

BOARD MEETING  
APPROVED MINUTES

September 28, 2010

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

DIRECTORS ABSENT: Director Erik Henrikson

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

**A. CALL TO ORDER**

President Wilkins called the meeting to order at 5:00 pm and led the audience in the Pledge.

**B. AGENDA AMENDMENTS AND APPROVAL**

1. Agenda Deletions, Changes, and Audience Requests

Director Wilkins said that staff has concerns with item #5 and the Board may not take action at this meeting.

2. Additions to Agenda
3. Approval of Agenda

**Motion to approve the agenda as amended: Treabess/Friedman/4-0**

**C. PUBLIC FORUM**

There was no public comment.

**D. FINANCIAL**

4. 2011 Goals and Objectives

Ms. Gustafson passed out the backup for this item and said that she feels **Workforce Stability and Training** is the District's weakest area at this point. She believes the District would get an A in all the other categories. The budget is built on these goals and she will have department meetings with all District employees to review the document to ensure buy-in from all levels.

The managers from each department went over the sections that pertained to their group and explained the action steps in further detail. Some additional action steps were suggested and will be added to the draft document. Ms. Gustafson asked the Board to look at the packet and respond to her with any comments.

**E. PROJECTS**

All items covered under consent calendar.

**F. SEWER AND WATER UTILITIES**

All items covered under consent calendar.

**H. CONSENT CALENDAR**

Director Reinkens asked to pull the Finance Report (#7).

**Motion to approve balance of calendar: Friedman/Reinkens/4-0**

6. Minutes

- Sewer and Water Committee – July 22, 2010
- Finance Committee – August 17, 2010
- Board Meeting – August 17, 2010

7. Finance Report

Director Reinkens asked Mr. Dykstra to give an overview of his attendance at the CalPERS Board investment meeting. Mr. Dykstra reported on the meeting and the presentation that he gave to their Board. Director Reinkens felt that it would be a good investment for the District to have Mr. Dykstra attend the next meeting and follow up on his presentation. Director Wilkins said that it comes down to how much time and effort the Board thinks our finance director should put into trying to influence the State of California public retirement system investment policy. Ms. Gustafson suggested checking with area managers to see if any other public agencies would carry the banner on this item. She is concerned about having Mr. Dykstra gone at this time of the year when he is needed here. The rest of the Board felt that a larger group could probably influence the CalPERS Board better and the District should wait to see if other area groups could attend also.

**Motion to approve the Finance Report: Reinkens/Treabess/4-0**

8. General Manager and Staff Reports

- a. General Manager
- b. Director of Utilities
- c. District Engineer
- d. Project Status
- e. Technical Services
- f. Director of Parks and Recreation
- g. Parks Superintendent
- h. Recreation Superintendent

9. Homewood Bicycle Trail – Design Consultant Contract

10. Four-Seasons Tank Line Replacement – Design Consultant Contract
11. Woodview to Woodhill Water Line Connection – Design Consultant Contract
12. Lower McKinney Water Line Replacement – Design Consultant Contract
13. North Tahoe High School Upper Field Irrigation Relocation
14. Tahoe Tavern Heights BPS and Well Rehabilitation Project – Progress Pay Estimate No. 4
15. Highlands Fire Hydrant Project
  - a. Progress Pay Estimate No. 1
  - b. Change Order No. 1
16. Lower Tahoe Tavern Heights Distribution Project
  - a. Notice of Acceptance of Completion
  - b. Final Pay Estimate (No. 5) – Release of Retention
17. Lakeside Trail Phase VII – Progress Pay Estimate No. 1
18. Grant Administration Agreement between Tahoe City PUD and South Tahoe PUD – Lake Tahoe Community Fire Prevention Partnership
19. Truckee-North Tahoe Transportation Management Association Membership Renewal

**G. PARKS AND RECREATION**

5. Approval of Operating Agreement for Skylandia Park, Star Harbor, and Truckee River Outlet Parcels

Ms. Gustafson gave the history on this item and noted that Mr. Sexton suggested changes in April. Mr. Bolton was told by the State of California Parks and Recreation Department that they accepted the changes but an amendment was sent to the District instead of the entire contract. The issues of indemnification and condition of the property are still troublesome and Ms. Gustafson suggested discussion at this meeting. Mr. Sexton said one of his main concerns is minimizing liability to the District when entering into agreements. The State is trying to transfer all risk and all liability to the District on these properties. The Board held a discussion and felt that if the District got to a point that was good enough on the Burton Creek agreement, then it would be good enough for this agreement. Mr. Sexton explained risk transfer and the District's liability in certain scenarios. Director Friedman asked if something could be added to the operating agreement to allow the District to apply for increased maintenance money if it becomes available. Ms. Gustafson said she could check into it. Director Reinkens asked that there be provisions in the agreement for taking care of the trees.

**Motion to approve the agreement in concept subject to final details being worked out by staff and review by the Parks and Recreation Committee. Approved addition to the motion by Director Treabess: Mr. Sexton will check the final version to make sure the items that were requested were added: Reinkens/Treabess/4-0**

**I. RESOLUTIONS**

20. Resolution Requesting District Parks and Beaches be Included in Placer County Ordinances

Ms. Gustafson said that Director Henrikson had some concerns with this resolution and felt that it was a philosophical issue which he would oppose.

**Motion to approve Resolution #10-29: Reinkens/Friedman/4-0 by roll call vote**

21. Resolution Declaring Certain Items of Personal Property and Equipment Surplus and Authorizing Disposition by Sale

**Motion to approve Resolution #10-30: Friedman/Reinkens/4-0 by roll call vote**

**J. GENERAL**

22. Reports

Mr. Dykstra polled the Board for the best date for the Budget Workshop. November 5<sup>th</sup> at 8:30 a.m. was selected.

Mr. Bolton reported on the playgrounds, the Highlands Community Center restroom remodel, bike trail signs, and the dog park.

Mr. Laliotis reported on the McKinney Estates intertie and the meeting with a USDA representative regarding potential funding opportunities for the Lake Forest Water System Reconstruction Rehabilitation.

Coral Lochridge reported on the implementation of the cross connection policy for customers with irrigation assemblies.

23. General Correspondence

Ms. Gustafson reported on North Lake Tahoe Chamber's Annual Membership Meeting, a meeting with NTPUD regarding the potential for a joint water treatment facility, water usage statistics for the District, and the fact that Bob Lourey will work under contract for the District to handle the processing of the Lake Forest Water Company acquisition.

24. Board Follow-up

There were no comments.

**K. DIRECTOR'S FORUM**

25. Director's Comments and Correspondence

Director Reinkens said Ms. Gustafson and staff did a good job on the Core Values publication.

**L. MEETING REVIEW AND STAFF DIRECTION**

26. Staff will Review Board Action and Direction Given at this Meeting  
No follow up was given on this item.

**M. CLOSED SESSION**

PUBLIC EMPLOYEE APPOINTMENT/EMPLOYMENT/PERFORMANCE EVALUATION/  
COMPENSATION

27. General Manager

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

28. Eminent Domain Proceeding of Lake Forest Water Company

CONFERENCE WITH REAL PROPERTY NEGOTIATORS: LAKE FOREST WATER COMPANY

29. District Negotiators – Tony Laliotis, Jim Dykstra, Harold Morgan, and Dennis Viglione  
Negotiating Party – Rick Dewante

**N. CLOSED SESSION REPORT**

Mr. Sexton reported out the following from closed session:

27. The Board evaluated the performance of the general manager. No reportable action taken.

Ms. Gustafson departed the boardroom before discussion on items #28 and #29.

28. The Board was updated on the status of litigation. The court has moved the hearing on the District's petition for possession to October 28<sup>th</sup>.

29. The negotiator reported that nothing new had transpired.

**O. ADJOURNMENT**

The meeting was adjourned at 8:25 p.m.

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Dan Wilkins, President

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Ginger Charlton, District Clerk

Prepared by Ginger Charlton