



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 17, 2021 MINUTES

The South Tahoe Public Utility District Board of Directors met in a regular session, 2:03 p.m., at the District Office, located at 1275 Meadow Crest Drive, South Lake Tahoe, California.

ROLL CALL:

Board of Directors: President Sheehan, Directors Romsos, Peterson, Exline

Via Conference Call: Director Cefalu

Staff: John Thiel, Paul Hughes, Gary Kvistad, Melonie Guttry, Chris Stanley, Chris Skelly, Bren Borley, Julie Ryan, Shelly Thomsen, Debbie Henderson, Tim Bledsoe

Staff via Conference Call: Brent Goligoski, Greg Dupree, Jessica Henderson, Liz Kauffman, Marla Sharp, Star Glaze, Steve Caswell, Trevor Coolidge, Lynn Nolan

Guests: Sachi Itagaki, Kennedy Jenks; Shawn Koorn, HDR Engineering

CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR:

None

CONSENT CALENDAR:

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

a. **ANNUAL ADOPTION OF STATEMENT OF INVESTMENT POLICY**

(Debbie Henderson, Accounting Manager)

Adopted Resolution No. 3175-21, (supersedes Resolution No. 3144-20) adopting the District's Investment Policy.

b. **SEWER ENTERPRISE 2021/22 APPROPRIATIONS SUBJECT TO LIMITATION**

(Debbie Henderson, Accounting Manager)

Adopted Resolution No. 3176 -21 setting the limitation on Appropriations for Fiscal Year 2021/22.

c. **CORRECTIONS TO TEN CALPERS REQUIRED PAY LISTINGS BY POSITION**

(Debbie Henderson, Accounting Manager)

Adopted Resolution No's 3177-21 through 3186-21 as listed below which correct Pay Listing by Positions back to June 27, 2019.

d. WATERLINE UPGRADES AND IMPROVEMENT PROJECT

(Lynn Nolan, Grants Coordinator)

Adopted Resolution No's 3187-21, 3188-21 and 3189-21 to submit an application for the Waterline Upgrades and Improvement Project Construction Loan from the State Water Resources Control Board Drinking Water State Revolving Loan Fund.

e. AERATION BLOWER SYSTEM EMERGENCY POWER AND SECONDARY CLARIFIERS NO'S. 1 AND 2 PROJECT

(Brent Goligoski, Associate Engineer)

Authorized staff to file a California Environmental Quality Act Notice of Exemption with the El Dorado County Clerk and State Clearinghouse.

f. WASTEWATER TREATMENT PLANT AND FIELD STATIONS CONDITION ASSESSMENT

(Julie Ryan, Engineering Department Manager)

(1) Approved the proposed Scope of Work from Water Systems Consultants to perform the Wastewater Treatment Plant and Field Stations Condition Assessment; and, (2) Authorized the General Manager to execute Task Order No. 1A in the amount \$85,326.

g. REGULAR BOARD MEETING MINUTES: June 3, 2021

(Melonie Guttry, Executive Services Manager/Clerk of the Board)

Approved June 3, 2021, Minutes.

ITEMS FOR BOARD ACTION

- a. Water and Sewer Capacity Charge Studies (Paul Hughes, Chief Financial Officer) – **Paul Hughes** provided details regarding the Water and Sewer Capacity Charge Studies and addressed questions from the Board. He indicated that HDR has been the District's rate consultant for approximately 10 years.

Moved Sheehan/Second Peterson/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes to approve the Proposal from HDR Engineering to prepare water and sewer capacity charge studies in an amount not to exceed \$32,625.

- b. 2020 Urban Water Management Plan and Water Shortage Contingency Plan Adoption (Chris Stanley, Manager of Field Operations) – **President Sheehan** opened the Public Hearing at 2:08 p.m. to receive public comments regarding the District's 2020 Urban Water Management Plan and Water Shortage Contingency Plan update ("Plan"). **Chris Stanley** provided details regarding the the Plan which is updated every five years addressing various water supply and water shortages. **Sachi Itagaki** from Kennedy Jenks provided a PowerPoint Presentation regarding the Plan update and addressed questions from the Board. There were no public comments received and the Public Hearing was closed at 2:28 p.m. **Attorney Kvistad** suggested a slight modification to the motion to read as follows: Adopt Resolution No. 3190-21 for approval of the 2020 Urban Water Management Plan and Water Shortage Contingency Plan Adoption subject to minor adjustments by staff and legal counsel prior to submitting to the Department of Water Resources.

Moved Sheehan/Second Romsos/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes to adopt Resolution No. 3190-21 for approval of the 2020 Urban Water Management Plan and Water Shortage Contingency Plan Adoption subject to minor adjustments by staff and legal counsel prior to submitting to the Department of Water Resources.

- c. 2021-2022 Tank Coating Touchups Project
(Julie Ryan, Engineering Department Manager and Heidi Baugh, Purchasing Agent) – **Julie Ryan** provided details regarding the deterioration of tank coatings over the past several years, presented information regarding the 2021-2022 Tank Coating Touchups Project and addressed questions from the Board.

Moved Peterson/Second Exline/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes to 1) Waive minor irregularities in the bid from Top Line Engineers, Inc.; and, 2) Award the 2021-2022 Tank Coating Touchups Project to the apparent lowest responsive, responsible bidder, Top Line Engineers, Inc., in the amount of \$158,300.

Director Peterson recused himself at 2:40 p.m.

- d. Tahoe Keys Water Supply (John Thiel, General Manager) – **John Thiel** provided details regarding the proposed Tahoe Keys Water Supply Reimbursement Agreement with the Tahoe Keys Property Owners Association (TKPOA). **Attorney Kvistad** reported that TKPOA has requested a maximum amount be inserted in the Reimbursement Agreement, with possible increases in the future. He presented details including modifications to Section 3 of the Reimbursement Agreement as follows: The association will reimbursement the District in monthly installments based on the progress of the evaluation performed by the District commencing on May 3, 2021, in an amount not to exceed (this amount to be determined). If the District believes the evaluation will exceed the reimbursement amount, the District shall discontinue the evaluation until TKPOA authorizes the reimbursement in writing. **John Thiel** provided an update regarding the status of Lukins Brothers Water Company assistance to TKPOA.

Moved Romsos/Second Sheehan/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Absent/Exline Yes to approve the Reimbursement Agreement with Tahoe Keys Property Owners Association with the modifications read into the record and to authorize District staff to work with the Tahoe Keys Property Owners Association to determine the Reimbursement limit amount.

- e. Union Memorandum of Understanding effective June 24, 2021 (John Thiel, General Manager, Paul Hughes, Chief Financial Officer and Liz Kauffman, Human Resources Director) – **John Thiel** provided details regarding the Union Memorandum of Understanding (MOU) proposed for the term of June 24, 2021 through June 19, 2024.

Moved Sheehan/Second Exline/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Absent/Exline Yes to approve Union Memorandum of Understanding for the term of June 24, 2021, through June 19, 2024.

- f. Management Staff Memorandum of Understanding effective June 24, 2021 (John Thiel, General Manager, Paul Hughes, Chief Financial Officer and Liz Kauffman, Human Resources Director) – **John Thiel** provided details regarding the Management MOU for the term of June 24, 2021, through June 19, 2024.

Moved Sheehan/Second Romsos/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Absent/Exline Yes to approve Management Memorandum of Understanding for the term of June 24, 2021, through June 19, 2024.

Director Peterson rejoined the meeting at 2:54 p.m.

g. 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 \$987,369.20.

STANDING AND AD-HOC COMMITTEES AND LIAISON REPORTS:

Director Exline reported that there was an Ad-Hoc Solar Committee Meeting on June 7, which was very productive and positive.

Director Peterson reported that the Operations Committee met on June 14, with a presentation regarding the use of artificial intelligence to evaluate the water system to predict where breaks may happen and repair them before they break. He further provided information regarding unaccounted water and the need to understand it better. **Director Peterson** reported that he represented the Board at the Employee Communications Committee Meeting on Wednesday, June 16, 2021.

President Sheehan reported that the Ad-Hoc Organizational Structure, Service and Efficiency Committee met on Tuesday, June 15, and discussed several items including updates to the Board Policies and some staffing resources which **John Thiel** detailed.

Director Romsos reported that the Ad-Hoc Solar Committee is reviewing final details for the proposed solar project at the District and that the committee plans to bring the project forward for Board consideration in August.

BOARD MEMBER REPORTS:

None

EL DORADO WATER AGENCY PURVEYOR REPORT:

Director Peterson reported the last meeting was June 9, but he was unable to attend.

GENERAL MANAGER REPORT:

John Thiel reported on several items:

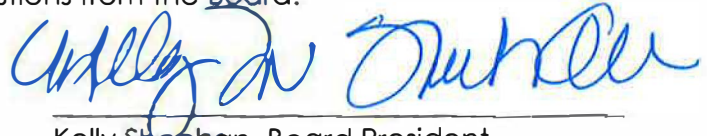
- Provided a staff update
- There is no COVID-19 sickness at the District and the District is waiting on updated CalOSHA guidelines in order to modify the COVID-19 Risk Plan. The District is continuing to work with California Special Districts Association regarding COVID-19 relief funding. **Chris Skelly** provided information regarding the virtual meeting functionality currently being utilized for Board Meetings. He provided details regarding GotoMeeting and GotoWebinar, adding that the live stream option for Board Meetings is not sustainable.
- Provided details regarding the water system fire hydrants including how they have been maintained and managed over the years. He explained that they need to become a higher priority and addressed questions from the Board.
- Provided a solar project update asking that the Board bring forward any additional questions they would like addressed regarding the project prior to August. **Paul Hughes** reported that the District was just informed of another Liberty Utilities rate increase, potentially increasing rates an additional 27%. **Attorney Kvistad** added there will be a substantial presentation from CORE and Prostar in August, including construction costs, which have increased substantially due to the current construction climate.

Director Peterson recused himself at 3:29 p.m.

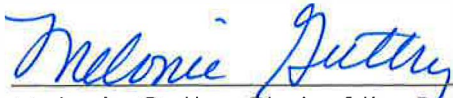
STAFF/ATTORNEY REPORTS:

Attorney Kvistad reported that information regarding the TKPOA Reimbursement Agreement was distributed to the Board (excluding **Director Peterson** who is recused from this item) for background information and that the District is still in the initial stages of assisting the TKPOA. The TKPOA has requested two options: supply water and potential acquisition. **Attorney Kvistad** detailed how both options are being researched and addressed questions from the Board.

ADJOURNMENT: 3:59 p.m.



Kelly Sheehan, Board President
South Tahoe Public Utility District



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