

SPECIAL BOARD MEETING
APPROVED MINUTES

March 20, 2009

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

STAFF PRESENT: Cindy Gustafson, General Manager
Alan Harry, Administrator of Planning and Public Works
Jim Dykstra, Treasurer/Director of Accounting & Employee Services
Mike Sexton, Legal Counsel
Carol Hackbarth, Administrative Secretary

A. CALL TO ORDER – PLEDGE OF ALLEGIANCE

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

B. AGENDA AMENDMENTS AND APPROVAL

1. Agenda Deletions, Changes and Audience Requests

Ms. Gustafson said that item #4, Recognition for Pete Marra, needs to be tabled to a future meeting so that he doesn't need to come in on his day off. She said that item #15, Fire Department Relocation / Snow Storage will be moved up to accommodate Duane Whitelaw. She also said that the Lake Forest Improvement District item will take place at 9:30.

2. Additions to Agenda

There were no additions.

3. Approval of Agenda

Motion to approve the revised agenda: Wilkins/Treabess/4-0

C. PUBLIC FORUM

Young Hua, a community member from Tahoe Park, asked if any of the stimulus money would trickle down into our area. Ms. Gustafson said that it will and the District is pursuing it. She presented him with a report of the available funding and said that the funding will come to the States of California and Nevada for drinking water systems and then each of the States will decide who gets the money within their state. She said that each funding source listed has a different way that the funds are allocated. Mr. Hua said that water is being lost through broken pipes and asked how the leaks can be detected. Mr. Henrikson explained and assured him that the District wants to get the leaks fixed as quickly as possible.

Maxine Olson said that older people such as herself have a hard time with the snow and she wanted to voice her concern about the dangerous condition that the sidewalks in Tahoe City have been in after snowstorms. She added that we count on tourists yet don't seem to care about their accessibility to our community. She chatted with some of the downtown property owners and they told her that the condition of the sidewalks is TCPUD's responsibility. Ms. Gustafson said that the ordinance that we have in place for snow removal allows us to notify a property owner if they haven't removed the snow by 8:00 a.m. or put snowmelt on their ice but then give them 24 hours to respond. She said that we may want to change the ordinance since our staff can react quicker and get the problems remedied. Director Treabess said that the entire community needs this reminder and he thanked Mrs. Olson for coming to the meeting. Ms. Gustafson said that we will work with Mike Sexton on how quickly we can take action on the issue.

D. RECOGNITION

4. Pete Marra – 10 Year Service Recognition

This item was tabled.

5. Tony Laliotis – 10 Year Service Recognition

Ms. Gustafson said that the amount of contribution that Tony has made to this District through his dedication, technical expertise, cost savings, and managing his group is unparalleled. She said that he is serving as the President of the Tahoe Water Suppliers Association and he has been a tremendous asset to the people of this community.

Director Henrikson said that he works with Tony here and in the field and he always has a practical and common sense approach to things and is good to work with. He presented him with his certificate and thanked him for the District.

L. GENERAL

15. Fire Department Relocation / Snow Storage

Ms. Gustafson said that the fire department, TCDA, TCPUD, NLTRA, and TCPUD have held a couple of meetings and are working on a joint workshop for March 24th at 7:00 a.m. in our board room. We are working with the fire department because we have the operating agreements with the contractors for use of the snow storage area and we also work with TCDA to help notify people. Peter Kratz has taken a lead on this issue from the County's standpoint and he and Cindy met with the Forest Service to see if snow storage could be part of our operating agreement for the 64 Acres. At the meeting it was clear that the Forest Service was going to require a lengthy process if they approved it and they weren't excited to store snow for the town. The meeting on the 24th is to look at all alternatives throughout town and what works best for the property owners and contractors.

Duane Whitelaw said that he briefed the Fire Board Wednesday night and they are committed to finding both a short and long term solution.

Director Henrikson said that, as one Board member, he feels that it is incumbent upon the Fire District to find the new snow storage area before they begin to build the new station. He said that if they don't find a place that is economical they will kill downtown. Director Treabess said that when the TCPUD let snow storage take place in its current location, it was a temporary solution. He added that we all need to find a permanent solution for the snow

storage but not to the extent that it holds up the fire station. Director Wilkins added that in Truckee the property owners have to deal with their own snow. He said that he is concerned about the District taking heat for giving land to the fire department because we eliminated the snow storage area. Mr. Whitelaw said that the fire district doesn't want to put the PUD in that position. Director Wilkins said that the point of no return for us is when we have to take action on the ground lease because once we agree to it they have the right to go build the fire station. Director Henrikson said that he feels that he was very clear about the fire department taking the lead on this issue and he feels that the agreement hasn't been honored. He said it's going to hurt the town if there is no snow storage area. Mr. Whitelaw said that they want to do everything in their power to find a solution.

E. FINANCIAL

6. Approval of \$2.2 Million Transfer from General Fund to Enterprise Fund, \$1,434,286.91 Transfer from General Fund to Debt Service Fund, Designation of Additional \$250,000 for Emergency Reserve, and Designation of Additional \$150,000 to Enterprise Fund Long-Term Capital Replacement Reserve

Mr. Dykstra explained the two transfers and answered questions of the Board.

Motion to approve the transfers from General Fund: Wilkins/Treabess/4-0

Mr. Dykstra explained the designations to the reserves and recommended approval. He noted that the designation isn't split into separate water and sewer reserves yet. The Board discussed the various options of splitting the funds or just keeping it all in one general reserve.

Motion to leave the reserves undesignated: Treabess/Wilkins/4-0

L. GENERAL

16. Lake Forest Improvement District

At 9:30, Director Henrikson said that he has a conflict with this issue, so he turned the meeting over to Director Wilkins and sat in the audience. Ms. Gustafson also removed herself from the table.

Mr. Harry passed out copies of a revised power point presentation on the next steps for this item. He noted that actions taken on the acquisition and upgrade of the Lake Forest Water Company and the assessment of the Lake Forest Improvement District will likely become the model for all future private water company actions. He went over the steps that need to be taken to complete the project and said that this issue is very timely because of the low bidding climate, it's the final year of Prop. 50 grant funding, and there may be additional monies available through the economic recovery funds. He said that the goal for this meeting is for the Board to approve the following three items:

1. Call for a Proposition 218 election conditioned upon the successful receipt of \$1,327,000 in outside funding and the successful acquisition of the LFWC.
2. To approve the use of District revenues for the acquisition of LFWC not to exceed \$308,000.
3. To adopt an alternative water rate structure for LFWC which may become the model for future water system acquisitions.

He said that the Committee recommended approval of these three steps at their last meeting but asked that the full Board approve the recommendations also.

Mr. Harry went over the goals and answered questions of the Board. He noted that a new rate would need to be created for newly acquired private water company customers. Staff is looking at charging them consumption charges on top of the assessment costs. The consumption charges over the next 10 years would repay the \$308,000. He said that it is staff's opinion that if newly acquired private water company customers approve an assessment upon themselves to completely reconstruct their water system to District standards, then the base rate wouldn't be appropriate. He proposed that the base rate be replaced with an assessment rate and that would be a monthly cost that would equal their annual cost divided by 12. He added that at no time should the assessment rate be less than the base rate that is being paid for by other District water customers.

Director Wilkins asked if Directors Treabess and Friedman had any concerns with the recommendations since they had attended the Community Issues meeting and had learned about this earlier. Director Treabess said that their concerns were addressed in the revised presentation. He said that they felt very comfortable with the rate proposal.

Mr. Dykstra asked Mr. Sexton if the assessment has to be collected through property tax roles or can it be collected through the bill. Mr. Sexton said that normally it is added to the tax bill but it could be added to the bill as a separate item.

Director Wilkins said that one of the conditions that we are establishing is that there needs to be a funding source to help rebuild the system in place before we are willing to get involved. We can't ask them to pass a rate because they aren't our customers yet.

Mr. Sexton said that this issue caught him by surprise because it is way ahead of where he thought that this Board was on this item. He said that the District has to do several things before it actually moves to acquire the Lake Forest Water System. He thought that, as of the last meeting, the District was going to try to determine if there was approval by the Lake Forest property owners to pay sufficient funds to pay the engineer's assessment on what it would take to upgrade the system to meet District standards. And if they were, then the District would start moving ahead to try to acquire the system. He said that trying to acquire the system would take a general election of this entire district to get approval for the District to acquire another utility. He said it is operated and regulated by the PUC and is another utility.

Director Treabess said he had never heard that we need a general election from staff or counsel.

Mr. Sexton said that was because we've never gotten this far before.

Mr. Harry said that he disagreed with Mr. Sexton. He said that while working with TDPUD, that District acquired two different water companies, both of which were regulated by the PUC. One was acquired and recommended by the PUC. The other one was a mutual. In the case of the mutual system, the owners of the mutual system had to vote as to whether or not they would allow themselves to be acquired by TDPUD. As it related to the private water company, Del Oro Water Company, which ran the water company in Donner Lake, the District Board voted to acquire that system and, over time, they actually went into the process of eminent domain to acquire that system. At no time were the District voters, the customers of the water district, asked to vote on whether or not they would approve the acquisition of that system. Rather, there was an

assessment district that was approved by the Donner Lake residents that, much like we are talking about here, covered 100% of the cost of the rebuilding of their system so the existing customers of TDPUD were not charged any piece of the cost of bringing that system into the overall company, as it were.

Director Wilkins said that he would feel better if our District counsel had time to fully review the issue and was comfortable with any final action that we take. He still wanted to have a discussion on the agenda item and then final action may need to be deferred.

Director Treabess said we could take action pending approval with additional information. That way we could move ahead without having to wait until another time.

Hr. Harry said that the Department of Public Health has told us that \$2 million is available for this project. They have currently assigned \$925,000 to the project that has been submitted by the Lake Forest Water Company. We are assuming that that is there. We also made a request to Placer County Redevelopment for \$402,000. There may be other monies out there that we can also receive.

Director Wilkins asked if we don't get the full \$1,327,000, what happens. One is we have to go back to the property owners and ask them to make up the difference through a supplemental prop 218 process. The other option is to see if there is some other source of funds. He said that he wants to make sure that any communication with the property owners has the contingency front and center.

Dan asked if we can take a rate setting 218 vote to the property owners at the same time as the vote for the assessment district. Mr. Sexton said we could make it a package but it would be two separate votes. He also wanted to verify that if the assessment district goes forward, the rate package is brought along for a five year time period. Mr. Sexton assured him it would. Dan asked audience members if they believe that the way the assessments are being portioned is equitable.

Roger Schaeffer said that if our water rates are competitive, we should publish them. Director Treabess showed him the graph of water rates being charged by the other utility districts in our area. He noted that no one is charging less for water than TCPUD.

Director Henrikson said that he lives in Lake Forest but doesn't plan on hooking up to the water because he has his own well. He said that he realizes that he will get fire protection with the new system but he doesn't feel that he should have to pay the whole assessment since he won't be using the water.

Mike Lowden said he has three properties in Lake Forest and he'd be willing to pay far more to get water from the PUD. He said that he has had many problems with the current owner and family members have had giardia.

Director Wilkins asked if anyone in the audience had a property in Lake Forest that didn't have a home on it. Darlene Bray said they did and that they have suffered because they couldn't sell their property without putting a well on it. She said that this is a community effort and they are willing to leverage over time what they contribute in order to hook up in the future. She said that they are willing to move forward.

Director Treabess added that it has been made clear several times that connecting a house to the system is the responsibility of the property owner.

Mr. Auerbach said that when the Board approved the engineer's report, they had some questions on the assessment spread methodology. After all things were considered, they felt that fire protection was the best way to do that. He said that if other ways are computed, it will take about 40% of the cost and spread it differently. He said that the more you do something on a parcel basis, the more it spreads the cost to the residential customers because they own the majority of the parcels. He said that using fire protection and water availability, you can get to the number that is palatable and make a strong case in documentation that that is the reasonable way to do it. He said they are prepared to calculate it another way if the Board desires.

Mr. Homolka said that the point of this project is to provide fire protection. He said that if domestic service was the only thing being provided, there would not be nearly the improvements put into the system. Director Henrikson said that there is a pretty high value to domestic water and he wouldn't downplay the value.

Director Wilkins asked the other Board members how they felt about the assessment being based on fire protection. Director Treabess said that he feels that the way it has been figured already includes the domestic and the need is health and safety. He is comfortable with the way it is currently figured.

Ms. Gustafson said that since this is a model that the District hopes to use in future acquisitions, one of the discussions that staff had was what happens to those who have vacant parcels or don't want to use the water now. They won't pay consumption now. The complicating factor would be that you have to set up different connection fees for each new system that comes in from a vacant lot.

Director Wilkins reviewed the recommendation to the Board. Director Friedman asked that calling for the Prop 218 election be conditioned upon counsel's findings. Mr. Sexton said that his recommendation is to go along with recommendation 1 but not recommendations 2 or 3. He said that the ballot could be written so that the property owners are asked to assume that what they are approving by way of an assessment spread would be contingent upon the receipt of \$1.3 million of outside funding and contingent upon the District putting in \$308,000. He said that he doesn't think a rate structure should be adopted now because they aren't customers of the District yet. Director Treabess said that he thinks it is important information for the water user to decide whether to accept some level of assessment. Mr. Sexton said that we have to decide as a District whether we want to establish a rate structure that contains postage stamp rates. The benefit of doing that is that you can tailor the rate to a particular area based upon the particular cost of serving that area. The down side is that for purposes of Prop 218 rate hearings you set up a process where you have to have a Prop 218 rate approval within a particular service area each time you want to change that rate.

Director Wilkins asked if the rate structure that is in place for the rest of the District is what would apply if we did not adopt an alternate rate structure, acquired the LFID, and an assessment district passed. Mr. Sexton said yes. He said that there are two ways to bill systems. You can go to the property owners that are directly benefited and seek to impose as assessment to pay for it. The second way is to say that we operate the entire District on an integrated basis; therefore, we will fund the improvement and spread the cost district-wide through our rate structure.

Director Wilkins said that he feels a little uneasy with the conflicting information that is being presented. He asked if staff had a couple of weeks to sort things out, could we all be on the same page and come back to a special meeting.

Director Friedman said that she doesn't see how the educated voting public could vote on a 218 without knowing their rates. Mr. Sexton said that he believes that if we word the Prop. 218 notice to say that if they vote to approve an assessment, it is with an understanding that the assessment takes the place of the base rate that has been approved by District ratepayers and that property owners will remain subject to the consumptive portion of the rate as may be changed in the future.

Director Wilkins asked if the Board feels comfortable with taking action on this issue now or not. Director Friedman said that she would like to move swiftly but would rather have a special meeting where there is a clean recommendation without a lot of contingencies. Director Treabess said that he believes that it could happen now but he could wait. Mr. Sexton suggested they direct staff and legal counsel to write a Prop. 218 mail ballot for both the assessments and the rates and bring it back in a couple of weeks for approval at which time they would schedule the Prop 218 election. Director Wilkins asked for more information about the District-wide election, also.

Director Treabess made the motion in bold listed below and Director Friedman seconded for discussion.

Director Wilkins said that he is supportive of the concept and is interested in the details on item #2 but would like to have more discussion on item #3. His assumption is that we would use the property tax reserve fund that has been earmarked for use to benefit private systems. There was a discussion on which fund the money would come from and Mr. Harry said that it would have to be a Board decision. Director Wilkins said that that should be discussed when Directors Henrikson and Reinkens could join in.

Ms. Gustafson asked that the Board let them clean this issue up and bring it back.

Motion to prepare a ballot with the assumption that language can be put together that will accept the alternative rate structure that replaces the base rate with a monthly assessment rate. If something is found that can't allow that to happen, staff will bring it back to the Board at a special meeting: Treabess/Friedman/1-3 (Director Treabess voted yes)

The Board gave direction to schedule a special Board meeting within the next two weeks with the details cleaned up.

G. RESOLUTIONS

7. Resolution of the Tahoe City Public Utility District Setting Appropriation Limits for the 2009 Fiscal Year

President Henrikson said that this is the same resolution that we do every year.

Motion to approve: Wilkins/Treabess/4-0 by roll call vote

H. PROJECTS

All items covered under consent calendar.

I. SEWER & WATER UTILITIES

All items covered under consent calendar.

J. PARKS AND RECREATION

8. Position on Potential Transfer of Placer County Park Dedication Fees to Truckee Donner Parks and Recreation

Ms. Gustafson said that Truckee Donner made a request to see a transfer of Park Dedication Fees from Placer County to the Truckee Donner Public Utility District for impacts on their recreation facilities created by the new growth in the Placer County area. Placer County requested last month that North Tahoe, Tahoe City, and Northstar Community Services District come and give an overview of our needs and what we know about our users. She included a copy of her presentation from last Tuesday's NTRAC meeting where she included that we have significant use from Truckee residents on Tahoe City parks fees. She believes that unless Truckee is willing to also share their park dedication fees from new development with the Lake, why would we give up this potential funding source. She recommended that the Board oppose this and said that at the meeting she stated that we should have a regional plan that includes both Truckee and the Lake. She said that a recreation study should be done that included both.

Director Wilkins said that he agrees that we should oppose this right now and would like to say that we're not sure if it's appropriate. He suggested that we send in a letter to oppose it that is tied to a lack of a regional master plan effort.

Motion to oppose the transfer with modifications of a letter with the basis for the objection that we feel there should be more of a regional analysis done before these kinds of decisions are made: Wilkins/Treabess/4-0

K. CONSENT CALENDAR

Director Treabess asked to pull the minutes of February 20 and 25 from item #9. Director Friedman asked to pull item #12, Approval of Purchase – 2009 15-Passenger Van. Mr. Homolka asked to pull item #14, Consultant Selection Committee Report.

Motion to approve the remaining consent calendar: Treabess/Wilkins/4-0

9. Minutes

- Board Meeting – January 23, 2009
- Community Issues Committee – February 2, 2009
- Sewer and Water Committee – February 12, 2009
- Finance Committee – February 13, 2009
- Parks and Recreation Committee – February 18, 2009
- Board Meeting – February 20, 2009
- Special Board Meeting – February 25, 2009

Mr. Sexton provided some grammatical corrections to the minutes and reviewed them with the Board.

Motion to approve the minutes as revised for February 20 and February 25, 2009: Treabess/Wilkins/4-0

10. Finance Report

11. General Manager and Staff Reports

12. Approval of Purchase – 2009 15-Passenger Van

Director Friedman asked if used vehicles are ever considered. Mr. Laliotis said that in some instances used equipment can be purchased but that this is a very specialized van and it would be a very difficult task to try to find a used one. He said that there is also hope that part of the cost of the vehicle can be offset with a clean air grant.

Motion to approve: Friedman/Treabess/4-0

13. Approval of Purchase of Emergency Generator

14. Consultant Selection Committee Report

Mr. Homolka said that a budget amendment will be brought to the Board next month to accelerate certain projects that weren't scheduled for a few years in order to retain some funding from shovel-ready projects. He said that the projects that they would like to accelerate are the Highlands Fire Hydrants, the lower portion of the Tahoe Tavern Heights Distribution Improvements, and possibly Bunker Tank.

Motion to approve: Henrikson/Wilkins/4-0

L. GENERAL

17. Reports

Mr. Homolka reported that the Sewer and Water Committee approved the revision to the ordinance regarding common trenching of gas and water services that they will be bringing to the full board next month with a number of other ordinance revisions. He said that Thompson-Rubicon will be brought to the April meeting and he needs to set up a Project Committee meeting.

Mr. Bolton reported that the Parks and Recreation Committee met this week. The Fairways Community Center is officially closing its operation with TCPUD as far as offering recreational programs at the end of the month. He met with a couple of parties that were interested in a long-term lease of the Center. With the unknown of the Rideout lease, he will only do a month-to-month lease until he knows what will happen with the school district.

Mr. Bolton said that the TRPA is proposing to charge fees for the inspection for quagga mussels. TRPA staff will be approaching their Board to allow the fees and to set a fee schedule. He said that our boat ramp's hours are currently 6:00 am to 4:00 pm. If money is available, TRPA will expand the hours from 6:00 am to 10:00 pm. He said that we are aware that those hours don't meet the needs of the people in the community and he's hoping that we'll be allowed to charge a launch fee to help offset some of the costs and expand the hours. He said that we would train our own staff to do the inspections. Two full time staff are currently trained and TRPA would train for free any new staff that is hired.

Mr. Bolton said that the cross country ski concession contract is up for renewal at the end of the ski season and he will bring a recommendation to the Board to review the contract. He said it's our intent to continue to renew the contract. Ms. Gustafson said that she would like building issues addressed in the new contract, with ADA accessibility being one of the major issues.

Mr. Laliotis said that our conservation program is moving forward. Training has been accelerated for a staff member and we are planning on offering free audits to residents this summer for conservation. Director Henrikson asked him to focus on where we are losing water in our system.

Mr. Harry said that he is setting up meetings with condominium association management companies to get moving forward with master meters. He will be attending the Tahoe Sierra Integrated Regional Water Management Plan meeting looking for funding sources for various projects. He said that he is meeting with Gerald Rockwell today because they have the signatures needed for Tahoe Park.

Ms. Gustafson reported on her trip to D.C. and said that we were included in the \$5 million Omnibus Bill. She said it sounds like they would entertain continuing the \$5 million level for multiple years in the Omnibus Bill as long as we are showing good results. She is meeting later this afternoon to develop the MOU with South Tahoe PUD. Our share would be \$500 - \$750 thousand and it would be matching funds for water improvements for fire suppression.

She said that she put together a memo to the Board that shows all the various things she could find in the stimulus package that we might be able to apply for. Mr. Laliotis has already applied for drinking water funds. She also informed the Board that there will be deductions from the money because we agreed with South Tahoe that if funds were secured from this, we would pay our fair percentage of the costs they used for their lobbyists to get these funds.

Ms. Gustafson reported that next month is the first month that water customers will have consumption on their bill. Extra information will be included to explain the new bill layout and conservation information.

18. General Correspondence

There was no comment.

19. Board Follow-Up

This item was combined with item #20.

M. MEETING REVIEW AND STAFF DIRECTION

20. Board action and direction given at this meeting

Ms. Gustafson reported the following:

- Staff will make sure that the Fire District takes the lead on the snow storage issue. We'll take a proactive stand with the community to help find a solution. Staff will look at the Fairway Community Center as a potential site for some, if not all, of the snow. Staff will make sure that the property owners are clear that the District won't be paying the cost for operations of the site.
- Staff will bring changes that need to be made on the general policy for water system acquisition and the specific issues that the Board requested to a special meeting in two weeks.
- A project meeting will be called in two weeks.

- Ms. Gustafson will write a letter on park dedication fees. She will include a statement that we didn't feel it was appropriate to approve this item until a regional benefit analysis has been prepared to look at the issue for both Truckee and North Tahoe.

N. DIRECTORS' FORUM

21. Director's Comments

Director Friedman thanked staff for their individual contributions of small and large bills to the TTCF Call to Action Program. TCPUD was the only public agency that did that.

Mr. Sexton gave some information on Lake Forest follow-up. He said that the last resolution that the Board adopted approving the improvement district had some limitations on further actions by the District. One of those includes the development of plans and specifications before having other hearings. Having said that, the election that he referred to previously is only required if you have to finance the acquisition by bonds. He said that he believes we won't need to go to an election but we'll have to make a finding that the public interest demands and dictates that we acquire the water system. Ms. Gustafson said that part of this was already done and staff will bring this back in two weeks so that we can check on state revolving fund.

Director Wilkins asked how it would affect our ability to borrow for other items in the future if we use the District's credit for borrowing for Lake Forest. Mr. Dykstra will have that opinion ready for the special meeting.

O. CLOSED SESSION

PUBLIC EMPLOYEE APPOINTMENT/EMPLOYMENT/PERFORMANCE EVALUATION/COMPENSATION – GOVERNMENT CODE SECTION 54957

22. General Manager

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

23. Significant Exposure to Litigation Pursuant to Subdivision (b) of Government Code Section 54956.9: One potential case

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

24. Conference with counsel in regard to existing administrative proceedings before the Public Utility Commission in regard to the Lake Forest Water Company

CONFERENCE WITH REAL PROPERTY NEGOTIATORS: LAKE FOREST WATER COMPANY - Government Code Section 54956.8

25. District Negotiators: Alan Harry, Jim Dykstra, Tony Laliotis, Harold Morgan, and Dennis Viglione

Negotiating Party: Rick Dewante

District negotiators will be given instruction concerning whether the District will seek to purchase the water company, and, if so, price and terms of such purchase

CONFERENCE WITH REAL PROPERTY NEGOTIATORS: LAKESIDE TRAIL APN 094-110-018 – Government Code Section 54956.8

26. District Negotiators: Cindy Gustafson and Matt Homolka

Negotiating Party: Judith Topol

District negotiators will brief the Board on the Status of Negotiations Regarding Elements of Acquisition and Receive Instruction from the Board

CONFERENCE WITH REAL PROPERTY NEGOTIATORS: 097-050-046 THROUGH - 049 (QUAIL LAKE)

27. District Negotiators: Cindy Gustafson and Tony Laliotis

Negotiating Party: U. S. Forest Service and David Tirman, HMR Representative

District negotiators will brief the Board on the Status of Negotiations Regarding Elements of Acquisition and Receive Instruction from the Board

P. CLOSED SESSION REPORT

Mr. Sexton reported the following out of closed session:

- Item #22: No action was taken.
Item #23: No action was taken.
Item #24: Counsel briefed the Board. No action was taken.
Item #25: Negotiators were given instructions.
Item #26: Negotiators were given instructions.
Item #27: Negotiators were given instructions.

Q. ADJOURNMENT

The meeting was adjourned at 12:40 p.m.

Dan Wilkins, Vice President

Ginger Charlton, District Clerk

Prepared by Ginger Charlton