

**SQUAW VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES #869
JUNE 30, 2020**

Agenda with board packet and staff reports is available at the following link:

<https://www.svpsd.org/board-agenda-june-2020>

A. Call to Order, Roll Call and Pledge of Allegiance. President Dale 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 Superintendent; Chris DeDeo, Fire Captain; Mike Geary, General Manager; Kurt Gooding, Engineer/Paramedic; Danielle Grindle, Finance & Administration Manager; Jessica Grunst, Account Clerk II/HR Specialist; Fabienne Gueissaz, Office Supervisor; Dave Hunt, District Engineer; Sal Monforte, Captain; Allen Riley, Fire Chief; Leroy Valadez, Firefighter/Paramedic.

Others Present: Pete Bansen, Diane King, Jean Lange, Sal Monforte III, David Stepner, Margarita Valadez.

President Cox asked Sal Monforte 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) – David Stepner said that the SVDRC will discuss Valley View's renovation at the next meeting, which will be held remotely.

B-4 Squaw Valley Municipal Advisory Council (SVMAC) – Mr. Stepner said that there was a combined SVMAC and North Tahoe Regional Advisory Council (NTRAC) meeting last month. The agenda included a discussion about the Workforce Housing Preservation Program, a potential Tahoe Basin Lodging Incentive Program and Pedestrian Safety Improvements in Eastern Placer County.

B-5 Squaw Valley Mutual Water Company (SVMWC) – Mr. Stepner said that the United States Department of Agriculture (USDA) has fully approved the MWC loan and the MWC will bid four projects that could start as early as this fall. The MWC will not raise water rates this year.

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

B-7 Mountain Housing Council of Tahoe Truckee (MHC) – Director Ilfeld said the MHC has not met since the last board meeting.

B-8 Tahoe-Truckee Sanitation Agency (T-TSA) – President Cox provided a brief update. T-TSA met all waste discharge requirements in May. T-TSA recently considered providing relief to commercial businesses affected by COVID-19, however, the relief was denied after a split vote.

B-9 Capital Projects Advisory Committee (CAP) – Ms. Grindle stated that the Committee is working internally on the application and review process for next year. Applications are expected to be ready in August. Director Cox suggested that transient occupancy tax (TOT) funding be requested to install benches along the bike path, the Directors agreed this was a great idea. Ms. Grindle said she supports the idea but would want County support since the trail is County owned. She noted

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that funds would not be available until next year. Mr. Geary said that staff will engage Andy Fisher and Erin Casey from Placer County to determine the best way forward.

- B-10** Firewise Community – Mr. Stepner gave an update. An Eagle Scout candidate may help organize members of his troop to assist the Firewise Council with public outreach, including flyers, mailings, and door-to-door efforts. The Council, in coordination with the District, is applying for a CalFire Foundation Grant in an amount less than \$15,000. The funding would: (1) support the public outreach effort, (2) sponsor monthly green waste and wood chipping programs in cooperation with North Lake Tahoe Fire District, and (3) hire a consultant/forester to apply for a CalFire grant to underwrite the cost of creating a Community Wildfire Protection Plan (CWPP). This Plan would survey the forestland within the District and prioritize fire mitigation work, which would be funded through other grants.

C. Public Comment/Presentation.

- C-1 Recognition of Service by Resolution 2020-10 – 38 years – Sal Monforte, Fire Captain

Pete Bansen, former Squaw Valley Fire Department Chief, read Resolution 2020-10. Captain Monforte read a letter thanking the Department and Community. Chief Riley presented a plaque of appreciation.

Resolution 2020-10 was adopted unanimously.

Cox – Yes

Hover-Smoot – Yes

Hudson – Yes

Ilfeld – Yes

Mercer – Yes

Chief Riley led a pinning ceremony for promotions within the Department. Josh Rytter was promoted to Captain, Kurt Gooding was promoted to Engineer/Paramedic, and Leroy Valadez was promoted to full-time Firefighter/Paramedic. Chief Riley gave the Oath of Office to Mr. Gooding and Mr. Valadez.

D. Financial Consent Agenda Items.

Directors Hover-Smoot and Mercer convened with staff on June 29, 2020 from approximately 3:00 – 4:10 p.m. to review items D-1 through D-13 and other finance related items on the agenda. Ms. Grindle provided a summary and Director Mercer said everything seems to be in order.

Public Comment – None.

Director Mercer made a motion to approve the financial consent agenda which was seconded by Director Ilfeld. A roll call vote was taken. 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 26, 2020.

The Board reviewed the minutes, accepted public comment, and approved the minutes for the Board of Directors regular meeting of May 26, 2020.

Public Comment – None.

Director Ilfeld made a motion to approve the minutes for the Board of Directors meeting of May 26, 2020 which was seconded by Director Mercer. A roll call vote was taken. The motion passed.

Cox – Yes

Hover-Smoot – Yes

Hudson – Yes

Ilfeld – Yes

Mercer – Yes

F. Old & New Business.

F-1 COVID-19 - Community Update and Business Operation Plan

The Board reviewed the item, accepted public comment and approved the COVID-19 Business Operation Plan and Checklist and related Administrative Policies and Protocols to implement guidance issued by the California Department of Public Health and California Division of Occupational Safety and Health (Cal/OSHA).

Mr. Geary and Ms. Grunst reviewed the staff report and provided an overview of the proposed policies and protocols. These new personnel policies are in response to the COVID-19 pandemic and are like ones adopted by other agencies and private businesses. The plan and policies implement the guidance provided by the State and echoed by Placer County. All employees will be provided a copy of the Operations Plan and be trained on the elements included in the Plan.

Dr. Ilfeld stated that Ms. Grunst did an excellent job of assembling the policies and protocols and discussed the importance of wearing a facemask while in public to prevent the spread of the virus.

Public Comment – None.

Director Ilfeld made a motion to approve the COVID-19 Business Operation Plan and Checklist and related Administrative Policies and Protocols, 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

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F-2 PUBLIC HEARING to Establish Appropriation Limits for Funds FD30144 and FD30146

Ms. Grindle reviewed Resolution 2020-11, establishing an Appropriations Limit for Fund FD30144 for FY 2020-2021 and Resolution 2020-12, establishing an Appropriations Limit for Fund FD30146 for FY 2020-2021. Article XIII B of the California Constitution specifies that appropriations made by State and local governments may increase annually by a factor comprised of the change in population combined with either the change in California per capita personal income or the change in the local assessment roll due to local non-residential construction. The new appropriations limits for each fund are shown on the corresponding Resolutions.

F-2A Adopt Resolution 2020-11, establishing an Appropriations Limit for Fund FD30144 for FY 2020-2021.

The Board reviewed the item, accepted public comment and adopted Resolution 2020-11, establishing an Appropriations Limit for Fund FD30144 for FY 2020-2021.

Public Comment – None.

Director Mercer made a motion to approve Resolution 2020-11, establishing an Appropriations Limit for Fund FD30144 for FY 2020-2021, 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

F-2B Adopt Resolution 2020-12, establishing an Appropriations Limit for Fund FD30146 for FY 2020-2021.

The Board reviewed the item, accepted public comment and adopted Resolution 2020-12, establishing an Appropriations Limit for Fund FD30146 for FY 2020-2021.

Public Comment – None.

Director Hudson made a motion to approve Resolution 2020-12, establishing an Appropriations Limit for Fund FD30146 for FY 2020-2021, which 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

F-3 PUBLIC HEARING: Approve FY 2020-2021 Budget and Employee Salary Schedules.

Staff reviewed the changes in the proposed budget since the Board's review in May 2020 and the budget highlights. The item was reviewed in detail during the Finance Committee and in previous Board Meetings, this was the 4th budget review.

Changes from the May 2020 draft budget include:

- A more conservative estimate of ambulance service revenue and expenses.
- Updated salary scales based on the completed employee salary survey, results of which were shared with the labor union.
- Inclusion of a memo to address minimum reserve balances. The Fire Department reserve balance is low due to prioritizing pay-down of the CalPERS unfunded accrued liability (UAL).

Staff further discussed ambulance service projections. The annual expenses are approximately \$80,000 including contributing to the fixed asset replacement fund (FARF) for replacement ambulances. Labor costs are not included as labor will be the same with or without ambulance service. The expenses are distributed among many budget items such as vehicle maintenance and insurance costs. Staff has contacted a third-party collection agency for further information on revenue but has conservatively assumed no revenue until 2023. Staff reduced annual estimated revenue from approximately \$250,000 in the third budget draft to approximately \$212,000 in the fourth budget draft. Chief Riley explained that he is working with neighboring Districts to address concerns and impacts. Mr. Geary said while ambulance service is in the budget, staff will be fine-tuning the projected revenue, expenses and operational plan before moving forward and will inform and seek input and approval from the Board as needed.

The Budget estimates a 1.14% increase in property tax revenue since the tax revenue is based on property value as of January 1, 2020. Ms. Grindle has budgeted for a 0% increase for the following two years due to economic uncertainty resulting from the COVID-19 pandemic.

The proposed rate changes are as follows: sewer rates will not change, water rates will increase by the cost of living adjustment, 2.43%, and garbage will increase 3%, although Tahoe Truckee Sierra Disposal (TTSD) increased rates by 3.29%. In the 2017 five-year Proposition 218 Notice, the District approved a 5% increase in sewer rates, a 4% increase in water rates, and a 3% increase to garbage rates.

The District plans to secure a low interest loan through the USDA or the State Revolving Fund in order to fund projects such as the West Tank Recoating Project, in order to advance the financing strategy to pay down the UAL.

The Fire Department will hire three seasonal employees to work for eight months per year rather than having part-time employees. That will allow the Department to have a minimum staffing level of four, and implement ambulance service without increased labor costs.

The District's insurance provider, SDRMA, will increase property and liability insurance by 35%. Ms. Grindle had a short timeline to get quotes from other insurance agencies; those quotes for equivalent coverage were more expensive than SDRMA's rates.

The District received a \$54,000 grant from the Placer County Water Agency to initiate design of proposed *Pressure Zone 1A*, intended to reduce water pressures in the lower/eastern portion of the Valley.

The District did not purchase a certificate of deposit (CD) this year. Rates at the issuing bank are currently lower than interest rates earned from investments offered by the County.

The District continues to offset labor costs from an operation and maintenance agreement with SVMWC and the service contract with Placer County for bike trail snow removal. Revenue was not projected for Fire Department Strike Teams.

Healthy contributions continue to be made into the all FARF accounts.

The budget includes spending \$1.3M on capital projects.

There was a brief discussion about the Squaw Valley Fire Department serving Alpine Meadows, which is currently served by a contract with North Tahoe Fire Department. Mr. Geary said that he and Chief Riley would learn more about the details of the contract and if it makes sense to pursue this contract. Director Hover-Smoot said she thinks it's important that the community needs are met by whichever District can best do so and that the issue not be politicized.

The Board noted that the projected rate revenue is similar to this year's revenue, despite rates increasing. Ms. Grindle explained that consumption has been decreasing and briefly described the rate setting process.

Public Comment – None.

F-3A Adopt Resolution 2020-13, approving the FY 2020-2021 Budget

The Board reviewed the items, accepted public comment and approved the FY 2020-2021 Budget by adoption of Resolution 2020-13.

Public Comment – None.

Director Mercer made a motion to approve Resolution 2020-13, approving the FY 2020-2021 Budget, which 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

F-3B Adopt Resolution 2020-14, approving the FY 2020-2021 Employee Salary Schedules.

The Board reviewed the items, accepted public comment and approved the FY 2020-2021 Employee Salary Schedules by adoption of Resolution 2020-14.

Public Comment – None.

Director Hudson made a motion to approve Resolution 2020-14, approving the FY 2020-2021 Employee Salary Schedules, which was seconded by Director Mercer. A roll call vote was taken, and the motion passed.

Cox – Yes

Hover-Smoot – Yes

Hudson – Yes

Ilfeld – Yes

Mercer – Yes

F-4 PUBLIC HEARING: Ordinance 2020-03 – Adopting Rates & Charges and Revised District Codes.

The Board reviewed the item, accepted public comment and adopted Ordinance 2020-03 to revise District Codes by adopting rates and charges.

Ms. Grindle reviewed Ordinance 2020-03 which adopts the FY 2020-2021 rates and charges for water, sewer and garbage service and revises the related codes. Ordinance 2020-03 was introduced at the May 26, 2020 Board Meeting. Rates are proposed to increase as follows: Sewer 0%, Water 2.43%, and Garbage 3%. These rates are less than those noticed in the FY 2016-2017 five-year Proposition 218 Notice. There are no changes proposed to connection fees.

Director Ilfeld asked why the percent increase is not more clear in the Ordinance/Schedule A. Ms. Grindle noted the Proposition 218 Notices, sent to customers June 1st, show the percent increases. Mr. Geary said that Schedule A shows the current rates and that showing year-over-year rate increases would be confusing; the June 1st notice will be added as an attachment to this exhibit in the future.

Public Comment – None.

Director Hudson made a motion to waive the reading of Ordinance 2020-03, revising District Codes by adopting rates and charges. The motion was 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 Hudson made a motion to adopt Ordinance 2020-03, revising District Codes by adopting rates and charges. 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

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

The Board reviewed the item, accepted public comment and adopted Resolution 2020-15, requesting Placer County to collect delinquent charges.

Ms. Grindle reviewed the staff report. Each June, the District reviews overdue customer accounts with balances exceeding \$50. Delinquent accounts are submitted to Placer County in July to be added to the delinquent customer's property tax roll. At the time of the meeting twenty-one (21) accounts with overdue balances in excess of \$50 were outstanding from the July 1, 2019 annual water, sewer, and garbage billing. The aggregate total is \$41,602.18.

Public Comment – None.

A motion to adopt Resolution 2020-15, requesting Placer County to collect delinquent charges, was made by Director Hudson and seconded by Director Mercer. A roll call vote was taken, and the motion passed.

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

F-6 Squaw Valley Mutual Water Company Operations & Maintenance Agreement – Third Amendment.

The Board reviewed the Squaw Valley Mutual Water Company (MWC) Operations and Maintenance Agreement Third Amendment and accepted public comment.

Mr. Burks reviewed the staff report. District staff has provided operations and maintenance (O&M) services to the MWC since July 1, 2014. The current five-year O&M contract was approved by the SVPSD Board of Directors on June 27, 2017 and expires on June 30, 2022. The contract pricing includes an annual increase that mirrors the cost of living adjustment (COLA) provision in the Operations MOU, which renews every year on July 1st. The price of basic services increased by \$177 per month for the 2020-2021 fiscal year.

There was a brief discussion about consolidation of the Squaw Valley Mutual Water Company. Mr. Geary explained that John Johnson and David Stepner have been working to holistically improve the condition of the MWC system and that the MWC and District may propose consolidation again when the time is right. Mr. Archer explained that this could be discussed further if it was on the agenda and shareholders of the MWC did not participate in the discussion due to conflict of interest.

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

The Board reviewed the item, accepted public comment and cast a vote for Peter Kampa.

Ms. Asher reviewed the staff report. The Directors, with staff input, determined that the incumbent, Peter Kampa, seemed well qualified. While the District has not interacted directly with the CSDA Board, the experience with CSDA has been positive.

Public Comment – None.

A motion to vote for Pete Kampa was made by Director Ilfeld and 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

F-8 Hazardous Vegetation Enforcement Memorandum of Understanding (MOU)

The Board reviewed the item, accepted public comment, approved the MOU with Placer County to memorialize roles in the enforcement of the Hazardous Vegetation and Combustible Material Abatement Ordinance, and authorized the General Manager to execute the MOU.

Chief Riley reviewed the staff report. The Hazardous Vegetation and Combustible Material Abatement Ordinance has been in place for several years. Historically, the Fire Department inspects homes, sometimes several times, until they comply with the Ordinance; with no recourse to recover incurred costs from homeowners that do not comply. Under this MOU the Fire Department will continue to perform the initial inspection. However, if needed, Placer County will utilize an enforcement officer to ensure all properties are compliant and will even direct crews, at the homeowners' expense, to perform work necessary for the property to meet defensible space standards and reduce the risk of property damage from wildfire.

The Directors were supportive of this MOU. Chief Riley informed the Board Members that this MOU has been anticipated for a long time and homeowners were alerted to this operational change in the 2019 and 2020 annual defensible space letters.

Public Comment – None.

A motion to approve the MOU with Placer County to memorialize roles in the enforcement of the Hazardous Vegetation and Combustible Material Abatement Ordinance and authorize the General Manager to execute the MOU was made by Director Hudson and 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

F-9 Cal Fire Dispatch Agreement.

The Board reviewed the item, accepted public comment, rescinded Resolution 2017-17, approved the agreement with Cal Fire for dispatch services through adoption of Resolution 2020-16, and authorized the Fire Chief to execute the agreement.

Chief Riley reviewed the staff report emphasizing that the Grass Valley Emergency Command Center provides excellent service. The agreement cost decreased slightly from the last contract due to North Lake Tahoe Fire Protection District joining the Joint Powers Authority (JPA). Chief Riley explained that the Command Center does not profit from services provided and that the costs are similar to others that do not provide as exemplary service.

Public Comment – None.

A motion to rescind Resolution 2017-17, approve the agreement with Cal Fire for dispatch services through adoption of Resolution 2020-16, and authorize the Fire Chief to execute the agreement was made by Director Ilfeld and 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

F-10 Capital Asset Policy

The Board reviewed the item, accepted public comment, approved the *District Capital Asset Policy* and directed staff to add the policy to the Miscellaneous section of the Policy Manual.

Ms. Grindle reviewed the staff report. Staff is proposing that a new *Capital Asset Policy* accompany the existing investment policy, most recently reviewed and approved in May 2020.

Public Comment – None.

A motion to approve the *District Capital Asset Policy* and add the policy to the Miscellaneous section of the Policy Manual was made by Director Hover-Smoot and seconded by Director Hudson. A roll call vote was taken, and the motion passed.

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

G. Management Status Reports.

G-1 Fire Department Report

Chief Riley reviewed the report. Chief reminded the participants that the burn ban, which prohibits charcoal grills, went into effect June 15, 2020.

G-2 Water & Sewer Operations Report

Mr. Burks reviewed the report. The Board requested that Mr. Burks ask the County for clarification on the new bike trail signage and its consistency with connecting bike trails, and when bike trail repairs are scheduled.

G-3 Engineering Report

Mr. Hunt reviewed the report and provided an update on the current projects. The Resort at Squaw Creek condominium project has stopped but will likely restart in the future. Tyler Trojan, Junior Engineer, will be moving to Denver and the open position for Junior Engineer or Assistant Engineer has been advertised.

G-4 Administration & Office Report

Ms. Asher reviewed the report.

G-5 General Manager Report

Mr. Geary reviewed the report. Mr. Geary commended Mr. Riley for his leadership of the Department through Captain Monforte's retirement and internal promotions within the Department. Mr. Geary also commended Ms. Grindle's participation in the North Lake Tahoe-Truckee Leadership Program. Ms. Grindle provided a summary of the program and her group's project in which they developed welcome bags for visitors.

G-6 Legal Report (verbal)

Mr. Archer brought to the Board's attention that staff and counsel have been discussing the Fourth Amendment to the Development Agreement with the Resort at Squaw Creek, Phase 2. Substantive discussions will hopefully commence at the end of July or in early August. The construction of Well 18-3R is on hold and is part of the development agreement negotiations.

G-7 Directors' Comments (verbal)

Director Hover-Smoot voiced frustration with the Resort's development agreement (and development generally) noting that completion of the public benefits often lags.

Director Hudson stated that staff may want to call customers with delinquent accounts before sending to Placer County. Staff responded that five letters of delinquency were sent and that many of the customers are regularly delinquent.

Director Cox noted that Alpine Springs Water District has a strong identity and any considerations about their operations (related to fire/ambulance service) must be respectful and deliberate.

Director Mercer made a motion, seconded by Director Hudson to adjourn to closed session at 12:16 p.m. The motion passed.

Cox – Yes

Hover-Smoot - Yes

Hudson – Yes

Ifeld – Yes

Mercer – Yes

H. Closed Session – Performance Evaluation of General Manager.

Only the action on the agenda, the General Manager’s performance evaluation, was discussed; no action was taken.

I. Possible Action from Closed Session.

No action was taken from Closed Session item.

The Board requested that an item proposing to change the District’s name be added to next month’s agenda.

J. Adjourn.

Director Hudson made a motion, seconded by Director Hover-Smoot to adjourn at 1:57 p.m. The motion passed.

Cox – Yes

Hover-Smoot – Yes

Hudson – Yes

Ifeld – Yes

Mercer – Yes

By, J. Asher