

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES #934
OCTOBER 29, 2024

<https://ovpsd.org/agenda/regular-board-meeting-tuesday-october-29-2024-830-a-m/>

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

Director Cox 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 Absent: None.

Staff Present: Jessica Asher, Program Manager & Board Secretary; Gary Bell, Legal Counsel; Brandon Burks, Operations Manager; Brad Chisholm, Fire Chief; Sam Donahue, Operations Superintendent; Alexa Kinsinger, Assistant Engineer; Nic Massetani, Operations Specialist III, Charley Miller, General Manager; Danielle Mueller, Finance and Administration Manager; and John Rogers, Firefighter/Paramedic

Others Present: Blair Aas, SCI Consulting; Roger Gravelle, AAME; Richard Koffler; and Jean Lange.

Chief Chisholm led the Pledge of Allegiance.

B. Community Informational Items.

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

B-2 Friends of Olympic Valley (FoOV) – None.

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) – Mr. Koeffler reported that the Emergency Intertie Project is progressing well. He noted that one-third of the system's water meters have been upgraded to cellular endpoints, funded by members who opted in. The Company's financial position remains strong, with all members current on their water bills.

B-6 Firewise Community – Chief Chisholm thanked the Firewise Community for staffing the Green Waste Days (GWD), which have been completed for the season.

B-7 Tahoe-Truckee Sanitation Agency (T-TSA) – Director Cox reviewed the T-TSA Board Meeting summary, highlighting the ribbon cutting ceremony for the sodium hypochlorite treatment process, and briefly discussed the technology.

C. Public Comment/Presentation.

None.

D. Financial Consent Agenda Items.

Directors Hudson and Smolen convened with staff on October 29th, 2024, from approximately 7:45 to 8:15 A.M. to review items D-1 through D-16 and other finance-related items on the agenda. Ms. Mueller summarized the meeting, highlighting the cost-of-service study, new paving and striping at 305 Olympic Valley Road, the FY 2022-2023 audit, salaries and wages year-to-date, and staffing.

Public Comment – None.

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

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

E. Approve Minutes.

E-1 Minutes for the Regular Board of Directors meeting of September 24th, 2024.

E-2 Minutes for the Special Board of Directors meeting of October 15th, 2024.

The Board reviewed the items, accepted public comment, and approved items E-1 and E-2.

Public Comment – None.

Director Hover-Smoot moved to approve the Board of Directors meeting minutes of September 24th and October 15th, 2024, which Director Hudson seconded. The motion passed.

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

F. Old and New Business.

F-1 Village at Palisades Tahoe Project Update.

The Board reviewed the item and accepted public comment.

Directors Hudson and Smolen announced a conflict of interest due to their employment and left the room.

Mr. Miller reported that the Placer County Board of Supervisors will review, and possibly approve, the project on November 19th. Mr. Hunt, District Engineer, is preparing a presentation to outline the District's mitigation and monitoring responsibilities in response to Dr. Heneveld's public comment at the September Board Meeting. Mr. Miller shared his background in restoration and monitoring but said that a consultant team would also be utilized for much of the related work.

Public Comment –

Dr. Heneveld expressed greater confidence following a meeting with Mr. Miller but voiced concerns about the obligations placed on the District by Placer County. He emphasized the need for strong environmental and community protections within the County's development agreement. Additionally, he called for public involvement in the District's agreement with the developer.

Directors Hudson and Smolen rejoined the room.

F-2 Fire Impact Fee Program – Nexus Study

The Board reviewed the item and accepted public comment.

Mr. Miller introduced the item, followed by a presentation from Mr. Aas of SCI Consulting, which was included in the Board packet. Mr. Aas outlined the purpose, background, and methodology of development impact fees, noting that the existing facility standard methodology—commonly used for nexus studies—was applied. He reviewed the current fee structure and compared it with fees from other regional agencies, including North Tahoe Fire Protection District, Northstar Community Services District, and Truckee Fire Protection District.

Mr. Aas explained how a portion of the fees (18%), could be used for replacement items, as new development impacts replacement costs by increasing wear and reducing lifespan of equipment. He also highlighted reporting requirements and future actions for the District Board to consider. Mr. Aas recommended that the Board approve the fee with an automatic annual inflationary adjustment based on the ENR Construction Cost Index and briefly discussed the rationale for using the San Francisco index.

The Board discussed report assumptions, including hotel room types (hotels, timeshares, condo-hotels) and employment density, with higher density for office versus industrial uses. Mr. Aas clarified that the functional non-residential population is based on existing population data, not tied to projected development levels or the capital improvement plan (CIP), although the CIP is included as an appendix. There was concern expressed about non-residential population calculations, specifically guest and employee counts at the ski resort. Mr. Aas responded that these figures are based on US Census data and were adjusted for seasonality using an annualized daily number.

The Board inquired if fees were uniform across different development sizes, which Mr. Aas confirmed. Staff responded that while this fee program generally applies to all developments, project-specific fees could be collected through a development agreement if justified through a separate study and that these agreements are typical of significant developments. It was noted that this nexus study can be used as an initial basis for future agreements between a developer and the District.

There was a discussion about how the fees are applied to projects receiving entitlements prior to the establishment of updated fees and to phased projects over a long development period. The discussions were clarified as being general, not related to a specific development proposal, allowing all Directors to participate. Mr. Bell explained that the District does not impose fees directly; rather, the Board of Supervisors imposes them under the Placer County Code. Typically, these fees are required when developers obtain a building permit. He noted that large developments often gain vested rights at some point, which may happen when entitlements or a development agreement are approved. These vested rights may set fees per County code at the time of vesting, but he noted that a development agreement could supersede those fees. Bell also clarified that if a development didn't need services from the District and didn't need a development agreement, then the fees would fall to the County code at the time of vesting. Bell clarified that he could not speak to the Palisades Tahoe Village Specific Plan project without looking at the entitlements of that project.

The board voiced concern about the fees not being updated since 2001, potentially impacting the fire department's revenue. Staff noted that while these fees provide some revenue, many developments operate under separate agreements, which reduces the fees collected under this program. Last year, the District collected approximately \$5,000 in development impact fees. Staff agreed that fee updates are overdue and committed to negotiating sound agreements for future developments to ensure adequate funding. The Board acknowledged that the nexus study must be performed every eight years but can be performed as needed, and fees can be updated sooner if desired.

Public Comment –

Ms. Lange asked if the fee was recurring or one-time, and Mr. Aas clarified that it is a one-time fee charged during construction.

Mr. Koffler inquired about the public process for adopting the fees. Staff and the consulting team explained that public comments would be taken at today's meeting, followed by a public hearing with a 30-day notice period, and a parallel process with the County. All comments will be heard and addressed. Mr. Koffler also asked about the District's leverage in requiring a development agreement. Mr. Bell clarified that this is embedded in the District's code and will-serve process, allowing the District to mandate a development agreement before issuing a will-serve letter, which the County generally requires.

Dr. Heneveld inquired about how the community could advocate for appropriate fees on the Village project. Mr. Bell responded that he would need to review the project entitlements but clarified that his legal advice is not automatically public. It would be up to the Board to decide how such information is shared with the public.

F-3 Fuels Management Program.

The Board reviewed the item and accepted public comment.

Chief Chisholm reviewed the staff report, detailing the status of active fuel reduction projects, green waste programs, and defensible space inspections.

Public Comment – None.

F-4 305 Olympic Valley Road HVAC Improvements Project – Engineering Professional Services – Ainsworth Associates Mechanical Engineers (AA-ME)

The Board reviewed the item, accepted public comment, approved the agreement with Ainsworth Associates Mechanical Engineers for an amount not-to-exceed \$149,000, and authorized the General Manager to execute the agreement.

Ms. Kinsinger reviewed the staff report, after which Mr. Gravelle, Principal at AA-ME, introduced himself and outlined the firm's project scope. Mr. Gravelle discussed new efficiency guidelines, anticipated performance gains, and the significance of modularity and redundancy, especially in alpine climates. Mr. Gravelle provided initial feedback on the expected boiler selection, emphasizing the need for well-executed control engineering.

Director Cox shared historical insight, noting that the building's HVAC system has been problematic since construction and stressed the importance of upgrading the system.

Concerns about project costs were raised, with Mr. Gravelle explaining cost-control strategies to maximize improvements within budget constraints and noting a 20-year expected lifespan for the new system is standard. He stated that AA-ME will lead the project from design through construction, with Mr. Gravelle as principal and a team of engineers managing day-to-day operations. The project schedule includes a competitive bid process for construction, with a suggestion to consider pre-purchasing boilers to avoid using costly temporary critical heating next winter.

Mr. Miller asked about clean air intake considerations to make the building a "safe harbor" for air quality, especially during wildfires. Mr. Gravelle acknowledged that wildfire smoke filtration would be analyzed, though certain outside air intake requirements pose challenges. Filter placement will also be addressed.

The Board inquired about potential nighttime noise from the equipment. Mr. Gravelle noted that using a fan wall with multiple smaller fans will be considered and could help mitigate noise. Noise attenuation will extend to air compressors and other equipment as needed.

Public Comment –

Mr. Rogers highlighted the particularly dry conditions and related health concerns experienced by 24-hour staff, asking if humidity control could be added to the project. Mr. Gravelle responded that an air handling study will be conducted, though he noted the building lacks a vapor barrier. He suggested that vapor barrier paint might be a feasible option. Chief Chisholm inquired about the possibility of a closed duct system. Mr. Gravelle clarified that while comprehensive HVAC updates are outside the current scope, his team may be able to provide general recommendations for a potential Phase 2.

Director Hudson motioned to approve the agreement with Ainsworth Associates Mechanical Engineers for an amount not-to-exceed \$149,000 with a \$15,000 contingency and to authorize the General Manager execute the agreement. Director Hover-Smoot seconded the motion, which passed. Cox – Yes | Hover-Smoot – Yes | Hudson – Yes | Ilfeld – Yes | Smolen – Yes

F-5 Bike Trail Snow Removal Contract

The Board reviewed the item, accepted public comment, approved the bike trail snow removal contract, and authorized the General Manager to execute the agreement.

Mr. Miller reviewed the staff report, highlighting that the terms are similar to previous years. The contract amount is \$47,380 for snow removal on 2.3 miles. Mr. Burks said the contract works well.

Public Comment – None.

Director Hudson made a motion to approve the Bike Trail Snow Removal contract, and to authorize staff to execute the contract between Placer County and the Olympic Valley Public Service District. Director Smolen seconded the motion. The motion passed.

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

F-6 Annual Review of the Bike Trail Snow Removal Financial Reserves Policy.

The Board reviewed the item, accepted public comment, and made no changes to the District’s Bike Trail Snow Removal Financial Reserves Policy.

Ms. Mueller reviewed the staff report and provided a summary of the Policy. She said that the District plans to contribute \$25,000/year to the fixed asset replacement fund (FARF) to fully fund the snowblower replacement at the end of the current equipment’s useful life.

Public Comment – None.

F-7 California Special Districts Association (CSDA) Election – Bylaw Revision.

The Board reviewed the item, accepted public comment, and voted to approve the proposed bylaw update.

Ms. Asher reviewed the staff report.

Public Comment – None.

Director Hudson made a motion to vote to approve CSDA’s proposed bylaw update. The motion was seconded by Director Hover-Smoot. The motion passed.

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

F-8 November 2024 Board Meeting Date

The Board reviewed the item, accepted public comment, and changed the regular meeting date to November 18th, 2024 at 10:00 AM, due to the Thanksgiving holiday.

Ms. Asher reviewed the staff report.

Public Comment – None.

Director Hover-Smoot made a motion to set a regular meeting on November 18th, 2024 at 10:00 AM, the motion was seconded by Director Hudson. The motion passed.

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

G. Management Status Reports.

G-1 Fire Department Report

Chief Chisholm reviewed the report. Regarding fire prevention, Chief Chisholm noted that short-term rental defensible space inspections have kept staff very busy, as all inspections must be completed by the end of November. He commended Nicole Whiteman for her support in managing this workload. Regular defensible space inspections are also nearly complete. Chief noted that overtime was high this month but is expected to decrease now that the two new hires can serve as the third person on their shifts. He reported that staffing and training efforts are progressing well, with crews effectively training new hires. Minimum staffing was maintained, with only four days requiring three-person minimum coverage. Staff have been cooperative in picking up shifts to meet these needs. Call volume remains high, consistent with last year's increased trend.

Chief Chisholm provided an update on the LAFCO Municipal Service Review (MSR), and the contract for phase 1 is expected to be awarded by Placer County soon. Chief discussed the fundraising that has been done throughout the year by Fireside Pizza and invited everyone to attend the Fundraising Feast on November 19th. He said the self-contained breathing apparatus (SCBAs) have arrived and are set to enter service. Chief Chisholm also expressed appreciation for the Department's auto extrication tools, referencing a recent instance where proper equipment and preparation were beneficial. The Board thanked the Department for their work in selecting the correct tool and that they had the tools to perform their rescue work best.

G-2 Water & Sewer Operations Report

Mr. Burks reviewed the report, highlighting the progress of the water meter replacement project, backflow prevention testing process, and the completion of lead and copper service line database. He reported a decrease in aquifer draw-down as the winter season approaches. Mr. Burks also announced his resignation, with his final day set for December 4th. The Board expressed their gratitude for his years of dedicated service, his deep institutional knowledge, and his invaluable assistance throughout his tenure.

G-3 Engineering Report

Ms. Kinsinger reviewed the report and provided updates on several capital projects, including the OVPSD/OVMWC Emergency Intertie Project, water meter replacement project, sewer system rehabilitation project, Granite Chief "A-Line" sewer replacement project, Olympic Valley Groundwater Management Plan's Groundwater Database update, CASGEM, Village at Palisades Tahoe Specific Plan Development Agreement and monitoring agreements, GIS database update, and plan reviews.

G-4 Administration & Office Report

Ms. Asher reviewed the report, providing updates on overdue utility accounts, the District's CSDA membership, and workers' compensation fees. She requested that the Board suggest topics to include in the upcoming e-news and hard-copy winter newsletters. She noted that 1:1 interviews for the Strategic Plan are scheduled for November 5th and 13th, with all staff and Directors participating. Modifications have been made to the search and agenda functionality website based on Board feedback. Currently, search functionality applies only to newly uploaded agendas formatted as webpages, though efforts are underway to make the last five years of agendas searchable as time and staffing allow. Ms. Asher announced that the new Program Analyst I is scheduled to start in November. Mr. Mueller reported that one of the District's administrative staff had an accident and will be out of the office while recovering.

G-5 General Manager Report

Mr. Miller reviewed his report, noting recent meetings attended. He shared that the scope of the Strategic Plan was modified to include interviews with all staff and that he worked quite a bit on rates and fees studies with the Fire Development Impact Fee Nexus Study and the Proposition 218 cost of service analysis. He discussed the PCWA East Slope meeting and noted that he attended the MWC Board meeting and informed the Board that he is interested in exploring a potential merger between the two water systems but the topic will return for discussion as an agenda item, likely in 2025. Mr. Miller also noted that he will attend the Special District Leadership Academy (SDLA) from Sunday to Wednesday. Lastly, he provided comments recognizing Mr. Burks journey with the District over the past 21.5 years.

G-6 Legal Report (verbal)

None.

G-7 Directors' Comments (verbal)

The Directors each expressed their gratitude to Mr. Burks for his service to the District, and the Board thanked staff for improving the website.

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 Hover-Smoot made a motion, seconded by Director Hudson, to adjourn to closed session at 11:10 A.M. The motion passed.

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

H. 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 Hudson, to adjourn to open session at 11:55 A.M. The motion passed.

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

I. Report from Closed Session.

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

J. Adjourn.

Director Hover-Smoot made a motion, seconded by Director Ilfeld, to adjourn at 11:56 A.M. The motion passed.

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

By, J. Asher