

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
SIERRA LAKES COUNTY WATER DISTRICT**

Date: Friday January 10, 2020 / **Time:** 6:00 p.m. / **Place:** 7305 Short Road, Serene Lakes, CA

I. Open Meeting:

Roll Call: Directors in attendance at the Sierra Lakes Boardroom were:

Director Michael Lindquist
Director Dan Stockton
Director Richard Simpson
Director Bob McCormick

Director Karen Heald was absent

Staff members present: Paul Schultz, General Manager
Anna Nickerson, Financial Consultant

Staff present by phone: Jeffrey Mitchell, District Counsel

Guests present: None

Minute Recorder: Anna Nickerson, Financial Consultant

II. Public Forum: An opportunity for members of the public to address the Board on items that were not on the agenda. There were no members of the public in attendance.

III. Approve Agenda: The agenda was presented to the Board for approval. Director Simpson asked to switch items X. Closed Session and XI. Administration. He would be recusing himself from the closed session discussion and this would allow him to leave the meeting at the end of open session. Mr. Mitchell said it would be fine to switch the two items. The only concern would be if people didn't believe he left the board room, since there were no members of the public present.

A motion was made by Director Simpson and seconded by Director Stockton to approve the agenda with the proposed change. The motion passed by a unanimous vote.

IV. Public Comments: An opportunity for the Board to consider comments received from the public after the agenda was posted, regarding items on the agenda. Mrs. Nickerson reported that there were no comments received after the agenda was posted. Director Lindquist asked if the Board wanted to consider removing the item from the agenda. He said the item was added during the Land Use discussions when comments were often received. Director Simpson said the item would be covered as part of the Policies and Procedures updates. He felt the item should be left on the agenda and discussed during the Policies and Procedures review.

V. Election of Officers: The item was postponed until February due to the absence of Director Heald. Director Lindquist wanted to wait until all Directors could be present.

VI. Operations: Mr. Schultz's operations report was presented to the Board for consideration and possible action. Mr. Schultz asked if there were any questions. He then summarized the following:

- He said he met with Woodard & Curran representatives regarding the Lake Intake Study draft report. He said the alternatives that Mr. Quesnel thought might work turned out to be impractical. Other alternatives would be looked at and he anticipated the report would be presented to the Board at the March 2020 meeting.
- He said he sent information to CalFire for next year's tree removal. Director McCormick asked if the information could be shared with SLPOA's fire safety committee. Mr. Schultz said he would share the information once the map was completed.
- Snow Removal operations would be discussed in closed session.
- He gave permission to SLPOA to install a couple more dog waste bins. However, he denied their request to have District staff remove snow at the waste bin sites to provide access for garbage collection. He also denied SLPOA's request for the District to share in the cost of the snow removal. Director Simpson asked for clarification on the two new bins. Mr. Schultz said he would be meeting with a SLPOA representative to determine where the new bins would be installed but that he anticipated an additional bin at each of the two existing sites. He would report back to the Board once he had more information.
- He reported that he sent in the forms to change over the District's generators from "duty" to "emergency".
- He said he was still waiting for ACWA/JPIA regarding insurance to cover the dam. He recently received a new application for insurance thinking they might be having trouble finding a carrier.
- He said the drug test sampling for employees with Class 3 licenses had been increased to 50% due to a statewide positive result of more than 1%. Director Lindquist said, since the chance of an employee being picked for testing doubled, it was a good time to reiterate the District's Drug and Alcohol policy to employees. Mr. Schultz said he had already had the discussion with the employees because of the recent holiday season.
- He said he wasn't able to get all the information from Donner Summit PUD for the report but was able to get similar information allowing for comparison to other months.
- He met with Truckee Fire to talk about the hydrant testing program, pressure testing of the lines and flushing operations. The District was now fully coordinated with Truckee Fire and Truckee Fire would be doing the testing and flushing. Director Lindquist asked who was responsible for snow removal around fire hydrants. Mr. Schultz said Truckee Fire was responsible for removing the snow from around the hydrants and Placer County was responsible to not bury the hydrants when plowing. He also said a representative from Truckee Fire contacted the District because he thought the Water District provided snow removal. Mr. Schultz told the representative that Placer County provided snow removal so the representative contacted Placer County. Director Lindquist said, as a governing agency in the District, he wanted to make sure the responsibilities were clear including requests for mutual aid. Mr. Schultz said if staff hears of a buried hydrant, they will go out and clear it. However, staff does not survey or drive the course to look for buried hydrants.
- He said he believed staff had isolated the problem with the control valves in the filter plant. Telstar came up and found that one of the recently purchased circuit

boards was bad. The board was replaced and the defective board would be returned for a replacement which will be kept as backup. Everything had been working perfectly since the replacement of the bad board

- Repairs to the motor control centers at the sewer pump stations were complete.
- He said he would be meeting with Eric Sandell on Monday about redesigning the Pahatsi flume SCADA box. The box sustained a lightning strike and the multiphaser went out. Because there was now a safety issue, the box would be upgraded sooner rather than later.

VII. The Consent Items Calendar was presented to the Board for action. The Consent Items Calendar included the minutes from the December 13, 2019 Regular Meeting; December 2019 Check Register; financial reports for the month ending December 31, 2019; and Disbursements for Board Approval.

A motion was made by Director Stockton and seconded by Director McCormick to approve the consent items calendar. The motion passed by a unanimous vote.

VIII. New Business:

A. Mr. Mitchell reported on Assembly Bill 5 (AB5) and how it pertained to Mr. Schultz's employment with the District. He said he reviewed AB5 and found that he it did not change anything with the previous analysis done during the hiring process. He said he would be comfortable as long as it could be said that Mr. Schultz's predominant duties as General Manager were engineering or supervision of predominantly engineering type of services. With that being the case, the exemption for engineers should apply. He felt the District's broad use of "engineering services" was still consistent with the licensing laws for engineers and that the other duties such as insurance review and dam ownership were secondary to his engineering duties.

Director Lindquist said, since AB5 was a relatively new piece of legislation, that the item should be revisited at the end of the year. Mr. Mitchell said he felt there could be a broadening of the exemptions but agreed it should be monitored. He said if there was some development, he would come back to the Board. In the meantime, Mrs. Nickerson said she would put a note on the calendar to add to an end of the year agenda for a follow-up review.

IX. Old Business: None.

X. Administration:

A. A list of Follow-up Items from the December 13, 2019, Board meeting was presented to the Board for consideration and possible action.

- Item 1: Pictures/Bios for website – ongoing.
- Item 2: Update District Election process before 2020 election. Mr. Mitchell said he would start reviewing the procedures with the possibility of an election in 2020 starting in March. Mrs. Nickerson was asked to find out who the current contact was at Placer County Elections.
- Item 3: Mr. Schultz said he had collected all the information to propose an outline of potential issues for the District in the event of a weeklong power outage. However, he said he wanted to look at the information in more detail in order to present a useful document to the Board.

B. The Status of Action Items remaining as of the December 2019 meeting was presented to the Board for consideration and possible action:

- Item 1: Best Management Practices – Mr. Schultz anticipated that he would present the information at the April or May 2020, meeting after discussing the information with Director Simpson. The item was updated to 50% complete.
- Item 2: AMR Data Collection and Analysis – The item due date was changed to the summer of 2020.
- Item 3: Policies & Procedures Review – The item due date was changed to August 2020.
- Item 4: Insurance Coverage Review – Mr. Shultz updated the Board as part of his Operations Report. The item due date was changed to February 2020.
- Item 5: Operations of the Dam – The item due date was changed to February 2020.
- Item 6: Discussion with Truckee Fire – See Mr. Schultz’s Operations report.

Director Lindquist asked to add a new item for the development of a tentative timeline for the task required to get to metered rates. Mr. Schultz was asked to start developing a plan/schedule to reach the goal of meter rates by January 2025.

X. CLOSED SESSION: A Closed Session was held pursuant to Government Code Section 54956.9(d)(2). Conference with Legal Counsel to discuss the anticipated litigation, significant exposure to litigation pursuant to paragraph (2) of subdivision (d) Section 54956.9: one potential case – Threat of litigation by George Carmen’s email dated 12/2/19 (Section 54956.9(e)(5)).

A motion was made by Director Simpson and seconded by Director McCormick to move the meeting into closed session. The motion passed by a unanimous vote.

Director Simpson recused himself from the discussion, left the meeting and did not return after closed session.

A motion was made by Director Stockton and seconded by Director McCormick to move the meeting out of closed session. The motion passed by a unanimous vote of the remaining Directors; Directors Lindquist, Stockton and McCormick.

Mr. Mitchell reported out of closed session. He said, the Board met in closed session with legal counsel to consider the matter of possible litigation identified on the agenda. No action was taken.

XI. Adjournment

A motion was made by Director Stockton seconded by Director Lindquist to adjourn the meeting. The motion passed by a unanimous vote of the remaining Directors; Directors Lindquist, Stockton and McCormick.

The minutes were approved at the Regular Meeting held on February 14, 2020, as part of the Consent Items Calendar. A motion was made by Director Simpson and seconded by Director Stockton to approve the Consent Items Calendar. The motion passed by a unanimous vote.