

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES #893
FEBRUARY 22, 2022**

*Agenda with board packet and staff reports is available at the following link:
<https://www.ovpsd.org/board-agenda-february-2022>*

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

Directors Present: Directors: Dale Cox, Katy Hover-Smoot, Bill Hudson, and Victoria Mercer

Directors Absent: Fred Ilfeld

Staff Present: Thomas Archer, District Counsel; Jessica Asher, Board Secretary; Brandon Burks, Operations Manager; Mike Geary, General Manager; Dave Hunt, District Engineer; Danielle Mueller, Finance & Administration Manager; and Allen Riley, Fire Chief.

Others Present: Jean Lange, Katrina Smolen, and David Stepner.

Director Cox asked David Stepner 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) – Mr. Stepner said the FOSV is planning a community meeting which Supervisor Gustafson may attend, possibly on Memorial Day weekend.

B-3 Squaw Valley Design Review Committee (SVDRC) – None.

B-4 Squaw Valley Municipal Advisory Council (SVMAC) – Mr. Stepner said he is working with the appropriate parties to mitigate resident's concerns regarding traffic and parking for the Winter Wondergrass event.

B-5 Squaw Valley Mutual Water Company (SVMWC) – Mr. Stepner asked the Board to reconsider discontinuing the operations and maintenance agreement between the District and SVMWC and summarized the maintenance agreement options under consideration by the MWC. Mr. Geary responded by discussing the labor shortages in the District's Operations Department. Mr. Geary said there was initially an item on the agenda to discuss the SVMWC/OVPSD Emergency Intertie project, however due to multiple Director's conflict of interest the item will be brought to the Board at a future date. Director Cox thanked Mr. Burks for his work on the SVMWC system over the past several years.

B-6 Squaw Valley Property Owners Association (SVPOA) – None.

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

B-8 Tahoe-Truckee Sanitation Agency (T-TSA) – Director Cox reviewed the T-TSA Board Meeting summary.

B-9 Capital Projects Advisory Committee (CAP) – None.

B-10 Firewise Community – Ms. Smolen said that the Firewise Community and Friends of Squaw Creek will be working together to apply for grant funding for education and fuels management within the meadow at the S-Turn.

APPROVED

SIGNATURE: _____

DATE: _____

J. Asher
3/29/2022

C. Public Comment/Presentation.

Ms. Asher said the Fire Department received written comment which was provided to the Board of Directors on January 28, 2022, in gratitude of outstanding care delivered by the members of the Olympic Valley Fire Department. Additionally, Jane Davis provided written comment on February 21, 2022, regarding T-TSA, which was provided to the Board of Directors. The letters are available to the public upon request.

D. Financial Consent Agenda Items.

Directors Hudson and Mercer convened with staff on February 22, 2022, from approximately 7:45 – 8:15 a.m. to review items D-1 through D-10 and other finance-related items on the agenda. Ms. Mueller provided a summary of the meeting. A revision to D-1 is required and will be posted to the website as soon as possible.

Public Comment – None.

Director Mercer made a motion to approve the financial consent agenda which was seconded by Director Hover-Smoot. The motion passed.

Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes

E. Approve Minutes.

E-1 Minutes for the Board of Directors Special Meeting of January 24, 2022.

The Board reviewed the item, accepted public comment, and approved the minutes for the Board of Directors meeting of January 24, 2022.

Public Comment – None.

Director Mercer made a motion to approve the minutes for the Board of Directors meeting of January 24, 2022, which was seconded by Director Hudson. The motion passed.

Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes

E-2 Minutes for the Board of Directors Regular Meeting of January 25, 2022.

The Board reviewed the item, accepted public comment, and approved the minutes for the Board of Directors meeting of January 25, 2022.

Public Comment – None.

Director Hover-Smoot made a motion to approve the minutes for the Board of Directors meeting of January 25, 2022, which was seconded by Director Hudson. The motion passed.

Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes

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DATE: 3/29/22

F. Old & New Business.

F-1 Fuels Management Program.

The Board reviewed the item and accepted public comment.

Chief Riley reviewed the staff report. Items discussed included the Community Wildfire Prevention Plan (CWPP) and the 2022 Fuels Management Grant Cycle. The District recently applied for the CALFIRE Fire Prevention Grant for three fuels reduction projects identified in the DRAFT version of the CWPP. Staff responded to concerns about mitigating mudslide and avalanche danger due to forest fuels removal. Staff noted that avalanche forecasters have been engaged in the effort and that these important issues will be looked at carefully during the constraints analysis portion of the project development.

Public Comment –

Ms. Smolen and Mr. Stepner said The Friends of Squaw Creek Board of Directors have voiced support of preventative planning for fire and environmental protection and will be working with the Firewise Community on future grant applications.

F-2 Friends of Squaw Creek Documentary

The Board reviewed the item and accepted public comment.

The Friends of Squaw Creek presented a 16-minute video documentary summarizing the non-profit's efforts over the past four years. Katrina Smolen thanked the District for collaboration towards a shared watershed vision. There was a brief discussion about the expanded habitat that Ms. Smolen and residents are seeing within the Meadow.

Public Comment –

David Stepner and Katrina Smolen mentioned the creek restoration work included in the Village at Palisades Tahoe Specific Plan.

F-3 Budget Preparation Schedule.

The Board reviewed the item and accepted public comment.

Ms. Mueller reviewed the staff report. There was a brief discussion about the proposition 218 notices which must be mailed by May 13, 2022. The five-year rate study expired this past year and staff is working to set rates for the upcoming fiscal year.

Public Comment – None.

F-4 California Special Districts Association (CSDA) – Board of Directors Nominations Seat B

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

Ms. Asher reviewed the staff report. The Directors voiced confidence in the incumbent Directors.

Public Comment – None.

F-5 North Lake Tahoe Resort Association – Board of Directors Election

The Board reviewed the item, accepted public comment, and cast a vote for Mike DeGroff, David Lockard, Dan Tester, Jill Schott, Tom Turner and Dave Wilderotter.

Ms. Asher reviewed the staff report. The Directors determined that the candidates running unopposed seemed well qualified and that Dave Wilderotter was best suited for the At-Large Open Seat.

Public Comment – None.

A motion to cast a vote for Mike DeGroff, David Lockard, Dan Tester, Jill Schott, Tom Turner, and Dave Wilderotter was made by Director Hover-Smoot and seconded by Director Hudson. The motion passed. Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes

F-6 Placer County 2021 Local Hazard Mitigation Plan (LHMP) Update.

The Board reviewed the item, accepted public comment, and adopted Resolution 2022-02, approving the Placer County 2021 Local Hazard Mitigation Plan Update.

Mr. Burks reviewed the item. There was a brief discussion that drought was identified as a hazard in the plan due to the increased threat of climate change on water resources through the west, and in the Valley, and that projects will be developed to help address the concern.

Public Comment – None

Director Hover-Smoot made a motion to adopt Resolution 2022-02 approving the Placer County 2021 Local Hazard Mitigation Plan Update, which was seconded by Director Mercer. A roll call vote was taken. The motion passed.

Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes

F-7 Carrier Commercial Service HVAC Maintenance Plan.

The Board reviewed the item, accepted public comment, approved the maintenance plan contract with Carrier Commercial Service for the boiler at 305 Squaw Valley Road, and authorized the General Manager to execute the agreement.

Mr. Burks reviewed the staff report. Mr. Burks noted that Carrier Commercial Service is best suited to provide maintenance as the system is proprietary to Carrier.

Public Comment – None

Director Hover-Smoot made a motion to approve the maintenance plan contract with Carrier Commercial Service for the boiler at 305 Squaw Valley Road for \$18,200 and authorize the General Manager to execute the agreement. The motion was seconded by Director Mercer. The motion passed.

Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes

Item F-9 was taken out of order.

F-9 Pension 115 Trust

The Board reviewed the item, accepted public comment, adopted the Pension 115 Trust Funding Policy through adoption of Resolution 2022-04, authorized execution the California Employers' Pension Prefunding Trust Program Agreement with CalPERS, approved the CEPPT Delegation of Authority through adoption of Resolution 2022-05, and approved an initial funding investment of \$250,000 for the Utility Department and \$100 for the Fire Department.

Matt Goss, a representative from CalPERS, presented a summary of the Pension and Other Post-Employment Benefits (OPEB) 115 Trust Programs. Ms. Mueller and Mr. Geary reviewed the staff report, proposed policies, and anticipated operating procedures to keep the unfunded accrued liability at a 90% funded level.

The Board and Staff discussed the advantages and disadvantages of opening the Trusts. The primary disadvantage is that it is a less conservative financial investment than the District has historically participated in. The primary risks of not moving forward include needing to use operating budget, reserves, or increase rates if CalPERS's investment do not perform as expected in future years. Benefits of opening the trust include that the funds are more liquid than funds held in Certificate of Deposit accounts and the anticipated rate of return is higher. Due to the use restriction for Pension or OPEB benefits, Staff has completed and will regularly update financial models to ensure the District has not overinvested in the 115 Trusts. Staff said the portfolio diversification is moderately conservative and that the District's net position and financials will be improved by authorizing the 115 Trusts. Advantages of moving forward with CalPERS compared with a competitor include extensive experience, positive recommendations from neighboring Districts, and lower fees than other services.

Public Comment – None

- A. Director Mercer made a motion to adopt Resolution 2022-04 adopting the Pension 115 Trust Funding Policy, which was seconded by Director Hudson. A roll-call vote was taken, and the motion passed.
Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes
- B. Director Mercer made a motion to authorize entering the CEPPT Program's Agreement and Election of Olympic Valley Public Service District to Prefund Employer Contributions to a Defined Benefit Pension Plan, which was seconded by Director Hudson. The motion passed.
Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes
- C. Director Hover-Smoot made a motion to adopt Resolution 2022-05 Delegating the Authority to Request Disbursements for the California Employers' Pension Prefunding Trust, which was seconded by Director Mercer. A roll-call vote was taken, and the motion passed.
Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes
- D. Director Hover-Smoot made a motion to approve initial deposit into California Employers' Pension Prefunding Trust (CEPPT) of \$250,000 for the Utility Department and \$100 for the Fire Department, which was seconded by Director Mercer. The motion passed.
Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes

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F-8 Resolution 2022-03 “Adopting Revisions to the Financial Investment Policy.”

The Board reviewed the item, accepted public comment, and adopted Resolution 2022-03, approving revisions to the Financial Investment Policy.

Ms. Mueller and Mr. Geary reviewed the staff report and the proposed changes. The proposed changes to the investment policy are a result of a change in investment strategy which is required if the Board decides to move forward with establishing 115 Trust accounts.

Public Comment – None

Director Hudson made a motion to adopt Resolution 2022-03 approving revisions to the Financial Investment Policy, which was seconded by Director Hover-Smoot. A roll-call vote was taken, and the motion passed.

Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes

F-10 Other Post-Employment Benefit (OPEB) 115 Trust

The Board reviewed the item, accepted public comment, adopted the OPEB 115 Trust Funding Policy through adoption of Resolution 2022-06, authorized execution the California Employers’ Retiree Benefit Trust Program Agreement with CalPERS, approved the CERBT Delegation of Authority through adoption of Resolution 2022-07, and approved an initial funding investment of \$25,000 for the Utility Department and \$25,000 for the Fire Department.

Ms. Mueller and Mr. Geary reviewed the staff report.

Public Comment – None

- A. Director Hudson made a motion to adopt Resolution 2022-06 adopting the OPEB 115 Trust Funding Policy, which was seconded by Director Hover-Smoot. A roll-call vote was taken, and the motion passed.
Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes
- B. Director Hover-Smoot made a motion to authorize entering the CERBT Program’s Agreement and Election of Olympic Valley Public Service District to Prefund Other Post- Employment Benefit Plans, which was seconded by Director Hudson. The motion passed.
Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes
- A. Director Mercer made a motion to adopt Resolution 2022-07 Delegating the Authority to Request Disbursements for the California Employers’ Retiree Benefit Trust, which was seconded by Director Hudson. A roll-call vote was taken, and the motion passed.
Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes
- B. Director Hover-Smoot made a motion to approve initial deposit into California Employers’ Retiree Benefit Trust (CERBT) of \$25,000 for the Utility Department and \$25,000 for the Fire Department, which was seconded by Director Mercer. The motion passed.
Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes

G. Management Status Reports.

G-1 Fire Department Report

Chief Riley reviewed the report.

G-2 Water & Sewer Operations Report

Mr. Burks reviewed the report. The discussion included staff training, aquifer levels and runoff production, the water meter replacement project, some high sewer flows, and a manhole cover sealant product.

G-3 Engineering Report

Mr. Hunt reviewed the report and provided an update on the water meter training provided by Badger, West Tank Recoating Project, Pressure Zone 1A Project, Tank Inspection and Cleaning Project, Sewer Line Inspection Project, and developer driven projects including the Resort at Squaw Creek and Carville projects. The District is working on the Village at Palisades Tahoe development agreement, Mr. Hunt has been told a focused EIR amendment may be brought to the Board of Supervisors in late 2022 or early 2023. In response to a question from the Board, Mr. Hunt said the District has not heard an updated timeline on the PlumpJack redevelopment project, but the Operations Department disinfects the constructed well-hole as needed.

G-4 Administration & Office Report

Ms. Asher reviewed the report. Mr. Geary discussed the transitions within the administrative staff outlined in the report.

G-5 General Manager Report

Mr. Geary reviewed the report and highlighted the meetings and issues he has been focused on.

G-6 Legal Report (verbal)

The Directors were encouraged to discuss any legal questions related to the District or their individual circumstances with Mr. Archer.

G-7 Directors' Comments (verbal)

The Directors thanked staff for their work on the 115 Trusts and requested that Staff formally thank the Friends of Squaw Creek Board of Directors for their important work.

H. Adjourn.

Director Hover-Smoot made a motion, seconded by Director Mercer to adjourn at 11:50 a.m. The motion passed.

Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Absent | Mercer – Yes

By, J. Asher