

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

Date: Thursday, October 12, 2023 / **Time:** 5:30 p.m. / **Place:** 7305 Short Road, Serene Lakes, CA

The meeting was held in person at the District Office and teleconferenced to allow public participation.

I. Open Meeting:

Roll Call:

Directors in attendance at the Sierra Lakes County Water District Boardroom:

Director Dan Stockton
Director Karen Heald
Director Jon Harvey

Directors David Keatley and Jennifer Jackson attended by Zoom

Staff in attendance at the Sierra Lakes County Water District Boardroom:

Shauna Lorance, General Manager
Patrick Baird, Utility Operations Manager
Anna Nickerson, Financial Consultant

Staff in attendance by Zoom:

Jeffrey Mitchell, District Counsel

Guests in attendance at the Sierra Lakes County Water District Boardroom:

Matthew Leffers
Dick Simpson

Guests in attendance by Zoom:

Chase
Roger Drosd

Minutes 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 comments.

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

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

Heald, Jackson; Director Keatley had not joined the meeting yet. Noes; None; Abstentions: None; Absent: None.

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. Ms. Nickerson said she received comments from Mr. Simpson regarding the minutes; those who attended in person were reversed with those who attended by Zoom and he referenced an interrogator but the minutes reflected “an alternative method” for reading meters. The noted changes would be addressed in the motion to approve the Consent Items Calendar.

VI. Operations:

A. Shauna Lorange, General Manager, presented her report to the Board for consideration and possible action. She reported the following:

- The surveying of the dam, from Serene Rd to the dam, was being done by Dowl Engineering. The survey was needed before the District could acquire the parcels from Truckee Donner Land Trust. She said there would be two parcels because the Land Trust only owned the area south of Serene Rd. down to the water level, Mr. Au owned the land to the middle of the water. She also said she has a question about survey marks far from the dam. She said the pink flags were placed by Dowl Engineering and were required to triangulate the surveying from different monuments. Director Harvey asked if the District was to acquire just the portion of land owned by the Land Trust would the line be at the dam. Ms. Lorange said the portion of land to be acquired would include the full dam and 20–30 feet on both sides of the dam and half the channel.
- The well prefilters for the arsenic filtration system were received and staff was working through how they would work.
- Mr. Levers’ letter, regarding a serious otter attack was included with the General Manager’s report. She said her recommendation was to refer the issue to Fish & Wild Life because the District does not manage bears or any other wild life.

Mr. Leffers asked to address the Board:

Mr. Leffers said he was staying at his wife’s family cabin at 4400 Hemlock Dr. and on September 3, 2023, went for a swim across the lake and back. While swimming back towards the cabin, about 120 feet from the cabin, he encountered two otters who very aggressively attacked him. He said he received dozens of bites and his arm was ripped open, resulting in stitches, rabies shot and antibiotic treatments. It wasn’t until his wife came out on a paddleboard that he was able to get to shore. He also said another lady was aggressively attacked but her identity was anonymous.

Mr. Leffers said he contacted the department of Fish & Wild Life and was passed up the chain of command and back down to the beginning without receiving support or a resolution. He was seeking the District’s help in hopes that the District could break through the barrier and get help. He said he was told the otters couldn’t be caught because there was too much food in the lake.

Director Heald asked what Fish & Wild Life told him other than there was too much food and that the otter would eventually go back to the river and what was the outcome he would want. Mr. Leffers said he had heard nothing and that he suggested that the otters be caught and given to a zoo. He also said he read that there had only been 89 documented otter attacks in the world since 1885 making two otter attack in one lake in one season weird.

Mr. Drosd said he sent a letter to the department of Fish & Wild Life and received no response. He said a follow-up email and still received no response. He said he was losing faith in Fish and Wild Life and hoped the District could help put pressure on Fish & Wild Life to respond. He also said the fact that two attacks in one lake in one season was extremely rare you would think Fish & Wild Life would be interested in investigating. Mr. Drosd said there had not been any sightings of the otters in the last couple of days so they may have moved on for the season but wasn't sure.

Mr. Simpson said just before coming to the meeting, his wife had spotted the otters climbing up onto the island in Lake Serena.

Director Keatley said he agreed with the comments being made and that a letter or call to Fish & Wild Life might help get a response.

Director Jackson said she agreed that the District could call or send a letter. She said there were previous discussions with UNR about maintaining fish stocking levels to provide consistency in the data collection for the Water Quality Study. She also said the great fish supply was part of the otter problem and the nutrient problem in the lake. Director Jackson said there should be a discussion with UNR before discontinuing fish stocking. Mr. Drosd said he believed the SLPOA Board decided not to stock the lake next year. He also said the otters first showed up after the lake was stocked and SLPOA had stocked it again. The amount was doubled and then reduced back down and inadvertently restock this last year at the higher level. His point was that the otters showed up before the increase in stocking level. Mr. Drosd said he thought not stocking might be a good idea but it might not have any effect with the crayfish and other fish in the lake that reproduce.

Mr. Mitchell, District Counsel, said, in response to Director Stockton's question, that writing a letter to share a voice that the District understood that the issue was raised with Fish & Wild Life and they were looking forward to a resolution. He said he would prefer not to discuss, in Open Session, what the District should or shouldn't do or the potential liability of the District if it did or didn't do something. He would talk with Ms. Lorance and, if appropriate, would schedule a Closed Session.

Director Harvey said he agreed with either sending a letter or having a phone call to Fish & Wild Life. He said he thought it would be beneficial if Fish & Wild Life got an expert involved. He also said there was a lot of speculation about what attracted the otters, how many there were and what their behavior would be if a young otter was involved. He said the District had a venue and could facilitate getting a Fish & Wild Life biologist to come to a meeting for an information session. Director Keatley agreed that having a biologist come speak and also to encourage Fish & Wild Life to move towards action.

Mr. Mitchell said his preference would not be to request Fish & Wild Life to make a presentation to the Board; a presentation to the community could be made since the District had the venue. However, he did support a request that they come and investigate the issues that had been raised. He did not want the request for Fish & Wild Life to come and advise the District about what it should do. Director Jackson said the letter/call could be to “please come and tell us what you are going to do”.

Ms. Lorance said her understanding was that there was a unanimous agreement that a letter would be sent to Fish & Wild Life stating that the District was looking forward to a resolution to the issue. The letter would also address the possibility of someone from Fish & Wild Life coming to the District to explain what was being done. Director Harvey suggested that SLPOA host the meeting, facilitated by the District. Ms. Lorance said she would work with Mr. Mitchell on a letter and, if Fish & Wild Life agreed to come, she would coordinate the meeting with SLPOA. Mr. Leffers said he would send the District all the names of people he had spoken with at Fish & Wild Life.

Ms. Lorance continued her General Manager’s report:

- Truckee Donner Land Trust requested a letter of support from the District in support of their application for a grant for thinning of the forest for fire protection at Royal Gorge. There were no objections to writing the letter.
- Staff met with members of Truckee Fire Department, the Fire Prevention group, SLPOA and many other agencies regarding egress. They discussed various possible grants to support significant fire thinning and fire prevention on Soda Springs Road for the egress to allow people time to get out of the District in the event of a fire.
- Mr. Mitchell provided an overview of the Governor’s recently signed AB557 that revised teleconference/Zoom requirements in the event of a declared state of emergency. He said during the pandemic, AB361 required that the Board take action every 30 days to extend the use of teleconferencing and, depending on when Boards met, the next meeting could fall outside of the 30-day period. He said AB577 added an additional just cause exception to care for an immunocompromised family member. He also said there were more changes that he still needed to review but that the biggest change was that there would be a little more time between having to take action to extend the use of teleconferencing during a declared state of emergency.

B. Patrick Baird, Utility Operations Manager, presented his report to the Board for consideration and possible action. He reported the following:

- DSPUD’s wastewater treatment plant had no operating violations.
- SLCWD had no violations for drinking water.
- Graphs showing the Two-Year Average was added to his monthly reports.
- Drinking water use was down almost 50% from the five-year average.
- Sewer flows through the wastewater treatment plant were down to 22% after the completion of recent projects
- Water temperature of the lake was dropping.

Director Jackson said she noticed that the sewer flows were about 70% of the water showing that 30% of the water was lost. Mr. Baird said there was about a 30% water lost in the system. He also said, if the weather held up, a leak detection company would be coming up to preform 2,100 linear feet of leak detection on the District's system at no cost to the District. His hope was that it would detect some of the bigger leaks.

VII. Consent Items Calendar: The Consent Items Calendar was presented to the Board for action. The Consent Items Calendar included the minutes from the September 14, 2023 Regular Meeting; September 2023 Check Register; financial reports for the month ending September 30, 2023; and Disbursements for Board Approval:

A motion was made by Director Heald and seconded by Director Harvey to approve the Consent Items Calendar including Mr. Simpson's comments. The motion passed by a unanimous rollcall vote: Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley. Noes; None; Abstentions: None; Absent: None.

VIII. Old Business:

A. Ms. Lorance's Staff Report regarding Board Policies Regarding Conversion to Meter Rates was presented to the Board for consideration and possible action. She said the first round of decisions was scheduled for the November meeting but any decision could be changed if needed.

Ms. Lorance said the billing period would be one of the biggest decisions. She said to help with that decision, she had provided the Board with a very rough sample of what some rates might look like and how changes to the percentages between volumetric and fixed would impact rates. Director Heald asked about Ms. Lorance's concern about having quarterly billings because of the threshold of someone wanting to know if they had a leak sooner rather than later. She asked "wouldn't we be notifying them anyway?" Ms. Lorance said it would depend on how well the software worked, how much time staff had to look at the information and how big the leak was. Director Harvey said he didn't think it was the District's responsibility to detect someone's leak; the District would provide the tools but customers needed to check their EyeOnWater. Ms. Lorance agreed that the District should not have liability for homeowner leaks. Director Jackson said customers only received usage updates every 24 hours. Mr. Baird said 90% of the water leak issues were due to stop n drain valves not being operated properly. He also said homeowners had the ability to set an alarm on their EyeOnWater to notify them in the event of a leak.

Director Heald asked Mrs. Nickerson if she thought it would take more time to bill quarterly compared to the current annual billing. Mrs. Nickerson said it would depend on the system. She said she currently had to generate each individual invoice, print, fold, and mail. She also said if she just had to upload the usage data and the system generated the invoices, then it might not require that much more time. Ms. Lorance said the issues would be meter misreads and taking the time to investigate customer complaints. The amount of time needed for billing would depend on the software.

Director Jackson said, looking at her EyeOnWater account, communication was only once a day. She said it could be a while before someone would be notified of a leak. She also said if customers could get information faster, it could reduce the number of customers asking for help

with their bills. Ms. Lorance said she hoped that improved cellular service would help. Director Jackson said she would like the setting changed to receive reads more often than every 24 hours otherwise people would have leaks for longer periods of time resulting in more people asking for help with their bills.

Director Harvey asked if a baseline rate could be set to include the fixed cost plus some allowance for volume? Ms. Lorance said yes but that she didn't know of a definitive amount of water use that could be used and that it had to appear to be a metered rate. She said the approach worked well with consistent residency but that wasn't the case for the District.

Mr. Baird said of the almost 700 meters installed, over 400 showed zero water use with 92% of the 700 showing reads in the last 24-hour period. He said that showed that more than half of the community had no water use. Director Heald said that was why the majority of the public have said "I'm not here so I shouldn't be paying for water".

Director Harvey asked to see what the bell curve was for usage. Ms. Lorance said she would have to look into getting that information.

Director Jackson said she normally would support more variable rates based on use but because the District was primarily residential, with very sporadic use, she would be concerned about the difficulty of budgeting. The District needed to have a good sense of revenue. Director Heald agreed. Ms. Lorance said, besides catching leaks, the community didn't use a lot of water.

Ms. Lorance said she would get the data and present the usage information in several ways before continuing the conversation. Director Harvey said he could help break down the data. Ms. Lorance said she would also continue researching cellular data improvement.

VI. New Business

A. Mr. Squires' request for a refund of the late fee assessed on the first quarterly payment was presented to the Board for consideration and possible action. Mr. Squires said his account was on autopay and didn't know that a payment was due. He since updated his payment method and processed the past due payment. The Board considered the request and made the following motion:

A motion was made by Director Stockton and seconded by Director Harvey to deny the request for refund. The motion passed by a unanimous rollcall vote: Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley. Noes; None; Abstentions: None; Absent: None.

B. Ms. Lorance submitted a Staff Report regarding a Study for Water Intertie with DSPUD. She said DSPUD was working on a plan for water management because the State wanted them to get a second water supply for emergency situations. The plan required a study and that there was a possibility for a grant to pay for a contingency plan to address the loss of significant impact to their well water source. She said one of the secondary supply options identified was a water system intertie between Sierra Lakes and Donner Summit. There would be no cost to the District. The recommendation was to consider a feasibility study conceptual plan to see what may come out of that and provide flexibility related to drought. It was not an agreement

to hookup the two systems. Director Jackson said it would be good to add something to determine the benefits to both Districts; there should be a mutualism.

A motion was made by Director Keatley and seconded by Director Heald to support DSPUD's study. The motion passed by a unanimous rollcall vote: Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley. Noes; None; Abstentions: None; Absent: None.

Prior to the vote, Director Heald said she was always worried about information that would point to having to do something. However, she wanted to support DSPUD in finding an alternative drinking water source. She said she agreed with supporting them in their study but agreed with Director Jackson that the study should include benefits to Sierra Lakes as well.

VII. Administration

A. The Follow-Up/Action Items list from the September 2023 Board Meeting consisted of a request that Ms. Lorance provide a copy of Placer County's email regarding the chemicals used to treat algae to the Board. Ms. Lorance reported that the email was forwarded to all Board members.

B. The Board was polled to determine availability to meet in person at the November 9, 2023, Regular Meeting:

All Board members committed to attending the November 9, 2023 meeting in person

VIII. Adjournment

A motion was made by Director Stockton and seconded by Harvey to adjourn the meeting. The motion passed by a unanimous rollcall vote: Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley. Noes; None; Abstentions: None; Absent: Director Harvey.

The minutes were approved at the Regular Meeting held on November 9, 2023, as part of the Consent Items Calendar. A motion was made by Director Jackson and seconded by Director Keatley to approve the Consent Items Calendar as presented. The motion passed by a rollcall vote: Ayes: Directors Heald, Jackson and Keatley; Absent: Directors Stockton and Harvey.