



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, March 13, 2021 – 8:00 AM**

BOARD MEETING MINUTES

Robert Epstein, Vice President
Peter Dornbrook, Secretary

BOARD MEMBERS
Eric Richert, President

John Schroeder, Director
Bertrand Perroud, Assistant Secretary

Due to mandates by the Governor and the Alpine and Amador County Health Officers to shelter in place and guidance from the CDC to minimize the spread of COVID-19, this meeting took place via video/teleconference.

1. CALL TO ORDER

President Richert

Determining a quorum present, President Richert called the meeting to order at 8:00am. Due to possible interruptions and poor internet connection, President Richert asked Director Epstein to run the Board meeting.

2. ROLL CALL

Secretary Dornbrook

Board of Directors Present via Zoom: President Richert, Directors Epstein, Dornbrook, Perroud, and Schroeder
Staff Present via Zoom: General Manager Christeson, Assistant General Manager Ansel, Administrative Manager McBride, Operations Manager Benson
Others Present via Zoom: Howard Hoffman, and Rae Charos

3. ANNOUNCEMENTS

General Manager Christeson

General Manager Christeson welcomed members of the public to the March 13, 2021 Regular Board meeting. If members of the public would like to make a comment, they can use the raise your hand function on Zoom. All votes will be taken by roll call vote.

4. CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR

None

5. COMMENTS FROM THE AUDIENCE

None

6. WRITTEN COMMENTS FROM THE PUBLIC

General Manager Christeson noted correspondence regarding the Economic Development Committee is included in the Board Meeting Packet.

7. ADOPTION OF CONSENT CALENDAR

- a. **Board Meeting Minutes: January 23, 2021 & February 13, 2021**
Approve January 23, 2021 Special Board Meeting Minutes and February 13, 2021 Regular Board Meeting Minutes.
- b. **Current Consent for Claims**
Approve Current Consent for Claims
- c. **Receivables/Shut Offs Report**
Review Receivables Shuts Offs Report

Director Dornbrook motioned to adopt the Consent Calendar as presented. President Richert seconded the motion and it carried by the following roll call vote:

AYES: President Richert, Directors Epstein, Dornbrook, Perroud, and Schroeder

NOES: None

ABSENT: None

ABSTAINING: None

8. CONSENT ITEMS BROUGHT FORWARD FOR SEPARATE DISCUSSION / ACTION:

None

9. ITEMS FOR BOARD ACTION

- a. **Finances.** Discussion and possible action regarding the District's financials. *AM McBride*
 - i. **January Financials.** Administrative Manager McBride presented the Consolidated Balance Sheet noting that Operating Cash is up from plan. Revenue Account by fund was presented and Administrative Manager McBride answered questions from the Board. Combined Income Statement was presented noting Operating Revenues for the month of January are down from plan, year-to-date Operating Revenues are down from plan, and Total Operating Revenues are up from plan. Income Statement Comparison between January 2020 and January 2021 was presented noting January 2021 Commercial Revenue is down and Residential Revenue is up compared to January 2020. Discussion ensued.
 - ii. **February Preliminaries.** February 2021 Preliminary Income Statement was presented noting Operating Revenues are up from plan and year-to-date revenues are down from plan.
 - iii. **Cash Flow.** Cash Flow for the month of February ended better than plan, noting that this Cash Flow includes a payment of the maturity of the RUS B8 Loan Interest and Principal in March.
 - iv. **Budget Variance Tracking.** Budget Variances were updated through January 2021. Discussion ensued.

- b. **Budget Assumptions.** Discussion and possible action. *AM McBride*

Administrative Manager McBride summarized the current methodology of using a five-year average for creating Budget Assumptions and requested the Board provide direction to Staff regarding the preferred methodology to create Budget Assumptions moving forward. The Finance Committee recommends continuation of the current use of a five-year average to create Budget Assumptions. Discussion ensued. Board consensus is to continue to use a five-year average to create Budget Assumptions.

- c. **USDA RUS Loan B8-7.** Discussion and possible action. *AM McBride*

Administrative Manager McBride summarized the outstanding principal and current interest rate of United States Department of Agriculture (USDA) Rural Utility Service (RUS) Loan B8-7, due to

mature on March 31, 2021. Staff's recommendation is to allow the loan to mature and apply the balance in the Cushion of Credit to pay off the remaining balance of the loan.

President Richert motioned to allow the USDA RUS Loan B8-7 to mature and to apply the balance in the Cushion of Credit to pay off the remaining balance of the loan. Director Epstein seconded the motion and it carried by the following roll call vote:

AYES: President Richert, Directors Epstein, Dornbrook, Perroud, and Schroeder

NOES: None

ABSENT: None

ABSTAINING: None

- d. **Performance Reporting and Aquifer Levels.** Update. *OM Benson*

Operations Manager Benson presented Performance Reporting for each department and Aquifer Levels for the month of February 2021. Discussion ensued.

- e. **Electric Facility Physical Security.** Discussion and possible action. *OM Benson*

Operations Manager Benson summarized the California Public Utilities Commission (CPUC) requirement that Investor-Owned Utilities (IOUs) perform an assessment of the physical security of electric infrastructure. With the anticipation that this will become a requirement of Publicly Owned Utilities (POUs), Staff prepared a Draft Utility Security Plan Report for the Board's Review. The Operations Committee has reviewed the Draft Utility Security Plan Report. Discussion ensued.

- f. **Hydrology Study and Well 6 Scope of Work.** Discussion and possible action. *GM Christeson*

General Manager Christeson summarized issues that have arisen with existing District wells and presented a Hydrogeological Assessment prepared by NV5, the consulting firm that provides the District with hydrogeological services for wastewater monitoring. The Hydrogeological Assessment analyses existing wells and includes a phased approach proposal for installation of flow meters and transducers on existing wells and bid documents for possible installation of Well 6 next year. Discussion ensued.

Director Perroud motioned to approve proceeding with Phase 1 as outlined in NV5's proposal to provide hydrogeological services in a phased approach. Director Dornbrook seconded the motion and it carried by the following roll call vote:

AYES: President Richert, Directors Epstein, Dornbrook, Perroud, and Schroeder

NOES: None

ABSENT: None

ABSTAINING: None

- g. **Snow Removal – Driveways Pricing.** Discussion and possible action. *Director Perroud*

Director Perroud presented an analysis of time spent performing snow removal services on private driveways, including a summary of the methodology used to determine the time spent servicing each driveway. Per the Board's unanimous vote on September 9, 2020 of the Board's intent to incorporate private driveways into HOA Snow Removal Contracts, a complete analysis of Snow Removal Driveway Pricing will be provided to each HOA in order to allow the HOAs to

use their preferred method of allocation of costs for each driveway, pending a better understanding of any hurdles the HOAs might face. Discussion ensued.

- h. **Snow Removal – Driveway Contracts.** Discussion and possible action. *GM Christeson*

General Manager Christeson presented an analysis of four-year average Snow Removal cost allocation percentages for each HOA, with and without driveways included. Discussion ensued.

Director Perroud motioned to move transit time between driveways from the HOA pool to the driveway pool, to exclude the 2016/17 Snow Removal data from the cost allocation percentage calculation, and integrate a 29% calibration into calculations generated through the District's Report Server. President Richert seconded the motion and it carried by the following roll call vote:

AYES: President Richert, Directors Epstein, Dornbrook, Perroud, and Schroeder

NOES: None

ABSENT: None

ABSTAINING: None

Director Perroud amended the above motion to include the District's employee housing, Lava Rock Lodge, in the HOA's average cost allocation percentage table. President Richert seconded the motion and it carried by the following roll call vote:

AYES: President Richert, Directors Epstein, Dornbrook, Perroud, and Schroeder

NOES: None

ABSENT: None

ABSTAINING: None

The meeting adjourned for a break at 9:56 AM and reconvened at 10:01 AM.

- i. **Electric Rate Study.** Discussion and possible action. *Director Epstein & GM Christeson*

General Manager Christeson presented the draft Electric Rate Study (Study). The Finance Committee has reviewed the draft Study and comments are incorporated in the current draft. Included in the draft Study is a comparison of three scenarios, a Cost Allocation method, an Avoided Cost method, and a Cost of Goods Sold method. All three scenarios were analyzed to determine effects on District customers. Discussion ensued. Director Epstein stated he has requested the Energy Group at University of California Berkeley to review and comment on the draft Study. Based on comments from the Board, the draft Electric Rate Study will be revised and policy questions raised will be brought back to Board for review at the April 10, 2021 Regular Board of Directors Meeting.

- j. **OGALS Temporary Advisory Committee Recommendations.**

Discussion and possible action.

Director Dornbrook

Director Dornbrook summarized Committee discussions to-date and presented four viable projects the Committee has identified to utilize the Office of Grants and Local Services (OGALS) grant funds the District received. The projects include a meadow bridge that would connect the East and West sides of the Valley, a movie projector, screen, and sound system for community

use, a picnic area on the West side of the Valley, and a permanent restroom near the playground. Discussion ensued. The consensus of the Board is to discuss the feasibility of the meadow bridge project with Vail representatives and bring project options back to the Board at the April 10, 2021 Regular Board of Directors meeting.

10. GENERAL MANAGER'S REPORT

GM Christeson

General Manager Christeson reported on:

- CMUA Legislative Committee and Regulatory Committee Meetings.
- ACWA Region 3 Board Meeting.
- California Air Resources Board Advanced Clean Fleets Workshop.

11. OPERATIONS REPORT

Assistant General Manager Ansel reported the Summer Festival Committee is meeting regularly to plan the annual fundraising event and more information will be provided in the April 2021 District Newsletter.

12. STANDING COMMITTEE REPORT

a. Finance Committee

Director Epstein reported on Committee discussions regarding the Electric Rate Study and the District Budget.

b. Operations Committee

All items were covered.

c. Planning Committee

Director Perroud reported on Committee discussions regarding reduction of the District's carbon footprint and fossil fuel shifting.

d. Communications Committee

Director Epstein reported on Committee discussions regarding redesign of the District website and communication of the Electric Rate Study with customers.

e. Personnel Committee

President Richert reported that General Manager Christeson and Director Schroeder met to discuss an overview of Personnel issues.

13. TEMPORARY ADVISORY COMMITTEE REPORT

a) Summer Festival Update.

All items were covered.

14. GENERAL DISCUSSION

Director Epstein identified two items for further Board discussion, including propane meter protection and water production data.

Director Perroud noted discrepancies in current water production data and suggested the data should be reviewed.


15. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:31 AM.

(The next Regular Board Meeting is Saturday, April 10, 2021 at 8:00am)



Jessica Gillies, Clerk of the Board



Peter Dornbrook, Board Secretary
Kirkwood Meadows Public Utility District