

**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 Tuesday, August 18, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1 **1. 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; Charles Nungester, Vice President;
7 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); Jancis Martin, Recording Secretary; Pam Zinn, Office Manager

11 Guests Present: Pat Davison/CATT; Duane Whitelaw/NTFPD; Dave
12 Ruben/NTFPD; Pam Raynak/Holdrege & Kull

13 **2. PUBLIC PARTICIPATION**

14 Pat Davison said she was pleased by the appointment of Bob Johnston, a
15 Truckee resident and member of the Truckee Planning Commission, to the Sierra
16 Nevada Conservancy Board. She felt his participation on the SNC Board was
17 good news for ASCWD.

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

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

23 **A. Financial Reports:**

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

- 26 • The Budget & Finance Committee identified two budget categories –
27 Insurance-Administration and Garbage Services - that need to have
28 their annual budget amortized across all months, rather than as
29 annual and quarterly expenses, respectively.
- 30 • District revenue is tracking close to budget. Collections are somewhat
31 down from the prior year, probably due to the economy. Mike will
32 send out delinquent notices this week to more than 100 customers.
- 33 • President Danz said the July 31 financial statements included two
34 posting errors: 1) \$937 in fire mitigation fees was posted to Other
35 Revenue, rather than to Fire Mitigation Fees; and 2) the cost of the
36 new gate system for the Park was posted to Office Expense, rather
37 than as a capital expenditure for Park.
- 38 • President Danz also pointed out that the balance sheets by fund, as of
39 June 30, 2009, were not in balance because inter-fund transfers have
40 not been posted.
- 41 • Director Quinan asked what the total amount paid to NTFPD was last
42 year; President Danz responded that it was \$360K.
- 43 • In response to a question from Director Grant, Mike said the total
44 Accounts Payable figure in his narrative should be \$36,000, rather
45 than \$36,205.

- 46 i. **July Financial Statements:** Director Nungester made a MOTION
47 that the Board accept the July 31, 2009, month-end financial reports.
48 Director Northrop SECONDED the motion. Directors Grant, Northrop,
49 Nungester and Quinan being in favor, the motion was APPROVED.

**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 Tuesday, August 18, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

- 1 ii. **June Financial Statements:** Director Northrop made a MOTION that
2 the Board accept the June 30, 2009, year-end financial reports.
3 Director Nungester SECONDED the motion. Directors Grant,
4 Northrop, Nungester and Quinan being in favor, the motion was
5 APPROVED. President Danz noted that the reports are not yet
6 finalized.
- 7 iii. **July Expenses Paid & Payable:** The Directors reviewed the monthly
8 check register. Director Northrop made a MOTION that the Board
9 approve the Expenses Paid & Payable (two direct debits for payroll
10 and checks 24485 through 24547). Director Quinan SECONDED the
11 motion. Directors Grant, Northrop, Nungester and Quinan being in
12 favor, the motion was APPROVED.
- 13 iv. As noted above, two 2009-2010 budget items had the correct dollar
14 amounts but had not been amortized correctly. Because the budget
15 was already approved, the Committee recommends the Board
16 approve a revised budget with the amounts spread equally over 12
17 months, so it will be easier to review the budget vs. actual reports
18 through the year. President Danz cited the pertinent portion of the
19 Budget & Finance Committee report: "Since these budget errors do
20 not alter the annual budget in the two accounts and since the errors
21 will be reflected in each month's financial statements, the Committee
22 recommends that the Board approve a revised budget". Director
23 Northrop made a MOTION that the Board approve a revised 2009-
24 2010 budget as follows: 1) Insurance-Administration: \$19,980 annual
25 expense to be amortized across 12 months (\$1,665 per month)
26 allocated to the following funds on an equal basis, i.e., 25% to each –
27 Garbage, Park, Water, Sewer; 2) Garbage Services: \$110,001 annual
28 expense to be amortized across 12 months allocated exclusively to
29 the Garbage Fund. Director Quinan SECONDED the motion.
30 Directors Grant, Northrop, Nungester and Quinan being in favor, the
31 motion was APPROVED.

32 **B. Approval of Minutes of Regular Board Meeting Held on July 10,**
33 **2009:**

34 Director Northrop made a MOTION that the Board approve the minutes of
35 the July 10, 2009, Regular Board of Directors Meeting. Director
36 Nungester SECONDED the motion. Directors Grant, Northrop,
37 Nungester and Quinan being in favor, the motion was APPROVED.

38 **E. General Manager's Report:**

39 Pam Raynak from Holdrege & Kull participated in discussion of this
40 agenda item (see third paragraph). John Collins, General Manager,
41 provided a written report on his activities during the month of July, with
42 brief discussion on the following topics:

- 43 • Sierra Nevada Conservancy Grant: He received notice that the
44 District's third pay request had been approved and forwarded for
45 payment. The District has not received notice to resume work.
- 46 • MA19-MA20 Sewer Line Evaluation: He requested and received two
47 geotechnical engineering proposals. Staff is reviewing the proposed
48 scope of services.

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 Tuesday, August 18, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

- 1 • Vehicle Maintenance Building Expansion: The soil vapor field work is
2 completed and the final report submitted to Placer County. The
3 summary and conclusions are: 1) soil vapors do not pose an
4 unacceptable risk to human health for on-site workers; 2) the
5 concentrations of diesel range organics and motor oil range organics
6 are primarily caused by the presence of asphalt pieces; 3) as
7 previously reported in the geotechnical engineering
8 recommendations, the upper four feet of fill material should be
9 excavated and recompacted as engineered fill; and 4) Holdrege & Kull
10 should provide oversight during the removal of fill in the area of the
11 proposed building addition to observe the physical condition of the fill
12 material. If obvious signs of soil staining and odors are found during
13 fill removal, the material will be segregated for additional
14 characterization. Pam Raynak, from Holdrege & Kull, reported that
15 she has spoken with West Bourgault from the Placer County Health
16 Department, who told her the County has written a letter approving
17 the work plan, but it has not yet been received by the District.
- 18 • Reduced Water Consumption: Manager Collins researched water
19 usage for fiscal year 2009, budget versus actual, to determine the
20 cause of the significantly reduced water consumption reported last
21 month. He reported that 35,085,000 gallons were consumed in 2008-
22 2009, while 57,267,000 gallons were consumed in 2007-2008. The
23 biggest reduction was by the highest-usage customers, whereas the
24 lowest-usage customers actually increased their consumption.
25 President Danz suggested the reduced water usage might be due to
26 the early closure of the ski resort.
- 27 • Audit: David Kasperik, one of the District's auditors, was in the office,
28 doing preliminary field work for the audit. The audit itself is scheduled
29 for the week of September 14.
- 30 • Easements: Webb Land Surveying is continuing to prepare easement
31 documents. They will deliver about 14 this month and maybe the rest
32 by the end of the month. Manager Collins will start working on
33 sending out the corresponding letters to the affected customers.
- 34 • Sewer System Management Plan: He received a draft plan from
35 Holmes International and distributed it to Staff for review.
- 36 • Snowmaking Revenues: He updated the snowmaking revenue report
37 for the Budget & Finance Committee. Director Grant asked if the
38 snowmaking contract were paid off, would the ski resort become a
39 regular customer, paying at regular customer rates. President Danz
40 said the contract was unclear. Director Grant felt that it would be
41 preferable for the ski resort to become a regular customer, rather than
42 paying different rates.
- 43 • Budget: He reviewed the allocation of expenses by fund for the
44 Budget & Finance Committee.
- 45 • New Park Computer: Director Grant asked how the new computer
46 worked. Pam Zinn reported that the new system was working as it
47 should. People pass a card in front of the reader, the gate opens for a
48 minute and a half, and an alarm goes off if the gate is not shut. A
49 homeowner reported that there were significantly fewer people in the

**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 Tuesday, August 18, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1 Park since the system was installed, so the system seems to be
2 working. The system cannot identify who left the gate propped open
3 when leaving the Park. Director Nungester asked if the alarm could
4 be turned off for large events; Pam said no.

5 **F. Soil Vapor Survey and Risk Assessment:**

6 The Board discussed the results of the Holdrege & Kull soil vapor survey
7 and risk assessment at the site where the proposed Vehicle Maintenance
8 Building addition is to be erected. Pam Raynak, of Holdrege & Kull, was
9 in attendance for the discussion:

- 10 • Pam Raynak spoke with West Bourgault, the case officer at Placer
11 County Health, on Thursday. The County accepts the results of the
12 soil vapor study and agrees that Holdrege & Kull should act as
13 supervisors for the soil excavation. She will take a stock sample,
14 check it and, if it is okay, put it back in the hole.
- 15 • Manager Collins said Holdrege & Kull's proposal is to prepare a work
16 plan to submit to the County. The County has to approve it before the
17 contractor can proceed with preparing the soil for the building.
18 Holdrege & Kull will prepare a final letter report when the work is
19 complete. The County requires that the work plan and the letter report
20 be in writing. In discussion, the Board decided that it would only pay
21 for the standard (lower) cost for 10-day turnaround for lab testing of
22 the stockpile sample vs. the proposal's recommendation for 24-hour
23 turnaround, at double the cost (a \$60 surcharge). Chief Whitelaw said
24 that NTFPD would pay the surcharge amount. Also, Pam Raynak
25 expressed concern that requiring Board approval for any changes to
26 the scope of the proposal might become cumbersome if the County
27 requires testing of additional samples during the excavation.
28 President Danz suggested that the Board approve two additional
29 tests, with the District paying 10-day rates and NTFPD paying the
30 surcharge.

31 Director Northrop made a MOTION that the Board approve the Holdrege
32 & Kull proposal to provide oversight and sampling during the excavation,
33 at a cost for time and materials not to exceed \$4,800, with three
34 modifications: 1) no additional work will be performed without Board
35 approval with the exception of two samples potentially being taken during
36 the excavation, for which ASCWD will pay \$60 each for the 10-day
37 turnaround and NTFPD will pay the overage charge of \$60 if they want
38 24-hour turnaround; 2) testing of the stockpile sample will be done on a
39 24-hour turnaround but NTFPD will pay the additional \$60 cost; 3) the
40 District will have 45 days, rather than 30 days, to pay the Holdrege & Kull
41 invoices. Director Quinan SECONDED the motion. In discussion,
42 Director Grant asked why the proposal cost so much; Pam said she did
43 not consider it expensive. Directors Grant, Northrop, Nungester and
44 Quinan being in favor, the motion was APPROVED.

45 **D. Resolution 5-2009: Capital Facilities and Fire Mitigation Fee**
46 **Expenditure Plan:**

47 At 9:10 a.m., President Danz opened the public hearing to discuss
48 adoption of the District's Capital Facilities and Fire Mitigation Fee
49 Expenditure Plan for fiscal year 2009-2010. Pat Davison, Executive

**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 Tuesday, August 18, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1 Director of the Contractors Association of Truckee Tahoe, was in
2 attendance for this agenda item, as were Chief Whitelaw and Dave
3 Ruben.

- 4 • Dave Ruben said the document under consideration was the annual
5 update required by law. He drew the Board's attention to the
6 spreadsheet on page 4, showing budgeted and actual revenues and
7 expenditures under the Plan. When he drafted the budget, he had not
8 anticipated spending money in 2010 on the storage building, so the
9 budget shows \$0 budgeted. However, since the construction has
10 been delayed. Dave proposes budgeting \$10,400 in 2010 for the
11 storage building, in addition to the \$1,000 planned for ADA
12 modifications to the fire station. He will adjust the rest of the
13 spreadsheet accordingly and forward the Plan to the County, if the
14 Board approves it today.
- 15 • On Page 3 of the Plan, the mitigation fee schedule shows that fees
16 will be reduced by one cent next year, reflecting the drop in the
17 Construction Cost Index.
- 18 • Dave also noted that NTFPD and ASCWD are updating the Plan a
19 little earlier this year than last year, because of the long legislative
20 approval process.
- 21 • President Danz requested that Dave make the following change: on
22 page 3, first paragraph, second sentence, replace "will begin
23 adjusting" with "will adjust".
- 24 • Pat Davison commented that 1) the growth rate has decreased and
25 she thanked the Board for the fee reduction; 2) the District's budget
26 for 2009-2010 shows an estimated \$11K in mitigation fees, where the
27 Plan shows \$8K; and 3) because construction is so slow, ASCWD will
28 save money if they were to go forward with the ADA work on the fire
29 station this year.

30 At 9:20 a.m., President Danz closed the public hearing. Director Grant
31 made a MOTION that the Board approve Resolution 5-2009, adopting the
32 Capital Facilities and Fire Mitigation Fee Expenditure Plan, with the noted
33 changes: 1) budget \$10,400 for the storage building in 2009-2010 and
34 adjust the rest of the budget accordingly, and 2) on page 3, first
35 paragraph, second sentence, replace "will begin adjusting" with "will
36 adjust". Director Northrop SECONDED the motion. Roll was called to
37 approve the Resolution. Ayes: Directors Grant, Northrop, Nungester,
38 Quinan and President Danz. Nays: none. The Resolution was
39 APPROVED.

40 **C. Fire Department Report:**

41 Chief Whitelaw from NTFPD reported the following:

- 42 • July Dispatch Report: There were not a lot of calls: a cancellation en
43 route, a few malfunctions and unintentional alarms, and three EMS
44 calls.
- 45 • Alpine Meadows Fire Station Staffing: NTFPD has staffed the station
46 about 20 days since July 1, continuing the Friday/Saturday/Sunday
47 schedule, with occasional middle-of-the-week staffing.

**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 Tuesday, August 18, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

- Vehicle Maintenance Building Addition: Chief Whitelaw said he was anxious for the addition's completion. So far, there has been a one-year delay.
- All-Valley Meeting: John Moise invited NTFPD to speak at the meeting.
- New Dispatch Center: The system in Grass Valley is working well. Chief Whitelaw commented on the importance of NTFPD's good relationship with Squaw Valley Fire and the value of the agencies' reciprocal responses, especially to residents of the valley.
- Burn Kids Barbecue: Chief Whitelaw thanked the District for allowing NTFPD to use the Park for its annual barbecue for children who have suffered burn injuries. He said it has been a successful program over the years and the helicopter landing is especially popular with the children.
- Fuels Reduction near the Stables: The project took about three days to complete. Director Quinan said it was a great effort.
- Chipping Services: There has been no change since last month. State funds remain unavailable for Alpine Meadows, so NTFPD is doing chipping on a fee basis. Chief Whitelaw hopes funding will become available so he can provide free chipping next summer.
- State Budget: The State has passed its budget, which includes the provision for the State to take 8% of property tax revenues from districts, based on what was collected in the prior fiscal year. The State is required to repay the funds they borrow within three years. Chief Whitelaw explained the securitized funding mechanism, which provides the opportunity for local agencies to try to recover their funds through a borrowing pool; in a few weeks, information will be available that explains how it works. Chief Whitelaw is skeptical about a couple of points in the plan: 1) If the State has the ability to repay the loans, why not use those funds in the first place? and 2) The State's bond rating is poor and nobody expects that the economy will be any better next year, so it is not likely that the State will be able to sell bonds to fund repayment of the loans. NTFPD will look into the securitization option. Chief Whitelaw suggested that the reduction of property tax revenues in fiscal year 2010 might affect the services contract between ASCWD and NTFPD if the contract amount declines by 5% or more. President Danz said she did not expect the amount paid by ASCWD to NTFPD would drop below the amount paid last year, even if ASCWD were to lose 8% of its property tax revenues since ASCWD paid NTFPD a fixed amount in fiscal year 2009 (\$360,000), which was not dependent on the amount of property tax revenues. She commented that the District is happy with its relationship with NTFPD and with the level of service provided.

G. Revisions to Contracts Regarding Addition to the Vehicle Maintenance Building:

Manager Collins said ASCWD has to approve the change order for the construction contract, but NTFPD will pay for it. NTFPD has already approved the change order. Director Northrop made a MOTION that the Board approve Change Order No. 001 from the Michael Horn Company in

**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 Tuesday, August 18, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1 the amount of \$9,300 to perform the scope of services set out in the
2 change order. Director Nungester SECONDED the motion. Directors
3 Grant, Northrop, Nungester and Quinan being in favor, the motion was
4 APPROVED.

5 **H. Operations & Maintenance Department Report:**

6 Manager Collins presented Buz's written report for the month of July that
7 included status updates on water, sewer, garbage and other services
8 provided by the District.

- 9 • Staff assisted with the installation of the new Awaxx system (the new
10 Park computer).
- 11 • Staff completed replacing all the pressure regulators with pipe spools
12 at the Alpine Meadows Condos, inspected all springs and water tanks,
13 maintained Park and District grounds, and replaced two meter yokes
14 in the Bear Creek subdivision.
- 15 • Well R-1 water is being used for the month of August, as had been
16 expected. Director Grant asked Manager Collins what the additional
17 utility cost associated with the testing and operation of Well R-1 will
18 be. Manager Collins said he would get the numbers for her.
- 19 • A resident told Director Grant he wants to help with the District's
20 drilling needs. The Board agreed that Manager Collins could keep the
21 man's name on file at the office.

22 **I. TTSA Report:**

23 Director Northrop provided a written report on items of interest to ASCWD
24 from the August 12 TTSA Board meeting.

- 25 • The plant is operating normally and efficiently.
 - 26 • All waste water discharge requirements are being met.
- 27 The next TTSA Board meeting is scheduled for September 9.

28 **J. CSDA 2009 Board Elections:**

29 Director Grant made a MOTION that the Board vote for Noelle Mattock as
30 the Region Two, Seat A, candidate for the CSDA Board of Directors.
31 Director Northrop SECONDED the motion. Directors Grant, Northrop,
32 Nungester and Quinan being in favor, the motion was APPROVED.

33 **K. Committee Reports:**

- 34 i. **Budget & Finance Committee:** President Danz presented a written
35 report of the Committee's August 17 meeting.
 - 36 a. **Non-standard Transactions:** The Committee discussed issues
37 raised by the auditors regarding snow-making revenue, grant
38 revenue and receivables, and quarterly balance sheets. Mike will
39 enter transactions for snow-making revenue this month. He has
40 now received all billings for the Sierra Nevada Conservancy grant
41 and will enter the transactions as required by the District's policy.
42 Quarterly balance sheets will show inter-fund transactions, which
43 Mike previously recorded at year-end only.
 - 44 b. **Correction of Error in Garbage Billing:** Mike used an outdated
45 garbage rate found on the District's website, so the July 1 billings
46 undercharged all customers by \$9.48 each. Rather than send out
47 new bills now or have the District absorb the difference, the
48 Budget & Finance Committee recommends that the District bill the
49 \$9.48 as a separate line item on the 2011 bill. Director Nungester

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 Tuesday, August 18, 2009, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

- 1 said maybe the District should absorb the difference. Director
2 Quinan asked for the rationale in raising garbage rates from \$10
3 to \$100. President Danz said the reasons are: 1) property tax
4 revenues that used to subsidize the cost of providing garbage
5 services are now only funding Fire and Park; 2) expenses are now
6 allocated to all funds and charged according to the allocation; and
7 3) there is considerable expense associated with administering
8 and cleaning up the dumpsters and disposing of illegally deposited
9 hazardous materials.
- 10 c. **Investments/cash:** Two CDs, each for \$95K, matured in early
11 August. The interest rate at LAIF is still a little higher than CD
12 interest rates; however, the Committee nonetheless recommends
13 that some of the District's cash be placed in CDs. Per the
14 Committee's recommendation, Director Quinan made a MOTION
15 that the District purchase three \$95K CDs to mature in six months,
16 nine months and twelve months, with expected interest rates
17 between 0.9% and 1.2%. Director Northrop SECONDED the
18 motion. Directors Grant, Northrop, Nungester and Quinan being
19 in favor, the motion was APPROVED.
- 20 d. **Allocations of Expenses and Revenues by Fund:** Manager
21 Collins researched the allocations of expense and revenue by
22 fund. The Committee agreed upon changes to the allocations and
23 provided a summary to the Board with the changes to become
24 effective with the fiscal year 2011 budget. Director Northrop made
25 a MOTION that the Board approve the allocation changes listed
26 on the attachment for the fiscal year 2011 budget. Director
27 Nungester SECONDED the motion. Directors Grant, Northrop,
28 Nungester and Quinan being in favor, the motion was
29 APPROVED.
- 30 e. **Snow-making Wells Revenues and Debt:** At the current
31 repayment rate, the wells will not be paid off for 25-45 years.
32 Since the rumor is that the ski resort owners are not doing well
33 financially, this might be a good time to approach them to see if
34 they would be interested in having the District pay off the
35 remaining debt now in exchange for a long-term increase in the
36 water rate. The contract says nothing about paying off the wells
37 early. President Danz suggested that the District's position could
38 be that it pay off the debt and immediately treat the ski resort as a
39 regular customer, with regular rates, but Manager Collins
40 suggested phasing them into regular customer status over a
41 period of five to seven years. Director Nungester suggested
42 associating the request with the implementation of Well R-1.
43 There are other issues to resolve, including who pays for the
44 electricity used to operate the wells during the winter, and
45 determining who is responsible for maintenance of the equipment.
46 President Danz expects that the District will be in a position to pay
47 off the snow-making wells within a year, although it might also be
48 better to wait two or three years. The ski resort would be paying
49 about \$50K a year if they were billed as regular customer.

