

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

Date: Friday September 9, 2016 / **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 Karen Heald
Director Michael Lindquist
Director Wade Freedle
Director Bill Oudegeest

Director Dan Stockton was absent

Staff members present: Bill Quesnel, General Manager

Guests present were: See attached Guest List

Minute Recorder: Bill Quesnel, General Manager

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 Freedle and seconded by Director Lindquist to approve the agenda as presented. 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 Report:

A. Mr. Quesnel's Operations Report was presented to the Board for consideration and possible action. Mr. Quesnel reported that the Facilities Committee Meeting would be held on September 14, 2016. The meeting had been postponed one week due to a death in the family of Mr. Sherwood. The Committee would be reviewing comments received from Jim Curtis and Jeff Evers, District Counsel for the Districts. Mr. Quesnel anticipated that the revised agreement would be on the October agenda for the Board's review. He also reported that Cal Fire would begin work on Monday September 12, 2016 and would be working through the week, unless they get called off for a fire.

The Board then discussed issues with the Pier d'Norts that had been approved and installed around the lake. The Board considered whether or not homeowners should have to paint, or somehow make more earth tone, the shiny portions of the piers that were above the water level, in order to comply with Appendix A of the Lake Management Ordinance. Staff's recommendation was to send a reminder to homeowners that their piers needed to comply with the lake management ordinance before reinstalling the piers in the spring. Director Lindquist asked why staff recommended that the parts of the piers that were at or below the deck level remain unpainted in order to protect water quality. Mr. Quesnel explained that in the spring the water level would be higher and portions of the legs and support beams may or may not be underwater. He was concerned that the paint prep might not be adequate enough to prevent paint from peeling off into the water. He initially thought the uprights would be removed when installed, but since they weren't, he felt the uprights were the most obvious and should be modified to comply with the ordinance. Director Lindquist asked if they could also subdue the horizontal members because to him they were as obvious as the uprights.

Mr. McCormick said he felt the uprights were the most obvious. He also said he would be willing to look at available treatments for the aluminum docks. He then said he didn't think the aluminum docks were that useful, especially when the water level was down, because the piers were sometimes 3' above the water. He thought floating docks were more useful because they were down on the water.

Director Heald asked what the District's requirements were. Mr. Quesnel said residents were given the option of installing a floating dock or a pier but that the construction of the pier could not have a permanent foundation. The ordinance also said that fix piers, with foundations, had to be removed by 2019.

Mr. Quesnel said he would look into what could be done to subdue the shininess of the aluminum docks and draft some language for the Board to review at the October meeting.

Mr. Quesnel then spoke about an issue at Access Point 2. He said the overnight boat storage was not permitted at the access point but it had been reported that, on busy weekends, boats continued to be stored even after additional signs had been posted. A homeowner sent pictures documenting the boats stored there over the Labor Day weekend. Mr. Quesnel also said SLPOA was not monitoring the access point because overnight boat storage was not allowed there. He asked if the Board wanted to have staff police the area on weekends, incurring an overtime expense, ask SLPOA if they would police the area or propose some other option. Mr. Quesnel said it was the only area he knew of that visitors were not abiding by the access rules.

It was agreed that Mr. Quesnel would contact the President of SLPOA to see if they would be willing to police the area on big weekends, Serene Lakes Days, Memorial Day, 4th of July and Labor Day, and report back to the Board. Director Oudegeest said the new President of SLPOA was Walter Dahl.

Director Heald asked if there were promises made by others in regard to the flooding; the District had agreed to clear what was on District property. Mr. Quesnel said the County talked about changing the way they blew snow and private companies were to blow snow to areas that would not cause freezing. He said Mr. Lamson had suggested that the County go out after every snow and snow removal event to maintain the areas where the water went off the road rather than

letting the area freeze. Mr. Saylor had suggested that the reason the area flooded was because the lake level was too high and the water had nowhere to go. Mr. Quesnel said if they lowered the lake level and there was a big snow event, the intake pipe could freeze restricting access to the lake water for distribution.

Director Lindquist said he was concerned about the drainage issue. He said there were a lot of opinions about why certain things occurred and what the solutions were. He didn't want the District to assume a liability for something it was not responsible for, especially without going through a public process. Mr. Quesnel said the District agreed to maintain its drainage ways but other than that, it was not a District issue.

Director Oudegeest said the only ditch the District was responsible for was the one next to where the Lieberman's used to live. He said it turned out that property owners were supposed to maintain the ditches unless it was dedicated with the roads and then it was the County's responsibility. Mr. Quesnel said he had spent a lot of time trying to find the property lines in the area of where the Lieberman's used to live. He found that there had been a boundary line adjustment and that it was not exactly clear where the property line was. He said it appeared to go down the center of the ditch. For that reason, Cal Fire was instructed to clear debris up to the bank of the north side but not to go beyond the bank. He also said he extended the Lake Drive right-of-way line and that clearing work would stop just short of the walking path.

Finally, Mr. Quesnel reported that staff was working on wrapping things up before winter and that they were getting a lot accomplished.

VI. Consent Items Calendar:

The Consent Items Calendar was presented to the Board for action. The Consent Items Calendar included the minutes from the August meeting, the August Check Register, Disbursements for Board Approval, and the August 31, 2016 Financial Reports. Mr. Simpson asked about the "Guest List" noted on the minutes. Director Oudegeest noted that on page 15 paragraph 1, line 7, following the letter for Johnathan Cristy, the word "effected" was used and it should be "affected".

A motion was then made by Director Freedle and seconded by Director Lindquist to approve the Consent Items with the noted correction to the minutes. The motion passed by a unanimous vote.

VII. Old Business:

A. A revised Memorandum of Understanding (MOU) between Sierra Lakes County Water District and Robert W. Johnson Accountancy Corporation was presented to the Board for preliminary review by Director Heald. Director Heald said she revised the MOU so the language would be consistent; account and administrative vs. using different terms. However, the document presented would be tabled until November until new District Counsel was obtained because in addition to the MOU a new contract with contract language was needed. Director Freedle said Mr. Johnson agreed that the contract would include an hourly rate, a term of three years and a "total not to exceed". However, because Mr. Johnson had been traveling extensively over the past month,

they were only able to exchange emails. He anticipated that there would be a full package to review at the October meeting.

B. Mr. Quesnel's memorandum titled "Fuel Tank Risk Reduction", dated August 29, 2016, was presented to the Board for consideration and possible action. Mr. Quesnel said he received an email from a homeowner who had a buried tank and that he had taken it upon himself to spend the \$500 to have the tank pressure tested. Director Oudegeest asked if the pressure test meant that the tank would not leak in the next five or ten years. Mr. Quesnel said it only meant that the tank was not currently leaking; it would not guarantee that that tank might not leak next year. He said there were ways to do "real time monitoring" of fuel levels, but it was tricky when the fuel was in use. He said "real time monitoring" could be accomplished by installing a probe that was very sensitive to fuel level changes. The probe would detect very minor changes in fuel level when the fuel was not in use. He also said it was his experience that most of the leaks occurred in the piping. He said, in his mind, integrity or pressure testing, real-time-monitoring for leaks and testing or replacement of the piping with a double-walled piping were the three requirements that would need to be met for a homeowner to be able to keep a underground fuel tank.

Mr. Quesnel said the clean-up on Bales was scheduled to begin within the next week but there was a possibility it could get postponed a week due to contractor and equipment availability. He also said the engineer working for the property owners was required to send a close out letter to the Central Valley Board by the first or second week of October so the project could not be postpone much further than a week. The contractor would be excavating the area around the foundation and removing the foundation. The opinion was that the footing worked as a cut-off wall keeping the fuel from reaching the shoreline. At the current time, there was little concern that a whole plume of oil, two or three feet below the surface, reached the strip. The contractor would continue to remove soil until the smell of fuel was gone and soil testing would be conducted around the perimeter of the excavation site. If testing detected contaminated soil along the strip, further excavation would have to be discussed. It was not known how far out the contamination went. An estimated 750 yards of soil would be removed.

Director Lindquist asked if the cost to the homeowner and any other entities could be determined. He thought that it was an important piece of information for the community. If this incident turned into a million dollar clean-up, that's what a homeowner would be liable for. He also asked if there could be a synopsis, in simple language, of all the steps that had occurred since the leak was discovered; all the work that had been done along with the cost. He thought it would be good information to provide to homeowners with underground fuel tanks.

Mr. Quesnel said the legislative proposal, regarding fuel tanks, was changed from "support" to "sponsorship" and submitted to ACWA. He also said he believed all legislative proposals would be considered at ACWA's meeting scheduled for mid-October and that he would attend the meeting. He also said the issued with discussed during attorney interviews and the attorney's thought proposing legislation was the right way to go, but they didn't think ACWA would sponsor the legislation proposal.

C. Mr. Quesnel's memorandum titled "District Counsel Solicitation Recommendation" dated September 2, 2016, was presented to the Board for consideration and possible action. The recommendation was for that the Board to authorize the Committee to negotiate a contract with Kronick Moskovitz Tiedemann & Girard (KMTG). The firm had a lot of small district experience,

their rates were competitive and travel time to board meetings would be charged at a reduced rate. Director Lindquist said it was a unanimous decision by the committee.

A motion was made by Director Oudegeest and seconded by Director Freedle to hire Kronick Moskovitz Tiedemann & Girard. The motion passed by a unanimous vote.

Director Heald said the District currently did not have an attorney because Christian Curtis took another job and Jim Curtis had been gone for several months. The Committee said it would review the Professional Service Agreement provided by KMTG and have it reviewed by Thomas Archer's office; the Committee wanted to get a professional opinion on the proposed agreement before proceeding.

X. Administration:

A. The list of Follow-up Items from the August 2016 meeting were presented to the Board for consideration and possible action. The first item was discussed earlier in the meeting. Mr. McCormick reported that he had spoken to several members of the SLPOA Board and had received positive responses to changing the signs to "private homeowner's beach". He also said it would be put on SLOPA's October Agenda and he would report back. He also said SLPOA had not been contacted by Ms. Grimmer.

B. The Status of Action Items remaining as of the September 2016 Board meeting was presented to the Board for consideration and possible action. No changes were made. Mr. Quesnel said 10 automatic meters had been installed and that they were all working and talking. The day after the software was implemented, a potential leak had already been detected by the system. The system was working as the company said it would. Staff would be moving the meters around the District monthly to continue testing the cell reception. He also said he was working on a letter to Placer County Water Association for reimbursement of the \$4,000.

Director Oudegeest asked why Closed Session was no longer on the agenda. Director Heald said she felt they needed counsel in place before considering the issue and making any decisions. Mr. Byers had been asked to come to the November meeting.

XII. Adjournment

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

The minutes were approved at the Regular Meeting held on October 14, 2016 as part of the Consent Items Calendar. A motion was made by Director Oudegeest and seconded by Director Lindquist to approve the Consent Items Calendar as presented. The motion passed by a unanimous vote.