

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES #897
JUNE 28, 2022**

*Agenda with board packet and staff reports is available at the following link:
<https://www.ovpsd.org/board-agenda-june-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, Fred Ilfeld, and Victoria Mercer

Directors Absent: None.

Staff Present: Thomas Archer, District Counsel; Jessica Asher, Board Secretary; Brandon Burks, Operations Manager; Chris DeDeo, Fire Captain; Dave Hunt, District Engineer; and Danielle Mueller, Finance & Administration Manager.

Others Present: Jean Lange, David Stepner

Director Cox asked Captain DeDeo 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 Olympic Valley Design Review Committee (OVDRC) – None.

B-4 Olympic Valley Municipal Advisory Council (OVMAC) – None.

B-5 Squaw Valley Mutual Water Company (SVMWC) – Mr. Stepner said the operational transition from OVPSD will happen this week. He provided a timeline of summer construction projects and estimated that to date SVMWC has borrowed a total of \$8.4M for construction projects.

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

B-7 Mountain Housing Council of Tahoe Truckee (MHC) – Director Ilfeld said that due to the large (\$97B) state budget surplus, California is investing significant funding to alleviate homelessness and provide affordable housing. Director Cox provided an update on additional dwelling units (ADUs) within Placer County and questioned if the District's billing would be adjusted to account for Junior ADUs. Mr. Archer provided information on Senate Bill 9 regarding the allowance of ADUs, Junior ADUs and Parcel Splits. It was not known how Placer County may change coverage or setback allowance to comply with the bill or if short term rentals will be precluded from these potential additional units.

B-8 Tahoe-Truckee Sanitation Agency (T-TSA) – Director Cox reviewed the T-TSA Board Meeting summary and stated that General Manager LaRue Griffin resigned from his post. The Board of Directors appointed an interim and assistant General Manager from within the agency, and will be soliciting applications for a new General Manager.

B-9 Capital Projects Advisory Committee (CAP) – Ms. Mueller said the June meeting was canceled and that a combined meeting with the newly formed Transient Occupancy Tax (TOT) committee is forthcoming.

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B-10 Firewise Community – Mr. Stepner said that the Firewise Community would like to plan an evacuation drill in mid-August and will coordinate with the Fire Department.

C. Public Comment/Presentation.

David Stepner said he will not be able to join the Garbage Committee meeting and asked that Director Ilfeld share prepared comments if Mr. Lange is unable to join the meeting to share his comments.

Ms. Lange said the Boatworks Mall proposal includes removing the library in Tahoe City and suggested those concerned with the issue write comments to Supervisor Gustafson and Placer County.

D. Financial Consent Agenda Items.

Directors Hudson and Mercer convened with staff on June 27, 2022, from approximately 3:00 – 4:00 p.m. to review items D-1 through D-16, Items F-2 through F-6, and other finance-related items on the agenda. Ms. Mueller provided a summary of the meeting.

Public Comment – None.

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

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

E. Approve Minutes.

E-1 Minutes for the Board of Directors Regular Meeting of May 31, 2022.

The April 26, 2022 minutes were included in the Board Packet rather than the May 31, 2022 minutes. Staff corrected the link and will bring this item to the Board for approval in July.

F. Old & New Business.

F-1 Fuels Management Program.

The Board reviewed the item and accepted public comment.

Ms. Asher reviewed the staff report.

Public Comment – None.

Director Mercer made a motion to open the Public Hearing for Ordinance 2022-01, which was seconded by Director Hudson. The motion passed.

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

F-2 PUBLIC HEARING: Ordinance 2022-01 – Adopting Rates & Charges and Revised District Codes.

The Board reviewed the item, accepted public comment, and adopted Ordinance 2022-01 to revise District Codes by adopting rates and charges.

Ms. Mueller reviewed the staff report and Ordinance 2022-01 which adopts the Fiscal Year (FY) 2022-2023 rates and charges for water, sewer and garbage service and revises the related codes. Ordinance 2022-01 was introduced at the May 31, 2022, Board Meeting. The adopted rate increases are Sewer 5%, Water 5%, and Garbage 10%. There are no changes proposed to connection fees.

Director Mercer asked that the District provide a written response to the protest letter.

Public Comment – None.

Director Mercer made a motion to adopt Ordinance 2021-01, revising District Codes by adopting rates and charges. The motion was seconded by Director Hudson. A roll call vote was taken, and the motion passed.

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

Director Hover-Smoot made a motion to close the Public Hearing for Ordinance 2022-01, which was seconded by Director Hudson. The motion passed.

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

Director Hover-Smoot made a motion to open the Public Hearing for the FY 2022-2023 Budget, which was seconded by Director Hudson. The motion passed.

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

F-3 PUBLIC HEARING: Approve FY 2022-2023 Budget

The Board reviewed the items, accepted public comment, and approved the FY 2022-2023 Budget by adoption of Resolution 2022-17.

Ms. Mueller provided a summary of the FY 2022-2023 Budget and reviewed the changes in the proposed budget since the Board's review in May 2022. The item was reviewed in detail during the Finance Committee and in previous Board Meetings; this was the fourth budget review. Ms. Mueller provided a summary of the Budget including:

- The adopted rate increases are Sewer 5%, Water 5%, and Garbage 10%.
- Total revenue is budgeted at approximately \$4M.
- The District had 17 new connections in FY 2022, as Palisades at Olympic Valley is connected now, the budget includes only 3 new connections for FY 2023.
- Tax revenue is budgeted at \$3.9M which is a .87% increase from FY 2022. About 99% of the tax revenue will fund the Fire Department operations, with the remainder split equally among water and sewer operations.
- Capital projects are budgeted at \$1.9M for the Utility Department and \$538K for the Fire Department. Notable projects for the next year include \$600,000 for the West Tank Recoating Project, \$300,000 for the Water Meter Replacement Project (this will be funded with a \$371,000 grant from Placer County Water Agency (PCWA)), \$500,000 for Sewer Line rehabilitation, \$240,000 for the intertie with SVMWC (this will be funded with a \$400,000 grant from PCWA), and \$275,000 for the new Fire Department water tender.

- The District will continue to pay down the Fire Department unfunded accrued liability (UAL), currently estimated at 83% funded and has planned for an additional \$200,000 payment which may require a loan from the Water Fixed Asset Replacement Fund (FARF).
- The District is planning for an additional \$300,000 payment to the building principal loan. This debt is only owed from the Utility Department. This will cut the annual payments by a third and is scheduled to be paid off in 2028.
- The Operations and Maintenance contract with the Mutual Water Company was not renewed due to a shortage in available operators. The District will still contract with Placer County to perform bike trail snow removal and with Palisades Tahoe to staff Station 22 during the winter months.
- Special Districts Risk Management Agency (SDRMA) is showing an approximately 5% increase in property and liability rates, and a 22% increase in workers compensation due to an increase of the Experience Modifier (EMOD).
- Other consulting projects outside of normal operations include a Five-Year Cost of Service and Rate Study (\$65,000), HVAC Master Plan (\$30,000), OVGMP Six-Year Review and Report (\$30,000), Five-Year Strategic Plan (\$15,000), and an update to the PP&PM (\$15,000).

Ms. Mueller reviewed the changes made since the Board reviewed the previous draft in May, including:

- Updated results from the salary survey conducted with the Operations and Administrative Department. This will be brought to the Board for approval at the July meeting after the Operations Dept. Memorandum of Understanding (MOU) is ratified.
- Staff plans to hire two new operators and one full-time administrative staff. One is certain to start in early July and the others are dependent on successful hiring and recruitment.
- The Fire Department has been awarded two new grants: (1) \$540,000 from CAL FIRE for Fuels Reduction along the Northern Ridgeline. It's split equally over the next three years. (2) \$50,000 from TTCF for the Forest Futures Program which will be used for tree thinning at the S-Turn on Olympic Valley Road. These projects will mostly be contracted but include some reimbursement for District labor.
- A memo regarding the reserve policy and status of reserve funds was updated. The Fire Department will not be meeting its minimum required reserve balances and will be monitored closely over the next couple of years for additional revenue sources.

Public Comment – None.

Director Mercer made a motion to approve Resolution 2022-17, approving the FY 2022-2023 Budget, which was seconded by Director Hudson. A roll call vote was taken, and the motion passed.

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

Director Hover-Smoot made a motion to close the Public Hearing for the FY 2022-2023 Budget, which was seconded by Director Hudson. The motion passed.

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

Director Mercer made a motion to open the Public Hearing for Ordinance 2022-02, which was seconded by Director Hover-Smoot. The motion passed.

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

F-4 PUBLIC HEARING: Ordinance 2022-02 – Adopting a Fire and Life Safety Cost Recovery Schedule.

The Board reviewed the item, accepted public comment, and adopted Ordinance 2022-02 updating the Fire and Life Safety Cost Recovery Schedule.

Ms. Mueller reviewed the staff report and Ordinance 2022-02 which updates the fee schedule for the Fire and Life Safety Cost Recovery Schedule.

Public Comment – None.

Director Hover-Smoot made a motion to adopt Ordinance 2022-02, adopting a Fire and Life Safety Cost Recovery Schedule. The motion was seconded by Director Ilfeld. A roll call vote was taken, and the motion passed.

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

Director Hover-Smoot made a motion to close the Public Hearing for Ordinance 2022-02, which was seconded by Director Hudson. The motion passed.

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

Director Hover-Smoot made a motion to open the Public Hearing for Delinquent Charges, which was seconded by Director Ilfeld. The motion passed.

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

F-5 PUBLIC HEARING: Request Placer County to Collect Delinquent Charges.

The Board reviewed the item, accepted public comment, and adopted Resolution 2022-18, requesting Placer County to collect delinquent charges.

Ms. Mueller reviewed the staff report. Staff said that notice was provided to customers with delinquent accounts via written correspondence, telephone, and this public hearing notice. There were no appearances by any customers whose accounts were delinquent. One account paid their balance since the report was run on June 22, 2022.

Public Comment – None.

A motion to adopt Resolution 2022-18, requesting Placer County to collect delinquent charges, was made by Director Mercer, and seconded by Director Hover-Smoot. A roll call vote was taken, and the motion passed.

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

Director Hover-Smoot made a motion to close the Public Hearing for Delinquent Charges, which was seconded by Director Hudson. The motion passed.

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

F-6 Annual Review of Financial Reserves Policy.

The Board reviewed the item, accepted public comment, and approved the revised Financial Reserves Policy.

Ms. Mueller reviewed the staff report. There are no proposed changes except for updating the District's address, which was changed from "Squaw Valley Road" to "Olympic Valley Road" by Placer County. Due to the ministerial nature of the change, a Resolution was not required.

Public Comment – None.

Director Hover-Smoot made a motion to approve the revised District's Financial Reserves Policy, which was seconded by Director Hudson. The motion passed.

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

F-7 California Special Districts Association (CSDA) Election – Sierra Network.

The Board reviewed the item, accepted public comment and cast a vote for Jerry Gilmore.

Ms. Asher reviewed the staff report. The Directors determined that the incumbent, Jerry Gilmore, was well qualified. Clarification was made the Truckee Sanitation District (TSD) is not the same agency as Tahoe Truckee Sanitation Agency (T-TSA), TSD is a member district of T-TSA. Director Ilfeld said he was familiar with Mr. Mulberg from the Incorporate Olympic Valley effort, and Mr. Mulberg has participated in Local Agency Formation Commission (LAFCO) decisions for Sacramento County.

Public Comment – None.

A motion to vote for Jerry Gilmore was made by Director Ilfeld and seconded by Director Hudson. The motion passed.

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

F-8 Drought – Stage II/Water Conservation Restrictions.

The Board reviewed the item, accepted public comment, and authorized implementation of Stage II Water Conservation Restrictions.

Mr. Burks reviewed the staff report. The State mandated that urban areas move to Stage II and recommends reductions for smaller districts such as ours. The restrictions will be effective immediately. Staff will ramp up communications to encourage water conservation later in the summer in anticipation of the West Tank Recoating project. Historically, communicating the restrictions to landscaping companies was very effective.

David Stepner said the Mutual Water Company will implement the same restrictions at the District, as they have in the past.

Director Mercer made a motion to authorize implementation of Stage II Water Conservation Restrictions, which was seconded by Director Hudson. The motion passed.

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

F-9 Tahoe Truckee Community Foundation Forest Futures (TTCF) – Approve Grant Agreement

The Board reviewed the item, accepted public comment, and authorized the Board President and a staff member to execute the grant agreement in the amount of \$50,000.

Ms. Asher reviewed the staff report. Director Ilfeld explained that TTCF is prioritizing forest fire mitigation and affordable housing.

Director Hover-Smoot made a motion to authorize the Board President and a staff member to execute the grant agreement, which was seconded by Director Ilfeld. The motion passed.

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

G. Management Status Reports.

G-1 Fire Department Report

Captain DeDeo reviewed the report. There was a discussion about trainings, the pancake breakfast, green waste programs, inspections, vehicle changeover to summer equipment, and flexible minimum staffing to reduce forced overtime.

G-2 Water & Sewer Operations Report

Mr. Burks reviewed the report. The discussion included staffing, the water meter replacement project, backflow notices, potential chlorination due to the west tank recoating project, and aquifer levels.

G-3 Engineering Report

Mr. Hunt reviewed the report. Mr. Hunt said that the Hidden Lake Water and Sewer Project was advancing positively, and the Directors asked that staff convey to the contractor, Longo Inc., that everyone is pleased with their work. The West Tank Recoating project has been mobilized to begin exterior coating. There was a felony vandalization which damaged the contractor's equipment. The District will install a trailer mounted security camera and install signage about the purpose of the project to dissuade further vandalism.

G-4 Administration & Office Report

Ms. Asher reviewed the report.

G-5 General Manager Report

None.

G-6 Legal Report (verbal)

None.

G-7 Directors' Comments (verbal)

The Directors said it is critically important that the budget is in order and that they appreciated Ms. Mueller's hard work. The Board briefly discussed the upcoming garbage committee meeting, July 6th at 3:00 P.M. Ms. Lange suggested that the District consider a locked gate for residents only.

H. Adjourn.

Director Hover-Smoot made a motion, seconded by Director Ilfeld to adjourn at 10:35 a.m. The motion passed.

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

By, J. Asher

OVPD Board Minutes – June 28, 2022

APPROVED

SIGNATURE: 

DATE: 7/26/22