

**ALPINE SPRINGS COUNTY WATER DISTRICT
MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING**

Pursuant to notice given, the regular meeting of the Board of Directors, Alpine Springs County Water District, was held Friday, October 12, 2012, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1 **1. CALL TO ORDER**

2 Vice President Nungester called the meeting to order at 8:30 a.m.

3 **PLEDGE OF ALLEGIANCE**

4 Those attending joined in reciting the Pledge of Allegiance.

5 **ROLL CALL**

6 Directors Present: Charles Nungester, Vice President; Janet S. Grant; Jon
7 Northrop; Don Priest; Virginia Quinan.

8 Directors Absent: None.

9 Staff Present: John Collins, General Manager; Mike Dobrowski, CPA (by
10 telephone); Buz Bancroft, Operations & Maintenance; Jancis Martin, Recording
11 Secretary.

12 Guest Present: Tim Alameda/NTFPD; Mike Schwartz/NTFPD.

13 **2. PUBLIC PARTICIPATION**

14 None.

15 **3. ITEMS FOR BOARD DISCUSSION & ACTION**

16 **A. Financial Reports:**

17 Mike Dobrowski, District CPA, participated in discussion of this agenda
18 item by telephone.

- 19 • Expenses were fairly routine. Collection notices were sent to
20 delinquent customers. Accounts Receivable is running close to the
21 prior year. Mike said the switch to accepting credit card payments
22 has made an improvement in collecting accounts receivables.
- 23 • The District auditors completed their fieldwork over the last few
24 weeks. They had a few comments but Mike thinks it went very well.
- 25 • Director Priest asked why the Maintenance Water and Sewer
26 expenditures for July through September were significantly higher this
27 year than during the same period last year. Vice President Nungester
28 said the expenditures were associated with the District's sewer TV
29 program. The program is on budget for this year, but low compared to
30 last year, when the category ran well under budget.

31 i. **September Month-end Financial Statements:** Director Quinan
32 made a MOTION that the Board accept the September 30, 2012
33 month-end financial reports. Director Northrop SECONDED the
34 motion. Directors Grant, Northrop, Priest and Quinan being in favor,
35 the motion was APPROVED.

36 ii. **September Expenses Paid & Payable:** The Directors reviewed the
37 monthly check register. Director Northrop made a MOTION that the
38 Board approve the Expenses Paid & Payable (the debits for payroll
39 and checks 26473 through 26519). Director Quinan SECONDED the
40 motion. In discussion, Mike explained that check 26472 – missing
41 from the Check Register Report in the Board packet - was for an
42 overpayment of \$1327.98 to customer Jason Fong. He added that
43 the Check Register Report was mistakenly run with the wrong date
44 range. Director Northrop AMENDED his motion to include Board
45 approval of check 26472. Director Quinan SECONDED the amended
46 motion. Directors Grant, Northrop, Priest and Quinan being in favor,
47 the amended motion was APPROVED.

48 **B. Approval of Minutes:**

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1 Director Northrop made a MOTION that the Board approve the minutes of
2 the September 14, 2012, Regular Board of Directors Meeting. Director
3 Quinan SECONDED the motion. Directors Northrop, Priest and Quinan
4 voted in favor, Director Grant abstained (not having been present at last
5 month's meeting), so the motion was APPROVED.

6 **C. Fire Department Report:**

7 Tim Alameda (Fire Marshal) and Mike Schwartz (new Fire Chief) from
8 NTFPD were in attendance and reported the following:

- 9 • Fire Prevention Week: NTFPD presented information about fire
10 safety, in particular the theme of "Two Ways Out", to 700 children in
11 the Tahoe basin. NTFPD will be holding open houses at all their
12 stations this Saturday from 9:00 a.m. until noon as part of their
13 outreach.
- 14 • Breast Cancer Prevention: NTFPD personnel are wearing pink shirts
15 and collecting donations in support of Breast Cancer Awareness
16 Month.
- 17 • NTFPD Activities in the Valley:
 - 18 ○ NTFPD responded to five dispatch calls in the valley. Two were
 - 19 for EMS, including a back-country rescue on Five Lakes Trail.
 - 20 ○ The station was staffed for twelve days in September. Operations
 - 21 Chief Pat Dillon has prepared a staffing plan for the winter.
 - 22 ○ Crews are bringing in equipment for winterization and storage.
 - 23 ○ NTFPD will carry out its annual inspection at the ski area in
 - 24 November.
 - 25 ○ NTFPD's campaign to have all LPG tanks brought up to code is
 - 26 complete.
 - 27 ○ Director Northrop asked about a Ferrellgas propane tank at the
 - 28 top of Juniper Mountain Road. Tim said he would check on it.
- 29 • New Fire Chief: Mike Schwartz introduced himself to the Board and
30 explained his background. He started out working for the ski patrol in
31 Alpine Meadows as a teenager, took his EMT class in Incline Village,
32 and ended up working for the Incline Village fire department his entire
33 career (29 years). He said NTFPD and the community have
34 welcomed him and he feels like he is coming home. Peter Poe's
35 tenure will end October 31 and Mike's will start thereafter. Mike has
36 familiarized himself with the agreement between NTFPD and
37 ASCWD.
- 38 • Personnel Changes: Captain Scott Simons was promoted to replace
39 Dave Ruben, who left to do fire prevention consulting in Nevada.
40 Captain O'Brien retired this month so Scott Whitham and Dan Gomez
41 were promoted to captain. Their promotions opened up fire fighter
42 positions, so three new fire fighters will start work Monday.
- 43 • The Board welcomed Mike.

44 **D. General Manager's Report:**

45 John Collins, General Manager, provided a written report on his activities
46 during the month of September, with discussion on the following topics:

- 47 • Sierra Nevada Conservancy (SNC) Grant: Now that the project is
48 finished, Manager Collins has asked SNC for the release of the
49 District's funds being held in retention (\$12,174.79). The District has

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- 1 to keep the accounting available for three years in case of an audit.
2 Director Quinan asked if there was the possibility of the District
3 obtaining future SNC grants; Manager Collins yes, and that he was
4 keeping an eye out for future opportunities. Director Grant asked
5 about the impact of the burning on the creek; Manager Collins said
6 the report showed there was no effect.
- 7 • Alpine Meadows Bridge: Manager Collins delivered the cooperative
8 agreement - approved by the Board at last month's meeting - to Jon
9 Mitchell with Placer County. The project is scheduled to go to
10 construction next year and should take one year.
 - 11 • Alpine Sierra Subdivision: There was no activity in September.
 - 12 • Alpine Meadows Road Pipeline Project: Manager Collins notified the
13 contractor and consultants of the Board's conditional approval of
14 contracts subject to resolution of easement issues with Troy Caldwell
15 and met with Troy regarding the easement issues. He prepared a
16 draft agreement addressing the issues 1) that Troy dedicate his
17 already-built pipeline to the District, 2) that the District accept the
18 dedicated pipeline, and 3) that Troy offer an easement to the District
19 within his easement so the District can build its proposed pipeline.
20 Troy has no opposition to the draft agreement in principle. Manager
21 Collins proposed that the District reimburse Troy for his construction
22 cost, and reminded the Board that the District would be reimbursed for
23 that expenditure via Troy's connection fees. Troy was concerned
24 about preserving the capacity provided by his pipeline, so Manager
25 Collins had Stantec ran the District's hydraulic model and provided
26 Troy with the numbers for the theoretical available capacity within the
27 pipeline and assured him that the District would reserve that capacity
28 for Troy's use. Manager Collins forwarded the draft agreement to
29 Troy's attorney and to District Counsel for review and negotiation. He
30 doesn't anticipate any issues and awaits a draft agreement from
31 Troy's attorney.
 - 32 • AME Well Re-drill: Manager Collins awaits the water permit
33 amendment with the California State Department of Public Health
34 (update: Manager Collins received the paperwork this month and will
35 be putting the project out to bid).
 - 36 • Sewer Easement for 1783 Deer Park Drive: Manager Collins
37 submitted the grant of sewer easement for 1783 Deer Park Drive to
38 the Placer County Recorder for recording (see agenda item 3F).
 - 39 • New Utility Rate: Manager Collins prepared a draft schedule of dates
40 for a public hearing to adopt utility rates for FY 2013/2014,
41 coordinated with Shawn Koorn at HDR regarding his availability and
42 started a draft resolution for the rate increases.
 - 43 • Snow Crest Sewer Line Relocation: Manager Collins met with Peter
44 Henry and his contractor, and reviewed the proposed project,
45 alternatives and engineer's cost estimate. He met with Dan Goodrich
46 and Tim Longo and reviewed the project scope. Mr. Henry will
47 probably not do the project this winter, but will likely wait until he does
48 his house construction; having his house excavator also do the work
49 for the sewer line relocation should lower project costs.

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- 1 • Auditors: Manager Collins spent quite a bit of time with the District
2 auditors September 24 – 26 when they were here for their field work.
- 3 **E. Operations & Maintenance Department Report:**
4 Buz presented a written report for the month of September that included
5 status updates on water, sewer, garbage and other services provided by
6 the District.
- 7 • Staff work: performed Park maintenance; repaired several leaking
8 meter yokes detected while replacing meters; TVed during September
9 (didn't find anything that needed emergency attention); started digging
10 on the Tank 4A water line looking for a water leak (the line is
11 susceptible to rust and may ultimately need replacement).
- 12 • As of today, the District has installed 182 meters and 65 retrofit meter
13 heads for the remote-read meter project.
- 14 • All routine water samples were absent coliform bacteria.
- 15 • Lead and Copper sampling were mostly non-detectable, with nothing
16 exceeding the maximum contaminant level. The program requires
17 that the District sample water at houses built in the early 1970s, where
18 lead solder/pipes were used. If sample values were to rise, the
19 District would have to address the issue.
- 20 • Seasonal hires: James' last day is today, Rob will work until the
21 weather turns nasty, probably the beginning of November.
- 22 **F. Grant of Easement from Phillip and Suzette Jordan:**
23 Manager Collins explained that when the District sewer system was built,
24 there were a number of parcels in the valley for which property owners
25 were never requested to convey easements. Over a hundred easements
26 were never executed. The Jordan's easement is one such case. Per
27 Staff's recommendation, Director Quinan made a MOTION that the Board
28 accept the conveyance of the Grant of Easement from Phillip and Suzette
29 Jordan and authorize Manager Collins to execute and record the
30 appropriate documents. Director Northrop SECONDED the motion.
31 Directors Grant, Northrop, Priest and Quinan being in favor, the motion
32 was APPROVED. Director Priest asked how many such easements were
33 still unexecuted. Manager Collins said this is only about the seventh
34 easement he has worked on. He said he was doing better this year and
35 that he was starting to work with the title companies, so they can catch
36 unexecuted easements when property transfers between owners.
- 37 **G. Set Public Hearing Date for Utility Rate Increases:**
38 Manager Collins prepared three potential schedules for a public hearing
39 regarding utility rate increases. The public hearing dates being
40 considered were January 11, 2013, February 8, 2013 and March 8, 2013.
41 The Board has already approved the rates to be presented at the hearing.
42 Vice President Nungester explained that the public hearing dates had
43 been coordinated with Shawn Koorn of HDR, who prepared the rate
44 study, so that he could be in attendance to answer questions. Vice
45 President Nungester noted that Schedule 2 – with a hearing date of
46 February 8, 2013 - would require mailing notices on December 21 this
47 year, which seemed an unfavorable time. He and Director Priest
48 preferred Schedule 1 – with a hearing date of January 11, 2013 - to get
49 the process moving. Director Grant said she supported whichever

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1 schedule would allow the most members of the public to attend the
2 hearing. She also said if Schedule 2 were approved, she might have to
3 request that the date for the public hearing be changed, as she may not
4 be able to attend on the currently proposed date. Vice President
5 Nungester said he would like to avoid changing Board meeting dates if
6 possible.

7 Director Northrop made a MOTION that the Board accept Schedule 1,
8 resulting in a public hearing date of January 11, 2013. Director Priest
9 SECONDED the motion. Directors Northrop, Priest and Quinan being in
10 favor, and Director Grant opposed, the motion was APPROVED.

11 The Board next reviewed the document titled "Public Notice of Proposed
12 Increase in Garbage, Waste and Trash, Water and Sewer Services Rates
13 - Notice of Public Hearing". Director Priest was not a member of the
14 Board at the time the Board approved the rates, but he said he had
15 studied the rates and agreed with them. Director Northrop made a
16 MOTION that the Board approve the Notice of Public Hearing. Director
17 Quinan SECONDED the motion. All Directors being in favor, the motion
18 was APPROVED. All District customers will receive a mailed notice for
19 the public hearing.

20 **H. Policy 2.1.0: Bill Paying:**

21 The Board discussed the possibility of modifying the Budget & Finance
22 Committee's policy regarding bill paying.

- 23 • Vice President Nungester explained that the District sends out checks
24 – payments for payroll and accounts payable - twice each month,
25 each time requiring approval by at least three Directors and
26 signatures of two of the three Directors, one of whom must be a
27 member of the Budget & Finance Committee. The batch of checks
28 sent out the day of the monthly Board meeting is not an issue,
29 because enough Directors are present to provide requisite approvals
30 and signatures. However, last month, it cost about \$400 to obtain
31 approval and signatures for the second set of checks, and it took so
32 long that one of the vendors imposed a substantial late fee. This
33 happened because Director Quinan was the only Director in the valley
34 when checks needed to be signed, so the checks had to be sent via
35 Fedex to two other Directors for the necessary approval and
36 signatures. Vice President Nungester suggested that the policy
37 requiring three Directors to approve checks could be changed to
38 require only two Directors, one on the Budget & Finance Committee.
- 39 • Directors Quinan said the current bill paying policy already suggests
40 that exceptions to the normal procedure can be approved by the
41 Board. Her proposal would be that for situations in which acquiring
42 the third signature would necessitate ground delivery, the third
43 signature be waived. Director Northrop said perhaps exceptions
44 could be made to avoid late fees. Vice President Nungester said
45 perhaps exceptions could be made for low (under a specified dollar
46 amount) check packet totals.
- 47 • Director Grant said it was the Board's responsibility to approve all
48 checks that go out, that the three signatures represent Board quorum,
49 so the number of required signatures cannot be reduced to two. She

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- 1 said that in the past all five Directors signed all checks at Board
2 meetings. Vice President Nungester said that things that worked in
3 the past may not work now.
- 4 • Directors Grant and Priest suggested that perhaps the District should
5 ask its vendors for penalty period exceptions. Vice President
6 Nungester said it was probably easier for the Board to change its
7 policy than for the vendors to change their policies.
 - 8 • Director Northrop asked if the third approval signature could be
9 obtained by fax. Vice President Nungester said that all three
10 Directors who sign the Check Authorization Form attest that they have
11 reviewed all documentation, including checks and attachments, so the
12 packet requires ground delivery. Director Grant said she was
13 unwilling to authorize District checks without reading all the checks
14 and their documentation. Vice President Nungester said he expected
15 all Directors to do likewise, but would rather see the requirement for
16 check approval reduced to two signatures. Director Grant said she
17 was okay with incurring added expense when ground delivery was
18 required to obtain the third signature for check authorization; Vice
19 President Nungester said he was not.
 - 20 • Director Grant said the Board should not change its bill paying policy
21 based on one costly incident, although she is aware this type of
22 situation arises from time to time. Director Quinan pointed out that all
23 Directors are away from the valley most of the time, so the situation
24 arises more often than not, for the mid-month check processing.
 - 25 • Director Priest reminded the Board that he was not currently
26 authorized to sign checks. Manager Collins said he would expedite
27 the process of getting Director Priest's signature on file at the bank.
28 Director Priest also notified the Board that he would be away from the
29 valley January through April, returning only for Board meetings during
30 that time.
 - 31 • There was some concern about whether the bill paying policy might
32 have been put in place – in particular the requirement for three
33 signatures - because of some past episode of embezzlement.
34 Director Northrop added that Mike Dobrowski, Pam and Manager
35 Collins are all involved in check preparation, so it would be difficult for
36 anyone to get away with fraud.
 - 37 • Director Quinan suggested that the Board, rather than changing the
38 bill paying policy today, put the issue into abeyance, have Staff check
39 into vendor flexibility with respect to their payment deadlines, then
40 report back to the Board on their findings.
 - 41 • Director Priest agreed, adding that if exceptions to the normal bill
42 paying procedure are to be invoked, that language in the policy would
43 have be modified to define exactly how the exception is made (e.g.,
44 by Board vote).
 - 45 • Vice President Nungester offered the idea that the policy be modified
46 to authorize the General Manager to decide when there is a (mid-
47 month) need for only two signatures. He also proposed that Staff
48 make suggestions as to how to streamline the process.

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- 1 • Manager Collins said Staff follows policy, whether or not doing so
2 incurs ground delivery charges. He said it usually costs the District
3 about \$150 when Staff has to mail a batch of checks around for
4 signatures. He said Pam has already talked to vendors about late
5 fees and some vendors have been unwilling to extend their deadlines
6 for the District.
7 • Vice President Nungester asked the Directors to think about the
8 concept of the third signature and its cost to the District. Director
9 Priest asked that the topic be discussed again next month. Manager
10 Collins said he would check with vendors regarding deadline flexibility.
11 Vice President Nungester also asked Manager Collins to see if there
12 was any way to cut turnaround time for acquiring check authorization
13 and signatures.
- 14 **I. District Semi-annual Newsletter:**
15 The Board reviewed a draft of the fall newsletter:
16 • The Directors suggested changing the paragraph title “Board to
17 consider a garbage rate increase” to “The District is proposing utility
18 rate increases”, moving the paragraph to the top of the newsletter and
19 changing “five percent” to “5%” in the second sentence.
20 • In the paragraph discussing the Park season, Director Grant noted a
21 discrepancy between the text and the accompanying chart regarding
22 the number of seasons. Manager Collins will change the text from
23 “four” to “six”.
24 • In the left column, Director Quinan pointed out a typo: “coning” should
25 be changed to “coming”.
- 26 **J. TTSA Report:**
27 Director Northrop provided a written report on items of interest to ASCWD
28 from the October 10, TTSA Board meeting.
29 • The plant is operating normally and efficiently.
30 • All waste water discharge requirements are being met.
31 The next TTSA Board meeting is scheduled for November 14, and will
32 therefore take place after the next ASCWD Board meeting. Director
33 Quinan asked that the TTSA Board agenda be included in future Board
34 packets.
- 35 **K. Committee Reports:**
36 i. **Budget & Finance Committee:** Vice President Nungester presented
37 a written report of yesterday’s Committee meeting.
38 a. **Non-standard Transactions:** Director Quinan noted a \$100,000
39 discrepancy between two reports regarding cash. It turned out the
40 two reports were prepared a day apart and between those times,
41 a \$100,000 check was issued, so it appeared on the first report
42 but not the second.
43 b. **Investments/cash:** No CDs are maturing this month.
44 c. **Requests from Customers for Adjustments to their Bills:**
45 None.
46 d. **Requests for Unbudgeted Expenses:** None.
47 e. **Next meeting:** Thursday, November 8, at 1:00 p.m.
48 ii. **Administration & Personnel Committee:** There was no meeting.
49 iii. **Park, Recreation & Greenbelt Committee:** There was no meeting.

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1 iv. **Long Range Planning Committee:** There was no meeting.

2 **L. Open Items:**

- 3 • The next regular Board meeting will be held at its normal time and
4 date: Friday, November 9, at 8:30 a.m.

5 **M. Correspondence to the Board:** None.

6 **4. DIRECTORS' COMMENTS**

- 7 ▪ Vice President Nungester said former President Danz's resignation did not
8 make him President of the Board, but rather Acting President. He intends to
9 remain as Acting President until the annual Board elections in December, at
10 which time he does not intend to run – in fact will not consider running - for
11 the position of President.

12 **5. ADJOURNMENT**

13 There being no further business before the Board, the meeting was adjourned at
14 10:03 a.m.

15
16 Respectfully Submitted,

approved w/changes 11/9/12

17
18
19
20 Jancis Martin
21 Recording Secretary