



SOUTH TAHOE PUBLIC UTILITY DISTRICT

David Peterson, Vice President
Chris Cefalu, Director

BOARD MEMBERS
Shane Romsos, Director

Kelly Sheehan, President
Nick Exline, Director

John Thiel, General Manager

Paul Hughes, Chief Financial Officer

REGULAR MEETING OF THE BOARD OF DIRECTORS SOUTH TAHOE PUBLIC UTILITY DISTRICT June 2, 2022 MINUTES

The South Tahoe Public Utility District Board of Directors met in a regular session, 2:00 p.m., at the District Office, located at 1275 Meadow Crest Drive, South Lake Tahoe, California.

ROLL CALL: Board of Directors: President Sheehan, Directors Cefalu, Romsos, Peterson, Exline

Staff: John Thiel, Gary Kvistad, Paul Hughes, Melonie Guttry, Jason Glaze, Greg DuPree, Ivo Bergsohn, Jeff Lee, Stephen Caswell, Bren Borley, Heidi Baugh, Ryan Lee, Tim Bledsoe, Shelly Thomsen, Jim Kelly, Jason Brandt, Aaron Zook, Cuz Cullen, Jeremy Rutherford

1. **PLEDGE OF ALLEGIANCE:**
2. **COMMENTS FROM THE AUDIENCE:** None
3. **CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR:** None
4. **ADOPTION OF CONSENT CALENDAR:**

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

- a. **SEWER ENTERPRISE 2022/23 APPROPRIATIONS SUBJECT TO LIMITATION**
(Greg Dupree, Accounting Supervisor)
Adopted Resolution No. 3223-22 setting the limitation on Appropriations for Fiscal Year 2022/23.
- b. **CALPERS REQUIRED PAY LISTING BY POSTION**
(Greg Dupree, Accounting Supervisor)
Adopted Resolution No. 3224-22 which incorporates the Pay Listing by Position for the pay listing effective May 12, 2022.
- c. **MARCH 31 2022, FISCAL YEAR TO DATE FINANCIAL STATEMENTS**
(Paul Hughes, Chief Financial Officer)
Received and filed the March 31, 2022, Income Statement and Balance Sheet Reports.

d. **WASTEWATER TREATMENT PLANT FIRE ALARM SYSTEMS**

(Julie Ryan, Engineering Department Manager and Jared Aschenbach, Electrical Supervisor)

1) Authorized Notifier by Honeywell to be the sole source brand for fire alarm systems at the Wastewater Treatment Plant; and, 2) Authorized Tri-Signa Integration as the sole provider of a Notifier by Honeywell fire alarm system for the Bio Building.

e. **2021 ROCKY 1 WATERLINE AND PRESSURE REGULATING VALVE REPLACEMENT PROJECT**

(Aaron Zook, Staff Engineer)

Approved Change Order No. 1 to Haen Constructors in the amount of \$221,107.10.

5. **CONSENT ITEMS BROUGHT FORWARD FOR SEPARATE DISCUSSION/ACTION**

None

6. **ITEMS FOR BOARD ACTION**

- a. Tallac Creek Sewer Pipeline Protection Project (Ivo Bergsohn, Hydrogeologist) – **President Sheehan** opened the Public Hearing at 2:01 p.m. to receive comments on the designation of the Tallac Creek Sewer Pipeline Protection Project as “substantially complex”. **Ivo Bergsohn** presented a PowerPoint presentation regarding the Tallac Creek Sewer Pipeline Protection Project details and addressed questions from the Board. There were no public comments received and the Public Hearing was closed at 2:18 p.m.

Moved Romsos/Second Sheehan/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes to find that the Tallac Creek Sewer Pipeline Protection Project is substantially complex and authorize staff to solicit construction bids for the Project.

- b. SEED Fund Sierras Wastewater Treatment Plant Solar Project (Julie Ryan, Engineering Department Manager) – **Julie Ryan** provided details regarding the SEED Fund Sierras Wastewater Treatment Plant Solar Project and addressed questions from the Board. **Attorney Kvistad** provided details regarding the non-binding letter of intent between SSI, the financier, and CORE/Prostar, which the District was not a party to, and therefore, not committed to reimburse any costs. He further added that the Staten Solar Corporation (Staten) team has been very responsive to date. Staten’s price for construction is also in line with the District’s consultant HDR and Optony, as well as Staten has experience working in Lake Tahoe with the City.

Moved Sheehan/Second Romsos/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes to (1) Direct staff to cease negotiations with CORE/ProStar for a Power Purchase Agreement and License Agreement for a solar project at the Wastewater Treatment Plant; and, (2) Direct staff to continue negotiations with Staten Solar Corporation for the Power Purchase Agreement, License Agreement, and project details for a solar project at the Wastewater Treatment Plant.

- c. Engineering Department and Customer Service Department Staffing (Julie Ryan, Engineering Department Manager and Tim Bledsoe, Customer Service Manager) – **Tim Bledsoe** provided details regarding the Engineering Department and Customer Service Departments staffing and addressed questions from the Board. **President Sheehan** and **Director Peterson** added that the Finance Committee is recommending approval of these positions today.

Moved Sheehan/Second Peterson/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes to authorize staff to convert the Limited Term Positions to permanent, as follows: 1) Meter Technician; 2) Customer Service Representative; 3) Staff Engineer; and, 4) Project Coordinator.

- d. Issuance of Special Use Permit for Woollystars Music Festival Secondary Emergency Egress Route (Jason Glaze, Water Reuse Lead) – **Jason Glaze** provided details regarding the issuance of special use permit for Woollystars Music Festival Secondary Emergency Egress Route on District property at Diamond Valley Ranch, and addressed questions from the Board. **Attorney Kvistad** added that the permit requires the property owner to have insurance, there is an indemnity provision, and the District route would only be used if the primary route is not available which is limited to pedestrian use only. **John Thiel** reported that the District is being a good neighbor by authorizing this permit.

Moved Sheehan/Second Peterson/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes to approve Issuance of a Special Use Permit to Avery Hellman to allow attendees of the Woollystars Music Festival to use an existing unimproved road across a portion of Diamond Valley Ranch in the event of an emergency.

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

Moved Sheehan/Second Peterson/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes to approve Payment of Claims in the amount of \$2,015,299.73.

7. STANDING AND AD-HOC COMMITTEES AND LIAISON REPORTS:

Director Peterson reported the Finance Committee met briefly prior to today's Board meeting to discuss Item 6 c. He, **John Thiel** and **Shelly Thomsen** attended the Tahoe Water Suppliers Association 20th Anniversary luncheon yesterday. **Directors Peterson** and **Romsos** are visiting Diamond Valley Ranch tomorrow. Association of California Water Agencies leadership will be at the District June 9, 2022.

8. BOARD MEMBER REPORTS:

Director Romsos reported he attended the International Association of Wildland Fire conference and encourages the District to continue with fuel reduction around District facilities.

Director Exline will be absent for the August 18, 2022, Board meeting.

9. EL DORADO WATER AGENCY PURVEYOR REPORT:

Director Peterson reported the next meeting is June 8, 2022.

10. STAFF/ATTORNEY REPORTS:

Jeff Lee and **Heidi Baugh** presented information regarding the District's chemical contracts and addressed questions from the Board. The District cannot operate without these chemicals despite the pricing being unstable. **Attorney Kvistad** added that this scenario is being felt across California and throughout the industry.

Jeff Lee added the District will begin sampling the District's raw effluent for COVID and participate in the CDC's National Wastewater Surveillance System. The United States is participating in a worldwide effort to collect wastewater data to enable trend analysis, both up and down. Staff have met with **Nancy Williams**, El Dorado County Health Officer, to move forward with the testing, which is free to the District.

Shelly Thomsen provided information regarding Emergency Regulation for Urban Water Regulation. Starting June 10, 2022, for one year, irrigation for ornamental grass on business properties will be banned. This does not include irrigation for trees and shrubs or parks or schools.

All water Districts must implement Level 2 of their Conservation Program, which is the District's normal operating conservation efforts. The State Water Board is working on an FAQ sheet, further defining the ornamental turf restriction. The District's responsibility is to help direct its customers and inform them of this process. The District will be sending out a press release shortly regarding these efforts. The Tahoe Keys hired a landscape architect to help address landscape and irrigation restrictions.

The annual District Awards Picnic potluck invitations have been disbursed.

Tim Bledsoe provided information regarding the Helping Hands program, which is managed by the District.

11. GENERAL MANAGER REPORT:

John Thiel reported on several items:

- Provided a staffing update and congratulated Tim Bledsoe on his final Board meeting and announced Ryan Lee was selected as the new Customer Service Manager.
- Provided details regarding a meeting with Erick Walker, the new United States Forest Supervisor for the Lake Tahoe Basin.
- Met with Jennifer Lukins on June 1, 2022, regarding the state pushing for small water company consolidations.
- Lake Tahoe Community College has requested the District sign on to two support letters, which the District is accommodating.
- St. Joseph's Land Trust had a groundbreaking today for their Deed Restricted Affordable Housing titled Riverside. Riverside consists of three homes, which the District assisted by transferring water and sewer connections at no cost.

12. NOTICE OF PAST AND FUTURE MEETINGS/EVENTS

13. BREAK AND ADJOURN TO CLOSED SESSION: 3:38 p.m.

RECONVENE TO OPEN SESSION: 3:45 p.m.

- a. Pursuant to Section 54957.6 of the California Government Code. Closed Session may be held for conference with Labor Negotiators: John Thiel, General Manager; Paul Hughes, Chief Financial Officer; and Liz Kauffman, Human Resources Director, regarding Memorandum of Understanding with Stationary Engineers, Local 39.

No reportable Board Action.

- b. Pursuant to Government Code Section 54957(a)/Conference with Labor Negotiators: Memorandum of Understanding with Management Group. Present at this Closed Session will be Agency Negotiators: John Thiel, General Manager; Paul Hughes, Chief Financial Officer; and Liz Kauffman, Human Resources Director.

No reportable Board Action.

ADJOURNMENT: 3:46 p.m.



Kelly Sheehan, Board President
South Tahoe Public Utility District



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