

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

Date: Friday October 9, 2020 / **Time:** 6:00 p.m. / **Place:** 7305 Short Road, Serene Lakes, CA

The meeting was teleconferenced as provided by Governor Newsom’s Executive Order N-25-20 (“Executive Order”), declared on March 12, 2020. The Executive Order temporarily granted state and local agencies certain powers to aid in the implementation of social distancing measures recommended by state and local public health officials that suspended certain Brown Act requirements.

I. Open Meeting:

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

Director Michael Lindquist

Directors in attendance by teleconference:

Director Bob McCormick
Director Karen Heald
Director Dick Simpson
Director Dan Stockton

Staff members present: Anna Nickerson, Financial Consultant

Staff present by phone: Paul Schultz P.E. Inc., General Manager
Jeffrey Mitchell, District Counsel

Guests present by phone: Dennis Fisco
Janice Nygard
Andrew Smith

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. No comments were made.

III. Approve Agenda: The agenda was presented to the Board for approval.

A motion was made by Director Simpson and seconded by Director McCormick to approve the agenda. The motion passed by a unanimous rollcall vote: Directors Lindquist, McCormick, Heald, Simpson and Stockton.

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 no comments were received after the agenda was posted.

V. **Operations:** Mr. Schultz's operations report was presented to the Board for consideration and possible action. Mr. Schultz reported the following:

- Staff had been super busy with projects for the month
- Donner Summit PUD began discharging treated water into the river
- Donner Summit PUD received the administrative draft of their new National Pollutant Discharge Elimination System permit, they were currently reviewing the draft and expected to submit the draft to the Central Valley Board for approval in December. The draft contained no changes to treatment or reporting requirements. An easy approval was anticipated.
- The District would no longer be able to use the vehicle bays at Fire Station #98. Truckee Fire Protection District staff was now occupying the living space. The District would store some equipment outside for the winter as had been done in the past.
- The GapVac truck experienced a transmission issue after the routine service that was conducted. The truck was towed to Sparks, Nevada, where Worthen Equipment installed and reprogrammed a new transmission control module. The GapVac truck was back in service.
- Meetings continued with Sam Steuart, the District's academic intern, and Professors Cobourn and Chandra, Head of Hydrology and Environmental Science Department at the University of Nevada, Reno (UNR). Mr. Schultz said he explained what the District wanted to get out of the new report in regards to the lakes and the surrounding community. Professor Cobourn talked to some of the UNR staff who said they would like to do a full research study of the limnology of the lakes. The study would include a calibrated model of the lakes that would show improvements, causes of damage, and what could be done to improve the lakes. He also said the cost of the study could run between \$700,000 and \$1,000,000; but the District would only be asked to fund two years of a graduate student and incidental costs specific to the project for a total of about \$120,000. He said the budget would not have to be modified for the current fiscal year since \$25,000 was budgeted for the Academic Intern and that would cover first year expenses. He anticipated the full scope of the project would be presented at the December 2020 meeting.
- Ice Lakes Dam Spillway Bypass was in need of some repairs. He hoped the water level would go down enough to perform the repairs. However, the repairs cause no risk downstream and could be postponed if needed.
- The docks/piers inventory was complete. Letters would be going out to dock/pier owners in early spring. The letters would include a reminder of the rules pertaining to the use of the "strip". Possibly stronger letters would be sent to the members of the community who seemed to have a greater disregard of the rules.
- The District had been experiencing an increase of visitors, resulting in an increased use of District services and facilities, including the lakes and surrounding areas. An effort was being made to educate homeowners and property management companies about the rules.
- During his excursions around the lakes, looking for damage to the strip and problems with docks and piers, Mr. Schultz found several locations that were experiencing a lot of erosion. He said he found a trench that extended the drainage from a roadside ditch into

the lake resulting in the distribution of a ton of sediment into the lake. He didn't think the trench was more than a couple years old. Staff would be removing as much of the sediment as possible and collapsing the drainage ditch, restoring the area to a spreading basin. An infiltration trench would be constructed and lined with geo-fabric to prevent soil contamination from the trench. Director McCormick asked if it was a natural drainage, and Mr. Schultz said it was not. The County had put in a culvert with a spreading basin at the end of the County maintained portion of Lake Dr. to alleviate some of the flooding in the area. The area was a lake access point but wasn't being used due to the horrible condition. Mr. Schultz hoped the area could be restored for use but that it could be a while.

- An invoice reflecting an 8% increase for dam insurance was received just prior to the renewal date. It was also noted that future increases could be up to 20% and that there were significant increases in deductibles (from \$50,000 to \$1,000,000). Mr. Schultz said he discussed the situation with Director Lindquist and, because the additional cost was nominal, the dam insurance was renewed for another year. Director Lindquist said he would have rather discussed the issue with the Board but due to the high sense of urgency he agreed to renew the policy. He knew the Board was interested in the insurance but had concerns about the increasing deductible. The Board can discuss the value of the policy over the next year, before the next renewal.
- Planning, design and regulatory components for the Well 1 improvement project continued. Mr. Schultz said shop drawings should be ready by the third week of October and the project should be complete by the end of the year.
- Mr. Schultz met with electricians who will be installing provisions for an emergency generator at Well. 1. This would allow use of Well 1 during the winter months in the event of a power outage.
- The Policies and Procedures manual was currently under review. Mr. Schultz said he would have more time for the review this winter; there were just too many other projects going on at present.
- The Request for Proposals to repair District manholes had been postponed until spring because contractors have been too busy on larger jobs and would not bid smaller jobs. Also, due to the high demand for emergency generator systems, those projects were estimated to be six to eight weeks out if they were bid.
- The Cybersecurity Assessment of the District's Information Technology Systems was recently completed and would be reviewed over the winter. Mr. Schultz said there were only a few minor vulnerabilities that needed to be addressed.
- The partial replacement of the waterline between Dulzura and Lake was going well until there was a break in the line resulting in a delay. The project was currently in the final compaction phase with paving to follow. Two fire hydrant replacement sites would be paved as well.
- A total of 250 smart meters should be installed by the end of the summer season. Staff already installed 100 with another 150 to be installed before it starts snowing. Director McCormick asked if meters had been installed on all Director's houses. Mr. Schultz said all but his; Director McCormick's meter pit needed to be repaired before a meter could be installed. Staff would be taking care of the repair.
- Mr. Schultz also provided answers to questions received about the October Operations Report. Director Simpson said he was satisfied with answers.

- Although the District's sewer flows through the Donner Summit PUD plant were running higher due to increased activity, Mr. Schultz anticipated flows would average out to 26% by the end of the year.

Janice Nygard thanked Mr. Schultz for his prompt response to a homeowner's request about the District's bright light at the Bales pumping station. Mr. Schultz said he would be installing a timer to control when the light comes on and goes off.

Director Simpson wondered if there was going to be enough time for Mr. Steuart to work on the limnology project since planning for expansion of the project was itself going to take a few weeks; the intern was only going to be around for a couple months. Mr. Schultz said Mr. Steuart was excited about the expanded project and was willing to work longer; he would be working with UNR, which had waived the out-of-state fee for him. Also Mr. Schultz helped secure a job for Mr. Steuart in the lab at UNR; he would receive a stipend, the assistance of several graduate students, and would be sent to an environmental sampling school near Mt. Shasta. The amount budgeted for 2020/2021 would be used starting January 2021.

Director Simpson said, in regards to dock and piers, that the Board agreed a committee wouldn't be appointed until after the election; but he thought the Board was going to consider what the composition of the committee should be. Mr. Schultz said it wasn't an action item on the agenda and felt discussion could wait until the December or January meeting. Director Simpson said the Board discussed two possibilities at the last meeting: appointing a subcommittee of the Board or having a public committee; he thought there would be further discussion at the current meeting. Mr. Schultz asked Director Simpson to call him on Monday or Tuesday and they would talk about the possible types of committees.

Director McCormick asked if the Board was going to see Mr. Schultz's Docks/Piers report. Mr. Schultz said he planned to make a presentation to the committee before presenting it to the Board. Director Simpson said he thought the presentation should be made to the Board before the committee. Mr. Schultz said he could tabulate the findings but didn't want to present the pictures that were taken; he was concerned about making possible infractions public. Director Lindquist said he expected that the information in the report would have an effect on the type of committee that was appointed. Director Simpson said he thought, if there was going to be a committee, the Board could decide what kind of committee before appointing committee members in December. Director McCormick said Director Simpson wanted to talk about the committee format; but he wanted to understand the issues that needed to be dealt with. Director Simpson said a one page statistical summary saying, for example, that 25% of the lake front docks were falling apart and 15% had lake front storage problems would be useful — a report summarizing the magnitude of the problems. Mr. Schultz said he would provide the summary report at the next meeting.

Director Simpson said, on the dam liability premium question, he thought the Board was drifting to not renewing but he was not going to challenge the \$3,000/year renewal premium. He said he felt Mr. Schultz and Director Lindquist acted properly with only three days to make a decision.

Director Simpson said, in regard to the policies and procedures manual, Mr. Schultz was going to set up a meeting with Director McCormick and himself to discuss how to proceed. He said he was available and to let him know a time that would work.

Director Simpson said Mr. Schultz quoted some numbers from the September 2019 water/sewer flows. He said the numbers did not appear to be correct. Mr. Schultz said he would review the numbers and correct them.

VI. Consent Items Calendar: The Consent Items Calendar was presented to the Board for action. The Consent Items Calendar included the minutes from the September 11, 2020, Regular Meeting; September 2020 Check Register; financial reports for the month ending September 30, 2020; and Disbursements for Board Approval. Director Lindquist asked if any members of the public or Board wanted to pull any item off the Consent Items Calendar for significant discussion. No requests were received.

A motion was made by Director Simpson and seconded by Director Heald to approve the Consent Items Calendar. The motion passed by a unanimous rollcall vote: Directors Lindquist, McCormick Heald, Simpson and Stockton.

VII. New Business:

A. Robert W. Johnson an Accountancy Corporation's Audit Report was presented to the Board for review. Mrs. Nickerson said it was another smooth audit and that the detailed results would be presented at the November meeting, when the Board could act to accept the report. Director Simpson said, as a member of the audit committee, that it was a surprisingly positive report and reflected very well on the District's management team. He was not able to participate in the audit but was impressed with how positive the report was.

B. A proposal regarding distribution of emergency alerts was presented to the Board for consideration and possible action. Director Lindquist said he put the item on the agenda because SLPOA had asked if the District could email urgent or emergency messages to customers because the District had a wider audience than SLPOA could reach using its own email list. Director Lindquist said he would like the Board to have a discussion regarding having the District email messages, on behalf of SLPOA, that were urgent or emergencies, at SLPOA's request.

Director Lindquist asked if the public had any comments or questions. There were none. He then said the positive aspects were that the District was the de facto agency in the area, the District maintains a comprehensive communications list, and sending information out would get to most of the people and would be a benefit to the whole community if it was an urgent or emergency message. He also said the downside was that the District's core mission was to provide safe reliable water and take away waste water. Should messages go beyond that, the District's message could be diluted; if too many messages were sent out, people might stop reading the District's messages.

Director Simpson said he was more or less aligned with Director Lindquist's thinking. He would be hesitant to become a SLPOA relay because the reasons SLPOA would be sending messages could be different than the reasons the District would be sending messages. He also said he thought the District had a large email list but that it wasn't complete. He said he would be OK with giving the General Manager and/or the Board President the authority to screen messages received from SLPOA and decide which messages were appropriate to distribute. He was OK with coordinating with SLPOA but didn't want to make it a rigid process.

Director Heald had two questions. First, when people signed up with the District, giving their email addresses, what assurances were given regarding the use of the email addresses? Second, how hard would it be to solicit customers, with email addresses on file, for their opinions about receiving urgent or emergency emails? Director Lindquist said she made a good point — customers entrusted the District with their email addresses for District information and how could the District figure out what the customers would want. Director Heald said Mrs. Nickerson might have the information. Mrs. Nickerson said, when the District forwards emails from SLPOA regarding the annual boat storage registration, customers contact the District for more information instead of SLPOA.

Director Lindquist asked Mr. Schultz for his perspective on email blasts based on his experience at other agencies. Mr. Schultz said his concern was that the District would become the emergency alert system for the community and that was not the District's mission. The concern was, if something happened and the District missed getting information out, the District could be held liable. It would be taking on a liability outside of the District's mission. Director McCormick had the same concern; he didn't want to be responsible for sending out alerts about fire danger or road closures, for example. He was concerned about SLPOA sending out those types of alerts as well.

Director Lindquist said he would like to pull back from the description "emergency" and discuss "urgent" or "community service" messages — like the recent message about propane tanks and heavy snow. Director Stockton said he didn't think the District should be in the emergency notification business at all. It was outside the District's charter. The District was required to send out information regarding water issues. He was not in favor of expanding District notifications.

Mr. Schultz said, in El Dorado County, the Fire Department and the El Dorado County Emergency Management Agency contracted with a company called Mobile Alert. Customers and residents sign up for the service and receive emergency information by text for free. He believed Placer County and Nevada County were already on a similar system. He suggested SLPOA invite the Fire Department to come and give a presentation regarding the use of their Code Red mobile alert system.

Director Lindquist said it sounded like the Board agreed that the District should not be in the emergency alert business and the discussion should focus on community service issues.

Director McCormick suggested that the District could contact its customers about receiving community service alerts from SLPOA and have SLPOA provide a way for non SLPOA members to sign up for alerts. Director Simpson agreed that SLPOA would be the better organization to provide community service messages.

Mr. Mitchell said the notion of a one-time notice to customers asking if they wanted to receive community service alerts from SLPOA could be considered; customers could respond and give the District authorization to provide their email addresses to SLPOA. He also suggested that SLPOA provide a description of the types of alerts they would send. Director Simpson suggested the email from the District direct customers to contact SLPOA to sign up for the service.

Director Lindquist asked Mrs. Nickerson and Mr. Schultz to think about the best way to

reach out to customers and connect them with SLPOA effectively with the least amount of effort. Director McCormick said the District wants to facilitate SLPOA's efforts by contacting the District's customers but did not want to be responsible for sending out messages. The District also did not want to turn over its email list. The District would be willing to send an email to its customers suggesting they contact SLPOA if they wished to receive urgent and informational emails from SLPOA. Both Directors Heald and Stockton agreed that Director McCormick's summary was a good compromise.

Janice Nygrad said she agreed with the Board's direction and suggested the email include a link to SLPOA's website where a customer could sign-up for the notices. Director Simpson said it would be dependent on SLPOA to set up their website for the notification sign-ups.

VIII. Old Business: There were no Old Business items on the agenda.

IX. Administration:

A. A list of Follow-up Items from the September 2020 Board meeting was presented to the Board for consideration and possible action.

- Item 1: Pictures/Bios for website – ongoing.
- Item 2: Discussions regarding ownership of the dam — continued.
- Item 3: Mrs. Nickerson and Mr. Schultz were asked to work with SLPOA to contact SLCWD customers to sign-up and receive important notifications from SLPOA.
- Item 4: Mrs. Nickerson received the updates to the District's Conflict of Interest Code from Mr. Mitchell and has sent them on to Placer County for review and approval.

Director Simpson said there was an item left off the list. Mr. Sorger asked someone from the District to contact SLPOA about the cell phone tower. He said he would be willing to contact Mr. Sorger and that the only person currently on the Board that had any recollection of the topic would be Director Heald. Director McCormick said Mr. Sorger called him because he knew of his expertise in cell towers from a legal perspective. He said he spoke to Mr. Sorger a couple times but that no action was taken. Director Lindquist said, in order to discuss this issue, someone from the public or from the Board would need to gather information and bring the topic to the Board for discussion. Director Simpson said he would contact Mr. Sorger to see if he could determine what information he is looking for.

B. The Status of Action Items remaining as of the September 11, 2020 meeting was presented to the Board for consideration and possible action:

- Item 1: Development of New Limnology Report: See discussion under Operations Report. Mr. Schultz would update the title, status, and due date of the item for the November meeting.
- Item 2: AMR Data Collection and Analysis – Ongoing.
- Item 3: Policies & Procedures Review – Mr. Schultz said he would contact Director's Simpson and McCormick to schedule a meeting.
- Item 4: Ownership of the Dam – Director Lindquist asked that the title of the item be changed to "Continued Research about ownership and Options" Director Simpson asked about the status of Mr. Mitchell's follow-up to the question regarding

ownership of the water. Mr. Mitchell said he would follow-up with his assistant Andres and would report back at the November Meeting.

- Item 5: Upcoming Meter Rates – Ongoing for future discussions.
- Item 6: Clarifying language regarding Dock/Piers – More discussions would be held at the November meeting. Director Simpson asked if there could be an agenda item at the November meeting to discuss the structure of the committee. Director Lindquist asked Director Simpson to email him a proposed title of the discussion.

Director Simpson also asked if an item to discuss the smart meter data release policy could also be added to the November agenda. Mr. Mitchell was asked to research other districts for possible examples of policies and procedures for releasing customer water use data information. Mr. Mitchell said there were specific exemptions in the records act for certain kinds of data and that there was some limited case law as well. Director Simpson said he was looking for ways to give customers information the District collected on their own water use — that is, individual customers asking about their own use.

It was noted at 7:30 pm that Director Stockton dropped off the meeting. It was further noted that Director Stockton rejoined the meeting at 7:35 pm.

X. Adjournment A motion was made by Director Simpson and seconded by Director Lindquist to adjourn the meeting. The motion passed by a unanimous rollcall vote: Directors Lindquist, McCormick, Heald, Simpson and Stockton.

The minutes were approved at the Regular Meeting held on November 13, 2020, as part of the Consent Items Calendar. A motion was made by Director _____ and seconded by Director _____ to approve the Consent Items Calendar. The motion passed by a unanimous rollcall vote: Directors _____.