



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

**MEETING OF THE BOARD OF DIRECTORS
Saturday, October 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. ROLL CALL

Secretary Dornbrook

Board of Directors Present:

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

Staff Present:

General Manager Erik Christeson, Assistant General Manager Rick Ansel, Assistant Manager, Administration Kelly McBride, Clerk of the Board Jessica Gillies, and IT Representative Drew Meter

Others Present:

Terry Woodrow (Alpine County Supervisor)

Via Teleconference:

Olga Darlington, Moss Adams LLP

Community Members Present:

Nancy Trevett (Kirkwood Meadows Association (KMA)), Frank Majors (KMA), Jack Longinotti (Lost Cabin HOA)

3. ANNOUNCEMENTS

General Manager Christeson

General Manager Christeson welcomed members of the public to this regular board meeting 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:

Assistant General Manager (AGM) Ansel introduced Spencer Patterson, KMPUD Water/Wastewater Operator and member of the Kirkwood Volunteer Fire Department (KVFD). AGM Ansel detailed Spencer's education and work experience and announced the promotion of Spencer Patterson to Captain of KVFD.

5. CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR:

Director Richert requested Item 6b, Current Consent for Claims, be discussed.

6. ADOPTION OF CONSENT CALENDAR

- a. **Regular Board Meeting Minutes of September 2, 2018**
Approve September 2, 2018 Board Meeting Minutes
- b. **Current Consent for Claims**

- Approve Current Consent for Claims
 c. **Receivables/Shut Offs Report**
 Review Receivables/Shut Offs Report

Director Epstein motioned to adopt the Consent Calendar with the exception of Item 6b. Current Consent for Claims. Director O'Grady seconded the motion and it carried by the following voice vote:

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

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

Director Richert requested clarification on the amount of Operational costs reviewed in Item 6b. Current Consent for Claims.

Director Richert motioned to approve Item 6b. Current Consent for Claims. Director Epstein seconded the motion and it carried by the following voice vote:

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

8. ITEMS FOR BOARD ACTION

- a. **FY 2017-2018 Audit. Discussion and Possible Action.** *Assistant Manager, Administration McBride*

Assistant Manager McBride introduced Olga Darlington of Moss Adams LLP. Olga gave a detailed presentation of the results of the Fiscal Year 2017-2018 District Audit, including required communications and District responsibilities. Questions were answered by Assistant Manager McBride and Olga Darlington throughout the presentation.

Director O'Grady motioned to accept the Fiscal Year 2017-2018 Audit as presented. Director Richert seconded the motion and it carried by the following voice vote:

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

- b. **Finances. Discussion and Possible Action Regarding the District's Financials.** *Assistant Manager, Administration McBride*

- i. **August Actuals.** Assistant Manager McBride presented the Consolidated Balance Sheet, noting the Reserve Plan is up from planned due to a delay in the Fire Funding Study. Combined Income Statement was presented for each department noting the large budget

variance in Operations and Maintenance for the Fire Department is due to the delay in the Fire Funding Study. Wastewater has a large variance from budget in Wages and Benefits due to extra staff time spent performing maintenance and repairs at the Wastewater Treatment Plant. Snow Removal has a large variance in Wages and Benefits due to extra staff time spent in contract negotiations and the Workshop. Balance Sheet comparison was presented noting the reserve is up from last year due to preparations for a PG&E payment. August EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is better than planned and year-to-date EBITDA is better than planned. September actual operating revenues are down from planned and year-to-date revenues are up from planned

- ii. Cash Waterfall. Due to a delay in the Bank of the West loan refinance the September Cash Waterfall does not reflect current budget.
- iii. Budget Variance Tracking. Snow removal wages and benefits were added to budget variances.

c. **KMPUD's Mission Statement. Discussion and possible action regarding revision of the District's Mission Statement.** *General Manager Christeson*

General Manager Christeson summarized the District's current mission statement and presented staff and Director recommendations for revision. Discussion ensued regarding potential revisions and adding an economic development component of the District's mission statement. The Planning Committee will discuss and refine the mission statement language and bring this topic back before the Board at the November 10, 2018 Board meeting.

d. **Performance Reporting & Aquifer Levels. Discussion.** *Assistant General Manager Ansel*

Assistant General Manager Ansel presented performance reporting for each department for the month of September. Discussion ensued regarding aquifer levels and the status of Well #2.

e. **Bank of the West Loan Refinance. Discussion and possible action.** *General Manager Christeson*

General Manager Christeson summarized the delay in the Bank of the West loan refinance due to the Wastewater Treatment Plant residing on two separate District owned parcels. Staff recommendation of a boundary line adjustment was presented to fix this issue. Discussion ensued regarding a possible boundary line adjustment. Director O'Grady detailed Finance Committee discussions and recommendation to staff to pursue a boundary line adjustment.

Director O'Grady motioned to authorize staff to move forward with a boundary line adjustment to facilitate the Bank of the West loan refinance. Director Richert seconded the motion and it carried by the following voice vote:

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

NOES: None

ABSENT: None

ABSTAINING: None

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

General Manager Christeson reported on:

1. Kirkwood Mountain Resort General Manager transition.
2. Wastewater collection system smoke testing demonstrated by the Amador Water Agency.
3. Wastewater collection system manhole repair, including the use of a newly purchased sewer bypass device to aid staff while repairs are in progress.

10. OPERATIONS REPORT *Assistant General Manager Ansel*

Assistant General Manager Ansel reported on:

1. Volunteer Firefighters Assistance Grant received by KVFD and the upcoming purchase of Self-Contained Breathing Apparatus (SCBA) using Grant funds. Possible uses for community monetary donations received during KVFD's fundraising events were discussed including a possible purchase of an air compressor to refill the SCBAs. Discussion ensued regarding use of funds raised and the Alpine County ambulance.
2. Financial re-cap of the 5K/10K & Kids Fun Run that took place on Saturday, September 2, 2018.
3. Propane leak survey and 10%-meter change out.
4. Water leak on East Meadows Drive at a fire hydrant water shut-off valve.

11. STANDING COMMITTEE REPORT**a. Operations Committee**

Director Dornbrook reported that all Committee items have been covered.

b. Planning Committee

Director Richert reported the Planning Committee has not met and summarized a discussion with new Kirkwood Mountain Resort General Manager, Tom Fortune.

c. Finance Committee

Director O'Grady reported on Committee discussions regarding:

1. RUS loan finalization.
2. PG&E payment to be made by October 25, 2018
3. Employee housing rental rates.
4. Drafting a bad debt policy.

d. IT Committee

Director Epstein reported that the IT Committee has not met. The next meeting will take place on Thursday, October 25 at 9:00am.

e. Personnel Committee

President Smith reported that the Personnel Committee has not met. The next meeting will take place on Thursday, October 25 at 10:00am.

13. TEMPORARY ADVISORY COMMITTEE REPORTS

President Smith announced the formation of a new Temporary Advisory Committee to address organizational and salary structure of the District. President Smith and Director Epstein have been appointed to this committee.

Director Richert reported that the work of the Temporary Fire Funding Advisory Committee is complete until a decision is made regarding funding mechanisms.

14. GENERAL DISCUSSION

None

15. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:10am.

(The next Regular Board Meeting is Saturday, November 10, 2018 at 8:00am)



Jessca Gillies, Clerk of the Board



Peter Dornbrook, Board Secretary
Kirkwood Meadows Public Utility District