



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, August 10, 2019 – 8:00 AM

BOARD MEETING MINUTES

Eric Richert, Vice President
Peter Dornbrook, Secretary

BOARD MEMBERS
Geoff Smith, President

Standish O'Grady, Treasurer
Robert Epstein, Assistant Secretary

1. **CALL TO ORDER**

President Smith

Determining a quorum present, President Smith called the meeting to order at 8:00am.

2. **ROLL CALL**

Secretary Dornbrook

Board of Directors Present:

President Smith, Directors Richert, Dornbrook, O'Grady and Epstein

Staff Present:

General Manager Erik Christeson, Operations Manager Brandi Benson, Administrative Manager Kelly McBride, Clerk of the Board Jessica Gillies, and Technology Specialist Drew Meteer
Others Present: Frank Dixon (Kirkwood Property Services), Amador County Supervisor Jeff Brown, Alpine County Supervisor Terry Woodrow

3. **ANNOUNCEMENTS**

General Manager Christeson

General Manager Christeson welcomed members of the public to this special board meeting and stated this meeting is being fed live over the internet and the public can view this meeting by going to our website and following the appropriate link. If the public would like to make a comment, they may send an email to echristeson@kmpud.com and the Board will respond.

4. **CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR**

None

5. **COMMENTS FROM THE AUDIENCE**

Jeff Brown, Amador County Supervisor, District 3, informed the Board that Amador County would soon begin drafting both a Nuisance Ordinance and a Fire Clearance Ordinance and invited District participation. The Planning Committee will agendize these topics.

6. **ADOPTION OF CONSENT CALENDAR**

- a. **Regular Board Meeting Minutes of July 5, 2019**
Approve July 5, 2019 Board Meeting Minutes
- b. **Current Consent for Claims**
Approve Current Consent for Claims
- c. **Receivables/Shut Offs Report**
Review Receivables/Shut Offs Report.
- d. **Ministerial Correction to Salary Ranges**

Approve Ministerial Correction to Salary Ranges

Director Richert motioned to adopt the Consent Calendar as presented. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, Dornbrook, and O'Grady

NOES: None

ABSENT: None

ABSTAINING: None

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

None

8. ITEMS FOR BOARD ACTION

a. **Finances. Discussion and Possible Action Regarding the District's Financials.**
Administrative Manager McBride

- i. June & July Preliminaries. Manager McBride presented the June Balance Sheet, noting Intangible Assets is now a separate line item on the Balance Sheet and includes assets related to the Out Valley Project and assets deeded to PG&E. Also added to the Balance Sheet are Total Net Pension Liability, a GASB 68 reporting requirement and Total Net OPEB (Other Post-Employment Benefits) Liability, a GASB 75 reporting requirement. Revenue account by fund was presented, noting that property tax allocations will cover cash losses for all funds except Snow Removal which will need an inter-fund loan from Electric. The Combined Income Statement was presented noting that the June Financials are listed as Preliminary pending the completion of the annual financial audit. Year-to-date operating revenues are up from plan and include property tax allocations. Year-to-date Total Operating is up from plan, noting the GASB 68 Pension Expense and the GASB 75 OPEB Expense are listed on the Combined Income Statement. Budget Income Statements were presented for each department. A brief summary of July Revenues was presented.
- ii. Cash Waterfall. Property tax revenues from Alpine County, usually received each year at the end of June, were received on August 2 this year, affecting Cash Flow. Due to the late receipt of property tax allocations the Mello Roos CFD (Community Facilities District) payment was paid using revenue because the Mello Roos property tax allocations had not been received at the time of payment.
- iii. Budget Variance Tracking. Updates to the known Budget Variances include the Net Pension Expense and the Net OPEB Expense.
- iv. Property Tax Allocation. Discussion and possible action.

Manager McBride presented Fiscal Year Ending 2019 Property Tax Allocations recommendation.

Director O'Grady motioned to approve Fiscal Year Ending 2019 Property Tax Allocations as recommended. Director Richert seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, Dornbrook, and O'Grady

NOES: None

ABSENT: None

ABSTAINING: None

- v. Inter-fund Loan to Snow Removal from Electric. Discussion and possible action.

Discussion ensued regarding an inter-fund loan to Snow Removal from Electric.

Director Richert motioned to approve Resolution 19-04 Approving Inter-Fund Transfer and Loan. Director O'Grady seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, Dornbrook, and O'Grady

NOES: None

ABSENT: None

ABSTAINING: None

- b. Snow Removal Pricing. Discussion and possible adoption of the snow removal contract pricing for Private Driveways. *General Manager Christeson*

General Manager Christeson and Director Epstein detailed Private Driveway Snow Removal Contract pricing methodology and presented final 2019-20 Contract amounts. The Finance Committee recommends adoption of the 2019-20 Private Driveway Snow Removal Contracts as presented. Discussion ensued.

Director Epstein motioned to adopt 2019-20 Private Driveway Snow Removal Contracts as presented. Director O'Grady seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, and O'Grady

NOES: Director Dornbrook

ABSENT: None

ABSTAINING: None

- c. Debt Policy Guidelines. Discussion and possible adoption of Policy 390, Debt Policy Guidelines. *General Manager Christeson*

General Manager Christeson presented draft Policy Statement 390, Debt, drafted by Finance Committee members. The Finance Committee recommends adoption of Policy Statement 390, Debt Policy Guidelines.

Director Richert motioned to approve Policy Statement 390, Debt, as presented. Director O'Grady seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, Dornbrook, and O'Grady

NOES: None

ABSENT: None

ABSTAINING: None

- d. Performance Reporting and Aquifer Levels. Discussion. *Operations Manager Benson*

Manager Benson presented performance reporting for each department, detailing repairs to the Wastewater collection system and a Valley wide power outage that occurred on July 28, 2019. Aquifer levels were presented noting an increase in use of Well 4/5 due to the need the rest Well 2. Discussion ensued.

e. **General Manager Objectives FY 2019-20.** *General Manager Christeson*

General Manager Christeson presented Fiscal Year 2019-20 General Manager Objectives, noting respective Committees have reviewed and recommend adoption. Director Richert recommended deleting Planning Objective #4.

Director Richert motioned to approve General Manager Objectives Fiscal Year 2019-20 with Planning Objective #4 deleted and addition of “develop metrics” to Planning Objective #6. Director O’Grady seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, Dornbrook, and O’Grady

NOES: None

ABSENT: None

ABSTAINING: None

f. **Employee Handbook.** Discussion and possible action. *General Manager Christeson*

General Manager Christeson presented the final iteration of the Employee Handbook noting the Personnel Committee has reviewed and recommends adoption. Director Richert provided comments on specific details of the Employee Handbook, noting a minor spelling correction on page 41 (the word “Classic” is misspelled) and requesting that under Grievance Policy and Procedures on page 35, the following sentence at the end of section 4 be moved to the end of Section 2: “Failure of the District to respond within the timelines set forth above shall be construed as a denial of the grievance at that step, effective the last date for issuing a decision.”.

President Smith motioned to approve the Employee Handbook with the above spelling correction on page 41 and edit the Grievance Policy and Procedures on page 35. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, Dornbrook, and O’Grady

NOES: None

ABSENT: None

ABSTAINING: None

g. **Renewable Electricity/Propane Options.** Discussion and possible action. *Director Epstein*

Director Richert summarized the proposed Renewable Electricity/Carbon Offset Program and detailed survey results from a survey sent to District customers to gauge interest in a voluntary program to allow customers to offset carbon emissions generated through their use of District supplied electricity and propane. Director Epstein provided details of the proposed Renewable Electricity/Carbon Offset Program and customer survey results. Discussion ensued.

Director Richert motioned to direct staff to implement the Carbon Offset Program with a final review by the Planning Committee. Director O’Grady seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, Dornbrook, and O’Grady

NOES: None

ABSENT: None

ABSTAINING: None

9. GENERAL MANAGER'S REPORT *General Manager Christeson*

General Manager Christeson reported on:

1. Playground update
2. Eastern Alpine Fire Department Proposal
3. PG&E IA & TFA Expiration
4. 218 Consultant
5. Summer Festival

10. OPERATIONS REPORT

General Manager Christeson reported on:

1. Propane tank valves
2. Overhead line inspection

11. STANDING COMMITTEE REPORT

- a. **Planning Committee**
Has not met since the last Board meeting
- b. **Operations Committee**
All items were covered.
- c. **Finance Committee**
Director O'Grady reported the District is in escrow on a second employee housing unit.
- d. **IT Committee**
Director Epstein reported on discussions regarding cyber security.
- e. **Personnel Committee**
All items were covered.

12. TEMPORARY ADVISORY COMMITTEE REPORT

None

13. GENERAL DISCUSSION

None

The Board meeting adjourned to Closed Session at 10:55am.

14. CLOSED SESSION

- a) **Closed Session regarding employee performance reviews and merit increases.**
 - i. **Government Code § 54597(b)**

The Board reconvened to Public Session at 10:07am.

President Smith reported the Board reviewed employee performance reviews and merit increases, effective July 1, 2019.

15. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:07am.
(The next Special Board Meeting is Friday, August 30, 2019 at 5:00pm)



Jessica Gillies, Clerk of the Board



Peter Dornbrook, Board Secretary
Kirkwood Meadows Public Utility District