

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS
KIRKWOOD MEADOWS PUBLIC UTILITY DISTRICT
SATURDAY, OCTOBER 10, 2015
AT THE HOUR OF 8:00 A.M.

CALL TO ORDER: The meeting was called to order by President O'Grady at 8:00 a.m.

ANNOUNCEMENTS: Manager Sharp stated that this meeting is being fed live over the internet and that the public can view this meeting by going to our website, www.kmpud.com, and following the appropriate link. If the public would like to make a comment they may send an email to msharp@kmpud.com and the Board will respond. Director Ende is participating remotely via teleconference; hence all voting must be done by Voice Vote. Members of the Public should identify yourselves when making comments.

MEMBERS PRESENT: President O'Grady, Directors Epstein and Dornbrook; Director Ende via teleconference.

MEMBERS ABSENT: Director Richert.

STAFF PRESENT: General Manager Sharp, Rick Ansel (Assistant Manager, Operations), Brandi Benson (Electric/Propane Manager), and Kelly McBride (Accounting Manager).

OTHERS PRESENT: Terry Woodrow, Alpine County Board of Supervisors; Larry Parker, Community Member.

ORAL COMMUNICATION
/PUBLIC INPUT: None.

CORRECTIONS TO THE AGENDA
OR CONSENT AGENDA: Director Dornbrook motioned to approve the adoption of the Regular Agenda and the Consent Calendar as presented. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: President O'Grady, Directors Dornbrook, Epstein and Ende.

NOES: None.

ABSENT: Director Richert

ABSTAINING: None.

President O'Grady motioned to approve the adoption of the Consent as presented. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: President O'Grady, Directors Dornbrook, Epstein and Ende.

NOES: None.

ABSENT: Director Richert

ABSTAINING: None.

7. CONSENT ITEMS BROUGHT FORWARD FOR SEPARATE DISCUSSION/ACTION: None.

8.a. AGENDA ITEM:

Discussion and Possible Action Regarding the Recent Butte Fire and the Financial and Operational Impacts on the District Due to the Fire. Discussion of the Performance of the Powerhouse during the Power Outage. Manager Sharp

Manager Sharp stated the Butte Fire started in Amador County at approximately 2:26pm on Wednesday, September 9th. On Thursday, at 6:12pm, PG&E de-energized their 115kV line affecting Kirkwood along with 12,000 other upcountry customers. The Powerhouse generators restored power to the commercial, residential and lift feeds within minutes, and the generators remained online providing power to the Kirkwood Valley until the Out Valley connection was restored a week later on Thursday, September 17th at 8:38am. The Powerhouse was in full operation during this time, requiring two shifts of District staff to monitor operations, as well as ensuring an adequate supply of diesel, oil, coolant, filters, etc. were on hand for an unknown period of time. Staff had to delay the circuit phasing project and other projects due to the fire.

The cause of this fire is unknown. The District owns the 34.5/115kV lines from Salt Springs to Bear River, and PG&E owns a 12kV running under the District's lines. Overhead lines are not insurable, however the District is taking all reasonable care by performing well documented monthly inspections, in addition to PG&E's regular inspections as part of their scheduled maintenance on the 12kV under-build.

The Butte Fire's financial impact to the District including labor and materials necessary to operate the Powerhouse during this time is estimated at \$30,000. Director Ende proposed establishing a separate pricing tier to address increased costs of running the Powerhouse during prolonged outages. After some discussion it was agreed that Staff research:

1. Creating a rate for this purpose during the next Rate Review.
2. Including a number of hours running on diesel in the budget assumptions.
3. Reinstating Fuel Adjustment charges.

By the time the Butte Fire was fully contained, a total of 70,868 acres had burned; 475 homes destroyed along with hundreds of other structures, and tragically two lives were lost. The District extends its sympathies to all affected by this devastating fire.

8.b. AGENDA ITEM:

Discussion and Possible Action Regarding the District's Financials. Manager Sharp/Accounting Manager McBride

Prior to providing a financial update, Manager Sharp highlighted

several personnel changes that have occurred during the last month. In addition to Jill Campbell's departure and Kelly McBride's promotion to Accounting Manager, Jen Barstad, Staff Accountant, resigned and is now working for Kirkwood Property Services; Kim Norton, who previously worked for the Tahoe Regional Planning Agency in South Lake Tahoe, has been hired as Staff Accountant; Amie Pfeiffer has been promoted to Staff Accountant from Customer Service; and Jessica Austin who previously worked for Bruce Gianola at the KCA and is familiar with many homeowners, has been hired in Customer Service and AP.

- 8.b.i. AGENDA ITEM: August Financials / September Prelims / Cash Flow
Accounting Manager McBride presented the August Financials, September Forecast and Cash Water Fall, and answered questions from the Board. Staff reported that they plan to revise the Cash Flow to show monthly for the next year, and then quarterly thereafter.
- 8.b.iv. AGENDA ITEM: Audit Update. As has been reported, the completion of the audit has been delayed due to a new reporting requirement in GASB 68 relating to CalPERS Unfunded Retirement Liability. Recent discussions with Moss Adams have indicated they will have the Audit ready for Staff review on October 16th and ready for distribution to the Finance Committee on or about October 23rd. The Audit will appear as an agenda item at the November Board meeting.
- 8.b.v. AGENDA ITEM: Online Access Improvements. Accounting Manager McBride reported that a new feature is now available on the District's website for customers who are interested in comparing their electric, propane and water consumption, as well as their number of days of occupancy, against prior years. Coming soon is the added feature that will chart weather and snowfall data, factors that impact actual usage. Staff was also directed to look into placing comparison charts on the email versions of bills.
- 8.c. AGENDA ITEM: Discussion and Possible Action Regarding the Construction Close-out and Completion of the Underground Portion of the Out-Valley Power Line Project. Manager Sharp
The last regularly scheduled Out Valley meeting was held last Thursday. The Underground section of the Out Valley project has been complete since August 4, 2015, however several issues surfaced which delayed formal closing of this portion of the project. Completion of both the Overhead and Substations officially occurred on June 12, 2015. Before the Board today are six different action items required to close out the Underground portion of the Out Valley project:
- 8.c.i. AGENDA ITEM: Discussion and Possible Approval of Q&D Construction Change Order #6 for remedial work required by Caltrans along Highway 88 near Plasses Resort exit in January 2015 and August 2015 in the amount of \$54,516.94.

Q&D has satisfactorily completed this remedial work.

8.c.ii. AGENDA ITEM: Discussion and Possible Approval of Q&D Construction Pay Request No. 14 representing Payment of Change Order #6 in the amount of \$54,516.94. This is a Pay Request in relation to the remedial work described in Agenda Item 8.c.i.

8.c.iii. AGENDA ITEM: Discussion and Possible Approval of Q&D Change Order #7 for Reimbursement to the District for Work Completed by Edge Communications for Repair Work Completed on the Fiber Optic Line in the amount of \$4,650.00.

The repair work on the fiber optic cable has been inspected and approved by Exponential and District Staff. The District originally paid Edge directly to complete this work; Change Order #7, in addition to final payment of the \$60,000 retention, reflects Q&D's credit back to the District.

8.c.iv. AGENDA ITEM: Discussion and Possible Approval of Q&D Construction Pay Request No. 15 representing Release of the Final Retention Amount (\$60,000), less the credit back to the District for Change Order #7, in the amount of \$55,350.00.

President O'Grady motioned to approve Change Order #6 in the amount of \$54,516.94, approve Pay Request #14 in the amount of \$54,516.94, approve Change Order #7 in the credit amount of \$4,650.00, and to approve Pay Request #15 releasing the \$60,000 retention, less the credit in Change Order #7, in a total amount of \$55,350.00. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: President O'Grady, Directors Dornbrook, Epstein and Ende.

NOES: None.

ABSENT: Director Richert

ABSTAINING: None.

8.c.v. AGENDA ITEM: Discussion and Possible Approval of Certificate of Completion (RUS Form 187) related to the Out Valley Underground Construction Contract between Q&D Construction and the District, and Authorizing the President of the Board to Execute.

President O'Grady motioned to approve the Certificate of Completion (RUS Form 187) related to the Out Valley Underground Construction Contract between Q&D Construction and the District, and authorizing the President of the Board to execute. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: President O'Grady, Directors Dornbrook, Epstein and Ende.

NOES: None.

ABSENT: Director Richert

ABSTAINING: None.

8.c.vi. AGENDA ITEM: Discussion and Possible Approval of Notice of Completion (CA Civil Code 8180-8190, 9200-9208) Related to the Out Valley Underground Construction Contract Between Q&D Construction and the District and Authorizing the President of the Board to Execute and Record.

President O'Grady motioned to approve the Notice of Completion, per CA Civil Code 8180-8190 and 9200-9208, related to the Out Valley Underground Construction Contract between Q&D Construction and the District and authorizing the President of the Board to execute and record with Amador County. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: President O'Grady, Directors Dornbrook, Epstein and Ende.

NOES: None.

ABSENT: Director Richert

ABSTAINING: None.

8.d. AGENDA ITEM: Discussion and Possible Action Regarding the Final Issues and Ongoing Maintenance Associated with the Out Valley Power Line Project. Manager Sharp

8.d.i. AGENDA ITEM: Update on Work Plan Maintenance Projects Planned for the Out Valley Electric Line on United States Forest Service Property. District Staff have completed the required maintenance per the 2015 USFS Work Plan, concentrating on repairing areas of erosion by adding approximately 200 tons of road base along the Underground lines and cabinets. Invasive weed monitoring is complete. Staff may return to complete additional water bar installations, preventive maintenance and trail clearing later this fall, depending on weather.

8.d.ii. AGENDA ITEM: Update on Caltrans Claim Associated with Costs Incurred in Relation to the Underground Portion of the Out Valley Project.

District Staff and Resource Concepts, Inc. have been researching the possibility of submitting a claim to Caltrans for three issues related to additional costs incurred during construction of the Out Valley project.

1. Based on Caltrans' request and design, the District placed slurry in the trench on the Underground portion of the line in the Caltrans Right of Way, subsequently causing an issue with subsurface water flows encountering the slurry and then migrating along the trench wall and surfacing in the roadway (near the entrance to Plasses). Costs to repair were \$54,517, the amount reflected in Q&D's Change Order #6.
2. Based on Caltrans' approved plans, the Underground line was to be placed in the shoulder of the road, however Caltrans maintenance crews voiced concern regarding its location in relation to snow stakes along SR 88, prompting a realignment

into the travel lane between Silver Lake and Kirkwood. The increased installation and paving costs resulted in a Change Order totaling \$377,863.

3. Caltrans did not mark out or notify the District of several French Drains in the Right of Way. District's contractor had to repair the drains in addition to moving the trench into the Right of Way to avoid these drains; contractor only charged for the additional traffic control labor costs, amounting to \$35,175.

Total potential claim is \$467,555.

District Staff recently met with Michelle Gamble, RCI and Legal Counsel Dick Shanahan on the documentation needed to file this claim and likely outcomes. RCI estimates the earliest deadline to file a claim is January 2016. RCI's estimated cost to assemble the documentation and establish a thorough claim is \$4,800. To have Legal Counsel potentially review the claim for its merits is estimated at \$500. Total potential cost to file a claim is \$5,300.

The claim would be filed with the State's Victim's Compensation and Government Claims Board, and legal counsel cautioned to be prepared for the claim to be denied; construction litigation is complex and would likely require specialized counsel. Costs could run up to \$100,000. Staff recognizes that Issues #1 & #3 are relatively minor and recommends focusing on recovering the costs (\$377,000) involved from the trench realignment issue in an amount not to exceed \$5,300 to compile and submit a claim. Staff was directed to research examples of successful claims, rate of success and potential appeal processes.

President O'Grady motioned to pursue a claim to recover costs incurred from the trench realignment for an amount not to exceed \$5,300. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: President O'Grady, Directors Dornbrook, Epstein and Ende.

NOES: None.

ABSENT: Director Richert

ABSTAINING: None.

8.d.iii. AGENDA ITEM:

Storm Water Pollution Prevention Plan (SWPPP) Close Out.

The SWPPP will be closed out next week upon filing and certification of the Notice of Termination.

8.d.iv. AGENDA ITEM:

Underground Revegetation Update. A final inspection of the revegetation effort along the Underground line is planned in late October. Recent inspections have shown some improvement. The contractor, SoilTech, has agreed that if re-seeding is necessary they will perform this task at their cost.

8.e. AGENDA ITEM: General Update and Possible Action Regarding Meetings with PG&E and the Planning Phase of the Potential Switch Station Project. *Manager Sharp*

Manager Sharp stated that the District has been working with PG&E, and last met on September 23rd, to discuss alternatives and find resolution regarding:

1. Cost of Ownership. The Cost of Ownership issue relates to the \$2.9M construction for the Tiger Creek/Salt Springs Substation work which was completed by PG&E on the District's behalf, and the corresponding annual PG&E Cost of Ownership fee. The District is questioning whether this work was in fact completed solely for the benefit of the District, and if the District should bear 100% of the maintenance costs. It was agreed that a portion of the work performed at the Substations benefit PG&E's existing system, and that a 20% reduction in the Capital cost could be applied, the logic being that the old system took one day to complete regular maintenance and the new systems takes five days.
2. Switch Station. The costs and need for building a Switch Station was discussed with PG&E to determine any alternatives to building it and still satisfy their regulations.

Working with a PG&E ad hoc committee, the District is drafting a letter proposing alternatives as they relate to the point of demarcation and the maintenance of the 115kV line. This letter is anticipated to go out next week, and sometime thereafter meet with PG&E leadership again to discuss the details and reach consensus on these two issues. At this time, both PG&E and the District have paused work on the planning for a potential Switch Station at Salt Springs.

8.f. AGENDA ITEM: Discussion and Possible Action Regarding Electric Usage and Meter Issues at the Following Locations: *Manager Sharp/Electric Propane Manager Benson*

Current transformers (CTs) measure a representative sample of the current being used at each location and transfer this information to the meter to record power consumption. Each CT has a current ratio that determines the billing multiplier, and two or three CTs are typically wired into each large meter to measure power. All CT meters have a shorting block that is used to safely de-energize portions of the wiring for maintenance.

Since acquiring Mountain Utilities in 2011, the District has hired Emerson Reliability Services on several occasions to confirm all billing multipliers and inspect the wiring leading to all commercial electric meters. During the course of these inspections, issues were found with a number of the 29 large commercial meters.

8.f.i. AGENDA ITEM: Mountain Club HOA. In 2012 an Emerson inspection found that the multiplier for this meter was incorrect. The District changed this multiplier from 660 to the correct multiplier of 120, and credited the account \$71,137.76. A subsequent inspection by Emerson

performed in early 2015 discovered that a portion of the CT's were in maintenance mode at the shorting block, allowing only about 40% of the usage to be recorded. Per District policy, the unmetered usage on this account is classified as "unauthorized usage" as described in Section 18 of the Electric/Propane Rules and Regulations, and states that estimated billing shall indicate unauthorized use for the most recent three years, and separately, unauthorized use beyond three years, for which the District is allowed to collect. Staff calculated an estimated 143,100 kWh was unmetered and billed incorrectly, and of this amount, 131,400 kWh of "unauthorized use" occurred during the most recent three years, from March 2012 to February 2015. This amounts to an unbilled total of \$79,963.20 during this period of time; beyond the three years, a total of \$7,291.44 was unbilled. The Mountain Club HOA has been notified, and after consultation with District Counsel, it is Staff's recommendation to follow District policy and bill the Mountain Club for only the three-year period of unauthorized usage in the amount of \$79,963.20. It was the consensus of the Board to follow Staff's recommendation.

8.f.ii. AGENDA ITEM:

Chair One Snowmaking. During the Circuit Phasing Project, District Staff found that the snowmaking disconnect at the Chair 1 transformer was unmetered. This connection has been disconnected and will need to be rewired prior to use. Per District policy, the unmetered usage on this account is classified as "unauthorized" as described in Agenda Item 8.f.i. Past usage was calculated, estimating a total of 8,450 kWh was unmetered and incorrectly billed. Of this, 7,120 kWh occurred during the past three years, and 1,330 kWh occurred beyond the three-year period. This amounts to an unbilled total of \$5,771 (\$4,863 for last year years and \$908 beyond that period).

Vail Resorts has been notified, and it is Staff's recommendation to follow District policy and bill Vail Resorts a total of \$5,771 for the unauthorized usage. Staff will also verify the 3-year cap on Chair One's credit. It was the consensus of the Board to follow Staff's recommendation.

8.f.iii. AGENDA ITEM:

Snowmaking Compressor. An electro-mechanical meter is installed at this location due to the transformer configuration. Emerson found that the wires for two of the CTs at the snowmaking compressor meter were swapped, causing the meter to record incorrect usage. The issue was fixed on September 29, 2015. A test during snowmaking operations will be performed to confirm that the meter is accurate.

8.f.iv. AGENDA ITEM:

The Meadows HOA. During the 2015 Emerson inspection, incorrect wiring was noted on The Meadows HOA meter, and a load recording showed that the meter was not reading accurately. On September 29, 2015 the meter was rewired and a load test performed to ensure accuracy. A calculation will be done to determine if there is any past

unbilled usage.

After answering questions from the Board, District Staff was directed to work on securing all meter and electric panel locks.

8.g. AGENDA ITEM:

Discussion and Possible Action Regarding the District's and Vail's efforts to Understand and Resolve any Electric Harmonics Issues in the Kirkwood Valley. *Manager Sharp/Electric Propane Manager Benson*

The District has been working with Vail Resorts on development of a plan to deal with Harmonics issues. As reported in the Exponential Power Quality Report, the chairlifts produce Harmonics above what is allowed in the District's Rules and Regulations, and exceed Industry Standards as well. Vail Resorts has indicated that their engineers do not agree with Exponential's results, but have not provided documentation or reports.

Manager Sharp reported that Vail Resorts is planning on changing out the Drive for Chair 9 this fall, and the District has requested the specs for this particular Drive to ensure it meets Harmonics standards. District Staff is requesting that as Vail Resorts replaces old equipment with new, the drives and filters meet District and Industry Standards.

President O'Grady asked for a status on replacing the Drive and new filter at Chair 4. Vail Resorts will consider placing it in their next year's budget. Vail has yet to commit to necessary upgrades on existing lifts in order to meet Standards that limit Harmonic distortion and their overall impact to Valley power. This issue has been discussed for years, and it was the general consensus of the Board that an action plan needs to be implemented. District Staff was directed to write Vail Resorts requesting a concrete plan be developed for each chairlift and submitted to the District before the end of the first quarter of 2016. Staff was also directed to research enforcement provisions in the Rules & Regulations, specifically as it relates to a charge for non-compliance, and whether a revision to the Rules or Rate Schedule is needed.

8.h. AGENDA ITEM:

Discussion and Possible Action Related to District's Research and Efforts to Improve the Efficiencies and Minimize the Losses of Each Department as Measured in Performance Reporting. *Electric/Propane Manager Benson*

Electric/Propane Manager Benson reported on the Performance Reporting for Electric, Propane, Water and Wastewater for the three-month period ending September 30th. As requested, the line loss goals for each enterprise are now indicated on the reports.

8.i. AGENDA ITEM:

Discussion and Possible Approval of a Wholesale Water Service Agreement with Vail Resorts to Provide Water Services for a Snowmaking System at Timber Creek. *Manager Sharp*

Vail has approached the District about the possibility of providing

water and electric services at the base of Chair 9 for snowmaking operations covering their beginner terrain at Timber Creek. Terms of the agreement require Vail Resorts to provide a \$5,000 deposit to cover District labor and material costs. At Vail's expense the District will tie into the existing 6-inch domestic water line at the southwest corner of the Timber Creek parking lot and install a meter pit. Vail Resorts would be responsible to connect this supply to their snowmaking system. Section 9 of the Agreement specifies charging a rate of \$12.00 per 100cf of water, with electric charges billed according to the existing electric service meter at the base of Chair 9. District will supply water at a continuous rate (subject to availability) for up to 100,000 gallons at a time, or less if groundwater aquifer levels drop. Staff is recommending approval of the Agreement as presented to provide Vail Resorts with the water and electric service needed to offer snowmaking for their beginner terrain at Timber Creek.

President O'Grady motioned to approve the Agreement and the terms contained therein. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: President O'Grady, Directors Dornbrook, Epstein and Ende.
NOES: None.
ABSENT: Director Richert
ABSTAINING: None.

8.j. AGENDA ITEM:

Discussion and Possible Approval of a Proposal to Purchase a Power Gurney for the Kirkwood Volunteer Fire Department Funded From Proceeds From the Summer Kirkwood Festival. *Assistant Manager Ansel*

Assistant Manager Ansel reported that the 2015 Kirkwood Summer Festival fundraising activities were directed towards the purchase of a new battery assisted ambulance cot for the KVFD. This cot will help the volunteer fire department members with patient care and also prevent potential back injuries when lifting patients. It is Staff's recommendation that the Board approve the invoice to purchase a new Stryker Power Pro XT ambulance cot in the amount of \$13,706.25.

Director Dornbrook motioned to approve the purchase of the Stryker Power Pro XT ambulance cot in the amount of \$13,706.25. President O'Grady seconded the motion and it carried by the following voice vote:

AYES: President O'Grady, Directors Dornbrook, Epstein and Ende.
NOES: None.
ABSENT: Director Richert
ABSTAINING: None.

8.k. AGENDA ITEM:

Discussion and Possible Action Regarding the Removal of Stored Equipment from the School Site. *Assistant Manager Ansel*

Assistant Manager Ansel reported that a cooperative effort between the District, Vail Resorts and Kirkwood Capital Partners (KCP) to clean up the old School Site occurred during the week of September 21st. Staff spent 2.5 days collecting over 20 tons of junk using 140 yards of container space which was hauled out of the Valley by ACES. The original estimate provided to KCP was \$6,000 to cover District labor and ACES expenses, however actual costs are now estimated at \$4,000. Numerous propane tanks and transformers remain on site; the District has provided KCP with information on the removal of these items that are classified as hazardous and require a separate disposal process. Staff was encouraged to follow up with KCP on completion of this Valley beautification project. Similar clean-up efforts at the southwest corner of Vail's Vehicle Maintenance Shop near Volcano's office have occurred, and while an improvement, clean-up efforts are ongoing. Staff will remain in contact with Vail in this regard. As a future cooperative effort with Vail Resorts, Manager Sharp recommended extending the screening (trees and bushes) south of Loop Road to better shield the view of the lower Timber Creek parking lots from Kirkwood Meadows Drive.

An update on the status of the use of the old School Site as a proposed parking lot was requested. KCP has been looking at alternatives based on comments received. Green stakes currently provide a rough outline of proposed boundaries based on community input, blue stakes indicate the Alpine-Amador County line, and orange cones indicate the Developer's proposal. It is the opinion of many community members that too many trees will be removed or destroyed by snow removal operations. Most recently it has been suggested to provide two corridors within the site and build snow ramps during heavy snowfall years, but with the proposed parking lot to be comprised of grindings, there is little doubt this material will end up in the meadow. The District will maintain awareness and involvement in this project as it concerns issues directly related to the District; i.e., safety and water quality, however it will continue to communicate to the public new proposed alternatives or other developments, and this remains a very fluid situation. TC-TAC is the initial approval authority for this proposal before it can go to Amador's Planning Commission for consideration.

9. AGENDA ITEM:

General Manager Report

Manager Sharp reported on:

1. Aquifer Levels. Manager Sharp presented the daily aquifer levels for September and reported that Well 4/5 is holding steady at an average of 167 feet, and Well 2, under limited operation, is at 24 feet. Staff will continue to track aquifer levels closely on the wells.

2. WWTP Equipment Status. The WWTP is running well with one exception regarding controls for the Polymer feed, which Staff are addressing, along with preparing for winter operations.
3. Manhole Inserts. Manhole inserts are being installed in lower sections of the older collection system, primarily along the northern and eastern edge of West Meadows.
4. Snow Removal Preparations. Equipment maintenance and repairs are underway, snow stakes are going up, and snow removal contracts with homeowner associations are being finalized.
5. Timber Creek Grease Trap. A grease trap is being installed per District standards near the Timber Creek Children's Ski & Ride area that will allow Resort staff to prepare and offer an expanded variety of food options for kids. Amador Co. Public Health is performing the inspection which is slated for completion next week.
6. Volcano Telecommunications. Manager Sharp provided an updated schedule on Volcano's fiber upgrade project in Kirkwood which has experienced delays due to the Butte Fire, damaging a portion of their infrastructure. The new timeline for completion of this project is posted on the District's website, under Latest News.
7. Verizon Cell Tower. The height extension of the existing cell tower located just east of Volcano's office has been approved and they are currently working on FCC compliance. It is anticipated construction will be complete with the new LTE service launched in early 2016, significantly improving the service experienced by Verizon customers.

10. COMMITTEE REPORTS:

1. Finance. Director Epstein reported that the Committee continues to look at various ways to improve the visual presentation of financials, including the use of annotations that serve as a permanent record of explanation when financial deviations occur. Staff is also working on producing packets without scanning by merging pdf files.
2. Planning. Director Ende reported the District is researching locations for a possible new water tank, or replacing the existing Dangberg water tank with a larger one in order to ensure sufficient capacity at buildout. Other matters include reporting issues related to Specific Plan mitigation measures; members of the Planning Committee are meeting with Alpine and Amador Board of Supervisors on October 16th to discuss further
3. Operations/Capital. Director Dornbrook reported any issues have been previously covered by Manager Sharp.
4. Personnel Committee. President O'Grady reported the Committee met on October 7th and discussed:
 - a. Sick Pay Changes;
 - b. Results and Responses to CalPERS Audit;
 - c. Will revisit CalPERS Defined Contribution Plans;
 - d. On Call Policy for District Staff;

- e. ACWA/JPIA Employee Assistance Program
- f. General Manager's Objectives (progress is on track).

Staff will look into the frequency of performing Self Evaluations for each Committee and add to their Agendas as appropriate.

11. GENERAL DISCUSSION: None.

12. ADJOURNMENT: There being no further business, the meeting was adjourned at 10:10 a.m.


Peter Dornbrook, Secretary

*A complete audio recording of this meeting is available on the District's website www.kmpud.com.