

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES #907
MARCH 28, 2023**

*Agenda with board packet and staff reports is available at the following link:
<https://www.ovpsd.org/board-agenda-march-2023>*

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

Directors Present: Dale Cox*, Katy-Hover-Smoot, Bill Hudson, Fred Ilfeld*, and Katrina Smolen.

*Directors joined via noticed teleconference.

Directors Absent: None.

Staff Present: Thomas Archer, District Counsel; Jessica Asher, Board Secretary; Sam Donahue, Operations Specialist II; Mike Geary, General Manager; Dave Hunt, District Engineer; Alexa Kinsinger, Assistant Engineer; Danielle Mueller, Finance & Administration Manager; and Allen Riley, Fire Chief.

Others Present: Erin Casey, North Tahoe Community Alliance; Brad Chisholm; Tony Karwowski, North Tahoe Community Alliance; Jean Lange; Lindsay Romack, Placer County; and David Stepner.

Sam Donahue led the Pledge of Allegiance.

B. Community Informational Items.

B-1 Friends of Squaw Creek (FoSC) – None.

B-2 Friends of Olympic Valley (FoOV) – David Stepner said that the FoOV will provide volunteers to monitor green waste day, distribute information about green waste programs, and establish how Mike Fenton can be reimbursed for curb-side pickup of green waste.

B-3 Olympic Valley Design Review Committee (OVDRC) – None.

B-4 Olympic Valley Municipal Advisory Council (OVMAC) – There will be a meeting on April 6, 2023, to discuss traffic concerns related to the World Cup event and potential future mitigations. David Stepner noted that he has raised the issue of road repair in Olympic Valley and throughout the region to Placer County and the State of California.

B-5 Squaw Valley Mutual Water Company (SVMWC) – David Stepner discussed operational issues including two frozen water meters resulting in a major leak, repair of a sink hole at a MWC water main replacement site, capital improvement project budgeting, and email billing policies. Chief Riley reminded the MWC to dig out fire hydrants as quickly as possible after storms.

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

B-7 Mountain Housing Council of Tahoe Truckee (MHC) – Director Ilfeld provided background on Assembly Bill 68, the Housing and Climate Solutions Act, which addresses housing development in high fire and flood risk areas and accelerates housing approvals near transit and other resources.

B-8 Tahoe-Truckee Sanitation Agency (T-TSA) – Director Cox reviewed the T-TSA Board Meeting summary, discussed the preparations taken by the Agency due to wet weather, and provided information about the proposed rate increases. There was concern voiced about the TTSA rates being compared to urban districts rather than rural areas where residents have similar income.

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B-9 Capital Projects Advisory Committee (CAP) – Mr. Karwowski, President and CEO of the North Tahoe Community Alliance, delivered a presentation to introduce the organization’s transition from the North Lake Tahoe Resort Association (NLTRA) to the North Tahoe Community Alliance (NTCA) and provided information regarding funding sources, organizational structure, and the associated committees including the Tourism Business Improvement District (TBID) Advisory Committee, TBID Zone 1 Advisory Committee, CAP, and the Transient Occupancy Tax (TOT) Committee.

Ms. Casey presented the Community Vitality and Economic Health Program. The CAP’s participation in the program will be discussed in more detail at a public meeting March 30th. While the CAP will consider funding priority projects in the housing and transportation sectors; transportation, trail development, and trash management will continue to be areas of focus. There was a discussion about research by University of Southern California’s Lusk School regarding the impacts of short-term rentals (STRs) on housing availability and affordability, and the need for data-driven decision making. Romack, Casey, and Karwowski responded with information about NTCA and Placer County’s work managing STRs, long-term rental incentives, and STR data collection.

Ms. Lange asked if the NTCA grant opportunities supported programmatic needs such as low-cost childcare and meal plans. Ms. Casey responded that while those issues are not directly supported, aiding non-profits in other areas, such as housing, often frees up funding that can then be used for other community programs.

There was some concern voiced about the makeup of the NTCA Board of Directors, which is primarily business based rather than fully representative of the community at large.

NTCA was urged to consider how it can support wildfire prevention and education as well as the non-driving population regarding transportation improvements.

David Stepner noted that the five-year TBID funding of the Mountaineer was approved; ridership has been very high; and service will transition to three days/week after April 9th.

B-10 Firewise Community – None.

C. Public Comment/Presentation.

C-1 Recognition of Service – 5 years – Mike Wright, Firefighter – Paramedic
Riley thanked Wright for his five-years of service to the Department.

D. Financial Consent Agenda Items.

Directors Hudson and Smolen convened with staff on March 27, 2023 from approximately 1:00 – 2:15 p.m. to review items D-1 through D-14, F-2 *First Draft of FY 2023-2024 Budget and Rates*, F-5 *Declare Fire Department Items as Surplus and Authorize Sale, Donation or Disposal of Items* and other finance-related items on the agenda. Ms. Mueller provided a summary of the meeting.

Public Comment – None.

Director Smolen made a motion to approve the financial consent agenda 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 | Smolen – Yes

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E. Approve Minutes.

E-1 Minutes for the Board of Directors Regular Meeting of February 28th, adjourned to March 3, 2023.

The Board reviewed the item, accepted public comment, and approved the minutes for the Board of Directors meeting of February 28th, adjourned to March 3, 2023.

Chief Riley requested correction of item G-1 noting that the mentioned condominium structure has seven units, four of which were occupied.

Public Comment – None.

Director Hover-Smoot made a motion to approve the minutes of the Board of Directors meeting of February 28th, adjourned to March 3, 2023, as amended, which was seconded by Director Ilfeld. A roll call vote was taken, and the motion passed.

Cox – Yes | Hover-Smoot – Yes | Hudson – Abstain | Ilfeld – Yes | Smolen – Abstain

F. Old & New Business.

F-1 Village at Palisades Tahoe Project Update.

The Board reviewed the item and accepted public comment.

Director Hudson and Smolen left the room due to conflicts of interests from employment and contractual relationships with Palisades Tahoe.

Chief Riley and Mr. Hunt reviewed the staff report. Staff noted that they are not sure when Placer County will provide direction regarding the District’s comments to the Partially Revised Draft Environmental Impact Report (PRDEIR).

Public Comment –

Mr. Stepner thanked the Board for the District’s comments on the PRDEIR requesting that the Water Supply Assessment be updated to include the Department of Water Resources’ datasets and technical guidance to predict impacts from climate change on groundwater basins.

Director Hudson and Smolen returned to the room.

F-2 First Draft of FY 2023-2024 Budget and Rates.

The Board reviewed the item and accepted public comment.

Ms. Mueller reviewed the financial summary for the budget year 2023-2024 in detail. She emphasized that it is early in the process and assumptions have been made while details are being finalized.

This draft budget proposed rate increases of 5% for water, 5% for sewer, and 10% for garbage for FY 2023-24. The District will prepare and distribute a one-year Proposition 218 notice. The water and sewer rate increases are consistent with last year. The garbage increase is a result of the estimated 7% cost increase for services under the contract with Truckee Tahoe Sierra Disposal and the District’s expansion of services such as green-waste-only dumpster rebates, green-waste days, chipper days, and bear box rebates.

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Ad Valorem property tax revenue is estimated to increase 1.0% from the anticipated 2023 revenue, for a total of \$4,300,000. The budget has applied 98% to the Fire Department and the remaining 2% is split between the Water and Sewer Departments.

Mr. Hunt discussed the open grants for the utility department which include \$404,000 for the Mutual Water Intertie and \$371,600 for the Water Meter Replacement Project. Chief Riley discussed the open grants for the Fire Department which includes \$540,000 for the north ridge fuels reduction project.

Ms. Mueller discussed the minimum required contributions to the CalPERS Unfunded Accrued Pension Liability (UAL). In fiscal year 2022 CalPERS had an investment loss of -6.1%. Projections show this will reduce the Miscellaneous group's funding status to 87.5%. As such, the District is budgeting an additional discretionary payment of \$200,000 in fiscal year 2024. Projections show that the Fire Departments group's funding status will decrease to 80%. As such, the District is budgeting an additional discretionary payment of \$100,000 in fiscal year 2024. The Fire Department is expected to reach a 90% funding level in Fiscal Year 2027. This will require additional annual payments of \$200,000. This may be funded with an inter-company loan from the Sewer FARF if Strike Team and property tax revenues are insufficient.

Wages are scheduled to increase for both bargaining units consistent with negotiated MOUs: 4% for Operations and Administration staff and 2.0% for Fire Department staff.

Mr. Hunt reviewed the consulting services budget, noting that services and consultants are not changing, however rates have increased slightly based on economic factors.

Ms. Mueller said that property and liability insurance is expected to increase 20-25%, mostly due to reinsurance rates increasing.

Chief Riley provided additional details on the Fire Department budget discussing rate recovery for inspections such as short-term rentals, defensible space inspections, commercial inspections, etc. Ms. Mueller discussed consulting services with Feather River Forestry and the contract work which will be reimbursable from CALFIRE for the North Ridge Project.

Mr. Hunt and Chief Riley discussed the approximately \$1.9 million in capital projects planned for the coming year. Projects include phase 1 of the HVAC replacement at 305 Olympic Valley Road; the District-wide water meter replacement program; the Zone 3 tank recoat; replacement of the Fire Department command vehicle, R-21 hurst tools, self-contained breathing apparatus (SCBA) bottles and other miscellaneous replacement equipment; and contribution to the regional training facility.

The Board asked staff how tax revenue will keep up with the needs of the Fire Department. Staff responded that the required expenses are balanced with property tax revenue in the current fiscal year budget, however, the District may want to consider expanded services or a tax assessment in the future.

Mr. Hunt clarified that the Zone 3 Tank is a system-wide asset and that the recoating project will benefit more than the 25 homes directly served by the tank. Mr. Hunt also provided details on the operational and emergency water storage requirements met with the District's various water tanks.

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In response to the Board’s questioning, Ms. Mueller said that she has minimal concerns related to the budget but noted that staff is working to update the 100-year capital plan before finalizing the budget.

Public Comment – none.

F-3 Fire Department Annual Report.

The Board reviewed the item and accepted public comment.

Chief Riley reviewed the annual report and provided highlights from the EMS, Fleet, and Facilities report provided by Captain Rytter, the Fire Prevention report by Captain De Deo and the Training Report by Captain Chisholm.

Chief Riley noted the challenges industry-wide related to recruitment and retention. He stated that the seasonal program has been successful but challenging on the off seasons when call volume remains high and briefly discussed the timeline for recruitment of a new Chief and backfilling of positions. He summarized the scope and volume of calls, discussed new software including First Due and Fire Aside, and discussed the increased administrative burden associated with the Fuels Management Program.

There was a conversation about short term rentals, including the Department’s concerns about commercial businesses in residential homes and how the demographic shift from housing workforce to tourists seems to result in a greater skier population and increased call volume. Chief Riley would like funding such as TOT to fund emergency services since tourism directly increases emergency response needs. The Board requested that the District send a letter to Placer County encouraging consideration of Emergency personnel’s concerns regarding limitation of STRs, building codes for commercial occupancy, and funding from TBID and TOT for housing of emergency response personnel and transportation services related to EMS. The Board briefly discussed if the District should consider acquiring housing for staff and if there may be grant funds available from the County to apply towards down payment assistance.

Chief Riley voiced gratitude to the Board, administrative team, and the fire crews for their work.

Public Comment – None.

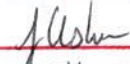
F-4 Adopt Resolution 2023-02 Acknowledging Receipt of Annual Fire Inspection Services Required by the California Health & Safety Code.

The Board reviewed the item, accepted public comment, and adopted Resolution 2023-02.

Chief Riley reviewed the staff report and Resolution 2023-02. The Olympic Valley Fire Department has three (3) occupancies that could be considered Group E and twenty-three (23) occupancies that could be considered Group R. All twenty-six (26) of these occupancies were inspected and passed. Chief Riley said the Board exhibit includes a summary of all building inspections completed in the 2022 calendar year; the summary does not include special event, defensible space, or short-term-rental inspections.

Public Comment - None

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Director Hover-Smoot made a motion to adopt Resolution 2023-02, which was seconded by Director Ilfeld. A roll call vote was taken, and the Resolution was adopted.

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

F-5 Declare Fire Department Items as Surplus and Authorize Sale, Donation or Disposal of Items.

The Board reviewed the item, accepted public comment, declared the items identified by staff as surplus equipment, and authorized staff to conduct a sale, donate and/or dispose of the items.

Chief Riley reviewed the staff report. There was a discussion about whether the Water Tender should be sold or donated. The advantage of selling the item is increased revenue for the Department, while donating the item has potential benefits as the item may be used in our region as part of mutual aid. While the Board considered keeping the water tender as emergency backup, Chief Riley noted that we would not have staff for multiple water tenders or room in the bays. The Board provided direction that the decision to sell or donate the equipment should be left to the Fire Chief, with Chief Riley stating that he would sell the equipment if it can generate at least \$15,000 in revenue.

Public Comment – None.

Director Cox made a motion to declare the 1988/1995 Water Tender Apparatus as surplus equipment, and authorized staff to conduct a sale, donate and/or dispose of the items. 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 | Smolen – Yes

F-6 Award Contract – Zone 3 Tank Recoating Project.

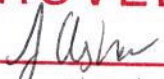
The Board reviewed the item, accepted public comment, approved the contract with Olympus & Associates, Inc. in an amount not-to-exceed \$251,060, and authorized the General Manager to execute contractual documents. The Board also approved an additional contingency amount of 10%, or approximately \$25,000, to cover costs which may be incurred due to unforeseen circumstances during construction (e.g. additional dehumidification costs, additional minor welding repairs).

Ms. Kinsinger reviewed the staff report.

The Zone 3 Tank is a 135,000-gallon welded steel water storage tank that provides domestic and fire supply storage to approximately 25 homes within the District’s water service territory. It was constructed in 1990 and is located at the south end of the Valley above Sierra Crest Trail. Recent inspections of the tank in 2019 and 2022 have indicated that the internal coating system is failing and needs recoating. Recoating at recommended intervals (every 25 years) greatly increases the useful life of a water storage tank to more than 75 years before the need to replace. The project will include:

- Sand blasting and recoating the tank’s interior walls, floor, and roof structure;
- Installation of a climate control system (dehumidification) during the preparation and coating process;
- Pressure washing and recoating the exterior of the tank;
- Miscellaneous steel and welding repairs; and
- Temporary water supply and storage facilities.

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A Notice of Award is expected to be issued on March 29, 2023, with the Notice to Proceed issued after the signed Agreement, bonds, and insurance are submitted to the District. The Contract Documents specify that the Project shall be completed by September 17, 2023.

Olympus & Associates from Reno, NV was the lower of two bids received by the District and is also the contractor that completed the recoating work for the West Tank in the summer of 2022 and District Staff is confident in their workmanship.

Staff noted that there will be external inspection/quality control as specific tests are required. Staff also responded that they have minimal concerns given the experience gained doing the West Tank Recoat project last year, and that there are less operational consequences associated with an issue with the Zone 3 tank compared with the West Tank.

Public Comment – None.

Director Cox made a motion to approve the contract with Olympus & Associates, Inc. in an amount not-to-exceed \$251,060, to authorize the General Manager to execute contractual documents and to approve a 10% contingency. 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 | Smolen – Yes

F-7 Award Contract – Well 2R Rehabilitation Project.

The Board reviewed the item, accepted public comment, approved the contract with Carson Pump LLC in an amount not-to-exceed \$29,180, and authorized the General Manager to execute contractual documents. The Board also approved an additional contingency amount of 15%, or approximately \$5,000, to cover costs which may be incurred due to unforeseen circumstances during construction.

Mr. Hunt reviewed the staff report.

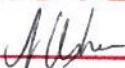
Well 2R is one of four domestic water supply wells in operation by the District. Well 2R has been in service for 12 years and it is recommended the well undergo a rehabilitation project as part of the District's preventative maintenance program. The project will assess the condition of the well and pumping equipment to ensure continued successful operation. A detailed overview of the scope of work was included in the staff report.

The District received a proposal from Carson Pump LLC, from Carson City NV, for \$29,180.00 which is within today's industry standards for well rehabilitation work. Carson Pump is highly qualified and has successfully completed all of the District's well rehabilitation and repair efforts over the past 20-years and has an excellent relationship with the Operations staff and a comprehensive knowledge of our water system.

A Notice of Award is expected to be issued on March 29, 2023, with the Notice to Proceed issued after the signed Agreement and insurance documents are submitted to the District. The Contract Documents specify that the Project shall be completed by June 1, 2023.

Public Comment – None.

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Director Cox made a motion to approve the contract with Carson Pump LLC. in an amount not-to-exceed \$29,180, to authorize the General Manager to execute contractual documents, and to approve a 15% contingency. 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 | Smolen – Yes

Director Cox left the meeting at 12:05 p.m.

F-8 Resolution 2023-03 to Oppose Initiative 21-0042A1

The Board reviewed the item, accepted public comment, and requested that the item be brought back to the Board at the next meeting.

Mr. Asher reviewed the staff report which asks that the Board consider a resolution opposing initiative 21-0042A1, limiting the ability of Voters and State and Local Governments to Raise Revenues for Government Services.

The Board requested that the item be postponed such that the Directors can fully review the initiative language. The Board requested that the specific initiative language, rather than the summary provided by the California Special Districts Association, be provided in the Board packet as well as information about how the District can support or oppose legislation.

G. Management Status Reports.

G-1 Fire Department Report

Chief Riley reviewed the report. There was a brief discussion about how new development provides fees in support of their impact on increased emergency response through mitigation fees, funding identified through a development agreement and anticipated increase in property tax revenue.

G-2 Water & Sewer Operations Report

Mr. Donahue reviewed the report. Mr. Donahue discussed the challenges of winter operations and the Board thanked staff for the immense amount of work this season.

G-3 Engineering Report

Mr. Hunt reviewed the report. Director Ilfeld requested that staff keep the Board informed of the status of the Mutual Water Company Intertie project. Mr. Hunt said the design is progressing well but the operational agreement is currently on hold while the design is refined.

G-4 Administration & Office Report


Ms. Asher reviewed the report.

G-5 General Manager Report

The report was included in the Board Packet.

G-6 Legal Report (verbal)

None.

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G-7 Directors' Comments (verbal)

The Board appreciated the virtual technology and discussed the timing of community information items and public comments. While the Board decided not to limit public comment, staff said they would include a separate agenda item for community topics that were expected to be longer than five minutes.

H. Adjourn.

Director Hover-Smoot made a motion, seconded by Director Smolen to adjourn at 12:38 p.m. A roll call vote was taken, and the motion passed.

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

By, J. Asher

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