SQUAW VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS REGULAR MEETING MINUTES #790
June 24, 2014

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: Dale Cox, President; Eric Poulsen, Vice President; Directors: Carl Gustafson; Brian Sheehan; and John Wilcox.

Staff Present: Mike Geary, General Manager; Kathryn Obayashi-Bartsch, Board Secretary; Pete Bansen, Fire Chief; Tom Campbell, Finance/Administration Manager; Brandon Burks, Operations Specialist III and Thomas Archer, District Counsel.

Others Present (A.M.): Gate DeMattei, Emily Fralick, Ed Heneveld, Cam Kicklighter, Jean Lange, Katie Larissi, Mike Livak, Andrea Parisi, Tom Rinne and David Stepner.

President Cox asked Cam Kicklighter to lead the Pledge of Allegiance.

B. Community Informational Items.
B-1 Friends of Squaw Creek – none
B-2 Friends of Squaw Valley – none
B-3 Squaw Valley Municipal Advisory Committee (SVMAC) – Brian Sheehan said the July meeting is cancelled and the next meeting is scheduled for August 7th at 6 P.M. in the District’s community room.
B-4 Squaw Valley Mutual Water Company (SVMWC) – none
B-5 Squaw Valley Ski Holdings – none
B-6 Squaw Valley Property Owners Association – none
B-7 Tahoe-Truckee Sanitation Agency – Dale Cox provided an update on the following items: Truckee River Interceptor (TRI) repair near the River Ranch, fleet rotation, analysis of Tiechert materials, Tahoe City roundabout and analysis of capacity in both the TRI and the treatment plant.
B-8 Incorporate Olympic Valley – none

C. Public Comment/Presentation.
Ed Heneveld asked about the water line leak, adjacent to Squaw Valley Road. Mr. Geary provided an update on the repair work on the S-turn.

D. Financial Consent Agenda Items.
Directors Poulsen and Sheehan met with staff on Monday, June 23, 2014 from approximately 3-5 P.M. to review items D-1 through D-17 as well as other finance related items on this agenda.

Director Sheehan said they reviewed the finance related items with staff and all items appear to be in order. The final 2014-15 budget was reviewed which includes the proposed rate increases.

Public Comment – none
A motion to approve the financial consent agenda was made by Directors Wilcox/Gustafson as submitted; vote was unanimous.
Cox-yes
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

E. Approve Minutes.
E-1 Minutes for June 12, 2014.

A motion to approve the minutes for June 12, 2014 was made by Directors Sheehan/Gustafson; vote was unanimous.
Cox-yes
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

The Board of Directors adjourned and reconvened as the Olympic Valley Groundwater Management Plan (GMP) Implementation Group (IG).

Call to Order.
President Cox called the Olympic Valley Groundwater Management Plan Implementation Group meeting to order. Ms. Obayashi-Bartsch read the following statement: “Pursuant to Government Code section 54952.3, the Board does not receive any additional compensation over and above their $600 monthly compensation.”

GMP Advisory Committee Report.
The Implementation Group received an update and recommendations from Mike Livak, Chair of the Olympic Valley Groundwater Management Plan Advisory Committee.

Mr. Livak provided a report on the Committee’s April 30th meeting. He said the Committee discussed the following items:
Water Conservation Measures;
Drought Preparedness;
Cooperative Action Plan;
Review of Goals and Basin Management Objectives;
Aquifer Monitoring Program including Scope of Work and Grants;
Olympic Valley Groundwater Management Plan (OVGMP) Database;
California Statewide Groundwater Elevation Monitoring (CASGEM) Program;
Biennial Review and Report;
Recovered Well Data from the Resort at Squaw Creek;
Squaw Valley Technical Review Committee;
Groundwater Model Update;
Creek Aquifer Interaction Study Phase II;
Village at Squaw Valley Project Water Supply Assessment; Placer County Water Agency and Integrated Regional Water Management grant applications and Redundant Water Supply-Preferred Alternative Evaluation.

Mr. Livak said the Committee recommends the following:
- Cooperative Action Plan: Group support for identification of an aquifer level at a specific well that would trigger cooperative water management without the need for a formal legally binding agreement.
- Stream Monitoring: Group support for assistance and support to continue stream gauge monitoring work.

Public Comment – Ed Heneveld discussed the stream gauge monitoring work and need for long-term funding.

The Implementation Group thanked Mr. Livak and members of the Committee for their participation.

Directors Wilcox/Poulsen made a motion to accept the report and directed staff to follow-up on the Committee’s recommendation to identify trigger levels; vote was unanimous.
Cox—yes
Poulsen—yes
Gustafson—yes
Sheehan—yes
Wilcox—yes

The Olympic Valley Groundwater Management Plan Implementation Group adjourned and reconvened as the Public Service District Board of Directors.

F. Old & New Business.
Timed item 8:30 A.M. or as soon as the matter may be heard.
F-1 2nd PUBLIC HEARING to Review FY 2014-15 Budget, Rates and Charges.
The Board reviewed the item, accepted public comment and approved FY 2014-15 Budget, Rates and Charges through adoption of Resolution 2014-14.

Mr. Campbell provided a review of the budget and the assumptions used in developing the budget. The proposed rates advertised in accordance with proposition 218 reflect the maximum increase being considered and equate to a 15% increase for water, an 11.5% increase for sewer and 2.98% increase for garbage. To date, the District received five letters protesting the proposed increases which are included in the Administration staff report.

Staff made adjustments to the budget and are proposing a 13% increase for water, a 10.5% increase for sewer and a 2.98% increase for garbage. Based on the Board’s direction, the budget includes contributions to the fixed asset replacement funds in the amount of $100,000.

Director Gustafson asked if any leniency is allowed for individuals protesting the increases.
Director Sheehan said the rates should apply to all customers in a consistent manner.

Director Wilcox said most of the increase is necessary due to fixed costs and is not due to the volume used. It appears that the protest letters are generated from those that own a second home in the valley and are not year-round residents and may not understand that support of the infrastructure is necessary to have service available when they visit their property.

Public Comment – none

Directors Poulsen/Sheehan made a motion to adopt Resolution 2014-14 adopting the FY 2014-15 budget, rates and charges; vote was unanimous.
Cox-yes
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

Timed item 8:30 A.M. or as soon as the matter may be heard.
F-2 Adopt Ordinance 2014-02 Adopting Rates & Charges and Revised District Codes.
The Board reviewed item, accepted public comment and adopted Ordinance 2014-02.

Ms. Obayashi-Bartsch said adoption of Ordinance 2014-02 will adopt rates and charges and revise District Administrative codes in accordance with these rates.

Public Comment – none

Directors Sheehan/Wilcox made a motion to adopt Ordinance 2014-02 adopting rates and charges and revising District Administrative codes in accordance with these rates; vote was unanimous.
Cox-yes
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

Timed item 8:30 A.M. or as soon as the matter may be heard.
F-3 Request Placer County to Collect Delinquent Charges.
The Board reviewed the item, accepted public comment and adopted Resolution 2014-15, requesting Placer County to collect delinquent charges.

Public Comment – none

Directors Gustafson/Poulseen made a motion to adopt Resolution 2014-15 requesting Placer County to collect delinquent charges; vote was unanimous.
Cox-yes
F-4  **Village at Squaw Project Update.**  
Director Poulsen left the 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 staff and District consultants continue to work on six separate analyses to better understand the impacts of the project to the District’s systems, operations and financial position. The results of these analyses will inform staff of potential project impacts and, in some cases, long-term planning needs.

Staff has been coordinating and directing each of the consultants to provide the background project data and assumptions necessary to accomplish their evaluations.

**Sewer**  
Mr. Geary said Squaw Valley Real Estate’s engineering consultant, MacKay & Somps, submitted another updated Sewer Study, which is currently being reviewed by staff and our consultants. Farr West continues its work updating the hydraulic model of the District’s sewer collection system.

**Financial Analysis**  
Mr. Campbell provided an update on the work being performed by Hansen Economic Consulting and anticipates a report in September.

**Fire / EMS/ Emergency Vehicle Access (EVA)**  
Chief Bansen provided an update on the needs/mitigations analysis being performed by Citygate Associates and anticipates a report in July or August.

Director Gustafson commented on the funds spent on the various studies related to the Village at Squaw Project and other studies of the valley’s aquifer. Director Wilcox said most the studies are required by the state of California and the developer is reimbursing the District for these expenditures.

**Public Comment**  
Ed Heneveld asked about the status of the emergency access road. Chief Bansen said he believes that SVRE and the owner of the Resort at Squaw Creek are in agreement but is not a significant aspect of the Citygate analysis.

Andrea Parisi of Squaw Valley Real Estate (SVRE) said the owner of the Resort at Squaw Creek has not been responsive to the emergency access route and this is not included in the Specific Plan. SVRE will fund the stream gauge monitoring equipment upgrade.
F-5 Harassment Prevention Training.

Director Poulsen returned to the meeting room.

The Board reviewed the item, accepted public comment and determined Board Members are required to take Harassment Prevention Training in accordance with AB 1825.

Mr. Obayashi-Bartsch provided a review of the item.

Director Sheehan said he does not believe the training is necessary but understands that this may protect the District.

President Cox said he believes awareness of the issue is important and supports training for the Board.

Mr. Archer said he supports the Board attending the training.

Public Comment – none

Directors Wilcox/Poulsen made a motion requiring Board members to take Harassment Prevention Training in accordance with AB1825; vote was unanimous.
Cox-yes
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

F-6 California Special Districts Association (CSDA) 2014 Board Elections.

The Board reviewed the item, accepted public comment and cast a vote for Frederick Gayle to serve on the CSDA Board of Directors, representing Region 2.

Mr. Obayashi-Bartsch provided a review of the item.

Director Sheehan said he supports Frederick Gayle.

Director Gustafson said he supports David Pierson.

Director Poulsen said Mr. Gayle has experience with water districts.

Public Comment – none

Directors Sheehan/Poulsen made a motion to elect Frederick Gayle to serve on the CSDA Board of Directors, representing Region 2; motion passed 4 to 1.
Cox-yes
Poulsen-yes
Gustafson-no
Sheehan-yes
Wilcox-yes

F-7  Aspens Condominium Project Sewer Line Relocation.
Execute Contract.
The Board reviewed the item, accepted public comment and authorized staff to execute a contract with Aspens Developers Corporation for the Aspens Condominium Project Sewer Relocation.

Mr. Burks provided a review of the item.

Public Comment – none

Directors Sheehan/Wilcox made a motion to authorize staff to execute a contract with Aspens Developers Corporation for $69,075; vote was unanimous.
Cox-yes
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

Accept Easement.
The Board reviewed the item, accepted public comment and accepted sewer easement for Aspens Condominium Project-Placer County APN 096-470-013 by adoption of Resolution 2014-16.

Mr. Burks provided a review of the item.

Public Comment – none

Directors Sheehan/Wilcox made a motion to adopt Resolution 2014- 16; vote was unanimous.
Cox-yes
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

F-8  Integrated Regional Water Management Implementation Grant.
The Board reviewed the item, accepted public comment and authorized General Manager to submit the grant application and execute an agreement with the State of California Department of Water Resources by adoption of Resolution 2014-17.

Mr. Geary provided a review of the item.

Public Comment – none
Directors Sheehan/Wilcox made a motion to adopt Resolution 2014-17; vote was unanimous.
Cox - yes
Poulsen - yes
Gustafson - yes
Sheehan - yes
Wilcox - yes

F-9  Sewer Interceptor Replacement Project - Olympic Estates.
Mr. Archer said this item is not ready for Board consideration and is removed from the agenda.

G. Status Reports.

Chief Bansen provided a review of the report including red flag warnings for hazardous fire weather.

There were no questions or comments.

Public Comment – none

Mr. Burks provided a review of the report.

Public Comment – none

G-3  Administration Report.
Mr. Campbell provided a review of the report. The Board discussed the provision of notary public services, which will be discussed as an action item in the future.

Public Comment – none

G-4  Manager’s Comments.
Mr. Geary made no comments.

Public Comment – none

G-5  Legal Report (verbal).
Mr. Archer made no comments.

Public Comment – none

G-6  Director's Comments.
Director Poulsen commented on slip lining of water lines and the Board discussed the item.
H. **Recess.**
A motion was made by Directors Wilcox/Sheehan to recess the meeting at 10:45 A.M. until 12:00 P.M.; vote was unanimous.
Cox-yes
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

I. **Call to Order.** President Dale Cox called the meeting to order at 12:00 P.M.

**Directors Present:** Dale Cox, President; Eric Poulsen, Vice President; Directors: Carl Gustafson; Brian Sheehan; and John Wilcox.

**Staff Present:** Mike Geary, General Manager; Kathryn Obayashi-Bartsch, Board Secretary; Pete Bansen, Fire Chief; Tom Campbell, Finance and Administration Manager; Brandon Burks, Operations Specialist III; Cindy Herbert, Office Manager; and Thomas Archer, District Counsel.

**Others Present (P.M.):** Pete Crosby, Gate DeMattei, Teresa May Duggan, Claire Feeney, Alex Fisch, Adrienne Graham, Ed Heneveld, Dave Hunt, Chevis Hosea, Gary Jakobs, Cam Kicklighter, Steve Lamb, Jean Lange, Steve Kastan, Tom Mooers, Bob Moore, Margaret Moran, Andrea Parisi, Karen Pohle, Lance Poulsen, Tom Rinne, Perri Runion, Melissa Siig, Isaac Silverman, Dwight Smith, David and Judy Stepner, Lynn Suter, Chad Taylor, Derrrik Williams and Peter Van Zant.

**Timed item 12:00 P.M. or as soon as the matter may be heard.**

J. **Village at Squaw Valley Project Water Supply Assessment (WSA) DRAFT Report Presentation.**
Mr. Archer said Director Poulsen is recused from participation as a Board member due to a conflict from an ownership interest in real property and as an owner of a local business. He will listen to the presentation and the discussion of the item as a member of the public.

Mr. Archer said public comments are informative to the consultants and staff but will not be specifically addressed in the WSA similar to some environmental documents, such as an Environmental Impact Report (EIR).

The WSA will not include a public comment section. Staff and District consultants will present the Draft and Final versions of the WSA to the District’s Board of Directors as information-only. The District will respond to any material omissions or technical flaws in the WSA.

The Board reviewed the item and accepted public comment.

Mr. Geary provided a summary of the WSA organization and structure as follows:
1. Quantify Water Demands (existing, project, and future)
2. Water Supply (sources)
3. Sufficiency of Groundwater Supply (existing and proposed)
4. Evaluate Drought Supply and Demand
5. Compare Water Supply and Demand

The WSA did not produce an estimate of the sustainable yield of the aquifer. Rather, it provides a discrete (yes or no) response to whether or not there is sufficient supply to meet existing, project and future (25-years) demands.

Mr. Geary, Mr. Hunt, Mr. Taylor and Mr. Williams presented the Draft WSA (see attachment A). Supply sufficiency was assessed using the Olympic Valley Groundwater model. The model was updated with information through 2011. Proposed new wells and accepted standards for the aquifer’s percent saturation were reviewed. In summary, the projected water supply is sufficient to meet the demands projected through 2040 for the proposed project as well as other projected demands within the valley. A summary of next steps was reviewed.

Mr. Smith provided a summary of the independent peer review process used in reviewing the WSA. He said the WSA is a credible, objective analysis and the WSA’s conclusion that the projected supply will meet the projected demand is valid. Seasonal and long-term overdraft should not be a significant issue. At times, seasonal overdraft may be a concern but long-term overdraft will not. He supports the plan to disperse the well field, monitor aquifer levels and develop a pumping management plan to address the high level of active pumping and aquifer management that will be required of the proposed wellfield.

Director Sheehan asked that an executive summary be prepared for the report. He commented on the aquifer’s “margin of safety” under the 2040 water demand scenario, number of new wells and water quality.

Mr. Hunt said four wells are needed for the project and two wells for non-project demands. As to the water quality aspect, the better quality water is on the west side of the valley. Mr. Archer said the development agreement which will be negotiated will address well development and include water quality analysis for future wells.

Mr. Williams explained that the “margin of safety” is improved with the development of additional wells.

Director Wilcox concurred with Director Sheehan’s comments. This is the first comprehensive report and unfortunately the public may believe that Squaw Valley is running out of water. When it was once believed that there was shortage of water, we now know that the challenge has been a shortage of wells. In the past, the District’s studies were focused on a few wells in a confined area and that was the basis of previous studies. With the change in ski resort ownership, additional land overlying the aquifer is now available for water exploration which is the basis of this study.
President Cox said while there is sufficient water supply to meet the demands of the project, he concurs with Mr. Smith’s recommendation to monitor aquifer levels and implement a coordinated pumping management plan.

Director Gustafson commented on the importance of safe yield or sustainable yield. He commented on soil types.

Public Comment –
David Stepner commented on aquifer recharge, projected population and types for the demand analysis, occupancy figures and the demand profile.

Jean Lange commented on the WSA process including the District’s role.

Bob Moore commented on snowmaking, percentage of snow that returns to the aquifer and the impact of increased snowmaking.

Ed Heneveld commented on the size of the watershed, inflow data, impacts to the area known as the “upwelling”, stream inputs, total water budget in the valley including upper mountain wells, sustainable or safe yield, creek impacts, climate change, impact of Well 18-3R, Resort at Squaw Creek development agreement and snow making impacts.

K. Adjourn.
Directors Sheehan/Gustafson made a motion to adjourn at 2:45 P.M.; vote was unanimous with the exception of Director Poulsen.
Cox-yes
Poulsen-recused
Gustafson-yes
Sheehan-yes
Wilcox-yes

By, K. Obayashi-Bartsch
WSA Water Demands
- Existing
  - Historical Water Use
- Village at Squaw Valley Project
  - Specific Plan Project Description
- Future (25 yrs.) Non-Project
  - Placer County Development Projections

Existing Water Demand Data
- SVPSPD and SVMWC
  - 2000-2012 production records
- RSC
  - Snowmaking - 2006-2012
- SVR
  - Snowmaking - 2010-2012

Methods to Estimate Water Demand
- Water Demand Factors
  - 550 gpd/connection - Single Family
  - 100 gpd/capita - Resort/Condo/Hotel
  - 0.24 gpd/square foot - Commercial
- Occupancy Rates
  - 2009-2011 Average of Village at Squaw Valley and other Valley Properties
- Unbilled Water
  - 9.8% of Water Produced

Project Water Demands
- Water Demands
  - MacKay & Somps reviewed by SVPSPD
- Unit Demands Used
  - SVPSPD Standards & Historical Data
- Types of Water Demand
  - Managed and Unmanaged Lodging Units
  - Employee Housing
  - Commercial and Amenities
  - Irrigation
- Total Estimated Project Water Demand at 2040
  - 234 AFY
Squaw Valley Public Service District

Response to Variation in Inflow / Outflow

Olympic Valley Groundwater Basin is a Small Aquifer

There is Much More Potential Recharge Than There is Available Storage Capacity or Demand

The Result is a Large Amount of Rejected Recharge Flowing Through the Valley Every Year

Increased Basin Groundwater Use in the Winter & Spring Months, Increases Total Annual Recharge Volume

Squaw Valley Public Service District

Water Supply Availability

No Pre-existing Water Supply Availability Analysis Applicable to this WSA

The Basin is Very Dynamic
- Fast Response to Available Recharge
- Correlated Relationship Between Pumping and Recharge
- Re-fills Every Year, No Annual Change in Storage

Assessing Maximum Availability Impossible
- Changes in Timing of Pumping Changes the Volume of Recharge

Squaw Valley Public Service District

Is There Adequate Supply to Meet Existing & Planned Future Demands?

Normal Years
Single Dry Year
Multiple Dry Years

Squaw Valley Public Service District

Supply Sufficiency Assessed with the Olympic Valley Groundwater Model

Accurately Simulates Aquifer Pumping
Incorporates Droughts
Best Available Tool
Recent Model Modifications

- Pumping & Aquifer Level data updated through 2011
- Results of Creek/Aquifer interaction study included
- Results from LLNL study included
- Most recent geologic data (2012 test wells)

Model Calibration

- Model is calibrated after every update
- Most recent calibration resulted in one of the most accurately calibrated models

Sufficiency of Supply Assumptions

- Pumping demand set to 2040 levels for entire model period
- Simulates 1993 to 2011 rainfall/recharge
  - Single dry year 2007
  - Multiple dry years 1999 - 2001
Squaw Valley Public Service District

Pumping Criteria for New Wells

Based on Historical Groundwater Levels
Consistent with Published Documents & Guidelines
Accounts for Operational Concerns

Squaw Valley Public Service District

Pumping Criterion for New Wells

On Average, 65% of the aquifer must remain saturated in the western portion of the aquifer

- A Holistic Criterion Applied to the Productive Part of the Aquifer
- Allows Operational Flexibility to Minimize Impacts

Percent Saturation – All Wells – 2040
WSA Presentations

- Placer County Water Agency
  - Thursday, July 17, 2014 at 2:00 p.m.
- Placer County Board of Supervisors
  - Tuesday, Oct. 14, 2014 at the Meeting of the Board of Supervisors
- Squaw Valley Public Service District
  - Tuesday, Feb. 19, 2014 at 3:00 p.m.
- Squaw Valley Municipal Advisory Council (MAC)
  - Thursday, August 7, 2014 at 6:00 p.m.
Information - Squaw Valley Public Service District

Questions / Comments

Sample Slide

- Sample Slide