

REGULAR BOARD MEETING
APPROVED MINUTES

February 16, 2007

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

STAFF PRESENT: Bob Lourey, General Manager
Cindy Gustafson, Assistant General Manager
Jim Dykstra, Director of Accounting
Matt Homolka, Engineer
Bob Bolton, Director of Parks and Recreation
Bill Back, Director of Utilities
Jack Beckman, Construction Project Manager
Mike Sexton, Legal Counsel
Ginger Charlton, District Clerk

A. CALL TO ORDER – PLEDGE OF ALLEGIANCE

President Reinkens called the meeting to order at 8:30 a.m. Director Henrikson led the audience in the Pledge.

B. AGENDA AMENDMENTS AND APPROVAL

1. Agenda Deletions, Changes and Audience Requests

There were none.

2. Additions to Agenda

Ms. Gustafson asked to add an item under K-12 regarding the purchase of a new stage. She said that at the Community Issues Committee meeting the board members decided to take action on this. Grant applications are due next week so it needs to be added to this agenda.

Motion to add the new stage item to agenda: Treabess/Henrikson/5-0

3. Approval of Agenda

Motion to approve the agenda as amended: Atchley/Henrikson/5-0

C. PUBLIC FORUM

Jim Robbins, representing Tahoe Cross Country Ski Education Association, reported that they are looking to expand their educational programs with a Winter Kids Program. They would like to place a 30-foot yurt on the District's property, which would serve as the classroom center. It is a membrane structure on a permanent platform set on piers. The Board discussed it and gave direction for him to move forward. The item will be brought back at the next meeting for action.

Mr. Lourey discussed a letter that was given to the Board from Jan Brisco, Executive Director of the Tahoe Lakefront Owners Association, relating to a position taken by the Tahoe Water Suppliers Association. He asked Mr. Sexton how the District should be participating in this organization. Also, if the organization decides to take a position with one of the regulatory agencies, should the position come to the Board for confirmation prior to the District signing off on it? Mr. Sexton said that the issue should come to the Board. Mr. Lourey asked Mr. Sexton to issue his opinion to the District regarding our activity in the Association and his opinion on the Association's position coming to the Board for concurrence.

D. EMPLOYEE RECOGNITION

4. Michelle Martland – 5-Year Service Recognition

Mr. Lourey recognized Michelle for her efforts in the transition of abolishing the Human Resources Manager position. She was given many of the jobs from the position when the duties were divided among certain staff. He said that he is very impressed with her abilities and she is a true professional. Mr. Dykstra stated that Michelle is very much appreciated because she brings so much initiative and efficiency to her position.

E. FINANCIAL

All items covered under consent calendar.

F. PROJECTS

All items covered under consent calendar.

G. WATER AND SEWER UTILITIES

5. Approve Purchase of Two Standby Generator Sets

Mr. Back reported that these are planned replacements for two generators that are approximately 35 years old. Mr. Laliotis noted that parts are not available for the old generators and it's time to replace them. He also reported that he is

trying to standardize on a particular type of generator but Caterpillar has a big gap in their sizes and none would work for the emergency standby generator.

Motion to approve: Henrikson/Treabess/5-0

H. PARKS AND RECREATION

All items covered under consent calendar.

I. CONSENT CALENDAR

Director Reinkens asked to pull item 7.

Motion to approve remaining consent items: Atchley/Henrikson/5-0

6. Minutes – January 19, 2007

7. Finance Report

Director Reinkens asked Mr. Dykstra to report on this year's cash flow. Mr. Dykstra said that there is a need for some short-term cash flow financing that is related to the Harbor Master Pump Station project. He said that things are proceeding well with getting the loan but that the contract process takes 90 days and we might want to look at using the Plumas line of credit in the meantime. He will discuss it at the next Finance Committee meeting.

Motion to approve item #6: Reinkens/Wilkins/5-0

8. General Manager and Staff Reports

- a. General Manager
- b. Sewer and Water Report
- c. Public Works Report
- d. Parks Activity Report
- e. Recreation Activity Report
- f. Project Development Report
- g. Assistant General Manager Report
- h. District Engineer Report

9. Approval of \$2.7 Million Transfer from General Fund to Enterprise Fund and Designation of Additional \$100,000 for Post-Retirement Medical

J. RESOLUTIONS/ORDINANCES

10. Marlette Drive Steel Waterline Replacement Project – Resolution to Call for Bids

Mr. Homolka reported that the District is under budget on this project and ready to go. Mr. Laliotis reported that the line has undergone at least 10 major repairs in the last year.

Director Treabess asked if the District anticipated using property taxes for a portion of this project. Mr. Dykstra responded yes. The Board discussed their beliefs about funding and will discuss it further at the workshop.

Motion to approve Resolution #07-03: Atchley/Henrikson/5-0 by roll call vote

Mr. Lourey led a discussion on the timing of the workshop. It was decided that the next Sewer and Water Committee Meeting would be held on March 15th at 7:00 a.m. The workshop will be held on March 20th at 8:00 a.m. Director Reinkens requested a closed session discussion at the March 16th Board Meeting on eminent domain.

K. GENERAL

11. General Correspondence

The Board had no comments.

12. Reports

Ms. Gustafson asked Mr. Bolton to report on the purchase of the new stage. He said that there has been an increase in requests for use of the existing stage and that the Community Issues Committee has been discussing the need for a new stage. They also began developing a set of policies for the use of the stage to ensure that it is handled properly and maintained. Mr. Bolton said that all the logistics haven't been worked out yet but will be soon if the purchase is approved.

Motion to allow staff to pursue grant opportunities to purchase a second Wenger stage: Atchley/Wilkins/5-0

Director Atchley reported that they had a very productive discussion on water meters and the water rate study at the Sewer and Water Committee Meeting. She is pleased that when it's time to set rates in the fall, the Board will be dealing with science instead of best guess. She complimented staff on doing a really good job of bringing materials forward for them. Mr. Lourey added that at the March meeting they would be bringing back to the Board the approach to the startup of residential water meter billing.

Director Henrikson reported that it was discovered that effluent is surfacing in Teichert's pit. They are correcting the situation.

Mr. Beckman reported that John Heff recently visited from ACWA/JPIA. He said that it was a productive visit with trainings, an ergonomic review of the office, and a visit to our facilities. He said that Mr. Heff felt that our staff is doing a great job and should be commended.

Mr. Dykstra reported that he attended a meeting at Cal-PERS. They are moving ahead with establishing an investment fund that would be used for people's post-retirement medical funding. He said that an actuarial study is needed before we can participate.

Mr. Homolka reminded the Board that they will be opening bids on the Pump Station Project next Wednesday.

Mr. Bolton reported that the kickoff at Rideout last Friday night was tremendous with over 400 people attending. He said the doors opened Monday and things are still quiet but organizations are getting the word out and he expects things to pick up. He noted that they are receiving donations of tables, chairs, and other needed equipment. Director Reinkens complimented Mr. Bolton and his staff for their hard work on such a big undertaking.

Mr. Lourey reported that he received a voicemail from Rick Dewante stating that he is thinking about shutting off his lake intake at Lake Forest and trying to supply his Lake Forest system 100% with our interruptible connection. Mr. Lourey let Mr. Dewante know that that was fine but in no way commits the District to an uninterruptible connection.

Mr. Lourey reported that, as a result of the poor audio at the last meeting, he has a staff member working on getting a functioning system with a microphone in place.

Mr. Lourey also reported that Ms. Gustafson, Mr. Beckman, and he met with the California Tahoe Conservancy and TRPA about the Homewood bike trail. He said that TRPA doesn't feel that the anticipated needed tree removal will cause pitfalls with them. Ms. Gustafson is working on CEQA compliance.

Ms. Gustafson reported that sidewalk enforcement and coordination of the TCDA were discussed at the Community Issues Committee Meeting. Information on this will be brought to the March meeting. They also discussed a request by North Tahoe Arts to have their rent reduced, which will be brought to the Board soon.

L. DIRECTOR'S FORUM

13. Director's Comments

Director Treabess asked if the various committees have chairpersons and, if so, could they be listed as the top person on the Committee Assignments Chart. It

was agreed that the senior person be chair. The revised chart is attached to and made a part of the minutes.

Director Treabess asked what is happening with the disbandment of the Joint Parks and Recreation Committee. Mr. Lourey explained the delay and will follow up with Steve Rogers.

Director Atchley thanked Mr. Laliotis for helping with the frozen pipes at Station 54.

Director Reinkens said that he would like the District to move forward aggressively with the Lake Forest problem including discussions with legal counsel on eminent domain.

M. MEETING REVIEW AND STAFF DIRECTION

14. Meeting Review

Mr. Lourey reported the following items for follow-up:

- *He will place an item on a future agenda for the request to place a yurt at the Cross Country Ski Area and the issues associated with it.*
- *He will get a letter from Mr. Sexton regarding the District's participation in outside organizations and possible policy on bringing positions taken by the organization to the Board prior to signing off on them.*
- *The shore zone activity issue will be on a future agenda as it pertains to our intakes and vulnerability to them.*
- *A Board workshop will be scheduled for March 20th at 8:00 a.m. There will be a functioning audio system in place at that time.*

Director Reinkens asked if anyone had specific items they would like to address at the workshop. Director Wilkins asked to start the workshop with some board level discussion on where they see the District's role on water distribution in 20 – 30 years. He said that his future decisions would be based on this philosophy.

Director Treabess asked to get out the list of items for the workshop at least a week in advance of the meeting so that the Board can be assured that nothing they feel is pertinent is being skipped.

- *Mr. Lourey will call Steve Rogers to set up a joint Parks and Recreation Commission meeting for the purpose of disbanding.*

N. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
SUBDIVISION (a) OF SECTION 54956.9

15. TCPUD v. St. Francis Lakeside Homeowners Association

O. CLOSED SESSION REPORT

Legal Counsel updated the Board on item #15.

P. ADJOURNMENT

The meeting was adjourned at 10:25 a.m.

Lou Reinkens, President

Ginger Charlton, District Clerk

Prepared by Ginger Charlton