

REGULAR BOARD MEETING
APPROVED MINUTES

August 15, 2006

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

STAFF PRESENT: Bob Lourey, General Manager
Jim Dykstra, Director of Accounting
Matt Homolka, Engineer
Bob Bolton, Director of Parks & Recreation
Jack Beckman, Construction Project Manager
Mike Sexton, Legal Counsel
Ginger Charlton, District Clerk

A. CALL TO ORDER – PLEDGE OF ALLEGIANCE

President Treabess called the meeting to order at 5:05 p.m. Mr. Sexton led the audience in the Pledge.

B. AGENDA AMENDMENTS AND APPROVAL

1. Agenda Deletions, Changes and Audience Requests

None.

2. Additions to Agenda

Director Treabess reported that Duane Whitelaw alerted TCPUD and NTPUD that the Commission is meeting up at Northstar this Friday. One of the items on their agenda is to consider a policy change on the nexus necessary between the collection of park dedication fees and for what and where they can be spent. He said that staff needs to add an item (8-a) to the agenda to discuss what needs to be done to delay their decision.

Motion to approve adding the discussed item: Reinkens/Henrikson/5-0

3. Approval of Agenda

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

C. PUBLIC FORUM

No comment.

F. WATER AND SEWER UTILITIES

8. Confined Space Rescue Services – Approval of Cost Sharing Agreement with NTFPD and NTPUD

Mr. Beckman explained that staff has been working on this proposal since 2002/03. He said that the three agencies would all be working together as regional agencies in defining a compliant space entry rescue program and sharing the cost with NTFPD taking the lead. He noted that it is a CAL-OSHA requirement under Title 8 and this would bring us into compliance. He explained that it would cost us about \$13,000 per year for three years, but that there may be an opportunity in the coming years to have some financial assistance through a grant for this program. Fire Chief Whitelaw added that the agreement would ensure the District's participation in the regional program with Truckee Fire and Incline Fire. Director Reinkens asked if implementing procedures are in place in-house for this District. Mr. Beckman assured him they are. Chief Whitelaw noted for the record that North Tahoe PUD's Board has not met yet on this item but he feels they are going to approve it. If not, our numbers would change.

Motion to approve the Cost Sharing Agreement: Henrikson/Atchley/5-0

8-a Up-Coming Placer County Parks Commission Meeting Direction

Mr. Lourey explained that several years ago it was NTPUD's and TCPUD's recommendation to do a region-wide master plan of Parks and Recreation improvement projects, who they benefit, which development they benefit, and which areas they benefit. Through that process, they would come up with a nexus policy. He said that staff believes that it is negligent for the Placer County Parks Commission to bring the nexus policy forward before doing the master planning and taking into consideration surveys that have been completed. It is staff's recommendation that they should defer this item until our staff has a chance to meet with the facilities service people at Placer County to discuss the results of the survey and work through the issues with the County.

Mr. Sexton noted that he believes we are justified in asking the County to wait since it looks like they are not citing certain provisions from the Quimby Act that suggest that the County has to coordinate and consult with all of the agencies that provide recreational services.

Motion to support Mr. Lourey going to the meeting and asking for this item to be deferred so that thorough discussions can take place before a decision is made: Reinkens/Atchley/5-0

D. FINANCIAL

4. Property Related Fees

Mr. Sexton went over the ruling by the California Supreme Court that states water service charges are "property related fees" subject to Prop. 218 requirements. He explained that since its inception, all lawyers that deal with water, sewer, wastewater treatment, and members of ACWA have taken the position that this

only applies to charges that are incident to property ownership. Use of consumptively based water is not incident to property ownership. Unfortunately, the California Supreme Court disagrees with them. He said that the immediate impact on TCPUD is that water rates are now subject to majority protest hearing. He noted that this also triggers another requirement that the rate you adopt cannot exceed the cost of providing the service. He answered questions of the Board and audience.

E. PROJECTS

5. Heritage Plaza Project – Design Presentation
&
6. Heritage Plaza – Award Bid

Director Henrikson asked that the backup for items such as this include more detail so that he can think about the project before the meeting. Mr. Lourey explained the Heritage Plaza project and the grant we received from the California Tahoe Conservancy for planning and designing. He noted that staff is recommending that we eliminate one of the seat walls to meet the budget shortfall on the project. He did a slideshow presentation and explained the recommendation. Director Reinkens said that he believes changing the wall disrupts the whole design of the project. He suggested that staff stretch our capital projects to make up the difference in funding. The Board had a discussion on the ramifications of replacing the wall.

Mr. Beckman reported that bids were open for this project August 8th and three bids were received. He identified the low bidder as Correa Construction at \$711,677. He noted that the project should begin by September 5th and be finished by June 15th, 2007. The total budget of the project using Correa's bid is \$886,038. He asked for the Board's approval of this project in the amount of \$886,038.

Motion to accept the budget of \$886,038, accept Correa as low bidder, and delete the specified wall: Henrikson/Atchley/4-1 with Director Reinkens voting no

President Treabess thanked staff for all they did on this project.

7. Status Report on Bike Trail Project

Mr. Lourey reported that August 29th staff is scheduled to have a meeting with CTC upper echelon and the executive director of TRPA to talk about Homewood bike trail issues and the highway improvements on North Shore in front of the state park campground. He noted that staff is diligently working on this project and explained the proposed encroachments and trees that would need to be cut down for the CalTrans design. Director Wilkins noted that if utility poles could be moved or utilities could be moved underground, design options would be a lot more flexible. Director Reinkens said that he believes Sans Souchi is still the best alternative for the project.

G. PARKS AND RECREATION

9. Commons Beach Wildlife Talks

Mr. Bolton explained that we did receive insurance from the Bear League. He reported that he met and discussed what happens at the programs with John Reichert, Special Events Coordinator. He explained that none of the wild animals are allowed to be touched except for Marvin the porcupine. He said that children are instructed on how to pet Marvin before they are allowed to approach him, and that Marvin is state certified to be touched.

H. CONSENT CALENDAR - MOTIONS

Director Reinkens pulled items 11 and 15.

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

10. Minutes

- June 15, 2006
- July 18, 2006

11. Finance Report

Director Reinkens asked Mr. Dykstra to go over the auditor discussion. Mr. Dykstra went over the list of firms that he believed should be sent a Request for Proposal and explained why they were chosen. He noted that the current standard in the industry is to have a 3-5 year contract with the auditor. The majority of the Board felt that a 3-year contract would be best because it could always be extended.

Motion to approve item 11 and delegate Mr. Dykstra to get proposals: Henrikson/Atchley/5-0

12. General Manager and Staff Reports

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

13. Lakeside Trail IIB – Pay Estimate #7

14. Lake Trail Phase IV – Pay Estimate #4

15. McKinney Water Line Replacement – Pay Estimate #3

Director Reinkens asked that the Board be filled in on the problem with the pavement on this project. Mr. Beckman reported they have a challenge with the paving that was replaced on McKinney Drive. The county has rejected the paving that was replaced so it was staff's decision to remove that payment item from the payment schedule for the contractor. He noted that the rejection is between the county and the contractor. He said it could potentially end up as a claim, but he is hoping it doesn't happen. Director Reinkens asked what the role of our inspector is. Staff answered that the role of our inspector is basically for the waterlines. If the inspector sees that the contractor is going to do something wrong, he informs the contractor but can't stop him from doing it unless safety is involved.

Motion to approve item 15: Reinkens/Atchley/5-0

I. RESOLUTIONS/ORDINANCES

16. Depository Services Resolution for Governmental Entities

Mr. Dykstra explained that U. S. Bank needed a broader standard banking resolution with us for the second permit deposit we did with them.

Motion to approve Resolution #06-26: Henrikson/Atchley/5-0 by roll call vote

J. GENERAL

17. Reports

Mr. Homolka reported that Midway Trail slope repair project bids will be opened on August 22nd and he needs a special board meeting in order to stay on schedule. The Board selected Friday, August 25th, at 7:00 a.m. Everyone said they could attend except Director Treabess. Mr. Homolka said that he might also have a consultant contract on the agenda for the Heritage professional services.

Mr. Bolton went over the draft of signage that he was recommending for not allowing dogs on the beach. He also reported that 1,200 people showed up for the concert on the beach and he is getting a quote from a turf company to replace the sod at the beach. Director Treabess thanked Mr. Bolton and his department for the great job they are doing with the concerts.

Mr. Lourey reported that he attended NIMS/SIMS training last week. He noted that it is required that the Board go through the training before the end of September. He said that it is a great class and Director Atchley does a great job teaching it.

18. General Correspondence

Director Henrikson asked if Herb Suter paid for the sewer spill incident. Staff said that he would, if he hasn't already.

K. DIRECTOR'S FORUM

19. Director's Comments

Atchley: Director Atchley said that she would be out of town for the October meeting. The Board decided to change the meeting from 8:30 a.m. on October 20th to 5:00 p.m. on October 17th.

L. MEETING REVIEW AND STAFF DIRECTION

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

- *He will bring back in September the questions and answers on the property related fee issue.*
- *There will be a Special Board Meeting on August 25th at 7:00 a.m.*
- *He will get dates for the NIMS/SIMS training.*
- *The October meeting has been changed to October 17th at 5:00 p.m.*

N. CLOSED SESSION

**CONFERENCE WITH OR RECEIVE ADVICE FROM LEGAL COUNSEL
– ANTICIPATED LITIGATION – GOVERNMENT CODE SECTION
54956.9**

20. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9. Potential Cases: One

Mr. Sexton reported that the Board considered the claim of Mrs. Wotel and voted to reject the claim and pass it on to the JPIA.

Motion to reject the claim: Henrikson/Reinkens/5-0

N. ADJOURNMENT – 7:45 p.m.

Ron Treabess, President

Ginger Charlton, District Clerk