



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 8, 2017 – 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 1:00 pm.

2. ANNOUNCEMENTS

General Manager Christeson

General Manager Christeson welcomed members of the public and stated this Special Board meeting is being fed live over the internet and the public can view this meeting by going to our website, www.kmpud.com 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. Members of the public should identify themselves when making comments.

3. ROLL CALL

Secretary Dornbrook

Board of Directors Present: President Epstein, Directors Smith, Dornbrook, O'Grady and Richert
Staff Present: General Manager Erik Christeson, Assistant General Manager Ansel, Assistant Manager Administration Kelly McBride, Assistant Manager Brandi Benson, Clerk of the Board Jessica Austin and IT Representative Drew Meteer
Others Present: Community Members Nancy Trevett and Melene Smith

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 of November 11, 2017**
Approve November 11, 2017 Board Meeting Minutes
- b. **Current Consent for Claims**
Approve Current Consent for Claims
- c. **Receivables/Shut Offs**
Review current Receivables/Shut Offs Report

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

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

Assistant Manager, Administration McBride

Lead: Finance Committee

Assistant Manager McBride presented the October Financials, November preliminaries, October EBITDA, cash waterfall and known budget variances. Discussion ensued regarding two reimbursement checks received from FEMA. President Epstein requests investigation and a report back to the Board on how the reimbursement will affect the District's tier ratio. General Manager Christeson gave an update on the planned rollover of the RUS B8 Loan. Assistant Manager McBride provided specifics on the remaining principal. The Board requests that prior to General Manager approval of the RUS B8 Loan rollover that General Manager Christeson consult with the Board Treasurer regarding the length of the loan.

b. Power Source Disclosure Program. Review and Possible Approval of Resolution 17-17 Verifying the Accuracy of the 2016 Power Source Disclosure Annual Report and Power Content Label. *Assistant Manager Benson*

Assistant Manager Benson gave an overview of the Power Source Disclosure Program requirements from the California Energy Commission (CEC), including a new audit requirement that allows the Board of Directors to verify the accuracy of the District's submission through a resolution. Discussion ensued regarding the exact source of the power that the District purchases. The Board requests staff publish an explanation of how the District meets the renewable source requirements along with the Power Content Label in the monthly District Newsletter.

President Epstein motioned to approve Resolution 17-17 Verifying the Accuracy of the 2016 Power Source Disclosure Annual Report and Power Content Label. Director Dornbrook seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

c. Fire Services Master Plan. Possible Adoption of the Updated Fire Services Master Plan.

Assistant General Manager Ansel

Lead: Planning Committee

General Manager Christeson presented the latest version of the Fire Services Master Plan that staff feels adequately addresses all comments received. Director Richert summarized the Planning Committee discussion regarding future expenses and requests staff produce a summary of needed future monetary funds. Director Dornbrook noticed a grammatical error on page 66. General Manager Christeson recommended the adoption of the Fire Services Master Plan including the correction on page 66.

Director Richert motioned to approve the Fire Services Master Plan including corrections. Director Smith seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

d. Performance Reporting. Discussion of Efficiencies and Losses of Each Department as Measured in Performance Reporting. Assistant Manager Benson

Assistant Manager Benson gave an update on Performance Reporting for each department including year-to-date production and unidentified losses. Discussion ensued regarding Inflow and Infiltration into the Wastewater Treatment Plant and the aging collection system. The Board requests staff develop a mitigation plan for the Inflow and Infiltration issue at the Wastewater Treatment Plant.

**e. Propane Safety. Update on the District’s Efforts Relative to Propane Meter Protection. Assistant Manager Benson
Lead: Operations Committee**

Assistant Manager Benson gave an update on the residential and commercial accounts that have completed their propane meter protection upgrade, highlighting the remaining accounts that have not completed upgrades. Options were presented for the customers that have not completed constructing proper meter protection, including letters of violation sent to customers and planned utility shut off if upgrades are not complete by December 22, 2017.

f. Election of Board Officers. President, Vice President, Secretary, Treasurer and Assistant Secretary. President Epstein

Nominations for Board Officer positions took place as follows:

Director O’Grady nominates Director Smith for Board President. The nomination was seconded by Director Richert.

Director Smith nominates Director Richert for Board Vice President. The nomination was seconded by President Epstein.

President Epstein nominates Director Dornbrook for Board Secretary. The nomination was seconded by Director Richert.

Director Smith nominates Director O’Grady for Board Treasurer. The nomination was seconded by President Epstein.

Director O’Grady nominates President Epstein for Board Assistant Secretary.

President Epstein closed the nominations. Director Richert moved to cast a white ballot for all uncontested offices. President Epstein seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

Assignment of officer positions within the Board are as follows:

Geoff Smith, President
 Eric Richert, Vice President
 Standish O'Grady, Treasurer
 Peter Dornbrook, Secretary
 Bob Epstein, Assistant Secretary

Director Smith assumed the position of Board President and chaired the remainder of the meeting.

g. District Committees. Annual Review and Possible Changes to the Board and Community Member Positions on the District's Committees. *President Smith*

President Smith approved the following Board Member appointments to the Committees, as follows:

Finance Committee. Chaired by Director O'Grady with Director Richert as the second Director member.

Operations Committee. Chaired by Director Dornbrook with Director O'Grady as the second Director member.

Planning Committee. Chaired by Director Richert with Director Epstein as the second Director member.

Personnel Committee. Chaired by President Smith with Director Epstein as the second Director member.

IT Committee. Chaired by Director Epstein with Director O'Grady as the second Director Member

Economic Development Committee. Chaired by President Smith with Director Epstein as the second Director member.

General Manager Christeson noted that Kirkwood Mountain Resort General Manager, Doug Pierini has stepped down from the Planning Committee. Kirkwood Mountain Resort employee, Brian Bigley has offered to fill the empty seat on the Planning Committee at the Board's discretion. Discussion ensued regarding Brian Bigley's role in the Valley and the Board agreed to have Mr. Bigley participate in Planning Committee meetings. Discussion ensued regarding the frequency of Personnel Committee meetings. Director O'Grady requested that the Personnel Meeting schedule and areas of authority be evaluated.

h. February and March Board Meeting Dates. Discussion and Possible Change of the February Board Meeting to 2/3/2018 and the March Board Meeting to 3/3/2018. *General Manager Christeson*

General Manager Christeson requests a change to the Regular Board meeting schedule for February and March 2018 due to a scheduling conflict. Discussion ensued regarding individual schedules.

President Smith motioned to change the Regular Board meeting date of Saturday, February 10, 2018 to a Special Board meeting on Saturday, February 3, 2018. Director Dornbrook seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

Director Dornbrook motioned to change the Regular Board Meeting date of Saturday, March 10, 2018 to a Special Board meeting on Saturday, March 17, 2018. Director O'Grady seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

i. Government Body Coverage. Review and Possible Approval of Resolution 17-18 Regarding Workers Compensation Coverage. *General Manager Christeson*

General Manager Christeson summarized the District's current workers compensation coverage and recommended the Board adopt Resolution 17-18, continuing the current level of workers compensation coverage.

Director Richert motioned to adopt Resolution 17-18 Declaring that Governing Body Members and Volunteers Shall be Deemed Employees of the District for the Purpose of Providing Workers Compensation Coverage for Said Certain Individuals While Providing Their Services.

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

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

NOES: None

ABSENT: None

ABSTAINING: None

j. Designated Labor Representative. Designation of KMPUD Labor Representative(s). *General Manager Christeson*

General Manager Christeson explained the requirement to designate a KMPUD Labor Representative in order for the Board to discuss employee benefits in closed session.

Director Epstein motioned to approve General Manager Christeson as the KMPUD Labor Representative. Director Richert seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

9. GENERAL MANAGER REPORT *General Manager Christeson*

General Manager Christeson reported on:

1. Caltrans service request and possible connection to the District's electric line, including meetings that have taken place with Caltrans, PG&E and District representatives. The issue of how to

- address fees for people using District facilities that are not District customers will be brought back before the Finance Committee and the Board.
2. Grant update, including requirements for a housing grant previously discussed that restrict the District from applying for that grant.
 3. Tesla Charging station to be located at Kirkwood Station on Highway 88, including an anticipated deposit from Tesla for District engineers to begin review and inspection of the planning process. Discussion ensued regarding the type of charger to be installed.
 4. Notice of Violation from the Department of Public Health for reporting violations and one deficiency.
 5. Notice of Violation from the State Regional Water Quality Control Board for both quarterly and annual reporting. Discussion ensued regarding types of violations that would require notification of the public. If there is a violation that is a health or safety issue, the State requires public notification, a requirement with which KMPUD will continue to comply. Additionally, violations related to health or safety will be included in the General Manager report to the Board, including any notice of violation. Assistant General Manager Ansel noted that health and safety issues are reported annually by the District in the Consumer Confidence Report and through a link on the Department of Public Health website.

10. OPERATIONS REPORT Assistant General Manager Ansel

Assistant General Manager Ansel reported on:

1. The power outage experienced on December 4, 2017, including efforts by staff to restore power, staff inspection on the Out Valley electric line and communications with PG&E. The Board requested an analysis addressing the problems experienced during the power outage and during the restoration of power to the Valley. General Manager Christeson stated that staff had a re-cap meeting after the power outage which will be formalized into a memorandum and a copy will be provided to the Board.
2. 15 HP Effluent Pump replacement at the Wastewater Treatment Plant planned to be completed next week by Mark Frederick.
3. Solid Waste ash disposal procedure change, highlighting the larger bin currently in use.
4. Fire Department mutual aid meeting and new radios purchased, currently in use by staff, which were a significant savings to the District. Discussion ensued regarding specifics of the mutual aid agreement with Alpine and Amador Counties and new volunteers on the Fire Department.

11. STANDING COMMITTEE REPORT

- a. **Finance Committee**
Director O'Grady summarized Committee discussions regarding the Shell Power Purchase Agreement and creating a written depreciation policy.
- b. **Operations Committee**
Director Dornbrook reported on Committee discussions regarding District preparedness for rain on snow events and anticipated recommendations from General Manager Christeson to improve the East Lift ability the accept excess runoff.
- c. **Planning Committee**
Director Richert reported on Committee discussions regarding the development of a housing ordinance and direction to staff to investigate the feasibility of offering a storm drain maintenance service during winter months.

12. GENERAL DISCUSSION

Director Richert requested a future Agenda topic for the Finance Committee and the Board regarding Fire Department revenue.

Director O'Grady requested clarification on the location and type of Tesla charger to be installed once the information is known.

13. CLOSED SESSION

- a. **Closed Session Regarding General Manager Mid-Year Evaluation of Performance**
 - i. **CSAA Government Code § 54957(b)**

No reportable action.

- b. **Closed Session Regarding Fringe Benefits**
 - ii. **CSAA Government Code § 54957.6**


Employee Holiday Bonuses were approved as budgeted.

- c. **Closed Session Regarding Significant Exposure to Litigation Involving One Potential Case Concerning the KMPUD/PG&E Interconnection Agreement**
 - iii. **CSAA Government Code Section § 54956.9(d)(2)**

No reportable action.

13. ADJOURNMENT

There being no further business, the meeting was adjourned at 4:50pm
(The next Regular Board Meeting is Saturday, January 13, 2018 at 8:00am)



Jessica Austin, Clerk of the Board



Peter Dornbrook, Board Secretary
Kirkwood Meadows Public Utility District