



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 13, 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. ANNOUNCEMENTS

General Manager Christeson

General Manager Christeson apologized for not being physically present due to an accident on Highway 88, but welcomed members of the public and stated this Regular Board 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 jaustin@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:
Staff Present:

President Smith, Directors Epstein, Dornbrook, O'Grady and Richert
General Manager Erik Christeson participated via teleconference.

Present at the meeting were: Assistant General Manager Ansel,
Assistant Manager Administration Kelly McBride, Assistant Manager
Brandi Benson, Clerk of the Board Jessica Austin and IT
Representative Drew Meteer

Others Present:

Kirkwood Property Services General Manager John Reiter and
Community Member Nancy Trevett

4. COMMENTS FROM THE AUDIENCE:

Community Member Nancy Trevett commended the Board of Directors for conducting the business of the District openly, transparently and inclusively and encouraged the Board to continue to do so moving forward.

5. CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR:

President Smith requested to remove Item 8b. Labor Management Ad-Hoc Committee and Item 13a. Closed Session. There were no objections.

6. ADOPTION OF CONSENT CALENDAR

a. **Regular Board Meeting Minutes of December 8, 2017**

Approve December 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

Director Richert motioned to adopt the Consent Calendar as presented. Director O'Grady seconded the motion and it carried by the following voice vote:

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

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

Lead: Finance Committee

Assistant Manager McBride presented the November Financials, December Preliminaries, Cash Waterfall, Known Budget Variances, the 2018/2019 Budget Timeline and answered questions throughout her presentation.

i. **November Financials.** Assistant Manager McBride reviewed the balance sheet noting there was a \$500K transfer to the cushion of credit. She reviewed the Combined Income Statement detailing operating revenues and overages for each department.

ii. **December Preliminary Financials.** It was noted the overage in Other Revenues is due to Greenhouse Gas Allowances the District receives annually, this item will be on the next Finance Committee agenda. December revenue is under budget due to residential revenue being down, believed to be caused by the lack of snow. December metered vs. budgeted and historical metered for each department was presented. Discussion ensued regarding snowmaking and revenue.

iii. **Cash Flow.** Cash Waterfall is significantly higher than the Income Statement due to timing of payments.

iv. **Budget Variance Tracking.** Two additional budget variances, iPad App Development and Well 2 Testing, were added to the list.

v. **FY 18/19 Budget Timeline.** The 18/19 Budget Timeline will be the same as the 16/17 Budget Timeline. Director Richert asked a question regarding funding for the Fire Department. General Manager Christeson stated the Budget Timeline including Fire Department Funding will be discussed at the Operations Committee meeting and the Planning Committee meeting prior to Finance Committee and Board consideration. Discussion ensued regarding Fire Department funding.

b. **Labor Management Ad-Hoc Committee. Discussion and Possible Appointment of an Ad-Hoc Committee to Address Privileged/Confidential Labor Issues.** *General Manager Christeson*

This item was removed from the Agenda. President Smith noted that more discussion is needed on this item before a decision can be made.

c. **Performance Reporting. Discussion Efficiencies and Losses of Each Department as Measured in Performance Reporting.** *Assistant Manager Benson*

Assistant Manager Benson gave an update on Performance Reporting for each department, including year-to-date and December 2017 production and losses. General Manager Christeson noted the flushing of Well 2 and the filling of water tanks in anticipation of the Holiday weekend may be the source of the metered water discrepancy in December's Performance Report. Director Richert posed questions regarding wastewater metering, water storage capacity, aquifer

levels and requested that an aquifer levels report be included in each Board packet. President Smith requested an analysis for the December 4th power outage. Assistant Manager Benson has compiled a timeline of events and will include her analysis in the next Operations Committee meeting packet.

d. **July Board Meeting Date. Confirmation of Special Board Meeting for July 1, 2018 for Summer Festival Weekend.** *GM Christeson*

The July 2018 Board meeting will take place on Sunday, July 1, 2018 at 8:00am.

e. **USDA RUS Resolution. Discussion and Possible Adoption of Resolution 18-01 Naming GM Christeson (1) Certifier and (2) Security Administrator on Behalf of the District.**

Assistant Manager, Administration Kelly McBride

Assistant Manager McBride explained that General Manager Christeson needs to be added to the District's RUS (Rural Utility Service) loan as Certifier and Security Administrator which requires a Board Resolution. President Smith read aloud Resolution 18-01 Naming General Manager Erik M. Christeson to Certifier and Security Administrator on Behalf of the District to the Rural Utilities Service.

Director Richert motioned to approve Resolution 18-01 Naming General Manager Erik M. Christeson to Certifier and Security Administrator on Behalf of the District to the Rural Utilities Service. Director Epstein seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

Director Epstein inquired about the fiscal impact of the RUS Loan Rollover. Assistant Manager McBride stated that the RUS Loan Rollover was accounted for in the Budget.

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

General Manager Christeson reported on:

1. The Presidents Council meeting that took place on December 27, 2017 including a discussion regarding the possible development of an emergency information alert system.
2. Continuing efforts to secure Grants, including a Federal Fire Fighting grant that will be available for application soon.
3. The Tesla Charging station to be located at Kirkwood Station on Highway 88, including a possible requirement to install a universal charger.
4. The Caltrans Peddler Hill Maintenance Station connection to the District's electric line, anticipated to be completed within the next six months. Discussion and action with the Finance Committee and the Board will be required in order to decide non-customer connection fees to the District's electric line and assess the impact to the District's electric service capacity.

Discussion ensued regarding the Tesla Charging station and a possible grant to fund installation of a Universal Charger.

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

Assistant General Manager Ansel reported on:

1. Propane Safety and efforts by District staff to educate the public about the District's propane gas service. A required Propane Safety Public Awareness Message will be published in the District's February Newsletter. The twenty-two properties with propane meters identified by District staff as needing further protection have completed meter protection structures. District propane system inspections are conducted twice a year.
2. A PG&E planned outage from January 22 to January 31, 2018 in order to perform maintenance on their 115kV line from Salt Springs Reservoir to Tiger Creek. Assistant Manager Benson has requested to PG&E that the outage take place after the Resort closes for the season. Assistant General Manager Ansel took questions from the Board.
3. The 15hp Pump replacement at the Wastewater Treatment Plant completed by Mark Frederick and the need for further equipment upgrades. A detailed description of the functionality of the pump and the antiquated controls was provided. An update was given regarding the Hycor Machine failure and repair including details of it's function within the Wastewater Treatment Plant. Director O'Grady suggested a proactive approach to repairing and replacing crucial parts at the Wastewater Treatment Plant.
4. Aquifer levels at Wells 4 and 5.
5. Completed installation of the solid waste transfer station sign required by Alpine County Health and Human Services, and an update of the effectiveness of the larger Ash Bin and it's placement.
6. KVFD's Engine 93 starter failure and replacement completed by Burton Fire. Eastern Alpine Fire loaned KVFD a Type III Engine while the starter was replaced. An overview of 2017 call volume and response was provided including the current number of volunteers.
7. A survey from the Amador County Transportation Commission to develop a Systematic Safety Analysis Report for Highway 88 to aid in development of roadway safety counter measures. A link to this survey will be distributed to the Board.

11. STANDING COMMITTEE REPORT

a. Operations Committee

Director Dornbrook reported that the Operations Committee did not meet this month

b. Finance Committee

Director O'Grady reported on Committee discussions regarding:

1. Consolidating the District's Local Agency Investment Fund (LAIF) Account.
2. How the FEMA Reimbursement fits within the tier ratio requirements that are covenants for the District's RUS loan.
3. A draft Depreciation Policy that the Finance Committee will comment on as well as seek input from the District's auditors.
4. A Bad Debt Policy for inactive accounts with balances owed.

c. Planning Committee

Director Richert reported on Committee discussions regarding:

1. Ongoing efforts to develop a revised employee housing ordinance.
2. A proposal for a property swap between the District and Kirkwood Resort Development including the development of a parking plan by Vail Resorts.
3. A possible Drone Services contract to survey the District's overhead electric line. No action will be taken until a possible need arises.
4. Possible utility service for the Kirkwood Ski Team ski shack.
5. Research with Tesla regarding battery storage for the Powerhouse.
6. Possible cameras on the District's transmission towers in order to monitor the electric line.

12. GENERAL DISCUSSION

Director Epstein discussed Homeowner Fire Insurance and the possibility of insurance carriers no longer insuring Kirkwood homes. He suggested the District inform customers of this possibility as the Fire Department has information that could prevent insurance carriers from dropping homeowners. Assistant General Manager Ansel will write a newsletter article for the February newsletter informing Kirkwood residents of the ISO (Insurance Service Office) rating for the Kirkwood Valley. Community Member Nancy

Trevett noted that some KMA (Kirkwood Meadows Association) homeowners have been dropped by their insurance carriers.


Director Epstein suggested that Board training be scheduled so the entire Board can attend training together. Discussion ensued regarding preferences for when to attend training.

Director O'Grady inquired about Fire Department funding and a plan for future funding. Discussion ensued regarding options for continued Fire Department funding including reducing expenses and increasing revenue.

13. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:15am

(The next Special Board Meeting is Saturday, February 3, 2018 at 8:00am)



Jessica Austin, Clerk of the Board


Peter Dornbrook, Board Secretary
Kirkwood Meadows Public Utility District