

**UNION PUBLIC UTILITY DISTRICT
339 MAIN STREET
MURPHYS, CA 95247**

MINUTES OF MAY 15, 2019 REGULAR MEETING

The Board of Directors of the Union Public Utility District met in Regular Session at the UPUD Office in Murphys, California, at approximately 7:00 PM.

| | | |
|--------------------|----------------|----------------|
| Directors Present: | RALPH CHICK | President |
| | GREG RASMUSSEN | Vice President |
| | TOM QUINCY | Secretary |
| | DUANE ONETO | Treasurer |
| | ERIC BOTTOMLEY | Director |

| | | |
|---------------|-----------------|----------------|
| Also Present: | ELAINE URRUTY | Office Manager |
| | KEN AIROLA | Legal Counsel |
| | KAREN ROJAS | UWPA |
| | FRANK FIELDS | UWPA |
| | PUBLIC AT LARGE | |

1. PLEDGE OF ALLEGIANCE. The Pledge was given.
2. PUBLIC COMMENT. There was no public comment.
3. APPROVAL OF MINUTES.
 - a. The minutes of the March 20, 2019 regular meeting were included in the agenda packets for review. Elaine noted additions on page 1 immediately after Public Comment to add "At this time President Chick moved to New Business, Item 6.a and Director Bottomley excused himself from the meeting." and on page 2, before Item 3 to add "At this time Director Bottomley returned to the meeting." Elaine also noted corrections to add Director Rasmussen as present and remove Bill & Delores Airola from attendance.

| | |
|----------|--|
| Motion: | Director Quincy |
| Second: | Director Oneto |
| Ayes: | Directors Chick, Quincy, Oneto and Bottomley |
| Nays: | None |
| Absent: | Directors Rasmussen |
| Abstain: | None |

MINUTE ENTRY. THE MINUTES OF THE MEETING OF MARCH 20, 2019 WERE APPROVED AS CORRECTED.

At this time Director Rasmussen arrived to the meeting.

b. The minutes of the April 10, 2019 special meeting were included in the agenda packets for review. Elaine noted corrections to change Director Rasmussen as absent, add Bill & Delores Airola and remove Laurie Giannini and Gay Callan from attendance.

Motion: Director Oneto
Second: Director Bottomley
Ayes: Directors Chick, Quincy, Oneto and Bottomley
Nays: None
Absent: None
Abstain: Director Rasmussen

MINUTE ENTRY. THE MINUTES OF THE MEETING OF APRIL 10, 2019 WERE APPROVED AS CORRECTED.

c. The minutes of the April 17, 2019 regular meeting were included in the agenda packets for review.

Motion: Director Rasmussen
Second: Director Oneto
Ayes: Directors Chick, Oneto, and Rasmussen
Nays: None
Absent: None
Abstain: Directors Quincy and Bottomley

MINUTE ENTRY. THE MINUTES OF THE MEETING OF APRIL 17, 2019 WERE APPROVED AS PRESENTED.

At this time President Chick moved to New Business, Item 6.b.

NEW BUSINESS:

6.b UWPA REVIEW OF PROJECT AND REQUEST FOR LETTER OF SUPPORT FOR FUNDING TO INSTALL COMMUNICATION TOWERS AT STEPHENS AND CADEMARTORI RESERVOIRS (Frank Fields); DISCUSSION/POSSIBLE ACTION A copy of the sample letter of support provided by UWPA was included in the agenda packet for review. Frank Fields from UWPA provided handouts of the presentation and an aerial photo of the proposed project. Frank reviewed the proposed project to install a communication tower near the Stephens Reservoir that both UWPA and UPUD could benefit from. Frank said that the tower could provide a connection point for obtaining data on both the Stephens and Cademortori Reservoirs and replace UWPA's cellular connection between the Murphys Powerhouse and Murphys Forebay with a LOS connection, increasing reliability and security. By installing some additional equipment at Cademartori Reservoir and through the UWPA SCADA system they could also provide access to real time information on the reservoirs to UPUD. Frank noted that in the UWPA Joint Powers contract UPUD was to install monitoring equipment at each reservoir by 2015, which hasn't yet been done, and this project could handle this requirement also. Frank also noted that this type of monitoring and data is being required more and more by the state & could be required in the near future. Frank said that he is pursuing a grant on behalf of UWPA & UPUD through IRWM for this project and has budgeted \$12,000 for

purchasing and installing the communications tower. The cost of the necessary equipment to include the Stephens and Cademartori data into the project would be approximately \$25,000. Frank said at this time they are asking for permission for UWPA personnel to enter the Stephens Reservoir parcel to perform LOS radio tests to locate a recommended location for the tower and for a letter of support for the grant submittal and project. President Chick read the draft letter of support and Frank noted that there are some corrections needed to the letter to change that it is for one tower at Stephens reservoir only. Frank noted that the grant would be on behalf of UWPA and UPUD, since, in order to get the grant funds, they need to show assistance to fire suppress of UPUD area and use UPUD's DAC designation. Frank thanked Elaine for her assistance in obtaining UPUD information needed on this project. Discussion ensued regarding the Project and UPUD's requirement to provide monitoring per the JPA contract. Director Oneto noted that Bill Eltringham was not in favor of the monitoring and said the data was not needed. Frank said that UPUD can decide as this moves forward if they wish to include monitoring of the reservoirs, which would increase the costs in the grant. Karen Rojas asked if UPUD would require a right of entry and an indemnity agreement and Ken Airola, Legal Counsel, said he did not feel this was necessary since we are partner agencies. It was the Board's consensus to approve UWPA's access to the Stephens Reservoir site and the letter of support. Once the site is chosen UPUD can decide if they wish to include monitoring and it can be added at a later time.

Motion: Director Oneto
Second: Director Rasmussen
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley
Nays: None
Absent: None
Abstain: None

MINUTE ENTRY. TO ALLOW UWPA RIGHT OF ENTRY TO THE STEPHENS RESERVOIR PARCEL TO PERFORM A STUDY AND SELECT A TOWER SITE FOR THE STEPHENS RESERVOIR TOWER PROJECT.

Motion: Director Rasmussen
Second: Director Quincy
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley
Nays: None
Absent: None
Abstain: None

MINUTE ENTRY. TO APPROVE LETTER OF SUPPORT FOR PERSUING GRANT FUNDING TO INSTALL A COMMUNICATION TOWER AT STEPHENS RESERVOIR.

At this time President Chick returned to Recurring Business.

RECURRING BUSINESS:

4.a **APPROVAL OF EXPENDITURES.** The April 2019 Expenditures report was included in the agenda packets for review. Elaine Urruty reviewed the April expenditures with the Board

noting the larger expenses to UWPA in the amount of \$10,000 each for our 3rd & 4th Qtr contract payments; UWPA in the amount of \$21,250 each for our 3rd & 4th Qtr contribution payments; ERS Ind. Services, Inc. in the amount of \$14,730 for anthracite for the TP filters; DWR in the amount of \$22,440 for our annual dam fees for Cademartori Dam; and Weber, Ghio & Associates in the amount of \$5,791.98. Elaine noted that the dam fees were up \$3,699 from last year, but because our water system fees are down over \$5,000 in the same GL line, we will not go over budget. Also, the anthracite cost will be transferred from LAIF reserve for filter media costs at the end of the quarter.

Motion: Director Rasmussen
Second: Director Oneto
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley
Nays: None
Absent: None
Abstain: None

MINUTE ENTRY. THE APRIL 2019 EXPENDITURES WERE APPROVED AS PRESENTED.

- 4.b CASH RECEIPTS REPORT. The Cash Receipts report for the month of April 2019 was included in the agenda packets for review. Elaine reviewed the cash receipts report with the Board. Elaine noted two domestic service fees of \$14,000 each were received for Mikkelsen's 2nd dwelling and for Nancy Cohen's new construction on Cottage Circle and one irrigation service fee of \$5,000 was received for Stewart Segale on Main Street, Douglas Flat, which has not yet been installed.
- 4.c BALANCE OF FUNDS REPORT. The Balance of Funds report for the month of April 2019 was included in the agenda packet for review. Elaine Urruty reviewed the quarterly transfers and interest deposits with the Board. The current LAIF balance as of April 30, 2019 is \$2,188,419.50.
- 4.d BALANCE SHEET & INCOME STATEMENT. The April 2019 Balance Sheet & Income Statement were included in the agenda packet for review. Elaine Urruty reviewed the reports and reported the year to-date net income as of April 30, 2019 is \$478,384.36. Elaine reported that we are at 83.33% of the year and our YTD Income is at 92.15% and our YTD Expenses are at 69.55% overall. Elaine also noted that the net difference of our cash and reserve accounts to our long term debts as of April 30, 2019 is a positive \$1,418,582.57.

OLD BUSINESS:

- 5.a ACCEPTANCE OF UPUD FY 2017-2018 AUDIT BY BRYANT JOLLEY, CPA;
DISCUSSION/POSSIBLE ACTION A copy of the FY 2017-2018 audit report was provided in the agenda packet for review. Elaine reported that she had reviewed & verified the audit report to our books. Elaine said there were a couple of minor corrections needed, but per Lan of Bryant Jolley's office, they were immaterial and did not affect the end net results. Lan made notes to fix these items with next year's audit.

Motion: Director Rasmussen
Second: Director Quincy
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley
Nays: None
Absent: None
Abstain: None

MINUTE ENTRY. MOTION TO ACCEPT THE FY 2017-2018 AUDIT BY BRANT JOLLEY, CPA.

NEW BUSINESS:

- 6.a REQUEST FOR TRANSFER OF IRRIGATION SERVICE FROM JEFF & JODIE HALL, 590 ANREY COURT, MURPHYS TO CRAIG HAUSCHILDT; DISCUSSION/POSSIBLE ACTION. A copy of the irrigation service application for transfer and letter were included in the agenda packet for review. Elaine noted that they would like this transfer effective May 1st to coincide with their domestic transfer.

Motion: Director Bottomley
Second: Director Oneto
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley
Nays: None
Absent: None
Abstain: None

MINUTE ENTRY. TO APPROVE TRANSFER OF IRRIGATION SERVICE EFFECTIVE MAY 1, 2019 FROM JEFF & JODIE HALL AT 590 ANREY COURT, MURPHYS (APN #068-049-021) TO CRAIG HAUSCHILDT.

- 6.c APPROVAL OF UWPA IRRIGATION CONTRACTS FY 2018-2019 – CORNISH & PAUL AND REVIEW OF UPUD ADMIN FEE; DISCUSSION/POSSIBLE ACTION. Copies of the UWPA irrigation contracts were included in the agenda packet for review. Elaine Urruty noted the increases in the minimum fee, the UWPA admin fee and off season fee along with the addition of an annual meter repair/replacement fee of \$50 and a system maintenance charge of \$72. The system maintenance charge equates to UPUD's current UWPA fee of \$6 per month to each customer. Elaine asked if, at this time, the Board would consider increasing the UPUD \$100 admin fee to cover our time in handling these accounts as we discussed last year and since we have never raised it. Also, UWPA has raised their admin fee three or four times annually and is now \$340. Discussion ensued and it was decided to not raise the UPUD admin fee this year and for Elaine to calculate the estimated admin costs and bring this item to the Board next January for review.

Motion: Director Rasmussen
Second: Director Bottomley
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley
Nays: None
Absent: None
Abstain: None

MINUTE ENTRY. TO APPROVE THE UWPA IRRIGATION CONTRACTS FOR CORNISH AND PAUL FOR FY 2019-2020 AS PRESENTED.

- 6.d APPROVAL OF UWPA PROPOSED CONTRIBUTION FOR FY 2019-2020; DISCUSSION/POSSIBLE ACTION A copy of UWPA letter requesting increase to the annual contribution from the member entities to \$140,000 for FY 2019-2020 was included in the agenda packet for review. Elaine Urruty reported that she calculated, based on the current number of domestic & irrigation customers, that we would need to charge at least \$5.88 per account to cover the \$140,000 contribution. This does not include the \$1 per account for the required UWPA reserves, which would equal \$6.88 per account needed. Elaine therefore recommended that the UWPA fee be at least \$7 per month. This does not cover the contract amount of \$40,000, which is budgeted annually. Discussion ensued regarding the requested contribution and it was the Board's consensus to approve the annual contribution request of \$140,000 for FY 2019-2020 and Elaine will prepare a resolution to fix the UWPA fee at \$7.00 per month effective July 1, 2019 and place on the June agenda.

Motion: Director Rasmussen
Second: Director Oneto
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley
Nays: None
Absent: None
Abstain: None

MINUTE ENTRY. TO APPROVE THE UWPA CONTRIBUTION OF \$140,000 FOR FY 2019-2020.

REPORTS:

- 7.a HWY 4 CORRIDOR ADHOC COMMITTEE REPORT. There was no meeting in May.

Hwy 4 Corridor meetings are on hold at this time.

- 7.b UWPA REPORT. Director Rasmussen reported that UWPA has hired a consultant to do a Capital Improvement Plan (CIP) for UWPA and have not heard on the status of the General Manager applications yet. Karen Rojas said that UWPA hired Dave Andres, who is a past General Manager of CCWD, to work Tuesdays and Thursdays on the CIP for less than six months. Karen said she just received another application for the General Manager position and there is a closed session scheduled on May 28th work on this.

Next UWPA meeting is scheduled for Tuesday, April 23, 2019 at 5:30 PM at the UWPA office in Angels Camp.

- 7.c LAFCO REPORT. Director Quincy reported that he and Elaine met with John Benoit from LAFCO on April 29th to review the MSR with John Benoit and go over required updates needed and said Elaine has a lot of work to do. Elaine reported that there is quite a lot of numbers & information to update on two different reports. Elaine said she reviewed the two reports that John asked us to update with Bill Eltringham and she will update what she can on versions

John sent to her and then will give to Bill and Gary Ghio or Matt Ospital to update numbers that Gary calculated on our last MSR.

The next LAFCO meeting is scheduled for Monday, May 20, 2019 at 6:00 PM at the Calaveras County Board of Supervisors Chambers in San Andreas.

7.d DISTRICT MANAGER'S REPORT. Bill Eltringham was not in attendance.

7.e OFFICE MANAGER'S REPORT. Elaine Urruty reported that the SWRCB annual report was completed along with our DAC application, the State Compensation report was completed and the quarterly payroll taxes have been completed. Elaine said she has begun working on a draft budget and would like to setup a meeting with the Budget committee by the start of June to finalize the proposed budget for our June meeting. Elaine said she will contact the committee to schedule a meeting, as soon as she has a draft budget completed. Elaine reported that the annual CCR report is due by the end of June, so she has begun gathering documentation to work on it also & will give the draft to Bill and Jason to review and verify as soon as it is ready. Elaine said that the CCR report will have more requirements this year since our district was selected to do EPA assessment monitoring for the government. This is quarterly lab testing required by EPA over and above our normal testing that we have to perform and report back on an online portal. The testing is paid for by EPA. Elaine said she has also been working on more data for the rate study that Dave Bahr of Weber Ghio has requested and needs to be put on spreadsheets. Elaine said that she has met a couple more times with Nhu on updates for the website. The website should be ready to go live soon, but Elaine wanted Bill & hopefully the Board to review before we flip the switch to go live. Elaine said she still needs to do a liability insurance review, which she just received in the mail from our insurance agent to verify no corrections are needed. Elaine said she will also need to continue work on the MSR report drafts.

Elaine said she has been attending the UWPA grant meetings and collaboration meetings as the Board requested. Elaine said that the grant group met with Lindsey Mattos from IRWM to review the current process for grants. We reviewed the needs UWPA had on the table, which included Frank's proposal for the Stephens Reservoir tower and a proposal for flume infrastructure repair which Kyle is working on and plans to submit in October with portions of the proposal to be done in stages. It was an informative meeting and seems like IRWM is helping more with proposal guidance and to help find funding and get them approved. Elaine said she attended another Hwy 4 Collaboration meeting that was scheduled to specifically review and work on a mission statement, speak with Brad Peterson from Condor Earth Technologies regarding possibilities of merging agencies EAPs for Dams to save costs, and to review the Calaveras County ad valorem taxes collected by CCWD from all county residences. However, Elaine said the meeting got off topic with questions regarding recruitment of General Manager for UWPA and possibilities of agencies merging resources such as management, billing, infrastructure needs, etc. and Elaine said she felt uncomfortable when consolidation was mentioned and told the group so and wanted direction from the Board on if they want her to continue participating in these meetings and/or pursuing these options. Elaine said Michael Minkler said he was not talking consolidation, it was more collaboration or regionalization. Discussion ensued regarding these meetings and purpose. Karen Rojas stated that they are going to try and schedule meetings for specific focus groups for collaboration to get the agencies different groups together such as administration,

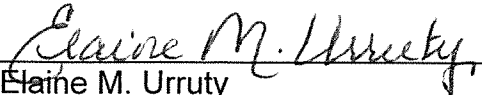
management, scada, etc. to discuss the different agencies needs and resources and assets to see what collaboration and sharing of resources can be done. Elaine noted that one positive item that came out of the meeting was she asked Karen if UPUD and City of Angels could be added into the grant application for a Hazard Mitigation Plan as a group, since we would all be working together in an emergency anyway and it made sense. Karen said this should be possible at this time and she will gather the cost information and that there will be a workshop scheduled for more information in Sacramento soon. Cindy Secada from MSD said she would be interested in adding MSD into this grant also. Cindy said MSD is currently under the umbrella of the Calaveras County's HMP, but would be interested in the Hwy 4 group HMP. Director Quincy asked how much of Elaine's time is being utilized to attend these meetings. Elaine said at least a half day or more for each meeting plus time for emails or phone calls sending information back and forth and gathering information for UWPA and prep for meetings. Director Quincy asked if the Personnel Committee can ask Bill Eltringham to attend these meetings to take off of Elaine's responsibilities and time. Director Chick said they had asked Bill to attend and hope that he will.

- 7.f IRRIGATION COMMITTEE. There was nothing to report.
- 7.g PERSONNEL COMMITTEE. Director Chick said the committee will be meeting with Bill Eltringham regarding attending the UWPA Hwy 4 Collaboration and grant meetings and to review his long range plans.
- 7.h BUDGET/FINANCE COMMITTEE. Director Oneto was happy to hear Elaine is working on the draft budget and plans to meet before the June meeting.
- 8. DIRECTORS COMMENTS. Director Oneto said that Bill Eltringham discussed the Coyote Creek/Monge Ranch Rd Bridge Project with him and that both UPUD's irrigation and domestic lines are attached to the bridge and that moving these lines will be at the district's cost. Bill will be working on gathering bids for this project, as work cannot be done in house and will be costly. Director Rasmussen stated that in regards to the Collaboration meetings that we need to be open to looking into duplication of costs and sharing resources. Elaine stated that there was also some good information coming out of the meeting, such as the possibility of sharing our Hazard Mitigation Plan with UWPA, City of Angels and MSD and the possibility of getting a grant writer for all the entities. Also, Lindsey from IRWM said that having these plans in place help with getting grants funded and FEMA funds if an emergency arises. Director Bottomley stated that he agreed that grant money is wonderful, if we can get it, and grant writing assistance would be huge.
- 9. NEXT MEETING: Next regular meeting is scheduled for Wednesday, June 20, 2019, at 7:00 PM.
- 10. ADJOURNMENT. The meeting was adjourned with no further business at 8:15 PM.

Submitted by: Thomas E. Quincy
Thomas E. Quincy, Secretary

Date: 10-7-19

ATTEST:



Elaine M. Urruty

Clerk to the UPUD Board of Directors