



MINUTES

NORTH TAHOE PUBLIC UTILITY DISTRICT
The Special Meeting and Public Hearing was held at the
North Tahoe Event Center and via teleconference (Zoom)

Thursday, March 7, 2024, at 5:00 p.m.

CALL TO ORDER/ESTABLISH QUORUM

The special meeting of the North Tahoe Public Utility District Board of Directors was held on Thursday, March 7, 2024, at 5:00 p.m. at the North Tahoe Event Center and via teleconference. In attendance were Directors Thompson, Hughes, Mourelatos, Daniels, and President Coolidge. District Staff in attendance included General Manager Johnson, Chief Financial Officer Van Cleave, Engineering and Operations Manager Pomroy, Public Information Officer Broglio, Utility Operations Manager Fischer, Human Resources Manager Harris, Recreation, Parks, and Facilities Manager Oberacker, and Administrative Liaison/Board Secretary Moga. District Legal Counsel Nelson was also present via Zoom. The Pledge of Allegiance was recited. President Coolidge announced there were no changes to the agenda. 6 members of the public were present in-person. 4 members of the public attended via Zoom.

PUBLIC COMMENT AND QUESTIONS (5:00 P.M.) – There were no requests for public comment.

CONSENT CALENDAR: *Consent Calendar items are routine items which are approved without discussion or comment. If an item requires discussion, it may be removed from the Consent Calendar prior to action.*

- Approve Minutes of the February 13, 2024 Regular Board Meeting

MOTION: Director Thompson moved to approve the consent calendar. Director Hughes seconded the motion which carried unanimously in favor.

PUBLIC HEARING (*Timed item 5:00 p.m.*) – **Conduct Proposition 218 Majority Protest Public Hearing for Increases and Adjustments to Rates for Water and Wastewater Service Charge. For more information regarding the proposed rate increases and adjustments, please see ntpud.org/rates.**

President Coolidge opened the public hearing. GM Johnson introduced the item and introduced Shawn Koorn, HDR Consultant, who provided a PowerPoint slideshow.

In response to Director Mourelatos' statement, GM Johnson confirmed that Proposition 218 explicitly states that revenues generated in water can only be used to fund water, and revenues generated for wastewater can only be used to fund wastewater, per state law.

The Board and Staff discussed utility infrastructure needs, priorities, the current bid environment, and continued supply chain challenges. They also discussed funding

mechanisms for future projects through rate revenue, property tax, grant funding, and reconsidering potential debt issuance.

GM Johnson reported that 26 protest letters were received, 24 of which were valid.

Director Daniels shared that she understands the frustration of all the cost increases that are impacting all of us, and we take this very seriously. We are responsible for removing the sewage safely from the basin. We are looking for grants to help support project costs. Director Thompson stated that he echoed what Director Daniels had stated.

President Coolidge opened the public hearing:

In-person:

Marshall Saxe, a Tahoe Vista resident and business owner, addressed the Board regarding the rate increase. He suggested communicating about how NTPUD is researching grants to help fund infrastructure replacement. He asked what incentive is there for single-family residents to conserve water and incentivize those with smaller meters. He requested that the District create more tiers in the water usage consumption for those customers who conserve water.

Megan Bain addressed the board and stated she wanted to piggyback on the idea of adding additional tiers for water consumption. She added that many of us make an effort to conserve water. Create a lower threshold with a lower rate of water consumption or charge more for those who exceed that.

No public comments were requested via Zoom. And there were no more requests for public comments in person.

President Coolidge closed the public hearing and public comments. GM Johnson provided the next steps.

GENERAL BUSINESS

Review, Discuss, and Consider Adoption of Resolution 2024-07 – Adopting Increases and Adjustments to Rates for Water and Wastewater Service Charges - Director

Thompson stated that everyone on this board lives in this community, and are also affected by this. He explained that we need to address the leaking and undersized watermains and make proper fire flow and hydrants available in case of a wildfire. He added that it was hard to discuss and raise rates, but we don't have a choice. We have been discussing how to keep the rates as low as possible for a year.

In response to President Coolidge's inquiry about incentives for conservation, GM Johnson noted Proposition 218 is designed to protect the ratepayer and prevents us from incentivizing or disincentivizing conservation. Larger homes with larger meters pay more in their connection fees. NTPUD District is 70% second homeowners. We have a large base rate to ensure that our year-round homeowners aren't subsidizing the second homeowners.

Director Hughes appreciated Marshall's comment and added that we work with the legislature on grants and leverage partnerships for resources. Rates will be discussed every year, and we hope to acquire grant funds to reduce rates in those outer years. She agreed with Director Thompson; this impacts all of us, too.

Director Mourelatos stated there is a significant amount of capital work from the decades of deferred rate increases and deferred maintenance. It's going to cost us more now to complete the work. We have matured our financial compliance and reporting, engineering and project management, transparency, and communication.

MOTION: Director Daniels moved to adopt Resolution 2024-07, Adopting Increases and Adjustments to Rates for Water and Wastewater Service Charges. President Coolidge seconded the motion, which carried unanimously in favor per roll call vote (5-0).

BOARD COMMENTS – Director Daniels thanked Shawn Koorn and PIO Broglio. President Coolidge thanked the staff, board, and community as this is a big deal.

PUBLIC COMMENT AND QUESTIONS:

In response to Mr. Saxe's inquiry, Mr. Koorn provided a brief background of Proposition 218. In 2018, NTPUD conducted the last rate study, and before that, the last adjustment was considered in 2007.

ADJOURNMENT – With no further business to come before the Board, the meeting was adjourned at 6:51 p.m.