



**COUNTY OF ALPINE
Board of Supervisors**

October 17, 2017

The Honorable Judge Thomas D. Kolpacoff
Alpine County Superior Courts
PO Box 518
Markleeville, CA 96120

FILED
SUPERIOR COURT
COUNTY OF ALPINE

OCT 18 2017
BY *Ann Pratt*
COURT CLERK

RE: Alpine County Board of Supervisors' Response to the Alpine County 2016-2017 Civil Grand Jury Report

Dear Judge Kolpacoff:

The Alpine County Board of Supervisors is in receipt of the Final Alpine County 2016-2017 Civil Grand Jury Report.

After special consideration of the findings and recommendations, the Board of Supervisors respectfully submits the prepared responses in accordance with the California Penal Code Section 933.05.

Sincerely,

Terry Woodrow
Chair, Alpine County Board of Supervisors

received
10-18-17

ALPINE COUNTY CIVIL GRAND JURY 2016-2017
 BOARD OF SUPERVISOR RESPONSE
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1. South Tahoe Public Utility District Contract Investigation 2017

Finding	County Response	Narrative
F1	Agree in part	While a technical violation occurred in approving the STUPD agreement, subsequent conduct of the parties operates to validate the agreement.
F2	Agree in part	Inflationary factors would enhance the contract compensation, unable to verify amounts.
F3	Disagree	
F4	Agree	
F5	Agree	
R1		The Grand Jury recommends reopening the agreement with the South Tahoe Public Utility District, based upon the failure of the Board to appropriately approve the 2002 amendments. The Grand Jury correctly points out that a vote of less than a majority of the Board of Supervisors is not a legitimate action of the Board. However, the time allotted for challenging the action has long passed and both parties have been acting in reliance on the agreement. The Board of Supervisors will take the Grand Jury's recommendations under consideration and confer with legal counsel.
R2		The Grand Jury recommends that the Board of Supervisors seek to increase the compensation received from South Tahoe Public Utility District to account for annual inflation rates. This will be covered under the Board's actions relative to recommendation #1. See response R2 from 2011 response to Grand Jury.
R3		The Grand Jury is recommending that the County undertake independent wastewater testing in accordance with the Sewage Quality Initiative of 1983. The Board's decision to eliminate independent monitoring was based on the Board's finding that the additional testing was yielding results not different from those established by STUPD.
R4		The Grand Jury recommends keeping the fish requirement in the agreement or convert to a cash value adjusted for inflation. This will be part of the discussion as provided in response to recommendation #1.
R5		The Grand Jury recommends continuing in partnership with South Tahoe Public Utilities District, while improving the agreement. The Board of Supervisors intends on continuing the partnership while performing due diligence in reviewing possible changes and updates to the agreement. The County worked with STUPD to reach the consolidated agreement of 2002 and the C-line agreement of 2004. See response from 2011 response to Grand Jury.

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2. The Brown Act-Alpine County School Board-Open Meetings for Local Legislative Bodies

Finding	County Response	Narrative
F1	Not County	
F2	Not County	
F3	Not County	
R1	Not County	
R2	Not County	
R3	Not County	

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2. The Brown Act-Alpine County Board of Supervisors Citizen Complaint

Finding	County Response	Narrative
F1	Agree	
R1		The Board of Supervisors is very sensitive to the requirements of the Brown Act and all aspects of open government. The Board only acts in closed session when absolutely necessary to the welfare of the county. The Board will continue to be open in all of it's deliberations.

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3. Personnel and Human Resources

Finding	County Response	Narrative
F1	Agree	
F2	Agree	
R1		<p>The Grand Jury recommends enhancing job performance in Human Resources and labor through utilization of all resources available for expanding the incumbent's knowledge of the field. It is the intent of the Deputy CAO to Personnel and Risk Management to do just that. The Deputy CAO to Personnel and Risk Management will continue to look for and exploit any resources available.</p>
R2		<p>The Grand Jury recommends that the Deputy CAO to Personnel and Risk Management continue to pursue training in the field. It is the intent of the Deputy CAO to Personnel and Risk Management to continue availing herself of relevant training, mindful of the cost. The Grand Jury also, without finding a lack of fairness, recommends ensuring employment practices are "fair and equitable". It is the intent of the incumbent to continue providing this service to the County employees. The Deputy CAO to Personnel and Risk Management will seek to provide training to Board members, Department Heads and employees. All discipline for County employees is in written form and will continue to be documented as the law provides.</p>

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4. Alpine County Fiscal Office Consolidation Act (Measure A)

Finding	County Response	Narrative
F1	Partially Agree	The Board of Supervisors agrees the pamphlet says what it says and at the time the figures were based on the current salaries and projections for Measure A consolidation. These salaries did not project any other restructuring or consolidation of fiscal offices after Measure A.
F2	Agree	
F3	Agree	
R1		The Board of Supervisors acknowledges the public's right and need to have accurate information before deciding any issue presented in the form of a voter initiative. Future initiatives will be vetted as thoroughly as time and funds allow. The County is somewhat limited in its ability to support an initiative as there are restrictions on the use of public funds for political puposes. Also, time limitations within elections code make it difficult to do all that the Board of Supervisors would prefer to do regarding the initiative process. However, the Grand Jury's recommendation is well received and every effort will be made to comply.
R2		The Grand Jury recommends increasing transparency by increasing the use of County website and the website for www. transparentcalifornia.com . Within the budgetary limits of the County, the Board of Supervisors will explore avenues for increasing transparency on the website. However, the website www.transparentcalifornia.com is a for profit business with no oversight. It is not known to the Board that the figures used by that company are accurate. The County responds to public record requests from the company and will continue to do so. The County Budgets and Audit Financial Statements are posted on the County website.
R3		The Grand feels that follow up financial reports to significant changes in County operational structure will increase transparency. The Board of Supervisors agrees and will endeavor to complete and post such analysis to the extent possible.

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2. South Tahoe Public Utilities District Recycled Wastewater Agreement with Alpine County (Responses prepared by Brian Peters, Community Development Director and Martin Fine, County Counsel)

Findings

Finding	County Response	Narrative
F1	Agree	A portion of the County's portfolio is invested in LAIF.
F2	Partially disagree	The 1995 GJR states this, but pg. 35 of the County's response maintains that this reserve is no longer needed because of the indemnification negotiated with STPUD. As of February 2010 the interest rate was .577%, not 5.77%.
F3	Partially disagree	The fund name is STPUD Mitigation Fund. The fund total listed in the report is as of February 2010. In the past, funds have been used to establish the County reserve and have been used to provide initial funding for large projects/grants such as Hawkins Peak and Alpine Village/Emigrant Trail. The fund has also contributed to the purchase of fire trucks and a water tank.
F4	Partially disagree	The 1983 agreement has been replaced by the "Consolidated Agreement" approved by the Board of Supervisors 11-5-2002. Section 15(e) of this agreement provides that the mitigation fee (originally set at \$100,000/year) shall be increased annually equal to the percentage increase in sewer connections to the District's system during the preceding year. The monitoring fee of \$15000/year does not increase.
F5	Agree	
F6	Partially disagree	The District has submitted a new water monitoring plan to the Lahontan RWQCB ("Lahontan"). Lahontan staff has been working with the District and will identify requirements and recommendations for the monitoring plan, including location of monitoring wells, prior to the plan being accepted and implemented.
F7	Partially disagree	See response to F4 regarding the consolidated agreement. Section 15(e) contains the entire language regarding the mitigation payment. There is no provision for decreasing the payment if flows or hook ups decrease. Payment can only increase based on increased connections to the District's system in the preceding year. This effectively establishes a benchmark to sustain

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		the mitigation payment to the County.
F8	Agree	
F9	Partially disagree	In 2009, the District completed the Recycled Water Facilities Master Plan and EIR. This document addresses the long term needs for recycled water facilities in Alpine County. Potential growth to 2028 and the associated projected recycled water volume of 5.8 MGD are addressed in this document. The plan envisions additional capacity for disposal of recycled water being provided on the District's Diamond Valley property.
F10	Agree	
F11	Disagree	AB885 is not in effect. The regulations to implement AB885 are still in draft stage. It is very unlikely that residents would have no wastewater disposal system available.

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Recommendations

Recommendation	County Response	Narrative	Related to Finding
R1	Will not be implemented	The structural components of the original agreement and the five subsequent amendments were addressed in the consolidated agreement adopted by the Board of Supervisors on 11-5-2002.	The Grand Jury report did not include this information for any of the recommendations regarding the South Lake Tahoe PUD agreement with Alpine County.
R2	Requires further analysis	Renegotiating the annual compensation paid to the County requires cooperation with the South Tahoe Public Utilities District Board of Directors (i.e. they must be willing to consider changes). The Board of Supervisors needs to carefully consider all relevant facts and the full extent of any potential opening of the existing contract agreement before committing to renegotiation. The Board of Supervisors intends to consider this process and make a decision within six months of the date of this response.	
R3	Will not be implemented	Harvey Place Reservoir does not need to have a capacity of 5.8 MGD because operation of the District's recycled water facilities do not require the reservoir to hold this much water. Treated effluent from the C-line held in Harvey Place Reservoir is distributed as irrigation water to contracted ranches from April through October of each year. During the irrigation season when recycled water is distributed to the ranches, water leaves Harvey Place at a faster rate than it enters. The result is a significant annual draw down of the water level in Harvey Place. This draw down provides storage capacity for the anticipated C-line flow into the reservoir during the non-irrigation season. This operation, in conjunction with added capacity from	

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		STPUD's proposed Diamond Valley Ranch facility will provide adequate capacity needed to meet the maximum wastewater flow projection in 2028. Detailed calculations of the effluent flows and capacities of facilities were included in baseline studies prepared for the District's Recycled Facilities Master Plan and EIR which was completed in November 2009	
R4	Will be implemented by STPUD	The District has committed to discontinuing use of the Dressler On Farm site for disposal of recycled water. The Board of Supervisors does not have direct control over the timing of when this site will be discontinued. Refer to STPUD Recycled Water Facilities Master Plan for time frame	
R5	Will not be implemented	The District will be required to provide necessary documentation to the Lahontan RWQCB for a permit to dispose of reclaimed wastewater at this location. Replacement for the Dressler On-Farm site is addressed in the District's Recycled Facilities Master Plan and EIR. The STPUD's Diamond Valley Ranch facility will add the capacity needed to meet the maximum wastewater flow projection in 2028.	
R6	Will not be implemented.	The need for quantification and information as to the integrity of new locations will be determined by the Lahontan RWQCB as part of their permit review process. The District must receive permit approval from the Lahontan RWQCB to dispose of reclaimed wastewater at new locations.	
R7	Will not be implemented	The Board of Supervisors has no regulatory or contractual authority to impose this requirement. The Lahontan RWQCB has the authority to enforce regulations and permit requirements related to disposal of recycled water.	
R8	Requires further analysis	The Consolidated Agreement Section 15(e) indicates that	

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		the annual compensation payment is increased annually equal to the percentage increase in sewer connections to the District's system during the preceding year. The agreement does not directly address whether payments can be reduced. See R2 regarding amending the current agreement.	
R9	Requires further analysis	R9 recommends eight separate points to be considered in negotiating amendments to the current agreement. Amending the current Consolidated Agreement requires cooperation with the South Tahoe Public Utilities District Board of Directors (i.e. they must be willing to consider changes). The Board of Supervisors needs to carefully consider all relevant facts and the full extent of any potential opening of the existing contract agreement before committing to renegotiation. The Board of Supervisors intends to consider this process and make a decision within six months of the date of this response.	
R10	Requires further analysis	See response to R2.	
R11	Will not be implemented	The Board of Supervisors has no regulatory or contractual authority to impose this requirement.	
R12	Will not be implemented	The Consolidated Agreement Section 15(e) uses the term "sewer connection" as a basis for determining increases in the annual mitigation/compensation paid to the County. The District's practice has been to base the payment calculation on "sewer units." In 2010 the payment was based on 83,921 sewer units within the District's service area. A residential unit with 2 baths and a kitchen = 3 sewer units. For commercial uses, 5 plumbing fixtures = 1 sewer unit. As an example, the Embassy Suites hotel has one physical connection to the District's system, but the use is assigned 510 sewer units. The result is that all hook ups are not equal and the sewer unit basis accounts for the	

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		wide variation in wastewater flow attributable to different types of uses.	
R13	Will not be implemented	Compensation is already determined based on the classification of the use through the sewer unit approach. See response to R12.	
R14a	Requires further analysis	<i>See responses to R9 and R12.</i>	
R14b	Requires further analysis	The Board of Supervisors, County staff and the STPUD Contract Commission have recognized the need for planning to address the long term wastewater disposal needs of east slope communities. Funding needs to be provided for a thorough and competent planning effort. The Board of Supervisors will research the availability of grant funding for planning.	
R15	Will not be implemented	The Board of Supervisors has no regulatory or contractual authority to impose this requirement.	
R16	Requires further analysis	See response to R14b.	
R17	Will not be implemented	The STPUD Contract Commission members are appointed by the Board of Supervisors. The Contract Commission does not have control over who is appointed.	

PROOF OF SERVICE - C.C.P. 1013A, 2015.5

I, Stephanie Fong, declare that:

1. I am employed in the County of Alpine; I am over the age of eighteen years and not a party to the within cause; and my business address is 99 Water Street, Markleeville, California.
2. I am readily familiar with the practice of the County of Alpine in the processing of correspondence, said practice being that in the ordinary course of business, correspondence is deposited in the United States Postal Service the same day as it is placed for processing.
3. On October 18, 2017, I served the following document(s)

Alpine County Board of Supervisors' Response to the Alpine County 2016-2017 Civil Grand Jury Report.

In said cause, on the following interested parties: The Honorable Judge Thomas D. Kolpacoff
Alpine County Superior Courts
PO Box 518
Markleeville, CA 96120

4. Said service was performed in the following manner:

BY U.S. POSTAL SERVICE (Mail): I placed each such document in a sealed envelope addressed as noted above, with first-class mail postage, certified fee and return receipt fee thereon fully prepaid, for collection and mailing at Markleeville, California, following the above-stated business practice, on this date.

X BY PERSONAL SERVICE: I hand-delivered each such envelope to the address[es] listed on this date. – COPY TO CAO/DIRECTOR OF FINANCE

BY COURIER/MESSENGER SERVICE (Hand Delivery): I caused each such envelope to be delivered by hand to the address[es] listed above on this date.

BY FACSIMILE: I caused said document[s] to be transmitted by facsimile machine to the parties at the number[s] indicated above on this date.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed October 18, 2017, at Markleeville, California.



Teola L. Tremayne, County Clerk & ex officio Clerk
of the Board of Supervisors / County Board of Equalization
by: Stephanie Fong, Asst. County Clerk