



# SOUTH TAHOE PUBLIC UTILITY DISTRICT

David Peterson, Vice President  
Chris Cefalu, Director

BOARD MEMBERS  
Shane Romsos, Director

Kelly Sheehan, President  
Nick Exline, Director

John Thiel, General Manager

Paul Hughes, Chief Financial Officer

## REGULAR MEETING OF THE BOARD OF DIRECTORS SOUTH TAHOE PUBLIC UTILITY DISTRICT July 15, 2021 MINUTES

The South Tahoe Public Utility District Board of Directors met in a regular session, 2:00 p.m., at the District Office, located at 1275 Meadow Crest Drive, South Lake Tahoe, California.

### ROLL CALL:

**Board of Directors:** President Sheehan, Directors Cefalu, Romsos, Peterson, Exline

**Staff:** John Thiel, Paul Hughes, Gary Kvistad, Melonie Guttry, Chris Stanley, Bren Borley, Tim Bledsoe, Shelly Thompson, Adrian Combes, Julie Ryan, Stephen Caswell, Jeremy Rutherford, Ivo Bergsohn, Trevor Coolidge

**Guests:** James Lasher

**Comments from the Audience:** James Lasher, District customer, commented regarding the foul odors coming from the Emergency Retention Basin (ERB) in the past few days as a result of the work being done at the Wastewater Treatment Plant. He feels this situation had a predictable outcome and that the community should have been warned of this potential situation. He further suggested installing a tank at the ERB site to eliminate any future odor issues. John Thiel apologized on behalf of the District for the unpleasant odors, reporting that the situation is rare and further explained the biological treatment process at the Wastewater Treatment Plant, which is a complex operation that is monitored continually.

### CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR:

President Sheehan reported that Attorney Kvistad and staff have been working on a Temporary Due Diligence and Access Agreement between the District and CORE with respect to the solar project. CORE needs to start their investigation of the proposed District solar site and cannot wait another three weeks for the next Board meeting. This Item came to the Board's attention after the Agenda was published and the work cannot wait so it is appropriate to add to the Agenda as Item 6g by a 4/5's vote of the Board.

Moved Romsos/Second Peterson/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes to add Agenda Item 6g – Temporary Due Diligence and Access Agreement between the District and CORE.

**CONSENT CALENDAR:**

**Moved Sheehan/Second Peterson/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes** to approve the Consent Calendar with changes as presented.

- a. **2019 ROCKY POINT II WATERLINE REPLACEMENT REBID AND LARGE METERS REPLACEMENT PROJECT** (Adrian Combes, Senior Engineer)  
(1) Approved Change Order No. 3 to Haen Constructors in the credit amount of \$101,538.33; and, (2) Approve Closeout Agreement and Release of Claims for Haen Constructors.
- b. **SOUTH Y PCE REGIONAL INVESTIGATION**  
(Ivo Bergsohn, Hydrogeologist)  
Entered into an Access Agreement with AECOM Technical Services, Inc., for temporary use of the Tata Well Site as a staging area for regional investigation.
- c. **REGULAR BOARD MEETING MINUTES: July 1, 2021**  
(Melonie Gutfry, Executive Services Manager/Clerk of the Board)  
Approved July 1, 2021, Minutes

**ITEMS FOR BOARD ACTION**

- a. Unpaid Delinquent Accounts for Sewer and Water (Tim Bledsoe, Manager of Customer Service) – **President Sheehan** opened the Public Hearing at 2:12 p.m. to receive public comments regarding the list of delinquent accounts. **Tim Bledsoe** presented information regarding the delinquent tax roll, the tax roll process and addressed questions from the Board. The District will continue to take payments until July 30, before turning the list over to El Dorado County. **Attorney Kvistad** added that it is important to remember that the rate relief program was a separate program and that all delinquent accounts should be treated the same now that the rate relief program has ended. **Director Cefalu** reminded the Board that the rate relief program was separate from the District waiving penalties and late fees. There were no public comments received and the Public Hearing was closed at 2:27 p.m.

**Moved Cefalu/Second Sheehan/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes** to approve the list of delinquent accounts; and adopt Resolution No. 3187-21, authorizing the list of delinquent accounts to be added to the 2021/22 El Dorado County Tax Assessor's Roll.

- b. Tahoe Keys Pump Station Rehabilitation Project (Adrian Combes, Senior Engineer) – **Adrian Combes** introduced himself and provided details regarding the Tahoe Keys Pump Station Rehabilitation Project and addressed questions from the Board.  
**Moved Cefalu/Second Sheehan/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes** to 1) Find minor irregularities in the bid from T&S Construction Company, Inc., to be immaterial and waive immaterial irregularities; and, 2) Award Tahoe Keys Pump Station Rehabilitation Project to the lowest responsive, responsible bidder, T&S Construction Company, Inc., in the amount of \$4,904,729.
- c. Keller-Heavenly Water System Improvements Project, Phase 2 (Trevor Coolidge, Senior Engineer) – **Trevor Coolidge** provided details regarding the Keller-Heavenly Water System Improvements Project, Phase 2 and addressed questions from the Board. **Julie Ryan** provided details regarding the project site.

**Moved Sheehan/Second Peterson/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes** to 1) Find minor irregularities in the bid from White Rock Construction, Inc., to be immaterial and waive immaterial irregularities; and, 2) Award Keller-Heavenly Water System Improvements Project, Phase 2, to the lowest responsive, responsible bidder, White Rock Construction, Inc., in the amount of \$536,000.

- d. Paloma Well Rehabilitation Project (Ivo Bergsohn, Hydrogeologist) – **Ivo Bergsohn** provided details regarding the Paloma Well Rehabilitation Project and addressed questions from the Board. **Chris Stanley** and **Jeremy Rutherford** provided information regarding additional issues with the District's Bayview Well. **Julie Ryan** provided details regarding unbudgeted amounts for this Project as well as unbudgeted funds for several other upcoming District projects and **Paul Hughes** addressed budget questions from the Board. **Director Peterson** recommended that if this Item passes today, staff not only bring back the negotiated contract amount for Board consideration, but also a finance plan regarding these additional unbudgeted projects.

**Moved Cefalu/Second Romsos/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes** to 1) accept the request to withdrawal of Zim Industries' bid; 2) find that rebidding the project would not be useful, desirable or beneficial to the District as only one bidder expressed interest in the project; 3) authorize the District to negotiate a new contract amount based on the contract documents for the Project with Zim Industries consistent with the requirements of the bid documents and; 4) Agendize approval of the negotiated Contract with Zim Industries at the next Board of Director's meeting.

- e. Board Policy Manual (John Thiel, General Manager) – **John Thiel** provided details regarding the Board Policy Manual and addressed questions from the Board. **Attorney Kvistad** added that this type of division of responsibility has been discussed with Best Best and Krieger and is consistent with industry practice.

**Moved Cefalu/Second Sheehan/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes** to 1) approve Changes to Section 2060.50 of the Board Policy Manual as outlined in the Board Item, including the following language modifications: "In the absence of the Chief Financial Officer the General Manager may identify another senior manager to serve as the General Manager Pro Tempore; and 2) approve changes to Section 2060.90 as shown in the Board Item.

- f. Approve Payment of Claims (Debbie Henderson, Accounting Manager)

**Moved Sheehan/Second Cefalu/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes** to approve Payment of Claims in the amount of \$3,273,839.38.

- g. Temporary Access and Due Diligence Agreement between South Tahoe Public Utility District and CORE Construction, Inc. (Julie Ryan, Engineering Department Manager) – **Julie Ryan** provided details regarding the Temporary Access Agreement and Due Diligence Agreement for CORE Construction in order for them to begin inspecting the proposed District solar site. **Attorney Kvistad** provided details regarding the Agreement insurance requirements, indemnity, etc., which is similar to the Agreement with Verizon a few years ago. The Agreement has not been seen yet by CORE.

**Moved Romsos/Second Exline/Sheehan Yes/Cefalu Yes/Romsos Yes/Peterson Yes/Exline Yes** to approve the Temporary Access and Due Diligence Agreement for construction and authorize District staff to negotiate any minor changes.

**STANDING AND AD-HOC COMMITTEES AND LIAISON REPORTS:**

**Director Peterson** reported the Operations Committee Meeting was held July 12, 2021, and covered much of what was discussed today, minus the information regarding wells. **Director Romsos** added that testing for contaminants in groundwater was also discussed at the Operations Committee meeting as well as main breaks and the Sierra Tract Flushing Project.

**Director Romsos** reported regarding the Alpine Biomass Committee meeting he attended the end of June.

**BOARD MEMBER REPORTS:**

**Director Exline** commented on how remarkable it is that with all the District challenges, there has only been one customer complaint.

**EL DORADO WATER AGENCY PURVEYOR REPORT:**

**Director Peterson** reported that the July 14, 2021, meeting was cancelled.

**STAFF/ATTORNEY REPORTS:**

**Nothing to report**

**GENERAL MANAGER REPORT:**

**John Thiel** reported on several items:

- Provided a staffing update
- Provided a COVID-19 update
- **John Thiel** reported that the District hosted a multi-disciplinary meeting on June 29, to plan for Public Safety Power Shutoff (PSPS) events with Liberty Utilities, which was very productive.
- The Tahoe Sierra Tract Waterline Flushing Project is an extensive project that is scheduled to begin July 26. The District is coordinating a communications effort to notify the community of this Project.

**Director Peterson** recused himself at 3:58 p.m.

- **John Thiel** provided a Tahoe Keys Water update including the Tahoe Keys intertie with Lukins Brothers Water. The Tahoe Keys Property Owners Association Board is expected to approve a reimbursement agreement with the District on Wednesday, July 21, in an initial amount of \$100,000. **Chris Stanley** provided an update regarding Tahoe Keys Well No.1 and addressed questions from the Board.

**ADJOURNMENT:** 4:02 p.m.



Kelly Sheehan, Board President  
South Tahoe Public Utility District



Melonie Guttry, Clerk of the Board  
South Tahoe Public Utility District