



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, June 3, 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 welcomed members of the public, Jim Hinton and Chris Kutzscher and stated 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 and following the appropriate link. If the public would like to make a comment they may send an email to 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: John Reiter: Kirkwood Property Services, Gary Derck: Kirkwood Village Development, Jack Longinotti: President, Kirkwood Community Association, Community Members Jim Hinton and Chris Kutzscher
4. **COMMENTS FROM THE AUDIENCE:** None
5. **CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR:**
Manager Sharp moved item 6e. forward, to be addressed under item 7. Manager Sharp moved the General Manager Report and the Operations Report to be addressed before the Closed Session, item 9. President Epstein noted that the timed items on the Agenda may vary and the Agenda will be adjusted accordingly.
6. **ADOPTION OF CONSENT CALENDAR**
 - a. **Regular Board Meeting Minutes of May 6, 2017**
Approve May 6, 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. **Resolution 17-07 Authorizing Establishment of a Credit Card with Bank of the West and Affirming Authorized Signers**
Approve Resolution 17-07 Authorizing Establishment of a Credit with Bank of the West and Affirming Authorized Signers.

e. **Resolution 17-08 Approving 2017-2018 Job Titles and Job Descriptions as per CalPERS Requirements**

Approve Resolution 17-08 Approving Job Titles and Job Descriptions as per CalPERS Requirements

Director Richert motioned to adopt the Consent Calendar with the exception of 6e. 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:**

6e. **Approve Resolution 17-08 Approving 2017-2018 Job Titles and Job Descriptions as per CalPERS Requirements**

Manager Sharp recommended approval by motion of Job Titles and Job Descriptions as presented by motion rather than by Resolution, as the Resolution was not available.

Director Smith motioned to approve the revision of the Job Titles and Job Descriptions as presented. Director Richert 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

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 May Financials reviewing the Balance Sheet and Combined Income Statement, including overages, specific department funds and operating expenses. May Preliminaries, Cash Waterfall including known variances, and the extended cash forecast were presented and questions from the Board were answered.

Director O’Grady reported that the Finance Committee is happy with financial performance for this year.

b. **CalPERS Payment. Discussion and Possible Approval of the Payment of \$92,000, Being the Second and Final Payment to CalPERS to pay off the District’s Side Fund Liability.**

Manager Sharp

Lead: Finance Committee

Manager Sharp reviewed the CalPERS Side Fund payment of \$55,000 and summarized Staff’s recommendation to pay off the remaining \$92,000 in December 2017.

Director O’Grady reported that the Finance Committee unanimously agrees with Staff’s recommendation.

- c. **Public Hearing: Rate Adjustments. Public Hearing and Possible Action on the Rate Study Detailing the Possible Increase of Water, Wastewater and Irrigation Water Rates for the 2017-2020 Fiscal Years.** *Manager Sharp*
Lead: Finance Committee

Manager Sharp summarized the Rate Study, including the proposed rate adjustment, reasons for the Rate Increase and results of the Rate Increase. Manager Sharp stated that 6 written comments had been received and determined there was not a majority protest.

President Epstein opened the Public Hearing at 8:35am.

Manager Sharp read written communications from customers received prior to the meeting. President Epstein asked for comments from the public in attendance, on the phone or via email. There being no comments President Epstein closed the Public Hearing at 8:56am.

- d. **Rates Adjustment. Discussion and Possible Approval of Ordinance 17-01 Modifying Regulation 610.01 on Adjustment of Water, Wastewater and Irrigation Usage Rates and Solid Waste Base Rates.** *Manager Sharp*
Lead: Finance Committee

Discussion ensued regarding reasons for the proposed increase, the impact the Rates Increase would have on full-time residents and pursuing possible discounts for full-time residents with fixed incomes. Director O'Grady reported the Finance Committee unanimously recommends the Rate Increase.

Director O'Grady motioned to approve Ordinance 17-01 Modifying Regulation 610.01 on Adjustment of Water, Wastewater and Irrigation Usage Rates and Solid Waste Base Rates. . Director Richert seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: Director Dornbrook

- e. **2018-2022 District Budget Presentation. Discussion and Possible Approval of Resolution 17-09 Approving the District's Five-Year Operating Budget and Capital Plan for the 2018-2022 Period.** *Manager Sharp*
Lead: Finance Committee

Manager Sharp presented the 2018-2022 District Budget, including the timeline and expenses. Director O'Grady reported the Finance Committee unanimously recommends approval of the Budget. President Epstein asked for comments from the Public. Gary Derck, Kirkwood Village Development, commented on the cost of development, the cost of living and gave an update on the employee housing fee-in -lieu idea. Director Richert requested a written summary of Gary Derck's comments.

Director Richert motioned to approve Resolution 17-09. 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

ABSTAINING: None

ABSENT: None

f. **2018-2018 Employee Manual. Discussion and Possible Approval of Revised Employee Manual for the 2017-2018 Fiscal Year.** *Manager Sharp*
Lead: Personnel Committee

Manager Sharp reviewed the District's practice of an annual approval of the Employee Handbook and summarized changes to the 2017-2018 Employee Handbook. Staff recommends approval of the 2017-2018 Employee Handbook by Resolution 17-10. President Epstein reported that the Personnel Committee recommends approval of Resolution 17-10 with one minor spelling correction.

Director Smith motioned to approve Resolution 17-10 Approving the 2017-2018 Employee Handbook. 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

****President Epstein requested to move a couple items forward as it was too early to start the Timed Items.**

j. **2017 USFS Work Plan. Presentation and Possible Approval of the 2017 Out Valley Work Plan for Submittal to the United States Forest Service.** *Manager Sharp*
Lead: Operation Committee

Manager Sharp summarized the completion of the Out-Valley line in 2014 and reviewed the USFS requirements for line maintenance on USFS land. Planned work for 2017 was detailed. District Staff recommends approval by motion of the 2017 USFS Work Plan. Director Dornbrook reported the Operations Committee reviewed and recommends approval of the 2017 USFS Work Plan.

Director Dornbrook motioned to approve the 2017 USFS Work Plan. 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

k. **Kirkwood Development Correspondence on Connection Fees. Discussion and Possible Action Regarding Correspondence from Eggleston Kosnik Representing Kirkwood Development Entities Regarding District Connection Fees.** *Manager Sharp*
Lead: Finance Committee

Manager Sharp reviewed correspondence from legal counsel, Duke Eggleston, representing a variety of Kirkwood Development entities and summarized meetings between Staff and development representatives regarding revision of connection fees. Discussion ensued.

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

Assistant General Manager Ansel summarized progress on planning for the 2017 Kirkwood Summer Festival and Chili Cook Off. The fundraising goal, number of pre-registrations, current monetary donations amount and Silent Auction items donated were reviewed.

- g. **Timed Item 9:30am: Base Rates on Destroyed Houses. Discussion and Possible Action on Requests From Homeowners to Suspend Base Rate Charges on Residences Destroyed by Fire.** *Manager Sharp*
Lead: Finance Committee

Manager Sharp reviewed current District policy on payment of Base Rates for two destroyed homes and stated Staff's recommendation to follow District Policy. Directors O'Grady and Richert summarized the Finance Committee discussion and further discussion ensued.

Director Richert motioned to cancel the payment of Base Rates for the two destroyed homes for up to six months during the re-building process. During that time, the District would consider changing the current policy requiring payment of Base Rates on destroyed homes and formulate an approach to this circumstance. Director Dornbrook seconded the motion and it failed by the following voice vote.

AYES: Directors Richert and Dornbrook

NOES: President Epstein, Directors O'Grady and Smith

ABSENT: None

ABSTAINING: None

The Board directed staff to bring this item back to the Board with various options.

- h. **Timed Item 10:00am: Rick Hopson, District Ranger, USDA Forest Service Amador Ranger District. Presentation by Rick Hopson and Possible Action on the Caples Ecological Restoration Project (Prescribed Burn) Impacting the Forest to the North of Kirkwood.** *Manager Sharp*
Lead: Operations Committee

USDA Forest Service Amador Ranger District, District Ranger, Rick Hopson presented information on the Caples Restoration Project and planned prescribed burns to begin taking place during the summer and fall of 2017. Questions from the Board and public were answered.

- i. **Timed Item 10:30am: General Manager Replacement. Update and Possible Action on Efforts to Secure a Replacement for the General Manager Position. Confirmation of Agreement with CPS HR Consulting for Recruitment Services.** *President Epstein / Pamela Derby, Executive Recruiter CPS HR*
Lead: Personnel Committee

Pamela Derby, Executive Recruiter CPS HR joined the meeting by phone. Manager Sharp reviewed the progress on the search for the General Manager replacement, the District's needs and introduced Pamela Derby. Pamela detailed advertising efforts and summarized the Board's preferences and the timeline to secure the General Manager replacement. Discussion ensued and Pamela answered questions from the Board.

- i. **Fire Service Master Plan. Discussion and Possible Action Regarding the Update of the Fire Service Master Plan.** *Assistant General Manager Ansel*
Lead: Planning Committee

Assistant General Manager Ansel summarized the Fire Service Master Plan, reviewed revisions, and presented a summary of recommendations. Director Richert summarized the Planning Committee's recommendations and discussion. President Epstein suggested that building standards regarding fire safety be incorporated into this document. Assistant General Manager Ansel stated that he is working with the Planning Committee to finalize the Fire Service Master Plan.

- n. **Performance Reporting. Discussion and Possible Action Related to 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 monthly and Year-To-Date performance reports for each department and answered questions from the Board.

- o. **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 presented assessment and repair of areas of Inflow and Infiltration in the Wastewater collection system along with specific vulnerable areas where snowmelt is currently entering the system. Proposed solutions, other areas in need of inspection and Budget allocations used for repairs were presented. Discussion ensued and questions from the Board were answered.

- p. **Wastewater Absorption Beds. Discussion and Possible Action to Upgrade the Size and Operation of the Absorption Bed Pumping System.** *Assistant General Manager Ansel*
Lead: Operations Committee

Assistant General Manager Ansel detailed locations of the Absorption Beds and the issues experienced over the winter with excess water entering the Wastewater Treatment Plant. Staff's efforts to test the existing performance of the Absorptions Beds and future plans were summarized. Discussion ensued and questions from the Board were answered.

- q. **Utility Rules and Regulations. Discussion and Possible Approval of Revised Electric, Propane, Water and Wastewater Rules and Regulations.** *Assistant Manager Benson*
Lead: Operations Committee

Assistant Manager Benson reviewed the goals for creating a unified document and summarized the plan for updating the Utility Rules and Regulations. Discussion ensued and questions from the Board were answered.

9. CLOSED SESSION:

At 1:00pm, President Epstein stated that the Board would now go into Closed Session to discuss:

- a. Closed session conference with legal counsel regarding anticipated litigation - significant exposure to litigation involving one potential case concerning a dispute over compliance with the KMPUD/PG&E Interconnection Agreement (Government Code section 54956.9(d)(2)).
- b. Closed session for public employee appointment or employment of the General Manager position.

President Epstein reconvened the Open portion of the meeting at 1:40pm, stating that the Board had discussed the KMPUD / PG&E Interconnection Agreement and that no action had been taken. The Board reviewed the resumes received for the General Manager Position and no action was taken.

10. GENERAL MANAGER REPORT *Manager Sharp*

Manager Sharp reviewed several items, including: the upcoming Board election schedule, water stage alert restrictions, upcoming staff training, upcoming District projects, Vail's fuel spill in the Shop Lot, Vail's Sewage spill behind the Kirkwood Inn, Vail's summer event schedule and USFS activities.

11. OPERATIONS REPORT

Assistant General Manager Ansel summarized current and near-future projects for each department.

12. STANDING COMMITTEE REPORT

a. **Finance Committee**

Director O'Grady reported that all Committee items were covered.

b. **Planning Committee**

Director Richert summarized Committee discussions about: Old School site plans, EV Charging, a full-time sheriff deputy in Kirkwood, and a District Grant writer.

c. **Operations Committee**

Director Dornbrook reported that all Committee items were covered.

d. **Personnel Committee**

President Epstein reported that all Committee items were covered.

e. **IT Committee**

President Epstein summarized discussions on protecting the Powerhouse and Wastewater Treatment Plant systems from hacking and integration of the SCADA system.

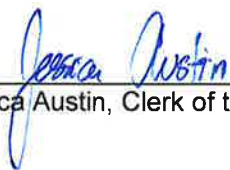
13. GENERAL DISCUSSION

President Epstein summarized the Economic Development Meeting that was held on 6/2/2017 at the Community Service Building and said Staff will circulate notes from the meeting.

14. ADJOURNMENT

There being no further business, the meeting was adjourned at 1:50pm.

(The next Special Board Meeting is Sunday, July 2, 2017 at 8:00am)



Jessica Austin, Clerk of the Board



Peter Dornbrook, Board Secretary
Kirkwood Meadows Public Utility District