

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

**Date:** Friday May 11, 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 Richard Simpson  
Director Bill Oudegeest

Directors absent from the meeting:

Director Karen Heald

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

Staff member present by phone: Jeff Mitchell, District Counsel

Guests present were:           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 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 Stockton 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. At the meeting, Mr. Quesnel provided some very preliminary screen shots of the website rebuild. He said although the pages looked like they were all the same, they were actually showing the information on the pull downs; Services, Governance and News. He said the pages were only provided to show the progress, no details were available. Mr. Quesnel also said he was told by Robert and Cesar, the graphic designers, that New Leaders would be able to meet the July 1, 2018 website setup date.

Mr. Quesnel then said, although not all the information will be uploaded to the website by July 1, 2018, the goal was to have the online payment option up and running. He said the online payment process was taking the most time because the website designers were trying to decide whether to go through US Bank or another provider. He said the advantage of going with another provider was that, with a little more coding, customers would be able to click on their property, login and see invoices and payment history. With US Bank, customers would only be able to login and make a payment.

Mr. Quesnel then referred to the website bullet point list in his Operations Report. Specifically he asked if the Directors wanted their contact information to include a slcwg.org email account or use a private email account. Director Lindquist said he preferred to have a slcwg.org email account. That way a board member would not have to sort through personal emails for public records requests. He also suggested that there be a button to email all board members at one time.

Director Simpson asked if a URL would be provided so Directors could explore the website before it went public. Mr. Quesnel said he expected the URL would be available by the June meeting. He also said he intended to bring a projector to the June meeting to give a website demonstration. Director Simpson said it would be nice if the Directors could access the website from home because he previously spent a couple hours going through the current website just trying to see how things were connected. He didn't want to spend that much time at a board meeting.

Mr. Quesnel said it was important that everyone have a chance to provide input. However, because the intent was to go live on July 1<sup>st</sup>, he expected the website would go live before everyone had a chance to provide their input. He also expected that there would be a running item on the agenda to address any required changes.

Director Lindquist requested that the staff information be kept to a minimum. Mr. Quesnel said he expected that the information would be the same information that was included in the recent newsletter. Director Lindquist said for him, the difference between the mailed newsletter and the website was that the mailed newsletter went only to customers where the website would be available to the public. Director Lindquist also said he agreed with putting the agenda and board packet on the website but preferred not to put the audio. He felt audio should only be provided in response to a public records request. Mr. Quesnel said posting the audio came up because other agencies videotaped and posted their meetings. Mrs. Nickerson said she currently uploads the recording into dropbox and provides a link to anyone that requests a copy of the recording. Director Lindquist said he was in favor of only making audio available upon request.

Another item discussed was SLPOA's boat storage. Mr. Quesnel said he would talk to George Lamson about providing a link to the information on SLPOA's website.

Mr. Quesnel reported that he sent letters to nine heating oil tank owners and that he had already heard from three or four of the nine. However, the letters had just gone out the previous Friday and he would give the remaining homeowners a little more time to respond.

Mr. Quesnel then referred to a comment on the last page of his report. The comment referred to pumps, efficiency and what the pumps were really doing. He said he and staff pulled pumps at the #1 and #2 pump stations and found that the impellers at the #1 pump station were in pretty poor shape. He was told by the supplier that utility companies, located in the foothills and

mountains, were reporting that equipment was not lasting as long as it used to, possibly due to the amount of rain, I&I and dirt in the system. Mr. Quesnel said he was getting a quote to replace the impellers.

#### **VI. Consent Items Calendar:**

The Consent Items Calendar was presented to the Board for action. The Consent Items Calendar included the minutes from the April 13, 2018, Regular Meeting; the April 2018 Check Register; Disbursements for Board Approval; and the April 2018 Financial Reports. Director Simpson said he wasn't sure from the minutes whether or not the Board decided to leave the funds in the bank accounts or invest the excess. He also said he thought there would be a discussion regarding the District's investment policy in June. Mr. Quesnel said he believed the Board's direction was to figure out the timing of construction projects and cash flow and, instead of changing rates, develop a Capital Reserve Fund. The Board still needed to decide where and how the funds would be invested.

**A motion was made by Director Oudegeest and seconded by Director Stockton to approve the Consent Items Calendar.** The motion passed by a unanimous vote.

#### **VII. New Business:**

A. Mrs. Nickerson's memorandum titled "Resolution 2018-841, Declaring an Election", dated May 4, 2018, was presented to the Board for consideration and possible action.

**A motion was made by Director Oudegeest and seconded by District Simpson to approve Resolution 2018-841.** The motion passed by a unanimous vote.

B. Mrs. Nickerson's memorandum titled "Resolutions 2018-842 & 2018-843 to place Special Assessments and Unpaid Services Fees on Placer County Tax Roll", dated May 4, 2018, was presented to the Board for consideration and possible action.

**A motion was made by Director Oudegeest and seconded by Director Simpson to pass Resolutions 2018-842 and 2018-843".** The motion passed by a unanimous vote.

C. Mrs. Nickerson's memorandum titled "Request for Waiver", dated May 3, 2018, was presented to the Board for consideration and possible action. Director Simpson said it appeared that there was some confusion about what to do when people buy property in Serene Lakes, especially when moving out of one place and into the other. However, he said it seemed that the District did what was needed to advise these people of what could be expected. Mrs. Nickerson said she had confirmed with escrow that the address on the grant deed was the legal mailing address provided by the buyer. Director Simpson said he empathized with what the customer was going through but didn't see much justification for a waiver.

**A motion was made by Director Simpson and seconded by Director Stockton to reject the request for waiver.** The motion passed by a unanimous vote.

#### **VIII. Old Business:**

A. Mr. Quesnel's memorandum titled "Draft 2018-2019 Budget", dated May 3, 2018, was presented to the Board for consideration and possible action. Mr. Quesnel said he took the projects that were presented at the April meeting, moved them around a little and added a couple. From there, Mrs. Nickerson prepared a cash flow projection. He also said he added some money to the budget for the replacement of the backhoe and a service truck. However, Mr. Quesnel did not include \$300,000 in the budget to replace the Gapvac because the truck had low miles and staff felt it was still in good shape. Director Lindquist said it was more likely that the Gapvac would have to be replaced due to emissions but thought it would be a good idea to start putting money away for a replacement to avoid a big hit in the future.

Director Simpson said it sounded like Donner Summit PUD's costs were going up a little but that the District's fraction of the cost was going down and that it validated the District's efforts to control sewage.

The Board then discussed investing options. Mr. Quesnel said he was told by the Administrative Directors of both Tahoe City PUD and the Town of Truckee that LAIF was safe, liquid and easy. He also said he was waiting for information from the Placer County Treasurer's Office regarding their rates of return and fees. Mr. Quesnel asked that the Board discuss the possibility of investing in LAIF and/or Placer County's Treasury Fund because both would require resolutions to invest. He also asked if the Board had any other investment strategies that had not been discussed.

Director Lindquist said he would like to see resolutions for both LAIF and Placer County at the June meeting to give the Board the option of investing in one or both.

Director Simpson asked if the big lateral replacement project was sewer, water or both. Mr. Quesnel said it was on the water side. He said staff had been pot holing over the years and found that service saddles installed on the west side of the District, Serene 1, 2, 3 and 5/6, were not installed with the proper corporation stops. Instead, nylon bushings were screwed into the service saddles with another fitting connecting the copper pipe to the nylon bushing. His guess was that the connections were used to resolve a corrosion problem. However, he did not feel there was a corrosion problem because as long as the copper pipe was all one piece, there would be no place for corrosion to occur. He did say staff was seeing cracks in the nylon bushing. Mr. Quesnel said the project would span three years because it would require about 300, 4 x 4 holes to be cut. Director Simpson asked if the mainline should also be replaced since all the laterals were being replaced. Mr. Quesnel said he didn't feel the mainline needed to be replaced because all the laterals on the west side were copper and that there had only been three or four leaks in Serene 5/6. He also said the leaks only occurred where underground lines crossed a PG&E primary feed.

Director Lindquist asked that the final budget include staff's recommendations for minimum account balances and investments in LAIF and/or Placer County Treasury.

## **IX. Administration:**

A. A list of Follow-up Items from the April 13, 2018, board meeting was presented to the Board for consideration and possible action. All items were complete.

B. The Status of Action Items remaining as of the May 2018 Board meeting was presented to the Board for consideration and possible action. Item 5, Website Update, would be revised to reflect 45% completion.

**X. Adjournment**

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

The minutes were approved at the Regular Meeting held on June 8, 2018, as part of the Consent Items Calendar. A motion was made by Director Oudegeest and seconded by Director Heald to approve the Consent Items Calendar. The motion passed by a unanimous vote.