



SOUTH TAHOE PUBLIC UTILITY DISTRICT

Randy Vogelgesang, President
Chris Cefalu, Director

BOARD MEMBERS
Duane Wallace, Director

Kelly Sheehan, Vice President
Nick Exline, Director

John Thiel, General Manager

Shannon Cotulla, Assistant General Manager

**REGULAR MEETING OF THE BOARD OF DIRECTORS
SOUTH TAHOE PUBLIC UTILITY DISTRICT
November 19, 2020
MINUTES**

The South Tahoe Public Utility District Board of Directors met in a regular session, 2:01 p.m., at the District Office, located at 1275 Meadow Crest Drive, South Lake Tahoe, California.

ROLL CALL:

Board of Directors: President Vogelgesang, Directors Sheehan, Wallace, Exline

Absent: Director Cefalu

Staff: John Thiel, Paul Hughes, Gary Kvistad, Melonie Guttry, Chris Stanley, Debbie Henderson, Susan Rasmussen, Liz Kauffman, Tim Bledsoe, Cuz Cullen

Via Conference Call: Shannon Cotulla, Sara Lucero, Shelley Alexander, Shelly Thomsen, Stephen Caswell, Trevor Coolidge, Brent Goligoski, Ivo Bergsohn, Jessica Henderson

Guests: Justin Williams, Mann, Urrutia, Nelson CPA's & Associates, LLP

Via Conference Call: Mike Wallace, Sierra Tahoe Ready Mix; Shane Romsos, Rick Lind

CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR:

None

CONSENT CALENDAR:

Moved Wallace/Second Exline/Vogelgesang Yes/Cefalu Absent/Sheehan Yes/Wallace Yes/Exline Yes to approve the Consent Calendar as presented.

a. **2018 WATER AND SEWER SYSTEMS IMPROVEMENTS PROJECT**

(Julie Ryan, Engineering Department Manager)

1) Approved Change Order No. 2 to Thomas Haen Company, Inc., in a credit amount of <\$283,209.19>; and, (2) Approved Project Closeout Agreement and Release of Claims with Thomas Haen Company, Inc., for the 2018 Water and Sewer Systems Improvements Project.

- b. **MIGRATION AND IMPLEMENTATION SERVICES FOR MICROSOFT OFFICE 365**
(Chris Skelly, Information Technology Manager and Brian Bartlett, Network/Telecom System Administrator)
1) Approved the Request for Proposal developed by District staff for migration and implementation services for Microsoft Office 365; and, 2) Authorized staff to release the Request for Proposal to the public on November 23, 2020.
- c. **REGULAR BOARD MEETING MINUTES: November 5, 2020**
(Melonie Guttry, Executive Services Manager/Clerk of the Board)
Approved November 5, 2020, Minutes

PRESENTATION

Justin Williams of Mann, Urrutia, Nelson, CPA's & Associates, LLP, provided a PowerPoint Presentation regarding the June 2020 Audit and addressed questions from the Board. The June 2020 Audit is clean as well as unmodified. In response to a comment from **Director Wallace**, **Attorney Kvistad** added that there are consultants who specialize in reserve studies and provide advice regarding appropriate reserve levels for Special Districts.

ITEMS FOR BOARD ACTION

Kelly Sheehan recused herself at 2:17 p.m.

- a. Request to appear before the Board received from Mike Wallace of Sierra Tahoe Ready Mix seeking relief from quarterly fees at 1526 Emerald Bay Road (Tim Bledsoe, Customer Service Manager) – **Tim Bledsoe** provided details regarding the request by **Mike Wallace** of Sierra Tahoe Ready Mix seeking relief from quarterly water fees at 1526 Emerald Bay Road from October 15 through April 15. **Mike Wallace** reported that the property at 1526 Emerald Bay Road does not have an underground waterline and the backflow preventer is removed in October annually. The property receives water from wells during this timeframe. **Cuz Cullen** reported the backflow is not required to be removed, but is removed because the waterline freezes. The Board directed staff to research the issue and work with Sierra Tahoe Ready Mix on a solution as water is not available to the customer for use during these months due to the customer's waterline unable to be located underground.

Kelly Sheehan reentered the meeting at 2:41 p.m.

- b. SEED Fund Sierras (Julie Ryan, Engineering Department Manager) – **Julie Ryan** provided details regarding the SEED Fund analysis, which is taking a little more time than anticipated. She reviewed details for the different options and explained that the District is working through details with Liberty Utilities and addressed questions from the Board.
- c. Customer Assistance Program (Tim Bledsoe, Customer Service Manager) – **Tim Bledsoe** provided details regarding the Temporary Sewer Rate Relief Program and addressed questions from the Board. Option 1 is to continue the program, with a 50% relief on the customer's sewer bill, which ended October 31. Option 2 is 50% relief on the customer's sewer bill up to \$3,000. **Paul Hughes** added that the three largest credits to customers were two very large corporate entities.

Moved Vogelgesang/Second Sheehan/Vogelgesang Yes/Cefalu Absent/Sheehan Yes/Wallace No/Exline Yes to approve an extension to the Temporary Sewer Rate Relief Program until December 31, 2020, incorporating a \$3,000 cap.

- d. Keller-Heavenly Water System Improvements Project, Phase I (Trevor Coolidge, Senior Engineer) – **Julie Ryan** reported regarding the details of the Keller-Heavenly Water System Improvements Project, Phase 1.

Moved Sheehan/Second Wallace/Vogelgesang Yes/Cefalu Absent/Sheehan Yes/Wallace Yes/Exline Yes to approve the revised Change Order No. 1 to terminate the Keller-Heavenly Water System Improvements Project, Phase 1 Contract with Burdick Excavating Company, Inc., at no cost to the District.

- e. Keller-Heavenly Water System Improvements Project, Phase I (Trevor Coolidge, Senior Engineer) – **Julie Ryan** reported regarding details and funding for the Keller-Heavenly Water System Improvement Project, Phase I, and addressed questions from the Board.

Moved Sheehan/Second Exline/Vogelgesang Yes/Cefalu Absent/Sheehan Yes/Wallace Yes/Exline Yes to authorize staff to re-bid Phase 1 of the Keller-Heavenly Water System Improvements Project following confirmation of Drinking Water State Revolving Fund funding.

- f. Microsoft Office 365 Licensing Agreement (Brian Bartlett, Network/Telecom System Administrator) – **Brian Bartlett** provided details regarding Microsoft Office/Exchange and Licensing Agreement and addressed questions from the Board.

Moved Sheehan/Second Wallace/Vogelgesang Yes/Cefalu Absent/Sheehan Yes/Wallace Yes/Exline Yes to 1) Find Microsoft Office/Exchange to be the standard for the District's Office Suite and Email needs; and, 2) Authorize staff to enter into a Licensing Agreement for three years with Microsoft for the Office 365 G3 Software Suite in the amount of \$106,389.24.

- g. Approve Payment of Claims (Debbie Henderson, Accounting Manager)

Moved Sheehan/Second Vogelgesang/Vogelgesang Yes/Cefalu Absent/Sheehan Yes/Wallace Yes/Exline Yes to approve Payment of Claims in the amount of \$1,391,475.28.

STANDING AND AD-HOC COMMITTEE REPORTS:

BOARD MEMBER REPORTS:

Director Exline and **Julie Ryan** reported regarding the Operations Committee meeting details discussed on November 16, 2020.

Director Wallace reported he represented the Board at the November 18 Employee Communications Committee Meeting.

EL DORADO WATER AGENCY PURVEYOR REPORT:

Director Sheehan reported regarding the meeting on Thursday, November 12, and that the El Dorado Water Agency Board is changing, with Board Member terms ending and three new Board Members elected.

GENERAL MANAGER REPORT:

John Thiel reported on several items:

- Provided a staffing update

- No COVID-19 sickness at the District. El Dorado County is now in the Purple Tier and reporting a 4.2% test positivity rate, with South Lake Tahoe reporting a 10% positivity rate. The District is currently operating at Risk Level 2.5, but based on increased positive cases, evaluating moving back to Risk Level 3. The main change is to the field crew schedules and remote work where efficient. The Board discussed Board Meeting protocols and will keep the same protocols in place through December 3.

STAFF/ATTORNEY REPORTS:

Chris Stanley reported Flagpole Tank No. 1, was taken out of service last week and provided details regarding the boil water alert that was issued, affecting approximately 900 customers. The District has contacted the State Water Board and a notice will go out as soon as the boil water alert can be eliminated. The Board commended staff on their efforts during this situation.

Liz Kauffman reported the General Manager evaluation is coming due and proposed a completion date of December 3. She proposed completing the evaluation with the current Board and then leave the 2021 goal setting for the new Board Members. The Board directed **Liz Kauffman** to distribute the evaluation form to the current Board Members, collect the responses and then present the results at the December 3 Board Meeting.

BREAK AND ADJOURN TO CLOSED SESSION: 3:56 p.m.

- a. Pursuant to Government Code Section 54957(a)/Conference with Labor Negotiators re: Management Group. Present at this Closed Session will be Agency Negotiators: John Thiel/General Manager and Liz Kauffman, Human Resources Director.

RECONVENE TO OPEN SESSION: 4:40 p.m.

No reportable Board action

ADJOURNMENT: 4:41 p.m.



 Melonie Guttry, Clerk of the Board
 South Tahoe Public Utility District



 Randy Vogelgesang, Board President
 South Tahoe Public Utility District