

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES #935
NOVEMBER 18, 2024**

<https://ovpsd.org/agenda/regular-board-meeting-monday-november-18-2024-1000-a-m/>

A. Call to Order, Roll Call, and Pledge of Allegiance.

Director Hudson called the meeting to order at 8:30 a.m.

Directors Present: Katy Hover-Smoot, Bill Hudson, and Fred Ilfeld

Directors Absent: Dale Cox, Katrina Smolen

Staff Present: Jessica Asher, Program Manager & Board Secretary; Gary Bell, Legal Counsel; Brad Chisholm, Fire Chief; Sam Donahue, Operations Superintendent; Dave Hunt, District Engineer; Ashley Massey, Program Analyst I; Charley Miller, General Manager; Danielle Mueller, Finance and Administration Manager.

Others Present: Danielle Bradfield, Feather River Forestry; Tristan de Fondeville; Ed Heneveld; Richard Koffler; Jean Lange; and David Stepper.

Director Hudson led the Pledge of Allegiance.

B. Community Informational Items.

B-1 Olympic Valley Watershed Alliance (OVWA) – None.

B-2 Friends of Olympic Valley (FoOV) – Dr. Heneveld shared that the FoOV will discuss some of their concerns related to the Village at Palisades Tahoe Specific Plan Project with the Board of Supervisors at the County's Board meeting tomorrow.

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

B-4 Olympic Valley Municipal Advisory Council (OVMAC) – None.

B-5 Olympic Valley Mutual Water Company (OVMWC) – None.

B-6 Firewise Community – None.

B-7 Tahoe-Truckee Sanitation Agency (T-TSA) – Ms. Asher stated that due to the early meeting this month, materials from T-TSA were not ready for the board packet; materials would be included in subsequent packets.

C. Public Comment/Presentation.

Tristan de Frondeville, homeowner on Granite Chief Rd. provided an update on the Sewer "A" Line replacement project, thanked the Board for the extended delay to water shut-off, and asked if the homeowners could do anything to ensure water could be turned on. Mr. Hunt responded that the restoration of water service is outlined in the notices provided by the District.

D. Financial Consent Agenda Items.

Directors Hudson convened with staff on November 18th, 2024, from approximately 9:15 to 9:45 A.M. to review items D-1 through D-13 and other finance-related items on the agenda. Ms. Mueller summarized the meeting, highlighting that it occurred earlier in the month than typical. She reviewed significant items on the check register.

Public Comment – None.

Director Hudson motioned to approve the financial consent agenda, which Director Hover-Smoot seconded. The motion passed.

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

E. Approve Minutes.

E-1 Minutes for the Regular Board of Directors meeting of October 29th, 2024.

The Board reviewed the item, accepted public comment, and approved item E-1.

Public Comment – None.

Director Ilfeld moved to approve the Board of Directors meeting minutes of October 29th, which Director Hover-Smoot seconded. The motion passed.

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

F. Old and New Business.

F-1 Fuels Management Program.

The Board reviewed the item and accepted public comment.

Chief Chisholm presented the staff report, providing an update on active fuel reduction projects and defensible space inspections. Staff reviewed challenges associated with the OV-3 project, concluding that implementation will not occur this year. Chief Chisholm, Ms. Asher, and Ms. Bradfield discussed the OV-4 project, highlighting the decision to incorporate the area initially designated as OV-2 into OV-4, phase 2. This adjustment will enable mechanical treatment of a larger area, improving operational efficiency and effectiveness. Additionally, the Chief reported on defensible space inspections, noting the significant volume of inspections for short-term rental properties.

Public Comment – None.

F-2 Award Contract – Olympic Valley Fuel Reduction (OV-4) Project

The Board reviewed the item, accepted public comment, approved the agreement with High Sierra Fire, Inc for an amount not-to-exceed \$349,965.00, and authorized the General Manager to execute the contractual documents.

Mr. Chisholm reviewed the staff report. Ms. Bradfield shared her positive experience working with High Sierra Fire, Inc., and Ms. Asher highlighted the favorable references she had received. Mr. Miller mentioned that re-bidding projects do not always have positive results, but this one was a significant savings, likely due to the timing of the bidding. The Board discussed the importance of maintaining trail access within the project boundaries and returning the trails to their original condition after project completion. Ms. Bradfield noted that hand thinning is less impactful than mechanical thinning; however, staff assured the Board that the contractor would adhere to the specifications requiring roads and foot trails to be returned to their original condition.

Public Comment –

Dr. Heneveld inquired about the boundaries of the OV-4 project and its relationship to adjacent projects managed by the U.S. Forest Service and Placer County. Using a map, Ms. Asher provided an overview of land ownership, project boundaries, and the status of various fuels management initiatives.

Director Hover-Smoot motioned to authorize the General Manager to execute contract documents with High Sierra, Inc. for an amount not-to-exceed \$349,965.00 and to authorize the General Manager authority to approve any change orders to the construction contract up to \$35,000. Director Ilfeld seconded the motion, which passed.

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

F-3 Federal Emergency Management Agency (FEMA) – Designate District Contacts.

The Board reviewed the item, accepted public comment, and designated District contacts for all FEMA related activities by adoption of Resolution 2024-30.

Mr. Donahue reviewed the item. Positions within the District that may act as contacts for all FEMA-related activities must be designated. The designation form must be updated every three years by adopting a Resolution. The Resolution must be updated due to changes in the staff and Board.

Public Comment – None

Director Ilfeld made a motion to adopt Resolution 2024-30, which designates District contacts for all FEMA-related activities. The motion was seconded by Director Hover-Smoot. A roll call was taken, and the motion passed.

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

F-4 Village at Palisades Tahoe Project Update.

The Board reviewed the item and accepted public comment.

Director Hudson announced a conflict of interest due to his employment at Palisades Tahoe and left the room.

Mr. Miller noted that the Placer County Board of Supervisors is scheduled to review the Village at Palisades Tahoe Specific Plan Project tomorrow. Staff and legal counsel are preparing to draft development agreement(s) if the project is approved. Mr. Hunt explained that he is focused on ensuring the requirements outlined in the Environmental Impact Report (EIR) are clearly understood and appropriately incorporated into the terms of the District's development agreement. Chief Chisholm is also actively involved in drafting the terms of the agreement. It was clarified that the developer's agreement with the County is separate from the District's development agreement. Additionally, in response to questions from the previous Board meeting, Mr. Bell explained that the District has the authority to require impact fees that differ from those outlined in the Fire Impact Fee Nexus Study, which is currently under review.

Public Comment –

Mr. Stepner asked how the deadlines for the development agreement (DA) are established. Mr. Miller and Mr. Bell explained that the developer largely controls the timeline. The District's code triggers the DA when the developer requests a will-serve letter. However, the County's approval envisions and requires the developer to have a DA with, and will-serve letter from, the District, ensuring the process will move forward. While vesting tentative maps have timelines, extensions can be granted. Ultimately, the timeline depends on the pace at which the developer proceeds.

Mr. Koffler sought confirmation that the District is not obligated to agree to terms until it is ready. Mr. Bell confirmed, stating that the District retains control over agreeing to terms and issuing the "will-serve" letter. Services will not be provided until all necessary conditions are met.

Mr. Stepner asked about assessing aquifer levels and other factors. Mr. Miller clarified that the DA is still in its early stages and that such details are yet to be determined. Mr. Hunt added that mitigation measures outlined in the Environmental Impact Report (EIR) would likely inform the terms of the DA, alongside other specific provisions.

Mr. Stepner asked if the District has the necessary expertise to handle the DA process in-house. Mr. Hunt responded that a team of specialists, including financial planners, hydrogeologists, consulting engineers, and legal counsel, will be assembled, as is standard practice.

Dr. Heneveld inquired if the process would remain as public as possible. Mr. Miller confirmed it would. Dr. Heneveld also noted that litigation could slow progress and asked for clarification on the fire impact fee. Mr. Bell reiterated that the District is considering an increase to its fire development impact fees. While existing fees may apply based on vesting rights, the District can impose additional fees separate from those on the County's books at the time of vesting. Regarding impact fees, Mr. Bell explained the distinction between legislative fees that apply universally, and ad hoc impact fees tailored to specific projects. These fees are calculated based on the difference between existing fees and the cost of providing services. Mr. Hunt added that connection fees, which differ from impact fees, would be charged at the time of permitting. Mr. Stepner asked if fees could escalate over time, to which Mr. Hunt responded that water and sewer fees are likely to increase.

Mr. Stepner asked whether the team felt optimistic about the legal challenges the Project may face and continuing the DA development. Staff expressed that DA negotiations would likely be lengthy and ongoing if the project is approved. Chief Chisholm asked Mr. Bell to discuss how the process might be affected by any legal challenges to the Project, but Mr. Bell noted it was too hypothetical at this stage.

Dr. Heneveld concluded by stating that the community is counting on the District. Mr. Miller acknowledged this responsibility, affirming that it is taken very seriously.

Director Hudson rejoined the room.

F-5 Tahoe Truckee Sierra Disposal Garbage Agreement Proposed Rate Increase.

The Board reviewed the item, accepted public comment, and directed staff to allow automatic renewal of the contract.

Mr. Miller reviewed the staff report. He expressed that the rate increase was not unexpected, given

significant cost increases in labor and materials over the past few years. Ms. Mueller noted that while the exact rate increase is not yet determined, it is expected to be at least 6%, with the likelihood of a higher increase to account for additional fees and bolster reserves that have decreased over the past several years.

Public Comment – None

G. Management Status Reports.

G-1 Fire Department Report

Chief Chisholm reviewed the report and reviewed the notable items. He acknowledged Nicole's instrumental role in defensible space inspections (DSI) and the Fireside fundraising efforts. He also commended Captain Walde for organizing two regional high-rise drills involving state and federal agencies, as well as facilitating a command class and an ongoing hazmat class. Additionally, he mentioned the upcoming Santa visit.

The Board inquired about plans for Station 22 during the winter. Chief Chisholm explained that in the past, Station 22 was staffed on peak weekends and holidays during three-lane traffic days. However, the Palisades leadership team determined last year to suspend staffing of Station 22. Given the parking plan's success, the Chief recommended a similar approach this year, assuming comparable traffic outcomes.

Public Comment –

Mr. Stepner asked if triple laning would be eliminated this year. Chief Chisholm clarified that triple laning was used last year but did not confirm plans for this year. Dr. Heneveld raised concerns about compromised traffic flow within the Valley and inquired about the value of additional egress/ingress options, such as a loop road, or widening and hardening the bike path to accommodate fire trucks. Mr. Stepner asked about the Village at Palisades Tahoe project's requested exemption from the State Minimum Fire Safe Regulations related to ingress/egress. Mr. Stepner mentioned that Sierra Watch's analysis might not be accurate and emphasized the importance of the Chief's analysis. Chief Chisholm noted that while he was still reviewing the details, he would be analyzing the potential mitigations thoroughly.

G-2 Water & Sewer Operations Report

Mr. Donahue reviewed the report, highlighting key updates on aquifer levels, year-to-date precipitation, and the progress of water meter upgrades, which are now 60% complete. He also provided updates on sewer clearing, fall flushing using manhole trucks, and bike trail snow clearing. The Board expressed their gratitude to the team for their efforts in maintaining the bike trails.

G-3 Engineering Report

Mr. Hunt reviewed the report and provided updates on several capital projects. These included the OVPSD/OVMWC Emergency Intertie Project, the Granite Chief "A" Line project, and the sewer system rehabilitation and master plan project. He also discussed a potential grant from the Department of Water Resources (DWR) for the California Stream Gage Improvement Project, which could enable the installation of new stream gages on the north, south, and main forks of Washeshu Creek. Mr. Hunt noted

that the initial questionnaire had been submitted and expressed optimism about addressing a high-priority goal from the Olympic Valley Groundwater Management Plan Six-Year Review and Report (OVGMP SRR.) He explained that while there would be some long-term operation and maintenance (O&M) costs for the District, the broader group would need to commit to funding these costs over the long term.

G-4 Administration & Office Report

Ms. Asher reviewed the report, providing updates on the Program Analyst I Transition, the Fireside Pizza Fall Fundraiser, Holiday Events, and the District of Distinction and Certificate of Transparency. She also invited the Board to suggest topics for inclusion in the upcoming e-news and hard-copy winter newsletters.

G-5 General Manager Report

Mr. Miller reviewed his report, highlighting recent meetings he attended. In response to a question from Mr. Stepner, Ms. Mueller clarified that the Cost of Service and Rate Study by HDR will be presented in January, and the Proposition 218 notice will be distributed in March.

G-6 Legal Report (verbal)

None.

G-7 Directors' Comments (verbal)

None.

H Resolution 2024-29 – Certificate of Appreciation – Fred Ilfeld

The Board reviewed the item, accepted public comment, and adopted Resolution 2024-29, recognizing Fred Ilfeld's contributions to the District and community.

The Board and staff commented in recognition of Dr. Ilfeld, who also offered brief commentary.

Public Comment – None.

Director Hover-Smoot motioned to adopt Resolution 2024-29, which Director Hudson seconded. The motion passed.

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

The Board and Staff enjoyed lunch together to commemorate Director Ilfeld's participation on the Board of Directors.

Mr. Bell announced that the Board will meet in Closed session as there are facts and circumstances that might result in litigation that the District believes may not be known to potential plaintiffs.

Director Ilfeld made a motion, seconded by Director Hover-Smoot, to adjourn to closed session at 12:30 P.M. The motion passed.

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

I. Closed Session – Conference with Legal Counsel

The Board met in Closed Session pursuant to Government Code §54956.9(d)(2) regarding one potential case.

Director Hover-Smoot made a motion, seconded by Director Ilfeld, to adjourn to open session at 12:59 P.M. The motion passed.

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

I. Report from Closed Session.

Mr. Bell, General Counsel, stated that there was nothing to report from Closed Session.

J. Adjourn.

Director Ilfeld made a motion, seconded by Director Hover-Smoot to adjourn at 1:00 P.M. The motion passed.

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

By, J. Asher

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