

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

Pursuant to notice given, the regular meeting of the Board of Directors, Alpine Springs County Water District, was held Friday, July 7, 2006, at 12:00 noon, District Board Room, 270 Alpine Meadows Road.

1 **1. CALL TO ORDER**

2 President Danz called the meeting to order at 12:05 p.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

10 Guests Present: Lowell Northrop/AMEA; Barbara Northrop/AMEA; Dwane
11 Milnes/Citygate; Stewart Gary/Citygate

12 **2. PUBLIC PARTICIPATION**

13 None.

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

15 **Fire Alternatives:**

16 Dwane Milnes and Stewart Gary from Citygate were in attendance to discuss the
17 Draft Agreement Provisions for Fire Services, prepared by Dwane, and to report
18 on their meeting with the North Tahoe Fire Protection District (NTFPD) Board of
19 Directors that morning. Before Dwane and Stewart summarized their meeting,
20 Director Nungester asked for an explanation of mitigation fees. Manager Collins
21 explained that a fire mitigation fee is a fee charged to developers of one or more
22 homesites to pay their part in the development of fire capital facilities in the
23 valley.

- 24 • Stewart and Dwane reported that the NTFPD Board voted 4-0 to approve
25 the draft agreement provisions. They expressed broad support for the
26 contract and would like to move forward. NTFPD initially only wanted
27 annexation and for ASCWD to pay \$600,000 annually plus charge a
28 special tax to property owners in Alpine Meadows. Stewart and Dwane
29 believe that the NTFPD Board have moved far in the right direction by
30 accepting a long-term contract, payment of 80% of ASCWD's property
31 taxes and no special tax for the same promised level of service. Stewart
32 and Dwane are satisfied that NTFPD can deliver on their service
33 promises.
- 34 • Dwane said that annexation is rarely a good idea since the smaller
35 geographic territory has different expectations from the larger territory and
36 has no voice in the decisions.
- 37 • Stewart and Dwane reviewed each of the concepts in the draft agreement
38 provisions.
 - 39 ○ Contract Term/Termination: The contract will commence on
40 January 1, 2007, and will terminate with three years' notice, but
41 not sooner than December 31, 2021. The contract will be clear
42 that the first time that either party can notify the other of its intent
43 to terminate is after 12 years.
 - 44 ○ Ownership and Maintenance of the Fire Station: ASCWD will
45 lease the fire station to NTFPD for \$1 per year. NTFPD will be
46 responsible for maintaining the station, paying for all utilities and
47 insuring the building. At the end of the contract, NTFPD will return
48 possession of the building to ASCWD and ASCWD will pay
49 NTFPD the remaining depreciated value of capital improvements

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- 1 they have made. Depreciation schedules shall be according to
2 Governmental Accounting Standards Board Statement 34.
3 Stewart said that NTFPD plans to make the fire station into a
4 standard two-person fire station. These changes will commence
5 prior to June 30, 2007. Director Quinan asked if the ASCWD
6 Board will have approval rights over any external changes to the
7 station. Stewart said that could be built into the contract.
- 8 ○ Ownership and Maintenance of Equipment: ASCWD will transfer
9 title to existing fire apparatus, fire equipment and fire station
10 furnishings to NTFPD. NTFPD will be responsible for maintenance
11 and replacement of the equipment. Upon termination of the
12 agreement, NTFPD will return the equipment in a similar condition
13 (unless it is no longer in service) or pay a sum equal to the value
14 of any equipment not returned to ASCWD. Director Grant asked if
15 the initial values of the equipment, including the fire engine, will be
16 based on the accounting life or the useful life of the equipment.
17 Dwane responded that the values will be based on the useful life.
 - 18 ○ Fire Codes: Each party shall adopt its own fire codes in
19 consultation with the other.
 - 20 ○ Reports to ASCWD Board: NTFPD will report monthly in writing
21 and the Fire Chief or his designee shall attend at least one Board
22 meeting each quarter.
 - 23 ○ Services – General: NTFPD will provide all fire protection and
24 emergency paramedic services to ASCWD including but not
25 limited to hazardous materials services, fire and arson
26 investigation, defensible space and chipper programs, grant
27 funding and administration, public fire safety education. In
28 response to a question from Director Grant, Stewart responded
29 that NTFPD will apply for grants which are site specific and also
30 grants under the SAFER (Staffing for Adequate Fire and
31 Emergency Response) program which are not site specific. If
32 NTFPD applies for a matching grant, NTFPD will be responsible
33 for matching the funds.
 - 34 ○ Services – Fire Mitigation Fees: NTFPD will prepare the capital
35 facilities plan on behalf of ASCWD (a prerequisite to charging
36 mitigation fees) but ASCWD must make sure that the funds are
37 expended in Alpine Meadows in a timely manner for legally
38 approved reasons. In response to a question from President
39 Danz, Dwane suggested that the contract should contain a clause
40 that the Fire Chief will consult with the ASCWD Board regarding
41 appropriate mitigation fees and/or contributions of capital items.
 - 42 ○ Services – Equipment: Before June 30, 2007, NTFPD will place a
43 Type I fire engine and a fully equipped paramedic ambulance in
44 the Alpine Meadows fire station at selected periods of time. They
45 will provide standardized mobile and handheld radios at the
46 station.
 - 47 ○ Services – Staffing: During fiscal year 2008, NTFPD will assign a
48 two-person engine company to operate out of the Alpine Meadows
49 fire station at least four months per year. The Fire Chief will

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- 1 determine the schedule. Chief Whitelaw has committed to hiring
2 three full-time paramedics/firefighters during 2008, although they
3 will not necessarily be assigned to the Alpine Meadows station.
4 After July 1, 2008, the engine company will operate out of the
5 Alpine Meadows fire station five months per year. Additional
6 staffing will be provided if a grant provides funds to do so. Stewart
7 and Dwane said that, with annexation, there was no way that
8 NTFPD could have afforded staffing the Alpine Meadows fire
9 station 24/7/365 and that the proposed staffing levels are the best
10 that ASCWD can expect. The allocation of resources, assignment
11 and evaluation of personnel and the method and manner of
12 delivery of service will be determined by the NTFPD Fire Chief.
13 President Danz requested that ASCWD be provided with some
14 specific information regarding the staffing plan. After a great deal
15 of discussion, Stewart and Dwane agreed to ask NTFPD if, on a
16 periodic basis, they could provide ASCWD a staffing assignment
17 plan indicating when staff would be assigned to the Alpine
18 Meadows fire station.
- 19 ○ Services – Water Supply: ASCWD will provide a water system and
20 install and maintain hydrants in Alpine Meadows. After discussion,
21 Stewart and Dwane agreed to suggest changing the language in
22 the draft agreement provisions to remove the descriptor
23 “adequate” in describing fire and water flows.
 - 24 ○ Financial Provisions: On a scheduled basis, within 45 days of the
25 receipt of property tax payments by ASCWD, ASCWD will pay
26 NTFPD specified payments equal to a total of \$100,000 for the
27 period of January 1-June 30, 2007. For fiscal year 2008, ASCWD
28 will pay NTFPD \$320,000 on the same basis. For fiscal year 2009,
29 ASCWD will pay NTFPD \$360,000 on the same basis. For each
30 year thereafter, ASCWD will pay NTFPD 80% of its property tax
31 revenue. ASCWD agrees to pay NTFPD 80% of each property tax
32 payment within 45 days of receipt of the payment. If the property
33 tax revenue received by ASCWD is less than 95% of the previous
34 year’s revenue, NTFPD can renegotiate the level of service. If
35 ASCWD does not agree with the proposed reduction in service,
36 ASCWD can notify NTFPD that it wishes to terminate the
37 agreement to be effective not less than 12 months from the date
38 of the notification. Director Grant asked if ASCWD would be less
39 likely to lose property tax revenues by State legislation if ASCWD
40 designated its property tax revenue as fire-related. Stewart
41 suggested that ASCWD pursue this question with CSDA. He
42 noted that the last time the State legislature grabbed property tax
43 revenues from special districts, it distinguished districts solely
44 involved with public safety from those with enterprise services.
45 There is no way to guarantee, however, that the same distinction
46 would be made in the future.
 - 47 ○ Mediation/Arbitration: Disputes shall be resolved first by mediation
48 and, if not successful, by binding arbitration. Each party will pay its

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1 own attorneys' fees. Costs of the mediation and arbitration will be
2 shared equally by the parties.

- 3 • Dwane and Stewart said that the next step is that the draft agreement
4 provisions document will be sent to the attorneys for both parties.
5 NTFPD's legal counsel will draft the initial document for review by
6 ASCWD's counsel. Dwane will have a telephone conference with both
7 attorneys, individually, to discuss the draft agreement provisions before
8 any work is done. He will then review the completed contract drafts before
9 they are sent to the two Boards. NTFPD has agreed to pay one-half of
10 Citygate's fees on a time-and-materials basis, estimated at \$10,000 in
11 total, on a going-forward basis. Chief Whitelaw will ask his Board to agree
12 to pay one-half of the fees incurred by Citygate for the completed first
13 step in this process.
- 14 • Director Grant made a MOTION that the Board approve (1) the Draft
15 Agreement Provisions for Fire Services including the suggested revisions
16 discussed at this Board meeting; (2) direct ASCWD's attorney to work
17 with NTFPD's attorney in developing the proposed contract,
18 understanding that NTFPD's attorney will prepare the initial draft; (3)
19 engage Citygate to work with the attorneys to explain the draft agreement
20 provisions and review the drafted contract. Director Northrop SECONDED
21 the motion. All Directors being in favor, the motion was APPROVED.
- 22 • Dwane will be on vacation for the next two weeks. He anticipates that a
23 contract draft will be available for review by both Boards at their
24 September Board meetings.
- 25 • Dwane and Stewart will prepare a letter proposal to ASCWD for the work
26 in the next phase for review and approval at the July 14 ASCWD Regular
27 Board meeting.
- 28 • The Board thanked Dwane and Stewart for their hard work on behalf of
29 the District.

30 **4. CLOSED SESSION**

31 None.

32 **5. DIRECTORS' COMMENTS**

- 33 • Director Nungester plans to schedule an Administration & Personnel
34 Committee meeting on July 13, 2006, at 2:00 p.m.
- 35 • President Danz asked if the Board could reschedule the August Regular
36 Board meeting for the afternoon of the 11th. The Board decided to reschedule
37 the meeting for 2:00 p.m. that day.
- 38 • Manager Collins said that he would be out of town on September 8, the day
39 of the September Regular Board meeting. He asked if the meeting could be
40 rescheduled for early the following week. The Board members will check their
41 schedules and discuss alternatives at the July 14 Board meeting.

42 **6. ADJOURNMENT**

43 There being no further business before the Board, the meeting was adjourned at
44 2:50 p.m.

45
46 Respectfully Submitted,

Approved as submitted 6-14-06

47
48 Barbara Danz
49 Board President