



KIRKWOOD MEADOWS  
PUBLIC UTILITY DISTRICT

BOARD OF DIRECTORS  
KIRKWOOD MEADOWS PUBLIC UTILITY DISTRICT  
33540 Loop Rd., P.O. Box 247, Kirkwood, CA 95646  
Telephone (209) 258-4444

**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**Saturday, October 8, 2016 – 8:00am**

**BOARD MEETING MINUTES**

Eric Richert, Vice President  
Peter Dornbrook, Secretary

**BOARD MEMBERS**  
Robert Epstein, President

Standish O'Grady, Treasurer  
Geoffrey Smith, Assistant Secretary

1. **CALL TO ORDER** *President Epstein*  
Determining a quorum present, President Epstein called the meeting to order at 8:00 am.
  2. **ANNOUNCEMENTS** *Manager Sharp*  
Manager Sharp stated that this Regular meeting is being fed live over the internet and that the public can view this meeting by going to our website, [www.kmpud.com](http://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](mailto:msharp@kmpud.com) and the Board will respond. Members of the public should identify themselves when making comments.
  3. **ROLL CALL** *Secretary Dornbrook*  
Board of Directors Present: Directors Epstein, Richert and Dornbrook.  
Board of Directors Absent: Directors O'Grady and Smith.  
Staff Present: Manager Sharp, Rick Ansel, Kelly McBride and Sandy McKay.  
Others Present: Doug Pierini/Vail Resorts; Judy Flinn/Community Member.
  4. **COMMENTS FROM THE AUDIENCE**  
None.
  5. **CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR**  
None.
  6. **ADOPTION OF CONSENT CALENDAR**
    - a. **Regular Board Meeting Minutes: August 13, 2016 and September 4, 2016**  
Approve August 13, 2016 and September 4, 2016 Board Meeting Minutes.
    - b. **Current Consent for Claims**  
Approve Current Consent for Claims
    - c. **Receivables / Shut Offs**  
Review current Receivables/Shut Offs Report.
    - d. **Refund of Water Connections Fees to Alan Fleming/Sentinels West in the amount of \$4,991.54**  
Approve refund of Water Connection Fees to Alan Fleming/Sentinels West in the amount of \$4,991.54.
- Moved Richert / Second Dornbrook / Epstein Yes / Richert Yes / Dornbrook Yes / O'Grady Absent / Smith Absent** to adopt the Consent Calendar as presented.
7. **CONSENT ITEMS BROUGHT FORWARD FOR SEPARATE DISCUSSION / ACTION**  
None.

**8. ITEMS FOR BOARD ACTION**

- a. **Presentation by Moss Adams and Possible Action on the 2015/2016 Kirkwood Meadows Public Utility District Financial Audit.** *Moss Adams/Accounting Manager McBride*  
**Lead: Finance Committee**  
Manager Sharp introduced Olga Darlington from Moss Adams who called into the meeting to present an overview of the audit and answer questions from the Board. Manager Sharp noted that the RUS loan reporting requirements, and ever-changing GASB 68 reporting requirements, make it critical to have an experienced firm to perform the audit. The pension liability (GASB 68) has numerous calculations and assumptions built in, making it difficult to determine a practical impact on the District. Staff will research whether the GASB 68 Pension entries need to be included in the RUS Form 7 reporting, and will bring back a proposal from Moss Adams for audit services for the next three years. The Finance Committee will continue to address pension liability.
- b. **Discussion and Possible Action Regarding the District's Financials.** *Manager Sharp and Accounting Manager McBride*  
**Lead: Finance Committee**  
Accounting Manager McBride presented the August Financials and Cash Flow, in addition to the September Prelims.
- August Financials.** Manager McBride reported that August EBITDA was \$77K and showed a positive variance of \$18K; YTD is \$179K, up \$76K from budget.
  - September Preliminaries.** YTD Revenue is up \$29K from budget.
  - Cash Flow.** Manager McBride compared August and September Actuals (Operating Cash and Cushion of Credit) against Budget, as well as a forecast for October and November which are typical low cash points for the year in the District's budget.  
Metered vs. Budget: Actual September kWh is 307,572, a positive variance against Budget of 8,601 kWh but down 12,873 kWh against last September. Propane usage for the month of September 2016 was 453,798 kWh, up 79,479cf from Budget, and up 6,073 from September 2015.
  - Budget Variance Tracking.** Staff will continue to include a Notes page to explain Known Budget Variances.
- c. **Discussion and Possible Action Regarding the Update of the Fire Service Master Plan.** *Assistant General Manager Ansel*  
**Lead: Planning Committee**  
Assistant General Manager Ansel provided a draft of the Fire Service Master Plan that is being updated from the 1997 version based on key components and projections from the 2003 Specific Plan and the 2014 Capacity Analysis. Assistant General Manager Ansel divided his presentation into three sections: Description, Future Growth, and Financing. As previously requested, an 11-year history of types of calls the Fire Department has responded to was highlighted. Approximately 49% were Medical related, 46% were Alarms (of which about 80% are false alarms, notably high), and Fire/Rescue/Other averaged 39%, noting one incident could be a combination of all three categories. There is a reasonable fluctuation in the number of calls compared to season snowfall. Responses in Alpine County were the most common at 77%, while 27% of the calls were in Amador, and less than 1% in El Dorado County. In-Valley calls (including the Kirkwood Inn) versus calls outside of the Kirkwood Valley were 70/30. The next updated version will include timing on when funds are needed. Comments on the draft Fire Service Master Plan should be emailed to Rick Ansel at [ransel@kmpud.com](mailto:ransel@kmpud.com).
- d. **Discussion and Possible Action Regarding Creating a Temporary Fire Department Position for Weekend/Holiday Coverage During the 2016-2017 Winter Season.** *Assistant General Manager Ansel*  
**Lead: Operations Committee**  
Assistant General Manager Ansel provided information including a job description to support his request for Board consideration to hire a seasonal firefighter for the winter season and help reduce emergency response times during historically peak call periods (Friday thru Sunday, 7:00am – 7:00pm). Estimated cost for this position is \$14,000-\$17,000. With excess funds from the 2016 Kirkwood Summer Festival available, the Operations Committee recommends approval of this request. The November Newsletter will include a breakdown on the allocation of these funds.

**Moved Dornbrook / Second Richert / Epstein Yes / Dornbrook Yes / Richert Yes / O’Grady Absent / Smith Absent** to approve an expense of \$16,700 from the Fire Department’s Festival proceeds to hire a temporary Fire Department Operator for the 2016-17 winter season.

**e. Update and Possible Action Regarding a Joint Proposal to Provide Housing and Other Accommodations for an Alpine County Sheriff to Live in Kirkwood During the Winter Months.**

*Manager Sharp*

**Lead: Planning Committee**

Manager Sharp reported several discussions have been held with Alpine and Amador Counties, Vail Resorts and KCA regarding the logistics of getting an Alpine County Sheriff to act as a Public Safety Officer in Kirkwood for this coming winter. While a benefits package has been broadly agreed upon between Vail Resorts, KCA and the District, Alpine County has informed the District that none of their sheriffs has expressed an interest in moving to Kirkwood. The Community and Staff will continue to press the Alpine County Sheriff’s Office to place an on-site officer in Kirkwood.

**f. Discussion and Possible Action on Developing a Trial Program to Install GPS Tracking Units on Snow Removal Equipment to Gather Data for Customer Service, Productivity and Confirming Contract Rates.** *Manager Sharp*

**Lead: IT Committee**

Manager Sharp reported that the District has purchased nine GPS tracking devices to install on the six Trackless and two Loaders, as well as a District vehicle. Staff will work on GPS Locating to identify driveways and other areas under contract. As noted in the 2016 Customer Satisfaction Survey, areas that most needed improvement was the process, timing and perception of the District’s Snow Removal operations. Collecting the data from GPS tracking will change the mechanism by which contract amounts have been calculated in the past, enabling the District to fairly allocate actual costs, in addition to improving productivity and customer service.

**g. General Update and Possible Action Regarding Ongoing Issues with PG&E.** *Manager Sharp*  
**Lead: PG&E Ad Hoc Committee**

Manager Sharp reported that Staff has completed an analysis to view different scenarios moving forward with the two issues remaining with PG&E:

- i. Continued Discussion on the Cost of Ownership Charges on the PG&E Substation Work.  
Billed at \$156,000 per year, the District recently paid a \$50,000 invoice and is now current with PG&E. The District had previously withheld payment based on a previous agreement and Staff is revisiting this issue with engineers to determine the correct formula.
- ii. Continued Discussion of Possible Alternatives to the Construction of a Potential Switch Station Project Including an Update on Obtaining Appraisals on the Value of the 115kV Line.  
To eliminate the need for a Switch Station, the District proposed to deed the 115kV line to PG&E if an appropriate value could be reached, as this value determines the Cost of Ownership charge, in perpetuity. The District proposed a maintenance value which did not include the cost of the foundations. PG&E suggested getting an appraisal of the line, with an estimated cost of \$20,000, split 50/50. This valuation would only be for the 115kV line and not include the impacts or costs associated with the 12kV underbuild, the size of the foundations, height of the poles, etc. At the Board’s direction, Staff will continue with an independent appraisal of the 115kV line by RCI and Exponential with a value date as of January 1, 2017.

Manager Sharp presented details involving different scenario costs moving forward, beginning with a breakdown of costs based on the original agreement, a status of actual costs, a default scenario, switch station debt service, switch station cash, and an appraisal scenario. Staff will continue to work with PG&E on the appraisal process and report back to the Board.

**h. Discussion and Possible Action Regarding the Impacts Associated with the Use of Grindings on Parking Areas Throughout Kirkwood.** *Manager Sharp*

**Lead: Operations Committee**

Manager Sharp reported that Vail Resorts continues to remove grindings from parking areas throughout Kirkwood, with restoration of impacted areas beginning. They have recreated the drainage route in front of Lava Rock Lodge and eliminated the drainage swale in front of the Community Services Building between their Vehicle Maintenance Shop and lower and middle Lot 7. Fish & Wildlife, Army Corps and State Water Board agree this specific area is no longer a USGS stream course since flows were diverted when the Timber Creek Tents were erected in 2006. A

letter from the Kirkwood Meadows Association to the State Water Board dated September 29 was also acknowledged regarding their concerns with the Site Assessment Survey Results and subsequent Remediation Plan. Community member Judy Flinn expressed concerns regarding snow storage along Kirkwood Meadows Drive, and asked when Vail Resorts would provide their plan. While Vail is looking at all options, Flinn asked that they be sure to minimize impacts to homeowners along Kirkwood Meadows Drive. Staff will continue to work with Vail Resorts on the remediation and their snow removal and storage plans, and report back to the Board.

i. **Discussion and Possible Action on the Algae Plume Issue and the Order for Technical Reports Received from the Central Valley Regional Water Quality Control Board.**

*Manager Sharp*

**Lead: Operations Committee**

As a result of an algae plume discovered in the lower Red Cliffs parking lot earlier this year, the State Water Board is investigating possible ammonia releases up-gradient from the site. Manager Sharp reported that the District was notified that a second pressure test was required to be performed on the underground ammonia line, to be certified by a licensed engineer. The line was successfully retested on September 23 and witnessed by Bennett Engineering, and the results sent to the Water Board. Staff will report back to the District Board on their response.

j. **Update and Possible Action on the Employee Interviews and Training Conducted by MHN and Plans for the Organizational Development Program and Job Description Revisions.**

*Manager Sharp*

**Lead: Personnel Committee**

Manager Sharp reported that all Staff have completed general communications training, and now the focus shifts to group and individual manager training. Job descriptions are also being updated. Staff will proceed with the training scheduled in October and then evaluate the District's needs after one year.

k. **Discussion and Possible Action Regarding Improvements Underway and Needed to the District's Electric Distribution System.** *Manager Sharp*

**Lead: Operations Committee**

- i. **Chair 10 Transformer.** Manager Sharp reported that Vail Resorts approved the installation of the Chair 10 transformer and thanked them for their efforts to get this done this year. Staff will continue with the installation and report back to the Board.
- ii. **Caples Lake Spill Containment.** Staff continues to research options to meet the Federal Energy Resource Commission's (FERC) requirements for spill containment of the 300 KVA transformer that powers the snowmaking pumps and contains about 186 gallons of oil.
- iii. **Circuit Project.** Manager Sharp reported that Staff have inspected the Lift and Commercial circuits and have now begun inspecting the Residential circuit starting at East Meadows. Staff will continue with the Circuit Project as weather allows and report back to the Board.

## 9. GENERAL MANAGER REPORT

- a. **Caltrans – Ice Box Issue.** Caltrans completed an investigation in response to the District's safety concerns of the short stretch of Hwy 88 known as the Ice Box. Based on their findings, Caltrans will relocate the "Slippery Road/Ice" signs on the westbound direction to improve advance warning to motorists. The Operations Committee wants to continue to press Caltrans to remove the 45-mph sign at the start of the Ice Box, and asked if Staff can obtain a copy of their investigative reports. President Epstein is working with Assemblyman Member Frank Bigelow and Senator Ted Gaines in an effort to keep this issue relevant, while building relations with them.
- b. **Epic Promise.** Manager Sharp reported a great turnout for the Epic Promise landscaping improvement project on September 17 that focused on the northeast corner of Loop Road. Over 70 plants and 50 yards of mulch were used in this scenic improvement project. Next year will focus on a meadow cleanup, and ideas for future projects are welcome.
- c. **Electric Vehicle Charging.** Manager Sharp reported that the District is considering the logistics of installing a 6K or 12K DC Faster Charger in Kirkwood. Meadowstone HOA is also considering installing a charger in one of their underground parking spaces, and Vail is looking at potential space in their VIP parking lot. A Customer Survey to determine community interest has been prepared by Cheryl Stern and Brandi Benson with oversight from the Planning Committee. With no

further comments from the Board, the Survey will be distributed shortly via email with results anticipated to be ready for review and discussion at the November 12 Board meeting.

- d. **Vehicle Maintenance Shop Hydronic Heater.** Last fall Staff reported that the hydronic heater in the Vehicle Maintenance Shop had failed due to corrosion in the heat exchanger. Recently approved by the Board, a new hydronic heater has been installed; District Operations staff are very appreciative of this effort.
- e. **Tank Cleaning.** Manager Sharp reported that the two water tanks have been cleaned and inspected with only a minimal amount of mineral deposits found, and both tanks generally described to be in good condition.
- f. **950 Loader Repairs.** Manager Sharp reported that the 950 Loader is out for repairs including rewiring of the electrical system and is expected to be back on site by mid-October.
- g. **Annual Report.** At the Board's request, the District will begin issuing an Annual Report, starting with FY 2015-16, which will provide a snapshot of District operations and performance during the past fiscal year. A final draft to the Board for review and comment is anticipated by the end of October, and possible approval for release on November 12.
- h. **Out Valley Tree Removal.** While the U.S. Forest Service is conducting prescribed burns in the area, the District hired arborist Rich Stevens to remove several dead trees that had been marked by the Forest Service and deemed to be a threat to the overhead lines.
- i. **District On Call System.** Manager Sharp reported that a new on-call system has been developed to limit overtime paid to Staff. Effective November 1, the plan will require all Operations Staff to be on call at least one day per month. Additional cross-training is beginning for this coverage.
- j. **Emergency Standard Operating Procedures.** The Standard Operating Procedures (SOPs) during emergencies have been updated by Water/Wastewater Superintendent Dornbrook and Electric/Propane Manager Benson. This will also be used as a model to develop SOPs for IT.
- k. **District Provided Housing.** With more Staff living offsite, and the On-Call system being revised, the District has dedicated a 2-bedroom unit in Lava Rock Lodge for use by on-call staff, snow removal operators, or other District employees during emergencies.

10. **OPERATIONS REPORT** *Assistant General Manager Rick Ansel*

- a. **Water Operations.** Assistant General Manager Ansel reported that aquifer levels are doing well and are at the same levels as this time last year.
- b. **Wastewater Treatment Plant.** There have been some control issues at the Plant and a small leak, but both are being resolved.
- c. **Fall Projects.** Considering the forecast for freezing temperatures, irrigation meters have been turned off for the season. There will also be one more propane tank inspection before winter.

11. **STANDING COMMITTEE REPORTS** (Discussions may take place; however, no action will be taken.)

- a. **Finance Committee.** All topics have been previously addressed.
- b. **Operations Committee.** All topics have been previously addressed.
- c. **IT Committee.** All topics have been previously addressed.
- d. **Planning Committee.** Chair Richert reported that meter surveys are ongoing. Vail Resorts' Doug Pierini has also been invited to join the Committee, replacing Casey Blann.
- e. **Personnel Committee.** All topics have been previously addressed.

12. **GENERAL DISCUSSION**

None.

13. **ADJOURNMENT** (*The next Regular Board Meeting is Saturday, November 12, 2016 at 8:00am*)

There being no further business, the meeting was adjourned at 10:20am.



Peter Dornbrook, Board Secretary  
Kirkwood Meadows Public Utility District



Sandy McKay, Clerk of the Board  
Kirkwood Meadows Public Utility District