



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
Sunday, July 2, 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 and Clerk of the Board Austin. Manger Sharp stated this Special 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 Smith, Dornbrook and Director O'Grady via teleconference.
Board of Directors Absent: Director Richert
Staff Present: General Manager Michael Sharp, Assistant General Manager Rick Ansel, Accounting Manager Kelly McBride, Assistant Manager Brandi Benson, Clerk of the Board Jessica Austin and Drew Meteer
Others Present: John Reiter: Kirkwood Property Services, Jack Longinotti: President, Kirkwood Community Association, Pamela Derby, CPS HR via teleconference, Community Members Nancy Trevett, Caroline Scott, Judy Flinn and Kathie Longinotti

4. **COMMENTS FROM THE AUDIENCE:** None

5. **CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR:**
President Epstein noted that Item n. is a timed item and the Agenda will be adjusted to accommodate. President Epstein requested that the General Manager Report and the Operations Report be moved to take place before the Closed Session.

6. **ADOPTION OF CONSENT CALENDAR**
 - a. **Regular Board Meeting Minutes of June 3, 2017**
Approve June 3, 2017 Board Meeting Minutes
 - b. **Current Consent for Claims**
Approve Current Consent for Claims
 - c. **Receivables/Shut Offs**
Review current Receivables/shut Offs Report

Community Member Nancy Trevett asked a question regarding the Receivable/Shut Offs Report and Accounting Manager McBride responded.

Director Smith motioned to approve the Adoption of the Consent Calendar as noted. Director Dornbrook seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: Director Richert

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 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. Manager McBride noted the Snow Removal Budget for 2016-2017 was overstated by \$23,000. No action was taken.

b. **Connection Fees Rate Adjustment. Discussion and Possible Action on Study to Update and Revise Connection Fee Charges for all Departments.**
Manager Sharp Lead: Finance Committee

Manager Sharp reviewed the Capacity Study including Capital projects, capacity improvements, replacement and total expense, and anticipated development. Following discussions with Kirkwood Resort Development (KRD) a recommendation for changes to the connection fees will be brought back to the Finance Committee and the Board. Discussion ensued and questions were answered. No action was taken.

c. **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 the residences destroyed by fire on March 26 and March 31, 2017 and detailed current District policy regarding payment of Base Rates. Five options that Staff has drafted to accommodate customer requests to have payment of Base Rates suspended were presented. Director O'Grady summarized the Finance Committee discussion. Discussion ensued. Staff will bring this item back before the Board at the next Board meeting on August 12, 2017. No action was taken.

d. **Snow Removal Contracts. Presentation and Possible Action on the Contract Amounts, Contract Forms and Cover Letters for 2017-2018 Snow Removal Services for Homeowner Associations and Private Driveways.**
Manager Sharp Lead: Finance Committee

Manager Sharp detailed GPS tracking of the Snow Removal equipment fleet and a needed increase to Snow Removal Contract amounts. Discussion ensued and questions from the Board were answered.

Director Smith motioned to approve the 2017-2018 Snow Removal Contracts for distribution. Director Dornbrook seconded the motion and it carried by the following voice vote:

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

NOES: None
ABSENT: Director Richert
ABSTAINING: None

e. **Fire Service Master Plan. Discussion and Possible Action Regarding the Update of the Fire Service Master Plan.**

Assistant Manager Ansel Lead: Planning Committee

Assistant Manager Ansel reviewed the Fire Service Master Plan to date, highlighting new equipment needed. A final draft of the Fire Service Master Plan will be ready for Board review at the August 12, 2017 Board Meeting. Discussion ensued and questions from the Board were answered. No action was taken.

f. **Kirkwood Summer Festival/ Chili Cook Off. Recap and Possible Action on the District's Annual Kirkwood Summer Festival and Chili Cook Off.**

Assistant Manager Ansel Lead: Operations Committee

Assistant Manager Ansel thanked the Board, District Staff, Cheryl Stern and Vail Resorts for a successful 2017 Kirkwood Summer Festival. He reviewed attendee registration totals and the fundraising total. A full report will be available for the Board at the next Board meeting on August 12, 2017. No action was taken.

g. **Performance Reporting. Discussion and Possible Action Related to District's Research and Efforts to Improve the Efficiencies and Minimize the Losses From Each Department as Measured in Performance Reporting.**

Assistant Manager Benson Lead: Operation Committee

Assistant Manager Benson reviewed performance for each department including unidentified losses, overages, expenses and future goals. Questions from the Board were answered and no action was taken.

n. **Timed Item 9:00am General Manager Replacement. Update and Possible Action on Efforts to Secure a Replacement for the General Manager Position**

Pam Derby, CPS HR Consultants/ President Epstein Lead: Personnel Committee

President Epstein welcomed, via teleconference Pam Derby, CPS HR Consultants. Pam reviewed advertising efforts, resumes received and the interview timeline. President Epstein detailed the interview process for the final candidates. Pam answered questions from the Board and the public. No action was taken.

h. **Capital Plan. Discussion and Possible Action Regarding the 2017-2018 Capital Plan and Prioritizing Projects.**

Manager Sharp

Manager Sharp reviewed the revised Capital Plan and anticipated expenses. Each project and anticipated changes were detailed with an emphasis on improving infrastructure. Discussion ensued. No action was taken.

i. **Propane Tank. Update and Possible Action on District's Efforts to Purchase and Install an Additional Propane Storage Tank This Year.**

Assistant Manager Benson

Assistant Manager Benson detailed issues resulting from weather over the 2016-2017 winter season, noting the 5-day closure of Highway 88 experienced in January 2017. She reviewed the

District's plan for a worst-case scenario regarding propane storage and the reasons Staff is rethinking the details and plans for the possible "new normal" worst-case scenario. The need to increase the propane supply storage to accommodate the new worst-case scenario and the Notice Inviting Bids for purchase and installation of a new propane tank, including the Bid Packet were reviewed. Bids received will be detailed for Board review at the next Board Meeting on August 12, 2017. No action was taken.

j. **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 Inflow and Infiltration study currently being performed by Summit Plumbing on the Wastewater Collection System, supervised by District Administrator/Operator Drew Meter. Expenses, needed repairs and completed repairs were detailed. Discussion ensued and questions were answered. No action was taken.

k. **Wastewater Treatment Plant Operations. Presentation and Possible Action on Recent Maintenance Work and Repairs Needed at the Wastewater Treatment Plant.**

Assistant Manager Ansel

Lead: Operations Committee

Assistant Manager Ansel detailed membrane cleaning performed by Staff with assistance from a Koch Membrane representative. Issues with computerized controls that shut down the Wastewater Treatment Plant on two separate occasions in June were detailed. Repairs performed by Staff and a Tesco Controls representative were reviewed and possible solutions to prevent future problems were presented. Discussion ensued and questions were answered. No action was taken.

l. **FEMA Claim. Update and Possible Action on FEMA Claims on Damages the District Suffered During the Two Flood Events Early in 2017.**

Assistant Manager Benson

Assistant Manager Benson reviewed damage to District Infrastructure due to extreme weather events experienced on two separate occasions in January and February 2017, for which FEMA has declared Federal Disasters. Requests to FEMA and CAL OES for recovery of costs accrued during these FEMA declared disasters were detailed. Discussion ensued and questions were answered. No action was taken.

m. **General Manager Objectives. Presentation of Final 2016-2017 General Manager Objectives Performance Recap and Possible Approval of 2017-2018 General Manager Objectives.**

Manager Sharp

Manager Sharp reviewed the General Manager Objectives for Fiscal Year 2017-2018. Each objective was detailed and question were answered.

Director Smith motioned to approve the General Manager Objective for Fiscal Year 2017-2018. Director Dornbrook seconded the motion and it carried by the following voice vote.

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

NOES: None

ABSENT: Director Richert

ABSTAINING: None

o. **Board Elections. Discussion and Possible Approval of Notice of Election for Election to be Held on Tuesday, November 7, 2017.**

Clerk of the Board Austin

Clerk of the Board Austin detailed the District Election to be held on November 7, 2017 and reviewed decisions required of the Board regarding declaration of the election, candidate's statements, and the method of deciding a winner in the case of a tie. Required decisions and staff recommendations are detailed in Resolution 17-11, Declaring a District Election.

Director Dornbrook motioned to approve Resolution 17-11, Declaring a District Election. Director Smith seconded the motion and it carried by the following voice vote.

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

NOES: None

ABSENT: Director Richert

ABSTAINING: None

9. **GENERAL MANAGER REPORT** *Manager Sharp*

Manager Sharp detailed damage that occurred to the Electric System due to snow during the 2016-2017 winter season. Assistant Manager Benson detailed repairs, replacement and testing of above ground electrical cabinets (LJEs) that suffered damage. Manager Sharp reviewed upcoming staff training with MHN Training and Development, staff reviews, possible connection to the District's electric line by the Peddler Hill Cal Trans Maintenance Station and Operator Ed Benson's lineman certification.

10. **OPERATIONS REPORT**

Assistant General Manager Ansel re-capped the 2017 Kirkwood Summer Festival, and detailed various summer Operations projects including collection line flushing, snow stake removal, chipping, the playground installation, Loop Road landscaping and the 115 kV Line inspection. Questions from the Board were answered.

11. **STANDING COMMITTEE REPORT**

a. **Finance Committee**

Director O'Grady reported that the final results of the audit will be delivered before the October 2017 Board Meeting.

b. **Planning Committee**

Director Smith summarized Committee discussions about: Old School site parking plans, EV Charging, and Resource Concepts investigating possible Grants.

c. **Operations Committee**

Director Dornbrook reported that all Committee items were covered.

d. **Personnel Committee**

President Epstein reported that the Committee has not met since the last meeting.

e. **IT Committee**

President Epstein reported that the Committee has not met since the last meeting.

p. Closed Session for

- i. **Closed Session for public employee performance evaluation of all District staff positions pursuant to Government Code section 54957 (b), and (2) conference with District designated labor negotiator Manager Sharp regarding all District staff positions (except the General Manager) pursuant to Government Code section 54957.6 (a).**

Board and General Manager discussed employee performance evaluations. No action was taken.

- ii. **Timed Item 11:30am. 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)).**

No reportable action taken.

- iii. **Closed session for public employee appointment or employment of the General Manager position.**

No action taken.

- q. Employee Performance Reviews. Discussion and Possible Action regarding the Duties, Positions and Compensation for all District Staff Positions.**
Manager Sharp

Board discussed employee compensation and authorized the General Manager to distribute \$42,000 annually in additional salary to the staff at his discretion. Board also approved the discretionary \$5,000 performance Bonus to the General Manager due to his efforts in 2016-2017.

12. GENERAL DISCUSSION

None

13. ADJOURNMENT

There being no further business, the meeting was adjourned at 12:30pm.

(The next Regular Board Meeting is Saturday, August 12, 2017 at 8:00am)



Jessica Austin, Clerk of the Board



Peter Dornbrook, Board Secretary
Kirkwood Meadows Public Utility District