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## **SPECIAL BOARD MEETING AGENDA**

4:00 p.m. Tuesday January 16, 2024  
Utica Headquarters | 1168 Booster Way, Angels Camp, CA 95222

Join by video conference: [meet.google.com/sdx-qche-wwz](https://meet.google.com/sdx-qche-wwz)  
Join by phone: 650-781-0684 PIN: 819 722 066#

View the meeting agenda packet: [www.uticawater.com/board-meeting-minutes-agenda](http://www.uticawater.com/board-meeting-minutes-agenda)

### **UTICA BOARD OF DIRECTORS**

Ralph “Rocky” Chick Union Public Utility District – Board Vice Chair  
Jennifer Davis-Herndon, City of Angels – Board Secretary  
Greg Rasmussen Director – Union Public Utility District  
Gary Conrado, Community At-Large Member

### **ORDER OF BUSINESS**

#### **Agenda Items**

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Agenda Approval**
5. **Public Comment**

Members of the public may address the Board on items not listed on the agenda. Comments are limited to five minutes. No action will be taken on items not on the agenda. The public is encouraged to work with staff to put items on the agenda for Board consideration.

## **6. Special Meeting Agenda**

Discussion and possible action on all items.

- A. Certificate of appointment and oath of office (Walker)
- B. Consideration of approval of Stantec proposal for continued support of Utica's FERC Exemption applications (Metzger)

## **7. Board / General Manager Reports, Future Agenda Items**

- A. Correspondence
- B. Board Reports

## **8. Upcoming Board Meetings and Calendar Events**

- Thursday January 18, 2024, at 8:30 a.m.: Emergency Action Plan Functional Exercise at Native Sons Hall in Murphys
- Thursday January 25, 2024, at 9:30 a.m.: UWPA FERC Exemption Joint Agency Meeting
- Thursday January 25, 2024, at 12:30 p.m.: Public Site Visit/Tour
- Thursday January 25, 2024, at 6:00 p.m.: UWPA FERC Exemption Joint Agency Meeting
- Wednesday January 31, 2024, at 4 p.m.: Joint JPA Meeting at Native Sons Hall in Murphys
- (Proposed) Tuesday February 13, 2024, at 5:30 p.m.: Regular Utica Board Meeting
- Tuesday March 26, 2024, at 5:30 p.m.: Regular Utica Board Meeting

## **9. Adjournment**

### **Utica Mission Statement**

We are committed to preserving and protecting local control of our water resources through effective fiscal and operational management and assuring a safe and reliable water supply for municipal and agricultural stakeholders, while ensuring the quality and quantity of this precious resource for generations to come.

### **Americans With Disabilities Act**

In compliance with Title II of the Americans with Disabilities Act, 28 CFR Part 36, if you need special assistance to participate in this meeting, please contact the Utica office at (209) 736-9419 or email your request to [admin@uticawater.com](mailto:admin@uticawater.com). Notification in advance of the meeting will enable Utica to make reasonable accommodations to ensure accessibility to this meeting. Any materials distributed to the Board that relate to an item on the agenda are available at the Utica office 72 hours prior to the scheduled meeting.

### **Questions?**

Contact Utica at [admin@uticawater.com](mailto:admin@uticawater.com) or (209) 736-9419.



## Certificate of Appointment and Oath of Office

STATE OF CALIFORNIA,

COUNTY OF CALAVERAS

I, Jennifer Davis-Herndon, Secretary of the Board of Directors of the Utica Water and Power Authority, County of Calaveras, State of California, hereby certify that on January 16, 2024, in the City of Angels Camp, in said County, Caroline Schirato was appointed to the UWPA Board of Directors. The term for this position will extend until the person serving dies, resigns, or is replaced by the Angels City Council.

IN WITNESS WHEREOF, I here unto  
Affix my Hand and Seal of said Board of  
Directors this 16th day of January, 2024.

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Jennifer Davis-Herndon, Secretary to the Board

STATE OF CALIFORNIA

COUNTY OF CALAVERAS

I, Caroline Schirato, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties upon which I am about to enter.

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Caroline Schirato

Subscribed and sworn to before me this 16th day of January, 2024.

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Jennifer Davis-Herndon, Secretary to the Board

# UTICA WATER AND POWER AUTHORITY

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**Date:** January 16, 2024  
**To:** Utica Board of Directors  
**From:** Joel Metzger, General Manager  
**Re:** Consideration of Approving Stantec's Proposal for Continued Support of Utica's FERC Exemption Application Process

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## RECOMMENDED ACTION

Motion authorizing the General Manager to sign Stantec's Proposal dated January 12, 2023, for continued support of Utica Water and Power Authority's FERC Exemption applications.

## SUMMARY:

The primary purpose of Utica Water and Power Authority (Utica) is to operate and maintain a 27-mile-long water supply system that provides the sole public water supply to 10,000 people in the Murphys, Douglas Flat, Vallecito, and Angels Camp communities, and provides irrigation water to more than 1,000 acres of agricultural land in Calaveras County, California. To help offset the maintenance cost of the water supply system, Utica operates two small hydroelectric powerhouses, each operating under a Federal Energy Regulatory Commission (FERC) license, P-2019 Utica Project, and P-2699 Angels Project.

Both of Utica's federal licenses include the powerhouses and associated water conveyance facilities. They are both 30-year term licenses that will expire in 2033. The purpose of FERC licenses is to ensure the licensee (Utica) is safely operating its facilities and that the power and water conveyance facilities conform with the environmental and other needs of the public waterways. The existing federal licenses provide a solid framework for Utica and others to manage water flows and meet community needs. Prior to 2033, Utica would need to apply for new FERC licenses for its two projects. The upcoming relicensing process would take at least five years and could cost the Utica and the communities Utica serves up to \$10 million to complete. For context, Utica's annual budget is around \$3 million.

Given the financial and operational challenges presented by FERC relicensing, in 2020 the Utica Board performed an in-depth Operational Alternatives Analysis to examine options for the long-term operations of the Authority's two federally licensed hydropower facilities. Of the options analyzed, seeking small conduit exemptions (Exemption) from FERC (and associated license Surrender of part of the water conveyance system) was selected as the preferred alternative. Pursuing an exemption requires an application process similar to relicensing. If FERC approves

exemptions for the Utica and Angels projects, FERC relicensing every 30 years would no longer be required. It would lead to permanent FERC authorization to operate the powerhouses, with all of the water conveyance system continuing to operate as it does now, but under local authorization and control.

To determine whether Utica was a good candidate for FERC exemptions, Utica staff worked closely with FERC staff in Washington D.C. to provide information about Utica’s system, operations, and purpose. In 2022, FERC staff in D.C. confirmed that, at a staff level, Utica was deemed to be a good candidate to apply for exemptions.

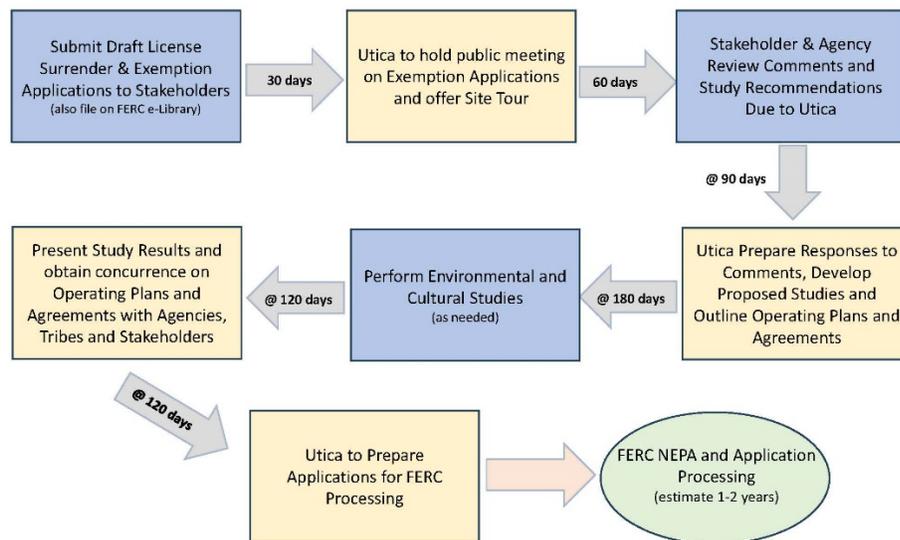
In late 2022, Utica began working with Stantec Consultants to begin work on the process of applying for FERC exemptions. The goal is to convert the existing Angels Hydroelectric Project to the Angels Powerhouse Project and the Utica Hydroelectric Project to the Murphys Powerhouse Project. As part of the Exemption process, Utica is also seeking to surrender portions of its existing water conveyance system.

Over the course of 2023, Utica staff and Stantec met with many key stakeholders, conferred with specialty FERC legal counsel, and moved forward with the process of drafting an Initial Consultation Document (ICD) in the form of two draft FERC Exemption applications. This process culminated with Utica and Stantec staff distributing draft FERC Exemption Application documents to all interested parties on Wednesday December 20, 2023. All documents are available [here](#).

**NEXT STEPS:**

The draft FERC Exemption Application document distribution on December 20, 2023, was the beginning of a lengthy process with the end goal of FERC approving Utica’s Exemption applications.

## FERC Conduit Exemption Application Timeline and Process



The Exemption Application in December 2023 document circulation kicked off a 90-day period for review and comments by interested parties. After the parties have had access to the documents for 30 days, FERC requires Utica to hold a Joint Meeting and Site Visit. The meeting and site visit are scheduled for Thursday January 25, 2024, at the Native Sons Hall in Murphys. Following the Joint Meeting, interested parties have an additional 60 days to continue reviewing the draft documents before the comment submittal deadline of Monday March 25, 2024. Utica staff and Stantec will be in close communication with interested parties during the 60-day period following the Joint Meeting to ensure all questions are answered and information is provided to help inform the comments being developed.

Once the comment period closes, Utica staff will work with Stantec to review, analyze, categorize, and respond to the comments. The Utica Board will be briefed on the findings at the April 23, 2024, Board meeting and provide direction to staff on next steps.

The May 28, 2024, Utica Board meeting will be a key decision point. Utica staff and Stantec will present a detailed technical memorandum to the Board with comment analysis, recommended studies, cost estimates, and projected timelines moving forward. Much more detailed information will be available to the Board at this meeting and staff and consultants will have a higher degree of certainty on options moving forward.

#### **FINANCIAL IMPLICATIONS:**

Stantec's proposal is for \$154,569 and includes FERC exemption support through June 2024. Since Utica began working with Stantec in December 2022, \$165,282.80 has been spent.

The Utica Board has authorized funds from Utica's FERC Relicensing/Exemption Reserve to be used for Stantec's work. As of November 2023, the FERC Relicensing/Exemption Reserve had a balance of \$1,096,583. Per Utica's Reserves Policy, \$29,167.77 is contributed to the FERC reserve each month, with a yearly contribution amount of \$350,000.

#### **ATTACHMENTS:**

1. *Stantec proposal to UWPA for continued FERC Exemption Applications support from January – June 2024*



**Stantec Consulting Services Inc.**  
1687 114th Avenue SE, Suite 100  
Bellevue WA 98004-6965

January 12, 2024

**Mr. Joel Metzger**  
General Manager  
Utica Water and Power Authority  
Via email at: joelm@uticawater.com

Dear Mr. Joel Metzger,

**Reference: Task Order 2 - Ongoing Regulatory Support to Utica Water and Power Authority's (UWPA) for FERC Conduit Exemption (P-2699 and P-2019)**

Stantec Consulting Services, Inc. (Stantec) is pleased to provide this proposal to the Utica Water and Power Authority (UWPA) for continued regulatory consulting services for your Angels Hydroelectric Project (P-2699) and Utica Hydroelectric Project (P-2019). The scope of services described below includes technical assistance to UWPA as you continue to pursue converting your two existing Federal Energy Regulatory Commission (FERC) licenses to conduit exemptions.

## **1 Task Order 2 - Proposed Scope of Services**

Stantec began supporting UWPA in September of 2022 under Task Order 1, and in December 2023 UWPA distributed to stakeholders and submitted to FERC the draft Conduit Exemption applications. UWPA desires to reduce the project features within the FERC project boundary and Federal authority for both hydroelectric projects. UWPA is proposing to convert the existing Angels Hydroelectric Project to the Angels Powerhouse Project and the Utica Hydroelectric Project to the Murphys Powerhouse Project.

The scope of work outlined below represents Stantec's proposed activities from January 2024 through June 2024, including the following consulting services:

- Meeting Support and Project Management
- Develop Conduit Exemption Stakeholder Technical Memo and USFS Permit Development
- Ongoing Regulatory Support

### Subtask 1 – Meeting Support and Project Management

UWPA is required to hold a public meeting within 30 days of submitting the draft Conduit Exemption Applications, and this meeting is scheduled for January 25, 2024. In addition, agency and stakeholder comments are due on the applications 60 days after the public meeting. UWPA has requested Stantec provide the following scope of work in association with these activities:

- Participate in the January 25, 2024 Joint Meeting and Site Tour. UWPA will hold 2 two-hour meetings on January 25<sup>th</sup>, and a three-hour tour of the existing hydropower facilities. Stantec will have three people attend and assist UWPA with facilitation and notetaking at the meetings. Stantec has budgeted travel for its staff to participate, including two people

**Reference:** Proposal Support to UWPA for Ongoing Regulatory Support

traveling from out of state. In addition, Stantec will provide strategy and preparation support in advance of January 25, 2024 meeting. (Assumes 68 total hours)

- Participate in UWPA's March 26, 2024 Board of Directors meeting to present on the state of the Conduit Exemption process and results of the January 25, 2024 meetings. This presentation is assumed to be virtual, with two Stantec people participating in the Board Meeting, estimated to be two hours in length. (Assumes 10 total hours)
- Participate in UWPA's April 23, 2024 Board of Directors meeting to present on the stakeholder comments on the draft Conduit Exemption applications and recommended next steps in the process, including potential study recommendations. Stantec has budgeted one person to attend the Board meeting and one person attend virtually. In addition, Stantec will provide up to 8 hours of strategy and preparation support in advance of April 23, 2024 Board meeting. (Assumes 22 total hours)
- Provide Project Management (project administration, project controls, invoicing) support to UWPA from execution of this proposal through June 30, 2024, which is estimated at approximately two hours per week (Assumes 46 total hours through June 30, 2024).

### Subtask 2 - Develop CE Stakeholder Technical Memo and USFS Permit Development

Agency and stakeholder comments on the draft Conduit Exemption applications are due on or before March 25, 2024. UWPA has requested Stantec provide the following scope of work in association with the application comments:

- Analyze agency and stakeholder comments on the draft Conduit Exemption applications for the Angels Powerhouse Project and Murphys Powerhouse Project and develop a comment/response table. It is estimated that comments will be received and reviewed by up to 8 agencies/stakeholders, with approximately 60 total comments requiring responses. For budgeting purposes for this scope item, Stantec has assumed it will be responsible for developing draft responses for approximately 40 comments, and UWPA will be responsible for developing draft responses for approximately 20 comments. (Assumes 36 hours each project, 72 total hours)
- Prepare a Draft and Final Technical Memo summarizing agency and stakeholder comments using the comment/response table on the two draft Conduit Exemption applications. It is assumed that one combined Technical Memo will be developed for the Angels Powerhouse Project and Murphys Powerhouse Project. It is also assumed that UWPA will provide a single set of consolidated comments on the Draft Technical Memo within 10 business days of the submitted draft for Stantec to integrate into the Final Technical Memo. (Assumes 84 total hours)
- Prepare a draft U.S. Forest Service Special Permit Form SF299 for UWPA to finalize and submit. (Assumes 24 total hours)
- Prepare anticipated 2025 Fiscal Year spend for ongoing regulatory support needs for UWPA Board approval by May 10, 2024. This includes a discussion of the services associated with the estimated 2025 FY spend for pursuing the Conduit Exemptions for both the Angels Powerhouse Project and Murphys Powerhouse Project – including the anticipated costs for finalizing the Conduit Exemption application, summary of anticipated studies, and additional stakeholder consultation. (Assumes 80 total hours)

### Subtask 3 - Ongoing Regulatory Support

Reference: Proposal Support to UWPA for Ongoing Regulatory Support

UWPA has requested Stantec provide key strategic and regulatory support services through the end of June 2024, including the following scopes of work:

- Develop a framework of what might be part of Conduit Exemption environmental protection agreements, where they become necessary, or are asked for by agencies for both the Angels Powerhouse Project and Murphys Powerhouse Project. It is assumed that the agreements will ultimately, if pursued, be analogous to “memorandums of understanding” between UWPA and the agencies and will be based on the existing operating plans and current FERC required measures that UWPA implements under their current FERC licenses. The initial frameworks that Stantec will draft will be up to two pages for each agreement, and up to four agreements will be drafted for each of the two projects, resulting in up to eight total draft framework agreements. (Assumes 60 total hours)
- Provide ongoing strategic and regulatory support services through June 20, 2024, as the Conduit Exemption process continues. It is estimated requested support will range from 4 to 8 hours per week, for an estimated 22 weeks (Assumes January 29, 2024 to June 30, 2024; 116 total hours)

## 2 Task Order 2 - Proposal Budgetary Estimate

Stantec proposes to execute this work under the existing Master Services Agreement between Stantec and UWPA. Task Order 2 will be performed on a time and materials basis, with a not-to-exceed budget of **US \$158,836** based on Table 1 below. It is understood there are cost uncertainties with the number and complexity of comments anticipated on the Draft Conduit Exemption Applications and the number of studies UWPA will be asked to implement. Stantec is requesting UWPA establish a contingency budget that can be added to Stantec’s authorized budget should additional effort be required to complete the scope of work described above. The budget requested above should be considered a reasonable estimate based on the assumption listed in the proposal and the anticipated level of engagement by agencies and stakeholders.

Should you require any additional information, or if you have questions on any specific component of Stantec’s proposal, please do not hesitate to contact me at the information below.

Sincerely,

**STANTEC CONSULTING SERVICES INC.**



**Michael Manwaring, PG**

Regional Sector Leader

Phone: 425-750-7989

michael.manwaring@stantec.com

Attachment: Proposal Costs Estimate and Anticipated Project Hours Estimate Tables

Reference: Proposal Support to UWPA for Ongoing Regulatory Support

**Table 1. Proposal Cost Estimate**

<b>Stantec 2024 Continued FERC Conduit Exemption Support</b>				
<b>Staff</b>	<b>Role</b>	<b>2024 Hourly Rate</b>	<b>Hours</b>	<b>Costs</b>
Michael Manwaring	Senior QA/QC/Strategic Advisor	\$ 284	118	\$ 33,512
Kirby Gilbert	Senior FERC Regulatory Specialist	\$ 274	119	\$ 32,606
Heidi Wahto	Senior FERC Regulatory Specialist	\$ 257	127	\$ 32,639
Bernadette Bezy	Sn. Environmental Specialist	\$ 257	48	\$ 12,336
Alisa Reynolds	Sn. Cultural Resource Specialist	\$ 257	24	\$ 6,168
TBD	Regulatory Specialist/Env Scientist	\$ 180	100	\$ 18,000
TBD	GIS / CADD Support	\$ 185	0	\$ -
Preston Rich	Project/Contract Management	\$ 164	36	\$ 5,904
James Tosch	Administrative/Accounting Support	\$ 130	10	\$ 1,300
			582	\$ 142,465
		RFD	6.25%	\$ 8,904
			Expenses	\$ 3,200
		<b>Total Proposed Costs</b>		<b>\$ 154,569</b>

Flat Rate Disbursement (FRD) is billed in accordance with the MSA contract with UWPA.

**Table 2. Anticipated Project Hours Estimate**

<b>UWPA 2024 Continued FERC Conduit Exemption Support</b>				
	<b>Subtask 1 Meeting Support and Project Administration</b>	<b>Subtask 2 CE Stakeholder Comments/USFS Permit</b>	<b>Subtask 3 Ongoing Regulatory Support</b>	<b>Hours</b>
<b>Staff</b>	<b>Hours</b>	<b>Hours</b>	<b>Hours</b>	<b>Subtotal</b>
Michael Manwaring	40	42	39	118
Kirby Gilbert	29	48	47	119
Heidi Wahto	15	74	51	127
Bernadette Bezy	16	30	29	48
Alisa Reynolds	0	16	10	24
Regulatory Specialist	0	50	0	100
Preston Rich	36	0	0	36
James Tosch	10	0	0	10
			<b>Total Hours</b>	582

**Note:** Table is an estimate of hours by staff and may not be the actual resource mix for project execution.