

**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, February 11, 2005, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1 **I. CALL TO ORDER**

2 President Danz 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: Barbara Danz, President; Tony Stefani, Vice President; Janet
7 S. Grant; Jon Northrop; Virginia Quinan

8 Directors Absent: None.

9 Staff Present: John Shaw, P.E. of John Shaw Consulting, LLC, District General
10 Manager; Pam Zinn, Recording Secretary; Buz Bancroft/O&M Supervisor.

11 Guests Present: Al Pride/Unit 3; Steve Kastan/Alpine Manor; Bryce
12 Keller/Division Chief/North Tahoe Fire Protection District.

13 **II. PUBLIC COMMENT**

14 Steve Kastan said he was glad to see that ASCWD is taking advantage of the
15 mail boxes in Alpine Meadows. He noted that the AM water tastes terrible. He
16 said the best things about Alpine Meadows are the water and the air; the chlorine
17 ruins the water. Manager Shaw and Buz Bancroft (Operations and Maintenance
18 Supervisor) replied that the District is chlorinating due to a state mandate. The
19 District is working on getting off the chlorination in the next few months after
20 additional testing and completion of some changes to our tanks.

21 **III. ITEMS FOR BOARD DISCUSSION & ACTION**

22 **A. Financial Report:**

23 Mike Dobrowski, District CPA, participated by telephone in the discussion
24 of this agenda item.

- 25 • **Financial Statements – January 31, 2005:** Directors Quinan and
26 Grant asked for and received clarification of several items on the
27 financial statements. President Danz said the District's net income
28 has declined since last month and from last year at the same time.
29 The good news is that the District's cash position has increased from
30 the same period last year by \$100,957 but is also down from last
31 month. The District should start to receive on-line statements from
32 Bank of the West and FIB in April. Director Grant made a MOTION
33 that the Board approve the financial statements. Director Northrop
34 SECONDED the motion. All Directors being in favor, the motion was
35 APPROVED.
- 36 • **Expenses Paid & Payable – February 2, 2005:** Directors Grant
37 asked for and received clarification on several items on the check
38 register. Director Northrop made a MOTION that the Board approve
39 the Expenses Paid & Payable, checks 2737 through 2820. Director
40 Grant SECONDED the motion. All Directors being in favor, the
41 motion was APPROVED.
- 42 • **Investment Report – January 31, 2005:** No discussion.

43 **B. Approval of Minutes for January 14, 2005, Regular Board Meeting:**

44 Director Grant made a MOTION that the Board approve the minutes of
45 the January 14, 2005, Regular Meeting of the Board of Directors.
46 Director Stefani SECONDED the motion. All Directors being in favor, the
47 motion was APPROVED.
48
49

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1 **C. Audit Report – Fiscal Year 2004:**

2 This agenda item was discussed at 10:00 a.m. via conference call with
3 Ron Ley from Damore, Hamric & Schneider, Inc. The Board was given
4 the opportunity to ask Ron questions regarding the financial audit of the
5 District for the fiscal year ending June 30, 2004. Ron reported that the
6 audit opinion was unqualified with no scope limitations. Ron clarified that
7 the financial statements are the responsibility of the management of the
8 District; the auditor reviews those statements. This year, the auditors
9 adopted GASB No. 34 which converted the District's financial statements
10 to the new required standards. As such, it was not possible to show a
11 comparison of this year's financials to last year's. The financial
12 statements are separated into governmental activities and business
13 activities. A management discussion and analysis precedes the basic
14 financial statements. Several questions were asked about the
15 depreciation schedule. Director Danz said that Mike Dobrowski could
16 provide the Board with the depreciation schedule. Ron suggested that
17 next year we separate out the fire department activities and general
18 administrative activities in the governmental fund.

19 **D. Report of Subcommittee Regarding Engineering Services for**
20 **Snowmaking Well Modifications:**

21 Director Northrop, Director Stefani and Manager Shaw reviewed four
22 proposals for engineering services for snowmaking well modifications to
23 provide water to the Park for irrigation and filling the pond. The sub-
24 committee felt that Auerbach Engineering Corp. was the most qualified
25 and organized to complete the job on time. Director Quinan asked for a
26 copy of the proposal but Manager Shaw said he can only give a copy of
27 the statement of qualifications from Auerbach. Quotes for the project
28 came in separate sealed envelopes from the four engineering firms,
29 which is one of the requirements of public bidding. Manager Shaw
30 estimated that the cost of the engineering services might be as high as
31 \$75K-\$95K. President Danz asked why the original quote from V-Point
32 was only \$5,000, but public bid is so high. Manager Shaw responded that
33 the higher cost results from the increased work needed if the bid is public.
34 Director Grant noted that ASCWD budgeted \$30K for the project and that
35 it was part of the long range plan. She stated that she understood that
36 most of the work would be done by District staff. Manager Shaw said that
37 special districts are not required to go to public bid. Director Danz
38 suggested that the Board move forward and approve Auerbach now to
39 help with the engineering associated with re-equipping R-1 or R-2 for park
40 use and then negotiate costs. There was a MOTION and a SECOND to
41 approve Auerbach Engineering Corp. as the consultant for the re-equip of
42 R-1 or R-2 for park use that came from subcommittee. All in favor, the
43 motion was APPROVED. The Board of Directors pursued discussion
44 regarding various water production sources and how urgent it is for the
45 well modifications to be made before this summer.

46
47 **E. Semi-annual Review of Board Performance:**

48 Director Quinan (Chair of the Administration & Personnel Committee)
49 summarized the reviews of Board performance completed by Manager

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1 Shaw and the Directors. One item of note is that more detail is needed
2 from Lumos regarding the status of various consulting projects. Manager
3 Shaw said that the reports have been attached to the Manager's Report.
4 Everyone thought that the Board was moving forward appropriately with
5 policy governance. President Danz asked "what can the Board do to
6 improve before the next review in six months?" One suggestion was to
7 add a section to the newsletter called "safety". Another suggestion was to
8 add a section to the Board agenda called "open items".
9 Director Quinan said we still need to work on being courteous to each
10 other and the public.
11 Director Quinan would like the District to post a time when homeowners
12 and others can stop by the District office to speak with someone.
13 Manager Shaw explained that the District's voicemail message informs
14 people that the staff may not be in the office at certain times and to make
15 sure to leave a message. Steve Kastan said it is not as comfortable to
16 come by the District office as it used to be, and he has noticed that the
17 office is not open as often as it used to be. Director Stefani suggested
18 that the District post a clipboard outside so people can leave their name
19 and phone number in case they stop by when the office is closed.
20 Director Quinan noted that one Director commented that Committees are
21 a very important part of policy governance, but at times it seems the
22 Board wants to micromanage the Committees' recommendations.
23 Director Stefani commented that the Fire Committee was a good
24 example; many issues go back and forth from the Committee to the
25 Board. Manager Shaw said that, for the most part, Committees are a
26 good thing. Committees may want to modify policies regarding issues that
27 should involve the Board. Director Quinan said there is a policy that
28 defines the sphere of influence of each committee. The Committees meet
29 at the direction of the President to review issues and develop
30 recommendations to be subsequently presented to the Board as a whole
31 for action.
32 Director Quinan said that it seems as if the District is spending a lot of
33 money on reports and consultants and that maybe we shouldn't be using
34 outside experts as much. Director Stefani said that planning requires a
35 certain amount of money to be spent.
36 Director Quinan asked if everyone liked the written format for Board
37 review. Director Northrop said he found some of the questions
38 duplicative.
39 **F. PCLAFCO Update:**
40 President Danz noted that she will remove this item from the agenda on
41 an ongoing basis unless new information has surfaced. Director Quinan
42 will keep the Board updated.
43 **G. Landowner Voter District:**
44 The District received information from its legal counsel regarding possible
45 conversion to a landowner voter district. Legal counsel stated that
46 landowner districts were unconstitutional unless a resident-nonresident
47 landowner voting scheme were implemented. However, to implement
48 such a scheme in AM would require that the District's authorized powers

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1 be statutorily limited. The Board decided to terminate any further
2 investigation of this idea.

3 **H. Fire and Emergency Services Workshop:**

4 Director Stefani stated that one of the conclusions from the Workshop
5 was that the Fire Committee and the Board should first work on goals for
6 fire and emergency services in the valley and then evaluate alternatives.
7 The Fire Committee recommends the following goals:

- 8 • Time of Response (meeting NFPA standards): Fire - 5 minutes
9 90% of the time; ALS - 8 minutes 90% of the time
- 10 • Equipment: minimum of one Type 1 engine w/one in reserve, and
11 one ambulance with one in reserve.
- 12 • Staff/Personnel: 24/7/365 - paramedic/firefighter and
13 ambulance/engine operator
- 14 • Fiscal considerations: Best value model
- 15 • Fire flow: ISO - 450 gpm for 40 minutes

16 Director Stefani noted that wildland fires are the responsibility of the
17 USFS but can spread quickly to homes. The Fire Committee did not look
18 at peak vs. off-peak seasons because it wanted to be consistent. Director
19 Stefani suggested that review of goals and alternatives be handled at the
20 Board level. That should minimize the "back-and-forth" between the
21 Committee and the Board and involve the Board directly in this very
22 important decision. He recommended that Chief Whitelaw and other
23 Committee members attend Board meetings when the subject will be
24 discussed. President Danz asked Chief Keller if Chief Whitelaw will be
25 here or available next month. President Danz also asked if we should
26 have a motion to approve the goals recommended by the Fire Committee.
27 Director Stefani said we are at our lowest point of coverage in this valley
28 in the eight years that he has lived here. There is only one full-time
29 volunteer.

30 Director Quinan asked questions about the response times, costs to the
31 public and costs of staffing the fire department. Director Danz suggested
32 Director Quinan write down her questions to ask Chief Whitelaw at the
33 next meeting.

34 Al Pride mentioned that residents may not be able to afford 24/7/365
35 staffing and suggested that the Board look at all options at one time.
36 Chief Keller said the Board should identify goals and then look at
37 alternatives; at that time, the Board may realize that goals need to be
38 changed.

39 Director Quinan said we don't know what the community wants. Director
40 Grant and Director Northrop thought that it was premature to make a
41 motion regarding establishment of goals. There was no motion to approve
42 goals.

43 **I. Alarm Systems:**

44 Director Quinan stressed the importance of alarm systems in homes and
45 presented a document with the prices of smoke, fire, and carbon
46 monoxide alarms available in the area. Chief Keller commented on the
47 importance of educating the public. Annual defensible space forms help
48 absentee homeowners be more aware of fire dangers. Chief Keller also
49 noted that individuals may stop by the NTFPD Fire Department and

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1 receive a free smoke detector. The Fire Department will help install it,
2 check batteries etc. Director Quinan asked why AM's sprinkler ordinance
3 did not include monitored alarm systems. Chief Keller responded that the
4 ordinance requires that the sprinkler systems have an external bell. Chief
5 Keller said that monitored alarm systems were not required in the
6 ordinance, which conforms to the ordinance in the NTFPD area, but that
7 the Board could change the ordinance if it so desired.

8 **J. Fire Department Report:**

9 Chief Keller reported on the activities of North Tahoe Fire Protection
10 District, with special regard to those which impact Alpine Meadows:

- 11 • Monthly dispatch report: There were seven medical aid emergency
12 responses - emergency-type situations usually handled by local
13 personnel - and 13 transport responses, which are ski area transports
14 by North Tahoe vehicles and personnel. Some of the medical aid
15 emergency responses are the same incidents as those reported as
16 transport responses. There was one call for public assist. Last month,
17 Director Quinan requested that the dispatch report separate the ski
18 area responses from the non-ski area responses; the Board agreed.
19 Chief Keller provided the information in the requested format on the
20 monthly dispatch report, but Director Quinan suggested that NTFPD
21 provide all addresses to which NTFPD responded in addition to the
22 ski area. Chief Keller agreed and will provide this information next
23 month.
- 24 • Evacuation Plan: The Fire Plan for AM will also include evacuation
25 plans. Chief Keller noted that, if one has to evacuate, the first steps in
26 fire planning have not been satisfied: defensible space and safe
27 building materials. The evacuation plan will identify areas in the valley
28 where there are large open spaces of asphalt or water, like the ski
29 area or the lower ski area parking lot.
- 30 • Alpine Meadows road closure procedure: The emergency services
31 agencies met in late January to update contact information etc., for
32 the plan. The TART facility at the dump is the County Emergency
33 Operations Center. The final draft of this year's plan should be ready
34 by Friday.

35
36 The Board took a break at 9:57am and returned at 10:03 to review the
37 financial audit. Following the audit review, the Board continued with the
38 Fire Department Report.

39
40 **K. Operation & Maintenance Department Report:** Buz Bancroft provided a
41 written report that included status updates on water, sewer, garbage and
42 other services provided by the District.

- 43 • Water samples all came up negative. There was a major leak at a
44 private residence in Bear Creek. SCADA identified the problem but it
45 took the staff a while to determine the location.
- 46 • Status of Chlorination: The staff is working with the new State contact
47 and is making steps towards getting off chlorination. The vents on
48 Tank 4 must be changed so that the tank is impervious to outside
49 sources. The District currently has a mushroom vent which can allow

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1 contaminants to get in. Sample points also need to be changed before
2 the District can get off chlorination. Buz noted that all three tanks in
3 the upper zone need to be inspected by a certified tank inspector in
4 the spring or fall.

- 5 **L. Manager's Report:** Manager Shaw presented a written report with
6 detailed descriptions of some of the following items:
7 • Staff has begun its budgeting process and plans to have a draft to the
8 B&F Committee by April 8, 2005.
9 • All Directors were given a copy of all the District's policies. There is a
10 binder in the reception area for the public to review.
11 • At the TTSA meeting, there was discussion about lands owned by the
12 agency and status of their expansion project.
13 • Manager Shaw answered questions from the Board regarding the
14 status of approved projects.

15 **M. Committee Reports:**

- 16 1. **Fire Committee:** Director Stefani provided an oral report with
17 information on the following topics:
18 a. **County collection of fire funds:** The County is looking back
19 to the 1920s when a tax was charged to some districts but not
20 others. Apparently, the County continues to charge these
21 districts even though they have established their own fire
22 departments. Placer County is pursuing this vigorously to find
23 out why the funding was not turned over to the new providers
24 (fire departments). The County has no answers as yet.
25 b. **Threat Assessment and Community Fire Plan:** This item
26 was covered by Chief Keller.
27 c. **Fire Safe Community Grant Program:** Status quo - nothing
28 further will take place until spring.
29 d. **Recommendations for recognition of community fire**
30 **volunteers and take appropriate action:** The Committee
31 recommends that a plaque be placed in the fire station with a
32 brief history of the department and the names of those who
33 served. The budgeted amount is \$250-\$400. Director Grant
34 suggested, as an alternative, that the District place a letter
35 stating the fire department's history in a frame which should be
36 less expensive than a wood and brass plaque.
37 e. **Next meeting:** Tentatively scheduled for Thursday, March 3,
38 2005, at 2:00 p.m.
39 2. **Budget & Finance Committee:** President Danz presented a
40 written report of the Committee's actions with detailed descriptions
41 of the following items:
42 a. **Expense reduction and revenue increase strategies:** The
43 Committee discussed reducing consultant fees and
44 maintenance expenses but has no recommendations at this
45 time. The Committee will continue to review opportunities for
46 cost reduction.
47 b. **Rate study and planned rate increase:** The rate study is
48 proceeding as planned. The consultants presented a draft
49 report to the Committee with detailed five-year financial

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1 projections for water and sewer services which included
2 projected revenues, operations and maintenance expenses,
3 capital improvement requirements and reserves based on
4 historical data and escalation factors. The consultants will
5 revise the projections based on Committee comments and
6 present the revised forecasts and alternatives for rate
7 structures at the next Committee meeting. The next draft of the
8 consultants' report will be presented to the Board for review,
9 hopefully next month.

10 **c. Financial Audit:** Discussed earlier in the meeting.

11 **d. Treasurer's Report:** Peter Murray, the District's Treasurer,
12 submitted a written Treasurer's Report which reflects the
13 current status of cash reserves. The Committee recommends
14 that the Board approve Peter's recommendations which are as
15 follows:

- 16 • Transfer \$120,000 to a 180-day CD with a 2.75%
17 interest rate.
- 18 • Transfer \$200,000 to a 90-day CD at 2.35% rate.
- 19 • Transfer \$40,000 from Bank of the West to Wachovia.
- 20 • Transfer \$285,000 into a Wachovia Short-Term
21 Government Money Market account with a 1.81% rate
22 which will allow the money to be available as cash with 24
23 hours notice.

24 There was a MOTION and a SECOND from Committee, all
25 Directors in Favor, the motion was APPROVED.

26 **e. Accounting contract:** The Committee reviewed Mike
27 Dobrowski's proposed contract. His current contract is for a
28 fixed fee of \$3,150 per month plus billing for unanticipated
29 services. For calendar year 2005, Mike proposes a fixed fee
30 of \$3,850 per month which would include additional services.
31 The Committee requested that Manager Shaw continue to
32 negotiate with Mike regarding the terms of the proposed
33 contract.

34 **f. Requests from customers for adjustments to their bills:**

35 The Committee received two letters from customers. One
36 customer asked the District to waive interest charges and
37 penalties for late payment. The Committee decided to waive
38 the fees and penalties in this case because the individual
39 submitted documentation of his timely payment which did not
40 reach the District. Another customer asked that penalties and
41 interest charges be waived since he claimed he did not receive
42 either the initial bill or the follow-up statement. The Committee
43 denied the request.

44 **g. Unbudgeted expenses:** The Committee reviewed two
45 requests for unbudgeted expenses:

- 46 • \$215 for replacement of right backhoe door window
- 47 • \$150 for the Easter Egg Hunt

48 There was a MOTION and a SECOND from Committee, all
49 Directors in Favor, the motion was APPROVED.

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1 **h. Next meeting:** Thursday, March 3, 2005, at 9:00 a.m. to
2 discuss the rate study and the procedures the District will have
3 to follow to enact a rate increase. The regular Budget &
4 Finance Committee meeting will be Thursday March 10, 2005,
5 at 9:00 a.m.

- 6 **3. Long Range Planning Committee:** No meeting.
7 **4. Administration & Personnel Committee:** No meeting.
8 **5. Park, Recreation & Greenbelt Committee:** No meeting.

9 **N. Correspondence to the Board:** None

10 **IV. CLOSED SESSION:**
11 **GOVERNMENT CODE SECTION 54957: PUBLIC EMPLOYEE**
12 **PERFORMANCE EVALUATION**

13 The Board went into closed session at 12:08 p.m. and came out of closed
14 session at 1:00 p.m. The Board reviewed the General Manager and no action
15 was taken.

16 **V. DIRECTORS' COMMENTS**

- 17 • Director Grant asked if we are violating provisions of the Brown Act by
18 conducting business meetings with conference calls. President Danz said
19 that if one of the members of a Standing Committee or the Board is the
20 one who calls in, we would be violating the Act unless adequate notice
21 has been posted. There has to be notice posted at the District office and
22 also at the location from which the Director or Committee member is
23 calling. The address must be included in the notice and the site has to be
24 open to the public and ADA-compliant (Americans with Disabilities Act).
25 Advisors, such as the District's accountant, attorneys, Treasurer, etc., are
26 not subject to this requirement.
27 • President Danz asked Director Northrop to schedule a Park, Recreation &
28 Greenbelt Committee meeting in the near future to discuss park fees.
29 • Next regular Board meeting: Friday, March 11, 2005, at 8:30 a.m.

30 **VI. ADJOURNMENT**

31 There being no further business before the Board, the meeting was adjourned at
32 1:00 p.m.

33

34

35

36 Respectfully Submitted,

37

38

39

40 Pam Zinn
41 Recording Secretary