



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, January 12, 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, Epstein, Dornbrook, and O'Grady

Staff Present:

General Manager Erik Christeson, Assistant General Manager Rick Ansel, Assistant Manager Operations Brandi Benson, Assistant Manager Administration Kelly McBride, Clerk of the Board Jessica Gillies, and IT Representative Drew Meteer

Others Present:

Terry Woodrow (Alpine County Supervisor), Frank Dixon (Kirkwood Property Services), Nancy Trevett (Kirkwood Meadows Association), Judy Flinn (Kirkwood Meadows Association)

3. ANNOUNCEMENTS

General Manager Christeson

General Manager Christeson welcomed members of the public to this regular 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, 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 are asked to identify themselves when making comments.

4. COMMENTS FROM THE AUDIENCE:

None

5. CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR:

None

6. ADOPTION OF CONSENT CALENDAR

- a. **Special Board Meeting Minutes of December 07, 2018**
Approve December 07, 2018 Board Meeting Minutes
- b. **Current Consent for Claims**
Approve Current Consent for Claims
- c. **Receivables/Shut Offs Report**
Review Receivables/Shut Offs Report

Director Epstein motioned to adopt the Consent Calendar as presented. 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

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*

- i. **November Actuals.** Assistant Manager McBride presented the Consolidated Balance Sheet, noting the variance in Total Restricted Cash and Total Unamortized Debt Expenses is due to the timing of the ITCC payment to PG&E. The variance in Total Current Portion of Long-Term Debt and Total Long-Term Debt , less Current Portion is due to the timing of the receipt of the RUS C8 Loan. Combined Income Statement was presented for each department, noting operating revenues for November are up from planned and year-to-date revenues are up from planned. The variance in Operations and Maintenance in the General and Administration fund is due a furnace repair, General Manager training, and miscellaneous vehicle repairs. The large variance on the Balance Sheet Comparison is due to the one-time cost of ownership payment to PG&E. November EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is better than planned and year-to-date EBITDA is better than planned.
- ii. **December Preliminaries.** December and year-to-date Operating revenues are up from planned.
- iii. **Cash Waterfall.** Cash flow is better than planned.
- iv. **Budget Variance Tracking.** General Manager training was removed from the Budget Variance as it was on the original budget. Miscellaneous vehicle repairs and furnace repairs were added to the Budget Variance list.

b. **Surplus Equipment.** Discussion and possible action. *General Manager Christeson*

General Manager Christeson presented a list of surplus equipment, including estimated values of each item, and explained the process for selling surplus equipment to the public. Director O’Grady stated the Finance Committee recommends selling the surplus equipment at the estimated values listed.

Director O’Grady motioned to sell the list of surplus equipment as presented. Director Dornbrook 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

c. **Performance Reporting & Aquifer Levels.** Discussion. *Assistant Manager, Operations Benson*

Assistant Manager Benson presented performance reporting for each department for the month of December. Aquifer levels and a 5-year loss comparison for Wastewater were presented. Discussion ensued regarding aquifer levels and well production.

d. **Employee Housing Rental Rates.** Discussion and possible action. *General Manager Christeson*

General Manager Christeson presented Finance Committee recommendation to change employee housing rental rates and District housing credits. Finance Committee recommendation is increase employee rental rates by 20%, increase non-employee rental rates to Kirkwood comparable rates, and increase housing credit to District employees by 20%. Discussion ensued regarding the financial impact to the District and potential effects on District employees.

Director O'Grady motioned to approve the Finance Committee recommendation to increase employee housing rental rates by 20%, increase non-employee rental rates to Kirkwood comparable rates, and increase housing credit to District employees by 20%. Director Richert 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

e. **Postage Machine Rental.** Discussion and possible action. *Assistant Manager, Administration McBride*

Assistant Manager McBride provided background on the District's current postage machine rental and District owned folding machine. Due to a rental rate increase and the age and maintenance costs of both the postage machine and folding machine, District staff recommends rental of a combination postage meter and folder/insertor. Discussion ensued regarding customer options of paper or email statements.

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

General Manager Christeson reported on:

1. PG&E transfer of ownership.
2. USDA C8 Loan receipt.
3. District vehicle fleet maintenance.
4. Wastewater Treatment Plant boundary line adjustment.

Discussion ensued regarding potential Caltrans connection to the District out-valley electric line.

10. **OPERATIONS REPORT** *Assistant General Manager Ansel*

Assistant General Manager Ansel reported on:

1. Base Camp power outage and ground fault within the Base Camp HOA.
2. Propane tank leveling
3. Vaporizer maintenance

Discussion ensued regarding Wastewater Treatment Plant maintenance.

11. STANDING COMMITTEE REPORT**a. Planning Committee**

Director Richert reported on Planning Committee discussions regarding:

1. District Mission Statement and Strategic Goals
2. Mid-year review of Committee goals
3. Employee Housing – Director Epstein provided an update on discussions regarding employee housing in the Valley.
4. Vail Resorts goal of 100% renewable energy by 2030.
5. Review of proposed Fire Ordinance.

b. IT Committee

Director Epstein reported on IT Committee discussions regarding:

1. Snow removal GPS data and accounting.
2. Alternatives to using GPS data to determine snow removal contract amounts for private driveways.

c. Operations Committee

Director Dornbrook reported all items were covered.

d. Finance Committee

Director O'Grady reported all items were covered.

e. Personnel Committee

President Smith reported the Personnel Committee did not meet.

12. TEMPORARY ADVISORY COMMITTEE REPORT

Director Richert reported on meetings with Alpine County officials regarding fire department funding.

13. GENERAL DISCUSSION

Director Richert reported on community feedback regarding ice on parking pads and roads and requested that the Operations Committee discuss this feedback as part of a mid-winter review of snow removal at it's next scheduled meeting.

The Board adjourned to Closed Session at 9:25am.

14. CLOSED SESSION

- a) **Closed session significant exposure to litigation involving one potential case concerning CSAA vs. Kirkwood Meadows PUD**
 - i. **Government Code § 54956.9(d)(2)**

No action taken.

- b) **Closed session significant exposure to litigation involving one potential case concerning Cossul vs. Kirkwood Meadows PUD**
 - i. **Government Code §54956.9(d)(2)**

No action taken.

15. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:12am.

(The next Regular Board Meeting is Saturday, February 9, 2019 at 8:00am)



Jessica Gillies, Clerk of the Board



Peter Dornbrook, Board Secretary
Kirkwood Meadows Public Utility District