

**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, January 9, 2009, 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: Barbara Danz, President (by telephone); Charles Nungester,
7 Vice President; Janet S. Grant; Jon Northrop; Virginia Quinan

8 Directors Absent: None.

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

12 Guests Present: Peter Poe/NTPFD; Mike Hardy/Lumos; Georgia Turner/Lumos

13 **2. PUBLIC PARTICIPATION**

14 None.

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

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

20 **A. Financial Reports:**

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

- 23 • The District received \$303K in property tax revenues, which was more
24 than had been budgeted.
- 25 • Expenses are on track.
- 26 • The District accrued the contractual amount due to NTPFD (\$144K).
- 27 • Mike is still working with the auditors on one audit report issue.
- 28 • Mike sent out final notices to customers with delinquent accounts. In
29 the next couple of months he will send the accounts that remain
30 unpaid to collections. Accounts receivable stands at \$28K right now.
- 31 i. **December 2008 Financial Statements:** Director Northrop made a
32 MOTION that the Board accept the financial statements, dated
33 January 5, 2009, as presented. Director Quinan SECONDED the
34 motion. Directors Grant, Northrop, Nungester and Quinan being in
35 favor, the motion was APPROVED.
- 36 ii. **December Expenses Paid & Payable:** The Directors reviewed the
37 monthly check register. Director Grant made a MOTION that the
38 Board approve the Expenses Paid & Payable (two direct debits for
39 payroll and checks 24106 through 24170). Director Northrop
40 SECONDED the motion. Directors Grant, Northrop, Nungester and
41 Quinan being in favor, the motion was APPROVED.

42 **B. Approval of Minutes of Regular Board Meeting Held on December**
43 **12, 2008:**

44 Director Grant made a MOTION that the Board approve the minutes of
45 the December 12, 2008, Regular Board of Directors Meeting. Director
46 Northrop SECONDED the motion. During discussion, the following
47 corrections were proposed:

- 48 • Page 1, line 37: Replace "\$140K-150K" with "\$14K-15K gross";
- 49 • Page 3, line 10: Replace "Master" with "Manager";

**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, January 9, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

- 1 • Page 7, line 20: Replace “9” with “8”.
- 2 Director Grant AMENDED the motion to include the corrections. Director
- 3 Northrop SECONDED the amended motion. Directors Grant, Northrop,
- 4 Nungester and Quinan being in favor, the amended motion was
- 5 APPROVED.
- 6 **D. General Manager’s Report:**
- 7 John Collins, General Manager, provided a written report on his activities
- 8 during the month of December 2008, with brief discussion on the
- 9 following topics:
- 10 • Well R-1 Modification: Continued to make improvements to Well R-1.
- 11 The SCADA system seems to be working. Resource Development
- 12 and Sierra Controls are still working on a few minor items. Manager
- 13 Collins will retain 10% of the contractor’s fee (about \$42,000) until all
- 14 work is complete. The contract should come in about \$56K less than
- 15 the total approved by the Board.
- 16 • Sierra Nevada Conservancy Grant: Manager Collins received notice
- 17 to suspend work on the grant, effective December 17, 2008. SNC
- 18 explained that they were told to conserve cash, due to the current
- 19 uncertain financial conditions within the State of California. The
- 20 District did receive its second grant payment from SNC. He provided
- 21 to the Board a list of outstanding grant payables.
- 22 • Vehicle Maintenance Building: Manager Collins is still awaiting a letter
- 23 from Placer County Environmental Health with information on how to
- 24 proceed with the contaminated soil at the site of the proposed building
- 25 addition. The District’s consultant spoke with Environmental Health
- 26 and was told the department was still holding internal discussions.
- 27 Manager Collins was told verbally that the District needed to perform
- 28 a risk assessment and remove all excavated soil. The District’s
- 29 consultant does not see the need for a risk assessment since the
- 30 material in question is not volatile.
- 31 **C. Fire Department Report:**
- 32 Peter Poe from NTFPD reported the following:
- 33 • December 2008 Dispatch Report: Most dispatches (10 of 17) were
- 34 transports for ski accidents. The carbon monoxide incident involved
- 35 testing a residential alarm.
- 36 • Fire Station Staffing: The extra staffing worked out well over the
- 37 holidays (Christmas through January 5).
- 38 **F. Operations & Maintenance Department Report:**
- 39 Buz Bancroft presented a written report for the month of December that
- 40 included status updates on water, sewer, garbage and other services
- 41 provided by the District.
- 42 • A lot of water was used last month, due to the high number of people
- 43 in residence over the holidays. Some of the high water usage was
- 44 due to leaks from frozen pipes.
- 45 • There were several callouts during Christmas week for frozen or
- 46 broken pipes throughout the valley.
- 47 • Staff removed snow from the office and shop areas and fire hydrants.
- 48 • Staff serviced various control valves throughout the District while the
- 49 weather was still good.

**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, January 9, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

- Bushwackers tree service thinned dead and dying trees on the hillside adjacent to the Park and behind the fire house. The expense for this work was budgeted and will contribute to the District's in-kind commitment to the SNC grant.
- Wells R-1 and R-2 were fine-tuned to operate in snowmaking mode.
- All water samples were negative for coliform bacteria.
- Director Quinan reported on a current article in the Sierra Sun about the Donner Summit district, which had a fine of \$50K levied against it for problems having to do with nitrate and ammonia in its treatment plant.

G. TTSA Report:

There has been no TTSA Board meeting since the last ASCWD Board meeting. The next TTSA Board meeting is scheduled for January 14, at 9:00 a.m.

H. Committee Reports:

- i. **Budget & Finance Committee:** President Danz presented a written report of the Committee's January 8 meeting:
 - a. **Non-standard Transactions:** The Committee discussed the repercussions of the suspension and possible termination of the Sierra Nevada Conservancy grant, with respect to how to pay vendors and account for any losses. The Committee recommends that all vendors - other than NTFPD, ASCWD and David Jaramillo - be paid the full amount for their services, including the 10% retention amounts. ASCWD would then carry on its books a receivable from SNC for the amounts paid to the vendors in advance of receipt of SNC funds and for the 10% retention. ASCWD would also carry a receivable for the time incurred by District staff on the grant. It is probable that at the end of the fiscal year, the receivable will be written off as an unpaid debt.
 - b. **Investments/cash:** Seven CDs, totaling \$600,000, will mature later this month. Per Manager Collins' suggestion, the Committee recommends that the CDs be rolled over as follows:
 - two CDs - for \$95,000 each – be invested in three-month CDs;
 - two CDs – for \$95,000 each – be invested in six-month CDs;
 - three CDs – one for \$30,000 and two for \$95,000 – be invested in nine-month CDs.Director Quinan made a MOTION that the Board authorize Manager Collins to reinvest the seven CDs per the Committee's recommendation. Director Northrop SECONDED the motion. Directors Grant, Northrop and Quinan being in favor, the motion was APPROVED.
 - c. **Draft of Management Discussion & Analysis section of audit:** The Committee discussed the draft Management Discussion & Analysis to be included in the final audit report. Nancy Boling will fax Manager Collins some minor changes. The auditors will attend the February Board meeting to discuss their final report.
 - d. **Requests from customers for adjustments to their bills:** None.

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, January 9, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1 e. **Requests for unbudgeted expenses:** The Committee
2 recommended approval of the unbudgeted expenditure of \$120.00
3 to Foundation for Cross-Connection Control and Hydraulic
4 Research for a water purveyor membership. Director Northrop
5 made a MOTION that the Board approve the unbudgeted
6 expense. Director Grant SECONDED the motion. Directors
7 Grant, Northrop, and Quinan being in favor, the motion was
8 APPROVED.

9 f. **Next meeting:** Scheduled for Thursday, February 12, at 1:30 p.m.

10 ii. **Long Range Planning Committee:** There was no meeting.

11 iii. **Park, Recreation & Greenbelt Committee:** There was no meeting.

12 iv. **Administration & Personnel Committee:** There was no meeting.

13 **E. Fire Flow Feasibility Study:**

14 The Board discussed the Lumos Fire Flow Feasibility Study. Mike Hardy
15 and Georgia Turner attended for Lumos and participated in the
16 discussion.

- 17 • The improvement of fire flow on Juniper Mountain is an item on the
18 District's Long Range Plan. The District engaged Lumos to perform a
19 feasibility study. Based on the Long Range Plan prepared by Lumos
20 and approved by the Board, the Long Range Planning Committee and
21 the Board believed the extent of the work involved would be the
22 purchase and installation of a pump and budgeted accordingly (\$37K).
23 However, the Lumos fire flow feasibility study showed that the four
24 options to improve fire flow would cost between \$735,726 and
25 \$956,851, with Lumos recommending the most expensive option.
- 26 • Georgia said the high cost of the options was due to fire code
27 changes, in particular a new requirement that, for unsprinklered
28 homes greater than 3,600 square feet, 1,750 gallons per minute be
29 available for 120 minutes, with a residual pressure of no less than 20
30 pounds psi in the distribution system. All options would require the
31 replacement of pipes and, in the case of the recommended option, the
32 provision of a tank for greater water storage.
- 33 • President Danz said she was not prepared to ask District customers
34 for a rate increase at this point to fund the project. She also
35 expressed concern about the recession and the probable reduction of
36 future property tax revenues. She does not see how a district like
37 ASCWD can afford such an expensive project. Vice President
38 Nungester and President Danz agreed that the issue should go back
39 to the Long Range Planning Committee for review and a
40 recommendation to the Board on how to proceed.
- 41 • Vice President Nungester asked if a less expensive option existed
42 which would satisfy the fire code. Mike said there was an existing
43 waiver, allowing the District to operate with 500 gpm fire flow, rather
44 than the 1,000 gpm required by the old fire code. NTFPD was well
45 aware that ASCWD could not meet the old fire code. Mike said
46 Lumos could design for any flow the District wants. He suggested
47 there might be liability to the District for not providing sufficient fire
48 flow. President Danz did not agree with Mike's conclusion.

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, January 9, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

- 1 • Manager Collins said an option might be to sprinkler the houses at the
2 top of Juniper Mountain and potentially throughout the valley (there
3 are seven unsprinklered houses larger than 3,600 square feet), which
4 would reduce the fire flow requirement in the water system. Manager
5 Collins also pointed out that new large homes require not only
6 sprinklering but also that a fire hydrant capable of producing adequate
7 fire flow be located within 500 or 1,000 feet. He said he did not think
8 anyone would be able to build a large home on Juniper Mountain until
9 higher water pressures are available.
- 10 • President Danz said the Long Range Planning Committee needed to
11 work with Lumos and possibly the Bear Creek Planning Commission
12 and the Placer County Building Department on how to address the
13 problem. Vice President Nungester asked Manager Collins to talk
14 with NTFPD and Placer County about waivers and sprinklering. A
15 couple of inexpensive solutions might be 1) to restrict building and 2)
16 to require retrofitting of sprinklers for houses over a certain size.
17 Director Northrop said if a tank were put on the ridge, it would solve
18 the problem.
- 19 • Director Grant said the best thing to do might be to do nothing, since
20 any move toward improving the water system might negate the waiver
21 that currently allows the District to operate with 500 gpm fire flow.
22 Director Northrop said the fire safe activities in the valley should
23 prevent fires, and that education and prevention are the most
24 important things.
- 25 • President Danz could not participate in the meeting beyond this time.
26 Before she hung up, she recommended that the Board think about all
27 the parties that needed to be involved and that, at next month's Board
28 meeting, the Directors determine the list of necessary parties, which
29 should include District legal counsel. She requested that Manager
30 Collins email her after the meeting with a summary of the discussion
31 after she hangs up.
- 32 • Mike said his conversations with NTFPD indicated that they were
33 aware that ASCWD's fire flow was out of compliance but not that
34 anything needed to be done about it.
- 35 • Director Quinan requested confirmation that each of the alternatives
36 required upsizing the main water line. Georgia said yes, all options
37 provided for larger pipes to the upper two streets and would require
38 that the road surface - which was just replaced - be dug up again.
- 39 • Manager Collins will contact parties who will need to be involved with
40 future discussions about the Juniper Mountain fire flow.
- 41 • Director Grant asked if the recommended solution would solve fire
42 flow deficiencies for the whole valley. Georgia said the new tank
43 would help all of zone 3 and potentially the lower zones, and would
44 provide necessary additional storage, as well. Manager Collins said
45 the California Department of Health Services just adopted some new
46 design requirements, with the intention that districts be required to
47 have adequate storage in every other (i.e., alternating) pressure zone.
48 So the issue of adequate storage will come up sometime in the future.

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, January 9, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

- 1 • Director Quinan asked if the District could legally require homes to be
2 sprinklered. Vice President Nungester said the issue was discussed
3 by BCPC, whose concern was whether or not the requiring entity
4 would be responsible for any water damage resulting from
5 deployment of the sprinklers. Director Quinan said BCPC is having
6 an insurance problem and that everyone has resigned from the
7 organization.
- 8 • Director Quinan asked who owned the land where the proposed tank
9 would be placed. Georgia said it appears to be District property.
10 Mike Hardy said the proposed tank would provide necessary storage
11 to address peak water usage during the summer.
- 12 • Vice President Nungester asked if Mike or Georgia could attend the
13 February or March Board meeting to represent Lumos, if necessary.
14 They said yes.
- 15 • Director Northrop said the document showed several homes in
16 Juniper Hills. Georgia said it was an error.
- 17 • Director Grant asked how far up the hill water was available. Buz said
18 under normal conditions the pressure is 20 gpm at the top of the hill.
19 Georgia said that under fire-fighting conditions, there is not enough
20 pressure to get water to the top of the hill. There is probably enough
21 pressure to get water to about where the booster pump station is
22 located. Beyond that point, there would just be air in the lines.
- 23 • Manager Collins said the recommended work would take care of
24 storage and zone issues, in addition to providing fire flow
25 improvements. He suggested the Board look at rates to see what
26 they should be to fund the program, look at legal issues, determine
27 what the requirements really are, figure out how the improvements
28 could be funded and how the project could be broken up into smaller,
29 more affordable (\$200K) work projects, implemented over several
30 years.
- 31 • Director Northrop thought there might be federal grants available to
32 fund capital improvements. Mike said he knows California is broke
33 but that the proposed federal economic stimulus package contains
34 allocations for upgrades to public infrastructure. Nevada has
35 submitted a list of \$96 million worth of water and sewer projects to
36 Washington DC; it is a list of non-compliance issues that need to be
37 fixed within the next 3-6 months. Manager Collins said that the State
38 of California has a similar revolving fund list, that the District is not on
39 the list, and that the fire flow improvement project would not be
40 designed and ready to go to bid in 3-6 months, as would be necessary
41 for it to qualify for stimulus funds.
- 42 • Manager Collins said there are a lot of districts in the Tahoe basin
43 which cannot provide sufficient fire flow; NTFPD is trying to obtain
44 funding to address these fire flow improvements within the basin.
- 45 • Vice President Nungester said the most expensive option does not
46 have pumps to be maintained, would not involve paying for electricity
47 to power pumps, would provide more storage capacity, would
48 therefore seem to be the best recommendation, but more discussion
49 has to occur before the Board can decide how to proceed.

**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, January 9, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

- 1 • Director Quinan asked about the comparative costs to the customers
2 posed by the various options. Georgia said, although the most
3 expensive option (alternative 4) would cost more upfront, it would not
4 represent any greater cost to customers over the years, since it does
5 not require ongoing electrical expense.
- 6 • Vice President Nungester asked Director Grant to stay in touch with
7 Manager Collins over the next month. Next month's meeting will
8 probably focus on the audit so the Board will probably re-address the
9 fire flow issue in March.
- 10 • Director Northrop and Vice President Nungester thanked Georgia and
11 Mike for the report and a job well done.
- 12 • Manager Collins summarized that the Board needs to understand:
 - 13 ○ the implications of all the options;
 - 14 ○ NTFPD's actual requirement for fire flow in the valley;
 - 15 ○ requirements of the Department of Health Services;
 - 16 ○ if the current waiver allowing the District to maintain a lower fire
17 flow than stipulated by the fire code means the District is not
18 legally required to improve its fire flow;
 - 19 ○ the District's liability;
 - 20 ○ how the required flow will drive the design of already identified
21 future projects, as well as repairs to failing infrastructures.
- 22 • Director Grant said the Board must be confident that each step done
23 now is the right step in the right direction.
- 24 • Manager Collins will talk to NTFPD and DHS to determine the actual
25 fire flow requirement for ASCWD.
- 26 • There was discussion about whether fires should be fought by
27 tankers, rather than ASCWD implementing improved fire flow.

28 **I. Open Items:**

29 None.

30 **J. Correspondence to the Board:**

31 None.

32 **4. DIRECTORS' COMMENTS**

- 33 • The next Board meeting is scheduled for February 13, at 8:30 a.m.
- 34 • At President Danz's request, the March Board meeting will be held on its
35 scheduled date but at a later time: 11:00 a.m. on March 13.

36 **5. CLOSED SESSION**

37 None.

38 **6. ADJOURNMENT**

39 There being no further business before the Board, the meeting was adjourned at
40 10:15 a.m.

41
42 Respectfully Submitted,

approved as submitted 2/13/09

43
44
45
46
47 Jancis Martin
48 Recording Secretary