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Northstar Community Services District
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Board of Directors

Warren "Chip" Brown, President
Nancy Ives
Marilyn Forni
Mike Moll
Michael "Spoon" Witherspoon

General Manager

Michael Staudenmayer

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS JULY 20, 2022 – 9:00 A.M. ZOOM

President Brown called the meeting to order at 9:00 A.M. Wednesday, July 20, 2022. The Pledge of Allegiance and roll call followed.

DIRECTORS PRESENT **Brown, Forni, Ives**

DIRECTORS ABSENT: **Witherspoon, Moll**

STAFF PRESENT: **Zangara, Rosenthal, Contardi, Staudenmayer, Martin, Bailey, Gibeaut, Barron, Detwiler, Goates**

OTHERS PRESENT
(via videoconference): **Austin Cho, John Murphy, Josh Rainone, John Jewett, Jerusha Hall, Michael DeLuca**

PUBLIC COMMENT

There was no public comment.

CONSENT CALENDAR

Director Ives moved to approve the following consent calendar items:

- a. June 15, 2022 Regular Meeting Minutes
- b. June 23, 2022 Special Meeting Minutes
- c. Approval of Claims and Demands – Paid and Unpaid

Director Forni seconded; roll call was taken. Yes: Directors Brown, Forni, and Ives. Noes: None. Absent: Moll and Witherspoon.

RECURRING BUSINESS

MOUNTAINSIDE BUILDERS UPDATE

There was no update for this agenda item.

NORTHSTAR PROPERTY OWNERS ASSOCIATION (NPOA) UPDATE

There was no update for this agenda item.

NORTHSTAR CALIFORNIA/VAIL UPDATE

Jerusha Hall provided the following update for Northstar California/Vail:

- Amy Ohran is the new General Manager for Northstar California/Vail
- Looking for full staffing for the winter season
- Working on fuel reduction across the mountain
- There will be a ribbon cutting and grand opening on Martis Valley Trail August 16th

VILLAGE MASTER ASSOCIATION (VMA) UPDATE

There was no update for this agenda item.

NEW BUSINESS

APPROVAL OF RESOLUTION 22-20 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTHSTAR COMMUNITY SERVICES DISTRICT, ACTING AS THE LEGISLATIVE BODY OF NORTHSTAR COMMUNITY SERVICES DISTRICT COMMUNITY FACILITIES DISTRICT NO. 1, APPROVING AN INSTRUMENT OF REMOVAL, APPOINTMENT AND ACCEPTANCE RELATING TO THE TRUSTEE FOR ITS BONDS

General Manager (GM) Mike Staudenmayer stated that principal and interest payments on the bonds from the Community Facilities District (CFD) have been in default for some period of time. Pursuant to Section 7.2 of the 2005 Indenture, the District may remove the Trustee at any time by delivering a written notice to the Trustee of its decision to remove the Trustee and appoint a replacement. Major bond holders have made a request that the CFD replace the Trustee with an alternative Trustee having more experience with bonds that are in default. District Bond Counsel drafted the resolution to replace the current Trustee, Wells Fargo Bank, N.A. with UMB Bank, N.A.

Director Ives moved to approve Resolution 22-20 A Resolution of the Board of Directors of the Northstar Community Services District, Acting as the Legislative Body of the Northstar Community Services District Community Facilities District No. 1, Approving an Instrument of Removal, Appointment and Acceptance Relating to the Trustee for its Bonds. Director Forni seconded; roll call was taken. Yes: Directors Brown, Forni and Ives. Noes: None. Absent: Moll and Witherspoon. The motion carried.

NORTHSTAR COMMUNITY WILDFIRE PROTECTION PLAN (CWPP) UPDATE

Forester Joe Barron stated the 2022 update to the Northstar Community Wildfire Protection Plan (CWPP) identifies new priorities in the forest fuels reduction progress and maps. Additionally, the updated CWPP incorporates funding available through the passage of Measure U. If approved by the Board of Directors, the CWPP will be submitted to Cal Fire for approval and on record with the State of California.

Director Forni moved to approve the Northstar Community Wildfire Protection Plan (CWPP) Update. Director Ives seconded; roll call was taken. Yes: Directors Brown, Forni and Ives. Noes: None. Absent: Moll and Witherspoon. The motion carried.

APPROVAL TO ENTER A CONTRACT WITH THE TAHOE TRUCKEE COMMUNITY FOUNDATION FOR A GRANT AWARD

Forester Barron stated the Fuels Management Department (FMD) was awarded a \$25,000 grant to subsidize the cost of the curbside pick-up program for the 2022-2023 fiscal year. The FMD is seeking approval of the grant awarded to help fund the program.

Director Ives moved for Approval to Enter a Contract with the Tahoe Truckee Community Foundation for a Grant Award. Director Forni seconded; roll call was taken. Yes: Directors Brown, Forni and Ives. Noes: None. Absent: Moll and Witherspoon. The motion carried.

RITZ CARLTON EAST PARCEL FACILITIES AND REIMBURSEMENT AGREEMENT

District Engineer (DE) Eric Martin stated the Ritz Carlton East Parcel project includes 18 single-family residences with a commercial parking garage adjacent to the Ritz Carlton Hotel. Facilities Agreements bind developers to requirements for construction and acceptance of new water and sewer infrastructure. The agreement before the Board of Directors includes provisions of the District's standard reimbursement agreement.

Director Forni moved to approve the Ritz Carlton East Parcel Facilities and Reimbursement Agreement. Director Ives seconded; roll call was taken. Yes: Directors Brown, Forni and Ives. Noes: None. Absent: Moll and Witherspoon. The motion carried.

RESERVOIR A DAM MONUMENTS SURVEY

DE Martin stated the California Department of Water Resources Division of Safety of Dams requires that dam survey monuments be monitored periodically as a precautionary measure. The Reservoir A monuments were last surveyed twelve years ago. Staff sought a proposal from Auerbach Engineering to survey Reservoir A monuments and provide a report on the findings. The proposal to perform the survey is \$6,000. The cost of the survey will be shared with Trimont per the water operations agreement.

Director Ives moved to approve the Reservoir A Dam Monuments Survey. Director Forni seconded; roll call was taken. Yes: Directors Brown, Forni and Ives. Noes: None. Absent: Moll and Witherspoon. The motion carried.

MARTIS VALLEY WATER SYSTEM DESIGN SERVICES: SCHAFFER'S MILL PUMP STATION LOW FLOW PUMPS RETROFIT AND NORTHSTAR WATER SYSTEM INERTIE

DE Martin stated the Schaffer's Mill low flow pump retrofit project will allow for increased pumping capacity from the Schaffer's Mill pump stations to higher pressure zones in Martis Camp. The inertie will allow for emergency redundant water supply from the Northstar Water System to the Martis Valley Water System.

Director Ives inquired about the inertie use. DE Martin stated the inertie would only be used in the case of emergency and further explained the need for the inertie was identified by Stantec's groundwater sustainability study for the Martis Valley Water System.

Director Ives moved to approve Martis Valley Water System Design Services: Schaffer's Mill Pump Station Low Flow Pumps Retrofit and Northstar Water System Inertie. Director Forni seconded; roll call was taken. Yes: Directors Brown, Forni and Ives. Noes: None. Absent: Moll and Witherspoon. The motion carried.

RESOLUTION 22-21 – A RESOLUTION APPROVING INTERNAL BORROWING

Director of Finance and Administration (DFA) Greg Rosenthal stated Resolution 22-21 allows for borrowing from Sewer Capital Reserves by Roads Capital Reserves to fund accelerated road reconstruction efforts. In January 2020, a similar type of borrowing occurred between Fire Operations and Sewer Capital Reserves. At that time, legal counsel determined that internal borrowing conformed to the requirements set forth the District's Reserve Management Policy.

At the June 23, 2022 Special Meeting of the Board of Directors, contracts were awarded to West Coast Paving and Construction Materials Engineers totaling approximately \$4,536,000. After considering factors including additional costs not included in the original cost projection, current Roads Capital Reserves balance, and additional Roads Capital Revenue to be recognized through Measure E, the initial estimate for borrowing from Sewer Capital Reserves is anticipated to be no more than \$2,351,077 with a term of eight (8) years.

Director Forni moved to approve Resolution 22-21 – A Resolution Approving Internal Borrowing. Director Ives seconded; roll call was taken. Yes: Directors Brown, Forni and Ives. Noes: None. Absent: Moll and Witherspoon. The motion carried.

ANNUAL REPORT FOR THE MARTIS VALLEY GROUNDWATER BASIN (WATER YEARS 2020 AND 2021) PRESENTATION

GM Staudenmayer stated in 2013 a Groundwater Management Plan (GMP) was adopted between the District, Placer County Water Agency (PCWA) and Truckee Donner Public Utility District (TDPUD). In 2014, California passed into law the Sustainable Groundwater Management Act (SGMA) which applied to all medium and higher priority basins. At the time of the passage of SGMA, Martis Valley was designated as a medium priority basin. This determination put the GMP on hold. The District, PCWA, TDPUD, Town of Truckee (TOT), Nevada and Placer Counties, (Local SGMA agencies), put forth an alternative submittal

in December 2016 in compliance with SGMA. In 2019, the California Department of Water Resources (DWR) was required to review basin prioritization. After engagement with DWR by the Local SGMA agencies, the Martis Valley Groundwater Basin (MVGB) was reprioritized to “very low” and MVGB was no longer required to comply with SGMA. The Local SGMA agencies withdrew the Alternative Submittal from DWR consideration and returned to the 2013 Martis Valley GMP framework. The GMP requires annual report tracking of the performance and long-term sustainability of the groundwater basin and an update to the GMP every five years.

Due to delays because of the COVID-19 pandemic, the annual report covered both the 2020 and 2021 water years.

Technical Program Administrator (TPA) Josh Detwiler presented the following critical findings during the presentation:

- Monitoring locations include 14 wells (groundwater levels), and 21 municipal supply wells (metered extractions)
- In 2017, monthly monitoring was initiated
- 2020 and 2021 were both statistically dry years
- The MVGB storage lost approximately 17,000 acre feet of water during the two year period
- 17,000 acre feet represents about 3% of the MVGB water storage
- Groundwater pumping increased by approximately 10%, about 800 acre feet
- There are some cones of depression north of the Truckee River
- Pumping is still about one-third of sustainable yield

District Counsel, Austin Cho, provided the Board with the following water rights petition update:

- The State Water Board held a meeting adopting the Administrative Hearing Office’s proposed order that approves the District and Trimont’s petitions for extensions of time and petitions for change of their water rights permits, which are permits 15905, 15906, 16618 and 16619. The item was uncontested and there was no public comment.
- The adoption starts a thirty-day period during which any interested party can file a petition for reconsideration. There are no such petitions anticipated.
- If no further extensions are needed, District Counsel will be working to establish a maximum build out of the District’s use of the water rights so that parties may proceed to the next step of licensing.

DIRECTOR REPORTS

- There was no update for this agenda item.

GENERAL MANAGER’S REPORT – STAUDENMAYER

GM Staudenmayer provided the following report:

- District staff is looking to obtain more information about a company installing external and rooftop sprinklers for fire suppression on homes. Staff is concerned about the systems becoming widespread and the potential demand on the water system during a wildfire as well as possible groundwater contamination from fire suppression foam.
- The work with The Nature Conservancy on the fire insurance initiative continues. Meetings are planned with Senator Dodd’s office to provide better understanding of what’s being proposed.
- District Counsel Austin Cho stated the disaster insurance initiative presents a novel and important opportunities for the District and other districts with a similar structure.
- The biomass project is deep in the permitting process. The Cal Fire Grant application has been resubmitted with corrections.
- Met with attorney Christiana Darlington to discuss biomass contracts.

- Working with Village Master Association legal counsel on easements.
- The Climate Transformation Alliance held a kickoff meeting.

FIRE DEPARTMENT – BAILEY

Fire Chief Sean Bailey provided the following report:

- Late snow received last year has provided greater fuel moistures during the current fire season.
- Observation of fire behavior during the recent Butterfield Fire provided context to the benefit of the Fuels Management program in the District.
- Tree mortality is pervasive throughout the region due to the lack of water and beetle infestation.
- There are fewer fires throughout the state compared to this time last year.

PUBLIC WORKS REPORT – MARTIN/CONTARDI

DE Martin and Senior Utility Worker (SUW) Teto Contardi provided the following report:

- Road Rehabilitation and Valve Replacement Projects have kicked off.
- Staff is preparing for demolition of the old administration building.
- Martis Valley Trail (MVT) paving is considered a considerable milestone for the project.
- MVT Parking Area plans were submitted to the Army Corps for review. Comments have been received and responses are being prepared.

ADJOURNMENT:

The meeting adjourned at 10:52 A.M.

Respectfully submitted,



Julie Zangara, Secretary of the Board



Michael Moll, Vice President of the Board