Various Easements and Rights of Way to Placer County – NTFPD Station 51 Project

Mr. Homolka said that the Public Safety Center needs to obtain easements from us in order to obtain County approval. He noted that a lot of the easements should have been granted when this building was developed so they are being called on to clean it up. He said that there is an issue with potential sidewalk maintenance that we are working on with the Fire District.

Motion to approve Resolution #10-06: Treabess/Reinkens/5-0 by roll call vote

Chief Whitelaw gave the Board an update on the progress that they have made on the project. Bids were opened on the 18th, 11 bids were received, the Engineer's Estimate was approximately \$10,473,000, and the bids ranged from approximately \$5,973,000 to \$6,640,000. He said that this opportunity came to them due to the corroboration between the two agencies and thanked everyone involved. Mr. McIntyre added that the ability to do this project so quickly has probably saved taxpayers \$2 - \$4 million due to the current bidding climate.

16. Concurring in Nomination of E. G. "Jerry" Gladbach to the Office of President of the Association of California Water Agencies Joint Powers Insurance Authority

Director Reinkens recommended adoption.

Motion to approve Resolution #10-08: Treabess/Reinkens/5-0 by roll call vote

17. Concurring in Nomination to the Office of Vice President of the Association of California Water Agencies Joint Powers Insurance Authority

Director Reinkens recommended adoption.

Motion to approve Resolution #10-09: Treabess/Reinkens/5-0 by roll call vote

K. GENERAL

18. Committee Assignments and Meeting Schedule

Director Wilkins explained the assignments and schedule to the Board.

19. Reports

Director Henrikson said that at the last TTSA meeting he was brought up to speed that TCPUD has never paid the \$500,000 - \$750,000 hookup fees for McKinney Quail Intake. He asked why the Board didn't know about it. Ms. Gustafson said that staff met with Marcia back in November when they heard about the problem and are working with her to lower the fees or find another way to put the water into the system. She added that current staff had no idea that the fees weren't paid six or seven years ago. Director Wilkins asked if NTPUD and TCPUD should, as partial controllers of TTSA, look at giving member agencies a break on these types of issues. Ms. Gustafson said that she would do some historical research on why this wasn't caught earlier.

Director Henrikson said that he is frustrated because he believes that the District gives up too easily on issues such as snow storage. Director Treabess said that he feels that the District found a good solution for snow storage and went out of its way to help the community. Director Reinkens supported Director Henrikson and said that the Board should have been informed about the McKinney Quail Intake problem. Mr. Laliotis said that during the budget process he called Marcia and asked for a ballpark figure and she refused to give him one. He put \$50,000 in the operating budget to cover it but wasn't told the magnitude of the number until he met with her in December. When she told him the amount due, she said she would work with staff to give us options.

Director Wilkins said that he felt the Water System Acquisition Workshop was very productive and suggested that the Board ask staff to try to draft a policy to more solidly document some of the principles that the Board agreed to that relate to system acquisitions. Concurrent with reviewing that policy, he asked staff to bring recommendations to the Board on how to move forward or not on the Tahoe Park and Timberland systems. Ms. Gustafson said staff will bring something to the Board that shows real numbers and real impact.

The Board adjourned to closed session at 9:55.

N. CLOSED SESSION

CONFERENCE WITH REAL PROPERTY NEGOTIATORS: APN 083-143-018 – Government Code Section 54956.8

24. District Negotiators: Cindy Gustafson and Matt Homolka

Negotiating Party: Kristina and Kelly Query

District negotiators will be given instruction concerning whether the district will purchase an easement and, if so, price and terms of such purchase

CONFERENCE WITH LABOR NEGOTIATORS – Government Code Section 54957.6

25. District Representatives – Cindy Gustafson and Jim Dykstra

Employee Organization – Management, Supervisory, Professional, and Confidential Employees

**PUBLIC EMPLOYEE APPOINTMENT/EMPLOYMENT/PERFORMANCE
EVALUATION/COMPENSATION – Government Code Section 54957**

26. General Manager

O. CLOSED SESSION REPORT

Mr. Sexton reported the following from closed session:

24. The Board gave staff direction to attempt to acquire a dedicated easement from the Querys.

25. This item was pulled from the agenda.

26. This item was pulled from the agenda.

Director Wilkins left the meeting during closed session. Director Treabess took over as Chair.

J. RESOLUTIONS

15. Resolution Accepting Easement and Approving Compensation – Waterline Crossing APN 083-143-017 (CTC)

Motion to approve Resolution #10-07: Henrikson/Reinkens/4-0 by roll call vote

K. GENERAL

19. Reports (cont.)

Mr. Bolton reported that he met with representatives from TRPA and TRCD regarding the plans for Quagga mussel inspections. They have decided to go with off-site inspections at all of the highways coming into the basin. He reviewed the new process and charges and answered questions of the Board.

Ms. Gustafson said that she and Mr. Harry met with Jason Shueh regarding his article and the numerous inaccuracies and misquotes in it. She said that he is young and didn't understand the importance of how he words things and she believes he will do better in the future.

Ms. Gustafson reported that NTPUD has requested a joint meeting of the two Sewer and Water Committees to discuss a joint project for the Dollar Cove lake intake, standards for contractors, Vector issues, and JSF funding. A date will be determined.

Ms. Gustafson said that in doing research for the workshop, she found a District's website with their filmed meetings archived so the public could watch without attending. She said that she would like to bring it to a Community Issues meeting as a potential solution for some of the issues that the District is facing with the media.

Ms. Gustafson said that she and Director Wilkins will be leaving for Washington, DC on Saturday. They are taking information on the projects that staff believes meet the criteria necessary for funding. Two projects are the Sugar Pine to Meeks Bay Bike Trail and a Joint Project for Surface Water that would serve the McKinney Quail System.

Mr. Sexton said that a request for federal funding for the Lake Forest Water System will also be included. He asked Director Henrikson and Ms. Gustafson to leave the room. He said that previous to this meeting the Board directed staff to apply for all manner of state and federal funding that they can get for a variety of projects. If the state funding doesn't come through for Lake Forest, Ms. Gustafson and Director Henrikson participation in a discussion authorizing the District to seek federal funding could beneficially affect their property, so that is why he asked them to leave. He said they would need a consensus of the Board that between this project and the other ones there is no difference and that the General Manager can ask for federal funding on this one also. That makes it a ministerial act.

Mr. Homolka said that the Lake Forest Improvement District is the next project in line that isn't already in the South Tahoe PUD funding request. He recommended that the Board allow them to ask for funding.

The Board agreed that it was in keeping with the direction given by the Board. Ms. Gustafson and Director Henrikson returned.

Ms. Gustafson said that staff wasn't able to fill out appropriation request forms for two other projects because the environmental documents aren't done yet and they aren't official projects yet but they will be discussing them with federal representatives. One is sewer lines in sensitive areas and the other is the eco:Logic transmission line report.

Director Henrikson raised a point about pushing for funding for the bike trails all around the lake. Ms. Gustafson said that she will ask if other groups are continuing to request funding for all of the projects or if we should. Director Henrikson asked if we could add to their voice for funding. Ms. Gustafson said she will bring the exhibit and discuss it.

Director Treabess said that the Board gave clear direction for Ms. Gustafson and Director Wilkins to request funding for all the discussed projects.

Regarding questions from yesterday's workshop, Mr. Sexton said that if the Board decides to acquire private water systems, a Prop. 218 issue isn't a problem so long as a condition of our acquisition is that we require them to raise their rates to our level before we acquire them. Then a Prop. 218 rate hearing isn't necessary because nothing is being changed. If the District gets involved in supplemental rates, it is more cumbersome and they prefer that it is done through connection charges and do it as a precondition of the acquisition of the system. If we are condemning a water company it is problematic and we need to deal with it.

20. General Correspondence

There were no comments.

21. Board Follow-up

Ms. Gustafson reviewed the chart and updated the Board on some of the items. Mr. Laliotis explained some confusion that staff is having with TTSA and what to do with Vector waste. Director Henrikson explained what is happening with TTSA and some problems that they have had with a heavy metal reading. Director Friedman asked for clarification on TTSA and their member agencies. She asked if the Board is working in the interest of the organizations that they represent as well as TTSA. Director Henrikson explained how things are handled with their Board.

L. DIRECTORS' FORUM

There was no further comment.

M. MEETING REVIEW AND STAFF DIRECTION

23. Meeting Review and Staff Direction

Ms. Gustafson reported the following:

- Staff will make sure that the explanations for anything changed from what was said in the budget process is included in reports to the Board.
- Staff will increase their educational awareness of snow storage on the trails.
- Staff will follow up on committee direction on what the Board wants to see at committee meetings.
- What the District will do with this location in the future regarding snow storage will come back to the Board in April or May.
- Negotiators received direction on the easement acquisition.
- Ms. Gustafson received direction on federal funding and some expansion of our projects into the greater projects on the bike trail.

P. ADJOURNMENT

The meeting was adjourned at 12:00 p.m.

Dan Wilkins, President

Ginger Charlton, District Clerk

Prepared by Ginger Charlton