

**SQUAW VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES #841
June 26, 2018**

A. Call to Order, Roll Call and Pledge of Allegiance. Chairman Dale Cox called the meeting to order at 8:35 A.M.

Directors Present: Directors: Dale Cox, Carl Gustafson, Fred Ilfeld and Eric Poulsen

Directors Absent: Bill Hudson

Staff Present: Mike Geary, General Manager; Kathryn Obayashi-Bartsch, Secretary to the Board; Allen Riley, Fire Chief; Dave Hunt, District Engineer; Brandon Burks, Operations Superintendent; Danielle Grindle, Finance & Administration Manager and Thomas Archer, District Counsel

Others Present: Jean Lange

Chairman Cox asked Brandon Burks 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 Design Review Committee (SVDRC) – None

B-4 Squaw Valley Municipal Advisory Council (SVMAC) – None

B-5 Squaw Valley Mutual Water Company (SVMWC) – Brandon Burks said they plan to install a horizontal line to the upper tank and are researching funding options for their planned 2.6 million dollars of capital projects.

B-6 Squaw Valley Property Owners Association – None

B-7 Mountain Housing Council of Tahoe Truckee – Fred Ilfeld provided an update on the group's efforts. The group has been working for a year and has researched several issues related to the area's housing situation. Among the many issues researched is the impact of short term rentals. There is now discussion about using regional campgrounds for trailer parking throughout the year as an option for year-round housing. There is also discussion about density and advocacy for affordable housing. The District like many other agencies has pledged funding for this effort and made the second of three payments in the amount of \$2,500.

Dale Cox said he thinks many property owners are not interested in renting all or a portion of their homes. This was not the situation in the past when many homeowners had a second unit that was rented out.

Carl Gustafson said affordable housing impacts seniors and there are many barriers which make it very difficult for a senior to remain in one's own home.

B-8 Tahoe-Truckee Sanitation Agency (T-TSA) – Dale Cox said Cal Trans delayed the agency's sewer bypass project from MH 81-83 to after July 4, 2018. The agency reviewed the annual budget, the CalPERS unfunded liability and the Avery Hotel project.

C. Public Comment/Presentation.

Public Comment –

Danielle Grindle provided an update on the Placer County’s Capital Advisory Project Committee efforts. The Committee met earlier this month and heard presentations from 29 project applicants. There are four project applications that relate to Squaw Valley. The group will meet again on June 28, 2018 to determine allocation of the Transient Occupancy Taxes (TOT) funds.

D. Financial Consent Agenda Items.

Directors Poulsen and Ilfeld met with staff on June 25, 2018 to review items D-1 through D-11 as well as other finance related items on this agenda.

Director Poulsen said the Committee reviewed all finance related items on the agenda and the financial items are in order. He said the meeting was spent reviewing the budget and a new report; item D-8, CalPERS lump sum payment.

Public Comment – none

A motion to approve the financial consent agenda was made by Directors Ilfeld/Poulsen as submitted. The motion passed and the vote was unanimous with the exception of Director Hudson who was absent.

Cox-yes
Gustafson-yes
Hudson-absent
Ilfeld-yes
Poulsen-yes

E. Approve Minutes.

E-1 Minutes for the Board of Directors meeting of May 29, 2018.

Public Comment – none

A motion to approve the minutes for the Board of Directors meeting of May 29, 2018 was made by Directors Ilfeld/Gustafson. The motion passed and the vote was unanimous with the exception of Director Hudson who was absent.

Cox-yes
Gustafson-yes
Hudson-absent
Ilfeld-yes
Poulsen-yes

F. Old & New Business.

F-1 2nd PUBLIC HEARING to Approve FY 2018-2019 Budget, FY 2018-2019 Rates and Charges and Employee Salary Schedules.

- A. The Board reviewed the item, accepted public comment and approved FY 2018-2019 Budget and FY 2018-2019 Rates and Charges by adoption of Resolution 2018-11.
- B. The Board reviewed the item, accepted public comment and approved Employee Salary Schedules by adoption of Resolution 2018-12.

Ms. Grindle reviewed the item which includes District financial policies, a budget narrative, general and departmental budgets, cost of service analysis and capital improvement fund. The proposed budget was prepared with a focus on establishing adequate reserves of the District's Fixed Asset Replacement Funds (FARFs) and incorporates paying down the District's Safety Group's CalPERS' unfunded accrued pension liability (UAL) with funds from the Sewer Fixed Asset Replacement Fund (FARF). For FY 2018-2019, a loan of \$135,000 is factored into the budget. The only changes to the budget from the previous version include Mr. Geary's salary which was not finalized until last month with his employment contract and the addition of a \$10,000 project to update the Personnel Manual.

In response to the Rate Study and the five-year Proposition 218 notice, staff is proposing rate increases as a funding mechanism for the FARFs. This equates to a four percent increase in rates for water, five percent increase in rates for sewer, and two percent increase in rates for garbage. The Proposition 218 notice allowed for a three percent increase in garbage rates. Total rate revenue is budgeted to be \$3,443,000.

Ms. Grindle said David Stepner attended the Finance Committee yesterday. David Stepner said according to the budget narrative, a portion of property tax that the District receives goes to offset water operations and rates. The taxes are borne by all property owners including the Mutual Water Company customers. Mutual Water Company customers pay taxes but the Mutual Water Company does not receive any of this tax revenue. He made several suggestions including (1) return of the taxes paid by Mutual Water Company customers to offset District water operations and rates, (2) allocation of these funds for Parks & Recreation or (3) applying these funds to the current contract for water system operations and maintenance.

Mr. Geary suggested a Finance Committee should be held to further review the item.

Public Comment – none

A motion to adopt Resolution 2018-11, approving the budget and rates and charges for FY 2018-2019 was made by Directors Gustafson/Poulsen. The motion passed and the vote was unanimous with the exception of Director Hudson who was absent.

Cox-yes

Gustafson-yes

Hudson-absent

Ilfeld-yes

Poulsen-yes

Public Comment – none

A motion to adopt Resolution 2018-12, approving the Employee Salary Scales was made by Directors Ilfeld/Poulsen. The motion passed and the vote was unanimous with the exception of Director Hudson who was absent.

Cox-yes

Gustafson-yes

Hudson-absent

Ilfeld-yes

Poulsen-yes

F-2 2nd PUBLIC HEARING of Ordinance 2018-02 – Adopting Rates & Charges and Revised District Codes.

The Board reviewed the item, accepted public comment and adopted rates and charges and revised District Codes by adoption of Ordinance 2018-02.

Public Comment – none

A motion to adopt Ordinance 2018-02 adopting rates and charges and revised District Codes was made by Directors Poulsen/Ilfeld. The motion passed and the vote was unanimous with the exception of Director Hudson who was absent.

Cox-yes

Gustafson-yes

Hudson-absent

Ilfeld-yes

Poulsen-yes

F-3 PUBLIC HEARING to Request Placer County to Collect Delinquent Charges.

The Board reviewed the item, accepted public comment and adopted Resolution 2018-13, requesting Placer County to collect delinquent charges.

Ms. Grindle reviewed the item. She said since preparing the report, there are 18 delinquent accounts that total \$26,894 in delinquent charges.

Public Comment – none

A motion to adopt Resolution 2018-13, requesting Placer County to collect delinquent charges was made by Directors Gustafson/Poulsen. The motion passed and the vote was unanimous with the exception of Director Hudson who was absent.

Cox-yes

Gustafson-yes

Hudson-absent

Ilfeld-yes

Poulsen-yes

F-4 July, November and December 2018 Board Meeting Schedule.

The Board reviewed the item, accepted public comment and adopted a meeting schedule for July, November and December 2018.

Ms. Obayashi-Bartsch reviewed the item. The Board of Directors regular meetings are scheduled for the last Tuesday of each month. Due to a schedule conflict in July and the holidays during November and December, staff requires direction from the Board to schedule meetings.

Public Comment – none

A motion to conduct Board meetings on Tuesday, July 24, 2018, Tuesday, November 27, 2018 and Tuesday, December 18, 2018 was made by Directors Poulsen/Ilfeld. The motion passed and the vote was unanimous with the exception of Director Hudson who was absent.

Cox-yes

Gustafson-yes

Hudson-absent

Ilfeld-yes

Poulsen-yes

F-5 Placer County Local Area Formation Commission (LAFCO) Call for Nominations.

The Board reviewed the item, accepted public comment and did not nominate a candidate.

Ms. Obayashi-Bartsch reviewed the item. The District received notification of Placer County LAFCO's Call for Nominations - Special District Representative. The current Special District representatives are Ron Treabess from the Tahoe City Public Utility District and alternate member Mike Lynch from the Auburn Recreation and Park District. The new terms will expire May, 2022.

Director Ilfeld said LAFCO provides jurisdictional oversight and it is very important to have a representative from the eastern part of Placer County.

Director Poulsen said the District has a jurisdictional issue which is the service area boundary overlap with Tahoe City Public Utility District.

The Board discussed the opportunity and determined that there was insufficient interest from any Board member to serve on the Placer County LAFCO Commission. Ron Treabess plans to run for the seat and the Board supports his run for re-election.

Public Comment – none

G. Status Reports.

G-1 Fire Department Operations Report.

Chief Riley reviewed the report. He said we hired three new part-time Firefighters and are in the process of hiring a new full-time Firefighter.

Public Comment –

Jean Lange inquired about a dead tree near her property and if this would be handled through the defensible space program. Chief Riley said if it is on private property removal may be required through the defensible space program. If it is on public property, then there may be no requirement for removal due to its value as wildlife habitat.

G-2 Water & Sewer Operations Report.

Mr. Burks reviewed the report.

Director Poulsen said the leak rate was much lower and commended Mr. Burks and the Operation staff for their efforts.

Public Comment – none

G-3 Engineering Report.

Mr. Hunt reviewed the report including an update on the Truckee River Siphon Project and Plumpjack Well. He discussed potential contractors for the Truckee River Siphon Project and said he hopes to bring a contract award to the Board in July or August.

Public Comment – none

G-4 Administration Report.

Ms. Obayashi-Bartsch reviewed the report.

Public Comment – none

G-5 Manager's Comments.

Mr. Geary reviewed the report.

Public Comment – none

G-6 Legal Report (verbal).

Mr. Archer had no comments.

Public Comment – none

G-7 Director's Comments.

Director Poulsen said the green waste day was well run and well attended. This is a great service for the community.

He commended all who participated in the Parks & Recreation Committee meeting. He thanked Director Ilfeld for drafting the meeting summary and suggested adding information about the District's efforts to acquire the Squaw Valley Park which included a property owner questionnaire to determine the level of interest in maintaining the park. At that time, property owners were not supportive of maintaining the park.

Director Ilfeld provided a summary of the Parks & Recreation Committee meeting. He said the three main takeaways from the meeting include:

- It is important to determine the specific needs of the community or niche of service, whether it is recreational programming, providing facilities and/or trails.
- Each of the agencies that presented information about their Parks & Recreation services have widespread community support.
- All Parks & Recreation providers have a variety of funding mechanisms including taxes, grants, private donations, etc.

Chairman Cox said his takeaway from the meeting is that the District should proceed with caution as Parks & Recreation is costly to provide and our District has a much smaller tax base than those that are currently providing these services.

H. Adjourn.

Directors Gustafson/Poulsen made a motion to adjourn at 10:20 A.M. The motion passed and the vote was unanimous with the exception of Director Hudson who was absent.

Cox-yes

Gustafson-yes

Hudson-absent

Ilfeld-yes

Poulsen-yes

By, K. Obayashi-Bartsch