



REGULAR BOARD MEETING MINUTES

Tuesday, March 26, 2024
4 p.m. – Closed Session
5:30 p.m. – Regular Meeting

Utica Headquarters | 1168 Booster Way, Angels Camp, CA 95222

Join by video conference: <https://meet.google.com/ift-ojra-hxf>
Join by phone: 740-303-2745 and enter this PIN: 503 098 659#

View the meeting agenda packet: www.uticawater.com/board-of-directors/board-meeting-agendas-and-minutes

UTICA BOARD OF DIRECTORS

Ralph Chick – Chair
Caroline Schirato – Vice Chair
Jennifer Herndon – Secretary
Gary Conrado – Director
Tom Quincy – Director

ORDER OF BUSINESS

1. Call to Order / Pledge of Allegiance

- Meeting called to order at 4:01 p.m.

2. Roll Call

- **Directors Present:**
 - Director Herndon
 - Director Schirato
 - Director Chick
 - Director Quincy

- Director Conrado
- **Directors Absent:**
 - None
- **Utica Staff Present:**
 - Joel Metzger, General Manager
 - Frank Fields, O & M Superintendent
 - Stacie Walker, Administrative Specialist
 - Kyle Rasmussen, Conveyance Supervisor (virtual)
- **Others Present:**
 - Brad Arnold, Consultant, EKI (virtual)
 - Rodger Masuda, Legal Counsel, Griffith Masuda Hobbs (virtual)
 - Stephen Kautz, public

3. Approval of Agenda

- **Board Discussion:** None
- **Public Comment:** None
- Director Herndon **made a motion** to approve the agenda
- **Second:** Director Quincy
- **Vote:** 5-0-0
- **Ayes:** Director Herndon, Director Schirato, Director Chick, Director Quincy, Director Conrado
- **Noes:** None
- **Abstain:** None
- **Absent:** None

4. Closed Session

- Meeting adjourned to closed session at 4:02 p.m.
- A. Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to subdivision (d)(2) of Government Code section 54956.9. - two potential cases
- B. Public Employee Performance Evaluation. Government Code §54957. General Manager

5. Reportable Action from Closed Session

- Meeting resumed public session at 5:38 p.m.
- **Report out:** Direction given to staff.

6. Public Comment

- None

7. Consent Calendar

These items are expected to be routine and non-controversial. Unless a Board member pulls an item, all items will be approved together at one time without discussion.

- Director Herndon pulled item 7A from the Consent Agenda because she had not attended the December 12, 2023, meeting.
- Director Schirato pulled item 7C from the Consent Agenda because she had not attended the February 13, 2024, meeting.

A. Approval of minutes from the December 12, 2023, Regular Board Meeting

B. Approval of minutes from the January 31, 2024, Special Joint JPA Meeting

C. Approval of minutes from the February 13, 2024, Regular Board Meeting

D. Financial reports for February 2024 (Walker)

E. Generation report for February 2024 (Walker)

F. Operations Report (Fields)

G. Water Conveyance Report (Rasmussen)

H. Water supply conditions report (Metzger)

- **Board Discussion:** None
 - **Public Comment:** None
 - Director Chick **made a motion to approve** consent agenda items 7B, 7D, 7E, 7F, 7G, and 7H
 - **Second:** Director Conrado
 - **Vote:** 5-0-0
 - **Ayes:** Director Herndon, Director Schirato, Director Chick, Director Quincy, Director Conrado
 - **Noes:** None
 - **Abstain:** None
 - **Absent:** None
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- **Board Discussion:** None
 - **Public Comment:** None
 - Director Schirato **made a motion to approve** consent agenda item 7A
 - **Second:** Director Conrado
 - **Vote:** 4-0-1
 - **Ayes:** Director Schirato, Director Chick, Director Quincy, Director Conrado
 - **Noes:** None
 - **Abstain:** Director Herndon
 - **Absent:** None
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- **Board Discussion:** None
 - **Public Comment:** None

- Director Herndon **made a motion to approve** consent agenda item 7C
- **Second:** Director Quincy
- **Vote:** 4-0-1
- **Ayes:** Director Herndon, Director Chick, Director Quincy, Director Conrado
- **Noes:** None
- **Abstain:** Director Schirato
- **Absent:** None

8. Regular Agenda

A. Discussion/action regarding approving updated water contractor addendum for the 2023-2024 irrigation season
(Joel Metzger, General Manager)

- Mr. Metzger presented the PowerPoint and reviewed the recommendation of the Budget Committee.
 - **Board Discussion:** Director Herndon asked what the increase last year was per acre-foot (AF). Mr. Metzger answered 3%, but said the admin fee stayed the same. Director Conrado asked how UWPA rates compare to UPUD. Mr. Metzger said it depends on the size and location of the user, and he explained that the AF rate structure is meant to recoup lost generation revenue.
 - **Public Comment:** None
 - Director Schirato made a motion to approve a 3% increase in the per acre-foot charge for irrigation water contractors, a 10% increase in the administration fee, and add the late payment fee language proposed by staff to the 2024-2025 irrigation season contract addendum.
 - **Second:** Director Quincy
 - **Vote:** 5-0-0
 - **Ayes:** Director Herndon, Director Schirato, Director Chick, Director Quincy, Director Conrado
 - **Noes:** None
 - **Abstain:** None
 - **Absent:** None

B. Discussion/action of adoption of Tryon irrigation application
(Joel Metzger, General Manager)

- Mr. Metzger explained that Mr. Tom Tryon has requested an increase in water allocation from 10 AF to 100 AF. Staff doesn't believe that the use of 100 AF would have a negative impact on operations and recommended the Board approve the increase.
 - **Board Discussion:** None
 - **Public Comment:** None

- Director Herndon **made a motion to approve** Mr. Tryon's requested water allocation increase from 10 acre-feet to 100 acre-feet for the 2024-2025 irrigation season
- **Second:** Director Quincy
- **Vote:** 5-0-0
- **Ayes:** Director Herndon, Director Schirato, Director Chick, Director Quincy, Director Conrado
- **Noes:** None
- **Abstain:** None
- **Absent:** None

C. Discussion action/ of adoption of a Petty Cash Policy

(Stacie Walker, Administrative Specialist)

Resolution 2024-02

- Mr. Metzger said the Authority's current cash handling practices are only established by procedure, and he stated staff recommends UWPA's petty cash procedure should be made into a policy. Staff worked to create a policy that captures industry best practices and will reduce administrative time for small purchases under \$100.
- **Board Discussion:** Director Herndon asked how many transactions are made in cash. Mr. Metzger explained that most purchases are made by credit card, but the occasional cash need does occur.
- **Public Comment:** Mr. Kautz asked if the policy requires two people to count and handle cash. Ms. Walker stated that the policy requires both the general manager and a petty cash custodian to reconcile.
- Director Quincy **made a motion to adopt** Resolution 2024-02 approving the Utica Petty Cash Policy, as included in the agenda packet.
- **Second:** Director Conrado
- **Roll Call:**
 - Director Herndon: Aye
 - Director Schirato: Aye
 - Director Chick: Aye
 - Director Quincy: Aye
 - Director Conrado: Aye
- **Vote:** 5-0-0

D. Discussion/action regarding taking a support position on Senate Bill 1088:

Alvarado-Gil

(Joel Metzger, General Manager)

- Mr. Metzger said that Senator Alvarado-Gil has introduced legislation that could directly benefit Utica. Senator Alvarado-Gil's staff expressed they would welcome Utica's support. Additionally, Mr. Metzger would the Board to offer support of SB 1088 to establish a Rural and Small Community Fire Resilience Program.

- **Board Discussion:** None
- **Public Comment:** None
- Director Conrado **made a motion to authorize** the Utica Board Chair to sign the attached letter of support for SB 1088: Alvarado-Gil: Office of Emergency Services: Water System Infrastructure Improvements
- **Second:** Director Herndon
- **Vote:** 5-0-0
- **Ayes:** Director Herndon, Director Schirato, Director Chick, Director Quincy, Director Conrado
- **Noes:** None
- **Abstain:** None
- **Absent:** None

E. Discussion/direction regarding meetings between UWPA, UPUD, COA, and CCWD regarding water supply and reliability planning and partnerships (Joel Metzger, General Manager) *

- Mr. Metzger has been meeting with Calaveras County Water District (CCWD), City of Angels (COA), and Union Public Utility District (UPUD) managers to talk about partnership and water supplies along the Highway 4 Corridor. Discussions included identifying partnerships, efficiencies, funding opportunities, and emergency response plans with the goal of opening communication among agencies and finding opportunities for partnerships. During the discussions, Mr. Michael Minkler, General Manager of CCWD, proposed a joint study to identify redundant water supply sources and research existing supply for reliability, deliverability, and efficiencies that can be gained. Everyone agrees that protecting the water supply is critical, and establishing emergency response partnerships would prove invaluable in situations like the 2001 Darby Fire. Mr. Metzger said that a resolution expressing support for working together will be presented to the full Board.

- **Board Discussion:** Director Chick asked if this is a time sensitive issue in regards to budget development. Mr. Metzger said, for now, there is only a commitment of time from the managers, but there could be an eventual financial implication that could trigger a budget adjustment, and he clarified financial consideration is not needed at this time. Director Conrado asked if there is a Memorandum of Understanding (MOU) for personnel and equipment during emergencies. Mr. Metzger confirmed there is an MOU in place for emergencies.
- **Public Comment:** None
- **Board Direction:** None

F. Discussion/direction regarding draft FERC Exemption Application comments (Joel Metzger, General Manager)

- Mr. Metzger is pleased to report that Monday March 25, 2024, marked the end of the comment deadline for the Draft FERC Conduit Exemption applications, and the vast majority of submissions have been to support Utica's efforts. Mr. Metzger briefly reviewed the comments that have been submitted thus far and stated he expects one more letter from the State Water Resources Control Board. Mr. Metzger stated that both local tribes have given support. Mr. Metzger said that when consulting with FERC about the exemption process, FERC made it clear that widespread community support is important to the process. Mr. Metzger said the support letters show exactly that. Mr. Metzger continued reviewing comments and pointed out that United States Forest Service (USFS) said it appreciates working with Utica, and they will require a special use authorization permit. Also, FERC authorized Utica as a non-federal representative to begin the Section 106 (research and identification of historic properties) consultation with the State Historic Preservation Officer (SHPO), which was granted. SHPO has a path forward to initiate the Section 106 and staff is working to compile the information. Staff would like to have the Section 106 complete before the final application submission. Moving forward, staff will write thank you letters to all commenters and will be preparing a comment table. Staff will be working with Stantec to develop an overview of requests, associated costs, and a preliminary timeline.
- **Board Discussion:** Director Schirato stated she is looking forward to seeing the comments, costs, and timeline. Director Herndon asked when Stantec will be talking with staff about the comments. Mr. Metzger said he has a standing weekly meeting with Stantec, and plans for staff to take on as much as possible to keep costs down. Director Schirato asked how long staff will wait for late comment letters. Mr. Metzger said he is only waiting for the State Water Board, but will address late letters as they come.
- **Public Comment:** Mr. Fields asked if current projects, such as the mastication project has documentation that can be used as support documents for upcoming studies. Mr. Metzger said the studies being requested are different than the mastication studies, and new hydrological studies would require someone in the water to examine Mill Creek and Angels Creek. Mr. Fields cautioned about time of year studies take place because of recreational activity downstream. Mr. Stephen Kautz asked if UWPA can reach out to consulting companies to engage with the study before recreation season. Mr. Kautz believes that a proactive approach to the survey will be favorable.
- **Board Direction:** None

9. Correspondence, Board / General Manager Reports, Future Agenda Items

A. Correspondence

- Thank you letters to Congressman McClintock, Senator Padilla, Senator Butler

B. Board reports

- Director Herndon gave a report about the City's current projects.
 - Utica Park Update – The equipment is ordered and the contractors are expected to begin after the next storm passes. They still plan on breaking ground May 1 and completing the park by Thanksgiving.
 - Graffiti in the City – There has been an uptick in graffiti in the City and the County. Angels Police Department is monitoring, and the City is adding graffiti removal to the clean-up day plan.
 - Mobility Project – The February 20, public meeting held by Caltrans was well attended and the project is moving forward.
 - Economic Development – Calaveras Visitors Bureau has the ability to find economic data of travelers through the area and is sharing the data with the City.
- Director Schirato gave reported about her trip to Washington D.C.
 - Director Schirato enjoyed working with David French as she attended the ACWA conference and met with three different congressional offices, while still working her regular job. She reported that her visit to Congressman McClintock's office was great and they appreciate Utica. She said Congressman McClintock said he loved being on the tour of Utica's system and is glad to support Utica's efforts. Director Schirato said she didn't get to meet with Senator Butler, but met with staffers who had been to Calaveras County. Director Schirato found that many staffers wanted to wait until the comment letters came in before drafting support letters. Director Schirato met with staff at Senator Padilla's office, and left feeling good about how Senator Padilla's staff felt about Utica. Unfortunately, Director Schirato couldn't get a meeting with the United States Forest Service (USFS), but was able to provide the exemption informational packet to USFS Associate Chief Angela Coleman at the ACWA conference. Director Schirato recommends Utica Directors attend ACWA events whenever possible. Director Schirato learned that the state is lacking on cyber security, and she is happy to have the nexus of her regular work and Board duties. Director Schirato will be putting together a cyber security presentation for the next ACWA meeting. Additionally, Mr. Metzger heard back D.C. offices and Mr. French who said Caroline did an excellent job representing Utica.
- Director Quincy gave an update about the business happening at UPUD
 - Utica – The Board approved a resolution of support for Utica's FERC exemption.

- Lower Rates – UPUD Voted to lower ag rates from \$0.17 per 100 cubic feet to \$0.09 per 100 cubic feet.
- JPA Agreement – UPUD decided to independently study the JPA member entity agreement.
- Community Outreach – UPUD’s General Manager led the “Trout in the Classroom” segment with the local elementary, which went very well.
- Rate Studies – The Request for Proposal (RFP) for the Prop 218 is underway.

C. Future agenda items

10. Upcoming Board Meetings and Calendar Events

- Tuesday April 30, 2024, Closed Session to begin at 4 p.m. and public session at 5:30 p.m.
- Tuesday May 28, 2024, at 5:30 p.m.

11. Adjournment

- The meeting recessed at 6:54 p.m.
- The meeting reconvened and immediately adjourned to closed session regarding item 4B at 6:59 p.m.
- The regular meeting reconvened at 7:41 p.m.
- The regular meeting adjourned at 7:41 p.m.

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. 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 or (209) 736-9419.

**Indicates no paperwork is included in the agenda packet.*

Approved at the April 30, 2024, meeting:

Ralph Chick

Ralph Chick (May 2, 2024 16:43 PDT)

Ralph Chick, Board Chair

Attest:

Stacie Walker

Stacie Walker, Board Clerk