



MINUTES

REGULAR MEETING OF THE NORTH TAHOE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS Tuesday, April 13, 2021, at 2:00 p.m. Via Teleconference

CALL TO ORDER/ESTABLISH QUORUM

The North Tahoe Public Utility District Board of Directors' regular meeting was held on Tuesday, April 13, 2:00 p.m. via teleconference. The Directors in attendance were President Coolidge, Directors Mourelatos, Daniels and Thompson. Director Hughes was absent. District Staff in attendance included General Manager Johnson, Engineering and Operations Manager Pomroy, Chief Financial Officer Van Cleave, Administrative Manager Holt, Utility Operations Manager Fischer, Public Information Officer Justin Broglio, and Administrative Liaison Moga. Counsel Nelson was also present. The pledge of allegiance was recited. No changes were made to the agenda.

PUBLIC COMMENT AND QUESTIONS (2:05 p.m.) - There were no requests for public comment.

EMPLOYEE ANNIVERSARY AWARDS – Ken Fischer congratulated Bob Orr for his 35 years of service. Ken Fischer commended Jim Schneider for his 15 years of service. Joe Pomroy recognized Steve Twomey for his five years of service. The General Manager and Board members complimented the employees for their service and longevity.

MANAGEMENT TEAM INFORMATIONAL UPDATES:

Tahoe-Truckee Sanitation Agency (T-TSA) Report – Lane Lewis, TTSA Representative, provided highlights from his report. He announced they have a new Lab Director and Finance Administrator. He provided an update regarding their violation response. He noted the Board approved a COVID-19 rate relief program for commercial customers who have been impacted.

Jane Davis provided a public comment regarding TTSA matters.

Recreation and Parks Commission Report – Recreation & Parks Commission Pepin provided highlights from her report. The Board and Commissioner Pepin discussed dog waste stations and trail system expansion.

General Manager/CEO Report – General Manager (GM) Johnson provided highlights from his report, including COVID status update, case, and vaccination rates. He provided a COVID Rate Relief Program status update. He announced new employees and promotions, including Steve Twomey as Senior Engineer, Nathan Chorey as the new Engineering Manager, and Matt Davis as the new Recreation and Events Supervisor. GM Johnson noted that the District's cyber insurance coverage was extended two months while the District establishes Multi-Factor-Authentication.

Public Information Officer Report – Public Information Officer, Justin Broglio, provided highlights from his report. He spoke about project update social campaigns, event center

metrics, website revamp, SEO, post covid bookings. Director Mourelatos spoke about the State of California tourism discussion regarding business recovery with a delay in international visitation and business revenue. He encouraged staff to use the State of California Tourism portal to share event data and use SEO tools. PIO Broglio spoke about hybrid meeting logistics for the Event Center. Director Daniels thanked PIO Broglio for the new newsletter.

Accounting Department Report for the month ending February 28, 2021 – Chief Financial Officer (CFO), Vanetta Van Cleave, provided highlights from her financial statement report. She noted the operating expense is tracking similar to last year. She also provided the Treasurer's Report.

Park and Facilities Department Report – Administrative Manager (AM) Loren Holt provided highlights from his report. He noted Prop 68 funds were approved, and the Placer Board of Supervisors approved the application for the Pinedrop Trailhead project. AM Holt introduced Matt Davis, new Recreation and Events Supervisor, and spoke about upcoming activities in the planning process.

Planning and Engineering Department Report – EOM Joe Pomroy provided highlights from his report. He provided a status report of two projects: National Sewer Pump Station and N-1. Initiated by Director Mourelatos, the Board and Staff discussed National Sewer Pump Station construction. GM Johnson noted the construction would not impact the regularly scheduled boat ramp season opening. Director Mourelatos recommended a project campaign to educate the community and ratepayers with photographs and updates.

Utility Operations Department Report – Utility Operations Manager (UOM) Ken Fischer highlighted items from his report. He spoke about the success of the recent lay-flat emergency drill on the highway. March water production was lower than in past years.

Legal Report – Legal Counsel Josh Nelson provided an update regarding three proposed Assembly Bills that could modify the Brown Act to include virtual meetings. Legal Counsel Nelson spoke about the stimulus bill and stated there is no direct funding to special districts, rather cities and counties. Director Daniels inquired about translation and hybrid integration and stated translation is essential regardless if it's virtual or in-person.

Board Committee Reports – GM Johnson noted the rates presentation has been updated since the packet was published to include the feedback from the Finance Committee.

Fuels Reduction Update by North Tahoe Fire Protection District Representative Eric Horntvedt (Timed item 4:00 p.m.) – AM Holt introduced the item. North Tahoe Fire Protection District Representative Eric Horntvedt provided a PowerPoint slideshow. Mr. Horntvedt spoke about the project extension and cooperative agreement. Mr. Horntvedt noted burning will tentatively occur in 2021-2022.

Director Daniels expressed concern with White Pine trees having additional die-backs after this first treatment. In response to Director Daniels' inquiry about additional thinning, Mr. Horntvedt noted a second round of thinning would occur 3-5 years post-project review, which is part of

the forest management project partnership. Mr. Horntvedt spoke about re-treatment in 10-20 years. GM Johnson noted capital planning is important to include re-investment cycle for 4-5 years post-treatment and then re-treatment in 20 years. Director Mourelatos inquired about large trees being removed. Mr. Horntvedt explained the process to conduct the thinning work with ladder fuels and hazardous trees. GM Johnson spoke about potential forest management walk & learn opportunities with Boys & Girls Club, schools, and community. Mr. Horntvedt noted he will work with the District on an education day in the park to show thinning, burn piles, and post-burn pile implementation for this year and next.

CONSENT CALENDAR:

- Approve Accounts Paid and Payable for the period from March 9, 2021
- Approve Minutes of the March 9, 2021, Regular Meeting and March 16, 2021, Special Meeting
- Adopt Resolution 2021-05 Proclaiming July is "*Parks Make Life Better!*" Month through April 12, 2021

President Coolidge suggested removing 'covid-related' replaced with 'unforeseen' in Resolution 2021-05.

MOTION: Director Daniels moved to approve the consent calendar as amended. Director Thompson seconded the motion, which passed unanimously by roll call (4-0).

GENERAL BUSINESS

Authorize General Manager to Execute a Memorandum of Understanding with Placer County for an Emergency Generator at the North Tahoe Event Center – EOM Pomroy introduced the item and noted this is an agreement with Placer County for cost-sharing and other obligations in order to apply for an emergency generator in the instance the Event Center is used as an emergency shelter and evacuation center. In response to Director Daniels, GM Johnson noted the generator would be a fixed stationary generator sized for a full commercial load. In response to Director Mourelatos' inquiry, GM Johnson noted the County's financial contribution is a split of the 25% share up to a maximum of \$37,500. Director Mourelatos commended staff for bringing this forward.

MOTION: Director Daniels moved to authorize General Manager to execute a Memorandum of Understanding with Placer County for an Emergency Generator at the North Tahoe Event Center. Director Thompson seconded the motion, which carried unanimously by roll call (4-0).

Consider and Discuss the Approved Adjustment to Water and Sewer Rates Effective July 1, 2021 and Potentially Adopt Resolution 2021-06 to Modify the Adjustment – GM Johnson introduced the item and noted the PowerPoint slideshow has been updated based on the feedback by the Finance Committee. GM Johnson spoke about the 5-year projected capital plan and noted we are going more aggressive than the HDR model designed and strategically drawing down reserves. GM Johnson noted grant funding as a source of capital is not recognized because we cannot budget for grants that we do not have yet. He added recreation is not included in this presentation since it is a discussion focused on utility rates.

The Board and Staff discussed strategically spending down reserves as an incremental step towards catching up sustainably with cash on hand. The Board discussed unencumbered funds and pending projects. GM Johnson noted those projects would roll forward and package into larger projects while staffing up to help with execution.

The Board and Staff spoke about rate maintenance and less reliance on property tax. The Board members stated the first year's rate increase was the big jump but are on course now and would like to see capital executed. They discussed restructuring and applying different project approaches in order to stay on schedule. GM Johnson noted design, bidding, and entitlements consume a lot of time, but after bidding, the project accelerates. Direct Daniels stated we need to hold GM Johnson's feet to the fire but also support his needs for additional staff.

The Board discussed having a mid-year check-in as part of the long-range calendar or Engineering & Planning staff report with a capital projects chart. GM Johnson noted 5-year capital plan will be discussed at D&P Committee and by the whole Board with a potential for a CIP tour.

Sewer and Water Ordinance Update – Consider and Adopt Ordinance No. 397 – Updating the Sewer and Water Ordinances – GM Johnson introduced the item. Director Daniels thanked GM Johnson and CFO for streamlining the process. She spoke about clean-up of language with sewer testing and employee training for implementing best practices.

MOTION: Director Mourelatos moved to Adopt Ordinance No. 397 – Updating the Sewer and Water Ordinances. Director Mourelatos and GM Johnson complimented Director Daniels in her leadership and guidance. Director Daniels seconded the motion, which carried unanimously by roll call (4-0).

Review, Discuss, and Select Up to Two (2) Candidates from the List of Nominees for Special District Representative & Alternate to Placer LAFCO, and Authorize the Board President to Execute the Certification Statement – GM Johnson introduced item. President Coolidge noted one candidate didn't submit a resume. The Board discussed the candidates and agreed the two local candidates would be their choice.

MOTION: Director Daniels moved that authorize the Board President to cast the District's ballot and execute the certification statement for the two local candidates, Rick Stephens and Fred Ilfed. Director Mourelatos seconded the motion, which carried unanimously by roll call (4-0).

LONG RANGE CALENDAR – GM Johnson reviewed the long-range calendar.

PUBLIC COMMENT AND QUESTIONS – There were no requests for public comment.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – (Paragraph (1) of subdivision (d) of Section 54956.9) Case name unspecified: Settlement negotiations

ADJOURNMENT – There being no further business to come before the Board, the Board went into closed session at 5:58 p.m. There was no reportable action taken during the closed session and the meeting adjourned at 6:10 p.m.