

**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, March 10, 2017, at 9:00 a.m., District Board Room, 270 Alpine Meadows Road.

1 **1. CALL TO ORDER**

2 President Grant called the meeting to order at 9:02 a.m.

3 **PLEDGE OF ALLEGIANCE**

4 Those attending joined in reciting the Pledge of Allegiance.

5 **ROLL CALL**

6 Directors Present: Janet S. Grant, President; Jon Northrop; Dave Smelser;
7 Christine York.

8 Directors Absent: Evan Salke.

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

12 Guests Present: Chief Mike Schwartz/NTFPD; Steve Simons/NTFPD; Steve
13 McNamara/NTFPD; Ron Ley/Damore, Hamric & Schneider.

14 **The numbering of the following items matches the original order of the**
15 **scheduled items in the meeting agenda. However, to take best advantage**
16 **of meeting participants' time, the items were dealt with in a different order**
17 **during today's meeting, as seen below.**

18 **2. PUBLIC PARTICIPATION**

19 None.

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

21 **A. Financial Reports:**

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

- 24 • The District's cash position is about \$18K less than the prior fiscal
25 year.
- 26 • Pam reached her 15th year anniversary.
- 27 • President Grant reported that the Budget & Finance Committee did
28 not meet this month, so she did not have a chance to get clarification
29 on some anomalies she had noted in the financial reports. One of the
30 items was the "Gas and Electric – Admin" line item on the Profit &
31 Loss Prev Year Comparison report, which was substantially higher
32 than last year. Pam said the line item included all electric usage,
33 including the snow-making pumps. Mike added that he just noticed
34 that the "Garbage Services" line item was about \$10K low; he realized
35 he had inadvertently classified the February Garbage Services
36 expense as Gas & Electric, and that when he fixed it, both line items
37 would be correct and closer to budget.
- 38 • President Grant also noted that the "Water Revenue" line item was
39 low. Per Mike and Pam, that line item will rise to its expected level
40 when the meters are read and when collections payments are
41 received.
- 42 • President Grant said that the some of the "Current Assets" on the
43 Balance Sheet would be reduced to take care of operating expenses.
44 Placer County will also be sending two more property tax revenue
45 payments.

- 46 i. **February Month-End Financial Statements:** Director Northrop
47 made a MOTION that the Board accept the February 28 month-end
48 financial reports. Director Smelser SECONDED the motion. Directors

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1 Northrop, Smelser and York being in favor, the motion was
2 APPROVED.

- 3 ii. **February Expenses Paid & Payable:** The Directors reviewed the
4 monthly check register. Director Northrop made a MOTION that the
5 Board approve the Expenses Paid & Payable (the debits for payroll
6 and checks 29177 through 29221). Director York SECONDED the
7 motion. Directors Northrop, Smelser and York being in favor, the
8 motion was APPROVED.

9 **B. Approval of Minutes:**

10 Director Northrop made a MOTION that the Board approve the minutes of
11 the February 10, Regular Board of Directors Meeting. Director York
12 SECONDED the motion. During discussion, the following correction was
13 proposed: on page 5, line 14, replace “interesting” with “interested”.
14 Director Northrop AMENDED his motion to include the proposed
15 correction. Director York SECONDED the amended motion. Directors
16 Northrop, Smelser and York being in favor, the amended motion was
17 APPROVED.

18 **C. Fire Department Report:**

19 NTFPD’s Chief Schwartz, Steve Simons and Steve McNamara were in
20 attendance for this agenda item.

- 21 • **Chief’s Report:** Chief Schwartz introduced Steve McNamara, who is
22 succeeding Todd Conradson as Battalion Chief for Emergency
23 Medical Services. Chief Schwartz said the last two months have been
24 the craziest couple of months that NTFPD has ever had. They have
25 been busy digging out buildings, finding damage, and dealing with
26 flooding and electrical issues. They are now in the midst of their
27 yearly audit and starting their budget process for next year. Chief
28 Schwartz said the local fire season may be a little shorter this year,
29 due to the heavy winter.
- 30 • **Equipment:** The two new engines have passed their acceptance
31 testing and should be in service by April 1.
- 32 • **Operations:** Steve Simons said the National Weather Service is
33 reporting records set already for this winter. The Tahoe area is at
34 300-400% of the normal amount for snow melt, so residents can
35 expect flooding throughout the spring and summer. NTFPD had 650
36 calls in the first two months of the year, which is 33% of the normal
37 annual response. NTFPD is keeping an engine at Squaw Valley on
38 contract. Steve reported that yesterday NTFPD responded to a
39 propane leak on Trapper McNutt. Neighbors could smell the propane
40 for several days prior, but nobody called it in until yesterday. NTFPD
41 crews worked on it yesterday and will continue to work on it today.
42 The house could have blown up. Steve advised that residents dig out
43 tanks and regulators, and make sure snow is not covering furnace
44 vents, and that residents should report smells of propane. Steve said
45 NTFPD anticipates that damage from propane leaks will be found
46 during the spring and summer.
- 47 • **Steve McNamara** said he was happy to reply to questions about
48 NTFPD’s EMS. He also reported that he has been involved in three
49 avalanche responses and wanted to make a point of thanking Buz for

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1 always being available and helpful during such events. He also
2 applauded the Alpine Meadows ski patrol.

- 3 • **Personnel:** NTFPD has lost two personnel, but is gaining 5 new
- 4 academy graduates who will start working on March 17.
- 5 • **Dispatch Calls:** There were 17 calls to dispatch from Alpine
- 6 Meadows, 7 of which were EMS calls from the ski area.
- 7 • **Station Staffing:** The Alpine Meadows fire station was staffed 27
- 8 days during February.

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

10 John Collins, General Manager, provided a written report on his activities
11 during the month of February with discussion on the following topics:

- 12 • **White Wolf:** Manager Collins submitted to Placer County a list of
- 13 impacts that need to be analyzed during the CEQA analysis.
- 14 • **Stanford Chalet:** Manager Collins completed the "Will Serve" letter
- 15 and distributed it to all appropriate parties. The conditions itemized in
- 16 the letter must be satisfied before the District signs the final
- 17 subdivision map. If Alpine Sierra is developed first, it will pay for the
- 18 entire proposed fire engine; projects that precede Alpine Sierra will
- 19 pay prorated amounts toward the purchase of the engine.
- 20 • **2016 Booster Pump Station Replacement Project:** Weather has
- 21 prevented Manager Collins from being able to meet with Stantec to
- 22 discuss schedule and review "pot hole" data for existing utilities. The
- 23 project is scheduled for award in May.
- 24 • **Audit:** Manager Collins prepared the MD&A, Management
- 25 Representations and response to audit findings (see item 3F on
- 26 today's agenda).
- 27 • **Weather:** The District's 500,000-gallon wood water storage tank
- 28 (Tank 4A) is damaged. Staff reported it to Placer County and will file
- 29 a claim to have it replaced.
- 30 • **Mixon Easement:** Manager Collins still awaits a response from
- 31 District Counsel, who has been communicating directly with the
- 32 Mixons.
- 33 • **Other:** Manager Collins spoke with Forest Schafer (regarding advice
- 34 on greenbelt thinning) and Jed Schlanger (regarding employee
- 35 retirement programs).

36 **F. Financial Audit for Fiscal Year 2015-2016:**

37 Ron Ley participated in discussion of this agenda item.

- 38 • Ron reported that Damore, Hamric & Schneider's audit for the District
- 39 resulted in an unmodified clean report. He said a couple of changes
- 40 in standards affect the District. The District's adoption of the
- 41 provisions of two GASB (Governmental Accounting Standards Board)
- 42 statements involves the new pension plan and requires new
- 43 disclosures in financial statements. It affects the reporting on
- 44 investments, but doesn't affect LAIF. This year CalPERS reported
- 45 that it was not going to provide the necessary information but rather
- 46 that the member agencies had to do it themselves. Manager Collins
- 47 contacted Total Compensation Services and they did the OPEB
- 48 calculations for ASCWD. Hopefully, Total Compensation Services

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- 1 can generate the information faster next year since they now have a
2 model in place for the District. Ron apologized for the delay.
- 3 • Ron said the District's OPEB (Other Post-Employment Benefits) Plan
4 liability will go on the District's books in two years. It is disclosed now
5 as a note on the financial statements but not yet reported as a liability.
6 The District currently has \$70K already recorded toward the liability.
7 The impact to the District is shown on page 48 of the report. The
8 District may want to consider funding the full obligation each year to
9 avoid carrying the long-term liability. Ron explained a mechanism for
10 doing so (a CalPERS trust fund). CalPERS has supplied information
11 about the trust and Manager Collins has spoken with managers of two
12 other agencies who are using it. Manager Collins wants to study the
13 options further before making a recommendation to the Board. The
14 District would still have to have actuarial calculations done by an
15 outside agency, but the entity running the trust fund would handle the
16 investment decisions.
 - 17 • The retirement plan has been fully implemented, as described in Note
18 9 starting on page 39. The District has no unfunded liabilities for the
19 retirement plan, nor will it accrue a large liability under CalPERS new
20 plan. The District's contributions are less than they would have been
21 if the District had joined CalPERS old plan.
 - 22 • Ron said there were 6 problems found during their audit, and
23 Manager Collins provided responses to the problems. Mike has
24 already made the journal adjustments shown in the Management
25 Letter Memorandum.
 - 26 • Director Northrop asked if the District could invest in high-yield stocks
27 to increase its income. Ron said two things govern the District's
28 investment strategy: the government code and Board policy. The
29 Board ultimately makes the decision as to how to balance risk vs.
30 interest income. Manager Collins reminded the Board that its policy is
31 to invest only in insured funds, and that high-yield stocks tend not to
32 be insured.
 - 33 • Page 13: the bottom line shows the District's net position. The
34 diminishment of unrestricted funds correlates directly with the
35 increase in Net Investment in Capital Assets.
 - 36 • Ron commented on the fact that the Park always runs at a deficit. He
37 suggested two options for getting rid of the deficit on the books: either
38 combining the Park fund with the General fund, or doing a formal
39 budget inter-fund transfer from General to Park to alleviate the deficit.
40 He said the District could also leave the deficit on the books, as it
41 currently does, with an explanatory footnote.
 - 42 • Ron pointed out the line item on page 18 labeled Deferred Outflows of
43 Resources, which shows where pension funding comes from.
 - 44 • Operating Revenues are up slightly. Ron asked when there would be
45 rate adjustments. Manager Collins said there would be a rate study
46 done this year, so as to implement any necessary rate adjustments
47 over the next few years. There were no new houses built in the past
48 year so there were no new revenues from connections. There are
49 250 unbuilt lots in the valley plus new subdivisions underway.

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- 1 • Ron commented on his company’s report entitled “Agreed-Upon
2 Procedures Applied to Appropriations Limit Schedules”, which checks
3 Manager Collins’ recalculation of the District’s appropriations limit.
4 The auditors found the calculation was done properly.
- 5 • Director Smelser asked if the Net Investment in Capital Assets
6 reported on page 8 included work in progress. Manager Collins said
7 no, it just includes completed projects.
- 8 • Ron said he will provide engagement letters for next year’s audit and
9 appropriations limit verification.

10 Director Northrop made a MOTION that the Board accept the Financial
11 Statements and Independent Auditor’s Report for the Fiscal Years Ended
12 June 30, 2016 and 2015. Director Smelser SECONDED the motion.
13 Directors Northrop, Smelser and York being in favor, the motion was
14 APPROVED.

15 **The Directors took a break between 10:55 and 11:05.**

16 **E. Operations & Maintenance Department Report:**

17 Buz presented his written report for the month of February that included
18 status updates on water, sewer, garbage and other services provided by
19 the District.

- 20 • Maintenance performed: Staff has been digging out from the record
21 snowfall. They dug out and repaired hydrants that were damaged by
22 snow removal equipment; shoveled Tank 1; and had a company come
23 out and shovel Tank 4A.
- 24 • All routine water samples were absent coliform bacteria.
- 25 • Bocce Court: Buz reported on his research into the cost and logistics
26 associated with constructing and maintaining a bocce court in the
27 Park. He said he found prices from courts built in 2014 and raised
28 them an appropriate percentage to come up with an estimated cost for
29 the construction. If a contractor builds a 10’x16’ court, it would cost
30 \$20K; if Staff builds it, the cost would be \$7,500 (i.e., subtracting the
31 manpower cost). A contractor would take 7-14 days, Staff would take
32 more like 3 weeks because they have other ongoing responsibilities.
33 The court would require daily maintenance of 0.5-1 hour to roll it and
34 replenish surface material as necessary. The best location would be
35 in the lower field toward the back fence, in the sun. He recommended
36 keeping it away from the middle so as not to interfere with weddings
37 and soccer, and away from the beach area so there will be less
38 interference from kids. Director York said after snowmelt interested
39 parties from the Park Committee would take a tape measure and
40 figure out the location. They might think about putting up a shade
41 structure next to it. Buz said the project would involve placement of
42 gravel and drainage, and relocation of some sprinklers. Alternatively,
43 the District could construct a grass court, rather than sand, but that
44 would require the purchase of a different mower, which would cost
45 about \$1500. President Grant said the Board would have to approve
46 the expenditure if it goes into next year’s budget. Manager Collins
47 said approval could either be achieved by building the cost into next
48 year’s budget so that it is approved when the budget is approved, or it

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could be approved separately. President Grant said she would put it on the agenda for next month.

G. TTSA Report:

Director Northrop provided written reports for the February 22 and March 8 Regular TTSA Board meetings.

- The plant is operating normally and efficiently.
- All waste water discharge requirements are being met.

The next TTSA Board meeting is scheduled for April 12.

H. SDRMA Election:

President Grant asked if any of the Directors were interested in serving on the SDRMA Board of Directors. There was no interest.

I. CSDA Board of Directors Call for Nominations, Seat C:

President Grant asked if any of the Directors were interested in serving on the CSDA Board of Directors. There was no interest.

J. Portable Alpine Meadows Road Sign:

In response to a complaint from a valley resident, the Directors discussed possible actions to take with respect to the Alpine Meadows ski area's portable sign, currently positioned at the Park entrance driveway. Director Northrop asked if it was in the road right-of-way; Manager Collins said he was not sure, not having heard back yet from the County. Director Smelser said the ski area could always move it onto their own property on the other side of the road. The Directors would prefer that it be moved off District property for next season. Manager Collins said he would tell the ski area they should bring the issue to the Board and would communicate to the resident that the Board discussed the topic and took no immediate action.

K. Committee Reports:

- i. **Budget & Finance Committee:** No meeting.
- ii. **Administration & Personnel Committee:** No meeting.
- iii. **Park, Recreation & Greenbelt Committee:** Director York will start preparing for the Easter Egg Hunt.
- iv. **Long Range Planning Committee:** No meeting.

L. Open Items: None.

M. Correspondence to the Board: None.

4. DIRECTORS' COMMENTS

- The next Board meeting is scheduled to be held at its normal date and time: Friday, April 14, at 9:00 a.m.

5. ADJOURNMENT

There being no further business before the Board, at 11:27 a.m. Director Northrop made a MOTION that the meeting be adjourned. Director York SECONDED the motion. Directors Northrop, Smelser and York being in favor, the motion was APPROVED.

Respectfully Submitted,

Approved 4/14/17 as submitted

Jancis Martin
Recording Secretary