

SPECIAL BOARD MEETING
APPROVED MINUTES

April 13, 2006

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

DIRECTORS ABSENT: Vice President Ric Winter

STAFF PRESENT: Bob Lourey, General Manager
Cindy Gustafson, Assistant General Manager
Jim Dykstra, Director of Accounting
Bob Bolton, Director of Parks and Recreation
Jack Beckman, Construction Project Manager

A. CALL TO ORDER – PLEDGE OF ALLEGIANCE

President Treabess called the meeting to order at 9:00 a.m. and led the audience in the Pledge.

B. PROJECTS

1. Homewood Bike Trail

Mr. Lourey explained that the bike trail is now ready for the third link. The first two sections, which were identified as the most important links due to safety issues, are finished. He said that he has had several meetings with Cal Trans about their future project as it pertains to moving primarily through the Homewood area. Mr. Lourey submitted a request to Rich Williams at Cal Trans to consider a cooperative agreement that would allow the District to potentially move monies that were earmarked for the project and have Cal Trans construct the trail as part of their project.

Option #1 – Cal Trans considers shifting the highway towards the lake therefore freeing up significant right-of-way on the West side of the highway for the Class 1 bikeway alignment. Significant increased cost to this option of \$2.5 - \$3 million to do the highway alignment over the already estimated cost of \$2 million for the bike trail.

Option #2 – Reconstruct the highway to the new standards in its current location and add bike trail to the west side of the highway. This option would require significant right-of-way acquisition. The cost estimate of this option is \$2 million. To have the bike trail constructed as a part of the Cal Trans project is just under \$2.7 million.

Mr. Lourey noted that the reason for the special meeting is that Cal Trans has given the District a deadline of tomorrow to have a written commitment in place

of \$1 million to \$1.2 million for the design work and right-of-way acquisition. Once this commitment is in place, Cal Trans is willing to enter into a cooperative agreement with the PUD. He noted that if we miss this opportunity, it will be problematic to the District, a significant safety issue, and if Cal Trans is not put in the position of getting the right-of-way acquisition from the property owners, then this Board will be put in the position to do so.

Ms. Gustafson has researched funding sources to backfill this commitment since the District received the offer from Cal Trans and handed out an itemized list of the potential sources. She went over the chart and explained each source to the Board. Ray Lacey, Tahoe Conservancy, was on the phone going over the funding issues that they already have with the Board and noted that money is not as available this year as usual. Ms. Gustafson noted that Cal Trans is asking for a commitment now but not a payment yet so the District will have time to secure the funds and apply for the grants.

Mr. Lourey noted that although we would be giving Cal Trans the lead in this project, the District would still be very involved in reviewing the plans and giving feedback on the design development of the trail. Mr. Treabess restated that what we are being asked to do is to give a commitment to Cal Trans of up to \$1.5 million now without having all the funding in place but feels there are a lot of potential opportunities to gather the funding.

Mr. Henrikson and Mr. Reinkens discussed deferring funds from other projects (Heritage Trail and Lakeside 5) and using them for this project and/or using available recreation funding.

Ms. Gustafson said that she feels that this agreement is a good risk, especially if we can work on the language that we submit back to Cal Trans and put some pressure on them as to when the District has to produce the funds.

Mr. Lacey noted that this has been elevated to a very high visibility at TRPA, which influences both federal and state money that are available to the project. He also said that there is no one in the Tahoe basin better at rallying these kinds of funds than Ms. Gustafson and Mr. Lourey and he is very optimistic and will commit to doing whatever he can do to help.

Steve Teshara said that, on behalf of the North Tahoe Resort Association, he shares the staff's optimism that we can make this work. He said that hopefully the funds could be obtained without putting off the Heritage Plaza improvements.

Director Reinkens asked to hear from the West Shore Association and the Homewood Homeowners Association. David Powell, a member of the Board of Directors of the Homewood Homeowners Association, said that he heartily endorses the project and that overall the community would be in agreement, but he couldn't speak for the homeowners that are going to have their land taken from them. Rob Westin, West Shore Association, said that they are concerned about safety and hope that the PUD and Cal Trans make the proper decisions about this project.

Director Treabess said that having Cal Trans do the project is one of the most efficient and reasonable ways to get the project done and would recommend that we go ahead with this and include the proposal of delayed payment to them so that the project is not held up. Director Henrikson wants to be sure that the money for the bike trail be in hand before Heritage Plaza is worked on. Mr. Treabess agreed that we should hold Heritage Plaza until we see funds available from someplace else for the bike trail.

Director Atchley asked about the process for the dialogue with the 32 homeowners who may have their property affected. She is concerned that we will lose our working relationship with them if Cal Trans takes over. Ms. Gustafson said that they would like to continue their pressure on Cal Trans to move the trail over so that it doesn't take so much private property. She said that there will be a public workshop on April 25th in the building and the District will make sure that the Homewood homeowners know about it.

Motion to go ahead with the commitment to Cal Trans. If the District can't get all of the money in time, we will delay Heritage Plaza and/or Lakeside 5: Reinkens/Atchley/4-0

C. PUBLIC FORUM

None.

D. ADJOURNMENT – 9:50 p.m.

Ron Treabess, President

Ginger Charlton, District Clerk

Prepared by Ginger Charlton, District Clerk