

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

**Date:** Thursday December 8, 2022 / **Time:** 6:30 p.m. / **Place:** 7305 Short Road, Serene Lakes, CA

The meeting was teleconferenced as provided by Government Code Section 54953(e), which modified the Brown Act teleconference rules during “State-declared emergencies.”. In-person attendance by the public at the District Office was not be permitted.

**I. Open Meeting:**

Roll Call:

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

None

Directors in attendance by Zoom:

Director Dan Stockton  
Director Karen Heald  
Director Jon Harvey  
Director Jennifer Jackson  
Director David Keatley

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

Anna Nickerson, Financial Consultant

Staff in attendance by Zoom:

Paul Schultz P.E. Inc., General Manager  
Patrick Baird, Utility Operator  
Jeffrey Mitchell, District Counsel

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

None

Guests in attendance by Zoom:

Regine Behr  
George Carman  
Steven Shray

Minutes Recorder:

Anna Nickerson, Financial Consultant

**II. Decision to Meet Telephonically:**

The Board considered the continuation of conducting hybrid meetings; attendance in person or telephonically. Director Stockton proposed continuing with the current practice for the protection of everyone.

**A motion was made by Director Keatley and seconded by Director Jackson to continue to meet telephonically.** The motion passed by a unanimous rollcall vote: Ayes: Directors Stockton, Heald, Harvey, Jackson and Keatley.

**III. Public Forum:** An opportunity for members of the public to address the Board on items that were not on the agenda.

Director Harvey asked how the Board would go into Closed Session, after the presentation of the Recruiting Report, if needed. Mrs. Nickerson said she would make sure everyone was signed out of the Zoom meeting, except for the Directors, before going into Closed Session.

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

It was suggested that since Mr. Carmen was in attendance, item IX. A. Lease of property or other consideration for seasonal storage at 7607 Yuba Dr., be moved up the agenda following item VI. Oaths of Office and Election of Officers.

Director Harvey also suggested moving item IX. Old Business B. General Manager Recruitment to the end of the agenda to avoid having a closed session in the middle of the meeting. However, Mr. Mitchell said because there was no item on the agenda to discuss recruitment in closed session, the Board would have to determine the need to take immediate action. The Board would also have to show that the need for a closed session arose after the agenda was posted in order to add it item to the agenda. Mr. Mitchell said he didn't see a basis for adding a closed session to the agenda. Director Jackson said, if it was determined that a closed session was needed, a special meeting could be scheduled.

**A motion was made by Director Stockton and seconded by Director Keatley to approve the agenda moving item IX. New Business A up the agenda following item VI.** The motion passed by a unanimous rollcall vote: Ayes: Directors Stockton, Heald, Harvey, Jackson and Keatley.

**V. 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 none.

**VI. Oaths of Office and Election of Officers:**

A. Directors Stockton, Jackson and Keatley were instructed to sign and date their Oaths of Office and return the executed Oaths of Office to Mrs. Nickerson for processing. Mr. Mitchell said the actual reciting of the oath was not legally required.

B. Director Keatley said he was in favor leaving the current officers in their current

positions for the next cycle. The consensus of the Board was to continue with the current officers.

**A motion was made by Director Keatley and seconded by Director Jackson to continue with Director Stockton as President and Director Harvey as Vice President for the next term.** The motion passed by a unanimous rollcall vote: Ayes: Directors Stockton, Heald, Harvey, Jackson and Keatley.

**XI. Old Business A:** Lease of property or other consideration for seasonal snow storage at 7607 Yuba Drive, proposal presented by George Carman.

Mr. Carman said for years there had been a problem with the way Placer County deposited snow from the District's driveway onto his property. He said he didn't have a problem with storing snow on his property, he had a problem with the way they did it and the damage caused to his trees. He then provided a video of Placer County's high powered equipment blowing snow onto his property through the trees. He also shared photos of what the lot looked like when he purchased to property and how it looks now.

Mr. Carman said he wanted to put the use of his property in good order with the Board. He said he never agreed to or was asked to use his property for snow storage and that there was a claim of prescriptive easement that carried a need to maintain the property being used. He said he hoped an agreement could be reached for seasonal snow storage and for Placer County to deliver the snow onto his property without damaging the landscape. He asked that in return for the use of his property, the District would maintain the landscape, repairing and/or replacing broken trees and returning the property to its original condition, over a period of years. In return, he would allow continued snow storage on his property.

Director Jackson said she was curious as to when Placer County started leasing space from the District. Mr. Schultz said the County had been leasing space for more than 30 years. Director Jackson asked if Placer County had been removing snow from the driveway for the whole time of the lease. Mr. Schultz said yes as far as he knew. Director Jackson then asked Mr. Carman if there had been a shift in the way Placer County was removing snow from the driveway. Mr. Carman said he started talking to Placer County about their snow removal practices back in 2012 when he purchased the property. He said back then, Placer County wasn't using the high powered snow blowers that they were using now; they pushed the snow around and used low velocity snow throwers. He also said the damage didn't occur until they started using the high powered snow throwers. Mr. Carman said there was a difference between the County clearing roads and the District clearing their private property onto his property. He said the question was "what was the right thing to do as opposed to what are you legally intitled to do and what he can or can't do about it?" He then said he previously raised the issue with the Board in March 2021, when Placer County's lease was up for reapproval but the Board voted 3-2 to let the new lease go through anyway.

Director Jackson said her other question was "where could the snow go if it wasn't to go on Mr. Carman's property?" Mr. Schutlz said the County modified their operations last year, pushing snow towards the west, but there were only two significant snow storms last year so it wasn't a good test of the change. Mr. Carman said he wouldn't say the problem was resolved.

He said he didn't object to the storage of snow he objected to the way it was being deposited onto his property and the damage it was causing. He said snow was being blown so far that it was hitting the house. Director Jackson said everyone has experienced difficulties with snow removal, especially when there is not vacant lot nearby. She said she experienced snow hitting her windows by the snow removal crews but didn't think it was intentional, they often couldn't see where the snow was going. She asked if there was a way to work with Placer County not to put snow on Mr. Carman's property in a way as to not hit the trees. Mr. Baird said he had been talking with Placer County and all new operators had been instructed not to blow snow onto Mr. Carman's property and they were spending extra time pushing the snow to the front of the District's building next to the fire building and water tank.

Mr. Carman said he appreciated the efforts but wanted to have an agreement in place and not to have to rely on a prescriptive easement as the governing principal. He wanted something that could endure over the years.

Director Harvey asked if Mr. Carman was looking for an agreement for the District to maintain the landscaping of his property. Mr. Carman said he wanted an agreement that the District would restore the property, over time, to what it used to be like. He said he wanted an agreement, going forward, that the damage would stop and the District would take some steps to repair the damage that had been done. Director Keatley said he had concerns about the open-ended comment about controlling the snow removal that the District had no control over. He was also concerned about the future if the property was to change hands and used for a difference purpose. He would want the agreement to include a termination upon the sale of the property. Mr. Mitchell said it was not a good idea to negotiate the terms of an agreement in open session and suggested that the actual terms should be discussed in closed session.

Mr. Carman said he appreciated the Board's time and looked forward to hearing from them.

## **VII. Operations:**

- A. Paul Schultz P.E. Inc., General Manager, presented his report to the Board for consideration and possible action. He reported the following:
- Last month he reported that the State wanted to have a program for inter-ties between Districts. It was a suggestion to Sierra Lakes but was mandated to Donner Summit PUD. He said Sierra Lakes would piggy back onto their study as the most likely alternative water source. He did not anticipate having to provide and funds for the study.
  - Ice Lakes Dam and channel acquisition surveying was almost complete but would probably be delayed till spring due to snow.
  - The contract with Farr West for the Utility Financial Strategy and Master Plan update was executed. A kickoff meeting was anticipated in a couple weeks.
  - Mr. Baird was working with Alex Stodmeister and ADS Flow Monitoring to install wastewater flow meters.
  - Leak Detection Grant and its schedule were been moved into the Master Plan.

- Significant progress was made on the Contemporary Water Quality study. The student had some family issues and was not able to make a presentation as expected.
- He reminded the Board that the Sexual Harassment training with JPIA was coming up January 12, 2023. He would make sure everyone got the training information.

Director Heald asked if Sierra Lakes was going to have to share in the costs of Donner Summit PUD Drinking Water Compliance Requirement. Mr. Schultz said, as it stands now, Sierra Lakes would not have to contribute to the costs. It would be Donner Summit PUD's study to evaluate Sierra Lakes as an alternative water supply.

Director Heald said it appeared that UNR was proposing a significant decrease in data that would be provided. Mr. Schultz said the amount of data was being reduced because there would be too much information to develop the model as laterally as they originally envisioned. They were suggesting to modify the scope of work to extract different data. It would be a single model that would be used to capture information on the thermal transfer and the data collected on the extra probes. Director Heald asked if the changes were accepted or dictated and if there were conversations confirming that the changes would meet the District's needs. Mr. Schultz said he would be meeting with the professor to get clarification. Director Stockton confirmed that the report would be a snapshot and asked if the report would be useful. Mr. Schultz said the information would be very useful for developing best management practices of the lake and run off.

Director Jackson asked if Mr. Schultz knew when the Contemporary Water Quality Study presentation would be. Mr. Schultz said he was hoping for the January meeting. Director Jackson said she hope they would focus on the symmetry; she thought people would be interested to know the base line compared to what was collected. Mr. Schultz said the Bathometric survey would be very informative about the amount of sedimentation that the lake had acquired over the last 20 years. Director Jackson also asked if the presentation would address the fish issue and the possible stocking of the lake based on nutrient levels. Mr. Schultz said he believed Dr. Chandra said during the last presentation that he didn't recommend anymore fish in the lake. The addition of that concentrated amount of nutrients in a lake that already had a nutrient problem would not be a good idea. He said it might be good to get a preliminary finding in writing. He also said the final report wasn't due until April 2024.

Director Harvey said he wanted to clarify that they were proposing to change the way they were performing some of the analysis. Mr. Schultz said they were not asking for more money or more time. They were not asking for anything just informing the District of the changes.

Mr. Mitchell said he wanted to remind the Board that they were required to complete Ethics Training every two years. Mrs. Nickerson said she would check her list and forward information to those Directors who needed to complete Ethics Training.

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

- The month was busy, transitioning to winter.
- Donner Summit PUD's was making snow at the Soda Springs ski hill.
- The District had no sewer overflows in the month of November.
- The treatment plant was running well and all requirements were met. The last quarterly disinfection biproducts sample was taken.
- Water and sewer flows decreased quite a bit. Water usage was down about 15,000 gallons/day, possibly a record setting low.
- Sewer flows through the sewer plant were at 30%, right on target.
- Staff finished work on the arsenic filter system, the leaking check valve and fittings were replaced. He met with Dow to discuss solutions for well water quality issues. Samples would be taken in December to determine necessary chemical adjustments on the well water.
- The temperature of the water coming from the lake dropped three degrees. Staff was working hard to stay ahead of the temperature changes. He said dropping water temperatures affected their ability to keep up with demand and anticipated that the water temperature would be down to 1°C after the next storm.
- Staff was taking advantage of the low sewer usage and going through each station performing maintenance and testing backup power.
- Staff was replacing snow stakes around fire hydrants and the District.
- There were 564 meters installed and active; approximately 60% of the community had meters.
- The contractor was able to install 45 meter pits prior to the storm and meters were installed in all the new meter pits.
- There were six major water leaks in November. Mainly stop n drain and failing toilet valves. All the residents were grateful for the notification and fixed the leaks.
- There was one escrow inspection and one final inspection performed in November.

Director Jackson asked who Dow was? Was it a human that worked for Farr West. Mr. Schultz said Dow merged with Farr West in October and they were now going through a name change to Dow; Farr West will now be Dow. Director Harvey asked if any of the key people would be leaving. Mr. Schultz said Dow merged with Farr West because Dow was a broad based engineering firm that didn't have a strong water practice. Farr West would provide the missing water practice. There would be no changes to the contracts or fees.

Director Jackson said the report was that sewer flows were decreasing but the District's share remained at 30%. Mr. Schultz said both districts were trying to reduce flows.

**VIII. Consent Items Calendar:** The Consent Items Calendar was presented to the Board for action. The Consent Items Calendar included the minutes from the November 10, 2022, Regular Meeting; minutes from the November 22, 2022 Special Meeting; November 2022 Check Register; financial reports for the month ending November 30, 2022; and Disbursements for Board Approval. Director Harvey asked if staff would provide a highlight of important balances that the Board should be tracking. He said the information was overwhelming. Mr. Schultz said he paid the most attention to the Budget vs. Actuals report. He said Mrs. Nickerson notifies him when she had concerns. He also said she added information to the Capital Expenses Budget to

provide the Board with more information about the budget changes and the effects on cash. Mrs. Nickerson said she would add a cover memorandum to the Budget vs. Actuals report next month. Director Keatley said he would be happy to work with Mrs. Nickerson on a State of the Finances. Director Jackson said should would like verification of the cash flow, possibly providing a baseline to compare against.

**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 unanimous rollcall vote: Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley.

## **IX. Old Business:**

A. George Carman's proposal to the Lease of property or other consideration for seasonal snow storage at 7607 Yuba Drive was discussed at the beginning of the meeting.

B. General Manager Recruitment Committee report was presented to the Board for consideration and possible action. Director Harvey said the Committee's research of recruiting firms resulted in five possibilities; three proposals were received; one proposal was pending and one firm declined. Director Harvey said they were all flat fees of \$25,000 and there were various guarantees provided with those fees. For example, if a candidate was not found on the first run, they would try again at half the rate. He said the Committee was asking for the Board's approval to select one of the firms so that recruitment could start in January. Director Jackson said the fee included finalizing the job description, help putting together a package, searching for and screening candidates. The fee could be reduced if the District elected to forgo certain tasks.

Director Heald said she appreciated all their work but would like to look at the proposal before a selection was made. Mr. Mitchell said the proposal could be shared but if someone wanted to comment on the agreements a Special Meeting would have to be scheduled. The consensus of the Board was to approve the Committee to move forward.

Director Harvey said the other question was whether to hire an employee with benefits or stay with a consultant. The estimate for an employee would be twice the salary and the estimated annual pay range for a general manager was between \$150,000 and \$250,000 with a current budget of \$265,000. Director Jackson would forward copies of the proposals to the Board and a Special Meeting could be scheduled if necessary.

Director Jackson said there was a possibility that the firms might want to interview the Board about what they wanted in a General Manager. Mr. Mitchell said his recommendation was that any interviews of the Board be held in closed session. He also said the dynamic of the whole Board would be different that individual conversations.

**A motion was made by Director Keatley and seconded by Director Heald to approve the Recruiting Committee to make the decisions in their charge.** The motion passed by a unanimous rollcall vote: Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley

Mrs. Nickerson was asked to put a Closed Session item on the January 2023, agenda for Recruitment.

C. The Contract Addendum with Dow to provide General Management Support was presented to the Board for consideration and possible action. Mr. Mitchell said it was an amendment to the March contract. The amendment included five tasks that Mr. Schultz requested help on and a sixth item requesting authorization for additional work orders that were not to exceed \$50,000 combined. The contract addendum would be brought back in January 2023, after modifications.

**X. New Business:**

A. MacLeod Watts Engagement Letter for OPEB Actuarial Valuation Services was presented to the Board for consideration and possible action. Mrs. Nickerson said the District was due for another calculation and the actuarial valuation was an audit requirement.

**A motion was made by Director Jackson and seconded by Director Keatley to approve the proposal from MacLeod Watts.** The motion passed by a unanimous rollcall vote:  
Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley

**XI. Administration:**

A. The Follow Up items from the November 2022 meeting were presented to the Board. All items were complete.

B. A Status of Action Items was presented to the Board for consideration and possible action. Mr. Schultz said he took the items that were related to the Metering Schedule and Master Plan and transferred them to Alex Stodmeister to include on the new schedule. The items would be updated and reported on each month as appropriate instead of reporting on them individually.

On the Acquisition of the Ice Lakes dam and channel, Dow was still working on the survey report.

The Gantt Chart would incorporate all Master Plan tasks and Metering tasks needed to get the District to metered rates by 2025.

A. **CLOSED SESSION:** Conference with Real Property Negotiator (GOVT CODE §54956.8):

Negotiating Parties: Paul Schultz, George Carman  
Property: 7607 Yuba Drive  
Under Negotiation: Lease terms

Mr. Mitchell said, in closed session, direction was provided to staff but no action was taken.

B. **Adjournment**

**A motion was made by Director Jackson and seconded by Director Harvey to adjourn the meeting.** The motion passed by a unanimous rollcall vote: Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley.

The minutes were approved at the Regular Meeting held on January 12, 2023, as part of the Consent Items Calendar. A motion was made by Director Keatley and seconded by Director Harvey to approve the Consent Items Calendar as presented. The motion passed by a unanimous rollcall vote; Directors Stockton, Harvey, Jackson and Keatley, Director Heald was absent.