

REGULAR MEETING
June 8, 2015

In accordance with District Code Section 2.08.010, the TDPUD minutes are action only minutes. All Board meetings are recorded on a digital format which is preserved in perpetuity and made available for listening to any interested party upon their request.

1. CALL TO ORDER

The regular meeting of the Board of Directors of the Truckee Donner Public Utility District was called to order at 5:31 PM in the TDPUD Board room by President Ellis.

2. ROLL CALL

Directors: Bob Ellis, Joe Aguera, and Paul Warmerdam.

Absent: Directors: Tony Laliotis and Jeff Bender.

EMPLOYEES PRESENT Steve Hollabaugh, Shanna Kuhlemier, Brian Wright, Steven Poncelet, Steve Trevino, and Michael Holley.

CONSULTANTS PRESENT Steve Gross and Nicki Tillman.

OTHERS PRESENT Tim Rey, AT&T; Daniel Rhinehart, AT&T; Joshua Mathisen, AT&T.

3. PLEDGE OF ALLEGIANCE

Director Aguera led the Pledge of Allegiance.

4. CHANGES TO THE AGENDA – none.

5. PUBLIC INPUT

President Ellis called for public comment, there were none.

Deputy District Clerk Kuhlemier stated, per District code a quorum of Directors is present and the meeting may proceed.

6. DIRECTOR UPDATE

There were no Director updates.

CONSENT CALENDER

7. Consideration of the Purchase of a Replacement Pump Control Shelter for Well 20. (Minute Order Number 2015-50)

- Authorize the General Manager to enter into a contract for the purchase of a lightweight precast concrete shelter from GFRC Shelters in the amount of \$108,909 including a 10% contingency, for a total amount not exceed \$119,800

8. Consideration of a Change Order to the Airport Well Maintenance 2015 Contract. (Minute Order Number 2015-51)

- Authorize Change Order #1 to the Airport Well Maintenance 2015 contract in the amount of \$4,753 for a new contract total amount of \$28,733.

9. Considering the Fencing of District Property Located 11510 Forest Lane. (Minute Order Number 2015-52)
 - Authorize the General Manager to execute the contract for the fencing of the District parcel located at 11510 Forest Lane to Truckee Fence for \$19,000 with a 10% change order allowance for an amount not to exceed \$20,900.
10. Consideration of an Award of a Contract for Traffic Control Services. (Minute Order Number 2015-53)
 - Award the traffic control services bid to Road Safety Services and authorize the General Manager to enter into a contract for an amount not to exceed \$60,000.

President Ellis called for public comment, there were none.

Director Aguera moved, and Director Warmerdam seconded, that the Board approve the consent calendar. The motion passed unanimously (3-0) by a roll call vote, Directors; Laliotis and Bender were absent.

ACTION ITEMS

11. Hold a Protest Hearing for AT&T Regarding Adopted Pole Attachment Fees.

Bob Mescher provided a presentation which is available upon request. Daniel Rhinehart, AT&T provided a presentation which is available upon request.

Board Discussion, Questions, and Answers:

- There is a difference in the number of poles from the GIS number, the asset numbers, and billing numbers.
 - There are multiple reasons for this.
- To adequately reflect the numbers, the district has to use the asset number for the calculation.
- Numbers differ in the system, developers put in some poles, the District put in some, and some were absorbed with consolidating utility companies.
- The calculation is simple; value divided by amount of poles.
- AT&T is assuming the calculation is 5,000 poles. This number was used years ago but not in the current calculation.
 - The change was from prior to 2001 there were errors in accounting and now with the GASB figures and reinvesting a fraction of the books it would be inappropriate to change to number.
 - The District needs hard numbers, you cannot attach to a hypothetical pole. So the District cannot use a hypothetical number.
- The 1995 Resolution shows all development from that time forward was undergrounded. AT&T computations show the poles above ground from that time forward. AT&T is using assumptions.
- Discussion on rate of return. The District's desire is 11.25%; AT&T desired 8%, with user rates going up to cover the rest of the costs. The District was against raising consumer rates to cover AT&T's lower cost.
 - NV Energy just finished a rate study, their rates will be going up (in the double digit numbers).
 - Investor owned utilities do not represent the District, and is not a good comparison to our operations.

District Counsel Gross stated; at the end of the day this is not a negotiations meeting; this is a protest hearing. The Board needs to look at the District's cost and set rates based on information presented.

President Ellis convened for a short recess at 6:40 P.M.
President Ellis reconvened the meeting at 7:00 P.M.

District Counsel Gross stated the board can hold the item in abeyance, staff will return with more information shortly.

12. Consideration of Documents Associate with the Refinancing of the Water 2006 Refunding Revenue Certificates of Participation (2006 COP's).

Michael Holley provided a presentation which is available upon request.

President Ellis called for public comment, there were none.

Director Aguera moved, and President Ellis seconded, that the Board approve staff recommendation. The motion passed unanimously (3-0) by a roll call vote, Directors; Laliotis and Bender were absent.

President Ellis reconvened the meeting at 7:50 P.M.

11. Hold a Protest Hearing for AT&T Regarding Adopted Pole Attachment Fees.

District Counsel reported the Board hear an alternate proposal by staff that suggests a new rate based on the evidence of tonight's meeting using the 3,386 pole count and a rate of 8%. The Board should hear the evidence, ask questions, and then close the hearing. At that time the Board could take action or hold the information to a future meeting.

Bob Mescher state the elements of the proposal are the same except the required rate of return; that would change to 8%. This is a compromise to AT&T to settle the item in the best interest of the District and AT&T. The rate per foot of pole attachment will be \$11.14.

Daniel Rhinehart stated he is the ultimate authority but can commit to take to offer to decision makers for full consideration.

President Ellis moved, and Director Warmerdam seconded, that the Board approve staff recommendation. The motion passed unanimously (3-0) by a roll call vote, Directors; Laliotis and Bender were absent.

Director Aguera moved, and President Ellis seconded, that the Board adjourn the meeting motion passed unanimously (3-0), Directors; Laliotis and Bender were absent.

ADJOURNMENT – 7:53 P.M.

There being no further business before the Board, the meeting was adjourned at 7:53 P.M. to the next scheduled special meeting of the Truckee Donner Public Utility District on June 11, 2015 at 12:00 P.M.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

Bob Ellis, President

Prepared by _____
Shanna D. Kuhlemier, CMC, Deputy District Clerk