

**SQUAW VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES #797
January 27, 2015**

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

Directors Present: Directors: Carl Gustafson; Brian Sheehan; and John Wilcox

Directors Absent: Dale Cox, President

Staff Present: Mike Geary, General Manager; Cindy Herbert, Office Manager; Pete Bansen, Fire Chief; Jesse McGraw, Operations Manager; Tom Campbell, Finance and Administration Manager; Brandon Burks, Ops Specialist III; and Thomas Archer, District Counsel

Others Present: Dave and Sally Brew, Carlos Heredin, Victor Heredin, Ed Heneveld, Chevis Hosea, Dave Hunt, Jean Lange, Katie Lazzari, Andrea Parisi, Peter Schweitzer, Isaac Silverman, David Stepner, and Peter Van Zandt.

Vice President Poulsen asked Brian Sheehan to lead the Pledge of Allegiance.

Mike Geary requested Items A-1 and F-9 be removed from the agenda.

B. Community Informational Items.

- B-1** Friends of Squaw Creek – Ed Heneveld provided an update on the group’s activities. He said that a grant was submitted for creek restoration. He said that Eric Sather, who was on their board, representing the Resort at Squaw Creek, is no longer at the Resort and they hope to replace him soon.
- B-2** Friends of Squaw Valley –Director Poulsen said he attended the meeting in December and it was a very good presentation.
- B-3** Squaw Valley Design Review Committee –David Stepner said the group met on January 6th as the new board and began reviewing Appendix B of the Oct. 2014 version of the Village at Squaw Valley Specific Plan. The next meeting is on February 5th at 3:30 P.M. in the District’s community room and the next major topics to be covered are mass, scales and heights. He encouraged everyone to come to meeting. Those who can’t attend were encouraged to e-mail Stacy Wydra with comments and she will distribute them at the meeting.
- B-4** Squaw Valley Municipal Advisory Committee – Brian Sheehan said the next meeting is on February 5th at 6 P.M. in the District’s community room.
- B-5** Squaw Valley Mutual Water Company – no report
- B-6** Squaw Valley Ski Holdings – no report
- B-7** Squaw Valley Property Owners Association – Sally Brew provided an update on the group’s activities. She stated that they had a very successful gathering at Graham’s in December with the Legends of Squaw Valley and Fireside Chat.
- B-8** Tahoe-Truckee Sanitation Agency – Mike Geary said that the numbers in Exhibit B-8 show the daily sewer flows and pointed out the spike in wastewater flows typical during the Christmas holidays.
- B-9** Incorporate Olympic Valley –Mike Geary stated staff was contacted by, Rosenow

Spevacek Group (RSG), Inc. requesting information regarding District costs to deliver services currently provided.

C. Public Comment/Presentation.

Director Sheehan said next LAFCO meeting is February 11th in Auburn.

D. Financial Consent Agenda Items.

Directors Poulsen and Sheehan met with staff on January 26th from approximately 3:30 – 4:45 P.M. to review items D-1 through D-12 as well as other finance related items on this agenda.

Tom Campbell discussed the items that were reviewed at the finance meeting.

Director Sheehan said the committee reviewed the finance related items with staff and all items appear to be in order. The year-to-date percentages of revenue to expenditures are in order.

Director Poulsen said that the Fire Department was reimbursed for the mutual aid it provided this summer with the exception of the King Fire which Chief Bansen said should be coming in soon. Director Poulsen stated on the utility department reports, the bike trail project and Squaw Valley Mutual Water Company contract are unbudgeted items so they show up as “other expenses.”

Public Comment – none

A motion to approve the financial consent agenda was made by Directors Sheehan/Wilcox as submitted; vote was unanimous.

Cox-absent
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

E. Approve Minutes.

E-1 Minutes for the Board of Directors meeting of December 16, 2014.

Mike Geary said it was noted that Item A-1 was omitted from the minutes that were distributed in the board packet and will be added to the revised minutes.

Director Poulsen noted that Fred Ilfeld was in attendance of the December meeting and was omitted from “Others Present”.

A motion to approve the minutes for the Board of Directors meeting of December 16, 2014 with the requested revisions was made by Directors Wilcox/Sheehan; vote was unanimous.

Cox-absent
Poulsen-yes
Gustafson-yes

Sheehan-yes

Wilcox-yes

F. Old & New Business.

F-1 Village at Squaw Valley Project Update.

Director Poulsen left the room due to a conflict of interest from an ownership interest. He listened to the discussion through a one-way audio feed. Director Wilcox assumed the role of chair in Director Poulsen's absence.

The Board reviewed the information, discussed the project and accepted public comment.

Mr. Geary said staff and District consultants are completing the analyses to better understand the impacts of the project to the District's systems, operations and financial position. The results of these analyses identify project impacts and, in some cases, long-term planning needs; they also create a framework to negotiate a Development Agreement between the District and SVRE. Mr. Geary stated that the Hydraulic Modeling of Water Distribution System is completed and will be presented to the Board at this January 27th meeting as a separate agenda item.

Negotiations of a Development Agreement between the District (staff, consultants and counsel) and SVRE resumed in January, 2015 and are ongoing.

Distribution of the Draft Environmental Impact Report (EIR) is tentatively scheduled for March, 2015 and will likely be distributed in conjunction with a revised Specific Plan.

Public Comment – Jean Lange asked if the costs of the reports are being reimbursed to the District by Squaw Valley Ski Holdings, and if they are being paid in a timely matter. Mr. Geary answered yes and that they are current with their billings.

Ed Heneveld said that Squaw Valley Real Estate (SVRE) removed their intention to develop Lot 27 and leave it as forest recreation use. He asked how the revised specific plan fits into the draft EIR, and when the public may comment. Mr. Geary said the last revised version of the specific plan was released in October, 2014; it is being modified so the most current version is considered in the EIR process.

Chevis Hosea said that Placer County distributed the Administrative Draft EIR internally in November, 2014. That document was reviewed by the applicant (SVRE) and County staff, who both provided comments and who were both completed by the end of the calendar year, 2014.

The EIR is now being revised and a second Administrative Draft is scheduled to be released by the end of February. A few weeks later, the Draft EIR is scheduled to be released for public review and comment. That process, which includes 700+ pages and thousands of pages of appendices, was the first review of the project by the environmental consultants. They challenged certain aspects of the project and found some inconsistencies. He said the goal is that when the draft EIR is imminently ready for release to the public, a Specific Plan that is consistent with that document will also be finalized and distributed. SVRE expects the revised

Specific Plan to be released in advance and it should be consistent with the documents being reviewed for the draft EIR.

Public Comment – none

F-2 Water Hydraulic Modeling – Village at Squaw Valley Project.

Director Poulsen remained out of the room due to a conflict of interest from an ownership interest. He listened to the discussion through a one-way audio feed.

The Board reviewed the information, discussed the item and accepted public comment.

Mr. Hunt of Farr West Engineering provided a review of the modeling with a power point presentation (attachment A).

This report presents an evaluation of hydraulic capacity of the Squaw Valley Public Service District's (District) water distribution system and will serve as the basis for understanding the Village at Squaw Valley Specific Plan (VSVSP) project impacts as well as projected cumulative development impacts on the water system. The evaluation was performed using the District's hydraulic model and includes the following scenarios:

1. Existing water distribution system
2. Existing water distribution system + VSVSP at Buildout
3. Existing water distribution system + VSVSP at Buildout + Projected Cumulative Development

This water system capacity analysis was performed to assess the effects of proposed and future development in Olympic Valley. The analysis included evaluating source capacity, storage capacity, minimum system pressures and flow velocity under flow scenarios of average day demand (ADD), maximum day demand (MDD), MDD plus fire flow, and peak hour demand (PHD). The criteria to meet these requirements are defined by the California Waterworks Standards and the District's Water Code.

In general, the existing system portrayed no system deficiencies, with the exception of marginal pressures and fire flow less than 1,500 gallons per minute (gpm) in the upper areas of Granite Chief and Hidden Lake. Modeling showed that these existing pressure and fire flow situations were not exacerbated with the additional flows from the VSVSP and General Plan buildout water demands. Also, the Zone 3 storage tank can only satisfy a fire demand scenario of 1,000 gpm for 2 hours. This modeling effort used the criteria for District's fire flow requirements of 1,500 gpm for 2 hours. Finally, the Resort at Squaw Creek fire demand can be met from the East Tank Zone 2, but supply to the East Tank from the East Booster pump station does not provide a sufficient refill rate in the event of a fire at the RSC. For this reason, it was previously recommended to put the RSC in Zone 1 with the installation of a pressure reducing valve (PRV) near the RSC and opening the existing pipeline between the main well field and the RSC. Capacity improvements at the East Booster pump station would also provide further operational flexibility.

Director Wilcox said the Water and Sewer Committee met and reviewed the item with Mr. Hunt and Mr. Geary.

Director Gustafson commented on Well 5R and how the creek level goes down when it's pumped. He asked how the new state law regarding surface water vs. groundwater will affect the District. Dave Hunt answered that for the purposes of this study Well 5R is permitted as a groundwater well. Mr. Geary said he would provide Director Gustafson with information regarding the state law he referred to after the meeting.

Director Sheehan asked what the difference is between emergency and fire operations. Mr. Hunt replied that an emergency would be an equipment failure. Director Sheehan asked what if only half the valley is built-out; is another water tank needed. Mr. Hunt said we don't have that information to make this determination yet.

Director Wilcox asked with respect to the pipes already in the ground, with full build-out will we have to replace those. Mr. Geary said this study was to assess capacity only, not the condition of existing pipes, so from a capacity perspective, the answer is no.

Director Gustafson asked if the different types of pipe that are currently in the ground were classified in the study. Mr. Hunt replied the pipes were cataloged a few years back and the District has a complete understanding of what is currently in the ground.

Public Comment –

Dave Brew thanked Dave Hunt for the presentation. He said he is concerned with fire flows and the lack of ability to refill the tank in the east zone. He is also concerned with the need of booster pumps to get water up to Hidden Lake and Granite Chief. Chief Bansen said the homes in the Resort at Squaw Creek Homesites and Hidden Lake are almost all equipped with fire suppression systems, minimizing the fire flow and storage required. He said he is comfortable with the current fire flows. Mr. McGraw said the pipe size was improved in the Granite Chief area in 2008. The pipe was increased from 4" to 8", virtually tripling the fire flow in that area.

Ed Heneveld asked about 10" pipe to be placed to loop the system from the proposed new tank. Dave Hunt said it enhances the hydraulics of the system system. Mr. Geary reminded the group that at this stage of the process, the design is in the planning phase and is not very specific and that it is schematic in nature.

F-3 Olympic Estates Offer of Dedication.

Director Poulsen remained out of the room due to a conflict of interest from a filial interest. He listened to the discussion through a one-way audio feed.

Mr. Archer gave the history of the project. He said we are waiting for the county to record the subdivision map. His recommendation is to conditionally accept the offer of dedication authorizing its execution upon delivery of the recorded final subdivision map and title insurance.

The Board reviewed the item, accepted public comment, and accepted the conditional offer of dedication of water and sewer systems by adoption of Resolution 2015-02.

Public Comment – Jean Lange asked if landscape requirements were imposed on the development. Mr. Geary replied that there were no landscape requirements; that there are common areas with dedicated irrigation meters.

Directors Sheehan/Gustafson made a motion to conditionally accept the offer of dedication of water and sewer systems by adoption of Resolution 2015-02 upon delivery of final subdivision map and title insurance. The motion passed; vote was unanimous.

Cox- absent
Poulsen-absent
Gustafson-yes
Sheehan-yes
Wilcox-yes

F-4 Olympic Valley Groundwater Management Plan – Aquifer Recharge Mapping.

Director Poulsen returned to the meeting room.

The Board reviewed the item and accepted public comment.

Mr. Geary said the District completed the Olympic Valley Groundwater Management Plan (OVGMP) in May, 2007 and approved Ordinance 2007-02 adopting it. He explained that in 2011, Assembly Bill 359 (AB 359) was passed and went into effect January 1, 2013; it is known as the “Groundwater Recharge Area Mapping Bill”. It requires new Groundwater Management Plans and any updates to existing plans in California to provide a description of how recharge areas identified in the plan substantially contribute to the replenishment of the groundwater basin and requires a map identifying the recharge areas in order to meet state funding requirements. It also requires the local agency to provide the map of the recharge areas to local planning agencies and notify California Department of Water Resources (DWR) and other interested persons when a map is submitted to those local planning agencies.

However, he noted that the District’s hydrogeology consultant cautioned that mapping recharge areas is very inexact and that you usually end up with very generalized maps that tell you little.

Mr. Geary said there are no financial or other resource impacts at this time. There will be costs associated with the preparation of the Quinquennial Review and Report proposed in this report. However, the Board will have the opportunity to consider and approve this expense during the FY 2015-16 Budget preparation process.

Director Wilcox said the Water and Sewer Committee met and reviewed the item with Mr. Hunt and Mr. Geary.

Director Wilcox stated that previous reports for the OVGMP have all been funded by the

District. He said he is in favor of preparing an Aquifer Recharge Map only because it is critical for future grant funding from the state. Director Poulsen concurred. Director Gustafson said he is favor of the mapping and thinks it will be useful.

Public Comment – Dave Brew said he disagrees with our hydrogeology consultant’s comments. He believes the map will tell us something. Recharge is a serious matter as far as the aquifer goes and people need to be aware of that.

Ed Heneveld feels the mapping is warranted.

Peter Van Zandt mentioned the potential of pollution of the aquifer. From an EIR standpoint he feels finding the sources of pollution in recharge is important.

Mr. Geary said no action is needed; that this is an informational item only.

F-5 License and Agreement for Removal of Easement Encroachments – Beyer.

The Board reviewed the item; accepted public comment; adopted Resolution 2015-01 authorizing the Board President to execute the License and Agreement for Removal of Easement Encroachments for APN: 096-630-031-000 located at 242 Shoshone Way, Olympic Valley, CA; and authorized staff to submit to Placer County for recordation.

Mr. Geary, Mr. McGraw and Mr. Archer provided a review of the item.

Mr. Geary said the Water and Sewer Committee met and reviewed the item with Directors Wilcox and Poulsen.

Director Wilcox said he was asked by Director Cox to convey his comments on this issue. Director Cox said he was apprehensive of this proposal at first but is now supporting it after hearing all the facts. However, he warned that this exception does not, and will not, set a precedent and that a site-by-site evaluation is required to assess the specific impacts from each easement encroachment.

Public Comment – None

Directors Wilcox/Sheehan made a motion to adopt Resolution 2015-01 authorizing the Board President to execute the License and Agreement for Removal of Easement Encroachments on APN: 096-630-031-000 located at 242 Shoshone Way, Olympic Valley, CA and authorized staff to submit the executed agreement to Placer County for recordation. The motion passed; vote was unanimous.

Cox- absent
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

F-6 March 2015 Special Board of Directors Meeting.

The Board reviewed the item, accepted public comment and approved a Special Board meeting for Tuesday, March 24th in lieu of the regular meeting scheduled for Tuesday, March 31st.

Mr. Campbell provided a review of the item.

Public Comment – None

The Directors agreed to conduct a Special Board meeting for Tuesday, March 24th in lieu of the regular meeting scheduled for Tuesday, March 31st. Mr. Archer said a motion is unnecessary to make this schedule change.

F-7 Annual Review of Purpose, Mission and Core Values Statements.

The Board reviewed the item, accepted public comment and approved the statements as presented.

Mr. Geary provided a review of the item. No changes were suggested, so the statements will remain as they are.

Public Comment – None

F-8 Tahoe Sierra Board of Realtors – Request for Early Termination of Lease.

The Board reviewed the item, accepted public comment and authorized early termination of Tahoe Sierra Board of Realtors' lease of District facilities at 1810 Squaw Valley Road.

Mr. McGraw provided a review of the item. In September, 2014, the Tahoe Sierra Board of Realtors (TSBOR) requested the District to terminate their commercial lease agreement on November 30, 2014. The date of termination was extended by 1.5 months to January 15, 2015; the premises were vacated as of that date. The TSBOR has been a tenant in good standing with the District for almost 10 years. The premises were left in good condition and possibly better condition than when originally leased due to tenant improvements such as flooring, carpet, and fixtures. District personnel are performing some minor cleaning, patching and spot painting to be deducted from the tenant's security deposit.

The term of the lease was extended by Lease Addendum #2 in March, 2010 for five years terminating March 31, 2015. The TSBOR has agreed to assist in finding a new tenant and requests the District approve the termination date of January 15, 2015 and to be released from any further obligations as of that date.

Director Sheehan said he feels they have been good tenants for the last 10 years and even though it will cost the District approximately \$8,000 he is in favor of early termination of the lease.

Public Comment – None

Directors Wilcox/Sheehan made a motion to authorize early termination of the lease of District facilities at 1810 Squaw Valley Road. The motion passed; vote was unanimous.

Cox-absent
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

G. Status Reports.

G-1 Fire Department Operations/Capital Projects Report.

Chief Bansen provided a review of the report. He showed the group the new fire department uniforms. He announced that Captain Jim Binks is retiring after 28 years with the department and will be greatly missed. He said that Allen Riley has been promoted to Captain and Josh Rytter to Engineer. He stated that the department had their busiest day ever with 11-12 calls in one day during the Christmas holidays. He said there have been several vegetation fires at the lake and if the region does not get any more precipitation, this year's fire season looks dismal.

Public Comment – none

G-2 Water & Sewer Operations Report.

Mr. McGraw provided a review of the report. He said the 2003 Ford F-250 was sold for \$8,800. He stated that a blockage was reported last Friday on the Granite Chief A- line. The crew responded and cleared it with the Vac-Con.

Public Comment – none

G-3 Administration Report.

Mr. Campbell provided a review of the report.

Mr. Geary reviewed Item 4 - *Notification by Board Members of Professional Development and Participation in Meetings as District Official*. Mr. Archer believes an announcement in the Administration Report is sufficient and at a subsequent meeting, the Director may provide a summary report to the Board of the training or meeting.

The Board concurred that Directors should adopt the practice of notifying the other Board members and/or the Board Secretary of attending professional development programs or meetings on behalf of the District in advance.

Public Comment – none

G-4 Manager's Comments.

Mr. Geary provided a review of the report and an update on the following items:

Incorporate Olympic Valley (IOV) – Placer County Local Area Formation Committee (LAFCO) hired a financial consultant to prepare a Comprehensive Fiscal Analysis (CFA) of the proposed town of Olympic Valley. Staff responded to a request for data from the consultant, RSG, and

provided information and data requested by representatives of IOV.

LAFCO Municipal Service Review – LAFCO is completing its periodic Municipal Service Review (MSR) for the Squaw Valley PSD. Staff reviewed the administrative draft and responded with comments and clarifications.

PlumpJack / Squaw Valley Renovation Project – the project’s second submittal was distributed by Placer County. Staff reviewed the submittal package and plan set and provided comments.

Public Comment – none

G-5 Legal Report (verbal).

Mr. Archer said he attended meetings with staff and separately with representatives from the Resort at Squaw Creek and Squaw Valley Real Estate. He said there is a lot going on in the District right now with all the new projects. He said the Development Agreements will specify when the need for new infrastructure is triggered.

Public Comment – none

G-6 Director's Comments.

Director Sheehan provided a review of California Special District Association’s (CSDA’s) Gold Country Chapter meeting he attended on January 7th.

H. Adjourn.

Directors Wilcox/Sheehan made a motion to adjourn at 11:00 A.M.; vote was unanimous.



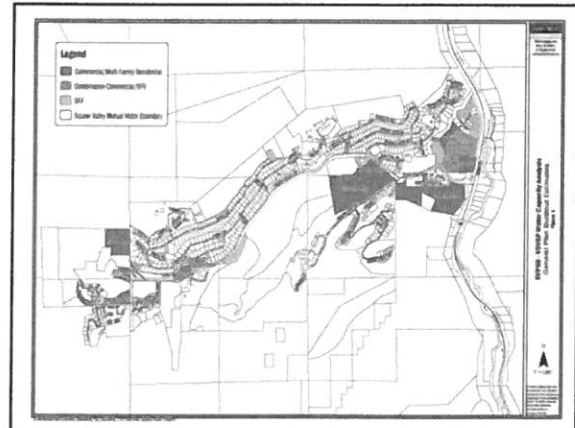
Cox-absent
Poulsen-yes
Gustafson-yes
Sheehan-yes
Wilcox-yes

By Cindy Herbert, Office Manager

Squaw Valley Public Service District



VSVSP Water System Capacity Analysis

January 27, 2015



Purpose

- Evaluate hydraulic capacity of the water system
- Define water system capital improvements
- Scenarios
 - Existing System
 - Existing System + VSVSP
 - Existing System + VSVSP + Projected Cumulative Development



Water Demand Conditions

- Average Day Demand (ADD)
- Maximum Day Demand (MDD)
- Peak Hour Demand (PHD)
- Fire Flow



Water Demands

- Existing System Demands
 - Production and Metered Data from 2001-2014
- VSVSP
 - VSVSP Master Water Study
 - Demands specific to Mountain Adventure Camp
- General Plan Buildout Projections
 - Vacant and/or underbuilt residential and commercial properties
 - Based on 1983 Squaw Valley General Plan & Land Use Ordinance

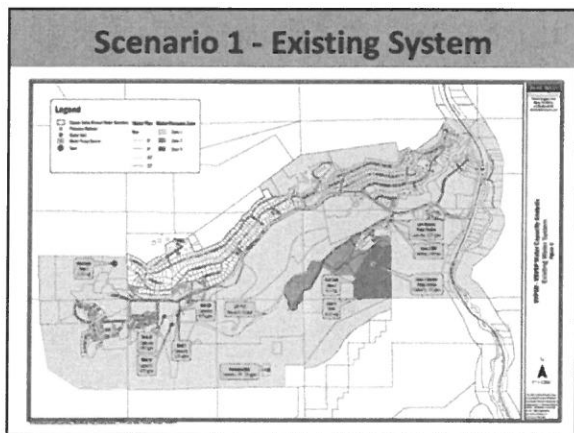
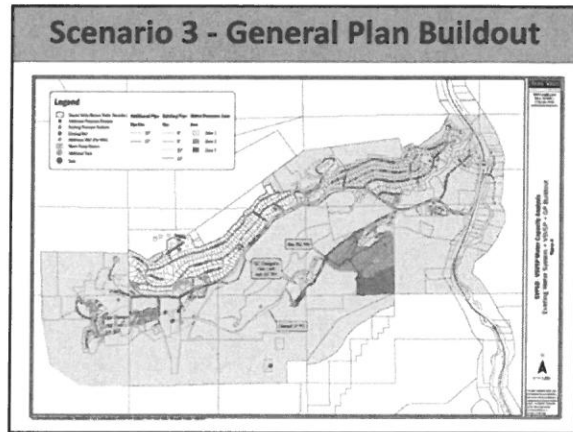


Scenario Water Demands

	ADD	MDD	PHD
Existing Model Conditions	249	623	934
VSVSP Demand	145	363	706
General Plan Buildout Demand	189	471	707
Model Scenarios			
Existing System	249	623	934
Existing System + VSVSP	394	986	1,640
Existing System + VSVSP + GP Buildout	583	1,457	2,347

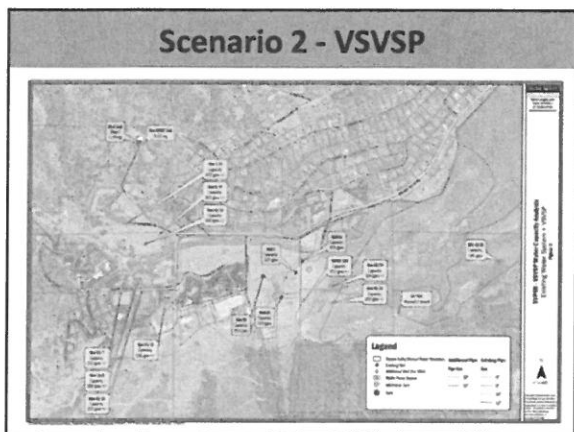


Capacity Evaluation Criteria

- Source Capacity
 - Per California Waterworks Standards – Meet MDD with largest well out of service
- Storage Capacity
 - Operating, Emergency, and Fire storage
 - Fire demands 1,500 gpm for 2 hours SFR; 2,500 gpm for 2 hours commercial/MF
- System Pressure and Velocity
 - 40 psi during MDD and PHD
 - 20 psi during MDD plus fire flow
 - Velocity <8 fps normal; <20 fps during fire flow event



Summary

- Existing system no deficiencies – marginal pressures and fire flow in upper Granite Chief and Hidden Lake
- VSVSP – Additional West Tank (690,000 gallons), new wells, new distribution system piping
- General Plan Buildout – East Tank PRV, open Meadow 10-inch pipeline, Well 18-3R, additional west aquifer wells



Questions / Comments

