



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, August 11, 2018 – 8:00am

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 8:00 am.

2. ROLL CALL

Secretary Dornbrook

Board of Directors Present:
Board of Directors Absent:
Staff Present:

President Smith, Directors Richert, Epstein, and Dornbrook
Director O'Grady
General Manager Erik Christeson, Assistant General Manager
Rick Ansel, Assistant Manager, Operations Brandi Benson,
Assistant Manager, Administration Kelly McBride, Clerk of the
Board Jessica Austin, IT Representative Drew Meteer,
Electric/Propane Operator Joe Forrest, and Water/Wastewater
Operator Brandon Bruzzese

Others Present:

Heidi Hill Drum, CEO, Tahoe Prosperity Center, Rick Lind
Tahoe Prosperity Center, Terry Woodrow, Alpine County
Supervisor, John Reiter General Manager, Kirkwood Property
Services

Community Members Present:

Nancy Trevett (Kirkwood Meadows Association (KMA)), Frank
Majors (KMA), Cheryl Stern (Lost Cabin), Richard Kettles (East
Meadows HOA)

3. ANNOUNCEMENTS

General Manager Christeson

General Manager Christeson welcomed members of the public 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:

Cheryl Stern announced the annual Thin Air Chili Cook Off, sponsored by the Kirkwood Community Association, is taking place Saturday, September 1st, 2018 at noon on the Village Plaza.

5. CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR:

None

6. ADOPTION OF CONSENT CALENDAR

- a. **Special Board Meeting Minutes of July 1, 2018**
Approve July 1, 2018 Board Meeting Minutes
- b. **Current Consent for Claims**
Approve Current Consent for Claims
- c. **Receivables/Shut Offs Report**
Approve Receivables/Shut Offs Report
- d. **Resolution 18-07 Honoring Cheryl Stern**
Approve Resolution 18-07 Honoring Cheryl Stern

President Smith pulled Item 6d. Resolution 18-07 Honoring Cheryl Stern, to be voted on separately.

Director Richert motioned to approve the Consent Calendar with the exception of item 6d. Resolution 18-07 Honoring Cheryl Stern. Director Epstein seconded the motion and it carried by the following voice vote:

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

President Smith read aloud Resolution 18-07 Honoring Cheryl Stern. Director Dornbrook motioned to approve Resolution 18-07 as presented. The motion was unanimously seconded, and it carried by the following voice vote:

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

7. CONSENT ITEMS BROUGHT FORWARD FOR SEPARATE DISCUSSION / ACTION:

None

8. ITEMS FOR BOARD ACTION

- a. **Tahoe Prosperity Center. Presentation and Discussion.** *Heidi Hill Drum, CEO*
 Heidi Hill Drum, CEO of the Tahoe Prosperity Center, gave a presentation regarding the history, accomplishments, and current projects of the Tahoe Prosperity Center. Discussion ensued regarding their current projects.
- b. **Finances. Discussion and Possible Action Regarding the District's Financials.** *Assistant Manager, Administration McBride*
 - i. **June Actuals.** Assistant Manager McBride presented the Consolidated Balance Sheet, noting the large variance in total other current liabilities is due to balances in the Mello Roos account and includes the new addition of the capital lease for the lease-to-own 950 Loader. Presenting the Combined Income Statement, it was noted that year-to-date operating revenues are up from planned. The Imbalance Energy revenue line item is due

to a classification requirement by District auditors. Year-to-date operating expenses are better than planned. Year-to-date Other Income is FEMA reimbursement funds. Property tax allocations will be reflected upon Board approval of the proposed allocations. Year-to-date operating revenues and expenses were detailed for each department. Operating revenues for Water continue to show down from planned due to a calculation error in base rate revenue, previously discussed at the April 14 Board meeting. When the calculation error is taken into account, Water revenues are better from planned. June and year-to-date EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is better than planned.

- ii. Cash Waterfall. The fiscal year ended better than planned.
- iii. Budget Variance Tracking. Two additions since last month are the Wastewater Treatment Plant Feasibility Study and updated payments to Corey Jackson for the iPad App development.

Throughout her presentation Assistant Manager McBride answered questions and was commended for her work.

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

Assistant Manager Benson presented end-of-year Performance Reporting for each department for 2017/18, including performance goals and final results. Performance goals for 2018/19 were detailed along with future projects to reduce losses.

d. **Power Source Disclosure. Discussion and possible action.** *Assistant Manager, Operations Benson*

Assistant Manager Benson summarized the annual requirement by the California Energy Commission to file a Power Source Disclosure and publish a Power Content Label detailing the sources of the District's electric power. The Power Source Disclosure Program requires Board review and approval to distribute the Power Content Label.

Director Richert motioned to approve distribution of the Power Content Label as presented. Director Dornbrook seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, and Dornbrook

NOES: None

ABSENT: Director O'Grady

ABSTAINING: None

e. **Hope Valley Lands Pass Program. Discussion and possible action on Alpine County's request.** *General Manager Christeson*

General Manager Christeson summarized a request from the Alpine County Board of Supervisors to generate a letter of support in opposition of the implementation of the California Lands Pass Program in Hope Valley. Alpine County Supervisor Terry Woodrow provided details of the effect of the California Lands Pass Program on visitors to Hope Valley and local businesses. She stated the reason the Alpine County Board of Supervisors is requesting Hope Valley be removed from the California Lands Pass Program is Alpine County was not properly notified about the addition of Hope Valley to the California Lands Pass Program. Discussion ensued regarding details and unknowns about the rules and the area covered under the California Lands Pass Program.

Director Dornbrook motioned to direct General Manager Christeson to write a letter, on the behalf of the KMPUD Board of Directors, of support of the Alpine County Board of Supervisors opposition

of the implementation of the California Lands Pass Program in Hope Valley. Director Richert seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, and Dornbrook

NOES: None

ABSENT: Director O'Grady

ABSTAINING: None

f. **Multi-Jurisdictional Hazard Mitigation Plan. Discussion and possible adoption of the MJHMP.** *Assistant General Manager Ansel*

Assistant General Manager Ansel summarized the Multi-Jurisdictional Hazard Mitigation Plan (Plan), originally developed as a mitigation plan for natural disasters by Alpine County in 1988, revised in 2004 and is a requirement to receive FEMA (Federal Emergency Management Agency) funding in the event of a natural disaster. In 2015 Alpine County began a review and update of the Plan and has asked local agencies to formally adopt the final version of the Plan. Discussion ensued regarding recommendations for corrections to the Plan. Suggested corrections will be submitted to Alpine County.

President Smith motioned to adopt Resolution 18-06 Update to the Multi-Jurisdictional Hazard Mitigation Plan, with corrections, for Alpine County, California. Director Richert seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, and Dornbrook

NOES: None

ABSENT: Director O'Grady

ABSTAINING: None

g. **General Manager Objectives FY 2018/2019. Discussion and Possible Update.** *General Manager Christeson*

General Manager Christeson presented the updated draft of General Manager Objectives for Fiscal Year 2018/2019. Discussion ensued regarding specific objectives and minor changes were made.

Director Epstein motioned to approve Fiscal Year 2018/2019 General Manager Objectives as modified. Director Richert seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, and Dornbrook

NOES: None

ABSENT: Director O'Grady

ABSTAINING: None

h. **Summer Festival 2018. Discussion and preliminary results.** *Assistant General Manager Ansel*

General Manager Christeson presented a financial re-cap of the 2018 Kirkwood Summer Festival. Assistant General Manager Ansel thanked Cheryl Stern, the Summer Festival Committee and the Community for their hard work and generous donations. The date for the 2019 Kirkwood Summer

Festival was set for Saturday, July 6. Discussion ensued regarding finances and the future of the Kirkwood Summer Festival. The Planning Committee will continue to discuss options for planning future Summer Festivals.

i. **Vail Electricity Incentive. Discussion and possible action.** *General Manager Christeson*

General Manager Christeson summarized discussions with District Counsel regarding a proposal by Director O'Grady to offer Vail Resorts a reduced electric rate during the month of April if they agreed to keep the resort open through the end of April. Discussion ensued regarding specifics of the proposal and possible alternatives to the proposal. The Board directed the General Manager to bring back the comments to Director O'Grady and determine if he wishes to revise or further pursue the proposal.

j. **Property Tax Allocations. Discussion and possible action.** *Assistant Manager, Administration McBride*

Assistant Manager McBride presented recommended property tax allocations, approved by the Finance Committee.

Director Epstein motioned to approve property tax allocations as recommended. Director Richert seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, and Dornbrook

NOES: None

ABSENT: Director O'Grady

ABSTAINING: None

k. **Electric Vehicle HOA Metering. Discussion and possible action.** *General Manager Christeson*

General Manager Christeson summarized a customer request to install an electric vehicle charging station at his condominium parking space, including discussions with HOA representatives regarding metering and sub-metering of electric use. Discussion ensued regarding sub-metering, the District's rate structure and consideration of the impact of connection fees on the feasibility of installing an electric vehicle charging station.

Director Richert motioned to adopt a Policy on electric vehicle (EV) charging stations that states that a new service and meter are required for an EV charger installed in HOA common use spaces. Director Dornbrook seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, and Dornbrook

NOES: None

ABSENT: Director O'Grady

ABSTAINING: None

l. **Propane Bulk Tank Interval Valves. Discussion and possible action.** *Assistant Manager, Operations Benson*

Assistant Manager Benson detailed operation of the bulk propane storage tanks and the internal valve that controls self-leveling of the propane in the tanks. Over the 2017/18 winter season the propane tanks stopped self-leveling and an inspection by Kiva Energy determined that an internal valve that controls self-leveling had failed. Kiva Energy recommended that all internal and semi-

internal valves be replaced on the 20,000-gallon tank. Assistant Manager Benson detailed the process of replacing all of the internal and semi-internal propane tank valves on the 20,000-gallon tank and requested the Board approve a budget augmentation to complete the replacement. Discussion ensued regarding details of propane tank valve operations and details of the proposed valve replacement. The Board directed Staff to investigate the possibility of having Kiva Energy also install piping to allow individual tank isolation. Staff estimated the cost at less than \$20,000.

Director Richert motioned to approve a budget augmentation as requested for the replacement of all bulk propane tank internal, and semi-internal valves; and, if the additional piping to allow individual tank isolation plus the valving did not exceed \$60,000, to also perform this work. Director Dornbrook seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, and Dornbrook

NOES: None

ABSENT: Director O’Grady

ABSTAINING: None

m. **Fire Funding. Discussion and possible action on Fire Funding augmentation goal.** *General Manager Christeson*

General Manager Christeson detailed fire department funding mechanisms and the need to set a yearly funding target for various new sources of funding. The Finance Committee recommends that the target Government Funds – Fire augmentation sought through various funding mechanisms be set at \$90,000 per year. Director Richert summarized discussions with Alpine County regarding sources of fire department funding.

Director Richert motioned to approve the target Government Funds – Fire augmentation sought through various funding mechanisms be set at \$90,000 per year, starting in Fiscal Year 2019/20. President Smith seconded the motion and it carried by the following voice vote:

AYES: President Smith, Directors Richert, Epstein, and Dornbrook

NOES: None

ABSENT: Director O’Grady

ABSTAINING: None

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

General Manager Christeson reported on:

1. Central Sierra Economic Development Summit, attended in Murphys, CA July 26, 2018.
2. RUS C8 loan timing.
3. Bank of the West refinancing.
4. Wastewater collection system mapping.
5. Meeting with ACWA JPIA Counsel.
6. Eastern Alpine Fire Mutual Aid

Discussion took place on various topics throughout the report.

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

Assistant General Manager Ansel reported on:

1. USFS Work Plan
2. Pump repairs at the Wastewater Treatment Plant.
3. Fire Engine pump testing.
4. The upcoming 5K/10K and Kids ½ Mile Fun Run taking place on Saturday, September 1st.
5. Chipping Program
6. Alpine County Ambulance

Discussion ensued regarding the chipping program and the Alpine County Ambulance.

11. STANDING COMMITTEE REPORT

- a. **Finance Committee**
General Manager Christeson reported the Finance Committee met on August 7th and all topics have been covered herein.
- b. **Planning Committee**
Director Richert reported the Planning Committee has not met since the last Board meeting and will meet again on August 31st at 9:00am
- c. **IT Committee**
Director Epstein reported that IT Committee has not met since the last Board meeting.
- d. **Operations Committee**
Director Dornbrook reported on Committee discussions regarding contracted on-call engineering services. General Manager Christeson elaborated on current engineering services.
- e. **Personnel Committee**
President Smith reported that the Personnel Committee has not met since the last Board meeting.

13. TEMPORARY ADVISORY COMMITTEE REPORTS

All items were covered.

14. GENERAL DISCUSSION

None

15. CLOSED SESSION

- a) Closed session regarding General Manager annual performance review, merit, and bonus.
 - i. Government Code § 54957(b)

President Smith reported that the Board approved a \$6,150 salary increase and a merit bonus award of \$3,750 for the General Manager, both effective July 1st, 2018.

- b) Closed session regarding employee merit increases.
 - i. Government Code § 54957(b)

No reportable action.

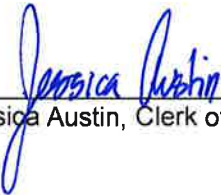
- c) Closed session regarding significant exposure to litigation involving one potential case concerning the CSAA vs. Kirkwood Meadows PUD
 - i. Government Code § 54956.9(d)(2)

No reportable action.


16. ADJOURNMENT

There being no further business, the meeting was adjourned at 12:50pm

(The next Special Board Meeting is Sunday, September 2nd, 2018 at 8:00am)



Jessica Austin, Clerk of the Board



Peter Dornbrook, Board Secretary
Kirkwood Meadows Public Utility District