

**SQUAW VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES #851
March 26, 2019**

A. Call to Order, Roll Call and Pledge of Allegiance. President Dale Cox called the meeting to order at 8:34 a.m.

Directors Present: Directors: Dale Cox, Bill Hudson, Fred Ilfeld, Victoria Mercer and Eric Poulsen

Directors Absent: None.

Staff Present: Thomas Archer, District Counsel; Jessica Asher, Secretary to the Board; Brandon Burks, Operations Superintendent; Brad Chisholm, Fire Captain; Mike Geary, General Manager; Danielle Grindle, Finance & Administration Manager; and Dave Hunt, District Engineer.

Others Present: Sally Brew, Pete Bansen, Sal Monforte, Kate Frankfurt, Jean Lange

President Cox asked Pete Bansen to lead the Pledge of Allegiance.

B. Community Informational Items.

B-1 Friends of Squaw Creek (FOSC) – None.

B-2 Friends of Squaw Valley (FOSV) – 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) – Mr. Burks provided an update. SVMWC is reassessing their 20-year capital replacement program, refining cost estimates and evaluating USDA loans and private financing.

B-6 Squaw Valley Property Owners Association – None.

B-7 Mountain Housing Council of Tahoe Truckee – None.

B-8 Tahoe-Truckee Sanitation Agency (T-TSA) – Director Cox provided an update. T-TSA implemented live video recording of meetings as of the last Board meeting. The agency is changing their billing procedure to have Placer County do billing, which will provide cost savings due to their size and staff composition. T-TSA is planning an office remodel and is looking for a contractor. T-TSA met all waste discharge requirements.

B-9 Capital Projects Advisory Committee (CAP) – Ms. Grindle provided an update. The CAP Committee did not meet last month. At the next meeting, there will be an update on current transient occupancy tax (TOT) projects and Placer County's Parks and Trails Master Plan.

C. Public Comment/Presentation.

C-1 Recognition of Service by Resolution 2019-01

Carl Gustafson, Board Member – 10 years

The Board recognized Director Gustafson contributions to the District and community, accepted public comment and adopted Resolution 2019-01.

Eric Poulsen read the resolution.

Public Comment –

Pete Bansen recognized Director Gustafson’s role on the Board of Directors and his dedication to understanding the Valley’s issues.

Resolution 2019-01 was approved by Roll Call vote, and the vote was unanimous.

Cox – Yes

Hudson – Yes

Ilfeld – Yes

Mercer – Yes

Poulsen – Yes

D. Financial Consent Agenda Items.

Directors Cox and Poulsen met with staff on March 25th from approximately 3:00-4:45 p.m. 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 that overall the District is on budget. Director Poulsen summarized the key finance related items. Placer County has only provided bank statements through December 2018. The County paid the invoices for bike trail snow removal. There was a large expense for snow-removal on the 1810 roof. The District’s worker compensation insurance is expected to decrease over the next year.

Ms. Grindle added that the District has been monitoring the labor costs associated with the bike trail snow removal and there is approximately \$3,500 left in the budget.

Public Comment – none

A motion to approve the financial consent agenda was made by Director Hudson and seconded by Director Ilfeld as submitted. The motion passed, and the vote was unanimous.

Cox – Yes

Hudson – Yes

Ilfeld – Yes

Mercer – Yes

Poulsen – Yes

E. Approve Minutes.

E-1 Minutes for the Board of Directors meeting of February 26, 2019.

Director Poulsen requested that on page 3 of 12, “as amended” should be added into the motion to approve the minutes. Ms. Asher responded that she will make this edit.

Public Comment – none

A motion to approve the minutes for the Board of Directors meeting of February 26, 2019, as amended, was made by Director Ilfeld and seconded by Director Mercer. The motion passed, and the vote was unanimous.

Cox – Yes

Hudson – Yes

Ilfeld – Yes

Mercer – Yes

Poulsen – Yes

F. Old & New Business.

F-1 Olympic Meadow Property – Project Update.

The Board received an update on the Project and accepted public comment.

Director Poulsen left the room due to conflict of interest with an ownership interest in the property.

Director Hudson provided an update on the project.

The District hosted two informational Community Meetings, on February 23rd and March 7th, 2019 to increase awareness about the Project.

Director Ilfeld, Director Hudson, Perry Norris and Mike Geary presented at the *First Tuesday Breakfast Club* hosted by the North Lake Tahoe Resort Association at Granlibakken Tahoe Resort in Tahoe City on Tuesday, March 5, 2019.

Jessica Asher, Perry Norris, and Mike Geary presented to approximately 25 real-estate agents from Coldwell Banker at the District's office on Friday, March 8, 2019.

Another presentation at *Good Morning Truckee*, hosted by the Truckee Chamber of Commerce, is scheduled for Tuesday, April 9, 2019 at 7:00 a.m. at the Truckee Tahoe Airport in Truckee.

Ms. Grindle noted that staff is well underway drafting the application to apply for funding from Transient Occupancy Tax (TOT) revenue. The application is due April 2, 2019.

A voter survey was recently started to poll all registered voters in the Valley. At the urging of our strategy and communications consultant, the District and Land Trust will not host any meetings or relay new information while the survey is conducted, thus newsletter distribution and the stakeholder's meeting are postponed.

Staff has been meeting with consultant Charles Heath from TBWB Strategies and a sub-consultant, NBS, to review financing strategies and publicly available data for constituents. Staff is supporting NBS with determining parcel inventory.

The District Engineer and Operations Supervisor are leading internal efforts to develop budgets for operations, maintenance and capital replacements. Consultant proposals for a detailed Home Inspection, Hazardous Materials Inspection (e.g., asbestos, lead and mold) and a Condition Assessment of the Swimming Pool for Public Use are currently being prepared or reviewed.

Director Mercer asked when the the ballot measure language needs to be determined and how it will impact the District. Mr. Geary responded that the language must be set at the June Board meeting and that setting the ballot language will be challenging because fundraising efforts will not be completed. The maximum cost per parcel will need to be set in the ballot language resolution, however the Board can lower that maximum threshold via resolution in advance of the election.

Ms. Grindle said the financial impact to the District is listed in the F-1 Board Report. To date the District has spent \$7,197 in labor costs and \$133 on meetings.

Director Hudson thanked staff for their time.

Public Comment:

Kate Frankfurt noted that there are challenges to fundraising until people know the fate of the existing structure/house on the property.

Jean Lange asked if the cost of the property was determined. Mr. Geary responded that the appraisal is not yet completed.

Director Poulsen re-joined the room.

F-2 Update 2019 Committee Assignments and Appointments.

The Board reviewed the item, accepted public comment and the President revised the 2019 Committee assignments as required due to the recent appointment of Director Victoria Mercer.

Ms. Asher reviewed the item including a draft list of assignments and appointments prepared by staff. President Cox asked the Board for comments and suggestions.

Director Poulsen noted that due to the potential for there to be discussion about the Olympic Meadow Property on the finance committee, and his need for recusal due to conflict of interest, and suggested that Director Ilfeld and Director Mercer be on the Finance Committee. Director Ilfeld asked if Director Poulsen would be willing to replace him on the Mountain Housing Council, Director Poulsen agreed.

Director Hudson asked when the Squaw Valley Ski Holding Ad Hoc Committee would likely be needed again. Tom Archer explained that it is not known when that committee will be needed.

Public Comment – None

The Committee assignments for 2019 are as follows:

STANDING COMMITTEES			
COMMITTEE	MEETING HELD	MEMBERS	TERM
Personnel & Administrative	As Needed	Chair Hudson, Member Iffeld	Appointed Annually in December
Water & Sewer	As Needed	Chair Cox, Member Poulsen	Appointed Annually in December
Finance & Budget	Day preceding Board meeting	Chair Iffeld, Member Mercer	Appointed Annually in December
Fire Department	As Needed	Chair Poulsen, Member Mercer	Appointed Annually in December
Parks & Recreation	As Needed	Chair Iffeld, Member Hudson	Appointed Annually in December
Garbage	As Needed	Chair Cox, Member Mercer	Appointed Annually in December
AD HOC COMMITTEES			
Olympic Meadow Property	As Needed	Chair Iffeld, Member Hudson	Appointed Annually in December
OTHER APPOINTMENTS			
T-TSA	2 nd Wednesday	Director Cox	Appointed by Board
GMP Advisory	As Needed	Mike Geary, General Manager	Appointed by Board
GMP Implementation	As Needed	Full Board	Not Applicable
Mountain Housing Council	As Needed	Director Poulsen	Appointed by Board
North Tahoe Transportation Authority	As Needed	Director Hudson	Appointed by Board

Director Hudson made a motion to accept the committee assignments as drafted and amended during the meeting which was seconded by Director Mercer. The motion passed, and the vote was unanimous.

Cox – Yes

Hudson – Yes

Iffeld – Yes

Mercer – Yes

Poulsen – Yes

F-3 First Draft of FY 2019-2020 Budget and Rates.

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

During the 2016-17 fiscal year, the District completed a Cost of Service Analysis (COSA) and Rate Study which leveraged a recently completed 100-year Capital Replacement Plan. The 2019-20 rate increases are in line with our prior year Prop 218 notice and provide funding to achieve revenue requirements: 4% for water, 5% for sewer, and 2% for Garbage.

Ad Valorem property tax revenue is estimated to increase 0.93% from our anticipated 2019 revenue, for a total of \$3,561,000 after fees are removed.

Payroll across the Operations Department is scheduled to increase by a 2.31% cost of living adjustment. Per the Memorandum of Understanding (MOU) between the District and the Union representing the Operations Department the COLA is in line with the Consumer Price Index (CPI) as estimated by the U.S. Bureau of Labor Statistics (BLS). The annual salary survey of regional Fire Departments is underway. The first draft of the budget does not reflect any increases to Fire Department salaries other than merit increases where due.

The minimum CalPERS Unfunded Pension Liability payments are \$168,000 for the

Miscellaneous group and \$190,000 for the Safety group. The District has prioritized payment of the unfunded accrued liabilities (UAL) in the next 4-6 years due to the 7% annual interest rate charged on the outstanding balances. This will require an additional \$400,000 payment for the Operations Department and \$219,000 for the Fire Department. The Fire Department will be taking a loan from the Water and/or Sewer Fixed Asset Replacement Funds (FARFs) in order to do this.

The District has approximately \$2.5M in capital projects planned for the coming year. This includes \$1.8M for the Truckee River Siphon, \$125,000 for design and planning of the PlumpJack Well, \$150,000 for replacing the roofs at 1810 Squaw Valley Road, and lastly \$50,000 towards a regional training facility for the Fire department.

Public Comment – none

F-4 Fire Department Annual Report

The Board reviewed the item and accepted public comment.

Captain Chisholm reviewed the item. The annual report includes a review of the Department's accomplishments and activities in 2018, including calls for service, community CPR classes, child passenger safety program, wildland Fire activities, fleet information and staffing information. The report also includes a summary of the Department's defensible space and prevention efforts and a summary of staff training.

Public Comment –

Jean Lange asked about retention. Captain Chisholm responded that there is a double-edged sword, the Department is striving to hire younger firefighters for succession planning but often younger firefighters go to other Districts because there are more calls with a greater variety of emergency needs. San Monforte discussed the longevity on the Squaw Valley Fire Department and challenges around upward mobility due to retention of long-term staff.

Director Hudson asked why there was a significant difference in historical call volume. Captain Chisholm responded that some of that is due to mutual aid response and how occupancy in the Valley is a function of how much snow is received during ski season. Director Hudson said that paramedic school is a big accomplishment and asked where the closest schools are. Captain Chisholm responded that the closest schools are in Reno, but there are some additional requirements, so some decide to attend schools in the Sacramento area. It is especially challenging to attend paramedic school while working multiple jobs.

Director Poulsen said the commercial inspections and defensible space inspections are very important as the ISO rating helps with home and commercial insurance. He noted that it has been helpful to suggest that homeowners speak with the Fire department about their beneficial practices when obtaining insurance, and suggested that maybe the Fire Department could compile something for insurance agents to demonstrate the Department's diligence in maintaining a safe community.

Director Poulsen noted that keeping hydrants clear in big winters is especially challenging. Director Hudson suggested that the Fire Department talk to residents about clearing hydrants near their residences when performing defensible space inspections.

Sal Monforte noted that when budget allows, a full-time prevention officer would be very helpful and the importance of having a crew at the West End of the Valley if/when further development occurs.

F-5 Truckee River Siphon Construction Services – Andregg Psomas Professional Services Agreement.

The Board reviewed the item, accepted public comment, and authorized the General Manager to execute a Professional Service Agreement (PSA) with Andregg Psomas to provide construction staking and Caltrans survey monitoring in an amount not to exceed \$32,000.

Mr. Hunt reviewed the item.

District staff is proposing to contract with Andregg Psomas to provide construction survey services for the Project. Andregg Psomas provided the initial design survey for the Project in July 2017 and prepared the easement exhibits for the Painted Rock property in May 2018. The required survey services during construction include staking the proposed improvements, and providing monitoring as required in the Caltrans Encroachment Permit.

It is typical that the project owner provides one set of construction stakes for the Contractor to accurately tie down the location of the proposed facilities (i.e. manholes, vaults, pipelines, etc.). The estimated fee for this task \$9,040.

Unique to this Project, the District's Caltrans Encroachment permit requires that survey monitoring within the Highway 89 paved area be performed daily when work is being performed under Highway 89, at the completion of the project, and every two (2) months during a six-month period after completion of the project. The survey data is required to track any road settlement that may occur as a result of the directional drilling operation. The estimated fee for this task is \$16,692. Caltrans reserves the right to require more or less survey monitoring at their discretion. For that reason, a 25% contingency is recommended to be added to the fee estimate.

Mr. Archer discussed concerns regarding the consultant's contract noting the \$100,000 limitation for potential liability. Mr. Geary responded that the District will not sign the Andregg Psomas contract but rather will extract the scope and have the consultant sign the District's standard PSA.

Public Comment – none

Director Hudson made a motion to authorize the General Manager to execute a Professional Service Agreement with Andregg Psomas to provide construction staking and Caltrans survey monitoring in an amount not to exceed \$32,000, which was seconded by Director Mercer. The motion passed, and the vote was unanimous.

Cox – Yes

Hudson – Yes

Ifeld – Yes

Mercer – Yes

Poulsen – Yes

F-6 Truckee River Siphon Construction Services – NV5 Professional Services Agreement.

The Board reviewed the item, accepted public comment, and authorized the General Manager to execute a Professional Service Agreement with NV5 to provide geotechnical construction inspection services in an amount not to exceed \$10,715.

Mr. Hunt reviewed the item. District staff is proposing to contract with NV5 to provide geotechnical inspection services for the Project. NV5 prepared the original geotechnical engineering report (July 31, 2017) for the Project. NV5's scope of services will include:

- Observation of subsurface conditions encountered with respect to the original geotechnical engineering report;
- Field density testing of subgrade, engineered fill, bore pit backfill, trench backfill, and aggregate base;
- Laboratory testing of samples for maximum dry density evaluations (compaction curves) and gradation;
- Special inspection of reinforcing steel placement for the TTSA cast-in-place manhole base;
- Sampling and testing of concrete for the cast-in-place manhole base; and
- Materials submittal review for conformance with the technical specifications.

Director Hudson explained that he is abstaining from a vote because his brother is a principal at NV5's Truckee Office.

Public Comment – none

Director Ifeld made a motion to authorize the General Manager to execute a Professional Service Agreement with NV5 to provide geotechnical construction inspection services in an amount not to exceed \$10,715, which was seconded by Director Mercer. The motion passed, and the vote was unanimous.

Cox – Yes

Hudson – Abstain

Ifeld – Yes

Mercer – Yes

Poulsen – Yes

G. Status Reports.

G-1 Fire Department Operations Report.

Captain Chisholm reviewed the report.

Public Comment – None.

G-2 Water & Sewer Operations Report.

Mr. Burks reviewed the report.

The District was cited by the State Water Resources Control Board for having two positive coliform samples in November 2018. Coliforms are bacteria which are naturally present in the environment and are used as an indicator that other, potentially-harmful, bacteria may be present. All samples for coliform, E. coli and fecal coliform have since come back negative, and further testing shows this problem is resolved. The District will mail a required notice to all customers before April 10, 2019.

Ms. Asher clarified that if the public calls, staff should explain that current system chlorination is not in response to the positive coliform sample. Mr. Burks agreed and said it would be good if staff answered phone calls to provide a personal response to our customers.

Public Comment – None.

G-3 Engineering Report.

Mr. Hunt reviewed the report and provided an update on the District's major projects.

Specifically, Mr. Hunt discussed that the Resort at Squaw Creek Phase 2A townhome project will be constructing infrastructure improvements associated with the project this year.

Director Poulsen asked about the status of the Granite Chief "A" Line sewer line replacement project. Mr. Hunt responded that this line is in jeopardy of failure and as such staff have been working to secure property easements. Director Poulsen asked if the District has liability of this line. Mr. Geary responded that the District never accepted dedication of the line given its substandard installation. The homeowner's association (HOA) contracts the District to clean the sewer lines quarterly to reduce the potential of a sewer overflow. The District and HOA have been working to prepare easements necessary for the new sewer line alignment.

Public Comment – None.

G-4 Administration Report.

Ms. Asher reviewed the report.

Public Comment – none

G-5 Manager's Comments.

Mr. Geary reviewed the report. On April 9th, 2019 the Board of Supervisors will appoint a new Supervisor. The District cannot support candidates on District letterhead, but the Board is encouraged to support candidates independently if they are so inclined.

Public Comment – none

G-6 Legal Report (verbal).

Mr. Archer noted that the “Board of Directors”, not the “Committee” (as shown on the agenda) will meet in closed session.

Public Comment – None.

G-7 Director's Comments.

None.

Director Poulsen discussed Employee Housing as it relates to emergency response and requested this item be on a future agenda.

Director Cox said that he has received a lot of positive feedback about the Board Appointment process and thanked the staff and Board for their efforts.

Director Poulsen left the building.

H. Closed Session.

Only the action on the agenda, price and terms of payment for real-property negotiations, were discussed, no action was taken.

I. Possible Action from Closed Session.

No action was taken from the Closed Session.

J. Adjourn.

Director Ilfeld made a motion, seconded by Director Hudson, to adjourn at 12:01 P.M. The motion passed, and the vote was unanimous.

Cox – Yes

Hudson – Yes

Ilfeld – Yes

Mercer – Yes

Poulsen – Absent

By, J. Asher