

BOARD MEETING
APPROVED MINUTES

December 19, 2008

DIRECTORS PRESENT: President Erik Henrikson, Vice President Dan Wilkins
Directors Ron Treabess, Lou Reinkens, 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
Ginger Charlton, District Clerk

A. CALL TO ORDER – PLEDGE OF ALLEGIANCE

President Henrikson called the meeting to order at 8:40 a.m. Mr. Dykstra led the audience in the Pledge.

B. OATH OF OFFICE

The District Clerk led the swearing in of Directors Henrikson, Treabess, and Friedman.

C. AGENDA AMENDMENTS AND APPROVAL

1. Agenda Deletions, Changes and Audience Requests

Ms. Gustafson asked that items #14, NTFPD Fire Station Lease, and #11, Authorize General Manager to Sign Harbor Master Pump Station Lease with Tahoe Yacht Harbor LLC, be moved up to accommodate the community members attending the meeting for these two items.

2. Additions to Agenda

3. Approval of Agenda

F. EMPLOYEE RECOGNITION

5. Kevin Cose – 3 Year Service Recognition

Mr. Bolton apologized that Roger Adamson was not able to attend the meeting to honor Mr. Cose. He was currently handling the snow shoveling that Mr. Cose would have been doing if he weren't at this meeting. Mr. Bolton gave a history of Kevin's employment with the District and thanked him for the great job he does keeping our parks groomed and our facilities shoveled. He said that Kevin is a key member of the team and supervises two seasonal staff during the summer. Ms. Gustafson also thanked Kevin for helping to keep the town open when conditions are horrendous.

L. GENERAL

14. NTFPD Fire Station Lease – First Draft

Duane Whitelaw, Fire Chief, passed out a rendering of what the new \$13.7 million fire house will look like and went over the specifics of the project. He explained that as part of the lending requirement there needs to be a land lease that is approved between our Board and the Fire District's Board. It requires our District to subordinate the title for purposes of securing the loan. The proposal is for a 60-year lease with a 30-year renewal of \$1 per year. He explained the proposed parking and went over how the two Districts would both benefit from shared parking. Mr. Whitelaw noted that snow storage is still a challenge and that NTFPD has taken the lead in bringing together agency representatives in an effort to seek solutions to losing the snow storage that currently occurs on the property. A couple of possible solutions have already been discussed in the community. Mr. Whitelaw said that he is hopeful that they can call for bids in November of 2009 and begin construction in May of 2010. He introduced Ron McIntyre who was hired by the fire district as a consultant to help them through the project.

Ms. Gustafson said that staff would like to have a larger diesel storage facility so that when there are power outages and road closures, there is enough fuel. Staff also wants to upgrade the fueling computer to track the codes better. A surcharge on fuel would be an option for payment if the fire district couldn't afford to share the cost all at once.

Director Wilkins noted that we are maxed out on coverage and the fire district will be transferring some in. He had concerns that if the District has a need for more facilities in the future, would we still be able to build after the fire district moves in. Ms. Gustafson will get an answer for him. The property where the fire district is currently housed was also an item of interest that the Board would like investigated.

Ms. Gustafson said that Mr. Sexton did a preliminary review of the lease and went over his concerns with the Board. Mr. Sexton asked for direction from the Board on the subordination of the loan issue. He said that there is a provision in the lease that calls for a subordination of our title on that property to the fire district lender for construction. If the fire district defaults on the loan, we have subordinated our right to the title of the property. He said it makes him uncomfortable. Ms. Gustafson said that it's the same taxpayers that are losing an asset if they default on the loan. Director Reinkens asked to give direction to staff to take a look at the impact to the Fairway Center with respect to parking. He also asked staff to look at if the parking area is adequate for an emergency helicopter pad and to get it designated that way. Mr. Sexton reminded the Board that this is the fire department's project and they should be researching information on a helicopter pad if it is desired, not TCPUD.

Ms. Gustafson reported the following for follow-up on this item:

- Staff will look at the shared parking and maybe include something in the lease regarding this issue.*
- Staff will research the coverage issues and the impact on what we might want to do in the future with this property.*
- Staff will research the existing station and language about first right of refusal or an agreement to work cooperatively on the planning effort for the use of it in exchange for what we are doing.*
- Staff will research utilities and verification on their payment of them.*
- Staff will work on the language for the upgrade of the fuel tanks and any facilities that are jointly used so that the costs are shared.*

- Staff will research a walkway across the private property between the Fairway Center and the fire house or some form of access between the two.
- Staff will research the parking issue.
- Staff will research a helicopter pad at Fairway Center.
- In event of the teardown of the old fire house, staff will research uses of Commons.
- Staff will research the issue of the sub-lease and what would be compatible.

D. PUBLIC FORUM

Virginia Graham said that she requested a list of mailing addresses for District customers and was told that she should request it from the Board. She said that she wanted the addresses to mail more information to customers regarding the 218 election. She said that if the information comes from a different source, people may open the envelope and read the information. Mr. Sexton said that the Board needs to look at whether the public interest in disclosing the record exceeds the public interest in not disclosing the record. He feels that they haven't come close to making a case that the public interest favors disclosing the records and he advised not to do it. Director Henrikson began discussion on the Prop. 218 mailer and Mr. Sexton said that the discussion should be stopped. He said that if the Board wanted to agendaize the item and put it on an agenda for discussion, they could. Ms. Gustafson said that the 218 mailer is currently at the printers and if the Board wants to discuss possibly adding to it, they might want to add it as an emergency item for discussion at this meeting.

Motion to add emergency item to discuss the 218 mailer: Reinkens/Treabess/5-0

Virginia Graham said that she sent questions to the District in an e-mail and never received a response. Ms. Gustafson said that she receives numerous e-mails and that it could be a full-time job to answer them all. She asked the Board for direction in responding to her e-mails. Director Friedman said that her understanding of Public Forum is that the public can address the Board but the Board doesn't respond.

Virginia Graham also asked about charging for agendas and packets. The Board asked to have the item of placement of board packets, agendas, copying, etc., to be included as an item in the next agenda.

K. RESOLUTIONS/ORDINANCES

11. Authorize General Manager to Sign Harbor Master Pump Station Lease with Tahoe Yacht Harbor LLC

Mr. Homolka passed out the exhibits that went with the lease and explained that this resolution allows the General Manager to sign the lease when completed. He went over the specifics of the lease and recommended approval. Mr. Phelan thanked the Board for their help with the project and said that the public/private partnership on this worked very well. Ms. Gustafson thanked Mr. Phelan on behalf of the District.

Motion to Approve Resolution #08-29 subject to the final review by the General Manager and legal counsel: Treabess/Reinkens/5-0

- * 27. 218 Mailer (Added emergency item)

Ms. Gustafson said that staff usually does the notice for a 218 without Board input. She said that because of the significance of this one, staff called a meeting of the Community Issues

Committee and reviewed the mailer with them and audience members. Staff received good direction at the meeting and made some changes to the mailer. Director Treabess said that the Committee discussed the District's responsibilities for the mailer and decided not to put a tear off section in for protests. Ms. Gustafson also discussed the two open house/workshops that are being planned for community education. Ms. Gustafson added that if the rates aren't enacted, our current metered rates will begin on April 1st and they are higher. Mr. Sexton said that the Board should just talk about the mailer for this emergency item. He also said that the mailer has everything it needs and he recommended staying with what was already on it. Director Friedman said that she might suggest italicizing the sentence that says: "Your protest must be submitted in writing to be considered even if you plan to attend the public hearing".

Motion to approve the notice that was presented by staff and if it hasn't been printed, add Director Friedman's request: Wilkins/Reinkens/5-0

E. FINANCIAL

All items covered under consent calendar.

G. PROJECTS

All items covered under consent calendar.

H. SEWER & WATER UTILITIES

All items covered under consent calendar.

I. PARKS AND RECREATION

All items covered under consent calendar.

J. CONSENT CALENDAR

Director Wilkins asked to pull items #9 and #10. Director Henrikson asked to pull item #8.

Motion to approve remaining consent calendar: Wilkins/Reinkens/4-0 (Director Treabess was out of the room)

6. Minutes

- Parks and Recreation Committee – September 24, 2008
- Parks and Recreation Committee – October 22, 2008
- Sewer and Water Committee – November 6, 2008
- Budget Workshop – November 18, 2008
- Special Board Meeting – November 24, 2008

7. Finance Report

8. General Manager and Staff Reports

- a. General Manager

- b. Administrator of Planning and Public Works
 - Director of Utilities
 - District Engineer
 - Project Development
 - Technical Services
- c. Director of Parks and Recreation
 - Parks Superintendent
 - Recreation Superintendent

Director Henrikson commented that we are still producing more water in our 3800 customers than we are collecting on our sewer and we're not even taking into account the other water purveyors. He said that it seems like we should be doing better. Mr. Laliotis said that we need to get common areas and the entire District metered so that we can understand what our system losses are. The number will go down as we find more leaks. Metering our own systems should also help.

Director Henrikson said that it smells very strongly of sewer below Jean Joynt's house and he asked how often the lines are t.v.'d. Mr. Laliotis said they were t.v.'d last year but he will have staff check it out.

Director Henrikson said that he went rollerblading on the Truckee River bike trail and didn't see any crack repairs from 64 acres to the Squaw Valley stop light. Mr. Bolton said lots of cracks were repaired on that trail last spring. Director Henrikson said that there are a lot more to fix before sealing can take place. It was decided that in the spring staff will schedule time to go out with interested Board members to look at the trail and see what is working and what's not.

Motion to approve item #8: Henrikson/Wilkins/5-0

- 9. Silvertip Waterline Replacement Project
Final Payment – Release of Retention
- 10. Blackwood Creek Pump Station Flood Protection Project
Final Payment – Release of Retention

Regarding items #9 and #10, Director Wilkins said that when Notices of Completion are done on construction projects, he would find it helpful to include a summary in the staff report on how the project is being funded.

Motion to approve items #9 and #10: Wilkins/Reinkens/4-0 (Director Treabess was out of the room)

K. RESOLUTIONS/ORDINANCES

- 12. Amending Resolutions 07-22, 06-35, 04-04, 95-48, 91-41, 83-43, and 77-48
Rental Fees and Charges for Park and Recreation Facilities

Director Treabess said that the Parks and Recreation Committee went through these charges and felt they were correct. Mr. Bolton said that the rental of the stage will be handled separately.

Motion to Approve Resolution #08-30: Treabess/Wilkins/5-0

13. Approving the Executive Edition Business Card Agreement and Authorizing the District Treasurer to Execute the Agreement on Behalf of TCPUD

Mr. Dykstra explained that this is the company that we have had our credit cards through for many years. They have requested this resolution in order to continue. Director Reinkens voiced his concern about problems with Board members using the District credit card. Mr. Sexton said that it is very unwise for them to use a District credit card and should use their own when needed.

Motion to Approve Resolution #08-31: Treabess/Reinkens/5-0

8. General Manager and Staff Reports

Darlene Bray asked for an update on what has been going on with Lake Forest and commented on a pipe there that has been broken since last summer. Mr. Harry said that the only activity within the last 30 days is that he has been in contact with Harold Morgan regarding the Lake Forest Water Company's inclusion of the Aspen Well in the last rate case that they brought forward to the California PUC in 2006. Mr. Morgan advised us that the inclusion of the well in the rate base is totally inappropriate in that the well is not used and useful. He requested the worksheets that were used by PUC staff calculating what the rate could potentially be. He hasn't received any information yet.

Mr. Harry also reported that he went with Director Treabess and Wally Auerbach to meet with the chair and vice chair of Placer County Board of Supervisors two weeks ago to discuss the potential use of RDA monies to construct the 12" water main that would go down Lake Forest Road. The Supervisors' recommendation was to have another meeting with two other board members in order to ascertain their support. Director Wilkins asked if there are people in Lake Forest who are actively circulating the Engineer's Report. Mrs. Bray said that she hadn't spoken with the active Lake Forest group lately so can't answer that question. Director Wilkins said that he needs to see that staff's time and effort spent on trying to find other funding to put into the mix for Lake Forest is going to pay off and that he feels in the dark if the 218 vote will pass. Mrs. Bray said that she has heard that most property owners know that the situation needs to be addressed and they are in a positive place of moving forward. Director Wilkins said that a straw poll could be done to get an indication of the level of support and he wondered if there were a group of property owners that might take that on. Ms. Gustafson suggested putting this topic on the January agenda for action. The Board asked for information in January that could be mailed with highlights of the issue.

Mr. Sexton explained how the vote would go in Lake Forest. If 100 ballots were sent out for an assessment and 50 came back, 26 would have to vote I protest for it to fail. It is based on the number of returned ballots. Additionally, the vote is calculated based upon the financial obligation of the party. Commercial properties have more voting power.

L. GENERAL

15. Capital Asset Policy and Procedure

Mr. Dykstra explained that this is an update to our current capital asset policy and that nothing under \$5,000 is capitalized. He said that the Finance Committee asked to get an annual report to the Board on the condition of the assets. Ms. Gustafson suggested that we have a mini-workshop on our current maintenance management system to educate the full Board and then get direction from them. Mr. Sexton said that before we spend the money to put in a GIS system, staff should check with other districts and our legislators because once

we have a system in place, it becomes a public record and we are forced to disclose it to anybody that asks for it.

Motion to approve: Wilkins/Reinkens/5-0

16. Reports

Mr. Bolton updated the Board on Swallows Bank. People have created climbing handholds on the cliff which is significant to the Washoe Indian Tribe. They also carved a seat into the boulder at the base of the hill and moved rocks out of the revampment that was done for the restoration at Commons Beach. Placer County and the sheriff have been notified. Staff will work on getting things back to normal and then fencing off the area in the summer.

Mr. Bolton reported that Northstar is interested in using our mobile stage for concerts in their village. They have some concerns about being able to use the stage due to its size. Mr. Bolton will keep everyone updated.

Mr. Homolka reported that Peter Thompson refused to pay his bill of \$6,785 for costs directly related and attributable to the damage to the sewer main caused by his construction activities. He said that in January he plans to bring to the Board a lien notice and a plan about what to do regarding the easement.

Mr. Laliotis reported that he has been contacted by the Coast Guard and their representatives about potential sites that they are interested in for a communication system.

Director Henrikson reported that JMA wants to put a hotel on the corner of old 267 and the Truckee River. They want to move the interceptor over for an underground parking garage. TTSA wants them to do the tie-ins in September when the flows are the lowest but they want to start earlier. He'll keep the Board updated.

17. 2009 Meeting Calendar

The Board discussed their various conflicts and set up the Board meeting calendar as follows:

<i>January 16</i>	<i>8:30 a.m.</i>
<i>February 20</i>	<i>8:30 a.m.</i>
<i>March 20</i>	<i>8:30 a.m.</i>
<i>April 17</i>	<i>8:30 a.m.</i>
<i>May 26</i>	<i>5:00 p.m.</i>
<i>June 23</i>	<i>5:00 p.m.</i>
<i>July 28</i>	<i>5:00 p.m.</i>
<i>August 25</i>	<i>5:00 p.m.</i>
<i>September 22</i>	<i>5:00 p.m.</i>
<i>October 27</i>	<i>5:00 p.m.</i>
<i>November 20</i>	<i>8:30 a.m.</i>
<i>December 18</i>	<i>8:30 a.m.</i>

18. 2009 Committee Assignments and Meeting Schedule

Mr. Henrikson will work with the other members on the assignments and schedule. This item will come back to the January meeting for finalization.

19. Board Follow-up

Ms. Gustafson said that there are quite a few items that staff has been promising but the rate study has taken much of staff's time. Staff should be able to get back to the items pretty quickly.

20. General Correspondence

There was no further discussion.

M. DIRECTOR'S FORUM

21. Director's Comments

Director Reinkens said that he is required by the new regulations to give the Board an update on the meeting he attended at ACWA/JPIA. He presented handouts for the Board on the classes he attended and noted that all public service workers are suppose to report in to the nearest public utility district if they can't get through to their regular work site during a disaster. He also said that it's important for board members to get proper training so that they don't overstep their bounds during a disaster.

N. MEETING REVIEW AND STAFF DIRECTION

22. Ms. Gustafson reported the following:

- *In January staff will bring back the issue of agendas (posting, costs, the policy on where they are placed for the public, and how we notify the public).*
- *Staff will add e-mails that are relative to questions of the public or the Board to the correspondence section of the packets. The problem areas will be highlighted.*
- *Staff will look into the information on the legislation and court ruling relative to conservation and how that applies to the District.*
- *Staff will check the sewer line beneath Jean Joynt's property.*
- *Staff will look at a workshop for April or May on bike trail maintenance and repairs.*
- *Staff will add a summary of the budget and funding sources relative to the construction element as well as the full project review on the Notice of Completion of Projects.*
- *Staff will agendize Lake Forest in January for direction on straw polls and how the information is being presented to the property owners.*
- *Staff will hold a workshop on the maintenance management system soon.*
- *Staff will remove the handholds at Swallows Bank as quickly as possible and will inform the agencies in letter format.*
- *Staff will put doggie bags near Lake Forest Beach on the state park side.*

O. CLOSED SESSION

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

23. Government Code Section 54956.9, Closed Session: Conference with counsel in regard to existing administrative proceedings before the Public Utility Commission in regard to the Lake Forest Water Company

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

24. Significant Exposure to Litigation Pursuant to Subdivision (b) of Government Code Section 54956.9: Three potential cases

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.

PUBLIC EMPLOYEE APPOINTMENT/EMPLOYMENT/PERFORMANCE EVALUATION/COMPENSATION – Government Code Section 54957

26. General Manager

P. CLOSED SESSION REPORT

Mr. Sexton reported the following out of Closed Session:

- *On items #23-#25, no action was taken.*
- *On item #26, Director Atchley and Ms. Gustafson signed Ms. Gustafson's contract with the changes made by Mr. Sexton and Mr. Perrault.*
- *Mr. Sexton advised Director Henrikson and Ms. Gustafson to not routinely put her evaluation of performance on the agenda, but only when there is something to discuss.*

Q. ADJOURNMENT

The meeting was adjourned at 12:30 p.m.

Erik Henrikson, President

Ginger Charlton, District Clerk

Prepared by Ginger Charlton