



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

SPECIAL MEETING OF THE BOARD OF DIRECTORS
Friday, December 13, 2019 – 1:00PM

BOARD MEETING MINUTES

Robert Epstein, Vice President
Peter Dornbrook, Secretary

BOARD MEMBERS
Eric Richert, President

Standish O'Grady, Treasurer
Bertrand Perroud, Assistant Secretary

1. CALL TO ORDER

President Smith

Determining a quorum present, President Smith called the meeting to order at 1:00pm.

2. ROLL CALL

Secretary Dornbrook

Board of Directors Present:

President Smith, Directors Richert, Dornbrook, O'Grady, Epstein, and incoming Director Perroud

Staff Present:

General Manager Erik Christeson, Assistant General Manager Rick Ansel, 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), Terry Woodrow (Alpine County Supervisor, District 4), Joe Assereto (ACES Waste Services), Howard Hoffman (Operations Committee Member)

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 comments will be read under the public comment portion of the associated agenda item.

4. SEATING OF NEW BOARD MEMBERS

Clerk of the Board Gillies

President Smith marked the end of his four-year term as District Board Director and thanked staff for support during his term, thanked Committee volunteers for their service, and thanked fellow Board members for their support, commending them for being a great team to work with.

Clerk of the Board Gillies summarized the District Board election and presented Standish O'Grady and Bertrand Perroud with their Certificates of Appointment to assume four-year terms as Board Directors, as appointed by the Alpine County Board of Supervisors at their October 1, 2019 meeting pursuant to their Resolution No. R2019-46. Directors O'Grady and Perroud took their Oaths of Office at an earlier date.

5. CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR

General Manager Christeson requested to move Item 9l. Performance Reporting and Aquifer Levels and Item 9m. Wildfire Mitigation Plan to take place directly after Item 9c. New Kirkwood Mountain Resort General Manager. Due to Joe Assereto of ACES Waste Services being present at the meeting, General

Manager Christeson requested to move Item 9h. ACES Solid Waste Contract 5th Amendment and Item 9i. Solid Waste Rate Adjustment to take place after Manager Benson presents Items 9l. and 9m.

Director O'Grady motioned to approve the modified Agenda. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: Vice- President Richert, Directors O'Grady, Dornbrook, Epstein, and Perroud

NOES: None

ABSENT: None

ABSTAINING: None

6. COMMENTS FROM THE AUDIENCE

None

7. ADOPTION OF CONSENT CALENDAR

- a. **Regular Board Meeting Minutes of November 9, 2019**
Approve November 9, 2019 Regular Board Meeting Minutes
- b. **Current Consent for Claims**
Approve Current Consent for Claims
- c. **Receivables/Shut Offs Report**
Review Receivables/Shut Offs Report.

Item 7a. Regular Board Meeting Minutes of November 9, 2019 was pulled from the Consent Calendar to vote on separately.

Director Dornbrook motioned to adopt Item 7b. Current Consent for Claims and Item 7c. Receivables/Shut Offs Report as presented. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: Vice-President Richert, Directors O'Grady, Dornbrook, Epstein, and Perroud

NOES: None

ABSENT: None

ABSTAINING: None

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

Director O'Grady motioned to approve Item 7a. Regular Board Meeting Minutes of November 9, 2019. Director Epstein seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: Director Perroud

9. ITEMS FOR BOARD ACTION

- a. **Board Officer Nomination & Elections.**

Vice-President Richert

Director O'Grady motioned to nominate Director Richert for Board President. Director Epstein seconded the motion and it carried by the following voice vote:

AYES: Directors Richert, O'Grady, Dornbrook, Epstein, and Perroud

NOES: None

ABSENT: None

ABSTAINING: None

President Richert nominated Officer positions within the Board as follows:

Bob Epstein, Vice-President
 Standish O'Grady, Treasurer
 Peter Dornbrook, Secretary
 Bertrand Perroud, Assistant Secretary

Director O'Grady motioned to approve Board Officer positions as nominated by President Richert. Director Epstein seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

President Richert noted the Information Technology (IT) Committee is renamed to the Communications Committee.

President Richert appointed Committee Chair positions as follows:

Operations Committee: Director Dornbrook, Chair
 President Richert, Director Member

Planning Committee: Director Perroud, Chair
 Director Dornbrook, Director Member

Finance Committee: Director O'Grady, Chair
 Director Epstein, Director Member

Communications Committee: Director Epstein, Chair
 Director Perroud, Director Member

Personnel Committee: President Richert, Chair
 Director O'Grady Director Member

Community members will be assigned at the January Board meeting.

b. **Resolution 19-06 Honoring Director Smith**

President Richert

President Richert read aloud Resolution 19-06 Honoring Director Smith.

Director Dornbrook motioned to adopt Resolution 19-06 Honoring Director Smith. Director O'Grady seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

- c. **New Kirkwood Mountain Resort General Manager.** Introduction. *General Manager Christeson*

The new Kirkwood Mountain Resort General Manager was not present.

- l. **Performance Reporting & Aquifer Levels.** Discussion. *Operations Manager Benson*

Operations Manager Benson presented performance reporting for each department for the month of November, detailing the propane valve repair project and resulting low tank levels. President Richert requested the Communications and Operations Committees consider establishing a performance report for snow removal.

- m. **Wildfire Mitigation Plan.** Discussion and possible action. *Operations Manager Benson*

Operations Manager Benson detailed Senate Bill 1028 requirements to adopt a Wildfire Mitigation Plan by the end of 2019, to be reviewed by an independent consultant and brought back before the Board by July of 2020. The draft Wildfire Mitigation Plan was summarized. Discussion ensued. Director Dornbrook stated the Operations Committee has reviewed the draft Wildfire Mitigation Plan and recommends approval.

Director Dornbrook motioned to adopt Resolution 19-07 Adopting Annual Fire Mitigation Plan. Director O'Grady seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

- h. **ACES Solid Waste Contract 5th Amendment.** Discussion and possible action. *General Manager Christeson*

General Manager Christeson introduced Joe Assereto of ACES Waste Services and summarized the current solid waste contract, including the proposed 5th Amendment to the contract. Mr. Assereto provided details of the scope of ACES services and gave background information on increased costs. Discussion ensued.

Director O'Grady motioned to direct General Manager Christeson to execute the Fifth Amendment to the ACES Solid Waste Contract with ACES Waste Services. Director Perroud seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

- i. **Solid Waste Rate Adjustments.** Presentation and possible action on the Draft Solid Waste Rate Study- 2019, Ordinance, Regulation, and Notice of Public Hearing to be used in the adjustment of Solid Waste rates effective February 1, 2020. *General Manager Christeson*

General Manager Christeson summarized the 2019 Solid Waste Rate Study and the necessary increase to Solid Waste rates to reflect the Fifth Amendment to the ACES Solid Waste Services contract and to make the Solid Waste department self-sufficient. Director Perroud noted an error on page 5 of the Rate Study. General Manager Christeson will correct the error.

Director O'Grady motioned to approve the 2019 Solid Waste Rate Study with the correction as noted by Director Perroud, Enabling Ordinance, and Notice of Public Hearing to take place on February 1, 2020. Director Perroud seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

- d. **Finances.** Discussion and possible action regarding the District's financials. *Administrative Manager McBride*

Administrative Manager McBride presented October financials noting the variance in operating cash on the Balance Sheet is due to timing of completion of projects. Revenue Account by Fund was presented noting the General and Administration and Employee Housing Accounts are running at loss due to timing of receipt of property tax funds and the purchase of two employee housing units. Combined Income Statement was presented noting year-to-date operating revenues are up from plan and includes grant funds received for the purchase of Self-Contained Breathing Apparatus' (SCBAs). Year-to-date total operating revenues are up from plan due to the timing of completion of projects. The variance in investment income is due to Local Agency Investment Fund (LAIF) interest earned. Income Statements for each department were presented noting the variance in Contract Services in the General Fund is due to the timing of receipt of the final Moss Adams invoice for annual audit services. The variance in Operations and Maintenance in the Water and Wastewater Departments is due to timing of the rate study that is currently taking place. Year-to-date total operating revenues for the Water and Wastewater Departments are up from plan. October and year-to-date EBITDA (Earnings Before Interest, Tax, Depreciation, and Amortization) is up from plan. November actual revenues were presented and are down from plan, believed to be due to the unseasonably warm temperatures in November. November Cash flow was higher than budget, due to the timing of completion of projects. Cash Flow new low point is December 2023. Known Budget Variances include Snow Removal Salaries and Benefits and the 950F engine rebuild. Discussion ensued and questions were answered throughout the presentation.

- e. **RUS Loan Rollover.** Discussion and possible action. *Administrative Manager McBride*

Administrative Manager McBride provided the maturity date schedule for all current loans the District holds noting the RUS FFB Loan is due to mature on December 31, 2019, and the District can rollover the loan with a new maturity date through 2047. Staff recommends the RUS FFB Loan be rolled over with a new maturity date of December 31, 2035. Discussion ensued.

Director O'Grady motioned to rollover the current RUS FFB Loan maturity date to December 31, 2035. President Richert seconded the motion and it carried by the following voice vote:

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

- f. **Sensus Meter Software Upgrade.** Discussion and possible action. *General Manager Christeson*

General Manager Christeson detailed the need to upgrade the Sensus meter software, providing two upgrade options including total costs and noting this is an unbudgeted item. Director O'Grady provided details of Finance Committee discussions and stated the Finance Committee recommends Option 2, Sensus Analytics MDM without Customer Portal. Discussion ensued.

Director O'Grady motioned to direct staff to proceed with the upgrade of the Sensus meter software to the Sensus Analytics MDM without the Customer Portal for an initial cost of \$59,118 and annually \$33,411 with a 3% yearly increase to the annual fee. Director Epstein seconded the motion and it carried by the following voice vote:

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

- g. **Renewable Energy and Carbon Offsets.** Update and possible action. *Clerk of the Board Gillies*

Clerk of the Board Gillies gave a brief background of the Renewable Energy and Carbon Offsets Program and provided final results of total customer purchases of Renewable Energy Credits (RECs) and Carbon Offsets. Discussion ensued regarding methods of informing District customers of how to participate in next year's Renewable Energy and Carbon Offsets Program.

- j. **Wastewater Treatment Plant Membrane Report.** Discussion. *General Manager Christeson*

General Manager Christeson summarized the Wastewater Treatment Plant Membrane Report prepared by Koch Separation Solutions, detailing the current condition and expected life of the Membranes. Discussion ensued.

- k. **KVFD Use of Dedicated Funds.** Discussion and possible action. *Chief Ansel*

Chief Ansel summarized Kirkwood Volunteer Fire Department's (KVFD) fundraising efforts over the past several years and detailed the long-standing goal to purchase Self Contained Breathing Apparatus (SCBA) with the funds raised. Due to a grant received from the Department of Homeland Security to purchase SCBAs, the funds raised that were earmarked for the purchase of SCBAs is not needed. Chief Ansel detailed the need to purchase a SCBA fill station and recommended dedicating the fire department funds generated through fundraising to purchase a two-cylinder fill station, ancillary electrical supply and venting equipment. Director O'Grady stated the Finance and Operations Committees have reviewed and recommends approval to purchase a SCBA fill station.

Director Dornbrook motioned to direct staff to issue a Notice Inviting Bids for the purchase of a permanently mounted two-cylinder SCBA air compressor fill station, ancillary electrical supply,

and venting equipment. Director O'Grady seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

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

General Manager Christeson reported on:

1. Vail Secondary Direct Bury Cable at the Kirkwood Inn/Service Station
2. Playground Ad-hoc Committee
3. Wastewater Treatment Plant Proposal
4. Biomass Heating/Funding
5. Proposed Excise Tax on Ski Lift Tickets in Alpine County

11. OPERATIONS REPORT

Assistant General Manager Ansel reported on:

1. T1 Line Repair
2. Propane Tank Valve Project
3. Winter Operations

12. STANDING COMMITTEE REPORT

- a. **Planning Committee**
Director Epstein gave an update on the Heat Pump Feasibility Study.
- b. **Operations Committee**
All items were covered.
- c. **Finance Committee**
All items were covered.
- d. **Communication (Formerly IT) Committee**
Has not met since the last Board meeting.
- e. **Personnel Committee**
Has not met since the last Board meeting.

13. TEMPORARY ADVISORY COMMITTEE REPORT

Cheryl Stern provided an update on the Playground Ad-hoc Committee efforts and progress.

President Richert gave an update on General Manager contract negotiations.

14. GENERAL DISCUSSION

Director O'Grady inquired about Director Perroud's affiliation with local HOA Board of Directors.

General Manager Christeson recommended cancelling the Regular Board of Directors meeting on February 8, 2020 and rescheduling to a Special Board of Directors meeting to take place on Saturday,

February 1, directly after the Public Hearing on the Proposed Adjustment of Solid Waste Service Charges. It was the consensus of the Board to reschedule the Regular Board of Directors meeting on February 8, 2020 to a Special Board of Directors meeting on February 1, 2020.


15. CLOSED SESSION

- a) Closed Session Regarding Fringe Benefits
 - i. Government Code §54957.6

Annual employee bonuses were reviewed and approved as budgeted.

16. ADJOURNMENT

There being no further business, the meeting was adjourned at 3:50pm.
(The next Regular Board Meeting is Saturday, January 11 at 8:00am)



Jessica Gillies, Clerk of the Board



Peter Dornbrook, Board Secretary
Kirkwood Meadows Public Utility District