

**ALPINE SPRINGS COUNTY WATER DISTRICT
MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING**

Pursuant to notice given, the special meeting of the Board of Directors, Alpine Springs County Water District, was held
Wednesday, June 28, 2006, 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; Virginia Quinan, Vice President;
7 Janet S. Grant; Jon Northrop; Charles Nungester

8 Directors Absent: None.

9 Staff Present: John Collins, General Manager; Jancis Martin, Recording
10 Secretary

11 Guests Present: Stewart Gary/Citygate (by telephone); Dwane Milnes/Citygate
12 (by telephone)

13 **2. PUBLIC PARTICIPATION**

14 None.

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

16 **A. Operating Budget for Fiscal Year 2006-2007:**

17 Mike Dobrowski, District CPA, participated in the discussion by telephone.
18 President Danz gave an overview of the development of the budget,
19 along with changes made since the Board received the Board packet.
20 The following items came up in discussion:

- 21 • The Board packet will be used as a basis for discussion. The packet
22 includes a) budget summary by fund and b) budget by fund by month.
23 Yesterday, the Directors received a revised budget by fund by month
24 and a revised budget summary for each fund.
- 25 • There are two minor changes between the Board packet and the
26 revised budget by fund by month.
 - 27 ○ "Travel" was omitted on the Board packet – this is an annual
28 expense of \$200 – it will be applied to the water fund equally by
29 month, and
 - 30 ○ the "Garbage Contract" expense should have been \$99,660 rather
31 than the \$95,258 shown in the Board packet – it will be spread
32 equally by month.
- 33 • There were a few mistakes on the budget summaries by fund
34 although these had been corrected on the budget by fund by month:
 - 35 ○ Garbage Fund: the "Uniforms" expense should be \$169,
 - 36 ○ Garbage Fund: the "Education Staff/Board" expense should be
37 \$187,
 - 38 ○ Park Fund: the "Uniforms" expense should be \$676,
 - 39 ○ Park Fund: the "Education Staff/Board" expense should be \$187,
 - 40 ○ Sewer Fund: the "Education Staff/Board" expense should be
41 \$563, and
 - 42 ○ Water Fund: the "Travel" expense should be \$200.

43 Director Grant made a MOTION that the Board approve the budget for
44 fiscal year 2006-2007 by fund by month, with two corrections: a) the
45 addition of travel expense for the year of \$200 applied to the water fund
46 and split equally by month and b) correction of the garbage contract to be
47 \$99,660 for the year split equally among the twelve months. Director
48 Nungester SECONDED the motion. All Directors being in favor, the
49 motion was APPROVED.

**ALPINE SPRINGS COUNTY WATER DISTRICT
MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING**

Pursuant to notice given, the special meeting of the Board of Directors, Alpine Springs County Water District, was held Wednesday, June 28, 2006, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1 **B. Resolution 4-2006: Establishing Appropriations Limit for Fiscal Year**
2 **2005-2006:**

3 The Board reviewed Resolution 4-2006, establishing the appropriations
4 limit for fiscal year 2005-2006. This Resolution was reviewed at the June
5 12th Board meeting and found to need some modifications and research
6 into some of the calculations used in arriving at the appropriations limit.
7 Points of discussion were:

- 8 • Manager Collins said that omitted wording has been added in the third
9 “WHEREAS”.
- 10 • Director Northrop had requested clarification about earlier
11 miscalculations. The auditors recommended not changing the earlier
12 calculations as they had already taken effect.

13 Director Grant made a MOTION that the Board adopt Resolution 4-2006,
14 Establishing Appropriations Limit for Fiscal Year 2005-2006. Director
15 Northrop SECONDED the motion. Roll was called to approve the
16 Resolution. Ayes: Directors Grant, Northrop, Nungester and Quinan and
17 President Danz. Nays: none. The Resolution PASSED.

18 **C. Resolution 7-2006: Establishing Appropriations Limit for Fiscal Year**
19 **2006-2007:**

20 The Board reviewed Resolution 7-2006, establishing the appropriations
21 limit for fiscal year 2006-2007. This Resolution was also reviewed at the
22 June 12th Board meeting and required the same modifications and
23 research as Resolution 4-2006. Director Grant made a MOTION that the
24 Board adopt Resolution 7-2006, Establishing Appropriations Limit for
25 Fiscal Year 2006-2007. Director Northrop SECONDED the motion. Roll
26 was called to approve the Resolution. Ayes: Directors Grant, Northrop,
27 Nungester and Quinan and President Danz. Nays: none. The Resolution
28 PASSED.

29 **D. Contract for Citygate Work Phase II:**

30 The Board reviewed and discussed the proposed contract for Phase II of
31 the work with Citygate regarding contract negotiations with NTFPD for
32 provision of fire protection services. Director Northrop made a MOTION
33 that the Board approve the contract with Citygate, dated June 22, 2006.
34 Director Quinan SECONDED the motion. All Directors being in favor, the
35 motion was APPROVED.

36 **E. Fire Alternatives:**

37 The Board discussed plans for moving forward with contracting with
38 NTFPD for the provision of fire protection services. Points of discussion
39 were:

- 40 • President Danz wrote a letter to the President of the NTFPD Board,
41 conveying the results of the June 12th ASCWD Board meeting.
- 42 • The document from Citygate included in the Board packet is a position
43 document that forms the basis for discussion today. Director Grant
44 asked if the document had been distributed to the NTFPD Board.
45 Director Northrop expressed concerns about:
 - 46 ○ some of the wording and inclusion of dollar values,
 - 47 ○ the staffing level not appearing to be a mutual effort,
 - 48 ○ the District being referred to as “Alpine Springs CMWD” rather
49 than “Alpine Springs CWD” and

**ALPINE SPRINGS COUNTY WATER DISTRICT
MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING**

Pursuant to notice given, the special meeting of the Board of Directors, Alpine Springs County Water District, was held Wednesday, June 28, 2006, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

- 1 o the reference to EMS service.
- 2 Director Nungester assured him that the document was only for
- 3 discussion by the ASCWD Board. President Danz said she
- 4 understands that NTFPD is under contract to provide emergency
- 5 medical service when an ambulance is required but is not required to
- 6 respond to calls for medical aid which do not involve an ambulance.
- 7 • There was some discussion about when and how to approach the ski
- 8 area about providing equitable funding of fire services.
- 9 • There will be a day of sequential NTFPD and ASCWD meetings on
- 10 Friday, June 30th. The ASCWD Board meeting will begin at noon.
- 11 Dwane Milnes and Stewart Gary of Citygate will meet with the NTFPD
- 12 Board on Friday morning and then they will meet with the ASCWD
- 13 Board. Citygate will meet with NTFPD again after the ASCWD
- 14 meeting and finally will meet with the ASCWD Board at the end of the
- 15 day. The ASCWD Board will take breaks during the meeting when the
- 16 Citygate representatives are meeting with NTFPD.
- 17 • Dwane and Stewart participated from this point on by telephone.
- 18 They said the document in the Board packet had not been distributed
- 19 to NTFPD, only to ASCWD. The document includes 10 points of
- 20 interest identified by NTFPD. The plan for the meeting today is to
- 21 discuss the document and make sure it fits ASCWD's expectations.
- 22 The Board discussed each section, as follows:
- 23 • Contract Length: Dwane said, rather than having extensions to a
- 24 contract period, he prefers an initial 15-year contract with a two-three
- 25 year notice period to cancel the contract, starting in about the 12th
- 26 year. If neither of the two parties activates the cancellation clause,
- 27 the contract becomes year-to-year (referred to as an "evergreen
- 28 contract") with annual opportunities to cancel and/or renegotiate the
- 29 contract. He said extensions make participants skittish when
- 30 extension renewal time approaches, causing them to hold off on
- 31 equipment replacement and infrastructure investment, etc. He said
- 32 concerns about equipment replacement can and should be worked
- 33 out with separate agreements. Director Northrop expressed concern
- 34 about the explicit mention of additional personnel and the
- 35 accompanying expense of outfitting them with protective equipment.
- 36 Stewart and Dwane said the mention was a caveat, in case the issue
- 37 needs to be discussed. Dwane suggested that the Board use 15
- 38 years as a basis for negotiation with NTFPD. President Danz agreed
- 39 but said she preferred a two-year cancellation clause, and something
- 40 built into the contract -- either arbitration or mediation -- to address a
- 41 failure to perform. Dwane agreed and explained how a "failure to
- 42 perform" clause in the contract could work; for example, it could
- 43 trigger a one-year cancellation clause. He said cost and performance
- 44 issues can be controlled with clauses in the contract. The Board
- 45 agreed with an initial contract of 15 years, a two-year cancellation
- 46 clause, the concept of the "evergreen contract" and a way to cancel
- 47 the contract if there is a failure to perform. Director Northrop said he
- 48 would like to see something in the document about operational review
- 49 periods.

**ALPINE SPRINGS COUNTY WATER DISTRICT
MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING**

Pursuant to notice given, the special meeting of the Board of Directors, Alpine Springs County Water District, was held Wednesday, June 28, 2006, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

- 1 • Fire Unit Deployment: Dwane recommended a two-person crew, 24
2 hours per day, seven days per week, 365 days per year, as the
3 desirable service level. He said NTFPD has talked about putting a
4 crew and engine in the Alpine Meadows fire house. Director Northrop
5 expressed concern about the local crew -- paid for by ASCWD --
6 being deployed to handle external NTFPD fire emergencies. Dwane
7 and Stewart pointed out that such pooling of resources is part of
8 joining a larger fire department. Director Nungester disagreed with
9 full-time staffing given that most calls in the Valley are to the ski
10 resort. Dwane suggested that perhaps the staffing could be seasonal.
11 He also said that, in negotiating the expense of maintaining the two-
12 person Alpine Meadows crew, NTFPD could be expected to bear a
13 larger portion of the expense, given that the benefit of the crew is to
14 NTFPD. Dwane recommended that ASCWD request local staffing but
15 that NTFPD should bear a portion of the expense. President Danz
16 said 1) she expected NTFPD to have the freedom to make the
17 decisions about staffing and deployment and 2) that during part of the
18 year the staffing is more to the benefit of NTFPD than to Alpine
19 Meadows. Dwane said that when ASCWD negotiates with the ski
20 resort, they would not only be negotiating to provide ambulance
21 service but rather the full emergency response, which would often
22 include an engine response.
- 23 • Staffing Level: Director Northrop used the empty fire house at Dollar
24 Point to reinforce Director Nungester's concern about ASCWD
25 bearing the expense of staffing the Alpine Meadows fire house full-
26 time; that is, the Dollar Point neighborhood seems to be doing fine
27 without a staffed fire house. Dwane said it is hard to make direct
28 comparison between neighborhoods without knowing more about the
29 history and politics of fire service provision in the Dollar Point area.
30 Stewart pointed out that there is no Federal or State requirement for
31 level of fire protection services and that many people who live in
32 remote areas are choosing to do so knowing that there is no local fire
33 service. Director Nungester expressed disbelief that an EMS crew,
34 located at the Alpine Meadows fire house, could get to homes in the
35 Valley within the seven-minute survival period (after a heart attack),
36 therefore making the expense of maintaining a local fire crew
37 pointless in terms of medical aid. Director Grant pointed out that there
38 are periods of time during the winter when the Valley is vulnerable to
39 being unreachable by any outside services, who have to travel the
40 avalanche-prone 89 corridor. President Danz asked if the District
41 could negotiate with NTFPD without assuming the two-person
42 24/7/365 staffing level; that is, first ask NTFPD what their
43 recommended staffing level is. Dwane said yes. He said the
44 negotiations would include minimum levels of staffing and then how to
45 handle exceptions.
- 46 • Ownership of the Station and Equipment: Dwane said the District may
47 wish to rent the fire house to NTFPD for a nominal (\$1 per year) cost
48 and provide for negotiated improvements. That simplifies the financial
49 arrangements of the contract. Dwane suggested that the District deed

**ALPINE SPRINGS COUNTY WATER DISTRICT
MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING**

Pursuant to notice given, the special meeting of the Board of Directors, Alpine Springs County Water District, was held Wednesday, June 28, 2006, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1 its fire equipment to NTFPD, thereby passing on the responsibility for
2 maintenance, liability and insurance to NTFPD. When the contract
3 ends, NTFPD would have to replace the equipment with equivalent
4 equipment or provide the depreciated value of the equipment.
5 Director Nungester said there could be advantages to the District
6 maintaining the fire house itself, for example, maintaining the building
7 better. Dwane said the requirement to maintain the fire house can be
8 a clause in the contract, so that NTFPD would have to return the fire
9 house to its original condition at the end of the contract. Director
10 Grant expressed approval of the plan to rent the fire house and deed
11 the equipment. President Danz said she would like NTFPD to
12 maintain the fire house and equipment during the contract. Dwane
13 said that the ASCWD Board needs to keep in mind that the cost of a
14 two-person station is about \$1,000,000 per year: the crew costs about
15 \$700,000 per year; depreciating the engine is about \$40,000 per year;
16 depreciating the station is about \$30,000 per year. There is also the
17 cost of the headquarters staff and other fire prevention services.
18 Dwane will attempt to negotiate a contract cost that is in line with the
19 District budget. Director Northrop asked what the cost per
20 homeowner would be to pay for the contract; he hoped it would not be
21 much more than the current amount. President Danz and Dwane said
22 it would cost significantly more. Dwane said the homeowner cost right
23 now is about \$125 per year (compared to NTFPD \$600 and Squaw
24 Valley \$1,100). Director Quinan said that Valley residents need to
25 recognize that the low cost of fire provision services has been partly
26 due to the existence of an active volunteer force until a couple of
27 years ago.

- 28 • Other Issues: Director Quinan noted that NTFPD did not seem to be
29 willing to acknowledge the benefit they would get out of the Valley fire
30 station. Dwane said he did not know that NTFPD held that position
31 but would be sure to point out the benefit to them. Director Nungester
32 thanked Dwane and Stewart for their work. Director Grant expressed
33 her hope for a successful outcome to the negotiations. President
34 Danz said that having the NTFPD fire chief in attendance at ASCWD
35 monthly meetings was positive, and that the ASCWD Fire Committee
36 could probably be abolished.
- 37 • Financial Arrangements: Citygate listed four fiscal approaches, as
38 follows: 1) ASCWD pays for all costs of operating the Alpine Meadows
39 fire station; 2) ASCWD pays a fixed percentage of the NTFPD budget
40 which is the percentage of its share of households or total personnel;
41 3) ASCWD pays a percentage of NTFPD's budget based on the value
42 of the property in Alpine Meadows; 4) ASCWD pays a percentage of
43 "earmarked" or available revenue. President Danz said that the first
44 approach made no sense since ASCWD might as well independently
45 operate its own fire station. Dwane prefers approach number four,
46 which means handing over all or a portion of ASCWD's property tax
47 revenues (Dwane suggested 80%) to NTFPD; it keeps the contract
48 running without having to repeatedly renegotiate the contract or its
49 funding. Dwane said that NTFPD wants the contract as much as

**ALPINE SPRINGS COUNTY WATER DISTRICT
MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING**

Pursuant to notice given, the special meeting of the Board of Directors, Alpine Springs County Water District, was held Wednesday, June 28, 2006, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1 ASCWD does. NTFPD's interest is in the stability of a long-term
2 contract plus a stable financial arrangement.

- 3 • The June 30th Board meeting has been noticed for noon. Prior to that,
4 Dwane and Stewart will meet with NTFPD. They will then meet with
5 ASCWD around noon, then go back to NTFPD, then meet with
6 ASCWD again at the end of the day.
- 7 • Stewart and Dwane terminated their participation at this point.

8 **The Board took a break between 10:45 and 10:50.**

- 9 • Director Grant questioned whether or not the Alpine Meadows
10 community felt that coverage was needed at the local fire station.
11 Several Directors felt that most of the community did not care if the
12 station were staffed and that medically it wouldn't make enough of a
13 difference to be worth the \$1,000,000 price tag. Director Grant
14 reiterated that the community needed to understand the difference
15 between living in a community that provides volunteer service and one
16 that does not. Director Nungester said that the number of emergency
17 medical calls in the Valley was probably less than other locations
18 since people with cardiac problems have probably been advised by
19 their doctors not to live at this elevation. Directors Northrop and
20 Quinan felt that people need to take personal responsibility about
21 living in an area with diminished emergency response vs. paying the
22 high price tag. President Danz said she hoped that, at the June 30th
23 meeting, the Board would be educated on the cost of varying levels of
24 service.
- 25 • Manager Collins' comments were: 1) Dwane seemed think that the
26 Board wanted a higher level of service than is the case, 2) if it only
27 costs ASCWD residents 80-85% of their current property tax, as was
28 suggested by Dwane during the telephone conference, it would be
29 positive (actual property tax revenues to ASCWD last year were
30 around \$375,000). Director Nungester observed that Stewart and
31 Dwane seemed to assume the Valley would be passing a special tax;
32 he did not think Valley residents would be willing to pass such a tax.
33 President Danz agreed. President Danz does not want to pursue a
34 funding scheme that would require yearly renegotiation.

35 **4. CLOSED SESSION**

36 None.

37 **5. DIRECTORS' COMMENTS**

- 38 • Director Nungester plans to schedule an Administration & Personnel
39 Committee meeting on July 7, 2006, at 11:00 a.m., to take advantage of the
40 presence of Committee personnel at the Board meeting, scheduled for 12:00
41 noon. The portion of the Committee meeting during which the General
42 Manager will be evaluated will be held in closed session.
- 43 • Director Grant commented that, when representatives at CSDA ask for
44 response to legislation, the Board should respond. Sometimes the Board has
45 responded, sometimes not. She recommended that, if an issue arises on
46 which the Board has already taken a position, Staff be authorized to take
47 action on the Board's behalf.
- 48 • The invitations for the July 1st volunteer recognition barbecue stated that the
49 event started at 3:00 p.m., rather than the previously discussed time of 1:00

**ALPINE SPRINGS COUNTY WATER DISTRICT
MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING**

Pursuant to notice given, the special meeting of the Board of Directors, Alpine Springs County Water District, was held Wednesday, June 28, 2006, at 8:30 a.m., District Board Room, 270 Alpine Meadows Road.

1 p.m. President Danz may not be able to give the welcoming speech as
2 planned. Chief Whitelaw will give the speech if President Danz has not
3 arrived on time.

4 • The next regular Board meeting is scheduled for Friday, July 14, 2006, at
5 8:30 a.m.

6 **6. ADJOURNMENT**

7 There being no further business before the Board, the meeting was adjourned at
8 11:10 a.m.

9

10

11 Respectfully Submitted,

Approved as submitted 6-14-06

12

13 Jancis Martin

14 Recording Secretary