

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

Date: Friday January 12, 2018 / **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 Karen Heald
Director Richard Simpson
Director Bill Oudegeest

Staff members present: Bill Quesnel, General Manager
Anna Nickerson, Financial Consultant

Staff member present by phone: Jeff Mitchell, District Counsel

Guests present were: Jeff Krebill, Serene Lakes resident

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 public comments.

III. Approve Agenda:

The agenda was presented to the Board for approval.

A motion was made by Director Oudegeest and seconded by Director Heald to approve the agenda. 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. There were no public comments received after the agenda was posted.

V. Operations: Mr. Quesnel's operations report was presented to the Board for consideration and possible action. Mr. Quesnel said, following the December discussion about tracking water usage by different types of occupancy (full time, part time, vacation rentals etc.), Director Simpson had done some research to determine which houses in Serene Lakes were advertised as vacation rentals on various websites. Director Simpson found 120 vacation rentals of which 14 currently had water meters. Director Simpson said the information showed that about 15% of the homes in Serene Lakes were available as vacation rentals and that 14 meters out of 110 was about the expected number (just under 15%). Director Lindquist suggested that a measure of staff's time spent on water meter follow-up be collected. He felt knowing how much time staff spend on

installing, maintaining and following up on leaks and other issues that can be traced to the new automatic reporting system would be good to know when setting thresholds for customer interactions. If there are a lot of minor problems that require a lot of time, perhaps staff time should be directed away from those in favor of the high priority issues. This will become more important as we move toward automated metering of all properties.

Mr. Quesnel reported that recent jar testing resulted in some conclusions and follow up items but overall the testing was productive. One surprise was the sensitivity of flocculation to pH.

Director Heald asked about the requirement for annual backflow testing. Mr. Quesnel explained that both State Law and the District's current ordinances require all backflow devices to be tested on an annual basis. He also said testing of backflow devices was one of the discussion points during the State's recent inspection. Nineteen letters were sent to customers with backflow devices, giving homeowners 90 days to complete the test and submit a report. So far, five tests had been completed. Director Lindquist asked if there was a list of approved backflow testers. Mr. Quesnel said the District doesn't have a list but if someone asks, the customer is given the names of people who have submitted reports to the District in the past.

Director Heald returned the discussion to jar testing. She said it was clear that flocculation was increasing by adding soda ash to the water to increase in the pH level. Mr. Quesnel said because pH decreases in the winter the operators add soda ash to raise it back up, aiming for a pH of 7.3. He also said the jar testing showed how sensitive pH was to flocculation and that a pH level between 7.3 and 7.4 was needed to obtain good flocculation. He then said staff will move the mixing closer to the plant, before the water reaches the clarifier, instead of mixing after going through the clarifier. Mr. Quesnel said the biggest challenge now was how to modify the mixer to work without making too many bubbles. Mr. Krebill added that staff are finding a difference in the oxygen level in the water at the different intake levels and that extending the intake pipe might not be the answer. Mr. Quesnel said currently 50' seemed to be the "sweet spot" and that they were concerned that at 100' the oxygen level would be too low, causing other issues. Testing would continue through 2018 to make sure nothing in the summer negated what seemed to be all the benefits of the winter. Director Heald asked about having a dual intake system if there was a problem in the summer. Mr. Quesnel said a dual intake would be challenging to construct but it had been discussed.

VI. Consent Items Calendar:

The Consent Items Calendar was presented to the Board for action. The Consent Items Calendar included the minutes from the December 8, 2017, Regular Meeting; the December 2017 Check Register; Disbursements for Board Approval; and December 2017 Financial Reports. Director Heald asked about the bonus that was voted on at the December meeting. Director Lindquist said it was a one-time bonus, not an annual bonus. She also asked about why they changed the word "neutral" to "neuter" in section 2.13 of the code. Mr. Quesnel said it was determined that the proper terminology was "neuter". However, the language had since been modified so the terminology was changed back to "neutral".

A motion was made by Director Stockton and seconded by Director Simpson to approve the Consent Items. The motion passed by a vote of 4-0-1; Director Heald abstained.

VII. New Business:

A. The topic of “Selection of Electricity Provider” was presented by Director Lindquist for consideration and possible action. Director Lindquist said a letter had been sent to all PG&E customers in Placer County regarding a Community Choice Aggregation Entity, Pioneer Energy Company (PEC), which was formed to provide energy to PG&E. He said everything was finalized in December and that starting in February 2018, PEC would be the new energy provider for Placer County PG&E customers unless a customer opted to stay with PG&E. Director Lindquist wanted to give the Board the opportunity to make a conscious decision either to transition to PEC or stay with PG&E. Customers that transition to PEC would have the option of returning to PG&E later. However, PG&E requested that returning customers stay with PG&E for at least a year. The Board agreed to go along with the transition but to keep an eye on the rates.

VIII. Old Business:

A. Mr. Quesnel’s memorandum titled “Heating Oil Tank Financial Assistance Program Reimbursement Request”, dated January 4, 2018, was presented to the Board for consideration and possible action. Mr. Quesnel updated the Board on the four fuel tank upgrades/removals in progress. Two underground tanks on Donner Drive and Serene Road have been removed. There was some soil contamination at Donner due to spillage during fuel deliveries; but the contaminated soil has been removed and both owners were currently going through Placer County’s closeout process. He said he didn’t have any information on the new owners on Donner Drive with the above ground tank; they hadn’t responded to his emails. Finally, Mr. Quesnel recommended that the Board approve a payment of \$701.15 as partial reimbursement of the cost to upgrade the above ground tank located at 9495 Hemlock Drive. Payment would be held until lien releases from the homeowner’s contractors were received.

A motion was made by Director Oudegeest and seconded by Director Heald to approve the payment as proposed by Mr. Quesnel subject to receiving the appropriate lien releases. The motion passed by a unanimous vote.

B. Mr. Quesnel’s memorandum titled “District Ordinance Update”, dated January 3, 2018, was presented to the Board for consideration and possible action. Mr. Mitchell said he reviewed the document and, with one change to Government Code Section 11, subsections (c) and (d) should be Subsections under (b), everything looked in order. Mr. Quesnel said the Board decided to change “customer” to “owner” throughout the document. However, “owner” was changed back to “customer” in section 5.03 to be consistent with California rules regarding tenants. Mr. Mitchell clarified that when the owner fails to pay, California Law says the tenant has to be given the opportunity to become the customer and pay the bill.

Mr. Quesnel said, provided the Board accepts the Code as presented or with minor changes, the next step would be to post a summary in *Sierra Sun*, at least five days before the February meeting, to announce the Public Hearing to adopt the new District Code. He said the Board would still have an opportunity to make minor revisions at the February meeting.

The following items were discussed:

- Page 57 – Business Hours – Director Heald wanted to make sure there was no confusion between the District’s business hours and normal business hours. Mr. Quesnel said, although Mrs. Nickerson’s hours vary, the Utility staff’s hours were 7:00 am to 4:30 pm five days a week and that those hours would be considered the District’s business hours.
- Page 61 – Multiple Homes – Director Heald asked if “in-law” units would be considered a secondary residence. Mr. Quesnel said if the structure had a separate kitchen, it would be considered a separate residence, even if it’s connected to the main structure. He also said, due to the housing shortage, that California is working towards allowing a second, small home on a single family parcel. However, the second structure would require separate plumbing and a separate connection to the system.
- Page 78 – 22.13 Director Heald asked if the “recordable agreement” was available. Mr. Quesnel said the agreement was available and that the District currently had one in effect.
- Page 80 – “cause” would be changed to “cause to be perform”
- Page 86 – Director Heald asked if the issue with SLPOA’s use of District property had been resolved. Director Simpson said it came down to the fact that the District had an agreement with SLPOA and that if the District needed to impose new requirements, the contract would have to be renegotiated. Also, the word “property” in front of “owner” would be removed.
- Page 91 – “or Security Officer” was added to section G. Mr. Quesnel said it had to do with Section 31.02 that said “The Use of the Division shall be at the sole discretion of the Manager or such individual as the Manager may designate to be the Security Officer...”

Mr. Mitchell noted that an ordinance for the new legislation was needed but suggested that it be done separately, later in the year. The Board agreed.

A summary will be posted in *Sierra Sun* and on the District bulletin boards notifying the public of the Public Hearing to adopt the Code. Information had already been put in the SLPOA newsletter and a copy of the Code would be posted on the website. After adoption of the Code, another summary would be posted in *Sierra Sun* listing how the Director’s voted.

C. Director Oudegeest said the reason he wanted to discuss the District’s website was that there had been a lot of changes to technology and the District’s website didn’t transition well to new platforms like tablets or smart phones. He said the original website utilized Adobe software but, after a couple years, Adobe decided not support the software anymore. He then redid the website and even though he had copied the information over from the old website, there were issues with some of the links. He said now technology had changed again and there were programs like WordPress, which were basically template pages, making the setup and management of websites even easier. Director Oudegeest said the biggest change was that people no longer accessed websites by computer; many use phones or tablets instead. Currently when the District’s website is accessed on a tablet or phone, the text is no longer readable, unless it’s greatly enlarged. Director Oudegeest said he had no desire to redo the website again and asked that the Board consider what they wanted to do to improve the website so it could be accessed on any device. Mr. Quesnel said

he and Mrs. Nickerson would look into website alternatives to be discussed during the budget process.

Director Stockton thanked Director Oudegeest for all his work in designing and maintaining the District's website over the years.

IX. Administration:

A. All Follow-up Items from the December 8, 2017, board meeting were complete.

B. The Status of Action Items remaining as of the January 2018 Board meeting was presented to the Board. Mr. Quesnel said he would be meeting with a video person regarding the stop&drain valve demonstration the following week and he was working on the winter newsletter. He hoped to have finalized version of the newsletter ready for review at the February meeting.

X. Adjournment

A motion was made by Director Oudegeest and seconded by Director Heald to adjourn the meeting. The motion passed by a unanimous vote.

The minutes were approved at the Regular Meeting held on February 9, 2018, 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 _____ vote.