

PINECREST PERMITTEES ASSOCIATION

Board of Directors Meeting
Pine Tree Restaurant, Sonora, California
December 2, 2016

DIRECTORS PRESENT: Tim Fisher, Laurie Cashman, Mike Yaley, Mike Tovani, J. Rogers, Andy Brechwald, Allen Green

OTHERS PRESENT: Jay Watts, [Permittee], Adam Coyan [Gen Mgr], Molly Fuller & Jennifer Sorensen [USFS]

1. Call to Order

The meeting was called to order at 10:00 by President Tim Fisher.

2. Visitor Introduction: Jay Watts [Potential Board Member]

3. Approval of Minutes of October 14, 2016

It was moved by Allen Green, seconded Laurie Cashman that the minutes of October 14, 2016 be approved. Motion carried.

4. Forest Service (USFS) Report

- ✓ Jennifer stated that she had met with Tim Holden from Sierra Nevada Communications regarding Internet issues. There is an environmental process to go through, so it will take some time. She said that they never heard from Conifer.
- ✓ Molly noted that Mt. Enterprises is working with PG&E on hazard trees. Alicia Lonelli is the contact for PG&E. Molly mentioned that the USFS is purchasing water from PPA. Their contract is up for renewal in January. The USFS is still testing the water in their tanks.
- ✓ Jennifer will be meeting with the tree people on Monday. Mark Patton has been hired by some cabin owner to inoculate their trees to prevent the beetles.
- ✓ Molly's retirement party will be on January 14th at the Sheriff's Posse's facility on Rawhide Road. The cost is \$15 per person.

5. Manager's Report

Projects: Adam is finding projects to keep the staff busy with winter setting in.

- ✓ The cabinets have been re-done in the firehouse. They have put up a hood over the stove and have put down some vinyl flooring.
- ✓ They have done an axle change on the utility truck.
- ✓ They have pulled off aerators and have done confined space training.
- ✓ The Sheering Creek Plant has been cleaned out.
- ✓ Fixed broken hydrant on the corner of Lodge Pole and Rustic. It was suspected that a car hit it. Approximately 20,000 gallon of water was lost.
- ✓ Accomplished the annual head works cleaning.
- ✓ Adam stated that he has been interviewing for a full-time employee.
- ✓ They have been doing fire department training. Also, they have been placing historical documents in plastic totes for rodent protection.
- ✓ Planning to add a shower & bunk bed in the lounge for seasonal employees. The cost would be nominal and the work would be done by staff as available.

- ✓ Adam stated that he had contacted Twain Harte Community Service District to see if they had a Waste Water Class 2 Operator PPA could contract with. They did not. Adam suggested we contract for these services in the interim.
It was moved by Mike Tovani, seconded by Laurie Cashman to allow Adam to hire an outside contractor, motion carried. The cost would be around \$1,000 per month.
- ✓ Sewer Plant Maintenance: The Rotating Biological Contactor [RBC] needs to be rebuilt, which is a huge project.
- ✓ Adam displayed a tract map for the Board to review. It was marked-up by all to correct inaccuracies. Tim will deliver to engineer for corrections.

Solar Project: Adams has not seen Rob Lamkin for three weeks. The panels have been delivered, but with the snow, it is complicated to continue. There is a 99% chance that Rob is not going to make the USFS deadline. It is difficult to pour concrete in 20 degree weather. All materials have been paid for.

6. Financial Report – Tim Fisher

A. Overall Fund Status (End of October) – Tim noted that as of 10/31/16 we have \$60,000 less in the Waste Water Fund. The Garbage Fund is temporarily in the negative. We had to deliver to a remote bin for several weeks.

B. Investments Statement – In the Edward Jones account most of the money is in the Money Market Account and the remainder is in CD's. Andy Brechwald, J Rogers and Ken Irwin are working on an Investment Policy. A policy will be adopted in March.

7. Budget Adoption

A. Budget Overview: The only comments received pertained to charging for overages; one thought we were to stingy with our base amount based on and the second that we should be charging more for the overage.

B. President's Comments

1. Employee Salary/Credential Summary – The Board reviewed the current staff sheet and salaries.

2. Health Insurance Issues/Reimbursement Allowance. Tim noted that our health insurance went up 1% in our fees, which is really good. The deductible went up \$1,000. However, we have our PPA health reimbursement plan. This keeps employees from having to pay too much for out of pocket deductible expenses.

It was moved by Andy Brechwald, seconded by Allen Green to adopt the Medical Reimbursement Plan for 2012 to 2017. Motion carried.

C. Final Adoption of Budget & Fees by the Board:

J. Rogers moved to approve the budget & fees as proposed, seconded by Allen Green and carried.

Water Fees:

It was moved by Andy Brechwald, seconded by Laurie Cashman to charge \$28. per thousand for retail water sales. Motion carried.

Tim will have a new contract for the USFS for the purchase of water to Molly prior to her departure as she requested.

It was moved by Andy Brechwald, seconded by J. Rogers to charge the USFS \$25.00 per thousand, motion carried.

Overages: Tim stated we should be consistent with what we did last year, \$10/1,000 Gallons. There are only about 8 residences over 50,000 Gallons.
It was moved by Mike Yaley, seconded by Laurie Cashman that the overage charges will be the same as last year. Motion carried.

D. Employee Benefits Resolutions

It was moved by Andy Brechwald, seconded by Mike Tovani that the 401K Plan is extended for the next fiscal year. Motion carried.

8. Updates

A. Sailing Dock Agreement – The Agreement has been signed to re-establish the sailing docks. The two docks will be maintained by Friends of Pinecrest and insured by PPA. FoP will construct the docks.

B. Old Pinecrest School Site – The Board agreed to submit a proposal for purchase at a price of \$412,000. Cost and financing are totally open. Tim has put together a payment schedule. PPA would have to sell the Cold Springs property and create new housing on the school site. Tim checked with the Planning Department and was told that housing and storage could be constructed.

The Twain Harte School Board will review our proposal on December 7th. The Board discussed the positive aspect of this property. Tim noted that he apprehensions but that he had received emails from Ken Irwin, Howard Kirk & Chris Barth urging for the purchase as it will give us site flexibility we do not have on USFS land. It may help us maintain a school in the area for our, and other, employees and it is basically a good price for this site.

It was moved by Andy Brechwald, seconded by J. Rogers the PPA proceeds with the purchase. Motion carried, unanimously.

C. Permittee Boat Trailer Parking Proposal – Tim is working with Jennifer on parking for 20 boat trailers. The Traffic & Circulation Plan will not include long term parking for trailers.

9. Set February / March date: The next meeting will be March 20th at 10:00 at the Pine Tree Restaurant, in Sonora.

The meeting was adjourned at 12:30.

Respectfully submitted,

Approved by:

Jan Moncrieff

Tim Fisher

Recording Secretary

President