

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES #908
APRIL 25, 2023**

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

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

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

Directors Absent: Fred Ilfeld.

Staff Present: Thomas Archer, District Counsel; Jessica Asher, Board Secretary; Brandon Burks, Operations Manager; Mike Geary, General Manager; Dave Hunt, District Engineer; Danielle Mueller, Finance & Administration Manager; and Allen Riley, Fire Chief.

Others Present: Laney Griffo and David Stepner.

David Stepner led the Pledge of Allegiance.

B. Community Informational Items.

- B-1** Friends of Squaw Creek (FoSC) – None.
- B-2** Friends of Olympic Valley (FoOV) – The FoOV were unable to get Placer County commitments for the Olympic Valley Town Hall on Memorial Day weekend and will plan the Town Hall for a future date.
- B-3** Olympic Valley Design Review Committee (OVDRC) – None.
- B-4** Olympic Valley Municipal Advisory Council (OVMAC) – David Stepner said Palisades Tahoe presented to the Council regarding potential parking alternatives to alleviate traffic concerns. Mr. Stepner requested OVMAC agenda items to include presentations from the Department of Public Works regarding road resurfacing projects and from the Department of Parks and Open Space regarding Olympic Valley Park improvements. Director Smolen said Placer County has a responsibility to upgrade roads and stormwater capacity and facilities under the Truckee River Water Quality Monitoring Program due to the Washeshu Creek Total Maximum Daily Load (TMDL) and 303(d) listing.
- B-5** Squaw Valley Mutual Water Company (SVMWC) – David Stepner said the SVMWC is coordinating with Palisades Tahoe regarding the easement required for the OVPSD/SVMWC intertie project. He discussed capital improvement projects, and noted that a new rate structure will be proposed at the May 8th Board Meeting.
- B-6** Squaw Valley Property Owners Association (SVPOA) – Chief Riley summarized efforts to coordinate with the SVPOA regarding the annual clean up day and pancake breakfast, traditionally held over Memorial Day weekend.
- B-7** Mountain Housing Council of Tahoe Truckee (MHC) – Ms. Asher noted that the District recently shared a link with the community encouraging participation in a survey to help the MHC determine what type of housing solutions can best serve the area’s workforce needs.

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SIGNATURE: *J. Asher*
DATE: 5/30/23

- B-8** Tahoe-Truckee Sanitation Agency (T-TSA) – Director Cox reviewed the T-TSA Board Meeting summary and provided information about proposed rate increases. Director Cox stated that there is some public interest in the open space surrounding the plant which he feels is an important safety and security zone. He requested an agenda item with T-TSA staff presenting to the member Districts’ Boards to receive direction regarding the opinion of real estate surrounding the T-TSA plant. The Board briefly voiced concerns regarding emergency operations, capacity for future growth, the value of open space and recreational access points to the river, community needs such as fire department training and green waste elimination, and legal concerns regarding the intended purpose of the land granted from the state.
- B-9** Capital Projects Advisory Committee (CAP) – The Board Exhibit included presentation materials from North Tahoe Community Alliance regarding the Economic Health and Community Vitality Investment Program. Staff provided a brief explanation of the program and discussed the importance of ensuring continued funding from Transient Occupancy Taxes (TOT) for bike trail snow removal continuous and trails projects. Mr. Geary also noted the value of responding to community surveys on these issues.
- B-10** Firewise Community – None.

C. Public Comment/Presentation.

Director Smolen said the Boy Scouts will be hosting a ceremony on Memorial Day at Trails End Cemetery to honor veterans, emergency responders, and public service workers.

D. Financial Consent Agenda Items.

Directors Hudson and Smolen convened with staff on April 24, 2023 from approximately 1:00 – 2:05 p.m. to review items D-1 through D-14, F-2 *Second Draft of FY 2023-2024 Budget and Rates*, F-3 *Financial Audit Services – Three-Year Agreement for FY 2023-2025* and other finance-related items on the agenda. Ms. Mueller provided a summary of the meeting. Director Hudson thanked staff for the diversification of funds and the substantial newly-realized investment revenue.

Public Comment – None.

Director Hudson made a motion to approve the financial consent agenda which was seconded by Director Hover-Smoot. The motion passed.

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

E. Approve Minutes.

E-1 Minutes for the Board of Directors Regular Meeting of March 28, 2023.

The Board reviewed the item, accepted public comment, and approved the minutes for the Board of Director meeting of March 28, 2023.

Public Comment – None.

Director Smolen made a motion to approve the minutes of the Board of Director meeting of March 28, 2023, which was seconded by Director Hover-Smoot. The motion passed.

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

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F. Old & New Business.

F-1 Fuels Management Program.

The Board reviewed the item and accepted public comment.

Chief Riley and Ms. Asher reviewed the staff report.

Public Comment – None.

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

The Board reviewed the item, accepted public comment, and approved the mailing and posting of the proposed rate structure in accordance with Proposition 218.

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

The 2023-24 rate increases will require a Proposition 218 notice, included within the Board Exhibit. This process gives all account holders a 45-day period to protest a rate increase, if so desired. It was designed to involve ratepayers in the rate-setting process. In the event a majority of ratepayers protest new rates, the proposed increases will not be allowed. For the May notice, the rate increases proposed are not to exceed 5% for water, 5% for sewer, and 10% for garbage. The final rates will be adopted at the June 27th Board Meeting. These increases are to provide funding to achieve budgeted revenue requirements. The water and sewer rate increases are consistent with prior year. The garbage increase is a result of the contract with Truckee Tahoe Sierra Disposal increasing 11%.

Ms. Mueller reviewed the Financial Summary for Budget Year 2023-2024 (page 10) in detail highlighting the anticipated tax revenue, rate revenue, and miscellaneous revenue which includes revenue from awarded grant funded projects and rental revenue which is split equally between the water, sewer, and fire departments. She discussed the administration building loan which has only three payments left, the anticipated payments for CAL PERS unfunded accrued liability (UAL) and the budgeted contributions to the fixed asset replacement funds (FARFs).

Ms. Mueller reviewed the Operating Budget for Budget Year 2023-2024 for the Utility and Administrative Departments (page 11), and the Fire Department (Page 12). Highlights included that benefits costs are increasing, Cost of Living Adjustments (COLAs) are being applied in accordance with approved Memoranda of Understanding (MOUs), Workers Compensation insurance has increased, and the training and travel budget has increased due to having new staff and many delayed trainings during COVID.

The Capital Project Summary (Page 13) was reviewed and has minimal changes from the March Board Meeting except for an increase in the Zone 3 Tank Recoat Project cost. Staff has updated the 100-year capital plan to bring it into current dollars, which improves the budget's accuracy. Staff anticipates that the Mutual Water Company Intertie Project will be completed in summer 2024, due to the grant funding it must be complete by December, 2024.

The final meter readings of the billing cycle will be completed at the end of April, and updated rate revenue projects will be included in the final budget.

Public Comment – None.

Director Smolen made a motion to authorize staff to send the Proposition 218 notice to customers, which was seconded by Director Hover-Smoot. The motion passed.

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

F-3 Financial Audit Services – Three-Year Agreement for FY 2023-2025.

The Board reviewed the item, accepted public comment, approved the contract with McClintock Accountancy in the amount of \$65,000 over three years, and authorized the General Manager to execute all contractual documents.

Ms. Mueller reviewed the staff report. She recommends continuing to use McClintock Accountancy Corporation for the District’s annual audit. McClintock is the only local firm that offers governmental accounting. This is the last time we will renew their services as they are going to stop offering governmental accounting services and Ms. Galka will not be able to sign off after this contract. Competing firms are in Sacramento and the services are anticipated to be much more expensive.

Public Comment – None.

Director Hover-Smoot made a motion to approve the contract with McClintock Accountancy in the amount of \$65,000 over three years and authorized the General Manager to execute all contractual documents. The motion was seconded by Director Smolen. The motion passed.

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

F-4 Resolution 2023-03 to Oppose Initiative 21-0042A1

The Board reviewed the item, accepted public comment, and adopted Resolution 2023-03.

Mr. Archer reviewed initiative 21-0042A1, *Taxpayer Protection and Government Accountability Act.*” the California Special Districts Association (CSDA), as an advocacy agency representing special districts, has expressed concern and opposition, and has urged the District to consider joining a coalition of other agencies that oppose the passage of this ballot issue.

Mr. Archer highlighted proposed constitutional amendments that would bring about changes in how state and local agencies can implement fees, charges, taxes, and rates. Several concerns were raised, including the requirement for property-based fees to be approved by a two-thirds majority of the property base. Furthermore, any fees, levies, or charges adopted by the District since January 1, 2022, would be void if passed without adherence to the procedures outlined in the bill. It is anticipated that the initiative would significantly increase the District's expenses and potentially lead to a rise in lawsuits. Importantly, the burden of proof would be placed on the District to demonstrate, by clear and convincing evidence, that the charges are in compliance with the statutory process provided in the initiative.

Director Hover-Smoot made a motion to adopt Resolution 2023-03, which was seconded by Director Hudson. A roll call vote was taken, and the Resolution was adopted.

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

G. Management Status Reports.

G-1 Fire Department Report

Chief Riley reviewed the report. There was a brief discussion about training; the new incident response software, First Due, and associated Community Connect platform; and defensible space inspections and the new Fire Aside software. Chief Riley said there was additional work recently due to the *Winter Wondergrass* concert due to inspections and increased call volume. Ritchie Brothers will attempt to auction the surplus water tender for \$20,000-\$30,000.

G-2 Water & Sewer Operations Report

Mr. Burks reviewed the report. Mr. Burks discussed chlorination and testing of the water system, backflow prevention noticing, the water meter replacement project, training and succession planning, and a leak due to roof damage from snow loads at the administrative building. Additionally, he shared insights from his recent attendance at the American Water Works Association (AWWA) conference, including how district nationwide are confronting challenges due to staffing, housing, and compensation. He also highlighted the growing concern of cyber security in the industry.

G-3 Engineering Report

Mr. Hunt reviewed the report and discussed the proposed schedule for the Zone 3 tank recoat project (July – September, 2023) and the Well 2R Rehabilitation project (May – June, 2023). Mr. Hunt provided a summary of the Water and Sewer Committee meeting related to the Granite Chief A-Line Sewer replacement. He mentioned that he was a panelist at the Association of Environmental Professionals conference discussing how forest fuels management affects water management.

G-4 Administration & Office Report

Ms. Asher reviewed the report.

G-5 General Manager Report

Mr. Geary reviewed the report and provided a brief update on the Water Management Action Plan, the Fire Facilities Capital Plan, the Fire Chief Replacement Process, Fuels Management, and meeting with Tahoe Truckee Sierra Disposal (TTSD) regarding the garbage service contract. Mr. Geary discussed SB 1383, *California's Short-Lived Climate Pollutant Reduction Strategy* related to disposal of organic materials. The District is currently out of compliance with the code and has been working with TTSD, CAL Recycle, and Placer County regarding the services required by the District. Staff believes the requested reporting is duplicative of Placer County and TTSD's actions.

G-6 Legal Report (verbal)

Mr. Archer announced his retirement, tentatively scheduled for August 2023. Staff is initiating a request for proposals for legal services.

G-7 Directors' Comments (verbal)

Cox commented on the passing of John Moberly, who served as a District Director for several years.

Director Hover-Smoot made a motion, seconded by Director Hudson to adjourn to closed session at 10:53 A.M. The motion passed.

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

H. Closed Session – Performance Evaluation of General Manager.

The Board met in Closed Session pursuant to Government Code §54957 et al regarding the performance evaluation of the General Manager. Only the action on the agenda, the General Manager’s performance evaluation was discussed, no action was taken.

Director Smolen left the meeting at 11:00 A.M.

Director Hudson made a motion, seconded by Director Hover-Smoot to adjourn to open session at 11:36 a.m. The motion passed.

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

J. Possible Action from Closed Session.

Mr. Geary said only the items on the closed session agenda were discussed and no actions were taken in closed session.

H. Adjourn.

Director Hover-Smoot made a motion, seconded by Director Hudson to adjourn at 11:38 a.m. The motion passed.

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

By, J. Asher

SIGNATURE: J. Asher
DATE: 5/30/23