



**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, May 6, 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 8:00 am.
  
2. **ANNOUNCEMENTS** *Manager Sharp*  
General Manager Sharp stated that due to technical difficulties the Public will not be able to see the Presentation on the live feed. The District's Engineer, Michelle Gamble will be attending this meeting. This Regular meeting is being fed live over the internet and the public can view this meeting by going to our website, [www.kmpud.com](http://www.kmpud.com) and following the appropriate link. If the public would like to make a comment they may send an email to [msharp@kmpud.com](mailto:msharp@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 Richert, Smith, Dornbrook and O'Grady  
Staff Present: General Manager Michael Sharp, Assistant General Manager Rick Ansel, Accounting Manager Kelly McBride, Assistant Manager Brandi Benson and Drew Meteer  
  
Others Present: Michelle Gamble, RCI
  
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 April 8, 2017**  
Approve April 8, 2017 Board Meeting Minutes
  - b. **Current Consent for Claims**  
Approve Current Consent for Claims
  - c. **Receivables/Shut Offs**  
Review current Receivables/shut Offs Report
  - d. **Engineering Services Agreement with Howard L. Hoffman, P.E.**  
Approve Engineering Services Agreement with Howard L. Hoffman, P.E.

Director Dornbrook motioned to approve the Adoption of 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, Richert, Smith and Dornbrook  
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. *Accounting Manager McBride* **Lead: Finance Committee****

Accounting Manager McBride presented the March Financials reviewing the Balance Sheet and GASB 68. Director O'Grady stated the Auditors will explain GASB 68 sections to the Board at the conclusion of the audit. Manager McBride reviewed the combined Income Statement, including overages and specific department funds and operating expenses. April Preliminaries, Cash Waterfall including known variances, and the extended cash forecast were presented and questions from the Board were answered.

**b. CalPERS Payment. Discussion and Possible Approval of the Payment of \$55,000, Being the First of Three Annual Payments to CalPERS to pay off the District's Side Fund Liability. *Manager Sharp* **Lead: Finance Committee****

Manager Sharp reviewed the CalPERS Side Fund, the pay-off plan and answered questions from the Board. Discussion ensued.

Director O'Grady motioned to approve an advance payment of \$55,000 toward the Side Fund Liability and directed Staff to investigate paying off the balance. Director Richert seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

**c. 2018-2022 District Budget Presentation. Discussion and Possible Action Regarding the District's 2018-2022 Financial Budget including:**

- i. **Timeline**
- ii. **Assumptions**
- iii. **Summary Sheets**
- iv. **Income Statement**
- v. **Cash Flow**
- vi. **Capital Plan**

*Manager Sharp*

**Lead: Finance Committee**

Manager Sharp reviewed updates to the 2018-2022 District Budget, including assumptions, number of units sold, property taxes and rates. Discussion ensued and Director O'Grady stated the Finance Committee has reviewed the Budget and expects to make minor changes. The final Budget is expected to be presented at the June 3, 2017 Board Meeting.

- d. **Worker's Compensation Insurance. Discussion and Possible Action to Change Worker's Compensation Insurance Carriers. Possible Adoption of Resolution 17-05 Approving the form of and Authorizing the Execution of a Sixth Amended and Restated Joint Powers Agreement and Authorizing the Participation in the SDR Workers Compensation Program.** *Manager Sharp*  
**Lead: Personnel Committee**

Manager Sharp reviewed the possible change in worker's compensation coverage due to ACWA/JPIA no longer covering the Kirkwood Volunteer Fire Department and differences between the three quotes for coverage that Staff has received. Staff recommends switching coverage to the Special District Risk Management Authority (SDRMA) on 7/1/2017 and passing Resolutions 17-05 and 17-06. Discussion ensued and President Epstein reported that the Personnel Committee has reviewed the options and recommends switching coverage to SDRMA. Manager Sharp answered questions from the Board.

Director O'Grady motioned to change Worker's Compensation coverage to SDRMA and to adopt Resolutions 17-05 and 17-06. Director Smith seconded the motion and it carried by the following voice vote:

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

- e. **School Site Parking. Discussion and Possible Action Regarding Kirkwood Village Development's Plans to Construct a Parking Lot on the Old School Site Next to the District's Wastewater Treatment Plant and Vail's Parking Plan to Incorporate This Area.** *Manager Sharp*  
**Lead: Planning Committee**

Manager Sharp reviewed Kirkwood Village Development's plan to construct a parking lot on the Old School Site, adjacent to the District's Wastewater Treatment Plant. Manager Sharp addressed District concerns and plans to work with Vail and Kirkwood Village Development on any issues that arise. Discussion ensued regarding District concerns and details of the proposed project.

- f. **Kirkwood Summer Festival/ Chili Cook Off. Discussion and Possible Action on the District's Planning and Preparations for the Operation of the Annual Kirkwood Summer Festival and Chili Cook Off.** *Assistant General Manager Ansel*  
**Lead: Operations Committee**

Assistant General Manager Ansel reviewed the planning and organization of the 2017 Summer Festival, including fundraising goals, donation request letters, advertising preparations and a brief description of the Chili Cook Off. Discussion ensued and questions from the Board were answered.

- g. **Summer Operations/ Projects. Presentation and Possible Action on the Plans for Capital and Operational Projects for the Kirkwood Summer Construction Season.** *Assistant General Manager Ansel*  
**Lead: Operations Committee**

Assistant General Manager Ansel summarized the summer Operations projects and detailed timing of the projects. Discussion ensued and questions from the Board were answered.

- h. **Electric Hedge. Presentation and Results from the District's Current Three Year Hedge and Discussion and Possible Action on Establishing a New Hedge.**  
*Manager Sharp/ Assistant Manager Benson*  
**Lead: Finance Committee**

Assistant Manager Benson summarized what the current three-year Electric Hedge is, it's benefits and the current strategy for purchasing the Hedge. Several possible strategies for the future were detailed and Staff recommended not to enter into a future Hedge but to continue purchasing electricity through the Day Ahead Market. Director O'Grady reported that the Finance Committee's recommendation was to take a year off of purchasing the Hedge but to keep the item on the Agenda for further consideration. Discussion ensued and questions from the Board were answered. Staff will continue to bring this topic before the Finance Committee and the Board for action.

- i. **Electric Vehicle Charging. Presentation and Possible Action on the Results from Research Conducted by EV Charging Pros on Possible EV Charging Funding Opportunities.**  
*Manager Sharp/ Assistant Manager Benson*  
**Lead: Planning Committee**

Manager Sharp detailed the successes and failures of the existing EV Chargers installed by Vail in the VIP Parking Lot and summarized the report from John Kalb of EV Charging Pros. Discussion ensued regarding location, price of installing a charger and possible grant funding.

- j. **Performance Reporting. Discussion and Possible Action Related to the District's research and Efforts to Improve the Efficiencies and Minimize the Losses of Each Department as Measured in Performance Reporting.** *Assistant Manager Benson*  
**Lead: Operations Committee**

Assistant Manager Benson presented a 4-year monthly comparison of unidentified losses through March for each department and summarized the marginal cost to the District as a result of these losses. Discussion ensued and questions from the Board were answered.

- k. **District Capacity Update. Discussion and Possible Action Regarding the District's Capacity Projections and Impacts to Will-Serve Commitments to Future Developers.**  
*Manager Sharp/ Assistant Manager Benson*  
**Lead: Operations Committee**

Assistant Manager Benson presented an update to the Capacity Services Analysis that Matt Wheeler produced in 2014, including adjusted assumptions for each department. Director Richert gave a summary of the Planning Committee discussion regarding capacity assumptions and the need for more water storage. Discussion ensued and questions from the Board were answered.

- l. **Wastewater Collection System. Discussion and Possible Action on Plans to Identify and Correct Infiltration Issues with the Wastewater Collection System.**  
*Manager Sharp*  
**Lead: Operations Committee**

Manager Sharp reviewed the winter impacts on the wastewater collection system and summarized the Infiltration and Inflow Study currently taking place, including needed repairs and maintenance. The current Inflow and Infiltration study performed by Drew Meteer was presented identifying problem areas where Infiltration occurs. Possible repairs were proposed, including costs and budget allocations. Discussion ensued and questions from the Board were answered. Director Dornbrook reported that the Operations Committee has reviewed and was encouraged by the patching technology.

m. **Wastewater Capacity. Discussion and Possible Action on Options to Upgrade the Wastewater Treatment Plants Capacity by Installing New and/or Additional Membranes.**

*Manager Sharp*

**Lead: Operations Committee**

Manager Sharp reviewed the issue of sludge entering the feeder for Train One Membranes, which has resulted in capacity reduction. Six options for repair were summarized. Approval has been given to have a Koch Membrane representative train staff to clean and de-sludge the nozzles at a cost of \$10,700. Staff also recommends proceeding with budgeted maintenance. Discussion ensued and District Engineer, Michelle Gamble was available to answer questions.

n. **Wastewater Absorption Beds. Discussion and Possible Action on Project to Upgrade the Size and Operation if the Absorption Bed Pumping System.**

*Manager Sharp*

**Lead: Operations Committee**

Manager Sharp summarized the cleaning and testing of the Absorption Beds to determine the current gallons per hour able to be absorbed. A plan was presented for Howard Hoffman to review the data, compare it with the original design specifications and give recommendations as to next steps.

o. **General Manager Replacement. Update and Possible Action on Efforts to Secure a Replacement for the General Manager Position.**

*President Epstein*

**Lead: Personnel Committee**

Manager Sharp reviewed the advertising content, costs and placement for the General Manager replacement. President Epstein reviewed HR firms that have been interviewed for recruiting. Discussion ensued regarding hiring an HR Firm recruiter, content of the job advertisement and the interview process.

Director Smith motioned for approval to spend up to \$24,000 to hire an HR Firm for recruiting services. Director Richert seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

p. **District Engineer. Update and Possible Action on Issues Being Investigated by the District's Engineer, Michelle Gamble of RCI, Including:**

- i. T-1 Line
- ii. 2017 USFS Work Plan
- iii. Vaporizer Shed
- iv. Groundwater Monitoring Report
- v. Water Storage Grant, Proposition 1
- vi. Wilson Overpayment on Poles

District Engineer, Michele Gamble, of RCI detailed updates on:

- i. T-1 Line water infiltration remediation work.
- ii. The annually required 2017 USFS Work Plan that has been submitted outlining the various maintenance activities the District will perform.
- iii. The Vaporizer Shed snow load problem and presented possible solutions and designs for a new structure including manufacture and installation.

- iv. Summary of the Groundwater Monitoring Report
- v. Grant requirements for Water Storage. Discussion ensued regarding pursuing Grant funds.
- vi. Wilson Construction overpayment of \$41,000 and steps being taken to address the issue.

**9. GENERAL MANAGER REPORT**

Manager Sharp summarized a letter from Kirkwood Resort Development regarding connection fees. The Board was informed of a fuel spill in Vail's lower shop lot and the proximity to the District's Absorption Beds. 2016-2017 season snow totals were reviewed, drainage issues were discussed and steps being taken to prevent erosion and improve drainage were presented.

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

Assistant General Manager Ansel discussed current Operations activities taking place, including snow stake removal, equipment repairs, summer preparations, propane meter programming, and structure fire inspections. Discussion ensued regarding propane meter broken pipe false alarms, ensuring protection of propane meters from snow and ice, and the database of meter locations.

**11. STANDING COMMITTEE REPORTS**

**a. Finance Committee**

Director O'Grady reported the Finance Committee recommends changing the District's credit card from Bank of Omaha to Bank of the West.

**b. Planning Committee**

Director Richert gave an update on ongoing talks with Alpine County regarding a possible full time Sherriff Deputy at Kirkwood and the danger of the "Ice Box" on Highway 88.

**c. Operations Committee**

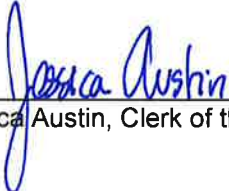
Director Smith reported all committee items were covered.

**12. GENERAL DISCUSSION: None**

**13. ADJOURNMENT**

There being no further business, the meeting was adjourned at 11:20am.

*(The next Regular Board Meeting is Saturday, June 3, 2017 at 8:00am)*

  
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Jessica Austin, Clerk of the Board

  
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Peter Dornbrook, Board Secretary  
Kirkwood Meadows Public Utility District