

BOARD MEETING
APPROVED MINUTES

June 22, 2010

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

Ms. Gustafson asked to defer item #4, Mike Abarno's service recognition, to the July meeting.

2. Additions to Agenda
3. Approval of Agenda

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

C. PUBLIC FORUM

Michael Babcock came to the meeting to request the Board's assistance in his quest to obtain a long-term lease from the State for some parking spaces on Mackinaw Road. He reviewed the history on his pursuit and provided a packet of information to each member. Ms. Gustafson went over her response to Mr. Babcock and said that the current Sierra State Parks Superintendent, Pam Armas, said that she will not agree to closing off the parking to commercial use. Ms. Gustafson urged Mr. Babcock to get State Parks' approval before the Board asks staff to spend numerous hours researching the issue. The Board felt that if Mr. Babcock could get approval from State Parks, then staff would try to help.

D. RECOGNITION

4. Mike Abarno – 3 Year Service Award (Deferred to July meeting)

E. FINANCIAL

All items covered under consent calendar.

F. PROJECTS

All items covered under consent calendar.

G. SEWER AND WATER UTILITIES

All items covered under consent calendar.

H. PARKS AND RECREATION

All items covered under consent calendar.

I. CONSENT CALENDAR

Ms. Gustafson asked to pull the minutes from the Sewer and Water Committee and the Parks and Recreation Committee in item #5 due to needed edits. Director Henrikson pulled the General Manager's report in item #7.

Motion to approve remainder of calendar: Treabess/Henrikson/5-0

5. Minutes

- Sewer and Water Committee – March 10, 2010
- Parks and Recreation Committee – April 14, 2010
- Special Combined Board Meeting w/TCDA – May 12, 2010
- Finance Committee – May 14, 2010
- Special Combined Board Meeting w/NTPUD – May 25, 2010
- Board Meeting – May 25, 2010

6. Finance Report

7. General Manager and Staff Reports

- a. General Manager
 - Director of Utilities
 - District Engineer
 - Project Status
 - Technical Services
- b. Director of Parks and Recreation
 - Parks Superintendent
 - Recreation Superintendent

Director Henrikson asked Ms. Gustafson if there was any resolution with Mr. Whitaker. She said that Mr. Whitaker's item is coming to the Sewer and Water Committee in July and then may come back to the Board. She added that his request is policy-driven and there are other properties that could be affected by the decision made on this item.

Motion to approve the GM's Report: Henrikson/Treabess/5-0

8. Professional Services Contract – Websoft Developers, Inc.
Water System Map Development
9. Professional Services Contract – Nolte Associates, Inc.
Seismic Analysis of Water Tanks (Part 2)
10. Pay Estimate No. 1 – Tahoe Tavern Heights BPS and Well Rehabilitation Project
11. Pay Estimate No. 2 – Lower Tahoe Tavern Heights Distribution Project
12. Change Order No. 1 – Lower Tahoe Tavern Heights Distribution Project

J. RESOLUTIONS

13. Resolution to Call for Bids – Highlands Fire Hydrant Project

Mr. Homolka said that everything is on-track and he recommended approval.

Motion to approve Resolution #10-23: Henrikson/Treabess/5-0 by roll call vote

14. Resolution Approving Landscape Maintenance Agreement with Caltrans for Lakeside Trail
– Phase 7

Mr. Homolka said that staff and legal counsel have reviewed the agreement and it doesn't obligate us to do anything more than we're already obligated to do. Director Henrikson said that in his opinion Caltrans should pay us.

Motion to approve Resolution #10-24: Treabess/Reinkens/4-1 with Director Henrikson voting no by roll call vote

K. GENERAL

15. Letter of Commitment re: Lakeside Trail Impacts on the Tahoe Gal

Ms. Gustafson reviewed the item and said that Larry Boerner and Jan Brisco have indicated their approval of the document and the letter. She reviewed the issues with parking, State Parks, and permitting. Board members asked if the project was eliminating thirty-one spaces in the parking lot. Staff explained that the 54 was indicated in the original permit but 34 were currently on-site. Also, there are 8 spaces in an overflow area that was outside the fenced area but that Tahoe Gal claimed. Staff believes the impacts are between 11 and 19 spaces. The Board asked her to just say that our effect on the concession would be to eliminate approximately 11 - 19 parking spaces instead of acknowledging the permit requirements. The Board requested that Ms. Gustafson work with State Parks and Mr. Boerner on the letter if he feels it needs changes after she modifies it.

**Motion to authorize the General Manager to draft a letter substantially similar to the one in the packet with the modifications as discussed by the Board:
Treabess/Reinkens/5-0**

16. Strategic Plan

Ms. Gustafson said she included edits from staff and the Board in this draft along with the photos. The Board basically agrees on the plan and feels that it represents good direction,

good core principles for the District, and good action statements that are in the best long-term interest of our constituents. Director Henrikson said that the plan is much more far reaching for a policy statement than he believes it should be and he won't vote for it. Director Wilkins said that there is a signature page at the beginning of the document which shows that the full Board is supportive of it. He suggested changing the document so that the President signs on behalf of the Board.

Motion to adopt the Strategic Plan with the amendment to include just the President's signature on the cover letter: Reinkens/Friedman/4-1 with Director Henrikson voting no

17. Reports

Mr. LeRoy reported that in March about 80% of the gate valves were switched out and as of last week all of them have been replaced. He is now working on getting the reimbursement check. Director Reinkens asked staff what could be done in the future to ensure this type of incident doesn't happen again. Staff said that in general we try to buy American-made products but there are new restrictions on brass and not many manufacturers make what we need.

Mr. Bolton said that Placer County is going to begin construction of the Transit Center this week. It will have an impact on where the trail goes through the construction site and he is heavily involved with the detour and signs.

Mr. Bolton reported that on the 4th of July we will hold a concert and barbeque fundraiser before the fireworks on Commons. He asked for volunteers.

Mr. Bolton said that he received another request for "no parking" signs during the Farmers Market. He wants to meet with the Tahoe City Downtown Association (TCDA) at the end of the season to see what they think about continuing the market at Commons.

Mr. Bolton said that he received the Tahoe Regional Planning Agency's (TRPA) MOU on watercraft inspections yesterday for our review. He would like authorization from the Board tonight to let the General Manager sign the MOU after any concerns that Mr. Sexton has are fixed. There was some discussion about waiting until the July meeting to approve the MOU but Mr. Sexton said that he would prefer that it be signed as soon as possible after his changes and assuring it's appropriate with the JPIA. The Board agreed.

Mr. Laliotis reviewed a letter from Tahoe-Truckee Sanitation Agency (TTSA) regarding the McKinney Quail Water Treatment Plant. He said that we have come to an agreement with them on the statistics and costs and it will be over-budget. He said that his department is doing fairly well on the budget now and should have some surplus to help with it. Ms. Gustafson said we will need to do a budget amendment at the next meeting.

Mr. Laliotis said that we have completed our portion of the work on the McKinney Water District Interconnection and have signed the Mutual Aide Agreement with them. The McKinney Water District will install the pipeline by August 15th.

Mr. Sexton said that the Board asked for a memorandum that describes different assessment vehicles that are available to the District other than the Improvement District segment of the Irrigation District Act. He handed it out and said he would like to receive questions before the next Board meeting so he can be prepared to answer them at the meeting.

Ms. Gustafson explained the letter that was sent to Senator Feinstein regarding the water outage at her home and said that the District has obtained contact information for her caretaker in case it is needed in the future.

Ms. Gustafson reported that Steve Teshara has jumped on some issues that staff hasn't had time to get to. One was regarding the Regional Plan Update related to bike trails. One of the Updates would require winter maintenance on urban trails before permits would be issued for bike trails. Mr. Teshara is requesting a meeting with all the rim trail providers to discuss this issue with the District taking the lead.

Ms. Gustafson reported that a great group of volunteers from The Lake of the Sky Garden Club and Tahoe City Rotary has been working on the beautification of the Wye with our Parks Department.

Ms. Gustafson passed out information on pension reform and a two-tier system that the Governor has been working with.

Ms. Gustafson handed out the Quarterly Newsletter that is going out now. She reviewed the included information regarding the 21% decline in water use since the meters were put in.

Ms. Gustafson reported that the movie "*Tapped*" will be aired on Tuesday, August 3rd, at dusk on Commons Beach. The District will have water conservation information at the viewing. Director Friedman thanked staff for setting up the showing of "*Tapped*" so rapidly.

18. General Correspondence

Director Friedman said that Mr. VanNoy's article on "*The Power of Play*" was exceptional.

19. Board Follow-up

There were no comments.

L. DIRECTOR'S FORUM

20. Director's Comments and Correspondence

Director Reinkens asked if, under the Brown Act, when Board members attend a meeting on behalf of the District, should they report to the Board. Mr. Sexton said that they should do a short, informal report.

Director Treabess asked Director Henrikson how he handles it at TTSA Board meetings when TTSA has an issue and his beliefs aren't the same as the rest of the TCPUD Board. Director Henrikson said that on most issues there isn't an issue, but if something came up where he felt he needed this Board's input, he would bring it to the Board.

Director Wilkins asked if resolutions are necessary when we call for bids given that the Board is going to be asked to approve the construction contract afterwards. Ms. Gustafson wondered if at budget time staff could do a list of capital projects that are planned to go to bid in the next year and get the Board's approval at that time. Mr. Sexton will check to see what is necessary. Mr. Homolka said that having the resolutions hasn't been very problematic but any steps that could be taken out would help.

Mr. Sexton said that he has a conflict with the July 27th meeting and asked if it could be changed. Changing the date didn't work, so it will remain on July 27th. A special meeting is also needed for August 10th (+ or - 2 days) for the Highlands Fire Hydrant project.

M. MEETING REVIEW AND STAFF DIRECTION

21. Ms. Gustafson reported the following:

- o She will follow up with Mr. Babcock if he gets State Parks approval or direction that they want to meet.
- o Staff will schedule Mr. Whitaker for the July meetings.
- o The Strategic Plan will be revised for the Board President's signature.
- o Staff will make changes to the Larry Boerner letter and run it by Larry and legal counsel to make sure it's ok.
- o Staff will have JPIA and legal counsel review the Indemnification and Risk Transfer clauses in the MOU with TRPA.
- o Legal counsel will look at the Public Contract Code regarding streamlining the process to put projects to bid.

N. CLOSED SESSION

CONFERENCE WITH REAL PROPERTY NEGOTIATORS: APN 083-143-018 (Query)

22. District Negotiators – Cindy Gustafson and Matt Homolka
Negotiating Party – Kristina and Kelly Query

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

23. Eminent Domain Proceeding of Lake Forest Water Company

CONFERENCE WITH REAL PROPERTY NEGOTIATORS: LAKE FOREST WATER COMPANY

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

O. CLOSED SESSION REPORT

Mr. Sexton reported out the following from closed session:

22. The Board gave its negotiators instructions.

Director Henrikson left the meeting at this time.

23. Counsel briefed the Board on the status of the proceedings and received instruction.

24. Staff briefed the Board on the status of negotiations and received instructions.

P. ADJOURNMENT

The meeting was adjourned at 8:45 p.m.

Dan Wilkins, President

Ginger Charlton, District Clerk

Prepared by Ginger Charlton