

REGULAR BOARD MEETING
APPROVED MINUTES

June 28, 2007

DIRECTORS PRESENT: 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 Public Works
Jack Beckman, Construction Project Manager
Mike Sexton, Legal Counsel
Ginger Charlton, District Clerk

A. CALL TO ORDER – PLEDGE OF ALLEGIANCE

Vice President Atchley called the meeting to order at 5:05 p.m. Director Treabess led the audience in the Pledge.

B. AGENDA AMENDMENTS AND APPROVAL

1. Agenda Deletions, Changes and Audience Requests

There were no requests.

2. Additions to Agenda

Mr. Lourey asked to add an item for introduction of staff after the public forum (C-1).

3. Approval of Agenda

**Motion to approve the agenda with the requested addition:
Treabess/Henrikson/4-0**

C. PUBLIC FORUM

Wally Auerbach came to speak on behalf of the Lake Forest Public Water Advocates. He announced that they have reached a 68% approval rate on their petition to form an improvement district under the water company. He noted that approximately ten property owners are still undecided so the approval rate could climb. He expects to deliver the petition to the District next week. Mr. Sexton went over the requirements of the District when receiving the petition.

C-1. INTRODUCTION OF STAFF

Mr. Bolton introduced Zane Cole, the new Sports Coordinator. He noted that Zane has a lot of energy and enthusiasm and the department is excited that he has joined the team.

D. FINANCIAL

4. Amendment of 2007 Budget to Increase District Funded Capital and Proceeds from Financings

Mr. Dykstra went over how the capital budget is evolving and explained the amendment. He answered questions of the board and noted that this item doesn't need action.

E. PROJECTS

All items covered under consent calendar.

F. WATER AND SEWER UTILITIES

All items covered under consent calendar.

G. PARKS AND RECREATION

All items covered under consent calendar.

H. CONSENT CALENDAR

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

5. Minutes – May 24, 2007
6. Finance Report

7. 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
8. Tahoe Community Center Window Enhancement Project – Notice of Completion
9. McKinney-Quail Water Meter Installation and Service Line Replacement Project – Professional Services Agreement with Auerbach Engineering Corp.
10. Heritage Plaza
 - a. Change Order #2
 - b. Pay Estimate #5
11. Marlette Water Line Replacement
 - a. Change Order #2
 - b. Pay Estimate #2
12. McKinney Water Line Replacement Final Payment – Release of Retention
13. Midway to Squaw Slope/Trail Repair – FEMA Final Payment – Release of Retention
14. Harbor Master Pump Station
 - a. Change Order #1
 - b. Pay Estimate #2
15. Dollar/Highlands Water Meter Project
 - a. Change Order #1
 - b. Pay Estimate #1
16. Approve Purchase of \$12,000 Check Scanning Machine not in 2007 Budget
17. Review of Proposals and Selection of Lender for \$2 Million Installment Sale Agreement

18. Approve Contract between PCWA and TCPUD for a Grant Under PCWA's 2007 Financial Assistance Program

I. RESOLUTIONS/ORDINANCES

19. Reimbursement Resolution for State Revolving Fund Financing

Mr. Dykstra explained the resolution and recommended approval.

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

J. GENERAL

20. Selection of Consultant for Water and Sewer Rate Study

Mr. Lourey reported that they held a special board meeting today and interviewed four consultants. The consensus was to award the contract to HDR Engineering. He noted that all four consultants were good but they felt that HDR had some fresh approaches and a good team makeup. He recommended awarding the contract to HDR Engineering. The board then had a discussion on if price should be involved in the consideration and what would be included in the scope of the study. Mr. Auerbach encouraged the board to look at local consultants whenever a consultant is needed.

Motion to approve: Treabess/Henrikson/4-0

21. TCPUD's Technical Consultant Policy

*Mr. Lourey said that per request by the board he has drafted a revision to the policy which was approved in 1988. The revised policy includes more board involvement in the selection of a technical consultant. He handed out a revision to the revised version which was included in the packet and explained the following wording change in procedure 2: **As determined by the Committee, competitive qualification based proposals may be required** The board requested that this item be tabled until the next meeting so that Director Reinkens can be present for approval. Board members requested that a pool of locally qualified people be maintained by the District. Mr. Lourey said that staff currently does that and will continue. Director Treabess asked that local consultants and consultants that we have used in the past and been happy with submit a general proposal that can be looked at when a consultant is needed. The committee will be responsible for looking at this suggestion. The definition of North Lake Tahoe also needs to be defined.*

22. Proposition 50 Integrated Regional Water Management Plan MOU

Mr. Lourey reported that he attended a meeting regarding Prop 50 and Prop 84 funding. He said that everyone on the MOU except TCPUD entered into an MOU last year that went forward and formed this plan. This MOU will allow us to be eligible to apply for Prop 50 Round 2 grant monies for certain upcoming water projects. He explained what staff needs to do to be included in the group and recommended approval.

Motion to approve: Treabess/Henrikson/4-0

23. General Correspondence

Ms. Gustafson explained the letter regarding the leasing of Rideout School and asked for direction. The board asked that a request be made to the TTUSD board to table their decision until a meeting takes place where everyone attends. If that doesn't happen, then the board needs to attend TTUSD's board meeting to discuss the issue.

24. Reports

Mr. Bolton reported on the following:

- *The floating docks are in and will be finalized tomorrow morning.*
- *The last concert had over 1200 in attendance.*
- *Rhonda Kridler is the new Rideout coordinator. She is working with the committee to develop a business plan for the future of programming at Rideout.*

Ms. Gustafson reported on the following:

- *Our Truckee River Prop 50 grant was denied because the project needs to be designed first.*
- *Staff has been donating to fire victims from South Tahoe PUD and the Conservancy. Rideout is a collection facility for donations.*
- *Cory Allison helped with the quarterly newsletter and her assistance is very much appreciated.*

Mr. Beckman reported that next week we will have our bi-annual safety audit by KWA Safety.

K. DIRECTOR'S FORUM

25. Director's Comments

Director Treabess complimented staff on the Heritage Plaza opening and said it was a terrific event.

Director Wilkins reported that he has been working on trail projects in Truckee and some of them are in our District's boundaries. He may need to talk with management and legal counsel at some point about his day job and the rules and regulations he needs to follow.

Director Henrikson asked what Mattie Daniels is doing at Conner's and why it hasn't been run by the Sewer and Water Committee. Staff said that from now on they will run all the little projects by the Committee. Director Atchley noted that monthly committee meetings were set up for Sewer and Water and she would like to get them back on schedule.

Director Henrikson asked why boats are in the lower yard. Mr. Beckman said that we are providing storage to Cope & McPhetres Marine, Inc.

Director Henrikson asked who is going to take Ms. Gustafson's place when she becomes manager. Mr. Lourey said that hasn't been decided yet. Structure issues are being looked at and will be brought to the board when ready.

Director Atchley asked Mr. Lourey to put an update on succession planning on the next agenda.

L. MEETING REVIEW AND STAFF DIRECTION

26. Meeting Review

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

- *He will place the Technical Consultant policy on the next agenda.*
- *Staff will keep the board informed on the Rideout/TTUSD issue.*
- *Succession plan update will be on the August agenda.*
- *The Lake Forest issue will be placed on the next agenda.*

M. GENERAL

27. Pursuant to Government Code Section 54956.9 (c), the Board will Meet in Closed Session with Legal Counsel to Discuss Whether to Initiate Litigation

N. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
GOVERNMENT CODE SECTION 54956.9 (c) One potential case

28. The Board will Meet to Discuss Whether, Based on Existing Facts and Circumstances, to Initiate Litigation

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
GOVERNMENT CODE SECTION 54956.9 (a)

29. TCPUD v. St. Francis Lakeside Homeowners Association

O. CLOSED SESSION REPORT

Mr. Sexton reported out of closed session that on item #28 there was limited discussion and no action taken.

On item #29, the board was given an update and no action was taken.

P. ADJOURNMENT

The meeting was adjourned at 6:15 p.m.

Lou Reinkens, President

Ginger Charlton, District Clerk

Prepared by Ginger Charlton