

**SQUAW VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES #806
October 27, 2015**

A. Call to Order, Roll Call and Pledge of Allegiance. President Dale Cox called the meeting to order at 8:30 A.M.

Directors Present: Directors: Dale Cox, Carl Gustafson, Eric Poulsen and John Wilcox.

Directors Absent: none

Staff Present: Mike Geary, General Manager; Kathy Obayashi-Bartsch, Secretary to the Board; Pete Bansen, Fire Chief; Brandon Burks, Operations Specialist III; Thomas Archer, District Counsel and Prudence L'Heureux, Temporary Finance & Administration Manager.

Others Present: Jon Borden, Chris DeDeo, Franz Grueter, Ed Heneveld, Lisa Holan, Andrew Lange, Katie Lazarri, Allen Riley, John Rogers, Perri Runyon, Michael Sacci, Isaac Silverman and David Stepner.

President Cox led the Pledge of Allegiance. He asked for a moment of silence in recognition of Director Brian Sheehan who passed away on October 1, 2015.

B. Community Informational Items.

- B-1** Friends of Squaw Creek – Ed Heneveld provided an update on the group's efforts to secure grant funding.
- B-2** Friends of Squaw Valley – David Stepner provided an update on the status of *Village at Squaw Valley* project including an approximate timeline for next steps in Placer County's review.
- B-3** Squaw Valley Design Review Committee (SVDRC) – David Stepner said the group finished its review of *the Village at Squaw Valley* project and presented their recommendations to the Squaw Valley Municipal Advisory Council.
- B-4** Squaw Valley Municipal Advisory Council (SVMAC) – Ed Heneveld said the next meeting is on Thursday, November 5th and one of the items that will be discussed is second units or mother-in-law units in the valley.
- B-5** Squaw Valley Mutual Water Company (SVMWC) – David Stepner said the relationship with the District's maintenance staff is very good. The SVMWC is working on a capital replacement plan and fee structure. Brandon Burks provided an update on the back lot water line abandonment work, SCADA system and efforts to reduce chlorine treatment.
- B-6** Squaw Valley Ski Holdings – no report
- B-7** Squaw Valley Property Owners Association – Andrew Lange said the group conducted the last Highway 89 clean-up of the year.
- B-8** Tahoe-Truckee Sanitation Agency – Dale Cox provided an update on the Truckee River Interceptor (TRI) pipe segment replacement, Town of Truckee's Trails and Bikeways Master Plan, State Route 89/Fanny Bridge Community Revitalization Project and related TRI relocation. Mr. Geary said the agency also has a new website.
- B-9** Incorporate Olympic Valley – Ed Heneveld said the State Controller's office is reviewing the comprehensive fiscal analysis and the results are to be released soon.

C. Public Comment/Presentation.

Public Comment – none

The Board and Chief Bansen provided Recognition of Service certificates to Fire Department for their outstanding service to the District and the community.

- C-1 Recognition of Service – Brad Chisholm – 15 years
- C-2 Recognition of Service – Chris DeDeo – 15 years
- C-3 Recognition of Service – Allen Riley – 15 years

D. Financial Consent Agenda Items.

Director Poulsen and President Cox met with staff on October 26th from approximately 3:30 – 4:30 P.M. to review items D-1 through D-14 as well as other finance related items on this agenda.

Director Poulsen thanked Prudence L'Heureux for her hard work and assistance in the absence of the Finance and Administration Manager.

Director Poulsen said the Finance Committee reviewed all financial consent items and reviewed the estimated allocation of current property taxes vs budget. The District anticipates receiving approximately \$3.3 million which is over a 9% increase from 2014-15.

Public Comment – none

A motion to approve the financial consent agenda was made by Directors Gustafson/Poulsen as submitted; vote was unanimous.

- Cox-yes
- Gustafson-yes
- Poulsen-yes
- Wilcox-yes

E. Approve Minutes.

E-1 Minutes for the Board of Directors meeting of September 29, 2015

Ms. Obayashi-Bartsch said on page 1, there is a typographical error under B-1, Friends of Squaw Creek community report. The second sentence should read “He said the group met with representatives...”

Director Wilcox requested the following addition:

On page 5, after the last paragraph, add the following: “Director Wilcox said the specific answer is that some of the water may serve new development especially if the water supply is compromised in some way but this water did not enable new development in the first place. Mr. Geary and Mr. Hunt agreed with this statement.”

Director Wilcox requested the following correction: On page 4, under item F-4, New District Logo should read: “The Board reviewed the item and accepted public comment. “ The Board did not select a logo design.

A motion to approve the minutes for the Board of Directors meeting of September 29, 2015 with revisions was made by Directors Wilcox/Gustafson; vote was unanimous.

Cox-yes

Gustafson-yes

Poulsen-yes

Wilcox-yes

F. Old & New Business.

F-11 License Agreement and Removal of Easement Encroachments – Borden and O’Reilly.

The Board reviewed the item, accepted public comment and postponed a decision to the next Board meeting.

Mr. Geary reviewed the item.

Public Comment –

Jon Borden said he would like to place a fence on his property at 440 Indian Trail Road, Olympic Valley. There is an impact to the District’s easement and a license agreement is needed to address this issue.

John Wilcox said he supports this request if staff approves the item. He would like to make a decision today if possible to assist the property owner in expediting the work.

Mr. Archer said the Board needs to consider the issue of precedence and whether there is a sufficient hardship to warrant this variance. Mr. Archer said the license agreement and supporting documents are under review.

President Cox suggested postponing a decision on this item until next month. Mr. Geary and Mr. Archer also recommended the postponement. Directors Poulsen and Gustafson agreed with this approach.

F-1 Village at Squaw Valley Project Update.

Director Poulsen left the meeting room due to a conflict of interest from an ownership interest. He listened to the discussion through a one way audio feed.

The Board reviewed the information, discussed the project and accepted public comment.

Mr. Geary said there is no new information to report since last month’s Board meeting.

Water

There is no new information to report.

Sewer

There is no new information to report.

Fire/EMS

There is no new information to report.

Public Comment –

Ed Heneveld asked about the development agreement process and said he believes the agreement should be made public. Mr. Geary said there have been no meetings with SVRE recently to discuss the terms of an agreement. The agreement negotiations are not conducted in a public setting but regular updates are made to the Ad Hoc Committee and the Board of Directors. The proposed agreement will be reviewed in a public setting before any action is taken, also in a public setting.

F-2 Records Destruction Request #13.

Director Poulsen returned to the meeting.

The Board reviewed the item, accepted public comment and authorized destruction of records through adoption of Resolution 2015-14.

Ms. Obayashi-Bartsch reviewed the item.

Public Comment – none

Directors Gustafson/Poulsen made a motion to destroy the records as presented through adoption of Resolution 2015-14; vote was unanimous.

Cox-yes

Gustafson-yes

Poulsen-yes

Wilcox-yes

F-3 Drought – Stage II/Water Conservation Restrictions.

The Board reviewed the item, accepted public comment and authorized renewal of Stage II Water Conservation Restrictions and extends emergency irrigation restrictions to comply with California's mandate.

Mr. Burks reviewed the item. The District extended Stage II water conservation restrictions and implemented Emergency Irrigation Regulations on May 29, 2015. In order to guarantee compliance with the state mandate, staff recommends the Board approve renewing the Stage II water conservation restrictions and extending the Emergency Irrigation Regulations.

Public Comment – none

Directors Wilcox/Gustafson made a motion to authorize renewal of Stage II Water Conservation Restrictions and extend emergency irrigation restrictions to comply California's mandate; vote was unanimous.

Cox-yes

Gustafson-yes

Poulsen-yes

Wilcox-yes

F-4 Well 5R Emergency Repairs – Retroactive Approval.

The Board reviewed the item, accepted public comment and retroactively approved emergency repairs and pump purchase for Well 5R.

Mr. Burks reviewed the item. The replacement of the Well 5R pump was determined to be an emergency repair and the purchase and installation of the pump by Carson Pump for \$15,947 was authorized by the General Manager.

Public Comment – none

Directors Wilcox/Gustafson made a motion to retroactively approve the purchase and installation; vote was unanimous.

Cox-yes

Gustafson-yes

Poulsen-yes

Wilcox-yes

F-5 Notice of Completion – Public Works Projects.

The Board reviewed the item, accepted public comment and authorized staff to file notice of completion with Placer County for three projects: Sewer Television Inspection Project 2015, Paving and Sealing Project 2015 and Painting and Repairs Project 2015.

Ms. Obayashi-Bartsch reviewed the item. In 2014, the legislature passed Senate Bill 854 which requires public agencies to register public works projects that exceed \$1,000 in value with the Department of Industrial Relations (DIR) beginning January 1, 2015. The new law increases oversight of prevailing wage requirements.

Under the new law, public agencies are required to file a Notice of Completion (NOC) for each prevailing wage project. DIR's 18 month statute of limitation for prevailing wage enforcement does not begin until the public agency has filed and served its NOC. Failing to file the notice gives the DIR an open ended period to investigate claims; filing the NOC limits the time for filing a claim to 18 months, therefore it is in the District's best interest to do so.

Public Comment – none

Directors Wilcox/Gustafson made a motion to authorize staff to file notice of completion with Placer County for three projects: Sewer Television Inspection Project 2015, Paving and Sealing Project 2015 and Painting and Repairs Project 2015; vote was unanimous.

Cox-yes

Gustafson-yes

Poulsen-yes

Wilcox-yes

F-6 Vehicle Purchase – Operations Department.

The Board reviewed the item, accepted public comment and authorized purchase of a 2016 Ford Explorer.

Mr. Burks reviewed the item. The District's 1997 Ford Explorer is nearly 19 years old and has nearly 120,000 miles. An evaluation by staff of the repair history of this vehicle puts it on the top of the list for replacement.

The lowest cost 4 X 4 SUV in the 6,160 lb. gross vehicle weight rating (GVWR) class is the Ford Explorer at a base price of \$25,689. With the hands free cell phone option, tax, and delivery, the total price is \$28,838.11 from Wondries Fleet Group.

Public Comment – none

Directors Wilcox/Poulsen made a motion to authorize purchase of a 2016 Ford Explorer; vote was unanimous.

Cox-yes

Gustafson-yes

Poulsen-yes

Wilcox-yes

F-7 Redundant Water Supply / Preferred Alternative Evaluation – Phase III; Evaluation Criteria and Alternatives Evaluation Approach.

The Board reviewed the item and accepted public comment.

Mr. Geary reviewed the item. The purpose of this Technical Memorandum (TM) is twofold: 1. Define the evaluation approach by which to compare project alternatives; and 2. Identify and describe the criteria that will be used to evaluate, rank, and select the preferred water source, transmission, pumping, and storage combination.

The TM defines a comprehensive list of evaluation criteria developed by the project team, as well as preliminary weighting of each set of criteria and sub-criteria. These criteria and preliminary matrix weightings were presented to District staff at a workshop on October 9, 2015. The workshop included an interactive discussion where District staff and the project team worked together to finalize the evaluation criteria and matrix weighting.

To address the need for a redundant water supply for the Olympic Valley, the District prepared the Alternative/Supplemental Water Supply and Enhanced Utilities Feasibility Study (Feasibility Study) in 2009. Farr West Engineering (Farr West) and the District recently completed an update to the Feasibility Study as part of the ongoing project.

The primary goal of the project is to identify a redundant source of water supply for the Olympic Valley to allow for reliable quantity and quality that is geographically diverse from the aquifer currently used as the primary source of potable water, and to provide redundancy for improved emergency preparedness. The scope of work for the project as a whole includes three distinct phases:

Phase I – Water Supply Feasibility Summary and Gap Analysis.

Phase II – Evaluation of Water Supply Source(s) Identified in Gap Analysis.
Phase III – Preferred Alternative Evaluation.

The District recently completed Phase I – Water Supply Feasibility Summary and Gap Analysis (November 6, 2014) and Phase II – Evaluation of Water Supply Source(s) Identified in Gap Analysis (February 24, 2015).

This TM is part of Phase III of the project which includes the recently completed Feasibility Study Update as well as a thorough alternatives evaluation used to develop a project description and support moving forward with the CEQA/NEPA process, public outreach program, planning, permitting, and preliminary design of the water supply project. This TM includes the following sections: Corridor Evaluation and Alternatives Selection Approach, Preliminary Transmission Main Alignment Evaluation, Evaluation Approach, and Detailed Evaluation Criteria and Method.

Director Poulsen commented on the importance of political sensitivity and public perception in evaluating alternatives and coordinating efforts with Placer County's bike trail project. He suggested a good tank location may be the ridge area above the Resort @ Squaw Creek.

Director Wilcox said the study is being paid for by a grant and won't affect water bills in any way. If this project ever gets built, there will need to be major funding partners. The District could never afford to build this without additional funding.

Public Comment –

Andrew Lange asked about the frequency of redundant supply use. He said without a contamination event, typically caused by a commercial manufacturing operation, it seems the probability of such an event is low.

President Cox said there have been contamination events, such as a diesel spill and that was without having a manufacturing operation in the valley.

Lisa Holan, Mountain Area Preservation board member, asked if two supplies are connected, would a property owner be able to claim the Martis supply for new development.

Mr. Archer said if any supply is developed by the District and the District secures rights to the supply, it will become part of the District's assets.

Mr. Geary said we may be seeking agreement with existing water purveyors to use existing water sources to provide an emergency supply.

Director Wilcox said at the last meeting, it was clarified that if this water supply project is developed, the redundant water supply will not enable new development in the first place.

President Cox said the Water Supply Assessment (WSA), prepared for the Village at Squaw Valley Specific Plan revealed there is enough water in our aquifer at the present time to meet the demands of all the development in the 1983 General Plan.

Mr. Geary said that statement is almost true and clarified that the WSA included analysis of existing demands, project demands over a 25 year period and cumulative development outside of the project and projected by Placer County over that same time period. Placer County's projection did not fully reach the level of the General Plan but was close.

Lisa Holan asked for clarification on the sufficiency of water supply. Mr. Geary explained that the WSA found there is sufficient supply for projected water demands based on the 25 year period scenario.

Isaac Silverman asked what steps will be taken to ensure that this water supply will be maintained as a redundant supply. Mr. Geary said at this time there is no specific plan for a formal assurance given the preliminary stage of the project. Mr. Silverman said by having such an assurance in place, this may alleviate many concerns about how this water supply will be used.

Chief Bansen expressed his concern that the supply may be restricted in such a way that will not allow water service to people along the Truckee River with potable water and a reliable fire suppression water supply.

Director Wilcox commented on the misinformation being promoted to the public about the lack of water supply in Olympic Valley and how the Redundant Water Supply project is growth inducing. These assertions are not true.

Ed Heneveld suggested tying into the Tahoe City Public Utility District's water system. Mr. Geary said he believes this is restricted by the Truckee River Operating Agreement and will follow up with Mr. Heneveld with more information.

F-8 Board Member Appointment Process.

The Board reviewed the item, accepted public comment and provided direction to staff.

Mr. Geary reviewed the item. He suggested applicants will present their qualifications to the Board at the November meeting. After all applicants have an opportunity to address the Board, a Board member may make a motion to appoint a new member. If that motion is seconded, then a vote will take place. If the motion does not pass, then another motion may be made.

The Board expressed their support of this process.

Public Comment – none

F-9 CalFIRE Radio Equipment Grant.

The Board reviewed the item, accepted public comment, approved acceptance of the grant by adoption of Resolution 2015-15 and authorized a budget amendment of \$5,179.70; a 50% match of the estimated cost.

Chief Bansen reviewed the item. The Fire Department applied to a CalFIRE assistance program for a grant to purchase upgraded portable (handheld) radios that will meet a federal mandate

for digital compatibility. CalFIRE approved our grant request and has awarded a grant of \$5,179.70 to fund the other half of the cost of the new radios.

Public Comment – none

Directors Wilcox/Poulsen made a motion to adopt Resolution 2015-15 which approves acceptance of the grant and authorized a budget amendment of \$5,179.70, to fund the other half of the cost of the new radios; vote was unanimous.

Cox-yes

Gustafson-yes

Poulsen-yes

Wilcox-yes

F-10 Fire Department Pay Scale Revision.

The Board reviewed the item, accepted public comment and approved the revised Fire Department Pay Scale.

Chief Bansen reviewed the item. At present, part-time Firefighters are paid \$11.00/hour for the training period and \$12.00/hour after their initial training is complete. Those eligible to practice as Paramedics receive an additional 10% (the same Paramedic incentive paid to the full-time staff). Both North Tahoe and Truckee Fire Protection Districts pay their part-time staff considerably more and we believe that an adjustment to our compensation rate is needed. The proposed new rate will be \$12.00/hour for the training period and \$13.50/hour once training is complete and following a successful evaluation.

President Cox said he supports this item and wants the District to be competitive in securing the best employees.

Public Comment – none

Directors Wilcox/Gustafson made a motion to approve the revised Fire Department Pay Scale; vote was unanimous.

Cox-yes

Gustafson-yes

Poulsen-yes

Wilcox-yes

G. Status Reports.

G-1 Fire Department Operations/Capital Projects Report.

Chief Bansen reviewed the report and Fire operations. He also discussed wild fire strike team work performed in 2015.

Public Comment – none

G-2 Water & Sewer Operations Report.

Mr. Burks reviewed the report.

Public Comment – none

G-3 Administration Report.

Ms. Obayashi-Bartsch reviewed the report.

Public Comment – none

G-4 Manager's Comments.

Mr. Geary reviewed the report. He asked for the Board's direction to participate in the Best Tasting Water national contest in Washington D.C. The Board suggested staff perform additional research in terms of costs and budget status and present this information for the Board's review in November.

Public Comment – none

G-5 Legal Report (verbal).

Mr. Archer said the Roseville Water District is reviewing their rates and the approach used to balance rates to cost of service.

Public Comment – none

G-6 Director's Comments.

The Board commented on missing Director Sheehan and how much he contributed to the District.

Directors Wilcox/Poulsen made a motion to enter into closed session; vote was unanimous.

Cox-yes

Poulsen-yes

Gustafson-yes

Wilcox-yes

H. Closed Session – Anticipated Litigation.

The Board met in closed session pursuant to Government Code 54956.9 et al regarding anticipated litigation (1 case).

Directors Wilcox/Poulsen made a motion to return the meeting to open session; vote was unanimous.

Cox-yes

Poulsen-yes

Gustafson-yes

Wilcox-yes

I. Possible Action Resulting from Closed Session.

Mr. Archer reported that no reportable actions or decisions were made in closed session and nothing other than the item on the closed session agenda was discussed.

J. Adjourn.

Directors Wilcox/Poulsen made a motion to adjourn at 12:20 p.m.; vote was unanimous.

Cox-yes

Poulsen-yes

Gustafson-yes

Wilcox-yes

By, K. Obayashi-Bartsch

FINAL