



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, July 10, 2021 – 8:00 AM

BOARD MEETING MINUTES

Robert Epstein, Vice President
Peter Dornbrook, Secretary

BOARD MEMBERS
Eric Richert, President

John Schroeder, Treasurer
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 8:01 AM.

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, Anne-Flore Dwyer, Rae Charos, Doug Mitarotonda, Terry Woodrow, Alpine County Supervisor District 4

3. ANNOUNCEMENTS

General Manager Christeson

General Manager Christeson welcomed members of the public to the July 10, 2021 Regular Board meeting and Public Hearing. If members of the public would like to make a comment, they should 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

President Richert noted a written comment was received from Doug Mitarotonda.

7. ADOPTION OF CONSENT CALENDAR

- a. June 12, 2021 Regular Minutes and June 28, 2021 Special Minutes

Approve June 12, 2021 Regular Board Meeting Minutes and June 28, 2021 Special Board Meeting Minutes

- b. **Current Consent for Claims**
Approve Current Consent for Claims
- c. **Receivables/Shut Offs Report**
Approve Receivables/Shut Offs Report
- d. **Appointment of Director Schroeder as Treasurer.**
Approve Appointment of Director Schroeder as Treasurer
- e. **Appointment of Director Schroeder as Finance Committee Chair.**
Approve appointment of Director Schroeder as Finance Committee Chair.

Director Dornbrook motioned to adopt the Consent Calendar as presented. 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

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

None

9. PUBLIC HEARING

- a) **Proposed Changes to Electric Rates and Rate Structure and Possible Adoption of Ordinance 21-02 Revising Electric Rates and Rate Structure.** Discussion and possible action.
GM Christeson

President Richert opened the Public Hearing at 8:05 AM and outlined the Public Hearing process. General Manager Christeson detailed changes that have been made to the Electric Rate Study based on Board direction from the last Public Hearing that took place on June 28, 2021. President Richert requested each Director detail any changes they would like to make to the current draft of Ordinance 21-02 Revising Electric Rates and Rate Structure. Discussion ensued.

President Richert opened the Public Hearing to receive public comment on Proposed Changes to Electric Rates and Rate Structure and Possible Adoption of Ordinance 21-02 Revising Electric Rates and Rate Structure. Public comments were received.

Director Dornbrook motioned to close the Public Comment portion of the Public Hearing. Director Schroeder 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

President Richert summarized all changes that have been made to the Electric Rate Study since the first Public Hearing that took place on June 12, 2021.

Director discussion ensued.

President Richert motioned to adopt Ordinance 21-02 Revising Electric Rates and Rate Structure with the following amendment to Section 7. EDU Calculation:

- For existing and new customers, Equivalent Dwelling Unit (EDU) assignment will be based on three full AMU years of usage data excluding Fiscal Year 2020/21 (the "Pandemic Year").

Director Perroud 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

President Richert motioned to direct the Planning Committee to consider recommendations to the Board at least three months prior to the end of the 2021/2022 Fiscal Year regarding Ordinance 21-02 Revising Electric Rates and Rate Structure on the following items:

- An exception process for customers in case of substantial and sustained reduction in electric use.
- New construction that is all electric.

Director Perroud 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

10. ITEMS FOR BOARD ACTION

- a. **Finances.** Discussion and possible action regarding the District's financials. *AM McBride*
 - i. **May Financials.** Administrative Manager McBride presented the Consolidated Balance Sheet noting Operating Cash is up from plan. Revenue Account by Fund was presented noting the balance in G&A, Parks, and Fire is due to receipt of property tax allocations from Alpine County. Combined Income Statement was presented noting year-to-date Total Operating for the month of May is up from plan. Income Statements for each department were presented noting Total Operating revenue for the Water and Wastewater departments are up from plan. Total Operating revenue for the Electric department is up from plan noting the overage in Cost of Goods Sold is due to retirement of Renewable Energy Credits (RECs). Total Operating Revenue for the Propane department is down from plan. Income Statement Comparison for May 2020 and 2021 was presented.
 - ii. **June Preliminaries.** June 2021 Preliminary Income Statement was presented noting Operating Revenues are actuals. Fiscal year end revenue is down from plan. Discussion ensued.
 - iii. **Cash Flow.** Fiscal year end cash flow is better than plan.
 - iv. **Budget Variance Tracking.** Known Budget Variances were updated through May 2021. Discussion ensued.
- b. **Fiscal Year 2021/2022 Budget.** Discussion and possible action. *AM McBride*

Administrative Manager McBride summarized changes made to the Fiscal Year 2021/2022 Budget since the last iteration was presented at the June 12, 2021 Regular Board of Directors meeting. Discussion ensued. The Finance Committee has reviewed the Fiscal Year 2021/2022 Budget in detail and recommends Board approval. General Manager Christeson summarized Wastewater Treatment Plant Improvement Project costs included in the Capital Budget.

Director Epstein motioned to adopt the Fiscal Year 2021/2022 Budget as presented. Director Schroeder 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

- c. **WWTP Short Term Financial Consultant.** Discussion and possible action.
Director Schroeder

Director Schroeder summarized short-term financing needed to complete the Wastewater Treatment Plant Improvement Project and presented recommendations from the Wastewater Treatment Plant Financing Ad-Hoc Committee for retention of a short-term financial consultant. General Manager Christeson presented the preliminary Wastewater Treatment Plant Improvement Project Schedule. The Finance Committee has reviewed the Wastewater Treatment Plant Financing Ad-Hoc Committee's recommendation and unanimously recommends approval of retaining Stifel Nicolaus as a short-term financial consultant and placement agent. Discussion ensued.

Director Schroeder motioned to retain Stifel Nicolaus as a short-term financial consultant and placement agent with initial pursuit of private placement with acceptable terms. Should the private placement terms be unacceptable, a public offering of bond anticipation notes can be executed. 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 for the month of June and the 2020/2021 Fiscal Year. Aquifer levels for the month of June were presented noting the threshold for implementing drought restrictions.

- e. **Board Election.** Discussion and possible action. *GM Christeson*

General Manager Christeson summarized the District Board Election taking place on November 2, 2021. Procedures for obtaining and submitting Declaration of Candidacy forms were detailed.

11. **GENERAL MANAGER'S REPORT**

GM Christeson

General Manager Christeson reported on:

- Cal OSHA COVID Protocols

- KMPUD Office opening to the public.
- Future Board meetings.
- ACWA Region 3 Carb Fleet discussion.

12. OPERATIONS REPORT

Assistant General Manager reported on:

- Progress of Summer Projects.
- Fire Department Grant applications.
- Propane and Electric Meter Protection.

13. STANDING COMMITTEE REPORT

a. Finance Committee

All items were covered.

b. Operations Committee

Director Dornbrook reported on Committee discussions regarding a future fuels reduction policy.

c. Planning Committee

Did not meet last month. Director Perroud noted that there are community member vacancies on the Planning Committee.

d. Communications Committee

Did not meet.

e. Personnel Committee

Did not meet.

14. TEMPORARY ADVISORY COMMITTEE REPORT

Assistant General Manager Ansel reported on the preliminary results of the Kirkwood Virtual Summer Festival and thanked the community for their support. President Richert noted that he would like to send a thank you note on behalf of the Board to the members of the Summer Festival Committee.

15. GENERAL DISCUSSION

Director Epstein reported on state funds available for Special Districts for safety purposes. President Richert requested General Manager Christeson contact elected officials to inquire about District eligibility to receive available funds.

President Richert noted a final communication will be sent to all customers regarding adoption of Ordinance 21-02 Revising Electric Rates and Rate Structure and offered to help draft the communication.

Director Perroud requested an update regarding the Playground be communicated to the community.

Director Schroeder inquired about Labor Day Weekend fundraising events. General Manager Christeson noted the Kirkwood 5K/10K and Kids Fun Run is cancelled.

Director Dornbrook inquired about a portable toilet being placed at the Playground.

Frank Dixon, General Manager Kirkwood Property Services noted the Kirkwood Community Association Board directed staff to hire an events coordinator to plan the Annual Chili Cook Off to take place over Labor Day Weekend.

16. CLOSED SESSION

The Board adjourned to Closed Session at 10:45 AM.

The Board reconvened to open session at 11:15 AM.

a) **Closed Session regarding General Manager annual performance review, merit, and bonus.**

i. **Government Code §54597(b)**

President Richert reported the Board granted General Manager Christeson a 4.12% salary increase and a discretionary \$5,000.00 bonus.

b) **Closed Session regarding annual Employee merit increases.**

i. **Government Code §54597(b)**

President Richert reported the Board was advised of the annual merit increases for Staff which averaged 3.3%.

17. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:16 AM.

(The next Regular Board Meeting is tentatively scheduled for Saturday, September 11, 2021 at 8:00 AM.)



Jessica Gillies, Clerk of the Board



Peter Dornbrook, Board Secretary
Kirkwood Meadows Public Utility District