

**SQUAW VALLEY PUBLIC SERVICE DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES #844  
September 25, 2018**

**A. Call to Order, Roll Call and Pledge of Allegiance.** Vice Chairman Eric Poulsen called the meeting to order at 8:30 A.M.

**Directors Present:** Directors: Carl Gustafson, Bill Hudson, Fred Ilfeld and Eric Poulsen

**Directors Absent:** Director Dale Cox

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

**Others Present:** Jay Parker, Jamie Simon, Katrina Smolen and John Wilcox

Vice Chairman Poulsen asked Allen Riley to lead the Pledge of Allegiance.

**B. Community Informational Items.**

**B-1** Friends of Squaw Creek (FOSC) – Kathryn Obayashi-Bartsch said Katrina Smolen provided the following information. The group has two sites for Truckee River Day on October 14<sup>th</sup>. Registration is available on the Truckee River Watershed Council website and lunch is provided. Last year 40 Cub Scouts and parents participated and this year students from Sierra Expeditionary Learning School, Creekside School, Tahoe City Boy Scouts and Cub Scouts will participate.

FOSC restoration projects will begin this Fall on the parcels across from the post office, between stables and condos. Placer County has partnered with FOSC to excavate flood debris and create storm water detention swales. This will be the first phase, and the second phase will be continued next year to enhance the “north meadow floodplain” The one foot deep swales will be naturally vegetated not rock lined.

**B-2** Friends of Squaw Valley – 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) – Brandon Burks provided an update on SVMWC’s operations.

**B-6** Squaw Valley Property Owners Association – None

**B-7** Mountain Housing Council of Tahoe Truckee – Fred Ilfeld said the group approved fee recommendations to promote affordable housing in the region. He requested that this item be placed on a future Board agenda for discussion.

**B-8** Tahoe-Truckee Sanitation Agency (T-TSA) – Mike Geary introduced Jay Parker, District Engineer of T-TSA who provided a presentation on the Truckee River Interceptor sewer main replacement from manhole 81 to manhole 83.

**C. Public Comment/Presentation.**

Public Comment – none

**D. Financial Consent Agenda Items.**

Directors Poulsen and Ilfeld met with staff on September 24, 2018 to review items D-1 through D-11 as well as other finance related items on this agenda.

Director Ilfeld said the Committee reviewed all finance related items on the agenda and the financial items are in order. One significant item showing on the District's balance sheets in Employee Benefits is the CalPERS unfunded pension liability.

Ms. Grindle said the Ad Valorem tax revenue in the District's Fiscal Year 2018-2019 budget was estimated to increase by 0.96% compared to last year. The District received Placer County's estimated allocation of property taxes for Fiscal Year 2018-2019, also known as the "September Surprise". It provides a more favorable estimate; a growth of 1.75% compared to last year. The total tax revenue for Fiscal Year 2018-2019 is estimated to be \$3,609,000.

Vice Chairman Poulsen said the accounting staff is completing the year end (Period 13) reconciliation and the District's fiscal audit is underway.

Public Comment – none

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

Cox-absent

Gustafson-yes

Hudson-yes

Ilfeld-yes

Poulsen-yes

**E. Approve Minutes.**

**E-1 Minutes for the Board of Directors meeting of August 28, 2018.**

Public Comment – none

A motion to approve the minutes for the Board of Directors meeting of August 28, 2018 was made by Directors Ilfeld/Hudson. The motion passed and the vote was unanimous with the exception of Director Cox who was absent.

Cox-absent

Gustafson-yes

Hudson-yes

Ilfeld-yes

Poulsen-yes

**F. Old & New Business.**

Item F-3 was taken out of order.

### **F-3 Squaw Valley Institute – Commercial Lease – 1810 Squaw Valley Road.**

The Board reviewed the item, accepted public comment and approved the tenant's request to change use of space and amend applicable terms of the lease.

Mr. Geary reviewed the item. Since 2006, the Squaw Valley Institute (SVI) has leased a variety of spaces at the old Firehouse at 1810 SV Road. The current lease expires on March 31, 2020 and Jamie Simon, on behalf of SVI, requests changes to the lease to allow for rental of the 1,218 square foot space to others as a shared work space.

The current terms of the lease are:

- Rent: \$1,583/month (\$1.30/square foot)
- Utilities: \$350/month
- Snow Removal: \$400/year
- Term: April 1, 2018 to March 31, 2020
- Parking Spaces: two
- Security Deposit: \$3,200

Staff researched rates of comparable properties to determine market value for the space. Rental rates for office space in Truckee are around \$1.70/square foot and in Tahoe City around \$1.89/square foot. If the Board approves the changes to the lease as requested by SVI, the proposed terms of the revised lease would be:

- Rent: \$2,131/month (\$1.75/square foot)
- Utilities: \$350/month until March 31, 2019 and will be adjusted to cover the tenant's actual use of utilities
- Snow Removal: no change
- Term: October 1, 2018 to March 31, 2020
- Parking Spaces: no change
- Security Deposit: \$4,200

The projected revenue from the revised Commercial Lease for a single year would be \$30,172 which is offset by the cost to provide utilities, snow removal and building maintenance. This represents an increase of \$6,576 per year compared to the gross revenue generated by the current lease terms.

Public Comment –

Jamie Simon introduced herself and discussed SVI's future and vision. She described the need for available shared office space in the valley and how the space will be utilized.

Vice Chairman Poulsen expressed concern about the impact on Squaw Valley Ski Resort's parking. Ms. Simon said she is working with the Resort to address any parking issues.

Vice Chairman Poulsen discussed the possibility of increased liability and general maintenance concerns. Brandon Burks expressed concerns about maintenance, specifically snow and ice removal and interior facility repairs.

Mr. Archer recommended getting formal approval from Squaw Valley Ski Resort regarding parking and related liability issues.

John Wilcox expressed support of the proposal and the revised lease.

Director Ilfeld also expressed support for the proposal and the revised lease.

A motion was made by Directors Ilfeld/Hudson to approve changes to the existing lease and authorize the General Manager to execute a revised commercial lease agreement with the Squaw Valley Institute. The revised lease will allow the tenant to use and manage the space as a shared office with the following provisions:

- Rent: \$2,131/month (\$1.75/square foot)
- Utilities: \$350/month until March 31, 2019 and will be adjusted to cover the tenant's actual use of utilities
- Snow Removal: no change
- Term: October 1, 2018 to March 31, 2020
- Parking Spaces: no change
- Security Deposit: \$4,200
- Tenant to provide a letter from Squaw Valley Ski Resort for acknowledging SVI's use of their parking lot
- Tenant is responsible for all interior maintenance and the District shall be responsible for any exterior maintenance
- No overnight parking
- Tenant has no expectation of additional snow removal from what is currently provided
- Tenant is responsible for traction control of the stairs including shoveling and de-icing

The motion passed and the vote was unanimous with the exception of Director Cox who was absent.

Cox-absent

Gustafson-yes

Hudson-yes

Ilfeld-yes

Poulsen-yes

#### **F-1 Deferral of Sewer Service Fees – 1509 Christy Lane.**

The Board reviewed the item, accepted public comment and approved deferral of sewer service fees for the residence which was destroyed by fire.

Mr. Geary reviewed the item. On March 19, 2018, the house at 1509 Christy Lane was destroyed by a fire. The property has since been determined to be uninhabitable. The property owner contacted District staff and requested that the flat fee service charges for sewer be deferred until the house is rebuilt. The property is served water by the Squaw Valley Mutual Water Company.

In 1994, the District approved changes to the Water Code, specifically Section 6.13.L, as follows:

***L. Deferral of Service Fees on Structures that are Destroyed.***

*When a residence or commercial structure is destroyed by fire, avalanche, earthquake, or other disaster, the owner of such destroyed structure is allowed a maximum 12-month courtesy period to rebuild without paying service fees. If the structure is rebuilt and approved for occupancy before the 12-month period has passed, service fees will immediately become payable. If the structure is not rebuilt within the 12-month period, minimum service fees must be paid in order to maintain a valid permit. [Adopted by Ord. 94-04]*

While the Water Code and Sewer Code are identical in sections of Code that apply to providing both water and sewer service, the same section is not included in the Sewer Code. It is believed that it was the staff and Board's intent to provide the same relief that is provided for in this section of the Water Code for sewer user fees.

In response to a question raised at the Finance Committee meeting, District staff confirmed that Tahoe Truckee Sanitation Agency provides two years of deferral in such a situation or until the certificate of occupancy is issued.

Public Comment – none

The Board directed staff to address this issue in future Code revisions and consider a two year deferral period.

A motion to authorize deferral of sewer service fees for the owners of 1509 Christy Lane consistent with provisions for deferrals of water service (user) fees are provided for in Section 6.13.L of the District's Water Code was made by Directors Hudson/Ilfeld. The motion passed and the vote was unanimous with the exception of Director Cox who was absent.

Cox-absent

Gustafson-yes

Hudson-yes

Ilfeld-yes

Poulsen-yes

**F-2 A. Squaw Valley North Condominiums Water Line Replacement.**

The Board reviewed the item, accepted public comment and authorized the execution of a Water Line Replacement and Dedication Agreement with the Squaw Valley North Condominium Owners' Association.

Mr. Geary reviewed the item. In 2016, the Squaw Valley North Condominium Owners Association (Association) replaced a water line and thirteen water service lines constructed in 1967. The project was necessary to replace the old, leaking water line, as well as install the water meters near the edge of the public utility easement.

In 2016, the Board of Directors approved the District's participation in the replacement and dedication of the water line and appurtenances which included a cash contribution to the Association of \$14,500, along with staff participation in construction inspection/management

and water meter installation. The water line facilities were installed in the private roadway within a blanket utility easement and the District provided construction inspection during construction and testing.

During the course of construction, the District directed the contractor and Association to install drainage improvements in the water meter vaults for two of the water services. The contractor's change order for this work was \$4,000. Staff recommends amending Section 6.4 of the Agreement to increase the District's financial contribution from \$14,500 to \$18,500.

Public Comment – none

A motion to approve the District's additional financial contribution of \$4,000 for the Squaw Valley North Water Line Replacement Project and execute the Water Line Replacement and Dedication Agreement with the Association with a total financial contribution of \$18,500 was made by Directors Ilfeld/Hudson. The motion passed and the vote was unanimous with the exception of Director Cox who was absent.

Cox-absent

Gustafson-yes

Hudson-yes

Ilfeld-yes

Poulsen-yes

#### **F-2 B. Squaw Valley North Condominiums Water Line Replacement.**

The Board reviewed the item, accepted public comment and accepted the Irrevocable Offer of Dedication of water line and appurtenances by adoption of Resolution 2018-16.

Mr. Geary reviewed the item.

Public Comment – none

A motion to accept the Irrevocable Offer of Dedication of water line and appurtenances by adoption of Resolution 2018-16 was made by Directors Hudson/Ilfeld. The motion passed and the vote was unanimous with the exception of Director Cox who was absent.

Cox-absent

Gustafson-yes

Hudson-yes

Ilfeld-yes

Poulsen-yes

#### **G. Status Reports.**

##### **G-1 Fire Department Operations Report.**

Chief Riley reviewed the report including wildland Strike Team work and purchase of advanced life support monitors.

Public Comment – none

**G-2 Water & Sewer Operations Report.**

Mr. Burks reviewed the report.

Public Comment – none

**G-3 Engineering Report.**

Mr. Geary reviewed the report. He said the District’s Engineer and Farr West Engineering have been working with Q & D Construction for a negotiated price on the Truckee River Siphon Project.

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 Gustafson asked about water tasting criteria. Mr. Geary said taste is a subjective quality and in the past, the District won the best tasting water award from the California Rural Water Association. This may be because the District’s water is relatively “young” and is not greatly impacted by minerals.

**H. Adjourn.**

Directors made a motion Iffeld/Hudson to adjourn at 10:30 A.M. The motion passed and the vote was unanimous with the exception of Director Cox who was absent.

Cox-absent

Gustafson-yes

Hudson-yes

Ilfeld-yes

Poulsen-yes

By, K. Obayashi-Bartsch