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**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 12, 2004 at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1. **CALL TO ORDER**

President Bass called the meeting to order at 8:30 a.m.

**PLEDGE OF ALLEGIANCE**

Those attending joined in reciting the Pledge of Allegiance.

**ROLL CALL**

**Directors Present:** Tom Bass, President; Barbara Danz, Vice President; Janet S. Grant; Jon Northrop; Tony Stefani

**Directors Absent:** none

**Staff Present:** John Shaw, P.E. of John Shaw Consulting, LLC, District General Manager; Jancis Martin, Recording Secretary

**Guests Present:** Virginia Quinan/Resident, JMA; Peter Graf/AMEA; Chief Duane Whitelaw/NTPFD; Chief Bryce Keller/NTPFD

2. **PUBLIC PARTICIPATION**

Virginia Quinan said that, at the last meeting, there was mention of providing the draft LAFCO MSR excerpt to everyone. Manager Shaw already gave Board Members copies and will provide Virginia with a copy.

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

A. **Financial Report**

- i. **Expenses Paid & Payable – March 9, 2004:** Director Danz made a MOTION that the Board approve the payment of checks 2173 – 2218 in the Check Register. Director Grant seconded the motion. All Directors approved and it was SO ORDERED.
- ii. **Financial Statement – February 29, 2004:** Director Grant requested that Manager Shaw obtain information from Placer County on the status of accounts to include in the Financial Statement. All accounts have been numbered and separated into funds so the report looks different but the changes will make next year's audit easier. Peter Graf requested and received clarification about the cash reserve for re-capitalization.
- iii. **Investment Report – February 29, 2004:** President Bass noted that it was previously requested that the percentage of return be provided for each investment. Director Northrop asked if a Treasurer had been found to work on and improve the return on investments. Director Danz is working on it and would welcome suggestions.

B. **Approval of Minutes: February 13, 2004 Regular Board Meeting**

The minutes were not available for approval.

C. **Resolution 02-04: Volunteer Workers Compensation designation**

SDRMA (the District's workers compensation provider) recommended the Board act on a resolution to specify that the District intends to provide workers compensation for non-employees. There was discussion about whether it was appropriate for the District to provide such compensation, with Director Danz recommending against it. President Bass requested that Manager Shaw obtain legal counsel's opinion on the consequences of the Board NOT approving such a resolution.

D. **Review of Fire Mitigation agreement for the Alpine Sierra Development**

1 Division Chief Bryce Keller presented the approval letter and negotiated  
2 agreement for Board review. In order to provide appropriate fire protection, and  
3 to maintain and improve the District's insurance rating, the North Tahoe Fire  
4 Protection District (NTFPD) has requested that the developer provide an  
5 additional fire engine. Director Stefani expressed his concern about the  
6 developer's decision to use independent building standards, rather than comply  
7 with Valley architectural and development standards. Director Danz requested  
8 and received clarification on language defining the new engine and its equipment  
9 and housing; the engine will reside at the Alpine Meadows fire station. Chief  
10 Keller thought the County approval process would take up to a year and then it  
11 would probably be another year before the engine is built and delivered. The  
12 developer is not to build any above-ground structures until the engine is  
13 delivered. Chief Keller left a copy of the site plan with Manager Shaw. Manager  
14 Shaw recommended that the Board take a position on the Fire Mitigation  
15 Agreement but agreed that there was no urgency for such action. The Board will  
16 hold off on any action until the agreement is finalized.

17 **E. Committee/Department Reports**

- 18 i. **Fire Committee:** Had no meeting.
- 19 ii. **Fire Department Report (Whitelaw):**
- 20 • Chief Whitelaw said the new Self-Contained Breathing Apparatus  
21 (SCBA) packs were in place on the new engine and the engine had  
22 been serviced. He recommended that the District surplus the old  
23 SCBA packs.
  - 24 • The new fire station resident will probably not work out. He has a full-  
25 time job elsewhere and his time commitment with his new employer is  
26 keeping him from his obligations here.
  - 27 • The final emergency road closure plan has been finalized. Copies will  
28 be available shortly.
  - 29 • Federal grant program update: Via the Healthy Forest Restoration Act  
30 of 2003, there will be a significant amount of money available this  
31 coming fiscal year. The NTFPD is working with Tahoe communities to  
32 help implement their community fire planning and threat assessment  
33 processes so they will be ready for the upcoming deadline for grant  
34 submissions. High on the priority list in developing community fire  
35 plans is meeting legislative guidelines. Chief Whitelaw brought  
36 handouts on the legislative guidelines and what community fire plans  
37 should look like, so as to improve chances of obtaining grants. Grant  
38 money can be used on non-federal and private lands. HOAs and  
39 Districts like ASCWD can also apply for funds but need first to put  
40 together a community fire plan. \$660,000 has been earmarked for  
41 Tahoe Basin fire departments to develop their fire plans. In response  
42 to a question from Director Stefani, Chief Whitelaw said that it would  
43 be cost effective for ASCWD to use North Tahoe's fire plan with  
44 appropriate modifications. The Board's Fire Committee will start to  
45 tackle a community fire plan for the District at its next regularly  
46 scheduled meeting (the first Thursday in April).
- 47 iii. **Long Range Planning Committee (Grant):** The Committee met and  
48 refined Policy 8.4.0 (Information Collection, Use and Management) and  
49 will continue to work on it at their next meeting.
- 50 iv. **Park Committee (Bass):**

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- **Recreation Subcommittee:** was created under the Park Committee. The funded events associated with the Subcommittee are Easter Egg, Bird Walk, and Flower Walk. Director Stefani, having experience with all these events, volunteered to be the chair of the Subcommittee.
- **Review and discuss potential ice skating on the Park pond:** The Committee discussed posting a notice for the Park pond with respect to ice safety; they decided to use language provided by the U.S. Coast Guard. However, after Board discussion concerning liability, President Bass sent the issue back to the Committee for further discussion.
- **Review and discuss draft Park Funding Policy 6.4.0:** The Committee’s task was to provide a reasonable definition of the derivation of user fees. The original idea was that user fees should pay for all costs associated with the Park. Unfortunately, the fees do not provide sufficient income to accomplish this goal. So the Committee decided that user fees should be expected to cover operating costs other than labor costs. Director Danz suggested that the fees should pay for all “direct” expenses (i.e., costs, including labor, directly associated with Park expenses, not including administrative overhead such as billing). She proposed amending the Policy as follows: under “Ends”, replace “recovery of expenses” with “to the extent possible recovery of direct expenses”. Director Danz asked if the Committee had evaluated whether it should differentiate between the cost of residents’ and non-residents’ fees. Chief Whitelaw noted that when the Placer County Parks Commission (PCPC) provided startup funding for the District Park, the County required that the District sign an agreement not to differentiate between residents and non-residents with respect to fees. Chief Whitelaw also pointed out that John Ramirez is the appropriate PCPC contact for obtaining possible additional funding for capital projects. President Bass requested that the Policy be returned to Committee.

v. **Personnel Committee:** Had no meeting.

vi. **Budget & Finance Committee:**

- a. **Review and discuss February 29, 2004, Financial Reports:** Because of numbering scheme changes in the chart of accounts, there were some mistakes in the report.
- b. **Review and discuss Financial Audit Report:** The District received the final audit report.
- c. **Review and discuss revised budget for FY 2003-2004:** The District accountant is reformatting the 2003-2004 budget into funds so the auditors can use it to remove the qualified opinion. This work should be done by the end of March.
- d. **Review and discuss proposed budget for FY 2004-2005:** The first draft of the 2004-2005 budget will be presented at the April Committee meeting.
- e. **Review and discuss letters from customers regarding billing issues:** At the last Committee meeting, there was a customer request (from Ridge Development) that the District forego the interest and penalties on his bill. Staff research revealed that staff billing errors were the source of the interest and penalties, so the Committee opted to forego the excess fees.

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f. **Review and discuss unbudgeted expenses:** There were three requests for unbudgeted funds:

- Easter Egg Hunt event: a maximum of \$200. A notice will be placed in the District newsletter and web site, rather than on postcards.
- An additional \$13,270 to the auditors (Damore, Hamric & Schneider) for extra work involved in the audit.
- A maximum of \$5,000 to the auditors to investigate improvements in District accounting services. Their recommendations were that they a) develop a checklist the District accountant can use in the generation of the monthly accounting statements and b) look at improvements in the implementation of the Quickbooks software and data used by the District.

Director Danz made a MOTION that the Board approve the three unbudgeted expenses as listed above. President Bass seconded the motion. All Directors approved and the motion PASSED.

g. **Funding for the next audit:** Director Danz made a MOTION that the Board approve the engagement of Damore, Hamric & Schneider to perform the District's financial audit for the year ending June 30, 2004 at an estimate of \$14,000, which assumes that the District staff provide the auditors with fully reconciled, self-balancing fund trial balances with appropriate support for each account. Director Bass seconded the motion. All Directors approved and the motion PASSED.

h. **Review and discuss bad debt write-off:** At the recommendation of the District's auditor, Director Danz requested that the Board approve the write-off of an ancient debt so as to get it off the books. Its history is murky; it relates to sewer pumps in Bear Creek and appears to be undocumented and uncollectible. Accordingly, Director Danz made a MOTION that the Board write off \$16,949 to bad debt. Director Bass seconded the motion. All Directors approved and it was SO ORDERED.

i. The next Committee meeting is Thursday, April 8, 2004 at 9:15 a.m.

vii. **Administrative Committee (Stefani):**

- a. **Review and discuss draft policy 4.15.0, Public Complaint:** Director Grant proposed the following amendments to the Policy:
- Item 6, line 1: remove "to" (penultimate word)
  - Item 6, line 4: remove the comma following the word "special".
- Director Stefani made a MOTION that the Board approve the amended Policy 4.15.0. Director Northrop seconded the motion. All Directors approved and it was SO ORDERED.
- b. **Review and discuss draft policy 4.16.0, Attendance at Committee Meetings:** Amendments were proposed to change 1a from "Both Director members" to "One Director member" and to include in item 3 the words: "No business shall be conducted without fifty percent of the Committee members present". After further discussion about quorum and attendance requirements,

1 Director Stefani requested that the Policy be returned to the  
2 Committee for further work.

3 viii. **Manager's Report:**

- 4 a. **Placer County Water Agency (PCWA):** The District is applying  
5 for a \$35,000 grant from PCWA this year. A portion of the grant  
6 would go toward a Watershed Management Plan (WMP), which is  
7 a continuation of the Water Conservation Study and Plan project  
8 funded by PCWA last year. Manager Shaw suggested that, since  
9 PCWA has few funds this year and competition for grants will be  
10 keen, PCWA might assign the District grant request a higher  
11 rating if the Board were to support the WMP with funding as well.  
12 The Board will give the matter its attention in April. Manager  
13 Shaw said he expected to hear a response to the grant request in  
14 late July.
- 15 b. **KCRA-TV:** Aired a reportedly negative report on special districts.  
16 Manager Shaw requested that CSDA provide a copy for Board  
17 Member review.
- 18 c. **Chlorination:** When coliform showed up in samples last year,  
19 Staff started chlorinating the water and submitted further samples  
20 for testing, per State protocol. Since errors can occur in the lab,  
21 Staff split the samples and sent them to two labs, partially  
22 because they wanted to check the results of the first lab.  
23 Unfortunately, the first lab (the one being tested) returned  
24 negative results (i.e., no coliform) but the second lab returned  
25 positive results (did detect coliform). After discussions with the  
26 State Health Department, Staff decided that the best policy would  
27 be to continue chlorinating, given that samples were questionable.  
28 Chlorination is not being done at this time.

29 ix. **O&M Department Report:** No discussion.

30 x. **Greenbelt Committee (Stefani):**

- 31 a. **Review and discuss Policy 9.0.0, Greenbelt Committee Policy**  
32 **of Operation:** Director Stefani made a MOTION that the Board  
33 approve Policy 9.0.0. Director Northrop seconded the motion. All  
34 Directors approved and the motion PASSED.
- 35 b. **Review and discuss Policy 9.1.0, Greenbelt Land Acquisition:**  
36 Director Grant suggested the Policy be amended as follows:  
37 replace the entire Ends section with "Land of a greenbelt nature is  
38 considered to be an integral part of the preservation of a mountain  
39 community. Opportunity for additional greenbelt land acquisition  
40 will be considered on a case by case basis." Director Stefani  
41 made a MOTION that the Board approve Policy 9.1.0 as  
42 amended. Director Northrop seconded the motion. All Directors  
43 approved and the motion PASSED.
- 44 c. **Review and discuss Policy 9.2.0, Stewardship:** It was proposed  
45 that the Policy be amended as follows: at the end of the  
46 Introduction, replace "in accordance with District policy" with "in  
47 their natural state". Director Stefani made a MOTION that the  
48 Board approve Policy 9.2.0 as amended. Director Northrop  
49 seconded the motion. All Directors approved and the motion  
50 PASSED.

1           **G.     CORRESPONDENCE TO THE BOARD:**

- 2           i.     **Letter from Paul Chamberlain:** Board needs to be aware of liability  
3           landmines in carrying out its business.  
4           ii.    **Letter from District legal counsel Ann S. Siprelle dated February 6,**  
5           **2004:** Recommendations concerning District policies will be evaluated by  
6           appropriate committees.  
7           iii.   **Letter from District legal counsel Ann S. Siprelle dated February 17,**  
8           **2004:** Director Danz requested that Manager Shaw ask Ann Siprelle from  
9           Best, Best & Krieger to send the Board a copy of the case cited  
10          (Richmond v. Shasta Community Services District, Case No. S105078,  
11          filed February 9, 2004).

12       **4.     DIRECTORS COMMENTS**

- 13       •     Director Northrop: per Dr. Lee at Tahoe Forest Hospital, cases of Relapsing Tick  
14       Fever have been diagnosed in the basin this year, including one case in Alpine  
15       Meadows. Relapsing Tick Fever is similar to Lyme Disease and can be just as  
16       dangerous. Symptoms may include high recurring fever, sore joints, and a rash.  
17       Diagnosis is by blood test. Director Northrop suggested that the District include  
18       information about it in its next newsletter. Manager Shaw will post information about  
19       it on the District web page, too.  
20       •     Director Danz: given to the Directors was the draft section of the LAFCO report that  
21       relates to this District. It has some startling conclusions but also contains helpful  
22       recommendations. Director Danz encouraged the other Directors to read it and  
23       requested that it be discussed at the next Board Meeting. President Bass suggested  
24       that Director Danz pull out the points for consideration and provide them to the Board  
25       Members prior to the next meeting.  
26       •     Director Danz: regarding District counsel Chamberlain's letter about whether we are  
27       required to consider selling water outside the district (his answer is no), if outsiders  
28       come to the District requesting to buy water, we can safely say NO.  
29       •     Next board meeting: April 9, 2004, 8:30 a.m.

30       **5.     ADJOURNMENT**

31       There being no further business before the Board, the meeting was adjourned at 12:15  
32       p.m.  
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36       Respectfully Submitted,  
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40       Jancis Martin  
41       Recording Secretary