



REGULAR BOARD MEETING AGENDA

5:30 p.m., Tuesday, August 25, 2026
Utica Headquarters | 1168 Booster Way, Angels Camp, CA 95222

View the meeting agenda packet: www.uticawater.com/board-meetings

UTICA BOARD OF DIRECTORS

Caroline Schirato – Chair
Eric Bottomley – Vice Chair
Bruce Tallakson – Secretary
Alvin Broglio – Director
Gary Conrado – Director

ORDER OF BUSINESS

1. Call to Order & Pledge of Allegiance

2. Roll Call

3. Approval of the Agenda

4. Public Comment

Members of the public may address the Board on items not listed on the agenda. Comments are limited to three 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.

5. 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.

A. Approve minutes from the July 2026 Regular Board Meeting (Sparks)

B. Accept Generation reports for July 2026 (Sparks)

- C. Accept Financial reports for July 2026 (Sparks)
- D. Accept Operations Report (Fields)
- E. Accept Water Conveyance Report (Rasmussen)
- F. Accept FERC Exemption Billing Report (Sparks)

6. Regular Agenda

- A. Discussion/Action to Adopt the 2026-2033 Capital Improvement Plan
(Erik Holt, General Manager) **Resolution 2026-12**
- B. Discussion/Action to Adopt the Master Plan
(Erik Holt, General Manager) **Resolution 2026-13**
- C. Discussion/Direction Regarding Monthly Financial Reports
(Erik Holt, General Manager)
- D. Discussion/Direction Regarding Amending the Purchasing Policy
(Erik Holt, General Manager)
- E. Discussion/Action to Establish an Ad Hoc Committee for Member Agency Rate Considerations
(Erik Holt, General Manager)

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

- A. Correspondence
- B. General Manager Report
- C. Board Reports
- D. Future agenda items
 - FY 2025-2026 Budget Adjustment

8. Upcoming Board Meetings and Calendar Events

- Regular Board Meeting, Tuesday, September 22, 2026, at 5:30 p.m.
- Regular Board Meeting, Tuesday, October 27, 2026, at 5:30 p.m.
- Regular Board Meeting, Tuesday, November 24, 2026, at 5:30 p.m. (consider rescheduling)

9. Adjournment

Utica Mission Statement

We are committed to preserving local control of our water resources through sound fiscal and operational management, rigorous dam safety practices, and regulatory compliance,

ensuring a safe and reliable water supply for municipal and agricultural stakeholders now and for future generations.

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.



Item 5A

[Return to Agenda](#)



REGULAR BOARD MEETING MINUTES

5:30 p.m., Tuesday, July 28, 2026

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

View the meeting agenda packet: www.uticawater.com/board-meetings

UTICA BOARD OF DIRECTORS

Caroline Schirato – Chair
Eric Bottomley – Vice Chair
Bruce Tallakson – Secretary
Alvin Broglio – Director
Gary Conrado – Director

ORDER OF BUSINESS

1. Call to Order & Pledge of Allegiance

- The meeting was called to order at 5:30 p.m.

2. Roll Call

- Directors Present
 - Director Schirato
 - Director Broglio
 - Director Bottomley
 - Director Tallakson
 - Director Conrado
- Utica Staff Present
 - Erik Holt, General Manager
 - Stacie Walker, Clerk of the Board
 - Frank Fields, O&M Superintendent
 - Kyle Rasmussen, Conveyance Supervisor
- Others Present
 - Mike Perrano

3. Approval of the Agenda

Motion: Director Tallakson made a motion to approve the agenda

Second: Director Broglio

Board Discussion: None

Public Comment: None

Vote: 5-0-0

Ayes: Director Schriato, Director Tallakson, Director Bottomley, Director Broglio, Director Conrado

Noes: None

Abstain: None

Absent: None

4. Public Comment

- None

5. Consent Calendar

A. Approve minutes from the June 2026 Regular Board Meeting (Walker) - **Approved**

B. Accept Financial reports for June 2026 (Walker) - **Accepted**

C. Accept Generation reports for June 2026 (Walker) - **Accepted**

D. Accept Operations Report (Fields) - **Accepted**

E. Accept Water Conveyance Report (Rasmussen) - **Accepted**

F. Accept FERC Exemption Billing Report (Sparks) - **Accepted**

G. Quarterly Training Report (Sparks) - **Accepted**

H. Quarterly Grant Report (Walker) - **Accepted**

Board Discussion: None

Motion: Director Bottomley made a motion to approve the consent agenda

Second: Director Tallakson

Public Comment: None

Vote: 5-0-0

Ayes: Director Schriato, Director Tallakson, Director Bottomley, Director Broglio, Director Conrado

Noes: None

Abstain: None

Absent: None

6. Regular Agenda

- A. Discussion/Action Regarding Grant Writing Consultant Proposal
(Erik Holt, General Manager)

- Mr. Holt discussed his intent to engage Kathy Galino as a grant writing consultant. He explained that Ms. Galino previously served as the County's Economic Development Director and now operates a consulting business specializing in grant writing. Mr. Holt noted that engaging Ms. Galino is within his authority as General Manager and that he was bringing the matter before the Board to provide an opportunity for discussion and to ensure there were no concerns.

The Board discussed Ms. Galino's experience and qualifications, including her relationships with other agencies, history of successful grant applications, and potential grant opportunities applicable to the Authority. Mr. Holt noted that Ms. Galino is local and that the adopted budget includes \$5,000 for grant writing services. The proposed engagement would not exceed \$5,000.

No objections were raised by the Board.
No public comment.

B. Discussion/Action to Adopt the Updated Illness and Injury Prevention Plan (IIPP)
(Erik Holt, General Manager) **Resolution 2026-09**

- Mr. Holt explained that the Authority is required to maintain an Illness and Injury Prevention Plan (IIPP) and presented the updated plan for Board consideration. The Board asked what changes had been made to the plan.

Ms. Walker explained that the updates were prepared by Ms. Sparks following her participation in an IIPP training provided by the Authority's liability insurance provider, ACWA JPIA. Ms. Walker noted that one of the primary changes was to designate the General Manager, rather than the Board, as the administrator responsible for the IIPP.

Motion: Director Tallakson made a motion to adopt Resolution 2026-09, approving the revised Injury and Illness Prevention Program (IIPP) and authorize the General Manager to implement the revised program and make future administrative updates necessary to maintain compliance with applicable laws and regulations, provided such updates do not materially change Board-adopted policy.

Second: Director Broglio

Board Discussion: None

Poll the Board:

Director Schirato – Aye

Director Broglio – Aye

Director Bottomley – Aye

Director Tallakson – Aye

Director Conrado – Aye

Vote: 5-0-0

C. Discussion/Action to adopt the Utica Water and Power Authority Capital Improvement Plan
(Erik Holt, General Manager) **Resolution 2026-10**

- Mr. Holt explained that the Capital Improvement Plan (CIP) provides a structured framework for identifying, prioritizing, and phasing capital projects and does not establish project funding or replace the annual budget process. He noted that the CIP incorporates regulatory compliance considerations and tiered project prioritization.

Board Discussion: Director Tallakson asked about the timeframe; Mr. Holt explained that the seven-year planning horizon is dependent on the regulatory pathway associated with the FERC Exemption, which makes longer-term planning difficult. Mr. Holt also noted that the CIP will help inform member agencies and the public of anticipated capital needs.

Director Bottomley stated that he had not yet reviewed the CIP due to family emergencies.

The Board tabled the item for consideration at its August 25, 2026 meeting.

Motion: Director Bottomley made a motion to table Resolution 2026-10 for consideration at the August 25, 2026, Regular Meeting.

Second: Director Broglio

Public Comment: None

Vote: 5-0-0

Ayes: Director Schriato, Director Tallakson, Director Bottomley, Director Broglio, Director Conrado

Noes: None

Abstain: None

Absent: None

D. Discussion/Action to adopt a new Reserves Policy for the Utica Water and Power Authority
(Erik Holt, General Manager) **Resolution 2026-11**

- Mr. Holt explained that the proposed Reserve Policy was revised from a recommendation inherited from Interim General Manager Andres and updated to align with the Authority's current planning efforts and Board direction. He explained that the policy establishes reserve funding targets to guide annual budget development, with the Board determining each year whether the identified reserves will be funded. Mr. Holt also discussed the importance of demonstrating responsible infrastructure and dam safety planning to FERC and noted that relicensing could be significantly more costly than anticipated.

Board Discussion: The Board discussed the history of the FERC Exemption and Relicensing, the proposed reserve categories and their intended uses, funding targets, the Budget Balancing Reserve, and the treatment of carryover funds. The Board also discussed the need to present financial and reserve information in a manner that is easier for the public to understand and requested simplified reserve graphics. Director Bottomley requested that Mr. Holt present the policy to the UPUD Board of Directors. The Board noted that the Reserve Policy establishes funding targets and limits and does not create an automatic annual funding requirement.

Public Comment: Mr. Perano expressed concern that the Reserve Policy could lead to another Proposition 218 process and stated that the Authority should seek to reduce costs before increasing costs to ratepayers.

Motion: Director Tallakson made a motion to adopt Resolution 2026-11, adopting the revised Reserve Policy and repealing prior Board actions related to UWPA reserve policies and funding requirements.

Second: Director Broglio

Poll the Board:

Director Schirato – Aye

Director Broglio – Aye

Director Bottomley – Aye

Director Tallakson – Aye

Director Conrado – Aye

Vote: 5-0-0

E. Discussion/Action to award a Consultant Contract to Complete the FERC Part 12D Periodic Inspection and Authorizing the General Manager to Execute the Contract

(Erik Holt, General Manager)

- Mr. Holt stated that staff recommended KGS to complete the FERC Part 12D Periodic Inspection. He noted that the Authority's Chief Dam Safety Engineer has previously worked with KGS without concerns and that KGS submitted the lower proposal. Mr. Holt also noted that changing the scope from a comprehensive assessment to a periodic assessment reduced the anticipated cost by approximately \$800,000. The inspection will be funded from the newly established FERC Compliance Reserve.

Board Discussion: Director Conrado noted that Pacific Gas and Electric Company uses KGS and stated that he was comfortable with the consultant. The Board discussed whether the Part 12D inspection schedule would continue if the Authority's FERC exemption is granted. Mr. Holt explained that the inspection is part of an established plan and schedule, and that continuation would be determined during the exemption process.

Public Comment: None.

Motion: Director Broglio made a motion to award the contract for the 13th Part 12D Independent Consultant Safety Inspections for the Utica Project, FERC No. 2019, to KGS in an amount not to exceed \$219,216 and authorize the General Manager to execute the contract.

Second: Director Tallakson

Vote: 5-0-0

Ayes: Director Schriato, Director Tallakson, Director Bottomley, Director Broglio, Director Conrado

Noes: None

Abstain: None

Absent: None

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

A. Correspondence

- Outgoing to FERC: Cultural Resources Evaluations and Finding of Effect Analysis report (Public Letter)

B. General Manager Report

- Mr. Holt reported on an incident that occurred that morning at the Murphys Powerhouse. Relief Operator Cody Cable responded to an alarm after a pressure gauge connection failed, allowing water to enter the cooling oil system and resulting in flooding within the powerhouse. Some water and oil entered the afterbay. A non-failure Emergency Action Plan (EAP) notification was issued.

Mr. Holt reported that the oil was determined to be non-toxic and that environmental impacts were not identified. He also reported that he had communicated with the State Water Resources Control Board regarding the incident and was satisfied with the Authority's response.

Board Discussion: The Board discussed the anticipated repairs and noted that the cost was expected to be substantially less than the recent Turbine Sphere Valve repair. The Board also discussed oil spill response procedures, coordination and communication with member agencies, and the importance of maintaining current notification flow charts and saving emergency contacts in cell phones.

- Mr. Holt reported that the Authority's available office spaces had been advertised for nearly a year without interest. He asked whether the Board had any objections to relocating administrative staff into the available space and converting the current General Manager's office/Board room into a dedicated Board room.

Board Discussion: The Board supported using the space for administrative purposes and continuing to advertise the fenced parking lot for lease. The Board agreed that the proposed arrangement would improve physical security.

- AB 52 process for the FERC Exemptions underway.

- Mr. Holt reported that Ms. Walker will be leaving the Authority and that a temporary rehire will provide interim support while the Authority conducts recruitment for the position. He noted that the position requires specific experience and is not an entry-level role. He also reported that Mr. Chance Herndon has been hired as the Authority's new Hydroelectric Operator. He provided an update on the temporary conveyance operator assisting during operator training and reported that the employee is performing well. Mr. Holt stated that, aside from Ms. Walker's departure, overall staffing is in a good position.
- Mr. Holt provided an update regarding potential future debt financing needs and discussed the potential need for a Proposition 218 ad hoc committee to evaluate member agency rate considerations related to supporting debt service.

Board Discussion: The Board discussed that formation of an ad hoc committee was not an agenda item and could not be formally considered or approved at this meeting. The Board discussed that, if committee formation is needed prior to the next regularly scheduled meeting to support ongoing financing discussions, a special meeting may be scheduled to consider establishing the committee. The matter will be brought forward for formal consideration at a future meeting.

C. Board Reports

- COA
 - Caltrans broke a water main that flooded Utica Park
 - Calaveras Visitor's Bureau contract for Museum Management renewed
 - Attended the Northern California Power Agency's annual dinner and met the new general manager
- UPUD
 - Accepting applications for Construction Manager and Treatment Operator
 - New Office Staff

D. Future agenda items

- Establish an Ad Hoc Committee to Evaluate Member Agency Rate Considerations Related to Future Debt Financing
- Review and Selection of Monthly Financial Report Format and Content

8. Closed Session

- The Board recessed at 7:28 p.m. and returned at 7:33 p.m.
- The Board adjourned to closed session at 7:34 p.m.

A. Pursuant to Government Code § Section 54957(b)(1): Public Employee Performance Evaluation – Title: General Manager

B. Pursuant to Government Code § 54957.6: Conference with Labor Negotiators
Agency Designated Negotiator: Board President Schirato
Unrepresented Employee: General Manager

9. Report Out of Closed Session

- The public meeting resumed at 8:45 p.m. with nothing to report.

10. Upcoming Board Meetings and Calendar Events

- Regular Board Meeting, Tuesday, August 25, 2026, at 5:30 p.m.
- Regular Board Meeting, Tuesday, September 22, 2026, at 5:30 p.m.
- Regular Board Meeting, Tuesday, October 27, 2026, at 5:30 p.m.

11. Adjournment

Motion: Director Tallakson made a motion to adjourn the meeting at 8:45 p.m.

Second: Director Broglio

Board Discussion: None

Vote: 5-0-0

Ayes: Director Schirato, Director Broglio, Director Tallakson, Director Bottomley, Director Conrado

Noes: None

Abstain: None

Absent: None

- The meeting was adjourned at 8:45 p.m.

Utica Mission Statement

We are committed to preserving local control of our water resources through sound fiscal and operational management, rigorous dam safety practices, and regulatory compliance, ensuring a safe and reliable water supply for municipal and agricultural stakeholders now and for future generations.

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.



Item 5B

[Return to Agenda](#)



July

2026

Water Year 3 as of May 1, 2026

RAINFALL

		APH	MPH
Rainfall	June	0.00	0.00
WYTD rainfall	10/1/25- 9/30/26	35.45	34.35
	WYTD this time last year	26.35	29.60

GENERATION

ANGELS (sold to PG&E)	
FROGTN_1_UTICAA	
PG&E has concurred	333

MURPHYS (sold to PG&E)	
FROGTN_1_UTICAM	
PG&E has concurred	935

TOTAL GENERATION:	1,268 MWhr
--------------------------	------------

REVENUES

July 2026 projected scheduled generation:

\$28,395	APH (.468) @ \$89.00 (Avg)
\$77,296	MPH (1.4) @ \$73.50
\$107,022	Projected Total

July 2026 actual received generation:

\$30,981	APH (0.8) @ \$93
\$68,739	MPH (0) @ \$73.50 (2)
\$99,721	Actual Total

(1) Note that even though the APH ReMAT PPA is at \$89/MWh the TOD for APH varies during the year

(2) Represents MPH gross revenue. Penalties will be applied when generation does not meet CAISO's RAAIM policy

Power Revenue:	\$99,724
RAAIM Fee:	-\$829
Negative LMP Charge	\$0
Water Revenue:	\$0
Water and Power:	\$98,895

Note:

OUTAGES

P=planned

IF = internal forced outage

EF = external forced outage

Date	Time Off	Duration	Cause	Plant
6/3/2026	0:00	86 days 50 mins	IF - Turbine Sphere Valve	MPH
6/8/2026	14:42	45 mins	P - Training New Operator	APH
6/28/2026	17:44	1 hour 8 mins	IF - Unknown Cause	APH

WATER

July '26 - Att A 2,404 + 16 carryover from June '26

S-66 + S-127

LESS water sale to NCPA

Carry over to July

2,420	AF
2,361	AF
0	AF
59	



Item 5C

[Return to Agenda](#)

UTICA WATER AND POWER AUTHORITY

Date: August 25, 2026
To: Erik Holt, General Manager
From: Brandi Sparks, Administrative Compliance Specialist
Re: Financial Report for July 2026

Power Generation and Revenue:

In July 2026, Angels Powerhouse (APH) generated \$30,985 in revenue. Murphys Powerhouse (MPH) generated \$68,739 in revenue. The preliminary net revenue is \$99,724 for both powerhouses. However, MPH is subject to the Resource Adequacy Availability Incentive Mechanism (RAAIM) adjustments, which can result in additional revenue or reduced payment. The RAAIM charge for July is \$829 changing the net revenue to \$98,895.

Water Sales and Irrigation:

In July, staff issued invoices to contractors for the 2026-2027 Irrigation Season, totaling \$33,820. In November, a second invoice will be issued to contractors with allocations above 5 acre-feet (AF). Utica received \$11,840 in payments on the 2026-2027 invoices in July; late fees will be issued to contractors with outstanding balances..

JPA Member Contributions:

Joint Powers Authority member contributions are determined by the Utica Board of Directors, in coordination with the full JPA membership, during the annual budget development cycle. Each JPA member agency will pay \$670,513 in FY 2026-2027, per the May 20, 2026, Board Adopted Budget – invoiced each quarter to each entity for \$167,628. Union Public Utility District (UPUD) and the City of Angels (COA) are invoiced at the beginning of each quarter. For the last quarter of FY 2025-2026 and the first quarter billing of FY 2026-2027 UPUDs payment is outstanding and COA has paid in full.

Interest Income:

The Authority's funds are held in the Bank of Stockton's interest-bearing checking and money market accounts. These accounts earned \$4,431.27 in interest in July 2026.

Utica Water and Power Authority

Budget vs. Actuals: FY 2026 - 2027 - FY27 P&L

July 2026 - June 2027

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Income				
1200 Operating Income				
1200-02 COA Water Agreement	167,628.36	447,500.00	-279,871.64	37.46 %
1200-03 UPUD Water Agreement	0.00	447,500.00	-447,500.00	0.00 %
1200-04 Irrigation Water Contractors	28,021.73	54,000.00	-25,978.27	51.89 %
1200-05 1200-05 Slurry Line / CCWD Wheeling Fees		1,000.00	-1,000.00	
Total 1200 Operating Income	195,650.09	950,000.00	-754,349.91	20.59 %
1210 Power Sales				
1210-01 Angels Powerhouse - Power Sales	0.00	428,091.00	-428,091.00	0.00 %
1210-02 Murphys Powerhouse - Power Sales	0.00	922,892.00	-922,892.00	0.00 %
Total 1210 Power Sales	0.00	1,350,983.00	-1,350,983.00	0.00 %
1300 Interest Income				
1300-01 Interest Income	9.65	40,000.00	-39,990.35	0.02 %
Total 1300 Interest Income	9.65	40,000.00	-39,990.35	0.02 %
1310 Rent Income				
1310-02 Crown Castle MFB Tower Lease Agreement	6,249.21	40,000.00	-33,750.79	15.62 %
1310-03 Hunter Reservoir Rental House	2,361.56	14,169.00	-11,807.44	16.67 %
1310-04 Cal.Net MFB Tower Lease Agreement	596.00	3,436.00	-2,840.00	17.35 %
Total 1310 Rent Income	9,206.77	57,605.00	-48,398.23	15.98 %
1340 Other Non-Operating Income				
1340-01 COA Sierra Hydrographics Pass Through	400.00	4,800.00	-4,400.00	8.33 %
Total 1340 Other Non-Operating Income	400.00	4,800.00	-4,400.00	8.33 %
1400 Grant Funding				
1400-02 Lower Utica Canal Wastegates and Gaging Stations Project	-8.58		-8.58	
1400-06 Utica and Angels Canal Lining (USBR WaterSMART)		28,000.00	-28,000.00	
Total 1400 Grant Funding	-8.58	28,000.00	-28,008.58	-0.03 %
Unapplied Cash Payment Revenue	-825.09		-825.09	
Total Income	\$204,432.84	\$2,431,388.00	\$ - 2,226,955.16	8.41 %
GROSS PROFIT	\$204,432.84	\$2,431,388.00	\$ - 2,226,955.16	8.41 %
Expenses				
3000 Wages, Benefits & Burden				
3100 Power				
3101 Power Wages				
3101-01 Operations & Maintenance Superintendent	20,102.45	132,412.80	-112,310.35	15.18 %
3101-02 Hydroelectric Operator II	14,561.87	84,905.60	-70,343.73	17.15 %
3101-03 Hydroelectric Operator I	10,669.08	91,436.80	-80,767.72	11.67 %
3101-04 On-Call		18,450.00	-18,450.00	
3101-05 Hydro Management Leave		5,092.80	-5,092.80	
3101-10 Overtime		12,000.00	-12,000.00	
3101-11 One-Time Bonus		5,000.00	-5,000.00	

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Total 3101 Power Wages	45,333.40	349,298.00	-303,964.60	12.98 %
3102 Power Burden				
3102-01 Social Security, Medicare, State Unemployment Ins.	4,627.59	31,331.12	-26,703.53	14.77 %
3102-03 Workers Comp	1,399.99	19,224.28	-17,824.29	7.28 %
Total 3102 Power Burden	6,027.58	50,555.40	-44,527.82	11.92 %
3103 Power Benefits				
3103-01 Health Insurance - SDRMA	6,599.21	74,382.48	-67,783.27	8.87 %
3103-02 Health Reimbursement Account - EDIS	207.59	13,548.00	-13,340.41	1.53 %
3103-03 Dental/Vision/Chiro/Life Insurance - Choice Builder	449.48	4,291.56	-3,842.08	10.47 %
3103-04 CalPERS Pension	3,419.39	24,484.29	-21,064.90	13.97 %
3103-06 CalPERS Pension Unfunded Liability		8,956.40	-8,956.40	
Total 3103 Power Benefits	10,675.67	125,662.73	-114,987.06	8.50 %
Total 3100 Power	62,036.65	525,516.13	-463,479.48	11.80 %
3200 Water				
3201 Water Wages				
3201-01 Water Conveyance Supervisor	16,912.80	111,404.80	-94,492.00	15.18 %
3201-02 Senior Water Conveyance Operator	14,336.88	90,979.20	-76,642.32	15.76 %
3201-03 General Manager	25,384.10	155,000.00	-129,615.90	16.38 %
3201-04 Administrative Compliance Specialist	11,104.24	71,427.20	-60,322.96	15.55 %
3201-05 Administrative Specialist, Clerk of the Board	14,446.53	73,216.00	-58,769.47	19.73 %
3201-06 Hydroelectric Relief Operator and Conveyance Operator	12,327.96	67,974.40	-55,646.44	18.14 %
3201-07 Temp. Hire for Admin Support	649.50		649.50	
3201-08 Temp. Hire for Operations	4,200.00	25,000.00	-20,800.00	16.80 %
3201-09 IT Administrator	7,903.75	29,540.16	-21,636.41	26.76 %
3201-10 Overtime		10,000.00	-10,000.00	
3201-11 Conveyance Management Leave		4,284.80	-4,284.80	
3201-13 One-Time Bonus		5,000.00	-5,000.00	
Total 3201 Water Wages	107,265.76	643,826.56	-536,560.80	16.66 %
3202 Water Burden				
3202-01 Social Security, Medicare, State Unemployment Ins.	7,417.93	49,561.73	-42,143.80	14.97 %
3202-03 Workers Comp - Ops, GM, and Office Staff	2,099.99	24,059.74	-21,959.75	8.73 %
Total 3202 Water Burden	9,517.92	73,621.47	-64,103.55	12.93 %
3203 Water Benefits				
3203-01 Health Insurance - SDRMA	13,197.39	117,574.50	-104,377.11	11.22 %
3203-02 Health Reimbursement Account - EDIS	5,668.78	21,264.00	-15,595.22	26.66 %
3203-03 Dental/Vision/Chiro/Life Insurance - ChoiceBuilder	554.66	5,151.84	-4,597.18	10.77 %
3203-04 CalPERS Pension	7,518.45	47,543.66	-40,025.21	15.81 %
3203-06 CalPERS Pension Unfunded Liability		13,434.60	-13,434.60	
Total 3203 Water Benefits	26,939.28	204,968.60	-178,029.32	13.14 %
Total 3200 Water	143,722.96	922,416.63	-778,693.67	15.58 %
Total 3000 Wages, Benefits & Burden	205,759.61	1,447,932.76	-1,242,173.15	14.21 %
4000 Conveyance Maintenance and Supplies		15,000.00	-15,000.00	
4000-27 Utica Canal Maintenance and Supplies	4,616.44		4,616.44	
Total 4000 Conveyance Maintenance and Supplies	4,616.44	15,000.00	-10,383.56	30.78 %
4100 Maintenance & Repair				
4100-01 Road Maintenance	2,500.00	5,500.00	-3,000.00	45.45 %
4100-05 Property Maintenance		5,500.00	-5,500.00	

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
4100-06 Fuel for Vehicles and Equipment	2,000.84	18,000.00	-15,999.16	11.12 %
4100-07 Maintenance for Vehicles and Equipment	313.36	7,500.00	-7,186.64	4.18 %
4100-09 Powerhouses Maintenance and Supplies	15,859.85	15,000.00	859.85	105.73 %
4100-10 Gaging Station Maintenance		6,000.00	-6,000.00	
4100-11 Misc Supplies and Repairs	24.25	12,000.00	-11,975.75	0.20 %
4100-14 Dam and Spillway Maintenance		15,000.00	-15,000.00	
4100-16 Irrigation Maintenance (Not Meter Replacement)		2,500.00	-2,500.00	
4100-17 Cal Fire		18,000.00	-18,000.00	
Total 4100 Maintenance & Repair	20,698.30	105,000.00	-84,301.70	19.71 %
4110 Misc. Supplies & Services				
4110-01 Office Services, Supplies, Equipment, Misc.		12,000.00	-12,000.00	
4110-02 Employee Uniforms, Boots, PPE		5,000.00	-5,000.00	
4110-04 Headquarters Cleaning	150.00	2,000.00	-1,850.00	7.50 %
Total 4110 Misc. Supplies & Services	150.00	19,000.00	-18,850.00	0.79 %
4120 Leases & Subscriptions				
4120-02 Sierra Pacific Industries Lease		250.00	-250.00	
4120-03 Office Toshiba Copier Lease	435.05	3,000.00	-2,564.95	14.50 %
4120-04 Software Subscriptions	219.50	9,000.00	-8,780.50	2.44 %
Total 4120 Leases & Subscriptions	654.55	12,250.00	-11,595.45	5.34 %
4200 Property & Liability Insurance				
4200-01 ACWA/JPIA Auto & General Liability		38,367.50	-38,367.50	
4200-02 ACWA/JPIA Property Insurance	61,179.46	74,000.00	-12,820.54	82.67 %
Total 4200 Property & Liability Insurance	61,179.46	112,367.50	-51,188.04	54.45 %
4200-03 ACWA / JPIA Cyber Liability		1,200.00	-1,200.00	
4300 Memberships				
4300-01 Association California Water Agencies		14,663.00	-14,663.00	
4300-02 Tuolumne-Stanislaus Integrated Regional Water Management WAC		220.00	-220.00	
4300-03 Mountain Counties Water Resources Association		1,500.00	-1,500.00	
4300-04 Calaveras Historical Society	50.00	50.00	0.00	100.00 %
4300-05 California Special District Association		2,000.00	-2,000.00	
4300-06 Amazon Prime		200.00	-200.00	
4300-07 Farm Bureau - Calaveras Chapter		200.00	-200.00	
4300-08 Murphys Community Park Association		75.00	-75.00	
Total 4300 Memberships	50.00	18,908.00	-18,858.00	0.26 %
4400 Professional/Special. Services				
4400-03 Chief Dam Safety Engineer		20,000.00	-20,000.00	
4400-05 Murphys/Angels Powerhouse Inspection Reports		10,400.00	-10,400.00	
4400-07 SCADA and PLC Programming	2,634.10	7,000.00	-4,365.90	37.63 %
4400-08 Certified Public Accountant	181.25	2,808.00	-2,626.75	6.45 %
4400-09 Annual Audit		15,000.00	-15,000.00	
4400-10 General Legal Counsel	5,185.00	5,000.00	185.00	103.70 %
4400-16 FERC Exemption Consultants	2,952.69	25,000.00	-22,047.31	11.81 %
4400-20 Hydrology Analysis Services		25,380.00	-25,380.00	
4400-21 Community Education/Outreach		2,000.00	-2,000.00	
4400-24 Grant Writing/Eng./Finance/Mgmt		5,000.00	-5,000.00	
4400-28 Website Maintenance and Support	524.00	7,000.00	-6,476.00	7.49 %
4400-29 GIS Mapping		2,000.00	-2,000.00	

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
4400-32 Water Rights Protection & Reporting		15,000.00	-15,000.00	
4400-33 Human Resources Consulting Support	1,200.00	2,400.00	-1,200.00	50.00 %
4400-34 Revenue Meter Maintenance - CAISO	5,990.00	5,990.00	0.00	100.00 %
4400-36 Water Rights Legal Counsel		17,000.00	-17,000.00	
Total 4400 Professional/Special. Services	18,667.04	166,978.00	-148,310.96	11.18 %
4500 Governmental & Other Fees				
4500-02 FERC Annual Admin & Land Charge	10,228.85	11,000.00	-771.15	92.99 %
4500-03 Dept Water Resources Dam Fees		75,920.00	-75,920.00	
4500-04 WREGIS Annual Fee		75.00	-75.00	
4500-05 Powersoft Billing Software (MPH & APH)		500.00	-500.00	
4500-06 County Taxes (Booster, Hunters)	120.48	1,631.60	-1,511.12	7.38 %
4500-07 USA North 811 Annual Fee	300.00	300.00	0.00	100.00 %
4500-08 County Environmental Health Hazardous Waste		675.00	-675.00	
4500-09 CA Dept of Tax & Fee Admin - State Water Rights		2,500.00	-2,500.00	
4500-11 United States Geological Service Fees	9,890.00	10,000.00	-110.00	98.90 %
4500-12 Bank Charges		100.00	-100.00	
4500-13 Miscellaneous Fees and Expenses		1,000.00	-1,000.00	
4500-16 Wylderidge Road Fee	470.00	470.00	0.00	100.00 %
Total 4500 Governmental & Other Fees	21,009.33	104,171.60	-83,162.27	20.17 %
4600 Communications				
4600-01 Comcast		11,000.00	-11,000.00	
4600-04 Verizon		11,000.00	-11,000.00	
4600-05 Columbia Communications		975.00	-975.00	
4600-06 Cal.Net		2,912.00	-2,912.00	
4600-12 Starlink		4,320.00	-4,320.00	
4600-13 ADT Security		1,600.00	-1,600.00	
Total 4600 Communications		31,807.00	-31,807.00	
4700 Utilities				
4700-01 Calaveras Public Power Agency	629.60	8,000.00	-7,370.40	7.87 %
4700-02 PG&E	1,803.31	15,000.00	-13,196.69	12.02 %
4700-04 UPUD Water Service		1,000.00	-1,000.00	
4700-05 City of Angels Water Service	435.98	5,100.00	-4,664.02	8.55 %
4700-07 Cal Waste Garbage & Recycling	234.88	2,700.00	-2,465.12	8.70 %
4700-08 Mountain Oasis Bottled Water		1,000.00	-1,000.00	
4700-09 Ebbetts Pass Gas Propane		2,500.00	-2,500.00	
Total 4700 Utilities	3,103.77	35,300.00	-32,196.23	8.79 %
4800 Travel & Training				
4800-01 Travel and Training		20,000.00	-20,000.00	
4800-03 Mileage Reimbursement		1,500.00	-1,500.00	
Total 4800 Travel & Training		21,500.00	-21,500.00	
4900 Information Technology				
4900-02 Computers, Software, Hardware, and Equipment		5,000.00	-5,000.00	
Total 4900 Information Technology		5,000.00	-5,000.00	
5000 Powerhouses				
5000-01 MPH Relay Protection Upgrade	1,242.00	250,000.00	-248,758.00	0.50 %
5000-04 Feasibility & Facility Assessments	9,975.00	175,000.00	-165,025.00	5.70 %
5000-11 Backup MPH Transformer	5,561.02		5,561.02	

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Total 5000 Powerhouses	16,778.02	425,000.00	-408,221.98	3.95 %
5100 Conveyance				
5100-06 Murphys Forebay Trash Rake Replacements	1,300.00		1,300.00	
Total 5100 Conveyance	1,300.00		1,300.00	
7000 FERC Relicensing/Exemption Reserve		300,000.00	-300,000.00	
8000 Grants Expenditures				
8000-10 Utica Canal Lining Project (USBR)		56,000.00	-56,000.00	
Total 8000 Grants Expenditures		56,000.00	-56,000.00	
Unapplied Cash Bill Payment Expenditure	-470.00		-470.00	
Total Expenses	\$353,496.52	\$2,877,414.86	\$ - 2,523,918.34	12.29 %
NET OPERATING INCOME	\$ - 149,063.68	\$ -446,026.86	\$296,963.18	33.42 %
NET INCOME	\$ - 149,063.68	\$ -446,026.86	\$296,963.18	33.42 %

Utica Water and Power Authority

Expenses by Vendor Summary July 2026

	Total
A T.E.E.M. Electrical Engineering Inc.	2,634.10
Atkinson, Andelson, Loya, Rudd & Romo Professional Corporation	4,420.00
Cal-Waste	234.88
Calaveras County Historical Society	50.00
CDK Supply	8.58
Choice Builder	1,004.14
City of Angels	435.98
Crawford Bookkeeping	400.75
E.D.I.S	205.00
Federal Energy Regulatory Commission	10,228.85
Fleet E-Payments	2,000.84
GE Vernova	9,975.00
GFT Infrastructure, Inc	5,561.02
Grating Pacific Inc	4,616.44
Luz Ortigoza	75.00
Mbi Setl Med	5,391.78
O'Reilly Automotive, Inc.	313.36
Pacific Gas & Electric Co	1,803.31
Power Business Technology	226.71
Rolleri Excavation Inc.	2,500.00
SDRMA	17,030.02
Stantec	2,952.69
State Compensation Insurance Fund	3,499.98
The Red Store	24.25
Toshiba Financial Services	208.34
Trimark Associates, Inc	5,990.00
Underground Service Alert	300.00
United States Geological Survey	9,890.00
United States Treasury	2.59
Wylderidge Road Account C/O Ebbetts Pass Accounting	470.00
ACWA/JPIA Property Insurance	61,179.46
TOTAL	\$153,633.07



Item 5D

[Return to Agenda](#)

UTICA WATER AND POWER AUTHORITY

Date: Aug 22, 2026

To: Erk Holt, GM

From: Frank Fields, O&M Superintendent

Re: Operations Report: July 2026 – Aug 2026

Hunter Dam

- During the Gann Fire, NCPA transmission lines were taken offline. NCPA Mark porter called to inform we can take as much water as we want. MPH was offline and not generating. McKays began to spill on 8/04/2026 1730 hrs through 8/06/2026 at 1500 hrs. During this time Utica staff increased Hunters spill boards to 30 feet to obtain additional water. Doing so allowed us to capture an additional 36 AF.

Murphys Powerhouse

- July 28th Cooling water PRV #1 failed over pressurizing system and blew a 3/8" pipe off the 3" line. This failure was behind PRV #2 and sprayed water into the ceiling and onto and into the Lube oil Tank.
- The Cooling line failure flooded the lube oil tank and basement, exiting through the back door just above the tailrace until the plant shutdown at 0430hrs in the morning. Operator responded and immediate action was taken to close cooling water supply and shutdown lube oil systems. A non failure EAP was activated due to the mineral oil that had entered the afterbay. The oil was identified as non-toxic and non-soluble highly refined mineral oil. Samples were taken at 4 locations the morning of and they were lab tested and found no detection. This is primarily because the oil was retained on the surface in the afterbay by controlling the elevation and releases through the low level outlet.
- Intensive cleanup efforts to remove water from Lower guide bearing, supply and return lines, lube oil tank, lube oil pumps, and circulation pump along with filter housings was undertaken in addition to performing a lower guide bearing inspection.
- 2 additional Diaphragm kits were ordered, 2 new lube oil tank filters were ordered, additional KZ 10 lube oil filters were ordered
- PRV#1 and #2 diaphragms were replaced
- Replacement PRV for PRV#1. Has been ordered.
- Cooling water pressure blowoff valve has been readjusted to stop blowing of below 50 psi and start blowing off at 70 psi
- Blow off flow switch was ordered and installed to indicate overpressure alarm indication on SCADA

- Pit alarm has been modified and tested for earlier activation for flooding conditions. The rod had bent to the side preventing alarming condition during this event.
- Leaking South heat exchanger for cooling windings was disassembled tested and two tubes plugged. Subsequently heat exchanger water flow was able to be increased for cooling.

Murphys Afterbay

- Due to the July 28th oil spill, absorbent buoys and matts were placed to capture surface oils from the spill event from July 28th through to August 7th. Thanks in large part to NCPA for supplying a large portion of the absorbent materials the morning of the event.

Cadamartori

- New Flowmeter has been installed and is now recording and reporting into SCADA. The new meter utilizes a remote head for viewing and settings so the operators do not have to kneel on hot metal plate and look into the meter vault.

Operations

- JPIA along with AEGIS performed an inspection of Murphys powerhouse, Murphys afterbay, and Murphys Forebay on August 11th.
- Installed CAT 5 terminations into new office area for moving of the offices



Item 5E

[Return to Agenda](#)

UTICA WATER AND POWER AUTHORITY

Date: August 25, 2026
To: Erik Holt, General Manager
From: Kyle Rasmussen, Conveyance Supervisor
Re: Conveyance Report

Dam Safety:

- Monthly dam safety inspections-
 - Hunter Dam needs vegetation control below the dam.
 - Murphys Forebay and Afterbay have lots of Star Thistle growing across the crest of the dams.
 - Ross Heavy ground squirrel activity
- Cal Fire crew did some vegetation management below Hunter Dam on August 3. We were scheduled for a crew all week and the Gann Fire started that night.

Conveyance work:

- Removed an oak tree that fell across the canal just downstream from Candy Rock Rd. crossing
- Vegetation control on the Upper Angels Canal, weed eat canal trail through Stephens Ranch. Star thistle and tarweed were three feet tall.
- Respond to a report of inappropriate activity in the Utica canal at waste gate 24. Found several kids that had been swimming in the canal and were leaving. They were told that they were trespassing and to be respectful of critical infrastructure.

Irrigation:

- New meter installs at Rolleri and Cadamartori are working correctly.
- Routine meter reads.

Flume Inspections/Repairs:

- Inspection of the upper section of the flume with the wood bents and stringers.
 - Found that we need to replace several bents and stringers between Bent 64 and Bent 98
- Inspected Angels Flume 4, (File Flume).
 - Bent 12 has a rotten bent cap and there are five stringers between Bent 12 and 31 that have pretty bad dry rot.
- Replaced a rotten bent cap on Utica Flume 14, (¾ Mile flume)
- Replaced a rotten bent and three stringers on Angels Flume 4, (File Flume)

Hunter Dam vegetation management



Rotten bent cap and rotten stringer on File Flume



Bent cap replacement on File Flume





Item 5F

[Return to Agenda](#)

UTICA WATER AND POWER AUTHORITY

Date: August 25, 2026
To: Erik Holt, General Manager
From: Brandi Sparks, Administrative Compliance Specialist
Re: FERC Exemption Invoicing July 2026

Informational Item.

Staff reports the following regarding recent FERC Exemption invoices:

- **Stantec** – One invoice was received in July for services through July 3, 2026.
 - Invoice 2592926 for Project Management, Strategic Coordination, and Water Quality Technical Studies totaling \$2,952.69.
- **SWCA Environmental Consultants** – One invoice was received in July for services through July 11, 2026.
 - Invoice 251007, for Project Management and Cultural Resources Reporting totaling \$2,453.41.
- **Rock Creek** – No invoices were received in July 2026.

Staff will continue to monitor incoming invoices and provide updates as outstanding billings are received.

Attachments: Stantec invoice 2592926 and SWCA invoice 251007



July 15, 2026

Erik Holt, General Manager
Utica Water and Power Authority
GM@uticawater.com

Dear Mr. Holt,

**Reference: Utica Water and Power Authority – Stantec Invoice and Progress Report
(Through July 3, 2025)**

This Progress Report provides a breakdown of the work activities performed by Stantec covering billing period May 9, 2026, through July 3, 2026 to support Utica Water and Power Authority (UWPA) on strategic and technical services for pursuit of the FERC Conduit Exemption at the Angels Hydroelectric Project and Utica Hydroelectric Project. This invoice for **\$2,952.69** represents the following tasks:

Task Order 10 - Project Management, Strategic Coordination, WQ Technical Studies (\$2,952.69)

Activities performed related to this task order include overall strategic support to UWPA and execution authorized technical studies for the Angels Project and Murphys Project. The following presents the staff activities related to Task Order 10 during the subject billing period:

- Mike Manwaring (4.5 hours) – Strategic coordination across team; CEQA document review, QC of final water quality report, project management support, and monitoring FERC filings.
- Dylan Doherty (8 hours) & Tina Shea (1 hour) - Project management support and coordination for invoice development and submittals to UWPA.

Task Order 7/Task Order 9 - 401/CEQA Technical Studies, Agency Consultation (\$0)

These charges represent Stantec's activities performed related to conducting authorized technical studies associated with Task Order 7 and Task Order 9, to support activities UWPA agreed do during the negotiations of the FERC Conduit Exemption Application process.

- Task Order 7 - 401 WQ Applications Support:
 - No billing at this time
- Task Order 9 - CEQA Compliance Support:
 - No billing at this time

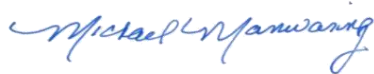
224202690/185707085 Project May/June 2026 Billing Summary Utica Water and Power Authority FERC Conduit Exemption Regulatory Support Services						
Top Task Description	Contract Value	Previously Invoiced	Current Invoice	Invoiced to Date	Contract Remaining	% of Contract Invoiced
Task Order 1 - PM, IDC Support, Site Visit	\$ 185,265.00	\$ 184,609.37	\$ -	\$ 184,609.37	\$ 655.63	99.65%
Task Order 2 - Strategic Support/CE Applications	\$ 156,278.00	\$ 156,123.01	\$ -	\$ 156,123.01	\$ 154.99	99.90%
Task Order 3 - Foothill Yellow Legged Frog	\$ 155,058.88	\$ 154,375.97	\$ -	\$ 154,375.97	\$ 682.91	99.56%
Task Order 4 - SHPO Consultation / TPP / APE Letter	\$ 29,989.00	\$ 29,985.77	\$ -	\$ 29,985.77	\$ 3.23	99.99%
Task Order 5: Water Quality Monitoring Program	\$ 121,781.20	\$139,897.52	\$ -	\$ 139,897.52	\$ (18,116.32)	114.88%
Task Order 6: Fish Study Plan	\$ 109,570.37	\$ 84,774.58	\$ -	\$ 84,774.58	\$ 24,795.79	77.37%
Task Order 7: 401 WQ Applications	\$ 14,543.93	\$ 14,539.26	\$ -	\$ 14,539.26	\$ 4.67	99.97%
Task Order 8: Support for Regulatory Services	\$ 50,495.85	\$ 50,379.54	\$ -	\$ 50,379.54	\$ 116.31	99.77%
Task Order 9: CEQA Compliance Support	\$ 81,962.53	\$ 81,901.62	\$ -	\$ 81,901.62	\$ 60.91	99.93%
Task Order 10: Support to UWPA	\$ 184,166.70	\$ 112,410.32	\$ 2,952.69	\$ 115,363.01	\$ 68,803.69	62.64%
Total for Project# 224202690/185707085	\$1,089,111.46	\$1,008,996.96	\$ 2,952.69	\$1,011,949.65	\$ 77,161.81	92.92%

Note: The following task orders are closed to future billings: TO-1 thru TO-6 and TO-8.

Should you have any questions on this invoice, please reach out to me.

Sincerely,

STANTEC CONSULTING SERVICES INC.



Michael Manwaring PG
 Western U.S. Regional Sector Lead (Energy)
 Phone: 425-750-7989
 michael.manwaring@stantec.com



INVOICE

Page 1 of 3

Invoice Number	2592926
Invoice Date	July 20, 2026
Customer Number	189496
Project Number	224202690

Bill To

Utica Water and Power Authority
Joel Metzger
1168 Booster Way
Angels Camp CA 95222
United States

EFT/ACH Remit To (Preferred)

Stantec Consulting Services Inc. (SCSI)
Bank of America
ABA No.: 111000012
Account No: 3752096026
Email Remittance: eft@stantec.com

Alternative Remit To

Stantec Consulting Services Inc. (SCSI)
13980 Collections Center Drive
Chicago IL 60693
United States
Federal Tax ID 11-2167170

Project Description: FERC Conduit Exemption Regulatory Support Services

Stantec Project Manager:	Doherty, Dylan J
Authorization No:	PSA
Authorization Amount:	\$621,107.54
Authorization Previously Billed:	\$556,431.77
Authorization Billed to Date:	\$559,384.46
Current Invoice Due:	\$2,952.69
Bill Through Date:	July 3, 2026

Client Invoices:	reception@uticawater.com
Client Contact Name:	Joel Metzger (joelm@uticawater.com)

Net Due in 30 Days or in accordance with terms of the contract

Stantec will not change our banking information. If you receive a request noting our banking information has changed, please contact your Stantec Project Manager

INVOICE

Page 2 of 3

Invoice Number
Project Number

2592926
224202690

PSA

Top Task 1000 TO 10 - Sub. 12025

Professional Services

Billing Level

	Hours	Rate	Current Amount
Principle QA/QC/Strategic Advisor			
Manwaring, Michael D	2.50	296.00	740.00
	2.50		740.00
Professional Services Subtotal	2.50		740.00

Disbursements

	Date	Cost	%	Current Amount
Flat Rate Disbursement				
6.25% of 740.00				
	2026-07-03			46.25
Disbursements Subtotal				46.25

Top Task 1000 Total 786.25

Top Task 1010 TO 10 - Sub. 1b 2026

Professional Services

Billing Level

	Hours	Rate	Current Amount
Level 11			
Shea, Kristine Marie (Tina)	1.00	135.00	135.00
	1.00		135.00
Principle QA/QC/Strategic Advisor			
Manwaring, Michael D	2.00	296.00	592.00
	2.00		592.00

INVOICE

Invoice Number
Project Number

2592926
224202690

Project/Contract Management
Doherty, Dylan J

8.00	164.00	1,312.00
8.00		1,312.00
11.00		2,039.00

Professional Services Subtotal

Disbursements

	Date	Cost	%	Current Amount
Flat Rate Disbursement				
6.25% of 2,039.00				
	2026-07-03			127.44
Disbursements Subtotal				127.44

Top Task 1010 Total **2,166.44**

Total Fees & Disbursements \$2,952.69
INVOICE TOTAL (USD) **\$2,952.69**



INVOICE



Routing # 071922777 | Account # 7811583501 | Payable to: SWCA, Incorporated | Business Checking Account: First American Bank
Notification: payment@swca.com | Physical Remittance: P.O. Box 7217, Carol Stream, IL 60197- 7217 | EIN: #86-0483317

Erik Holt
Utica Water and Power Authority
1168 Booster Way
PO Box 358
Angels Camp, California 95222

July 30, 2026

Invoice No: 251007
Project Manager: Indya Messier
Project No: 00096602-000-SLC

Invoice Total	\$2,786.68
----------------------	-------------------

UWPA FERC Cultural Resources

Professional Services through July 11, 2026

Phase	01	Project Management
-------	----	--------------------

Task	01	Project Management and Conference Calls
------	----	---

Professional Services

	Hours	Rate	Amount	
Planning-Specialist XI Messier, Indya	1.75	190.44	333.27	
Totals	1.75		333.27	
Total Professional Services				333.27
		Total this Task		\$333.27
		Total this Phase		\$333.27

Phase	02	Cultural Resources Study
-------	----	--------------------------

Task	06	Cultural Resources Reporting
------	----	------------------------------

Professional Services

	Hours	Rate	Amount	
Cultural Resources-Specialist X Demarais, LC	.50	173.88	86.94	
Planning-Specialist III Ellis, Jessica	2.25	95.68	215.28	
Planning-Specialist XI Messier, Indya	9.25	190.44	1,761.57	
Cultural Resources-SME II Peabody, Joshua	1.75	222.64	389.62	
Totals	13.75		2,453.41	
Total Professional Services				2,453.41
		Total this Task		\$2,453.41
		Total this Phase		\$2,453.41

Contract Limits	Current	Prior	To-Date
Total Billings	2,786.68	162,600.77	165,387.45
Limit			189,863.00
Remaining			24,475.55

Project	00096602-000-SLC	UWPA FERC Cultural Resources	Invoice	251007
PLEASE PAY THIS AMOUNT =====>				\$2,786.68

For any questions regarding this invoice please contact Saul Martinez
 Phone: 602.274.3831 Email: saul.martinez@swca.com

UWPA FERC Cultural Resources (Invoice)							
Phase #	Task #	Name	Invoice through July 11, 2026	JTD Spent through July 11, 2026	Contract Amount	Budget Remaining	% Spent
1	1	Project Management and Project Controls	\$ 333.27	\$ 13,344.37	\$ 14,782.00	\$ 1,437.63	90%
2	1	Study Plan Development	\$ -	\$ 7,128.85	\$ 7,568.00	\$ 439.15	94%
	2	Fieldwork	\$ -	\$ 27,945.20	\$ 19,211.00	\$ (8,734.20)	145%
	3	Resource Evaluation, Finding of Effect	\$ -	\$ 90,151.95	\$ 79,802.00	\$ (10,349.95)	113%
	4	Tribal Engagement	\$ -	\$ 2,900.30	\$ 3,500.00	\$ 599.70	83%
	5	Application Updates	\$ -	\$ 8,396.38	\$ 17,000.00	\$ 8,603.62	49%
	6	Cultural Resources Reporting	\$ 2,453.41	\$ 15,520.40	\$ 37,000.00	\$ 21,479.60	42%
	7	On-Call Support	\$ -	\$ -	\$ 11,000.00	\$ 11,000.00	0%
			\$ 2,786.68	\$ 165,387.45	\$ 189,863.00	\$ 24,475.55	87%



Item 6A

[Return to Agenda](#)

UTICA WATER AND POWER AUTHORITY

Date: July 23, 2026
To: Board of Directors
From: Erik Holt, General Manager
Re: Discussion/Adoption of the Capital Improvement Plan

RECOMMENDED ACTION:

Motion to adopt Resolution No. 2026-10 adopting the 2026–2033 Capital Improvement Plan (CIP), which supersedes the Capital Improvement Plan previously adopted by Resolution No. 22-12; authorize FY 2026–27 projects only to the extent funded through the adopted annual budget and subject to any required separate Board approvals; approve the remaining years in concept as a planning framework; and direct annual review and update of the CIP with the budget and Strategic Plan.

Alternatively, the Board may receive the draft CIP, provide direction to the General Manager, and return the Plan for adoption at a subsequent meeting.

SUMMARY:

The draft 2026-2033 Capital Improvement Plan (the "CIP") is presented for the Board's review and action. The CIP is a multi-year planning and financial management document that identifies, prioritizes, and schedules capital investments needed to sustain UWPA's water conveyance and hydroelectric infrastructure. It is designed to connect the Authority's Strategic Plan, annual budget, asset management practices, and long-term funding decisions.

UWPA is responsible for a 27-mile water conveyance system, reservoirs, hydroelectric facilities, and related operational assets, many of which have been in service for decades and some for more than a century. The CIP responds to aging infrastructure, deferred reinvestment, wildfire and emergency water supply vulnerability, hydroelectric reliability needs, and significant regulatory obligations associated with continued Federal Energy Regulatory Commission (FERC) authorization.

The CIP distinguishes among capital projects, capital outlay, and routine Operations and Maintenance (O&M), and organizes proposed investments by Water Conveyance, Hydroelectric Power Generation, General Facilities/Vehicles and Equipment, Compliance, and Information Technology. Projects may be bundled or phased to reduce soft costs, match staffing capacity, accommodate permitting and outage constraints, and smooth annual funding demands.

- Projects are prioritized through a three-tier framework. Tier 1 addresses regulatory compliance, safety, committed outside funding, revenue protection, or a high likelihood of failure.
- Tier 2 improves efficiency, reduces lifecycle costs, replaces end-of-life assets, or improves revenue performance.
- Tier 3 increases capacity or reliability, corrects deficiencies, or extends asset life. Rankings will be reevaluated annually as conditions and project readiness change.

The CIP also establishes an asset management framework that includes annual condition reviews, tier-based prioritization, performance measurement, a Tier 1 Risk Register, a five-year implementation timeline, and a Grant Readiness Plan. Detailed project sheets are intended to document the scope, cost, timing, funding sources, constraints, and expected outcomes for each project in ranked order.

FINANCIAL IMPACTS:

Adoption of the CIP establishes the Authority's multi-year capital planning framework but does not independently appropriate funds beyond amounts approved in the annual budget. Expenditures will be limited to budgeted amounts and remain subject to applicable procurement, contracting, financing, and separate Board approval requirements. Projects identified in later years are planning-level commitments only and will be reevaluated annually. Actual financial impacts will depend on the funding option selected, updated project cost estimates, grant and loan availability, member agency contributions, reserve policy, and the final FERC authorization pathway. Deferring capital investment may reduce near-term funding needs but can increase future costs, emergency repair exposure, service disruption risk, and pressure on reserves.

Attachments

1. *2026-2033 Capital Improvement Plan (Draft)*
2. *Resolution 2026-10 adopting UWPA's Capital Improvement Plan*



CAPITAL IMPROVEMENT PLAN

2026–2033

Table of Contents

Table of Figures	5
Executive Summary.....	6
Section 1: Organizational Overview and Summary of Capital Improvement Plan.....	7
1.1 Organizational Formation and History.....	7
1.2 Agency Governance and Operations	8
1.3 Purpose of CIP	9
1.4 Project Ranking and Selection Process	10
1.5 Outline of Capital Improvement Plan	11
Goals & Performance Measures	11
Section 2: Project Development Overview	12
2.1 Types of Projects	12
2.2 Project Categories	14
2.3 Project Development Considerations	15
2.3.1 Bundling	16
2.3.2 Phasing	16
2.3.3 Ranking.....	16
2.3.4 Selection.....	16
2.3.5 Allocation of Cost by Fiscal Year	17
2.3.6 Project Delivery Models.....	17
2.4 Project Cost Estimates	18
Section 3: Project Ranking Criteria	19
3.1 Discussion of Scoring and Ranking Process.....	19
Tier 1 Priority:	19
• Tier 2 Priority:	19
• Tier 3 Priority:	19
3.1.1 Tier 1 Criteria	19
Regulatory Requirement:.....	19
Safety Obligation:.....	20
Failure Likely:	20
3.1.2 Tier 2 Criteria	21
Improves Operational Efficiency or Reduces Costs:	21

Replacement Due to End of Useful Life:	21
Generates Additional Revenue:	21
3.1.3 Tier 3 Criteria	22
Increases Capacity:.....	22
Improves Reliability:.....	22
Corrects a Deficiency:	23
Increases an Asset's Useful Life:	23
Section 4: Capital Improvement Plan Costs and Funding Plan	24
4.1 CIP Revenue Issues.....	24
4.2 Asset Management	24
Asset Management Commitments	24
1) Annual Asset Condition Review and Documentation	24
2) Risk-Based Prioritization Using the Tier Framework	24
3) Integration with Annual Budgeting and CIP Updates	25
4) Performance Measurement and KPI Tracking	25
5) Lifecycle Cost Management and Funding Strategy.....	25
Summary	26
4.3 System Components Evaluations.....	26
4.4 Overall CIP Project Cost Summaries	27
4.5 Integrated Funding Plan for CIP, Operations & Reserves	27
4.6 Fiscal Options to Implement the Integrated Funding Plan	27
Option 1: Full Funding.....	28
Option 2: Medium Funding.....	28
Option 3: Minimum Funding / Deferral Strategy.....	29
Composite Risk-Management in Funding	30
4.7 Reserve Impacts and Budget Comparison	31
Reserve Impacts by Option	31
Option 1: Full Funding.....	31
Option 2: Medium Funding.....	31
Option 3: Minimum Funding / Deferral Strategy.....	31
Budget Comparison and Identification of Shortfalls/Deferrals	32
Option 1: Full Funding.....	32

Option 2: Medium Funding	32
Option 3: Minimum Funding / Deferral Strategy	32
Risk Register	32
Implementation Timeline Graphic	33
Grant Readiness Plan	34
Grant-Competitive Projects (Priority Categories)	35
1) Wildfire Resilience and Emergency Water Supply Reliability	35
2) Major Conveyance Rehabilitation and Failure Prevention (Tier 1)	35
4) Hydroelectric Reliability and Efficiency Improvements	35
5) Operational Technology / SCADA and Critical Monitoring Improvements	35
6) Environmental Compliance and Permitting Readiness Activities	35
Grant Readiness Next Steps (Standard Process)	36
1) Eligibility and Program Fit Check	36
2) Benefit Narrative Development	36
3) Environmental and Permitting Readiness Review	36
4) Cost and Scope Refinement	36
5) Matching Funds Strategy	36
6) Application Calendar and Responsibility Assignment	37
Annual Update and Board Reporting	37
Section 5 — CIP Project Summaries (Project Sheets)	37
5.1 CIP Individual Project Descriptions	37
INSERT PROJECT SHEETS AND RANKED PROJECT ORDER	37
Section 1 — Project Identification (ID, name, total cost, tier, years, type)	37
Appendices	38
Appendix A – Project Sheet Template	39
Appendix 2 - Asset Inventory List	44



Table of Figures

Figure 1 – Utica System Overview Map	8
Figure 2 – Utica Lower System Overview Map	9
Figure 3 – Tier Priority Ranking	10
Figure 4 – Goals and Performance Measures	12
Figure 5 - CIP Classification Flowchart	13
Figure 6 – Capital vs. Capital Outlay vs. Operations & Maintenance	14
Figure 7 – CIP Project Categories	15
Figure 8 – Project Development Considerations	18
Figure 9 – Tier 1 Criteria.....	20
Figure 10 – Tier 2 Criteria.....	22
Figure 11 – Tier 3 Criteria.....	23
Figure 12 – Asset Management Policy Framework	26
Figure 13 – Fiscal Options – Integrated Funding Plan.....	29
Figure 14 – Composite Risk Management – Funding Approach.....	30
Figure 15 – Implementation Timeline Graphic (Five-Year Framework)	34



Executive Summary

The Utica Water and Power Authority (UWPA) Capital Improvement Plan (CIP) for Fiscal Years 2026–2033 is a seven-year planning and financial management document that identifies, prioritizes, and schedules capital investments needed to sustain UWPA’s essential water conveyance and hydroelectric infrastructure. UWPA’s system is comprised of aging and highly vulnerable assets—many of which have been in service for decades, and some for more than a century—which require reinvestment to maintain safe and reliable operation, protect critical water rights, and reduce the likelihood of service disruptions.

This CIP is designed to support the Board’s annual budget adoption process by establishing a structured and transparent approach for evaluating and selecting projects based on urgency, risk, and long-term value. Projects are categorized by UWPA’s two primary functions—Water Conveyance and Hydroelectric Power Generation—with cost-sharing applied where projects benefit both functions. In addition, the CIP includes specialty project categories that address regulatory compliance (including FERC exemption/relicensing readiness) and information technology upgrades that improve operational visibility, communications, and system management.

To ensure investments are aligned with UWPA’s highest operational and regulatory risks, projects are prioritized using a three-tier framework. Tier 1 projects are mandatory actions driven by compliance requirements, safety obligations, outside funding commitments, or a high likelihood of failure within the next five to ten years. Tier 2 projects are necessary investments that improve operational efficiency, reduce lifecycle costs, replace assets at end-of-useful-life, or strengthen revenue performance. Tier 3 projects are beneficial investments that increase system capacity, improve reliability, correct deficiencies, or extend useful life through rehabilitation. This ranking system allows the Board and member agencies to understand which projects are essential in the near term versus those that may be phased as funding capacity allows.

The CIP also recognizes that capital planning cannot be evaluated in isolation from UWPA’s broader financial position. UWPA must fund capital improvements while sustaining operations, maintaining appropriate reserves, and preparing for significant long-term regulatory and compliance obligations associated with the hydroelectric facilities. For that reason, this document presents an Integrated Funding Plan and three fiscal options for implementation: Full Funding, Medium Funding, and Minimum Funding/Deferral Strategy. Each option reflects a different balance between near-term affordability and long-term risk reduction, including differing reserve impacts and the degree to which projects are funded as scheduled or deferred.

Ultimately, this CIP provides the Board with a practical, risk-informed roadmap for reinvesting in UWPA's critical infrastructure. It is intended to function as a "living document" that is updated annually based on project readiness, evolving regulations, inspection findings, grant opportunities, and system performance. Through adoption and annual refinement of this plan, UWPA will improve reliability, reduce avoidable downtime, strengthen compliance readiness, and better position the Authority to serve its customers and member agencies safely and effectively over the long term.

Section 1: Organizational Overview and Summary of Capital Improvement Plan

1.1 Organizational Formation and History

Utica Water and Power Authority (Utica) traces its origins to the California Gold Rush. The Union Water Company (UWC) was formed in 1852 to formalize early efforts to deliver water from Mill Creek (in Avery) and Angels Creek to support large mining operations in Murphys and Angels Camp. By 1854, UWC expanded to tap the North Fork of the Stanislaus River. To provide high-country storage, Union Reservoir was constructed in 1858, and that same year UWC acquired the Calaveras County Water Company, which had also developed an extensive network of canals and flumes serving the mines.

In the 1880s, the Utica Gold Mining Company (UGMC) assumed control of the Union Water Company's system. In 1889, UGMC completed Lake Alpine to expand high-elevation storage capacity. One year later, Utica began using the pressure created by water dropping from the Angels Forebay to power equipment such as air compressors, hoists, and stamp mills that supported ore processing in Angels Camp. Hydroelectric generation soon followed: UGMC built a small powerhouse in Angels Camp in 1895, and in 1899 constructed the Utica Powerhouse in Murphys. Additional storage improvements continued into the early 1900s with the construction of Utica Reservoir in 1906, downstream of Union Reservoir. The final major up-country reservoir was completed in 1929 with the original Spicer Meadow Reservoir.

As large-scale mining declined in the early 1900s, increasing volumes of water were used for agricultural irrigation and residential and commercial consumption. In 1939, UGMC indicated it intended to limit consumptive service to Angels Camp, which led to a legal dispute with Murphys residents. That dispute resulted in a settlement agreement allowing the Calaveras Water Users Association (now the Union Public Utility District) to purchase water from the Utica system to meet local consumptive needs.

By the mid-1900s, most major mines in Calaveras County had closed. In 1946, the Utica water conveyance system and hydroelectric facilities were transferred to new ownership and continued to operate and evolve over the following decades. In 1996, the Utica Power Authority (UPA) was formed as a Joint Powers Authority (JPA) to own and operate the system for the benefit of local communities. The JPA assumed responsibility for a 27-mile water

conveyance system, five reservoirs, and two powerhouses, and was established by three member agencies: the Calaveras County Water District (CCWD), the Union Public Utility District (UPUD), and the City of Angels Camp (COA).

In 2001, the Darby Fire destroyed the $\frac{3}{4}$ Mile Flume near Forest Meadows and several other wooden flumes, disrupting public water supply service. UWPA rebuilt the damaged infrastructure over a ten-month period with state and federal disaster recovery support. In 2003, CCWD withdrew from the JPA, leaving UPUD and the City of Angels Camp as the remaining member agencies. In 2013, the agency was renamed the Utica Water and Power Authority (UWPA) to reflect its primary mandate of providing a safe and reliable water supply to the communities served by the Utica system. An overview of UWPA facilities is provided in *Figure 1* and *Figure 2* below.

1.2 Agency Governance and Operations

UWPA is governed by a five-member Board of Directors (Board). The Board is comprised of two City of Angels Camp Council Members, two Union Public Utility District Directors, and one Public Member appointed by the other four members. Each entity has an alternate to fill-in if an appointed member is scheduled to be absent, as well as an appointed alternate Public Member.

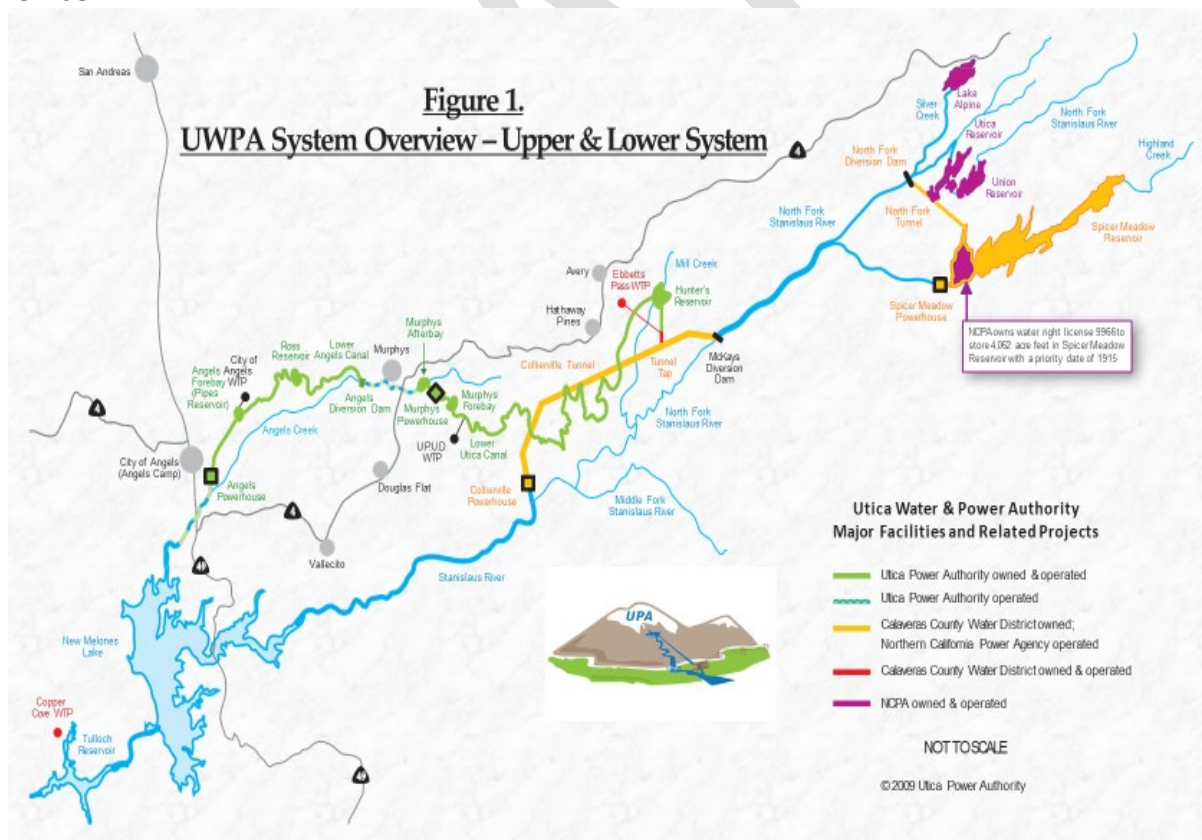


Figure 1 – Utica System Overview Map

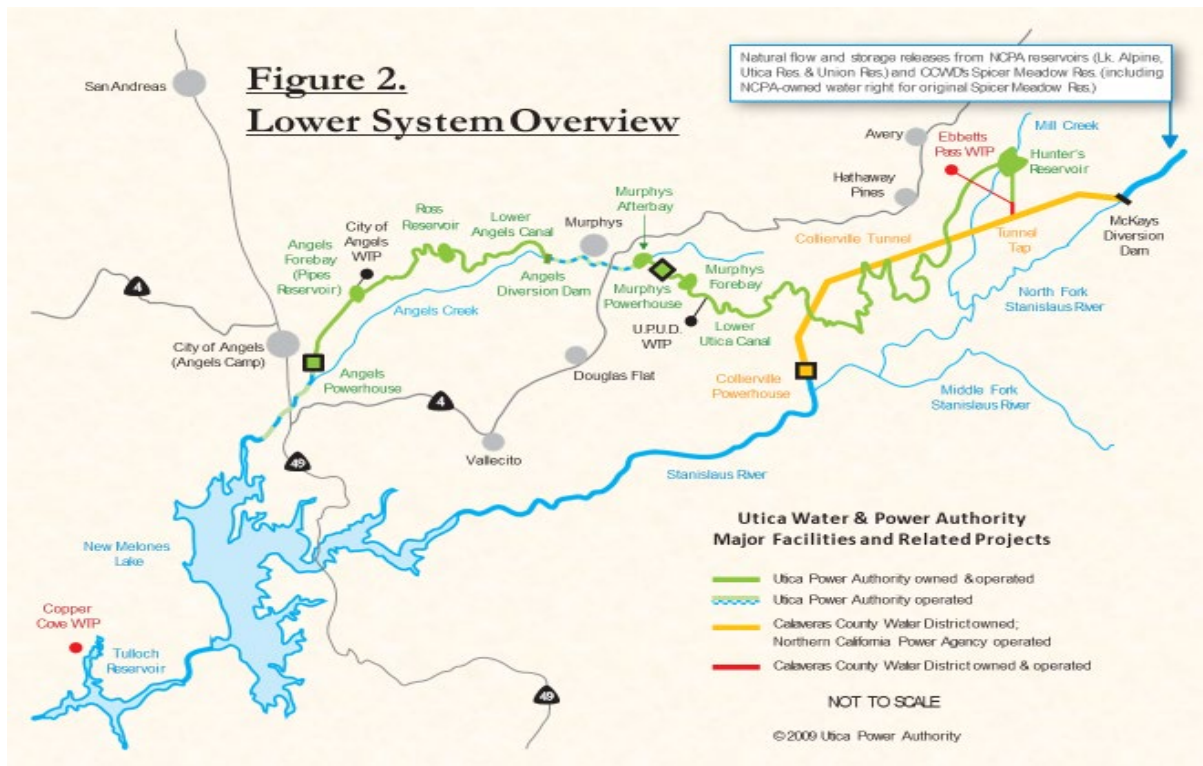


Figure 2 – Utica Lower System Overview Map

The 2025-26 Fiscal Year (FY) Budget for UWPA was approved in the amount of \$4,016,313.00. The Budget covers the FY beginning July 1, 2025 and ending June 30, 2026.

Historically UWPA has been operating under a policy that to the extent “surplus” revenues were available in any given year as a result of hydroelectric energy sales, the overall costs, or liabilities to the member agencies in terms of contributions would be reduced. Due to market price reductions in the sale of energy UWPA has generated less income relative to expenses. In addition, UWPA has deferred maintenance on facilities and equipment in order to reduce costs and needs additional capital investment in order to assure that all facilities remain fully functional for the long-term. UWPA has ran at a deficit to revenue for many years. Due to aging infrastructure and regulatory compliance this forecast is expected to continue for the duration of the CIP. After the FERC exemption process and update/repair/replace of infrastructure is completed the costs associated with an ongoing operational deficit should begin to ease.

1.3 Purpose of CIP

A Capital Improvement Plan, or “CIP”, is a short to medium-range planning document that covers a minimum of a five-year period to a maximum of a ten-year period. The CIP identifies capital projects, equipment purchases, permanent structural changes to facilities, and/or the restoration of facilities to enhance the asset’s value or to prolong its’ useful life. The CIP also provides a planning schedule for the acquisition and construction of projects and identifies options for financing the plan. The UWPA’s CIP is a multi-year financial plan that identifies new, on-going, and additional projects beginning in the 2026-27 Fiscal Year Budget. The UWPA’s

Board of Directors adopts the first year of the CIP and approves the entire plan in concept. The CIP is a “living document” with older projects dropping out of the plan when completed and new projects being added each year. The Board should approve the CIP annually with the adoption of its budget.

The CIP is a key document that guides UWPA’s capital investments. A capital improvement plan is a dynamic planning and fiscal management tool used to coordinate the location, schedule, and financing of capital improvements over a multi-year period. The plan identifies, substantiates, and prioritizes projects, establishes an implementation schedule, and identifies funding mechanisms. It also serves as a tool to communicate to the public and member agencies the financial needs of the Authority and is an integral component in determining the level of funding needed by the Authority. The plan provides a working blueprint for sustaining and improving infrastructure. It coordinates strategic planning, financial capacity, and physical development.

A complete, properly developed CIP provides the following benefits:

- Identifies and prioritizes capital projects; and
- Links capital spending with the demands of operating and maintenance budget; and
- Evaluates competing demands for financial and staff resources based on priorities.

1.4 Project Ranking and Selection Process

UWPA Tier Priority Ranking

Use this graphic to classify and communicate project priority levels in the CIP.

TIER 1 — MANDATORY	TIER 2 — NECESSARY	TIER 3 — BENEFICIAL
Priority triggers: • Regulatory Compliance Requirement • Safety Issue • Outside Funding Already Secured • Failure Likely Typical focus: • Compliance / Safety / Imminent Risk	Priority triggers: • Improves Operational Efficiency / Reduces Costs • Replacement at End of Useful Life • Generates Additional Revenue Typical focus: • Cost savings / Lifecycle replacement / Revenue	Priority triggers: • Increases Capacity or Improves Reliability • Corrects a Deficiency • Increases Asset Useful Life Typical focus: • Resilience / Optimization / Preventative rehab

How to use: Assign the highest applicable tier. If a project meets any Tier 1 trigger, it is Tier 1.

Figure 3 – Tier Priority Ranking

- **Tier 1 Priority:** Regulatory Compliance Requirement, Safety Issue, Outside Funding Already Secured or to Generate Additional Revenue, or Failure Likely.
- **Tier 2 Priority:** Improves Operational Efficiency or Reduces Costs, Replacement Due to End of Useful Life of Facility/Equipment.
- **Tier 3 Priority:** Increases Capacity or improves Reliability, Corrects a Deficiency, or Increases an Asset's Useful Life.

The ranking and project priority also include other factors based on staff's experience in implementing construction projects. These additional factors include such issues as: project costs, the ability to bundle a project with one or more other projects, phasing, complexity, affordability, likelihood of receiving a grant, and ability to reduce long-term costs.

1.5 Outline of Capital Improvement Plan

For purposes of developing Projects for the 2026 – 2033 CIP potential projects were broken down into three categories: 1.) Water Conveyance Facilities, 2.) Hydroelectric Facilities and 3.) General Facilities, Vehicles and Equipment. The reason for this is to distinguish between those projects that would be required to provide water to the member agencies regardless of whether the power facilities were operational. Likewise, the hydroelectric projects should utilize power generation revenues first, to the extent they are available in any given year, to fund both operational costs and CIP improvements associated with the hydroelectric facilities. Only after hydroelectric costs are met should excess revenues be used to support water conveyance operations, maintenance, and capital improvements. A listing of the projects is provided in Table 1 below.

Goals & Performance Measures

- Define measurable goals: reliability, reduced downtime, regulatory compliance readiness, reduced safety risk
- Suggested metrics: number of Tier 1 risks mitigated, outage hours avoided, conveyance losses reduced, reserve targets met, grant dollars secured



Goals & Performance Measures

Measurable goals and suggested metrics for the UWPA Capital Improvement Plan

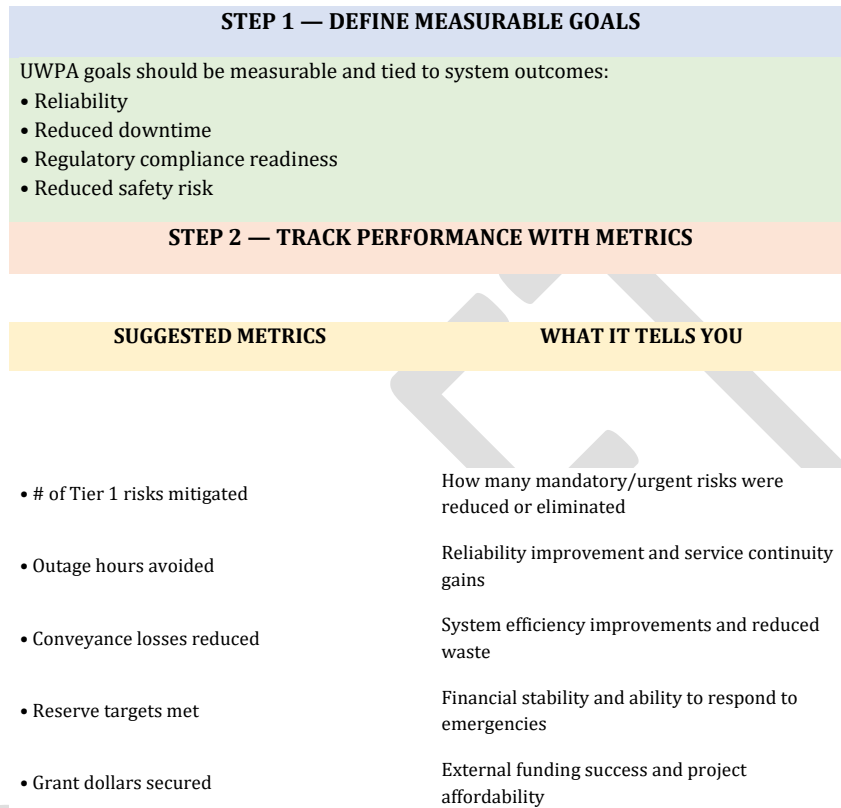


Figure 4 – Goals and Performance Measures

Section 2: Project Development Overview

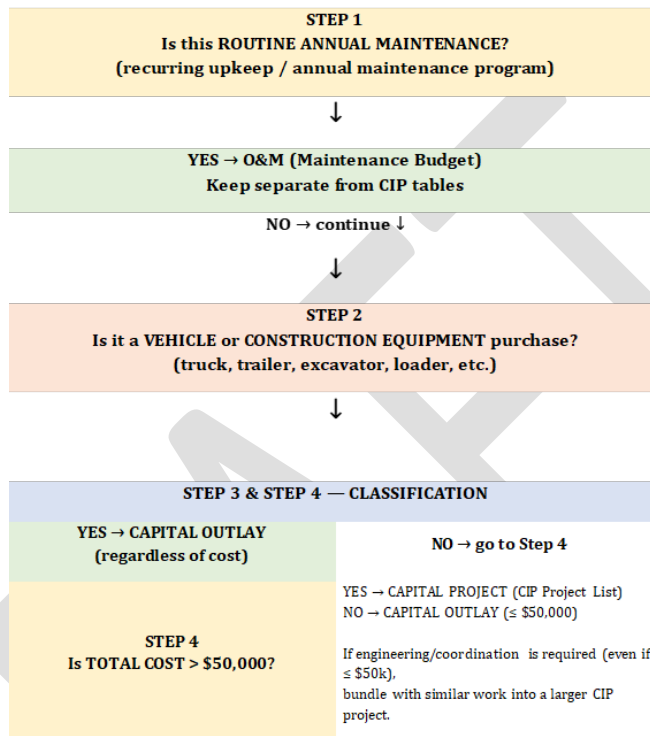
2.1 Types of Projects

This CIP distinguishes between two types of projects: 1) Capital, and 2) Capital Outlay. A “capital” project is usually a construction project, or a study, or an equipment investment that has a value greater than \$50,000. A “capital outlay” is an investment, typically in equipment or parts, that is less than or equal to \$50,000, with an exception for vehicle and construction equipment purchases. Vehicle and construction equipment purchases that are greater than \$50,000 are still considered a capital outlay expense. UWPA maintains a baseline annual maintenance program of approximately \$125,000 budgeted in Operations & Maintenance

(O&M) for the flume system. CIP projects represent additional, non-routine capital investments intended to rehabilitate, replace, or improve system assets and are planned separately from routine annual maintenance.

CIP Classification Flowchart

Projects vs. Equipment Upgrades/Replacements vs. O&M Maintenance



Key CIP Rule: Capital Projects are typically > \$50,000. Capital Outlay is ≤ \$50,000, with an exception that vehicles and construction equipment remain Capital Outlay even when > \$50,000.

Figure 5 - CIP Classification Flowchart

Capital vs. Capital Outlay vs. Operations & Maintenance

How UWPA classifies investments for budgeting and CIP planning

CAPITAL PROJECT (CIP)	CAPITAL OUTLAY (Equipment/Parts)	O&M MAINTENANCE (Annual Program)
Definition: Construction project, study, or major equipment investment. Typical threshold: > \$50,000 Included in: CIP Project List (multi-year planning) Purpose: Rehabilitate, replace, or improve system assets beyond routine upkeep.	Definition: Equipment or parts purchase. Typical threshold: ≤ \$50,000 Key exception: Vehicles & construction equipment remain Capital Outlay even if > \$50,000. Purpose: Support operations with tools, vehicles, and components that do not require full CIP project management.	Definition: Routine recurring maintenance required to keep assets operational. UWPA baseline: ~ \$125,000 annually for flume maintenance. Budget category: Operations & Maintenance (O&M) Purpose: Maintain system condition and prevent deterioration; separate from CIP project funding.

Quick rule: CIP = non-routine capital improvements; Capital Outlay = smaller equipment/parts (and vehicles); O&M = annual recurring maintenance.

Figure 6 – Capital vs. Capital Outlay vs. Operations & Maintenance

2.2 Project Categories

Projects are categorized by the functions in which they are associated. There are two distinct functions performed by UWPA, *Water Conveyance* and *Hydroelectric Power Generation*. Projects that benefit both categories result in cost-sharing. Typical of these types of projects include such items as shared use of the headquarters facility, remote facilities, and shared use of certain types of equipment. These are considered *General Facilities, Vehicles & Equipment*. Lastly, there are two other categories of CIP projects that involve compliance (such as FERC relicensing) and information technology (IT) upgrades.

UWPA CIP Project Categories

How UWPA categorizes projects by function, cost-sharing, and specialty programs

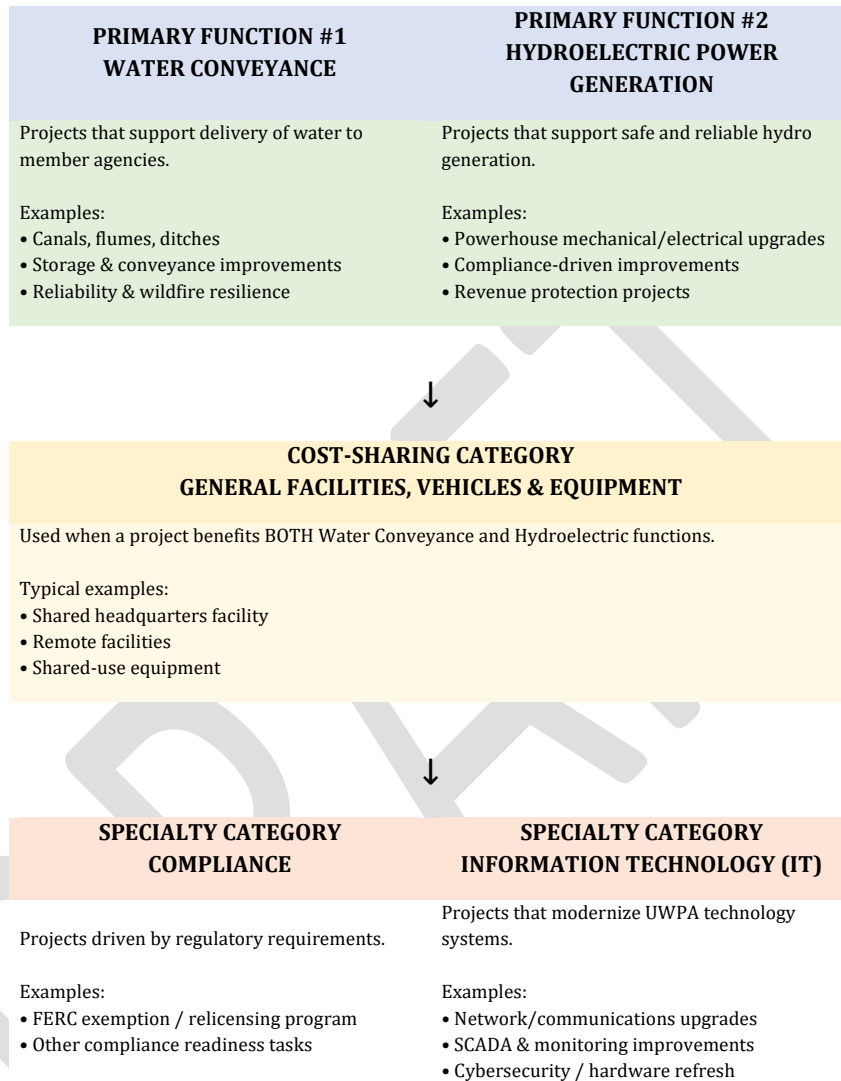


Figure 7 – CIP Project Categories

2.3 Project Development Considerations

This section describes how UWPA staff developed and refined projects for implementation. Projects were bundled where appropriate, phased to match staffing and funding constraints, ranked by objective criteria, and then selected annually through the budgeting process. Together, these steps ensure the CIP remains realistic, affordable, and responsive to changing system conditions.

2.3.1 Bundling

When appropriate, smaller projects have been combined to create larger multi-phased projects when they share associated objectives and benefits and may be in the same geographical area or the work performed is similar. The purpose of “bundling” projects to create larger projects is to simplify the CIP and the corresponding budget, to not have a multitude of small projects. Another benefit is that bundled projects can reduce “soft costs” such as design and engineering expenses.

2.3.2 Phasing

Projects are phased to spread out resources over several fiscal years. Phasing is also a natural result of carrying out complex projects that have specific sequencing needs. Some projects may require specific studies to determine the scope of work required before designing the project. By phasing projects, it allows for a smoothing of funding demands. It also gives UWPA staff time to acquire land, easements, or agreements, achieve environmental and permitting compliance, obtain parts or other equipment components, schedule outages, search for funding, and allocate labor in order to complete the project within a reasonable timeframe. Projects in this CIP that have been divided into phases in such a manner that phases provide “stand alone” benefits and Board commitment to fund one phase does not inherently commit the Board to approve subsequent phases.

2.3.3 Ranking

UWPA staff have identified significant financial costs associated with the capital improvement plan. Staff recognize that the agency cannot fund this level of investment, nor could staff administer and carryout this number of projects. Consequently, a ranking-criteria was established and applied to prioritize projects. The ranking process was also essential in defining the problem and vetting the proposed solution. A more thorough description of the ranking process is included in Section 3 of this document.

2.3.4 Selection

The ranking process discussed above was intended to be as objective as possible, but the reality is that there will not be enough funds to complete all of these projects. Some highly ranked projects demonstrate great need but can be expensive. The CIP is a “living” document and should be updated each year as part of the budgeting process. The ranking of individual projects will be reevaluated and may change each year as a result of shifts in regulations, shifts in project competitiveness for grants, shifts in Board priorities, or to respond to anticipated infrastructure failure.

2.3.5 Allocation of Cost by Fiscal Year

The cost to implement the CIP will strongly influence the revenue demands of the UWPA and subsequent calculation of revenues needed to fund the improvements and the corresponding operations and maintenance. Staff not only has to consider project costs but also lost power generation revenue losses due to down time. The timing and distribution of costs reflects a conscious effort on the part of the staff to smooth out revenue demands, identify potential grant or loan funding sources, provide adequate time to seek financing or to achieve environmental compliance and secure necessary permits, and lastly to address those infrastructure needs that are most urgent and have a potential for failure in the near term. However, the member agencies will need to provide substantially more funding than what has been provided in previous years.

2.3.6 Project Delivery Models

The UWPA can use several models for project delivery. The UWPA has its own staff that can deliver some of the construction work identified in the CIP. This may include an entire project or just certain portions of a project. However, there will be the need to use outside consultants and contractors for many projects because they require specialized engineering disciplines, specialized tools, or equipment, or otherwise involve expertise or equipment that may be lacking at UWPA. Similarly, some construction tasks are better suited to outside contractors particularly those requiring extended periods of time to complete and involving staffing levels beyond that which is currently available at UWPA. Staff time costs need to be calculating in determining the scoping and cost of CIP projects where staff would ultimately be performing normal duties. Our goal is always to approach projects and costs in a responsible cost-effective analysis; however, our staff time and costs are associated costs that cannot be tabulated as savings overall. Simply, they are part of the overall costs, not a reduction in the costs.



Project Development Considerations

A step-by-step framework used by UWPA to simplify, prioritize, and deliver projects

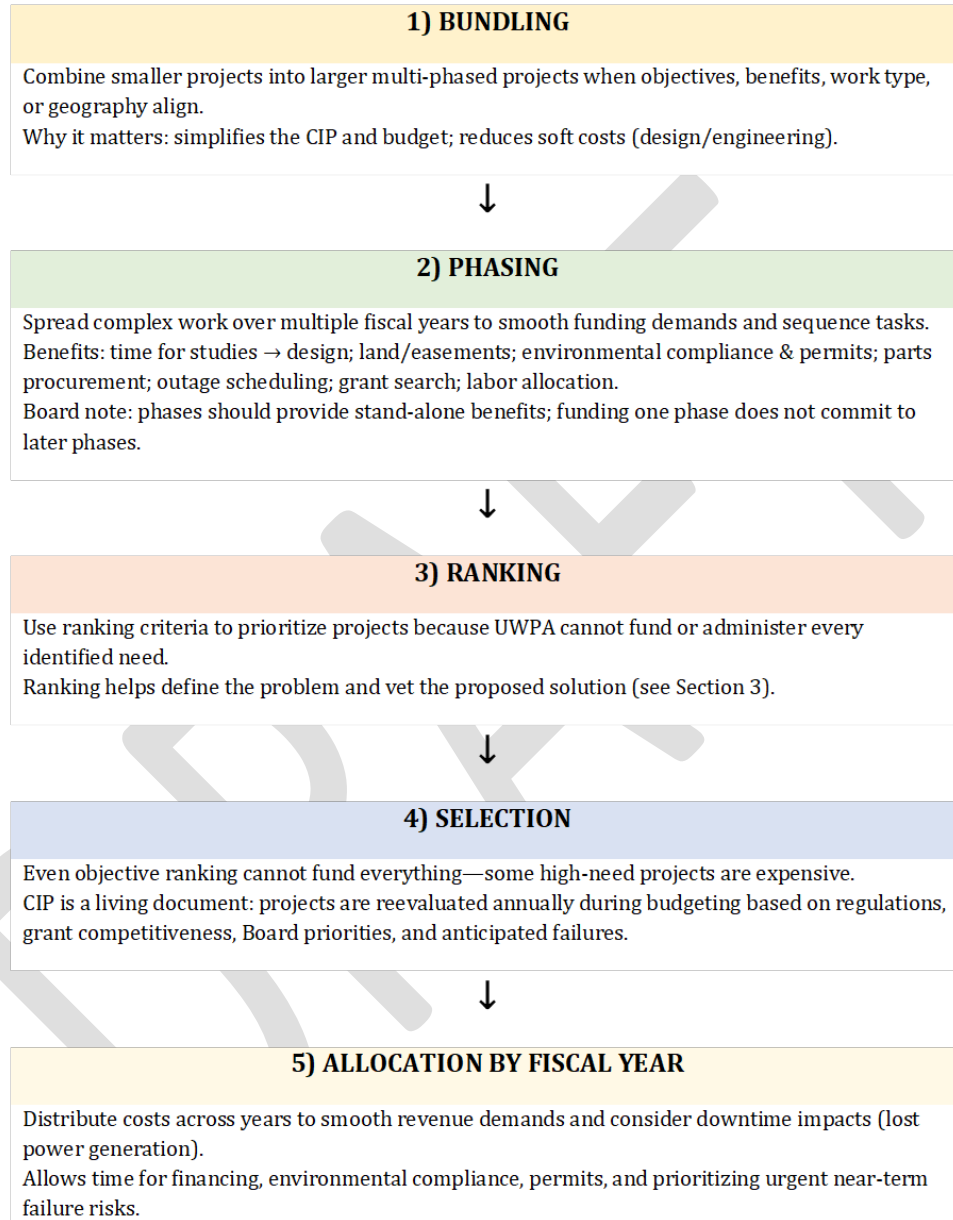


Figure 8 – Project Development Considerations

2.4 Project Cost Estimates

Preliminary cost estimates have been prepared for every project in the CIP. These are “pre-design” or “planning” level estimates that will be refined once design is complete or more

information is available in respect to the project. Since there is a limited amount of information available to craft the cost estimate, contingencies of up to 25% have been added to the project cost based on the potential for the project scope to change or for the unit costs to be greater than originally anticipated. Since this is a five-year CIP, the cost for projects undertaken in years 2-5 will be impacted by inflation. Rather than apply inflation to each project separately, the contingencies have been increased to account for inflation. The cost estimates consider who will design and/or construct the improvement. If the project will be designed by a consultant, a design fee has been added. If “on-site inspection” is required, an additional 10% is added to the estimated project costs. If the project is constructed by a contractor 30% is added to account primarily for prevailing wages and the potential for change orders.

Section 3: Project Ranking Criteria

3.1 Discussion of Scoring and Ranking Process

Projects were developed by staff and ranked by committee. The rank and project priority category were based on the following criteria:

- **Tier 1 Priority:** Regulatory Compliance Requirement (FERC, DSOD, OSHA, etc.), Safety Issue, Outside Funding Already Secured, Generate Additional Revenue or Failure Likely.
- **Tier 2 Priority:** Improves Operational Efficiency or Reduces Costs, Replacement Due to End of Useful Life of Facility/Equipment.
- **Tier 3 Priority:** Increases Capacity, Improves Reliability, Corrects a Deficiency or Increases an Asset’s Useful Life.

Projects are a high priority if they fall into Tier 1 (Mandatory) or Tier 2 (Necessary) type projects.

3.1.1 Tier 1 Criteria

Regulatory Requirement: Projects that are required to be completed in order to maintain compliance with current or pending regulations or to respond to a documented violation are considered Tier 1. Projects that meet these criteria must be able to demonstrate that they are essential to maintain compliance and that the project addresses a past violation or a deficiency created by a new regulation. Supporting documentation may include newly issued permits,

inspection reports from regulatory agencies, Cease and Desist Orders, Notices of Violations, etc. Also included in this category are conditions of any legal settlements.

Safety Obligation: Projects that would be required to maintain compliance with OSHA or that put UWPA staff or the public at physical risk are considered Tier 1. Potential risk of property damage does not qualify as a safety obligation. The project must address a very real hazard. Documentation supporting these types of projects may include inspection reports from Cal-OSHA, DSOD inspection reports, notices received from FERC, or documented violations of the Health and Safety Code.

Failure Likely: Projects that address a real concern that specific infrastructure would likely fail within the next five to ten years are considered a Tier 1. This designation is supported by maintenance history logs, photographs, staff testimonial, or by 3rd party inspection reports. Projects must eliminate or at least minimize the probability of failure or mitigate the impacts when a failure occurs.

Tier 1 Criteria

Tier 1 projects are mandatory actions required for compliance, safety, committed funding, or high likelihood of failure.

TIER 1 — REGULATORY REQUIREMENT	TIER 1 — SAFETY OBLIGATION
Definition: Projects required to maintain compliance with current or pending regulations, or to respond to a documented violation. Must demonstrate: • Essential for compliance • Addresses past violation or deficiency from new regulation Typical documentation: • Permits • Inspection reports • Cease & Desist orders • Notices of Violation • Settlement conditions	Definition: Projects required to comply with OSHA or that put UWPA staff or the public at physical risk. Important: Property damage risk alone does NOT qualify. The hazard must be real and physical. Typical documentation: • Cal-OSHA inspections • DSOD inspection reports • FERC notices • Health & Safety Code violations
TIER 1 — OUTSIDE FUNDING SECURED	TIER 1 — FAILURE LIKELY (5-10 YEARS)
Definition: Projects where funding is already committed through an executed agreement, secured financing, or Board resolution. Notes: Currently uncommon, but may apply when UWPA is awarded grant funding. Example: Capital Outlay grant funding for a flatbed truck (FY 2019-20).	Definition: Projects addressing infrastructure likely to fail within the next 5-10 years. Support may include: • Maintenance logs • Photos • Staff observations • Third-party inspection reports Project must: Eliminate or reduce failure probability OR reduce impacts if failure occurs.

Rule of thumb: If any Tier 1 criterion applies, the project is classified as Tier 1 (Mandatory).

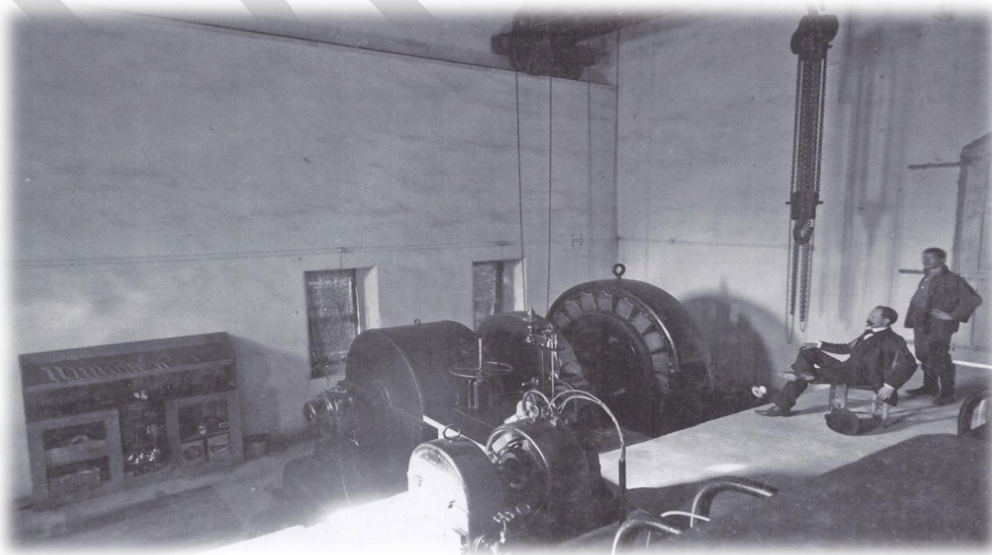
Figure 9 – Tier 1 Criteria

3.1.2 Tier 2 Criteria

Improves Operational Efficiency or Reduces Costs: Projects that directly reduce labor, materials, equipment, or utilities while allowing the UWPA to maintain or improve upon its level of service, or in some cases, may increase revenues are considered Tier 2. Although, not mandatory; these projects are desirable because they translate to cost savings for the authority and/or they allow the UWPA to invest more in other areas of the budget with the same amount of revenue. An example of a project that increase operational efficiency is the installation of Supervisory Control and Data Acquisition (SCADA) hardware and software. This project will allow for the remote reading of water levels and avoid the need for personnel to physically travel to sites to determine water flow. Other projects may involve enhancements to existing facilities that will improve their operation and maintenance, safety, flexibility, and cost-effectiveness

Replacement Due to End of Useful Life: Projects that replace infrastructure that is beyond rehabilitation or salvaging are considered Tier 2. These projects involve replacing aging infrastructure, ideally before it reaches a level of degradation where “imminent failure” would be likely. In addition to age, other factors that go into determining when an item has reached the end of its useful life include failure to meet current codes or industry standards, or when an item no longer can perform the way in which it was designed.

Generates Additional Revenue: Projects that can increase revenues are considered Tier 1. These types of projects may involve increasing hydrogeneration capacity, improving hydrogeneration efficiency, allowing for additional water sales or are a requirement to participate in state funding programs. These types of projects need to be evaluated for their cost-effectiveness. That is the capital cost of the project needs to achieve a reasonable rate of return in terms of increased operating revenue to justify the expenditure.



Tier 2 Criteria

Tier 2 projects are desirable investments that improve efficiency, replace aging assets, or improve revenue potential.

TIER 2 CRITERION #1 EFFICIENCY / COST REDUCTION	TIER 2 CRITERION #2 END OF USEFUL LIFE REPLACEMENT	TIER 2 CRITERION #3 GENERATES ADDITIONAL REVENUE
Definition: Projects that directly reduce labor, materials, equipment, or utilities while maintaining or improving service. Why it matters: Cost savings can be reinvested in other priorities. Example: SCADA hardware/software enables remote readings of water levels and reduces travel time. Other benefits: Improves O&M, safety, flexibility, and cost-effectiveness.	Definition: Projects that replace infrastructure beyond rehabilitation or salvaging. Why it matters: Replaces aging assets before deterioration becomes an imminent failure risk. Indicators: • Age and wear • Fails to meet current codes/standards • Cannot perform as originally designed	Definition: Projects that can increase operating revenue. Typical outcomes: • Increased hydrogeneration capacity • Improved generation efficiency • Supports additional water sales • Enables participation in state funding programs Important: Must be evaluated for cost-effectiveness and reasonable return on investment.

Tier 2 projects are not mandatory like Tier 1, but they reduce long-term costs, improve performance, and strengthen UWPA's ability to fund future improvements.

Figure 10 – Tier 2 Criteria

3.1.3 Tier 3 Criteria

Increases Capacity: Projects that increase system capacity or the components of capacity are considered Tier 3. The principal components include water supply, storage, and conveyance. Projects that increase capacity allow for the UWPA to better serve its existing customer base while also allowing for system repairs without a reduction or curtailment in deliveries.

Improves Reliability: Water supply and conveyance is considered an essential UWPA service and is important for health and human safety. Infrastructure is vulnerable to the impacts of natural disaster and the consequences of system failure can be tremendous (i.e. lack of water during a wildfire). Projects that have the benefit of reducing the risk of failure and mitigating impacts to the UWPA's customers and trustee agencies are considered Tier 3. These types of projects could involve establishing redundant systems or they may remove some of the hazards that could result in a catastrophe. Examples of these types of projects could be improving water conveyance facilities or removing hazard trees beside a flume.

Corrects a Deficiency: Projects that correct a current operational problem are considered Tier 3. These types of projects address equipment component issues, compatibility problems, facility inadequacies and other issues that limit full use and easy operation. Correcting these “bottle necks” allow staff to focus on other more critical operations associated with their jobs.

Increases an Asset’s Useful Life: Some infrastructure is not at risk of imminent failure and it also is not at the end of its useful life; however, with proper preventative maintenance the UWPA can extend an asset’s useful life and delay future capital costs associated with full-fledged replacement. Projects of this type are typically rehabilitation projects and are considered Tier 3. These projects may include pipe or ditch lining, asphalt sealing, headquarters maintenance and repair or hydroelectric facility repairs and upgrades.

Tier 3 Criteria

Tier 3 projects are beneficial investments that improve capacity, reliability, operations, and asset life.

TIER 3 — INCREASES CAPACITY	TIER 3 — IMPROVES RELIABILITY
Definition: Projects that increase system capacity or key capacity components.	Definition: Projects that reduce failure risk and mitigate impacts to customers and trustee agencies.
Capacity components: • Water supply • Storage • Conveyance	Why it matters: Water supply & conveyance are essential for health and safety (e.g., during wildfire).
Benefit: Supports existing customers and allows repairs without delivery curtailment.	Examples: • Redundant systems • Conveyance improvements • Hazard tree removal near flumes
TIER 3 — CORRECTS A DEFICIENCY	TIER 3 — INCREASES USEFUL LIFE
Definition: Projects that correct operational problems limiting full use and easy operation.	Definition: Rehabilitation projects that extend asset life and delay full replacement costs.
Examples: • Component issues • Compatibility problems • Facility inadequacies	Common examples: • Pipe or ditch lining • Asphalt sealing • Headquarters maintenance/repairs • Hydroelectric repairs & upgrades
Benefit: Removes bottlenecks so staff can focus on critical operations.	Benefit: Delays future capital costs through preventative investment.

Tier 3 projects are generally lower urgency than Tier 1 and Tier 2, but they strengthen long-term system performance and reduce future costs.

Figure 11 – Tier 3 Criteria

Section 4: Capital Improvement Plan Costs and Funding Plan

4.1 CIP Revenue Issues

The Capital Improvement Plan outlines the District’s plan for achieving organizational goals and objectives. Doing business for much of its past, the District focused on paying off acquisition debt, reducing operating costs by performing maintenance on an “as needed “ basis, deferring capital costs and minimizing member agency costs. For many years hydroelectric generation revenues subsidized the costs to operate the water conveyance system. This has resulted in a significant reduction in potential JPA revenues.

4.2 Asset Management

UWPA’s ability to provide reliable water conveyance service and operate its hydroelectric facilities safely depends on the condition, performance, and compliance readiness of its physical infrastructure. Many UWPA assets have been in service for decades, and some for over a century, and do not meet modern design and safety standards. As UWPA approaches key regulatory and operational milestones—including long-term hydroelectric compliance readiness—the Authority must adopt a disciplined and measurable approach to managing its asset base.

This Capital Improvement Plan (CIP) supports UWPA’s asset management mission by establishing a structured, multi-year approach for planning, prioritizing, and funding reinvestment. UWPA’s asset management strategy is guided by the core principles of lifecycle extension, ongoing evaluation, risk reduction, and phased financing.

Asset Management Commitments

1) Annual Asset Condition Review and Documentation

UWPA will perform an annual condition review of critical system components, with emphasis placed on high-consequence assets within water conveyance and hydroelectric facilities. Reviews will be informed by inspection findings, operations and maintenance history, staff observations, documented deficiencies, and third-party engineering or regulatory reports when available. The results of these annual reviews will be used to update project scopes, refine cost estimates, and adjust implementation sequencing as needed.

2) Risk-Based Prioritization Using the Tier Framework

UWPA will prioritize capital projects based on the Tier ranking system established in Section 3 of this CIP. Tier classification will be used as a risk-management tool to align funding with urgency and consequence. Specifically:

- Tier 1 projects will be treated as mandatory risk-reduction actions driven by regulatory compliance, safety obligation, committed outside funding, or likely failure within five to ten years.
- Tier 2 projects will be prioritized to reduce long-term costs, replace end-of-life assets before they become emergency failures, and improve operational efficiency.
- Tier 3 projects will be used to improve resilience, capacity, and lifecycle performance when funding capacity allows, while recognizing that deferral may increase future cost and vulnerability.

3) Integration with Annual Budgeting and CIP Updates

UWPA will maintain this CIP as a living document and update it annually during the budget process. Each annual update will include review of completed projects, shifting project readiness, revised regulatory requirements, updated cost estimates, grant competitiveness, and emergent system risks. Board approval of the first CIP year will function as formal authorization for implementation, while Years 2–5 will remain planning-level and subject to annual reevaluation.

4) Performance Measurement and KPI Tracking

UWPA will track project and system outcomes using measurable performance indicators tied to CIP goals. CIP progress will be evaluated using a simplified KPI scorecard that focuses on reliability, reduced downtime, compliance readiness, reserve stability, and external funding success. Suggested measures include:

- number of Tier 1 risks mitigated
- outage hours avoided
- conveyance losses reduced
- reserve targets met
- grant dollars secured

These performance measures will be used to improve transparency, strengthen accountability, and support future funding decisions.

5) Lifecycle Cost Management and Funding Strategy

UWPA will manage financial impacts by bundling and phasing projects where appropriate to smooth annual funding demands, reduce soft costs, and align workload with staffing capacity. UWPA will also pursue grants and external funding sources when available and competitive to reduce member agency burden and improve long-term affordability.

UWPA Asset Management Policy Framework

Measurable commitments that guide planning, prioritization, and funding in the CIP

1) ANNUAL CONDITION REVIEW	2) TIER-BASED PRIORITIZATION	3) ANNUAL CIP UPDATE PROCESS	4) KPI SCORECARD	5) LIFECYCLE FUNDING STRATEGY
Inspect critical assets annually Use logs, photos, and reports Update scopes & costs	Tier 1 = mandatory risk Tier 2 = lifecycle + efficiency Tier 3 = resilience + rehab	CIP is a living document Re-sequence projects yearly Adjust for grants & conditions	Track outcomes and progress Reliability • downtime Reserves • grants • risk	Bundle and phase projects Reduce soft costs Align with staffing & cash flow
Continuous Improvement Loop: Condition Findings → Tier Updates → Budget Adoption → KPI Review → Next-Year CIP Refinement				

Outcome: A disciplined, transparent, and financially sustainable approach to reducing risk and extending asset life over time.

Figure 12 – Asset Management Policy Framework

Summary

Through these commitments, UWPA will balance cost, quality, reliability, and safety while maintaining a transparent and defensible rationale for funding decisions. The asset management approach described in this section ensures that CIP investments reduce risk, improve performance, and support UWPA’s mission of long-term stewardship over essential water and hydropower infrastructure.

4.3 System Components Evaluations

Most of the assets managed by UWPA have been in service for decades and some for over a century. These components generally do not meet current design, engineering, and safety standards. The nature and location of these facilities’ present vulnerabilities for both the asset and the employees attempting to maintain and repair them. Emphasis is being placed on improving the reliability and safety of these assets. The major system components addressed in the CIP are as follows:

- Canals, Flumes and Ditches
- Reservoir Storage
- Mechanical, Electrical and Communication Equipment

- Operational Equipment and Vehicles
- Feasibility and Facility Assessments

4.4 Overall CIP Project Cost Summaries

4.5 Integrated Funding Plan for CIP, Operations & Reserves

Funding for the capital improvement projects identified in this document are not only contingent on having adequate revenues to support those individual projects in the Fiscal Year identified, but also adequate revenue sources to maintain normal operations and reserve funds to support the entire organization. This is particularly important in respect to three areas of future costs not currently recognized in this 5-year CIP. The first area includes uncertain future costs associated with the hydroelectric facilities that will be under study during this CIP in order to ensure the extended life of the power plants. With the purpose to enter into long-term power agreements, the UWPA must have up to date facilities that comply with both FERC regulations and PG&E service requirements. Some of these costs will not be known until these studies are completed. Thus, if the UWPA does not have facilities that can operate over the long-term, it will not be able to benefit from long-term power contracts.

The second component of the Integrated Funding Plan is the funding of the engineering, management, environmental, legal, and administrative work necessary to pursue continued regulatory authorization for UWPA's hydroelectric facilities. UWPA anticipates these compliance-related costs will be approximately \$3 million to \$4 million over a six- to eight-year period, beginning in FY 2025–26. If UWPA successfully obtains a FERC exemption by 2028, the schedule and total cost may be reduced, and the work may shift toward final documentation, agency coordination, and close-out requirements. If an exemption is not obtained, UWPA must continue forward through the full FERC relicensing pathway, with costs extending through the anticipated relicensing period in 2033 and potentially beyond. In either scenario, adequate revenues must be planned and collected beginning in FY 2025–26 to maintain progress, preserve regulatory options, and avoid delays that could jeopardize UWPA's ability to continue hydroelectric operations under an approved authorization framework.

4.6 Fiscal Options to Implement the Integrated Funding Plan

The UWPA Capital Improvement Plan (CIP) must be implemented in a way that is financially sustainable while maintaining adequate funding for operations and prudent reserve levels. The Integrated Funding Plan recognizes that the UWPA cannot evaluate CIP project costs in isolation. The Authority must also maintain normal operations, address deferred maintenance, and plan for significant future regulatory and compliance obligations associated with the hydroelectric facilities, including the costs of the exemption / relicensing process and other operational requirements.

To support informed decision-making, UWPA has identified three fiscal options to implement the Integrated Funding Plan. These options provide the Board with a structured range of approaches that balance service reliability, risk reduction, compliance readiness, and affordability. Each option reflects tradeoffs among project delivery pace, reserve stability, long-term system risk, and required member agency funding levels.

Option 1: Full Funding

The Full Funding option represents the highest level of commitment to system reinvestment and long-term risk reduction. Under this option, UWPA would fund the CIP as scheduled while also maintaining funding for normal operations and contributing to reserves at levels needed to support long-term infrastructure reliability and regulatory compliance.

This option prioritizes timely completion of Tier 1 and Tier 2 projects and minimizes deferrals that could lead to emergency failures, higher long-term costs, or service disruptions. Full Funding also improves UWPA's readiness to pursue grants and external financing opportunities because it allows the Authority to advance design, environmental compliance, and permitting work on schedule.

Full Funding generally results in:

- Highest reliability improvement and lowest long-term failure risk
- Strongest regulatory readiness posture for hydroelectric compliance
- Lowest long-term "catch-up" cost growth due to inflation and emergency work
- Higher near-term revenue demands and member agency contributions

Option 2: Medium Funding

The Medium Funding option represents a balanced approach that focuses on completing the most urgent and high-value projects while limiting the near-term revenue burden. Under this option, UWPA would fund Tier 1 priorities and select Tier 2 projects, while deferring lower urgency improvements or phasing some projects more slowly.

This option is intended to maintain system viability while reducing the rate of spending growth compared to Full Funding. It is likely to require adjustments to the CIP schedule each year, including shifting projects between fiscal years, bundling similar work for cost efficiency, and pursuing grants more aggressively to maintain project momentum.

Medium Funding generally results in:

- Completion of Tier 1 projects and partial completion of Tier 2 projects
- Moderate improvements to reliability with some ongoing exposure to risk
- Greater reliance on phasing and schedule adjustments year-to-year
- Reduced near-term revenue demands, with some risk of cost escalation over time

Option 3: Minimum Funding / Deferral Strategy

The Minimum Funding option reflects a constrained funding scenario where UWPA focuses primarily on essential operations and only the most critical capital needs. Under this option, the CIP would be implemented at a minimal level, prioritizing only the highest urgency Tier 1 projects, while most Tier 2 and Tier 3 projects would be deferred.

This option may be necessary under conditions of limited revenue availability; however, deferral carries significant risk. Postponing reinvestment can increase the likelihood of emergency failures, result in higher future replacement costs, and reduce the Authority's flexibility to respond to infrastructure vulnerabilities. It may also reduce UWPA's ability to pursue long-term power agreements and maintain a stable compliance posture if critical hydroelectric reliability or regulatory readiness actions are delayed.

Minimum Funding generally results in:

- Focus on reactive needs and mandatory Tier 1 items only
- Higher long-term risk of failure and greater service disruption exposure
- Higher likelihood of emergency repair costs and revenue instability
- Lower near-term revenue demands but larger future funding gaps

Fiscal Options — Integrated Funding Plan

Three funding approaches to implement the CIP while supporting Operations & Reserves

OPTION 1 FULL FUNDING	OPTION 2 MEDIUM FUNDING	OPTION 3 MINIMUM FUNDING / DEFERRAL STRATEGY
What it means: • Fund CIP as scheduled • Maintain O&M and reserves What it delivers: • Fastest Tier 1 & 2 completion • Lowest long-term failure risk • Strongest compliance readiness Tradeoff: • Highest near-term revenue demand	What it means: • Fund Tier 1 and select Tier 2 • Slow/phase other work What it delivers: • Core risk reduction • Some reliability gains • Flexible annual updates Tradeoff: • More deferrals and cost escalation risk	What it means: • Fund only critical Tier 1 • Defer most Tier 2 & 3 What it delivers: • Lowest near-term revenue need • Focus on mandatory items Tradeoff: • Highest long-term risk • Greater emergency repair exposure • Larger future funding gap

Decision guide: Full Funding maximizes reliability and readiness; Medium Funding balances progress and affordability; Minimum Funding defers improvements and increases long-term risk.

Figure 13 – Fiscal Options – Integrated Funding Plan

Composite Risk-Management in Funding

Composite risk management is used to guide funding decisions by evaluating multiple risk drivers together—regulatory compliance, safety, probability of failure, operational cost exposure, and long-term system reliability—rather than viewing projects as isolated needs. Under this approach, UWPA considers both the likelihood and consequence of risk events (e.g., compliance violations, injury hazards, water delivery disruption, or lost power revenue), and then aligns funding levels to the Authority’s risk tolerance. Projects that address Tier 1 risks (compliance, safety, or failure likely) receive priority because deferral increases exposure to high-impact outcomes and emergency costs. Tier 2 risks are managed through sequencing and phased investment to capture efficiency gains and prevent end-of-life failures, while Tier 3 projects are used to strengthen long-term resilience and extend asset life when funding capacity allows. By applying composite risk management annually during budget development, UWPA can transparently justify why certain investments must proceed immediately, why others can be phased, and how the chosen funding option balances affordability with responsible stewardship of essential water and hydropower infrastructure.

UWPA Composite Risk Management → Funding Approach

RISK SOURCE (Tier Drivers)	RISK RESPONSE (Strategy)	FUNDING CHOICE (Integrated Plan)
Tier 1 (Mandatory) • Compliance • Safety • Failure Likely	ELIMINATE RISK (Act Now) • Tier 1 dominates	Option 1 — Full Funding • Tier 1 + Tier 2 on schedule • Advance high-value Tier 3
Tier 2 (Necessary) • Efficiency / Cost Reduction • End of Useful Life • Revenue Improvements	CONTROL RISK (Phase / Sequence) • Tier 1 + select Tier 2	Option 2 — Medium Funding • Tier 1 fully funded • Select Tier 2 • Phase most Tier 3
Tier 3 (Beneficial) • Capacity • Reliability • Correct Deficiency • Extend Useful Life	ACCEPT / DEFER RISK (Minimum Action) • Critical Tier 1 only	Option 3 — Minimum/Deferral • Only critical Tier 1 • Defer most Tier 2 & 3

RISK LEVEL → RECOMMENDED FUNDING OPTION

Likelihood ↓ Impact →	LOW	MEDIUM	HIGH
HIGH	Option 2 Medium	Option 1 Full	Option 1 Full
MEDIUM	Option 3 Minimum	Option 2 Medium	Option 1 Full
LOW	Option 3 Minimum	Option 3 Minimum	Option 2 Medium

Annual update rule: Reassess tiers, inspections, failures, regulations, and grant readiness. Adjust funding option accordingly.

Figure 14 – Composite Risk Management – Funding Approach

4.7 Reserve Impacts and Budget Comparison

The fiscal option selected by the UWPA Board will directly influence the Authority's reserve stability, annual budget requirements, and the pace at which capital improvements can be delivered. Because the CIP includes projects that are necessary to maintain reliability and compliance readiness—while also addressing cost efficiency, end-of-life replacement, and long-term resiliency—the funding level selected must be evaluated not only against project costs, but also against its effect on reserves and the long-term financial sustainability of the agency.

This section compares each funding option by (1) the expected impact to reserves and (2) total planned expenditures relative to available revenues. This comparison allows the Board to understand how each option affects UWPA's ability to respond to emergencies, maintain stable rates/member contributions over time, and avoid long-term risk created by deferring essential reinvestment.

Reserve Impacts by Option

Reserves serve as a financial safeguard to ensure UWPA can respond to unforeseen events such as infrastructure failures, emergency repairs, regulatory compliance obligations, environmental requirements, or unexpected operational disruptions. Each funding option presents a different reserve impact profile:

Option 1: Full Funding

Under Full Funding, the CIP is funded at the planned pace, with continued reserve contributions aligned with long-term reserve targets. This option typically results in the strongest reserve position over time because the Authority reduces the likelihood of emergency repairs, avoids the cost escalation associated with deferred projects, and improves overall system reliability. Although revenue demands are highest in the near term, the long-term effect is generally improved financial stability.

Option 2: Medium Funding

Under Medium Funding, Tier 1 priorities are funded and selected Tier 2 projects are implemented, while other work is phased or delayed. This option may require periodic use of reserves to manage short-term cash flow pressures or unexpected failures in deferred areas, particularly if the Authority experiences unplanned outages or urgent repairs. Reserve impacts are moderate and depend heavily on the success of project sequencing, grant funding, and the timing of regulatory obligations.

Option 3: Minimum Funding / Deferral Strategy

Under Minimum Funding, the Authority limits CIP spending to only the most critical needs, with significant deferral of Tier 2 and Tier 3 projects. While this option reduces near-term revenue demands, it can place increased pressure on reserves over time due to a higher likelihood of emergency repair costs, unplanned failures, and unbudgeted replacement needs. In this scenario, reserves may become the primary financial tool used to respond to failures rather than supporting planned investment, which can erode reserve stability and increase long-term funding gaps.

Budget Comparison and Identification of Shortfalls/Deferrals

In addition to reserve impacts, each funding option produces a different overall budget outcome when compared against expected revenues and available financing. The analysis below identifies how total expenditures compare across options and where shortfalls or deferrals may occur.

Option 1: Full Funding

Option 1 includes the full cost of planned CIP projects within the fiscal planning period, along with continued operations and reserve contributions. This option minimizes deferrals and provides the highest probability that Tier 1 and Tier 2 needs are addressed on schedule. Any funding gap under this option is typically known and can be planned for through member agency contributions, grant pursuit, or financing strategies.

Option 2: Medium Funding

Option 2 includes funding for Tier 1 projects and selected Tier 2 projects, with remaining projects deferred, bundled, or phased into later fiscal years. Under this option, shortfalls are managed through re-scheduling rather than fully abandoning projects. As a result, the CIP becomes more dependent on annual updates, grant competitiveness, and the Board's willingness to adjust funding levels year-by-year as conditions change.

Option 3: Minimum Funding / Deferral Strategy

Option 3 reflects a constrained budget approach in which only the most urgent Tier 1 projects are funded and most other projects are deferred. This option will create the largest gap between identified system needs and funded work, and it increases the probability that deferred projects will return later as higher-cost emergency repairs. While short-term expenditures are reduced, the total long-term cost of ownership is likely higher due to inflation, accelerated deterioration, and service disruption risk.

Risk Register

UWPA will maintain a Tier 1 Risk Register to ensure that the highest-risk infrastructure issues are clearly documented, tracked, and prioritized during annual budget and CIP updates. The purpose of the register is to connect critical assets to their most likely failure modes, define the consequences of failure, estimate the likelihood within the planning horizon, and identify the mitigation project(s) and implementation timing necessary to reduce risk. This tool supports transparent decision-making by linking Tier 1 prioritization directly to compliance, safety, and failure-prevention needs. The Tier 1 Risk Register will be reviewed and updated annually based on inspection findings, maintenance history, staff observations, regulatory correspondence, and project readiness.

Asset	Failure Mode	Consequences of Failure	Likelihood (1-5)	Mitigation Project	Timing / FY
<i>Example: ¾ Mile Flume (Forest Meadows)</i>	<i>Structural failure / fire vulnerability</i>	<i>Loss of water deliveries, emergency repair, public safety impacts</i>	<i>3</i>	<i>Flume rehabilitation / replacement segment upgrades</i>	<i>FY 26–27</i>

Implementation Timeline Graphic

To support transparent planning and realistic execution, UWPA will maintain a five-year implementation timeline that summarizes major project milestones across the CIP planning horizon. The timeline is intended to show how projects progress through the core delivery phases—studies, design, permitting/environmental compliance, and construction—and to ensure that workloads and funding needs are appropriately sequenced year to year. This approach allows UWPA to coordinate staffing, consultant support, grant timing, procurement lead times, and construction schedules while minimizing service disruptions and cost escalation.

The timeline will also identify outage-sensitive windows and seasonal constraints that influence project timing. Hydroelectric projects must be scheduled to reduce impacts from forced outages and lost generation revenue, including aligning construction activities with planned unit downtime and operational windows that minimize revenue loss. Similarly, many conveyance projects are constrained by weather, access conditions, flow conditions, and emergency preparedness needs. Conveyance construction and rehabilitation work will generally be timed to take advantage of favorable seasonal conditions and to avoid periods when water delivery reliability is most critical.

This implementation timeline will be updated annually during the CIP and budget adoption cycle to reflect project readiness, shifting Tier priorities, regulatory milestones, permitting status, grant opportunities, and evolving system conditions.



Implementation Timeline Graphic (Five-Year Framework)

Major Milestones: Studies → Design → Permitting → Construction | Highlights hydro outage-sensitive windows and conveyance seasonal constraints

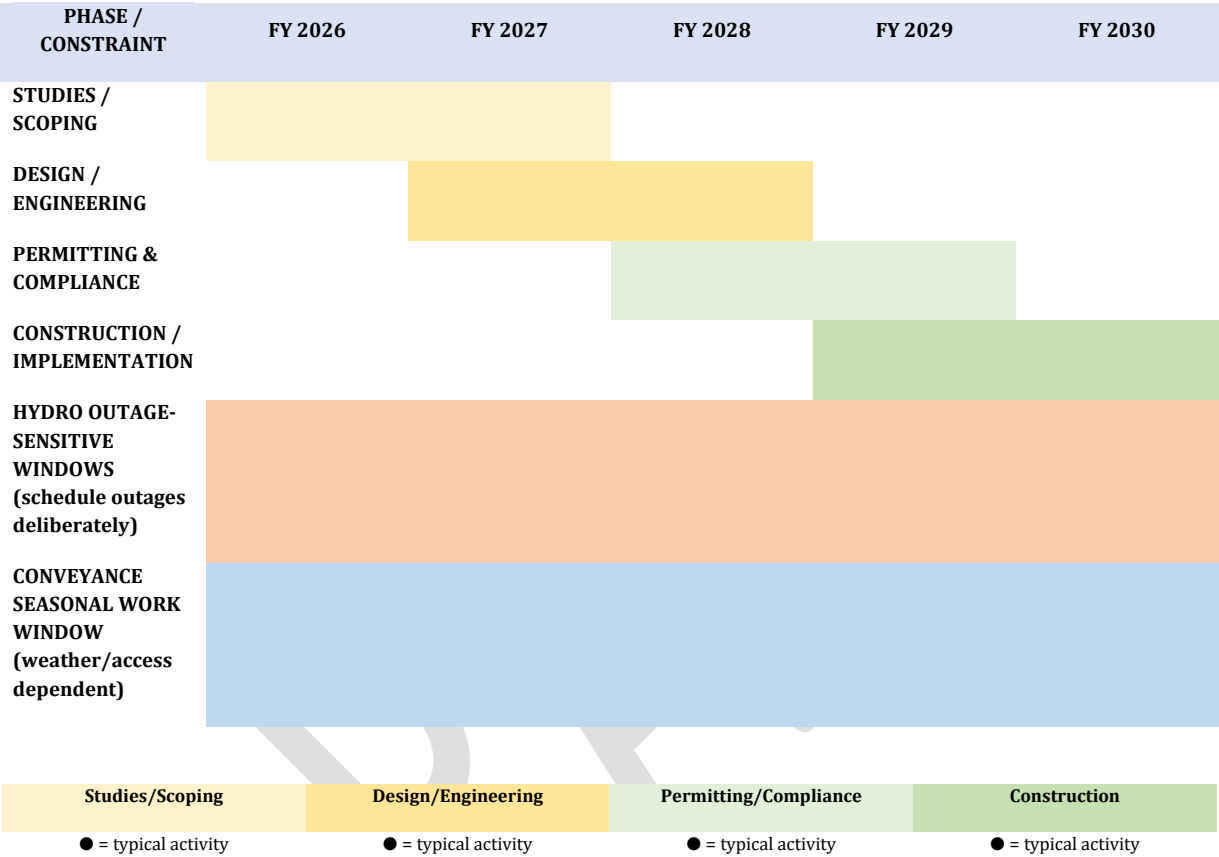


Figure: Five-year implementation framework for sequencing projects from studies to construction. Timing should be refined annually based on project readiness, permitting progress, hydro outage windows, and conveyance seasonal constraints.

Figure 15 – Implementation Timeline Graphic (Five-Year Framework)

Grant Readiness Plan

UWPA will pursue grant and outside funding opportunities where competitive and feasible to reduce member agency funding impacts and accelerate delivery of high-priority capital improvements. A structured Grant Readiness Plan improves UWPA’s ability to compete by identifying projects that align with typical funding priorities such as public safety, wildfire resilience, critical infrastructure protection, regulatory compliance readiness, energy reliability, and operational efficiency. Grant readiness also supports better sequencing within the CIP by ensuring that projects expected to pursue outside funding are advanced to the appropriate level of scope definition, environmental documentation, and cost refinement before solicitation deadlines.

Grant readiness does not replace the need for core capital funding; rather, it is intended to supplement UWPA's Integrated Funding Plan by targeting projects that can demonstrate strong public benefits, clear risk reduction outcomes, and measurable performance results.

Grant-Competitive Projects (Priority Categories)

UWPA will maintain a rolling list of projects that are likely to be competitive for grant funding based on program priorities and measurable public benefits. Projects may include the following types:

1) Wildfire Resilience and Emergency Water Supply Reliability

Projects that reduce vulnerability of the water conveyance system to wildfire, treefall, and emergency disruption are often competitive because they support community resilience and public safety.

Why they qualify: protects critical water supply, improves emergency readiness, reduces outage risk, supports wildfire response.

2) Major Conveyance Rehabilitation and Failure Prevention (Tier 1)

High-consequence conveyance improvements—particularly those that address likely failure within 5–10 years—may qualify due to reliability and risk reduction benefits.

Why they qualify: avoids catastrophic outages, protects essential service continuity, reduces emergency repair costs and service disruption risk.

3) Dam Safety and Regulatory Corrective Actions

Projects required to address dam safety deficiencies or inspection findings may be competitive depending on the funding source and eligibility constraints.

Why they qualify: protects public safety, addresses compliance obligations, reduces downstream hazard exposure.

4) Hydroelectric Reliability and Efficiency Improvements

Hydro-related upgrades may be competitive when tied to grid resilience, renewable energy reliability, operational efficiency, or safety improvements.

Why they qualify: maintains renewable generation benefits, reduces forced outages, improves efficiency and long-term reliability.

5) Operational Technology / SCADA and Critical Monitoring Improvements

SCADA and monitoring improvements are often competitive when positioned as critical infrastructure modernization, operational efficiency, or emergency response enhancement.

Why they qualify: improves situational awareness, reduces response time, reduces labor and travel needs, strengthens system monitoring.

6) Environmental Compliance and Permitting Readiness Activities (when eligible)

Certain programs allow pre-construction activities such as planning, design, environmental documentation, and permitting.

Why they qualify: accelerates delivery, improves construction readiness, strengthens compliance outcomes.

UWPA will prioritize grant pursuit for projects that are already classified as Tier 1 or Tier 2, since these provide the strongest and most defensible connection to measurable risk reduction, service continuity, and cost effectiveness.

Grant Readiness Next Steps (Standard Process)

To improve competitiveness and reduce missed opportunities, UWPA will apply the following steps to candidate projects:

1) Eligibility and Program Fit Check

Before investing significant staff time, UWPA will confirm program requirements including applicant eligibility, project type eligibility, timeline constraints, and reporting obligations.

2) Benefit Narrative Development (Quantified Where Possible)

Each grant-competitive project will include a short benefit narrative describing:

- risk reduction (Tier 1 risks mitigated)
- outage hours avoided (water and/or hydro)
- improved emergency preparedness and resilience
- lifecycle cost savings or efficiency gains
- public safety improvements

Where feasible, benefits will be quantified using UWPA's KPI scorecard measures.

3) Environmental and Permitting Readiness Review

UWPA will confirm the level of environmental documentation required and identify permitting risks early. Projects will be classified as:

- Ready now (minimal permitting)
- Near ready (permits or studies needed)
- Not ready (significant environmental pathway or unresolved constraints)

4) Cost and Scope Refinement (Grant-Quality Level)

To support credible applications, UWPA will refine project scope and cost estimates to an appropriate level for funding submission and audit readiness (including contingencies and soft costs).

5) Matching Funds Strategy

UWPA will develop a consistent approach to match requirements by identifying potential match sources such as:

- annual CIP contributions
- reserves (as permitted by policy)

- phased funding commitments
- in-kind staff time (only when allowable and properly documented)
- partner contributions (if eligible)

6) Application Calendar and Responsibility Assignment

UWPA will maintain a grant calendar and assign internal ownership for key steps including application preparation, engineering support, documentation, and compliance reporting.

Annual Update and Board Reporting

UWPA will update the Grant Readiness Plan annually as part of the CIP and budget adoption process. Updates will include:

- grant applications submitted and outcomes
- projects moved into “grant-ready” status
- funding awards and match commitments
- schedule impacts to CIP delivery

This process ensures grant pursuit remains targeted, realistic, and aligned with UWPA’s highest-priority infrastructure needs. The purpose of combining the CIP and Grants Readiness Plan is to ensure that UWPA develops shovel-ready projects based on a targeting, ranked, and comprehensive manner that aligns the greatest needs to available grants that in tandem create the most cost-effective plan to improvement and resiliency of infrastructure.

Section 5 — CIP Project Summaries (Project Sheets)

5.1 CIP Individual Project Descriptions

Appendix A for sample project sheet

Project sheets are presented in ranked order.

INSERT PROJECT SHEETS AND RANKED PROJECT ORDER

Section 1 — Project Identification (ID, name, total cost, tier, years, type)

- Section 2 — Project Description (existing issue, proposed solution, value/risk reduction)
- Section 3 — Funding by Fiscal Year (tasks by year: studies/design/permitting/construction)
- Section 4 — Potential Funding Sources (cash, grants, loans, other)
- Section 5 — Other Issues and Comments (constraints, dependencies, risk notes, photos/maps)

Appendices

- A. Sample Project Template Sheet
- B. Asset inventory summary



Appendix A – Project Sheet Template

SAMPLE

Project Title:

Project ID:

Category: ☐ Water Conveyance ☐ Hydroelectric ☐ General Facilities

Tier: ☐ 1 ☐ 2 ☐ 3

Project tiers:

Tier 1: Regulatory compliance requirement, safety issue, outside funding secured, increases revenue, or failure is likely/impending.

Tier 2: Improves operational efficiency or reduces costs, or replacement due to end of useful life of facility/equipment.

Tier 3: Increases capacity or improves reliability, corrects a deficiency, or increases an asset's useful life.

Project Type: ☐ Repair ☐ Replacement ☐ Rehabilitation ☐ New / Expansion

Location / Site:

Estimated Total Cost: \$

Asset / System Component:

Estimated Start / Finish (FYs):

Key Partners (if any):

SECTION 1 — PROJECT IDENTIFICATION (Summary)

Project Purpose (1–2 sentences):

Problem / Need Statement:

Priority Justification (Why this tier?):

☐ **Regulatory / Compliance requirement (explain):**

☐ **Safety obligation (explain):**

☐ **Outside funding secured or likely (explain):**

☐ High likelihood of failure (explain evidence):

☐ Operational improvement / cost savings (explain):

☐ Revenue generation (explain):

☐ Capacity / reliability improvement (explain):

SECTION 2 — PROJECT DESCRIPTION

Existing Conditions:

Proposed Improvement / Scope of Work:

Benefits / Outcomes

☐ Reduce risk of failure

☐ Improve safety

☐ Maintain compliance

☐ Improve reliability / redundancy

☐ Reduce O&M costs

☐ Increase efficiency

☐ Improve revenue performance

☐ Increase capacity / delivery capability

Expected results (specific):

Key Assumptions / Constraints

Outage windows required (dates/season):

Access / easements / property considerations:

Environmental/permitting constraints:

Coordination with members/contractors:

Seasonal limitations (weather/flows):

SECTION 3 — IMPLEMENTATION PLAN & FUNDING BY FISCAL YEAR

Major Tasks by Phase

Planning / Study: ☐ Yes ☐ No — *Notes:*

Design / Engineering: ☐ Yes ☐ No — *Notes:*

Permitting / Environmental: ☐ Yes ☐ No — *Notes:*

Procurement / Bidding: ☐ Yes ☐ No — *Notes:*

Construction / Implementation: ☐ Yes ☐ No — *Notes:*

Testing / Commissioning: ☐ Yes ☐ No — *Notes:*

Funding Schedule (By Year)

Fiscal Year	Planned Work (Scope Summary)	Estimated Cost
FY_____	_____	\$_____
FY_____	_____	\$_____
FY_____	_____	\$_____
FY_____	_____	\$_____
FY_____	_____	\$_____

Total Project Cost: \$_____

SECTION 4 — FUNDING SOURCES

Primary Funding Source(s)

☐ UWPA Cash / Reserve

☐ Loan / Debt Financing (identify):

☐ Member Contributions

☐ Other:

☐ Grant (identify):

SECTION 5 — OTHER ISSUES, RISKS, AND COMMENTS

Dependencies:

☐ Must occur before:

☐ Requires coordination with:

☐ Linked projects:

Operations & Maintenance Impacts

☐ O&M cost decreases ☐ O&M cost increases ☐ No change

Notes:

Notes / Attachments (select all that apply):

☐ Photos

☐ Inspection reports

☐ Maps / exhibits

☐ Engineering memo

☐ Vendor quotes

☐ Permits

☐ Reference(s):

OPTIONAL ADD-ON BLOCKS

A) Asset Data Snapshot

Asset Name/ID:

Install Year:

Expected Life:

Condition: ☐ Good ☐ Fair ☐ Poor

Last Inspection Date:

Failure Consequence: ☐ Low ☐ Medium

☐ High

B) Performance Measures (Before / After)

Metric	Current	Target After Project
Downtime (hrs/yr)	_____	_____
O&M cost (\$/yr)	_____	_____
Reliability (%)	_____	_____
Safety incidents	_____	_____

C) Deliverables Checklist

- ☐ Updated drawings/as-builts
- ☐ Final inspection sign-off
- ☐ Commissioning/testing results
- ☐ Updated maintenance plan

Appendix B - Asset Inventory List

Source: Member Property Report (02/28/2025)

This appendix provides a consolidated inventory of UWPA assets organized into three categories: basic property by site, licensed vehicles, and mobile equipment. This inventory supports capital planning, asset management, and lifecycle investment decisions.

A.1 Basic Property by Site

Asset Number	Risk Type	Site Number	Building Name	Description	Address	City	State
U002-001-001	Building	001-1168 BOOSTER WAY, ANGELS CAMP	OFFICE BUILDING (PARTIALLY LEASED)	Coverage includes: 1,270 linear feet of 6ft chain link fencing with three strands of barbed wire. Two remote activated security gates	1168 BOOSTER WAY	ANGELS CAMP	CA
U002-001-002	Building	001-1168 BOOSTER WAY, ANGELS CAMP	STORAGE (RECORDS) BUILDING (PARTIALLY LEASED)		1168 BOOSTER WAY	ANGELS CAMP	CA
U002-001-003	Building	001-1168 BOOSTER WAY, ANGELS CAMP	BACK CAVE BUILDING		1168 BOOSTER WAY	ANGELS CAMP	CA
U002-001-004	Building	001-1168 BOOSTER WAY, ANGELS CAMP	ANGEL'S CAMP HYDROELECTRIC PLANT		1168 BOOSTER WAY	ANGELS CAMP	CA
U002-001-005	Building	001-1168 BOOSTER WAY, ANGELS CAMP	COMMUNICATION TOWER		1168 BOOSTER WAY	ANGELS CAMP	CA
U002-001-FE001	Fixed Equipment	001-1168 BOOSTER WAY, ANGELS CAMP		HYDROELECTRIC PLANT, INCLUDING BUT NOT LIMITED TO (1) GENERATOR, GENERAL ELECTRIC, AC, TYPE ATB, (2) JET PELTON TURBINES,	1168 BOOSTER WAY	ANGELS CAMP	CA

				404 FT HEAD, 450 RPM, 1880 HP, CONTROLS, VALVES, SWITCHGEAR, SUBSTATION EQUIPMENT AND STRUCTURES, ANCILLARY DEVICES, 2 Vacuum Breakers, 1 generator breaker			
U002-001-FE002	Fixed Equipment	001-1168 BOOSTER WAY, ANGELS CAMP		GENERAC GENERATOR, MODEL RG04845JNAC, SERIAL # 3009292307	1168 BOOSTER WAY	ANGELS CAMP	CA
U002-001-PP001	Personal Property	001-1168 BOOSTER WAY, ANGELS CAMP	STORAGE (RECORDS) BUILDING (PARTIALLY LEASED)	INVENTORY- SPARE PARTS FOR HYDRO PLANT	1168 BOOSTER WAY	ANGELS CAMP	CA
U002-001-PP002	Personal Property	001-1168 BOOSTER WAY, ANGELS CAMP	OFFICE BUILDING (PARTIALLY LEASED)	OFFICE EQUIPMENT/FURNITURE	1168 BOOSTER WAY	ANGELS CAMP	CA
U002-001-PP003	Personal Property	001-1168 BOOSTER WAY, ANGELS CAMP	ANGEL'S CAMP HYDROELECTRIC PLANT	SMALL TOOLS AND SUPPLIES	1168 BOOSTER WAY	ANGELS CAMP	CA
		001-1168 BOOSTER WAY, ANGELS CAMP			1168 BOOSTER WAY	ANGELS CAMP	CA
U002-002-001	Building	002-335 HUNTERS DAM RD	RESIDENCE		335 HUNTERS DAM RD	ARNOLD	CA
U002-002-FE001	Fixed Equipment	002-335 HUNTERS DAM RD		GENERAC GENERATOR, MODEL RG02515JNAX, SERIAL # 3010213064	335 HUNTERS DAM RD	ARNOLD	CA
		002-335 HUNTERS DAM RD		900 ft no climb fencing (+\$10,800)	335 HUNTERS DAM RD	ARNOLD	CA
U002-003-001	Building	003-350 HUNTERS DAM RD	METAL STORAGE BUILDING		350 HUNTERS DAM RD	ARNOLD	CA
U002-003-002	Building	003-350 HUNTERS DAM RD	STORAGE GARAGE		350 HUNTERS DAM RD	ARNOLD	CA

U002-003-003	Building	003-350 HUNTERS DAM RD	STORAGE BUILDING		350 HUNTERS DAM RD	ARNOLD	CA
U002-003-004	Building	003-350 HUNTERS DAM RD	SAW SHED		350 HUNTERS DAM RD	ARNOLD	CA
U002-003-005	Building	003-350 HUNTERS DAM RD	OFFICE		350 HUNTERS DAM RD	ARNOLD	CA
U002-003-006	Building	003-350 HUNTERS DAM RD	EMERGENCY GENERATOR BUILDING		350 HUNTERS DAM RD	ARNOLD	CA
U002-003-FE001	Fixed Equipment	003-350 HUNTERS DAM RD		PLC CABINET AND INSTRUMENTATION, DATALOGGER, COMPUTER W/INTERFACE AND ALARM SOFTWARE	350 HUNTERS DAM RD	ARNOLD	CA
U002-003-FE002	Fixed Equipment	003-350 HUNTERS DAM RD		VALVES, GATE, ACTUATOR, ELECTRICAL, MISC EQUIPMENT	350 HUNTERS DAM RD	ARNOLD	CA
U002-003-PP001	Personal Property	003-350 HUNTERS DAM RD	STORAGE BUILDING	\$200,000 Duperon Trash Rack in storage	350 HUNTERS DAM RD	ARNOLD	CA
				LUMBER INVENTORY, SUPPLIES AND SMALL TOOLS			
U002-003-PP002	Personal Property	003-350 HUNTERS DAM RD		INVENTORY, WOOD	350 HUNTERS DAM RD	ARNOLD	CA
		003-350 HUNTERS DAM RD			350 HUNTERS DAM RD	ARNOLD	CA
U002-004-001	Building	004-CANALS DISTRICT WIDE	LOWER UTICA CANAL		ANGELS CAMP	ANGELS CAMP	CA
U002-004-002	Building	004-CANALS DISTRICT WIDE	ANGELS CANAL		ANGELS CAMP	ANGELS CAMP	CA
U002-004-003	Building	004-CANALS DISTRICT WIDE	UPPER UTICA CANAL		ANGELS CAMP	ANGELS CAMP	CA
		004-CANALS DISTRICT WIDE			ANGELS CAMP	ANGELS CAMP	CA

U002-005-001	Building	005-ANGELS FOREBAY	GAUGING STATION	1,600 ft chain-link fence (+\$9,600)	ANGELS FOREBAY	ANGELS CAMP	CA
U002-005-FE001	Fixed Equipment	005-ANGELS FOREBAY		GRIZZLY, MANUAL	ANGELS FOREBAY	ANGELS CAMP	CA
U002-005-FE002	Fixed Equipment	005-ANGELS FOREBAY		PENSTOCK, WELDED STEEL, 3' DIAMETER, ABOVE GROUND	ANGELS FOREBAY	ANGELS CAMP	CA
		005-ANGELS FOREBAY			ANGELS FOREBAY	ANGELS CAMP	CA
U002-006-FE001	Fixed Equipment	006-CANDY ROCK ROAD		GENERAC GENERATOR, MODEL G0072259, SERIAL # 3008791135	CANDY ROCK ROAD	AVERY	CA
		006-CANDY ROCK ROAD			CANDY ROCK ROAD	AVERY	CA
U002-007-PP001	Personal Property	007-DISTRICT-WIDE		PERSONAL PROPERTY ON LICENSED VEHICLES AND MOBILE EQUIPMENT	DISTRICT-WIDE	ANGELS CAMP	CA
		007-DISTRICT-WIDE		10 @ \$2,000 ea 2" Mag Irrigation meters, 4 @ \$3,500 ea 6" Mag Meters, 2 @ 2" \$ 2,500 insertion meter, 1 @ 3" \$3,500 insertion meter, 2 @ 1" \$250 mag meter.	DISTRICT-WIDE	ANGELS CAMP	CA
U002-008-001	Building	008-FLUMES DISTRICT WIDE	FLUMES		FLUMES DISTRICT WIDE	ANGELS CAMP	CA
		008-FLUMES DISTRICT WIDE			FLUMES DISTRICT WIDE	ANGELS CAMP	CA
U002-009-001	Building	009-MILL CREEK TAP	MILL CREEK TUNNEL TAP OUTLET STRUCTURE		MILL CREEK TAP	ANGELS CAMP	CA
U002-009-FE001	Fixed Equipment	009-MILL CREEK TAP		PIPING, STEEL(35'), W/AIR & VAC VALVE	MILL CREEK TAP	ANGELS CAMP	CA
U002-009-FE002	Fixed Equipment	009-MILL CREEK TAP		WATER LEVEL INSTRUMENTATION, TELEMETRY, PROPANE TANK, PLC, CONTR	MILL CREEK TAP	ANGELS CAMP	CA

U002-009-FE003	Fixed Equipment	009-MILL CREEK TAP		VALVE, HOWELL BUNGER	MILL CREEK TAP	ANGELS CAMP	CA
U002-009-FE004	Fixed Equipment	009-MILL CREEK TAP		STRUCTURE EQUIPMENT, HYDRAULIC GOVERNOR UNIT, 15 KW GENERATOR, SCADA EQUIPMENT, ELECTRICAL PANEL	MILL CREEK TAP	ANGELS CAMP	CA
		009-MILL CREEK TAP			MILL CREEK TAP	ANGELS CAMP	CA
U002-010-FE001	Fixed Equipment	010-MURPHYS AFTERBAY		GENERAC GENERATOR, MODEL RG02515JNAX, SERIAL # 3010212533	MURPHYS AFTERBAY	MURPHYS	CA
		010-MURPHYS AFTERBAY		705 ft chain link fencing (+\$4,230)	MURPHYS AFTERBAY	MURPHYS	CA
U002-011-001	Building	011-MURPHYS FOREBAY	GAUGING HOUSE	225 ft chain link fence (+\$1,350)	MURPHYS FOREBAY	ANGELS CAMP	CA
U002-011-FE001	Fixed Equipment	011-MURPHYS FOREBAY		PENSTOCK, WELDED STEEL, 3' - 4' DIAMETER, UNDERGROUND, ROTAX VALVE	MURPHYS FOREBAY	ANGELS CAMP	CA
U002-011-FE002	Fixed Equipment	011-MURPHYS FOREBAY		GENERAC GENERATOR, MODEL 0062500, SERIAL # 8797017 - 166.7AMP	MURPHYS FOREBAY	ANGELS CAMP	CA
U002-011-FE003	Fixed Equipment	011-MURPHYS FOREBAY		TRASHRACK, SELF-CLEANING	MURPHYS FOREBAY	ANGELS CAMP	CA
		011-MURPHYS FOREBAY			MURPHYS FOREBAY	ANGELS CAMP	CA
U002-012-001	Building	012-MURPHY'S HYDROELECTRIC PLANT	POWERHOUSE	450 ft chain link fence around powerhouse (+\$2,700)	MURPHYS HYDROELECTRIC PLANT	ANGELS CAMP	CA
U002-012-002	Building	012-MURPHY'S HYDROELECTRIC PLANT	STORAGE BUILDING, BASE OF AFTERBAY DAM		MURPHYS HYDROELECTRIC PLANT	ANGELS CAMP	CA
U002-012-FE001	Fixed Equipment	012-MURPHY'S		HYDROELECTRIC PLANT, INCLUDING BUT NOT LIMITED TO	MURPHYS HYDROELECTRIC PLANT	ANGELS CAMP	CA

		HYDROELECTRIC PLANT	(1) 4500 KW GENERATOR, GENERAL ELECTRIC, AC, TYPE ATI, 3 PHASE (1) 5375 HP MULTI-JET PELTON TURBINE, HYDRAULIC SYSTEMS, ROTARY VALVE, PLANT CONTROLS, TELEMETRY, ANCILLARY SYSTEMS			
U002-012-FE002	Fixed Equipment	012-MURPHY'S HYDROELECTRIC PLANT	TRANSFORMER, OIL FILLED, PAD MOUNTED, 18,050V - 2400 V, TYPE SI, 3 PHASES, WESTINGHOUSE	MURPHYS HYDROELECTRIC PLANT	ANGELS CAMP	CA
U002-012-FE003	Fixed Equipment	012-MURPHY'S HYDROELECTRIC PLANT	SUBSTATION STEEL AND EQUIPMENT, INCLUDING STRUCTURES, SWITCHES, CIRCUIT BREAKERS, ANCILLARY DEVICES. 2 Vacuum Circuit Breakers, 2 Field Pot. Transformers (+\$200,000)	MURPHYS HYDROELECTRIC PLANT	ANGELS CAMP	CA
		012-MURPHY'S HYDROELECTRIC PLANT		MURPHYS HYDROELECTRIC PLANT	ANGELS CAMP	CA

A.2 Licensed Vehicles

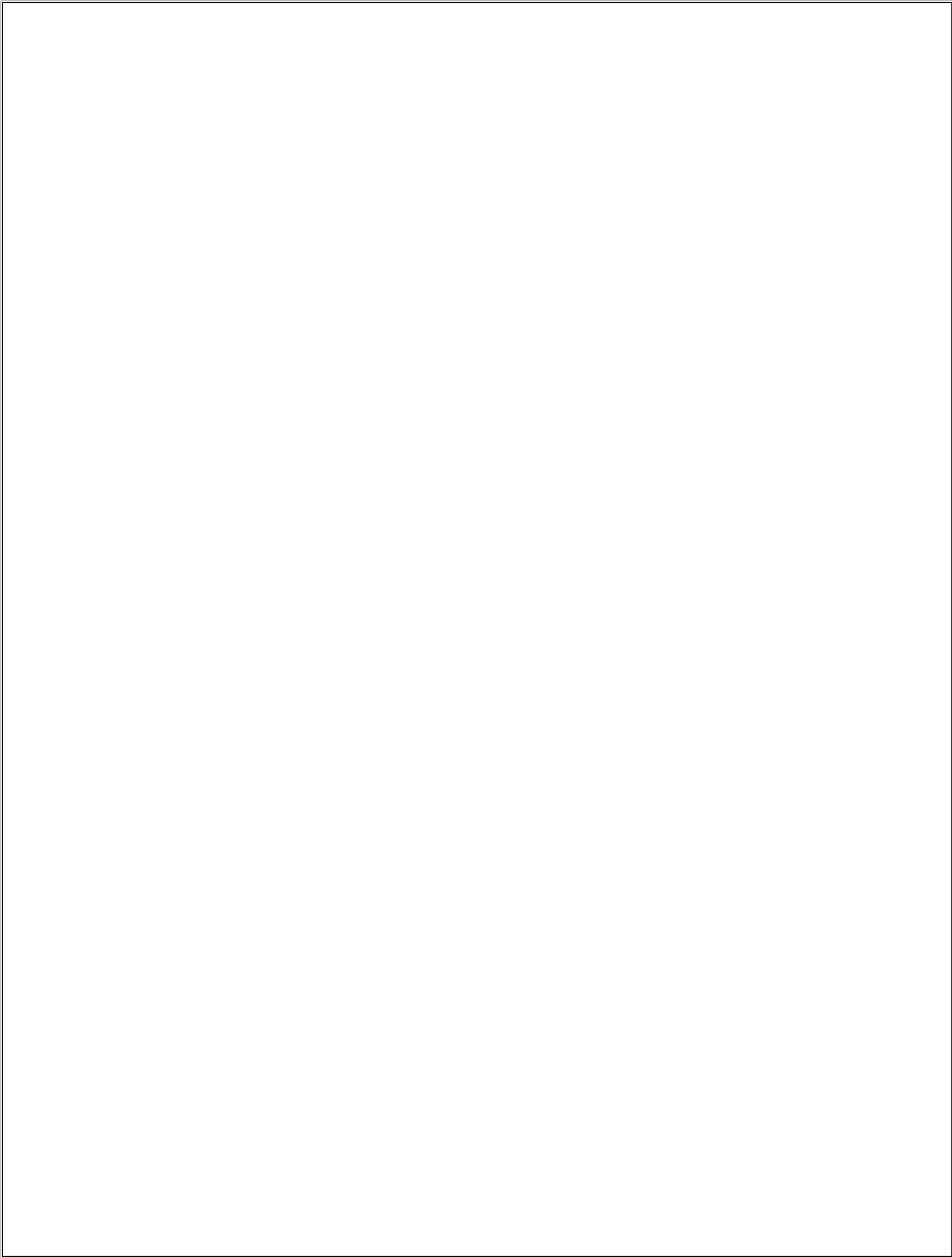
Asset Number	Unit Number	Model Year	Make	Model	VIN / Serial Number	Description	Class
U002-AUTO-001		2007	MISCELLANEOUS	2500	1GBHK24667E574630	CHEVEROLET, SILVERADO 2500	6001 - LIGHT TRUCK
U002-AUTO-002		2022	DODGE	RAM 1500	1C6SRFJTXNN307803	DODGE, RAM 1500	6001 - LIGHT

							TRUCK
U002-AUTO-003		2015	TOWMASTER	EB TRAILER	4KNTT1628FL161052	TRAILER, TOWMASTER, EB TRAILER	6000 - ALL OTHER
U002-AUTO-004		2021	GENERAC	0002438586	3008789622	TRAILER W/GENERAC GENERATOR	6000 - ALL OTHER
U002-AUTO-005		2020	RAM	3500	3C7WRTBL2LG106364	RAM, 3500, REGULAR CAB 4X4	6001 - LIGHT TRUCK
U002-AUTO-006		2021	CHEVROLET	COLORADO	1GCHTCEN7M1256202	CHEVROLET, COLORADO	6001 - LIGHT TRUCK
U002-AUTO-007		2020	CHEVROLET	SILVERADO	1GC3YLE76LF201917	CHEVROLET, SILVERADO	6001 - LIGHT TRUCK
U002-AUTO-008		2017	TOYOTA	TACOMA	5TFSX5EN0HX052351	TOYOTA, TACOMA	6001 - LIGHT TRUCK
U002-AUTO-009		2017			5SHFP2021HB000466	TRAILER, KAUFMAN P-STANDARD	6000 - ALL OTHER
U002-AUTO-010		2020	PJ TRAILERS	DMA1472	4P5DM1420L1316140	TRAILER, PJ DUMP, DMA1472	6000 - ALL OTHER
U002-AUTO-011		2005	MISCELLANEOUS	MISCELLANEOUS	2SWUW11A05S021034	TRAILER, SNOWBEAR	6000 - ALL OTHER
U002-AUTO-012		2006	FORD	RANGER	1FTYR15E16PA24195	FORD, RANGER	6001 - LIGHT TRUCK
U002-AUTO-013	UPA3 CM	1999	FORD	F250	1FTNF21LXXEB07501	FORD, F250	6001 - LIGHT TRUCK

U002-AUTO-014	2004	BIG TEX	VAN	16VVX101731A77213	TRAILER, BIG TEX, VANGUARD, 5X10, 30SV-10	6000 - ALL OTHERR
---------------	------	---------	-----	-------------------	---	-------------------

A.3 Mobile Equipment

Asset Number	Unit Number	Model Year	Serial Number	Description	Valuation Type	Scheduled Value
U002-ME-001		2017	AT6313174	BOBCAT, T770 T4 COMPACT TRACK LOADER	ACTUAL CASH VALUE	111130.0
U002-ME-002		2023	KBCDZ47CKN3L11263	EXCAVATOR, KUBOTA W/RUB TKS/SC CAB/ANGLE BLADE; U48-5R3A - Masticating Head for Excavator	ACTUAL CASH VALUE	68897.53
U002-ME-003			C-10HL	RIDLEY, GUNITE MACHINE, ROTARY	ACTUAL CASH VALUE	22044.0
U002-ME-004		2023	Y655-722-4845-383	FORKLIFT, CLARK C500-YS80 W/SIDE SHIFTER SERIAL #830364	ACTUAL CASH VALUE	12500.0
U002-ME-005			CC752161	CEMENT MIXER	ACTUAL CASH VALUE	2783.0





Resolution No. 2026-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE UTICA WATER AND POWER AUTHORITY ADOPTING THE 2026-2033 CAPITAL IMPROVEMENT PLAN

WHEREAS, the Utica Water and Power Authority is committed to protecting public safety and maintaining the reliability, integrity, and long-term sustainability of its water conveyance and hydroelectric systems; and

WHEREAS, a Capital Improvement Plan (CIP) provides a framework for identifying, prioritizing, and planning for significant capital projects and improvements necessary to maintain, repair, replace, and improve the Authority's infrastructure and facilities; and

WHEREAS, the CIP assists the Authority in planning for future capital needs, establishing priorities, coordinating project schedules, and identifying potential funding sources, including grants and other external funding opportunities; and

WHEREAS, the CIP is intended to serve as a living planning document, and the projects, priorities, estimated costs, and anticipated schedules identified therein are intended to be reviewed and updated annually to reflect changing conditions, available funding, operational needs, regulatory requirements, and other factors affecting the Authority; and

WHEREAS, the Board of Directors has reviewed the CIP and finds that its adoption will support the Authority's long-term planning and stewardship of its infrastructure and resources; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Utica Water and Power Authority hereby adopts the Capital Improvement Plan, which supersedes the CIP previously adopted by Resolution No. 22-12.

BE IT FURTHER RESOLVED that the CIP shall be reviewed and updated as appropriate, with the intent that the Plan and anticipated project schedules be revisited annually to reflect changing conditions, available funding, operational needs, regulatory requirements, and other factors affecting the Authority.

ON A MOTION by Director _____, and seconded by Director _____, the foregoing resolution was duly passed and adopted by the Board of Directors of the Utica Water and Power Authority, on the 25th day of August, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Caroline Schirato, Board Chair

Attest:

Karlee Karnes, Acting Clerk of the Board



Item 6B

[Return to Agenda](#)

UTICA WATER AND POWER AUTHORITY

Date: August 25, 2026

To: Board of Directors

From: Erik Holt, General Manager

Re: Discussion/Adoption of the UWPA Master Plan

RECOMMENDED ACTION:

Motion to adopt the Master Plan as presented, recognizing it as the Authority's long-range policy and governance framework, subject to review by the Board at least every five years and more frequently as warranted by significant changes in regulatory requirements, system conditions, financial circumstances, or risk exposure; or, in the alternative, to receive the draft Master Plan and direct the General Manager to incorporate the Board's feedback and return the Plan for adoption at a subsequent meeting.

SUMMARY:

The draft Master Plan is presented for the Board's review and action. The Plan establishes a long-range planning and governance framework to guide UWPA's stewardship of its water conveyance and hydroelectric infrastructure over a 10- to 20-year horizon. It is intentionally policy-focused rather than project-specific: it defines the principles, assumptions, and decision-making framework that inform future actions taken through the Strategic Plan, Capital Improvement Plan (CIP), and annual budget process, and it completes the Authority's integrated three-document planning framework, with the Master Plan establishing direction, the Strategic Plan setting priorities, and the CIP implementing projects.

UWPA is the steward of a historically significant and operationally complex system of reservoirs, canals, flumes, penstocks, and powerhouses, much of it more than a century old operating in trust for the communities of the Highway 4 corridor. The Plan responds to the planning drivers, constraints, and risks identified in Section 3: aging infrastructure and asset condition, wildfire exposure and emergency risk, limited redundancy and single-point failures, financial constraints and affordability, regulatory and compliance uncertainty, and operational and access limitations.

A central feature of the Plan is its regulatory framework (Section 11), which recognizes two compliant FERC pathways—a perpetual conduit exemption, which UWPA is actively pursuing, or full relicensing, and structures the Plan to remain valid under either outcome. Regulatory compliance is treated throughout as a core institutional value, grounded in a posture of responsible self-compliance regardless of pathway, and the regulatory outcome functions as a decision trigger

within the Authority's reserve and financial planning. Implementation, monitoring, and plan maintenance occur through the established governance processes described in Section 12.

In reviewing the draft, the Board may wish to focus its discussion on whether the Plan's service objectives and reliability standards reflect its priorities; whether the planning assumptions in Section 7 provide an appropriate and defensible baseline; whether the risk-based capital planning principles and financial strategy—including the reserve philosophy and the guiding conclusions drawn from the Strategic Funding Plan are sound; whether the FERC pathway framework and decision triggers are appropriate; and whether the five-year review and amendment provisions are sufficient to keep the Plan a useful living document.

Because the Plan is expressly designed as a living document subject to periodic review and amendment, adoption does not foreclose future refinement; it establishes the long-range policy framework within which the Strategic Plan, CIP, and annual budgets are developed and maintained in alignment.

FINANCIAL IMPACTS:

Adoption of the Master Plan has no direct fiscal impact. The Plan establishes long-term policy direction, planning assumptions, and decision-making principles; it does not authorize expenditures, appropriate funds, approve rate actions, or commit the Authority to specific projects or funding levels. All capital projects and funding decisions remain subject to separate Board approval through the Strategic Plan, CIP, and annual budget adoption process.

Attachments

1. Master Plan (Draft)



UTICA WATER AND POWER AUTHORITY MASTER PLAN

ADOPTED 2026

Table of Contents

Executive Summary	5
1. Introduction, Purpose, and Authorization.....	6
1.1 Introduction.....	6
1.2 Purpose of the Master Plan.....	7
1.3 Scope and Limitations.....	7
1.4 Authorization and Governance.....	7
1.5 Relationship to Other Planning Documents.....	8
1.6 Planning Horizon and Flexibility.....	8
2. Planning Framework and Relationship to Other Plans	8
2.1 Overview of the Integrated Planning Framework.....	8
Master Plan (10–20 Year Horizon).....	8
Strategic Plan (Approximately 3–5 Year Horizon).....	9
Capital Improvement Plan (Approximately 5–10 Year Horizon).....	9
Integration and Governance	9
2.2 Role of the Master Plan.....	9
2.3 Role of the Strategic Plan	10
2.4 Role of the Capital Improvement Plan.....	10
2.5 Relationship to Annual Budgeting and Governance.....	10
2.6 Plan Alignment and Consistency.....	11
3. Key Planning Drivers, Constraints, and Risks.....	11
3.1 Aging Infrastructure and Asset Condition.....	11
3.2 Wildfire Exposure and Emergency Risk	12
3.3 Limited Redundancy and Single-Point Failures.....	12
3.4 Financial Constraints and Affordability	13
3.5 Regulatory and Compliance Uncertainty.....	13
3.6 Operational and Access Constraints	13
3.7 Implications for Long-Range Planning.....	14
4. UWPA Background and Regional Role	14
4.1 Historical Development of the Utica System	15
4.2 Formation of the Utica Water and Power Authority.....	15
4.3 UWPA’s Regional Role.....	15
4.4 Importance of Local Control and Stewardship.....	15
5. Governance, Ownership, and Interagency Context	16

5.1 Governance Structure	16
5.2 Ownership and Operational Responsibilities.....	16
5.3 Role of Management and Staff.....	17
5.4 Interagency Coordination	17
5.5 Regulatory and Institutional Relationships	17
5.6 Governance Implications for Planning.....	17
6. System Overview and Existing Conditions	18
6.1 Overview of the Utica System.....	18
6.2 Asset Age and Design Legacy.....	18
6.3 Condition Assessment and Operational Experience	19
6.4 Environmental Exposure and Climate Variability	19
6.5 Existing Constraints and Vulnerabilities.....	19
6.6 Relationship to Capital Planning.....	20
7. Planning Assumptions and Future Conditions	20
7.1 Service Area and Role Assumptions.....	20
7.2 Water Rights and Supply Assumptions.....	21
7.3 Climate Variability and Environmental Conditions.....	21
7.4 Regulatory and Policy Environment.....	21
7.5 Capital Investment and Financial Assumptions	22
7.6 Operational and Technological Considerations	22
7.7 Use and Limitations of Assumptions	22
8. Service Objectives and Reliability Standards.....	22
8.1 Core Service Objectives	23
8.2 Reliability as a Planning Priority.....	23
8.3 Safety and Public Protection.....	23
8.4 Regulatory Compliance Standards.....	24
8.5 Emergency and Wildfire Reliability Considerations	24
8.6 Service Limitations and Clarifications	24
9. Infrastructure Needs and Capital Planning Principles.....	25
9.1 Identification of Infrastructure Needs.....	25
9.2 Risk-Based Prioritization Framework.....	26
9.3 Capital Planning Principles.....	26
9.4 Relationship to the Capital Improvement Plan	27
9.5 Phasing and Adaptability	27

9.6 Documentation and Transparency.....	27
10. Financial Strategy and Funding Philosophy	28
10.1 Financial Objectives	28
10.2 Affordability and Stewardship Balance	29
10.3 Reserve Policy and Financial Resilience.....	29
10.4 Funding Sources and Strategies.....	30
10.5 Phased Investment and Financial Flexibility	30
10.6 Relationship to Budgeting and Capital Planning.....	30
11. Regulatory, Risk, and Resiliency Framework.....	31
11.1 Regulatory Environment Overview	31
11.2 FERC Regulatory Pathways	31
11.3 Risk Management Principles	32
11.4 Wildfire Resiliency and Emergency Preparedness.....	32
11.5 System Resiliency and Adaptability	33
11.6 Decision Triggers and Adaptive Management.....	33
12. Implementation, Monitoring, and Plan Maintenance	34
12.1 Implementation Through Other Planning Documents.....	34
12.2 Performance Monitoring and Reporting	34
12.3 Plan Maintenance and Updates	34
12.4 Consistency and Governance Oversight.....	35
12.5 Closing Statement.....	35

UTICA WATER AND POWER AUTHORITY MASTER PLAN

Executive Summary

The Utica Water and Power Authority (UWPA) is the steward of a historically significant and operationally complex system of water conveyance and hydroelectric infrastructure that serves critical public purposes within Calaveras County and the surrounding region. Much of this infrastructure dates back more than a century and operates in a challenging environment characterized by aging assets, wildfire exposure, limited access, financial constraints, and evolving regulatory oversight.

This Master Plan establishes a long-range planning and governance framework to guide UWPA's stewardship of these critical assets over a 10- to 20-year horizon. It is intentionally policy-focused rather than project-specific. The Plan does not authorize capital projects, expenditures, or regulatory actions. Instead, it defines the principles, assumptions, and decision-making framework that inform future actions taken through UWPA's Strategic Plan, Capital Improvement Plan (CIP), and annual budget process.

A central purpose of this Master Plan is to support disciplined, defensible decision-making under conditions of uncertainty. UWPA's planning environment includes significant external risks, including wildfire, environmental variability, regulatory change, and financial volatility. In response, this Plan emphasizes reliability, public safety, regulatory compliance, risk reduction, and long-term financial sustainability while preserving flexibility to adapt as conditions evolve.

Regulatory compliance is treated as a core institutional value throughout this Plan. UWPA recognizes its responsibility as a public agency entrusted with critical infrastructure and adopts a posture of responsible self-compliance regardless of regulatory pathway. The Master Plan is structured to remain valid under multiple potential regulatory outcomes, including continued hydroelectric licensing or operation under a Federal Energy Regulatory Commission (FERC) exemption, without assuming reduced standards or diminished oversight.

This Master Plan's financial strategy is grounded in a long-range evaluation of UWPA's principal financial and infrastructure decisions over the full lifecycle of its assets. That evaluation establishes that continued operation of UWPA's hydroelectric generation is the value-creating path for the enterprise and the principal driver of its long-term financial position; that securing a perpetual FERC

exemption is the highest-value compliance outcome; that necessary infrastructure recapitalization can be financed through disciplined long-term borrowing without disrupting rate continuity; and that protecting the Authority's generation revenue through ongoing reinvestment is its most important standing financial-protection task. The Plan adopts these conclusions as guiding direction while leaving specific financing, rate, and project decisions to the Strategic Plan, Capital Improvement Plan, and annual budget process.

The Master Plan also reflects lessons learned from UWPA's operational history, including past wildfire events that demonstrated the vulnerability of exposed infrastructure and the importance of resilience, recoverability, and emergency preparedness. Rather than attempting to eliminate all risk, the Plan prioritizes identification and mitigation of high-consequence risks, phased investment aligned with financial capacity, and adaptive management informed by experience and ongoing monitoring.

Adoption of this Master Plan signifies the UWPA Board of Directors' commitment to transparent governance, disciplined planning, and responsible stewardship of the Utica system for present and future generations. The Plan provides a durable framework for aligning long-term objectives with near-term priorities while preserving Board authority, local control, and accountability as UWPA continues to navigate an increasingly complex operating environment.

1. Introduction, Purpose, and Authorization

1.1 Introduction

The Utica Water and Power Authority (UWPA) owns and operates a unique system of water conveyance and hydroelectric facilities that serve municipal, agricultural, and public purposes within Calaveras County. The infrastructure under UWPA's stewardship is historically significant, operationally complex, and critical to the reliability of downstream water supply and power generation.

UWPA's facilities face increasing challenges related to aging infrastructure, wildfire exposure, access limitations, financial constraints, and regulatory oversight. These challenges require long-range, disciplined planning to ensure that decisions made today preserve flexibility, manage risk, and support reliable service well into the future.

This Master Plan is intended to provide that long-range planning framework.

1.2 Purpose of the Master Plan

The purpose of this Master Plan is to establish a long-term planning and governance framework to guide UWPA's stewardship of its water conveyance and hydroelectric infrastructure over a 10- to 20-year planning horizon.

Specifically, this Master Plan is intended to:

- Define UWPA's long-term service objectives and planning philosophy
- Identify key planning drivers, constraints, and risks affecting UWPA's system
- Establish planning assumptions to guide future decision-making
- Provide a consistent framework for evaluating infrastructure needs
- Inform future Strategic Plans, Capital Improvement Plans (CIPs), and annual budgets

This Master Plan emphasizes reliability, regulatory compliance, risk reduction, and financial sustainability. It is designed to support informed Board decision-making under conditions of uncertainty, including potential changes in regulatory requirements and external risk factors.

1.3 Scope and Limitations

This Master Plan is a policy and planning document. It does not authorize specific projects, capital expenditures, rate changes, or contractual commitments.

In particular:

- This Master Plan does not approve or commit UWPA to any specific capital project
- This Master Plan does not establish project schedules, costs, or funding mechanisms
- This Master Plan does not replace or supersede the Capital Improvement Plan, Strategic Plan, or annual budget process

Specific infrastructure projects, funding decisions, and implementation actions are evaluated, approved, and funded separately through UWPA's established governance processes.

The Master Plan is intended to guide those future decisions, not to predetermine them.

1.4 Authorization and Governance

This Master Plan is adopted by the UWPA Board of Directors pursuant to its authority under the Joint Powers Agreement and applicable state law. The Board retains full discretion over policy direction, budgeting, capital investment, and regulatory strategy.

Adoption of this Master Plan signifies the Board's intent to use it as a guiding framework for long-range planning and decision-making. It does not create binding obligations, vested rights, or enforceable commitments.

The Board may amend, revise, or replace this Master Plan at any time as conditions, priorities, or regulatory circumstances change.

1.5 Relationship to Other Planning Documents

UWPA employs an integrated planning framework consisting of three primary documents:

- Master Plan – Establishes long-term objectives, planning assumptions, and decision-making principles (10–20 years)
- Strategic Plan – Identifies near-term priorities, performance objectives, and risk posture (approximately 3–5 years)
- Capital Improvement Plan (CIP) – Identifies, prioritizes, and schedules specific capital projects and funding strategies over a rolling multi-year period

This Master Plan provides the long-range context within which Strategic Plans and CIPs are developed and updated. Consistency among these documents is essential to ensure transparent, disciplined, and adaptable governance.

1.6 Planning Horizon and Flexibility

The planning horizon for this Master Plan is intentionally long-term to reflect the lifecycle of UWPA's infrastructure and the importance of preserving flexibility in the face of uncertainty. The plan does not rely on detailed forecasting or assumptions about growth, expansion, or future demand.

Instead, it establishes a framework that allows UWPA to adapt to changing conditions, regulatory outcomes, and financial realities while maintaining a consistent commitment to system reliability and responsible stewardship.

2. Planning Framework and Relationship to Other Plans

UWPA employs an integrated planning framework designed to align long-term vision, near-term priorities, and actionable capital investments. This framework ensures that decisions are deliberate, transparent, and consistent with UWPA's governance responsibilities and risk posture.

2.1 Overview of the Integrated Planning Framework

UWPA's planning framework consists of three primary planning documents, each serving a distinct role and time horizon:

Master Plan (10–20 Year Horizon)

The Master Plan establishes UWPA's long-term service objectives, planning assumptions, and decision-making principles. It provides the overarching policy and planning framework that guides UWPA's stewardship of its water conveyance and hydroelectric infrastructure over a 10- to 20-year horizon.

The Master Plan focuses on reliability, safety, regulatory compliance, risk management, and financial sustainability. It does not authorize specific projects or expenditures, nor does it rely on detailed forecasts or prescriptive solutions. Instead, it defines the boundaries, constraints, and priorities within which future decisions are evaluated.

By emphasizing principles and assumptions rather than project lists, the Master Plan preserves flexibility and remains applicable under a range of future conditions.

Strategic Plan (Approximately 3–5 Year Horizon)

The Strategic Plan translates the Master Plan's long-term direction into near-term priorities, goals, and performance objectives over a three- to five-year planning horizon. It reflects current conditions, operational realities, and emerging risks while remaining grounded in the Master Plan's long-term framework.

Strategic Plan updates allow UWPA to adjust course as conditions evolve, including changes in regulatory requirements, system condition, financial capacity, or risk exposure. The Strategic Plan serves as a key tool for aligning organizational focus, resource allocation, and Board oversight.

Capital Improvement Plan (Approximately 5–10 Year Horizon)

The Capital Improvement Plan (CIP) is the primary implementation mechanism for UWPA's infrastructure strategy. The CIP identifies, prioritizes, and schedules specific capital projects and associated funding strategies over a rolling five- to ten-year period.

Projects included in the CIP are evaluated for consistency with the Master Plan's planning principles and the Strategic Plan's priorities. The CIP provides greater specificity regarding scope, cost, timing, and funding while remaining adaptable to changing conditions.

Unlike the Master Plan, the CIP is updated regularly to reflect project progress, refined cost estimates, funding availability, and regulatory developments.

Integration and Governance

Together, the Master Plan, Strategic Plan, and Capital Improvement Plan form a cohesive planning system. The Master Plan establishes direction, the Strategic Plan sets priorities, and the CIP implements projects. Annual budgets provide formal authorization for expenditures and staffing.

This integrated approach supports effective Board governance, ensures accountability, and enables UWPA to manage risk and uncertainty while maintaining reliable service and responsible stewardship of its infrastructure.

2.2 Role of the Master Plan

The Master Plan provides the foundational policy framework for UWPA's long-range planning and decision-making. It establishes the strategic context within which all

subsequent operational, capital, financial, and regulatory actions are evaluated. The Master Plan itself does not authorize specific projects, expenditures, or rate actions; rather, it defines the governing principles, assumptions, and constraints that guide future Board and management decisions.

By focusing on long-term objectives, system reliability, regulatory compliance, and risk management—rather than project-level prescriptions—the Master Plan supports disciplined governance while preserving flexibility to respond to evolving legal, environmental, financial, and operational conditions. This approach enables UWPA to align future actions with applicable regulatory requirements while maintaining adaptive, transparent, and fiscally responsible decision-making.

2.3 Role of the Strategic Plan

The Strategic Plan serves as UWPA's primary near-term implementation instrument for the Master Plan. It translates the Master Plan's long-range policy direction into prioritized initiatives, organizational objectives, and performance measures over a three- to five-year planning horizon.

Through regular updates, the Strategic Plan enables UWPA to respond to changing operating conditions, regulatory requirements, and emerging risks while maintaining alignment with the Master Plan's long-term objectives and governance framework. This structure ensures continuity of strategic direction while supporting accountability, transparency, and adaptive management.

2.4 Role of the Capital Improvement Plan

The Capital Improvement Plan (CIP) is the primary mechanism for implementing UWPA's long-term infrastructure strategy. It translates system needs, planning assumptions, and policy direction established in the Master Plan and Strategic Plan into specific capital projects, including scope, cost estimates, schedules, and proposed funding approaches.

The CIP is maintained and updated on a rolling basis to reflect project advancement, refined cost information, funding availability, system condition assessments, and applicable regulatory or compliance requirements. This process supports informed Board oversight, fiscal discipline, and alignment of capital investments with UWPA's long-term objectives and regulatory obligations.

2.5 Relationship to Annual Budgeting and Governance

The annual budget provides the formal authorization for expenditures, staffing levels, and resource allocations necessary to implement the Strategic Plan and the Capital Improvement Plan. Budget development is informed by UWPA's long-range planning framework but is reviewed and approved separately through the Board's established governance and fiscal oversight processes.

Collectively, the Master Plan, Strategic Plan, Capital Improvement Plan, and annual budget constitute an integrated system of planning, execution, and accountability. This framework supports effective Board oversight, regulatory compliance, financial stewardship, and transparent decision-making, while ensuring that near-term actions remain aligned with UWPA's long-term objectives and public responsibilities.

2.6 Plan Alignment and Consistency

Maintaining alignment and internal consistency among UWPA's planning documents is essential to effective governance and informed decision-making. When updates to any planning document indicate changes to underlying assumptions, priorities, risk considerations, or strategic direction, related plans are reviewed and updated as appropriate to preserve coherence across the planning framework.

This integrated approach ensures that UWPA's long-term vision, near-term actions, and financial commitments remain aligned, transparent, and defensible, supporting regulatory compliance, fiscal responsibility, and sustained Board oversight.

3. Key Planning Drivers, Constraints, and Risks

UWPA's planning environment is influenced by a combination of physical, operational, financial, and regulatory factors that shape long-term decision-making. These drivers, constraints, and risks inform the assumptions and policy frameworks established in this Master Plan and provide the context for evaluating future actions.

Understanding and proactively managing these factors is essential to effective governance, regulatory compliance, and prudent infrastructure stewardship. A disciplined, risk-based planning approach enables UWPA to balance reliability, affordability, and sustainability while maintaining flexibility in the face of changing conditions.

3.1 Aging Infrastructure and Asset Condition

Much of UWPA's water conveyance and hydroelectric infrastructure was constructed decades ago, with portions dating back more than a century. While these facilities have been maintained, modified, and adapted over time, many assets exceed their original design life and were built under standards that differ significantly from current engineering, safety, and operational practices.

Aging infrastructure increases UWPA's exposure to unplanned outages, emergency repairs, and escalating lifecycle costs. In some locations, asset deterioration may be difficult to detect prior to failure, particularly where facilities are remote, buried, or otherwise difficult to access. These conditions heighten operational and financial risk and underscore the importance of proactive condition assessment, risk-based

prioritization, and timely reinvestment to support long-term reliability, safety, and regulatory compliance.

3.2 Wildfire Exposure and Emergency Risk

UWPA's water conveyance and hydroelectric systems traverse heavily forested, mountainous terrain that is increasingly exposed to wildfire risk. Wildfires pose direct threats to aboveground infrastructure—including flumes, powerhouses, control structures, transmission and distribution equipment—as well as indirect risks related to access constraints, power outages, debris flows, and post-fire erosion.

UWPA's experience during the 2001 Darby Fire in Calaveras County underscores the severity of these risks. The fire destroyed significant portions of UWPA's conveyance system, including major flume segments, resulting in extended service disruption and emergency reconstruction under challenging conditions. That event highlighted the vulnerability of exposed assets, the difficulty of accessing damaged facilities during and after wildfire events, and the importance of advance planning, redundancy, and rapid response capability. The lessons learned from the Darby Fire continue to inform UWPA's approach to infrastructure resilience, emergency preparedness, and capital reinvestment.

Wildfire-related emergencies may restrict access to critical facilities for extended periods, delay repairs, and amplify the consequences of infrastructure failure—particularly when water supply reliability is essential for fire suppression, public safety, and recovery efforts. Post-fire conditions, including slope instability and debris flows, can further threaten system integrity even after the initial event has passed.

Planning for wildfire resilience and emergency response is therefore a central driver of UWPA's long-term infrastructure strategy. This includes prioritizing risk reduction for high-consequence assets, improving system robustness and recoverability, and ensuring that planning, capital investment, and operational decisions account for increasingly frequent and severe emergency conditions.

3.3 Limited Redundancy and Single-Point Failures

Due to the historic configuration of the Utica system and the geographic constraints of the service area, portions of UWPA's infrastructure have limited redundancy. In some locations, individual facilities, conveyance segments, or operational components function as single points of failure, where loss or impairment could significantly disrupt water deliveries, hydroelectric generation, or both.

While full system redundancy is not feasible or cost-effective in all cases, understanding these vulnerabilities is essential to informed governance and long-term planning. The Master Plan emphasizes identification of high-consequence failure points, evaluation of risk exposure, and consideration of mitigation strategies that reduce the likelihood of failure or improve system recoverability when failures occur. This approach supports prudent investment decisions that balance reliability, affordability, and operational resilience within UWPA's constrained operating environment.

3.4 Financial Constraints and Affordability

UWPA operates within financial constraints that directly influence the pace and scale of infrastructure investment. Available revenues must support ongoing operations and maintenance, regulatory and compliance obligations, capital reinvestment needs, and reserve levels sufficient to respond to emergencies and unplanned events.

Given these constraints, capital investments must be carefully phased and prioritized to balance near-term affordability with the long-term risks and costs associated with deferred maintenance, emergency repairs, and service disruption. Financial limitations reinforce the need for disciplined, risk-based decision-making and transparent evaluation of tradeoffs, ensuring that limited resources are directed toward the highest-consequence needs while preserving UWPA's long-term financial sustainability and operational resilience. The Authority's capacity to manage these constraints depends heavily on protecting its hydroelectric generation revenue, which is the principal resource enabling UWPA to fund reinvestment from its own operations rather than relying solely on member contributions or deferral.

3.5 Regulatory and Compliance Uncertainty

UWPA operates within a complex and evolving regulatory environment that includes federal oversight of hydroelectric facilities and state requirements governing water rights, environmental protection, workplace safety, and dam safety. A central regulatory consideration for UWPA is the ongoing pursuit of a Federal Energy Regulatory Commission (FERC) exemption for its hydroelectric facilities. While UWPA is actively working toward this outcome, the timing, scope, and ultimate regulatory pathway remain subject to external agency review and determination.

UWPA's long-term vision under a potential exemption is grounded in responsible self-compliance. Exemption from FERC licensing does not diminish UWPA's commitment to safety, environmental stewardship, or operational accountability. Rather, UWPA views responsible self-compliance as a core governance value, one that emphasizes rigorous internal standards, proactive risk management, transparent oversight, and continued adherence to applicable state and federal requirements. This approach reflects UWPA's responsibility as a public agency entrusted with critical water and energy infrastructure.

Regulatory uncertainty is therefore a defining long-term planning risk for UWPA. This Master Plan is intentionally structured to remain valid under multiple regulatory outcomes by emphasizing flexibility, phased investment, and clear decision triggers rather than fixed assumptions or irrevocable commitments. By focusing on compliance readiness, adaptive planning, and disciplined governance, UWPA is positioned to remain operationally sound, financially responsible, and compliant regardless of the ultimate regulatory pathway.

3.6 Operational and Access Constraints

Many UWPA facilities are located in remote, steep, or rugged terrain with limited access for routine inspections, maintenance activities, and emergency response. Seasonal

weather conditions, wildfire impacts, road availability, and land ownership or easement constraints can further restrict access and limit the timing of work.

These operational realities increase the time, cost, and complexity of both planned and unplanned repairs and elevate the consequences of infrastructure failures. As a result, planning decisions must account not only for asset condition, but also for access limitations, constructability, workforce safety, and long-term operability. Recognizing these constraints supports more realistic scheduling, prudent risk management, and informed prioritization within UWPA's long-term planning framework.

3.7 Implications for Long-Range Planning

Taken together, these planning drivers, constraints, and risks underscore the need for a conservative, adaptive approach to long-range planning. UWPA's operating environment is characterized by aging infrastructure, wildfire exposure, limited redundancy, financial constraints, regulatory uncertainty, and operational access challenges. In this context, the Master Plan prioritizes reliability, safety, and regulatory compliance while preserving flexibility to respond to evolving conditions and emerging risks.

Rather than relying on detailed forecasts or prescriptive solutions that may become outdated, the Master Plan establishes a durable policy framework for evaluating tradeoffs, managing risk, and guiding future decisions. This framework is implemented through the Strategic Plan, Capital Improvement Plan, and annual budget process, ensuring that near-term actions remain aligned with long-term objectives while maintaining disciplined governance and Board oversight.

4. UWPA Background and Regional Role

This section provides an overview of the formation of the Utica Water and Power Authority (UWPA) and its role within the regional water and power system. Understanding UWPA's historical development, governance structure, and legacy infrastructure is essential to contextualizing current planning priorities, operational responsibilities, and long-term constraints.

UWPA's evolution from a historic mining-era system to a modern public agency has shaped both the configuration of its infrastructure and the obligations it carries today. This background informs the Master Plan's emphasis on risk-based stewardship, regulatory compliance, and long-term reliability within a constrained and highly interdependent regional environment.

4.1 Historical Development of the Utica System

The Utica water conveyance system originated during the California Gold Rush, when extensive networks of canals, flumes, reservoirs, and power facilities were constructed to support mining operations throughout the Sierra Nevada foothills. Over time, these facilities transitioned from privately operated mining infrastructure to assets serving broader public purposes, including municipal water supply, agricultural use, and hydroelectric generation.

The longevity of the Utica system reflects both the durability of its original construction and the successive adaptations made to accommodate evolving uses, ownership structures, and regulatory requirements. At the same time, this long history contributes directly to many of the infrastructure, operational, and compliance challenges addressed in this Master Plan. Legacy design standards, aging materials, and system configurations rooted in historic conditions shape today's planning constraints and underscore the need for deliberate, risk-based stewardship of these critical assets.

4.2 Formation of the Utica Water and Power Authority

The Utica Water and Power Authority (UWPA) was formed as a Joint Powers Authority to preserve local control over historic water rights and infrastructure that are critical to the region. Through its creation, participating public agencies established a collaborative governance structure that enables collective ownership, operation, and long-term management of the Utica system in a manner aligned with local priorities and public accountability.

4.3 UWPA's Regional Role

UWPA operates as a wholesale provider of water conveyance and hydroelectric services rather than a retail utility. Its facilities support member agencies and other public purposes by conveying water from historic source areas to downstream systems and generating hydroelectric power where feasible, consistent with available infrastructure and regulatory authorization.

UWPA's role is regional in nature, supporting multiple communities, agricultural users, and public interests across the Highway 4 corridor. The Authority does not provide retail water service, set retail rates, or engage in land-use planning. Instead, UWPA enables its member agencies to fulfill those responsibilities by maintaining reliable, compliant, and resilient backbone infrastructure. This defined role informs the Master Plan's focus on system reliability, risk management, and long-term stewardship rather than growth-driven or retail-level planning.

4.4 Importance of Local Control and Stewardship

Local control of the Utica system is a foundational principle of UWPA's mission and governance. Stewardship of historic water rights and infrastructure requires balancing current service obligations with the responsibility to preserve and maintain these assets for future generations. This balance is especially important given the age, complexity, and regional significance of the Utica system.

This Master Plan reflects UWPA’s commitment to responsible stewardship, transparent governance, and coordinated decision-making. Through collaboration with member agencies and engagement with applicable regulators, UWPA seeks to manage its infrastructure in a manner that is fiscally responsible, operationally sound, and consistent with long-term public interests, ensuring the continued viability of the Utica system as a critical regional resource.

5. Governance, Ownership, and Interagency Context

This section describes UWPA’s governance structure, ownership responsibilities, and relationships with member agencies and other public entities. Clear definition of roles, authorities, and coordination responsibilities is essential to effective long-term planning, regulatory compliance, and accountable stewardship of UWPA’s infrastructure.

By clarifying how governance, ownership, and interagency coordination function together, this section provides the institutional context necessary to support disciplined decision-making, transparent oversight, and alignment between UWPA’s long-term planning framework and its operational responsibilities.

5.1 Governance Structure

UWPA is governed by a five-member Board of Directors representing its member agencies (City of Angels Camp and Union Public Utility District) and the public. The Board is responsible for establishing policy direction; approving planning documents, budgets, and major capital investments; and providing oversight of regulatory compliance and financial stewardship.

The Board acts collectively and retains final authority over UWPA’s strategic, financial, and regulatory decisions. Board actions are guided by the Joint Powers Agreement, applicable state law, and UWPA’s adopted planning and governance documents. This structure ensures accountability, transparency, and consistency in decision-making while supporting UWPA’s long-term stewardship responsibilities.

5.2 Ownership and Operational Responsibilities

UWPA owns and operates the Utica water conveyance and hydroelectric facilities. Ownership of these assets carries responsibility for operation, maintenance, repair, regulatory compliance, and long-term stewardship consistent with applicable laws, permits, and governance policies.

UWPA’s member agencies retain responsibility for downstream distribution systems, retail water service, and customer-level operations. This clear separation of ownership and operational responsibilities supports effective governance, clarifies accountability,

and avoids duplication of roles while enabling coordinated planning across the regional water system.

5.3 Role of Management and Staff

Day-to-day operation and management of UWPA's facilities are delegated to professional staff under the direction of the Board of Directors. Staff are responsible for system operations and maintenance, regulatory coordination and compliance, project development and implementation, and preparation of reports and analyses to support Board oversight.

Staff provide technical expertise, analysis, and recommendations to inform Board decision-making, but do not exercise independent policy-making or financial authorization authority. This clear separation of roles supports accountability, transparency, and effective governance while enabling informed and timely decision-making.

5.4 Interagency Coordination

UWPA coordinates with multiple external agencies and partners in the course of its operations and long-range planning. These include its member agencies, neighboring water and power utilities, emergency response and public safety organizations, and state and federal regulatory agencies.

Effective interagency coordination is essential to maintaining reliable service, supporting emergency response, and meeting regulatory and compliance obligations. Coordination enables UWPA to align infrastructure planning, share information, manage system interdependencies, and respond efficiently to events that extend beyond UWPA's direct operational control. This collaborative approach supports regional resilience while preserving UWPA's defined governance and ownership responsibilities.

5.5 Regulatory and Institutional Relationships

UWPA interacts with a range of regulatory and institutional entities that influence operational requirements, compliance obligations, and long-term planning considerations. These include the Federal Energy Regulatory Commission (FERC), state regulatory and oversight agencies, and other institutions with jurisdiction over water rights, dam safety, environmental protection, and workplace safety.

UWPA seeks to maintain constructive, transparent, and professional relationships with regulators while preserving local control and the Board's authority over policy, planning, and investment decisions. This approach reflects UWPA's commitment to compliance, accountability, and responsible self-governance, ensuring that regulatory engagement supports rather than supplants UWPA's long-term stewardship responsibilities and public mission.

5.6 Governance Implications for Planning

UWPA's governance structure and interagency context reinforce the need for clear planning frameworks, defined roles, and documented decision-making processes.

Effective long-range planning requires alignment among the Board, management, member agencies, regulators, and external partners, particularly given the complexity of UWPA's infrastructure, regulatory environment, and risk profile.

This Master Plan supports effective governance by establishing long-term policy direction, clarifying planning boundaries, and providing a common reference point for decision-making. By doing so, it enhances transparency, accountability, and consistency across UWPA's planning, budgeting, and implementation processes while preserving Board authority and institutional flexibility.

6. System Overview and Existing Conditions

This section provides a high-level overview of UWPA's infrastructure system and summarizes existing conditions relevant to long-range planning. The intent is to describe the general nature, configuration, and condition of UWPA's water conveyance and hydroelectric assets to inform policy-level planning and governance decisions.

This overview is not intended to duplicate detailed asset inventories, engineering analyses, or project-specific evaluations. Those technical details are addressed through the Capital Improvement Plan (CIP), asset management records, and supporting studies. Instead, this section establishes the system-wide context necessary to understand planning drivers, constraints, and long-term stewardship considerations.

6.1 Overview of the Utica System

UWPA owns and operates a complex, interconnected system of reservoirs, canals, flumes, penstocks, powerhouses, and associated control, monitoring, and access facilities. The system originated during the Gold Rush era and has been modified and expanded over time to support public water conveyance and hydroelectric generation.

The Utica system traverses mountainous and heavily forested terrain, creating inherent operational challenges and exposure to environmental, wildfire, and access-related risks. System components are geographically dispersed yet operationally interdependent, requiring coordinated operation, maintenance, and planning. These characteristics influence system reliability, emergency response, and long-term stewardship considerations central to this Master Plan.

6.2 Asset Age and Design Legacy

Many components of UWPA's system exceed their original design life and were constructed using materials, methods, and engineering standards that differ substantially from modern practice. Although these facilities have provided reliable service over extended periods, age-related deterioration and legacy design limitations increase both

the likelihood of failure and the complexity, cost, and risk associated with maintenance and repair.

The historic and legacy nature of the Utica system constrains the feasibility of wholesale replacement and large-scale system reconfiguration. As a result, long-range planning must emphasize incremental, prioritized reinvestment focused on risk reduction, reliability, and compliance rather than comprehensive modernization. This approach supports responsible stewardship of legacy infrastructure while recognizing financial, environmental, and operational constraints.

6.3 Condition Assessment and Operational Experience

Understanding existing system conditions relies on a combination of inspections, routine and corrective maintenance activities, operational performance data, and staff institutional knowledge. In some locations, access limitations, embedded infrastructure, or environmental constraints restrict the ability to directly observe asset condition, increasing reliance on indirect indicators and historical performance.

Operational experience—including response to outages, emergency repairs, near-miss events, and routine maintenance—provides critical insight into system vulnerabilities, failure modes, and performance trends. This practical knowledge complements formal assessments and informs risk-based planning, prioritization, and decision-making under conditions of uncertainty.

6.4 Environmental Exposure and Climate Variability

UWPA's facilities are exposed to a range of environmental conditions, including wildfire, extreme weather events, erosion, debris flows, and seasonal access constraints. These exposures affect asset condition, maintenance needs, operational reliability, and the consequences of infrastructure failure, particularly for facilities located in remote or environmentally sensitive areas.

This Master Plan does not rely on specific climate projections or detailed modeling outputs. Instead, it assumes a range of plausible future conditions and emphasizes resilience, adaptability, and conservative decision-making in the face of uncertainty. By focusing on robustness and recoverability rather than precise prediction, the planning framework supports long-term reliability and prudent stewardship under changing environmental conditions.

6.5 Existing Constraints and Vulnerabilities

Existing system constraints include limited redundancy in certain segments, reliance on single conveyance paths, and challenges related to access, constructability, and repair logistics. In some cases, failure of individual components could result in disproportionate service impacts affecting water deliveries, power generation, or emergency response capability.

Identification and understanding of these constraints and vulnerabilities inform the risk-based planning, prioritization, and investment framework described elsewhere in this

Master Plan. Recognizing where consequences are highest supports disciplined decision-making and alignment of limited resources with UWPA's most critical reliability and compliance needs.

6.6 Relationship to Capital Planning

This overview of existing system conditions provides the policy-level context for identifying infrastructure needs and informing long-range capital planning decisions. Detailed asset inventories, condition assessments, cost estimates, and project-specific evaluations are maintained separately and reflected in the Capital Improvement Plan (CIP) and supporting technical documentation.

By intentionally separating high-level system understanding from project-level detail, the Master Plan preserves flexibility, supports disciplined prioritization, and strengthens the defensibility of future investment decisions. This structure ensures that capital planning remains responsive to changing conditions while remaining aligned with UWPA's long-term governance, risk management, and stewardship objectives.

7. Planning Assumptions and Future Conditions

This Master Plan is based on a defined set of planning assumptions that establish a consistent and defensible framework for long-range decision-making. These assumptions reflect UWPA's role, authority, governance structure, and operating environment, and are intended to guide policy-level planning rather than predict specific future outcomes.

The assumptions are designed to support reliable service, regulatory compliance, and responsible stewardship while preserving flexibility to adapt to changing conditions, emerging risks, and regulatory outcomes. By clearly documenting these assumptions, the Master Plan provides transparency, supports informed Board decision-making, and establishes a stable reference point for future updates to the Strategic Plan, Capital Improvement Plan, and annual budgets.

7.1 Service Area and Role Assumptions

This Master Plan assumes no expansion of UWPA's service area and no change in UWPA's fundamental role as a wholesale water conveyance and hydroelectric operator. UWPA does not provide retail water service and does not engage in land-use planning, growth management, or demand forecasting.

Future changes in population, land use, or customer demand are addressed by UWPA's member agencies through their respective planning and regulatory processes and are not projected or evaluated in this Master Plan. This assumption establishes clear planning boundaries and ensures that UWPA's long-range planning remains focused on system reliability, risk management, and stewardship of existing infrastructure.

7.2 Water Rights and Supply Assumptions

This Master Plan assumes continued reliance on UWPA's existing water rights and historic sources of supply. No new water rights, diversions, or additional supply sources are assumed, evaluated, or proposed as part of this plan.

The Master Plan does not assess supply augmentation, expansion, or reallocation alternatives. Any future changes to water rights, diversion capacity, or supply arrangements would require separate technical analysis, regulatory review, environmental compliance, and explicit Board authorization. This assumption ensures that long-range planning remains focused on stewardship and reliability of existing supplies rather than speculative expansion.

7.3 Climate Variability and Environmental Conditions

Planning assumptions reflect increasing climate variability, including changes in precipitation patterns, runoff timing, drought frequency, and the occurrence of extreme weather events. These conditions may affect system operations, maintenance demands, access constraints, and overall risk exposure over time.

This Master Plan does not rely on specific climate projections or modeling outputs. Instead, it assumes a range of plausible future environmental conditions and emphasizes resilience, adaptability, and conservative decision-making. This approach supports long-term reliability and prudent stewardship in the face of uncertainty while avoiding reliance on speculative forecasts.

7.4 Regulatory and Policy Environment

This Master Plan assumes continued regulatory oversight at both the federal and state levels, including requirements related to hydroelectric authorization, dam safety, environmental protection, and water resources management. A central regulatory consideration over the planning horizon is UWPA's pursuit of a Federal Energy Regulatory Commission (FERC) exemption for its hydroelectric facilities. The timing, scope, and ultimate outcome of this effort remain subject to regulatory review and determination.

The Master Plan is structured to remain valid under multiple regulatory outcomes, including achievement of a FERC exemption, continuation under full licensing or relicensing requirements, or changes in compliance obligations over time. UWPA's planning framework does not assume reduced standards or diminished oversight under any outcome. Instead, it is grounded in a commitment to responsible self-compliance as a core institutional value emphasizing rigorous internal standards, proactive risk management, transparent governance, and continued adherence to applicable state and federal requirements.

By avoiding fixed regulatory assumptions or irreversible commitments, and by reinforcing ownership of compliance responsibilities regardless of regulatory pathway, this Master Plan preserves flexibility while supporting accountability, safety, and long-term

stewardship. This approach enables UWPA to adapt to regulatory change while maintaining Board authority, local control, and a defensible compliance posture.

7.5 Capital Investment and Financial Assumptions

This Master Plan assumes that capital investments will be phased over time and aligned with UWPA's financial capacity. Large-scale, irreversible, or high-commitment investments are evaluated carefully in light of system risk, regulatory uncertainty, and long-term affordability.

Funding strategies may include a combination of operating revenues, reserves, grants, and partnerships, as appropriate. The Master Plan does not assume the availability of specific funding sources, funding levels, or financing mechanisms. Instead, it establishes a flexible framework that supports disciplined prioritization, informed Board decision-making, and adaptation to changing financial conditions.

7.6 Operational and Technological Considerations

Planning assumptions recognize that operational practices, monitoring technologies, and regulatory expectations will continue to evolve over time. This Master Plan does not assume wholesale system modernization, but supports incremental, targeted improvements where they demonstrably enhance safety, reliability, compliance readiness, or operational efficiency.

Technology adoption is evaluated within the context of lifecycle cost, maintainability, cybersecurity considerations, and staff capacity. This approach ensures that operational and technological improvements are sustainable, support long-term stewardship of legacy infrastructure, and do not create unintended operational or financial burdens.

7.7 Use and Limitations of Assumptions

The planning assumptions outlined in this section are not predictions, guarantees, or commitments. They are intended to provide a consistent and transparent baseline for evaluating options, assessing tradeoffs, and guiding future policy and investment decisions.

If conditions change materially, these assumptions may be revisited and refined through updates to the Strategic Plan, Capital Improvement Plan, or this Master Plan, subject to Board review and approval as appropriate. This approach preserves adaptability while maintaining continuity and defensibility in UWPA's long-range planning framework.

8. Service Objectives and Reliability Standards

This section defines UWPA's service objectives and the reliability standards that guide long-range planning, operational priorities, and capital investment decisions. These

objectives reflect UWPA's role as a wholesale water conveyance and hydroelectric operator and are focused on public safety, regulatory compliance, and long-term stewardship of existing infrastructure.

The service objectives and reliability standards set forth in this section are not intended to facilitate system expansion or growth. Rather, they provide a policy framework for evaluating performance, prioritizing risk reduction, and directing limited resources toward maintaining reliable, resilient, and compliant service over time.

8.1 Core Service Objectives

UWPA's primary service objective is to provide reliable and safe water conveyance and hydroelectric operations sufficient to meet existing obligations and support public safety and emergency response needs. UWPA manages its infrastructure to maintain continuity of service under normal operating conditions and to reduce both the likelihood and consequences of service disruptions.

This Master Plan does not assume or plan for expansion of service capacity beyond existing obligations. However, it does not preclude future expansion if circumstances, regional needs, regulatory conditions, and Board policy direction warrant consideration. Any potential expansion would be subject to separate analysis, regulatory review, and explicit Board authorization. Service objectives in this Master Plan therefore remain focused on reliability, risk reduction, compliance, and long-term stewardship of the existing system.

8.2 Reliability as a Planning Priority

Reliability is the central planning priority for UWPA. Reliability encompasses the ability of the system to operate as intended under normal conditions, withstand foreseeable stresses, and recover from adverse events with minimal disruption to water conveyance, power generation, and emergency response capability.

Planning and investment decisions prioritize actions that enhance system reliability, reduce the likelihood of failure, and mitigate known vulnerabilities particularly where potential failures could have high consequences for public safety, regulatory compliance, or continuity of essential services. This reliability-focused approach guides long-range planning, capital prioritization, and operational decision-making across UWPA's infrastructure portfolio.

8.3 Safety and Public Protection

Protection of public safety is a fundamental element of UWPA's service objectives. Safety considerations include the structural integrity of water conveyance facilities, the safe and compliant operation of hydroelectric assets, and the protection of employees, contractors, and the public.

Infrastructure investments, operational practices, and planning decisions are evaluated with consideration of safety risk reduction, compliance with applicable safety and regulatory standards, and emergency response readiness. This focus supports UWPA's

obligation to operate critical infrastructure responsibly while minimizing the likelihood and consequences of incidents that could affect public safety or environmental protection.

8.4 Regulatory Compliance Standards

Regulatory compliance is a core value of UWPA and a foundational element of its service objectives. UWPA is committed to maintaining compliance with applicable federal, state, and local regulatory requirements, and treats compliance as a baseline service standard rather than a discretionary objective.

As regulatory requirements evolve, UWPA's planning, operational, and capital investment decisions prioritize timely and proactive compliance to reduce enforcement risk, avoid service disruptions, and preserve operational and financial flexibility. This commitment reflects UWPA's responsibility as a public agency to exercise responsible self-compliance, maintain regulatory readiness, and steward critical infrastructure in a manner that protects public safety, environmental resources, and long-term system viability.

8.5 Emergency and Wildfire Reliability Considerations

UWPA's service objectives incorporate the need to maintain operational capability during emergency events, including wildfires, extended power outages, extreme weather, and other high-consequence disruptions. Consistent with the Strategic Plan's emphasis on risk reduction and resilience, reliability standards account for access limitations, backup power needs, operational redundancy where feasible, and coordination with emergency responders and member agencies.

UWPA's experience with past wildfire events—including system damage and access constraints—has informed a planning focus on consequence management and recovery capability. As reflected in the Capital Improvement Plan (CIP), planning and investment decisions prioritize mitigation of Tier 1 risks where failures could impair emergency response, public safety, or regulatory compliance. In many cases, improving system recoverability, repairability, and response readiness provides greater resilience than attempting to prevent all failures.

Emergency and wildfire reliability considerations are integrated into long-range planning regardless of regulatory pathway. Whether operating under a FERC exemption or continued licensing requirements, UWPA's approach emphasizes responsible self-compliance, proactive risk management, and coordination with regulatory and emergency partners. This framework supports reliable service under adverse conditions while preserving flexibility to adapt to evolving risks and regulatory expectations.

8.6 Service Limitations and Clarifications

UWPA's service objectives and reliability standards are intentionally limited in scope and purpose. UWPA does not establish retail service levels, customer-level performance standards, or growth-based service guarantees. Those responsibilities remain with member agencies and are addressed through their respective operational, regulatory, and planning processes.

The reliability standards described in this Master Plan are qualitative and policy-based rather than numeric, design-specific, or engineering-prescriptive. Detailed performance criteria, operating limits, and technical requirements are addressed through operational procedures, applicable regulatory standards, project-level analyses, and implementation mechanisms such as the Strategic Plan and the Capital Improvement Plan (CIP).

This approach preserves the Master Plan's role as a long-range governance and policy framework, supports flexibility under evolving conditions, and reinforces UWPA's core values of regulatory compliance, responsible self-compliance, and disciplined stewardship. By avoiding over-specification at the master planning level, UWPA maintains clear accountability, reduces unintended commitments, and strengthens the defensibility of future Board decisions.

9. Infrastructure Needs and Capital Planning Principles

UWPA's long-term infrastructure strategy is grounded in a disciplined, risk-based approach to identifying system needs and prioritizing capital investment. Consistent with the Strategic Plan and the Capital Improvement Plan (CIP), this approach emphasizes reliability, safety, regulatory compliance, and financial sustainability while recognizing the constraints of aging infrastructure, limited redundancy, and regulatory uncertainty.

This section describes the principles used to evaluate infrastructure needs and guide capital planning decisions at a policy level. It does not identify, rank, or authorize specific projects, funding commitments, or schedules. Project-level decisions, cost estimates, and implementation sequencing are addressed separately through the CIP and annual budget process, subject to Board approval.

By establishing clear capital planning principles rather than prescriptive solutions the Master Plan preserves flexibility under evolving conditions, including potential outcomes associated with the FERC exemption process or continued licensing requirements. These principles reinforce UWPA's core values of regulatory compliance, responsible self-compliance, and prudent stewardship, and provide a defensible framework for future capital decisions made in alignment with Board direction and available resources.

9.1 Identification of Infrastructure Needs

Infrastructure needs are identified through a combination of routine inspections, condition assessments, operational experience, regulatory findings, and structured risk evaluation. Information from maintenance records, outage and incident response, compliance activities, and staff institutional knowledge plays a critical role in understanding system performance, emerging vulnerabilities, and long-term risk exposure.

Given the age, configuration, and access limitations of the Utica system, not all asset conditions can be directly observed or fully characterized through visual inspection alone. Accordingly, identification of infrastructure needs emphasizes both observed deficiencies and potential failure modes that could result in high-consequence outcomes for public safety, regulatory compliance, service reliability, or financial stability. This approach aligns with the Strategic Plan's focus on proactive risk reduction and informs the tiered prioritization framework applied through the Capital Improvement Plan (CIP).

By integrating operational experience, regulatory obligations and consequence-based risk evaluation, UWPA ensures that infrastructure needs are identified in a manner consistent with responsible self-compliance and long-term stewardship rather than reactive response to failures.

9.2 Risk-Based Prioritization Framework

UWPA prioritizes infrastructure needs using a risk-based framework that evaluates both the likelihood of failure and the consequences of failure. Consequences may include impacts to public safety, service reliability, regulatory compliance, environmental resources, financial stability, and emergency response capability. This consequence-driven approach reflects UWPA's commitment to disciplined governance and responsible stewardship of critical infrastructure.

Consistent with the Strategic Plan and implemented through the Capital Improvement Plan (CIP), infrastructure needs are prioritized using a tiered framework that elevates projects addressing mandatory safety or regulatory requirements and those that mitigate high-consequence risks. Tier 1 priorities—where failure could result in significant safety, compliance, or service impacts—are addressed ahead of discretionary improvements, enhancements, or capacity-driven investments.

By focusing on consequence and risk reduction, UWPA ensures that limited capital resources are directed toward the most critical needs while preserving flexibility and affordability.

9.3 Capital Planning Principles

Capital planning decisions are guided by the following principles:

- Protection of public safety and system reliability, consistent with UWPA's core service objectives
- Regulatory compliance as a core value, ensuring that capital investments support proactive, responsible self-compliance
- Reduction of single-point failures and critical system vulnerabilities, with priority given to high-consequence risks
- Phased investment aligned with financial capacity, preserving affordability and reserve stability
- Preservation of flexibility under regulatory and operational uncertainty, avoiding irreversible commitments where feasible

- Consideration of lifecycle costs, constructability, and long-term operability, including maintenance and staffing implications

Together, these principles—reflected in the Strategic Plan and implemented through the Capital Improvement Plan (CIP)—support transparent, consistent, and defensible evaluation of capital needs over time. They provide a disciplined framework for Board decision-making while allowing UWPA to adapt to changing conditions and emerging risks.

9.4 Relationship to the Capital Improvement Plan

The Capital Improvement Plan (CIP) is the primary implementation tool for UWPA's infrastructure strategy. It translates infrastructure needs and capital planning principles established in this Master Plan and informed by the Strategic Plan into specific projects, schedules, cost estimates, and funding approaches over a rolling multi-year horizon.

The CIP is updated periodically to reflect changing system conditions, regulatory requirements, project progress, and financial considerations. Maintaining consistency between the Master Plan, Strategic Plan, and CIP is essential to disciplined governance and defensible capital decision-making. This alignment ensures that capital investments advance UWPA's service objectives, risk-reduction priorities, and regulatory compliance commitments while remaining responsive to evolving conditions and Board direction.

9.5 Phasing and Adaptability

Recognizing financial, operational, and regulatory constraints, UWPA emphasizes phased implementation of capital investments where feasible. Phasing allows UWPA to address the most critical risks first consistent with the tiered prioritization framework in the Strategic Plan and Capital Improvement Plan (CIP), while preserving the ability to adjust scope, timing, and sequencing as conditions evolve.

This approach reduces exposure to irreversible commitments, supports affordability and reserve stability, and enables adaptive management under uncertain future conditions. By maintaining flexibility in capital planning, UWPA strengthens its ability to respond to changing regulatory requirements, system performance, and Board policy direction while advancing long-term reliability and stewardship objectives.

9.6 Documentation and Transparency

Decisions related to infrastructure needs and capital investments are documented through Board actions, Capital Improvement Plan (CIP) updates, and annual budget approvals. This documentation provides transparency, supports accountability, and establishes a clear record of how capital decisions align with identified needs, risk-based prioritization, and adopted planning principles.

Maintaining clear and consistent documentation strengthens governance, facilitates regulatory and audit review, and ensures that capital investment decisions are

defensible, traceable, and aligned with UWPA's long-term service objectives and stewardship responsibilities.

10. Financial Strategy and Funding Philosophy

UWPA's financial strategy is designed to support reliable operations, responsible stewardship of long-lived infrastructure, and sustained regulatory compliance while maintaining affordability for member agencies and stakeholders. This strategy recognizes the financial realities associated with aging assets, variable revenues, regulatory obligations, and the need for emergency readiness.

This section establishes the principles that guide financial decision-making in support of UWPA's long-term planning objectives. Consistent with the Strategic Plan and implemented through the Capital Improvement Plan (CIP) and annual budget process, the financial strategy emphasizes disciplined prioritization, reserve stability, transparency, and flexibility under uncertain future conditions. It recognizes that the assets and obligations UWPA stewards are multi-generational, that the decisions most consequential to the Authority's financial future concern the continued operation of its revenue-generating infrastructure and the path by which it maintains regulatory compliance, and that disciplined near-term financing of necessary recapitalization preserves rather than constrains long-term value. These principles provide a defensible framework for balancing near-term affordability with long-term reliability and risk reduction.

10.1 Financial Objectives

UWPA's primary financial objectives are to:

- Maintain the financial capacity to safely operate, maintain, and repair essential infrastructure, supporting reliable service delivery
- Support timely reinvestment in aging assets to reduce long-term risk, emergency repair exposure, and lifecycle costs
- Maintain adequate reserve levels to respond to emergencies, revenue variability, and unforeseen events
- Align capital investment decisions with realistic and sustainable funding capacity, consistent with affordability considerations
- Preserve flexibility under regulatory, economic, and operational uncertainty, avoiding overcommitment
- Pursue grant funding, partnerships, and new revenue opportunities proactively, where they align with UWPA's service objectives, risk-reduction priorities, and long-term stewardship responsibilities

These objectives emphasize long-term financial stability, resilience, and stewardship rather than short-term cost minimization. UWPA's hydroelectric generation is the

dominant driver of the Authority's long-term financial position and the principal source of revenue beyond water conveyance fees. Protecting and reinvesting in that revenue-generating capacity is therefore treated as a leading financial and operational priority, because it is the asset that most enables the enterprise to fund its own renewal and to preserve future affordability for ratepayers. A proactive approach to external funding and revenue diversification consistent with the Strategic Plan and implemented through the Capital Improvement Plan (CIP) supports affordability, accelerates priority investments, and reduces reliance on reserves or member agency contributions while maintaining regulatory compliance as a core value.

10.2 Affordability and Stewardship Balance

UWPA recognizes the importance of balancing affordability for member agencies and stakeholders with the need for sustained reinvestment in critical infrastructure. While deferring maintenance or capital improvements may reduce near-term costs, prolonged deferral can increase long-term financial risk, emergency repair exposure, and potential impacts to reliability, safety, and regulatory compliance.

Accordingly, UWPA's financial strategy seeks to smooth capital investment over time, avoid sharp cost fluctuations, and prioritize funding toward the highest-consequence risks. Consistent with the Strategic Plan and implemented through the Capital Improvement Plan (CIP), this approach supports disciplined stewardship of long-lived assets while maintaining affordability, transparency, and long-term financial stability. Long-horizon analysis reinforces this posture: strategies which appear to avoid debt do not necessarily avoid cost, and that disciplined financing of necessary reinvestment is generally more protective of long-term value and affordability than continued deferral. The Authority therefore evaluates the full lifecycle cost of its choices rather than near-term cash position alone.

10.3 Reserve Policy and Financial Resilience

Financial reserves are a key component of UWPA's financial resilience and risk management strategy. Reserves provide the capacity to respond to emergency repairs, unplanned outages, regulatory-driven obligations, and other unforeseen events without immediate reliance on external financing or extraordinary revenue measures.

This Master Plan assumes that reserve levels are reviewed periodically by the Board of Directors and maintained at levels appropriate to UWPA's risk exposure, infrastructure condition, revenue variability, and operational complexity. Consistent with the Strategic Plan and Capital Improvement Plan (CIP), reserves are intended to support stability and flexibility rather than replace disciplined planning, proactive reinvestment, or pursuit of external funding opportunities. Reserve policies must account for drought conditions and the possibility of decreased revenues while also maintaining regulatory compliance and capital improvement needs. The Authority sizes its operating reserve to the most severe plausible draw it could face rather than to expected conditions, recognizing that the binding constraint on reserves is typically the regulatory compliance pathway: where a more costly compliance outcome remains possible, reserves are planned to that

contingency and released toward a lower baseline target once the favorable outcome is secured. This approach ties reserve adequacy directly to the Authority's regulatory and revenue risks rather than to a fixed figure.

10.4 Funding Sources and Strategies

UWPA's infrastructure investments may be funded through a combination of operating revenues, reserves, grants, partnerships, debt financing, and other legally available funding mechanisms. The Master Plan does not assume the availability, timing, or scale of any specific funding source and avoids reliance on speculative or uncertain revenues. Where significant recapitalization of long-lived infrastructure is required within the planning period, this Master Plan supports the disciplined use of long-term debt financing serviced from enterprise revenues, structured so that necessary reinvestment can proceed without compromising rate continuity or the Authority's revenue-generating capacity. Such financing is evaluated against realistic terms and stress-tested against adverse conditions before commitment.

Grant and partnership opportunities are pursued selectively and proactively where they align with UWPA's service objectives, risk-reduction priorities, and long-term stewardship responsibilities. Consistent with the Strategic Plan, external funding is evaluated to ensure that it does not impose undue long-term financial, operational, or regulatory obligations, compromise local control, or conflict with UWPA's core value of regulatory compliance.

10.5 Phased Investment and Financial Flexibility

Consistent with the planning assumptions of this Master Plan, capital investments are evaluated for phased implementation where feasible. Phasing allows UWPA to manage cash flow, align expenditures with available funding, and adjust investment timing in response to changing system conditions, financial capacity, and regulatory developments.

This approach supports financial flexibility, preserves affordability, and reduces exposure to irreversible commitments under uncertain future conditions. By emphasizing phased investment, UWPA strengthens its ability to adapt to evolving risks while advancing long-term reliability, regulatory compliance, and responsible stewardship of critical infrastructure. The Authority also recognizes that disciplined financing creates future optionality: once near-term obligations such as debt service are retired, the resulting financial headroom may be directed toward accelerated reinvestment, strengthened reserves, or relief to ratepayers, as Board policy and conditions at that time warrant. Preserving this future flexibility is itself a financial objective of the phased approach.

10.6 Relationship to Budgeting and Capital Planning

UWPA's financial strategy is implemented through the annual budget and the Capital Improvement Plan (CIP). The annual budget provides near-term authorization for operating and capital expenditures, while the CIP establishes multi-year capital priorities, cost estimates, and funding approaches consistent with available financial capacity.

Maintaining consistency among the Master Plan, Strategic Plan, CIP, and annual budget is essential to transparent, disciplined, and defensible financial decision-making. This alignment ensures that financial actions reflect long-term objectives, risk management priorities, and regulatory compliance commitments while preserving Board oversight and adaptability.

11. Regulatory, Risk, and Resiliency Framework

UWPA operates within a complex and evolving regulatory, operational, and risk environment that directly affects long-term infrastructure planning and decision-making. Regulatory requirements, environmental conditions, system vulnerabilities, and external events all influence how UWPA manages its assets and fulfills its public responsibilities.

This section describes the framework UWPA uses to identify, evaluate, and manage regulatory uncertainty, system risks, and resiliency needs. The framework emphasizes proactive compliance as a core value, consequence-based risk management, and adaptive planning. By focusing on policy-level principles rather than prescriptive solutions, this approach preserves flexibility, supports local control, and enables disciplined, defensible decision-making under changing conditions.

11.1 Regulatory Environment Overview

UWPA's facilities operate within a multi-layered regulatory environment that includes federal, state, and local oversight. Regulatory requirements address hydroelectric operations, water rights administration, environmental protection, dam safety, workplace safety, and related compliance obligations. These requirements influence both near-term operational practices and long-term capital planning decisions.

The regulatory landscape is dynamic, and future requirements may evolve in scope, timing, or cost. Regulatory compliance is a core value of UWPA, and the Master Plan emphasizes adaptability and compliance readiness rather than fixed assumptions or irreversible commitments. This approach supports proactive risk management, preserves local control, and enables informed Board decision-making as regulatory conditions change.

11.2 FERC Regulatory Pathways

A defining element of UWPA's long-range planning environment is the uncertainty associated with Federal Energy Regulatory Commission (FERC) oversight of its hydroelectric facilities. This Master Plan recognizes two potential regulatory pathways:

- **FERC Exemption** – Continued operation under a perpetual conduit exemption framework, issued once with no recurring renewal obligation, subject to applicable compliance, reporting, and oversight requirements. This is the pathway UWPA is actively pursuing and the highest-value long-term compliance outcome.

- FERC Relicensing – Full relicensing of hydroelectric facilities, involving expanded regulatory review and the potential for additional capital, operational, and environmental obligations. Because a full license runs only a few decades, relicensing is a recurring rather than one-time obligation over the long planning horizon, which materially increases its lifetime cost relative to a perpetual exemption.

UWPA's pursuit of a FERC exemption reflects a desire to preserve local control while maintaining high standards of safety, reliability, and regulatory compliance. The Authority treats securing the exemption as a strategic priority rather than an administrative formality, because it preserves continued generation while avoiding the recurring cost and review burden of repeated relicensing. At the same time, UWPA maintains a funded relicensing fallback so that continued generation is assured under either outcome. Regardless of the regulatory pathway, UWPA treats compliance as a core value and emphasizes responsible self-compliance, proactive risk management, and transparency in governance.

The Master Plan is intentionally structured to remain valid under either outcome by avoiding assumptions that depend on a specific regulatory result. The regulatory outcome functions as a decision trigger within UWPA's financial and reserve planning: while the exemption remains pending, the Authority sizes its reserves to the more demanding relicensing contingency and maintains a funded fallback, releasing reserves toward a lower baseline target once a perpetual exemption is secured. By focusing on risk reduction, resiliency, and phased decision-making rather than fixed regulatory expectations, UWPA preserves flexibility and supports disciplined, defensible planning under regulatory uncertainty while also reinforcing a commitment to public safety, regulatory compliance, and transparent planning as core values of the Authority's mission and operations.

11.3 Risk Management Principles

UWPA applies a structured composite risk management approach that considers both the likelihood and consequences of adverse events. Risks evaluated through this framework include infrastructure failure, wildfire impacts, regulatory noncompliance, financial exposure, and operational disruption.

Risk management principles embedded in this Master Plan include prioritization of high-consequence risks, proactive regulatory compliance planning, and integration of risk considerations into capital investment, financial strategy, and operational decision-making. This consequence-based approach aligns with the tiered prioritization framework applied through the Capital Improvement Plan (CIP) and supports disciplined allocation of limited resources to the areas of greatest need.

11.4 Wildfire Resiliency and Emergency Preparedness

Wildfire represents one of the most significant external risks to UWPA's system, given its location in forested and mountainous terrain. Planning for wildfire resiliency includes

consideration of asset hardening, defensible space, access improvements, backup power, emergency response coordination, and post-event recovery capability.

UWPA's experience during past wildfire events, including the 2001 Darby Fire in Calaveras County, informs this approach. That event demonstrated the vulnerability of exposed infrastructure, the challenges associated with access and emergency repairs, and the importance of advance planning, redundancy where feasible, and rapid recovery capability. Lessons learned from the Darby Fire continue to shape UWPA's emphasis on consequence management, system recoverability, and coordination with emergency responders to this day.

Consistent with UWPA's operating environment, the Master Plan emphasizes measures that reduce vulnerability and improve recoverability rather than attempting to eliminate wildfire risk entirely. This approach recognizes the practical limitations of operating in a high-risk environment while prioritizing public safety, system reliability, regulatory compliance, and continuity of essential services.

11.5 System Resiliency and Adaptability

Resiliency is defined as the ability of UWPA's system to withstand, respond to, and recover from adverse events while maintaining essential functions. System resiliency encompasses the physical condition and configuration of infrastructure, organizational readiness and staffing capacity, financial resilience, and coordination with external partners.

The Master Plan supports incremental, risk-informed improvements that enhance resiliency and adaptability over time, consistent with the Strategic Plan and implemented through the Capital Improvement Plan (CIP). This approach avoids premature or irreversible commitments, preserves flexibility under uncertain future conditions, and supports long-term reliability, regulatory compliance, and responsible stewardship.

11.6 Decision Triggers and Adaptive Management

Given regulatory uncertainty, environmental variability, and evolving system conditions, UWPA's planning framework incorporates adaptive management principles. Significant changes in regulatory requirements, risk exposure, asset condition, system performance, or financial capacity may trigger reevaluation of planning assumptions, capital priorities, or financial strategies.

These decision triggers are addressed through structured updates to the Strategic Plan and Capital Improvement Plan (CIP), and, when appropriate, through amendment of this Master Plan. This approach supports timely, informed adjustment while preserving Board oversight, transparency, and consistency across UWPA's planning and governance framework.

12. Implementation, Monitoring, and Plan Maintenance

This section describes how the Master Plan is implemented, monitored, and maintained over time. The Master Plan is intended to function as an active governance and planning tool that informs UWPA's ongoing decision-making, rather than as a static or self-executing document.

Through regular review, integration with other planning documents, and Board oversight, the Master Plan provides a durable framework for guiding long-range policy decisions while remaining responsive to changing conditions, emerging risks, and regulatory developments.

12.1 Implementation Through Other Planning Documents

Implementation of this Master Plan occurs through UWPA's established planning and governance processes. The Master Plan itself does not authorize projects, expenditures, or staffing; rather, it provides the long-range policy context that guides decisions made through the Strategic Plan, Capital Improvement Plan (CIP), and annual budget.

The Strategic Plan translates the Master Plan's long-term objectives, values, and risk posture into near-term priorities, initiatives, and performance goals. The CIP implements the Master Plan's infrastructure planning principles by identifying specific projects, schedules, cost estimates, and funding strategies. Annual budgets provide formal authorization for expenditures and staffing necessary to carry out approved plans.

Together, these documents ensure disciplined execution, transparency, and accountability while preserving Board oversight and flexibility in responding to changing conditions.

12.2 Performance Monitoring and Reporting

Progress toward the objectives of this Master Plan is monitored through regular reporting to the Board of Directors as part of Strategic Plan updates, Capital Improvement Plan (CIP) reviews, and annual budget discussions. Monitoring focuses on indicators related to system reliability, risk reduction, regulatory compliance, financial stability, and emergency preparedness.

The Master Plan does not establish prescriptive performance metrics or thresholds. Instead, it provides a policy framework within which performance measures may be developed, refined, and adjusted over time through the Strategic Plan and related reporting processes to reflect evolving priorities, system conditions, and regulatory expectations. This approach supports transparency, informed oversight, and adaptive management without constraining future decision-making.

12.3 Plan Maintenance and Updates

This Master Plan is intended to function as a living document. It will be reviewed by the UWPA Board of Directors at least every five years, and more frequently as warranted by

significant changes in regulatory requirements, system conditions, financial circumstances, or risk exposure.

Updates to the Master Plan may range from minor clarifications to comprehensive revisions, depending on the nature and scope of the issues prompting review. Amendments are adopted by Board action in accordance with UWPA's governance procedures. This approach ensures that the Master Plan remains current, relevant, and defensible while preserving Board oversight, transparency, and long-term planning flexibility.

12.4 Consistency and Governance Oversight

Consistency among the Master Plan, Strategic Plan, Capital Improvement Plan (CIP), and annual budget is essential to effective governance and disciplined decision-making. When inconsistencies arise, they are identified and addressed transparently through the planning, review, and budget approval processes.

The UWPA Board of Directors retains ultimate responsibility for ensuring that planning documents remain aligned with UWPA's mission, core values, risk posture, and long-term stewardship obligations. This governance oversight ensures accountability, preserves local control, and supports informed, defensible decision-making over time.

12.5 Closing Statement

This Master Plan establishes a disciplined and flexible framework for the long-term stewardship of the Utica Water and Power Authority's water conveyance and hydroelectric system. It reflects UWPA's responsibility to manage historically significant infrastructure in a manner that prioritizes public safety, system reliability, regulatory compliance, and financial sustainability.

The Plan is intentionally designed to guide decision-making rather than prescribe outcomes. By focusing on risk-based planning, phased investment, and adaptive management, UWPA preserves the ability to respond to changing regulatory conditions, environmental risks, and financial realities while maintaining continuity of service and local control. The Plan affirms that protecting the Authority's revenue-generating infrastructure, securing durable regulatory authorization, and financing necessary reinvestment in a disciplined manner together represent the value-creating path for current and future ratepayers. Implementation of the Plan occurs through established governance processes, including the Strategic Plan, Capital Improvement Plan, and annual budget, ensuring transparency, accountability, and Board oversight.

As a living document, this Master Plan will continue to evolve as conditions change and new information becomes available. Its value lies not in fixed assumptions or commitments, but in the consistent application of sound planning principles and responsible governance. Through this framework, the UWPA Board of Directors affirms its commitment to thoughtful stewardship of the Utica system for the benefit of current and future generations.



RESOLUTION NO. 2026-13

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE UTICA WATER AND POWER AUTHORITY

RESOLUTION TO ADOPT THE UTICA WATER AND POWER AUTHORITY MASTER PLAN

WHEREAS, the Utica Water and Power Authority (Utica) provides raw water to Joint Powers Authority (JPA) member agencies and irrigation contractors by operating a 27-mile-long water conveyance system; and

WHEREAS, the Board of Directors recognizes the importance of long-term strategic planning to fulfill the organization's mission, establish clear priorities, and guide the allocation of resources; and

WHEREAS, the Board of Directors recognizes that continued stewardship of Utica's infrastructure requires proactive planning, responsible asset management, operational resilience, and ongoing investment in maintenance, improvements, and regulatory compliance; and

WHEREAS, the Board of Directors recognizes that the Master Plan is intended to serve as a dynamic framework that will be reviewed periodically and may be updated or amended as necessary to reflect changing operational needs, regulatory requirements, financial conditions, infrastructure priorities, and organizational objectives; and

NOW, THEREFORE, BE IT RESOLVED, that the Utica Board officially adopts the Master Plan as presented.

BE IT FURTHER RESOLVED, that the General Manager is authorized to take all actions necessary to implement the Master Plan.

ON A MOTION by Director _____, and seconded by Director _____, the foregoing resolution was duly passed and adopted by the Board of Directors of Utica Water and Power Authority this 25th day of August, 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Karlee Karnes, Acting Board Clerk

DRAFT



Item 6C

[Return to Agenda](#)

UTICA WATER AND POWER AUTHORITY

Date: August 25, 2026
To: Erik Holt, General Manager
From: Brandi Sparks, Administrative Compliance Specialist
Re: Monthly Financial Reports

RECOMMENDED ACTION

Review the financial reporting options presented and provide direction to staff regarding the preferred format and level of detail for future Board financial reports.

SUMMARY

At the Board's request, staff has reviewed options for presenting financial information in a clearer and more useful format. Staff is presenting several reporting options for the Board's consideration. Each option provides a different level of detail and presentation, allowing the Board to determine which format best supports its oversight responsibilities. Staff's objective is to establish a consistent reporting format that is clear, concise, and useful to the Board. Once the Board identifies its preferred approach, staff can incorporate that format into future regular financial reports.

Utica Water and Power Authority

Balance Sheet Detail

June 2026

	Transaction date	Transaction type	Num	Name	Item class	Description	Split account	Debit	Credit	Amount	Balance
Assets											
1001 Operating Account										\$102,036.99	
1010 General Fund Reserve (2971)											
Beginning Balance											309,359.85
	06/30/2026	Deposit		Bank of Stockton		INTEREST PAYMENT SYSTEM GENERATE INTEREST PAYMENT SYSTEM GENERATED?	Interest Income	830.11		830.11	310,189.96
Total for 1010 General Fund Reserve (2971)											\$830.11
1011 Operating Reserve (2195)											
Beginning Balance											130,128.79
	06/01/2026	Transfer				IB XFER TO DDA XXXXXXXX2195 FUND IB XFER TO DDA XXXXXXXX2195 FUNDS TRANSFER VIA ONLINE	Operating Account	2,500.00		2,500.00	132,628.79
	06/30/2026	Deposit		Bank of Stockton		INTEREST PAYMENT SYSTEM GENERATE INTEREST PAYMENT SYSTEM GENERATED?	Interest Income	354.74		354.74	132,983.53
Total for 1011 Operating Reserve (2195)											\$2,854.74
1012 FERC Exemption/Relicense Reserve (2948)											
Beginning Balance											701,307.48
	06/01/2026	Transfer				IB XFER TO DDA XXXXXXXX2948 FUND IB XFER TO DDA XXXXXXXX2948 FUNDS TRANSFER VIA ONLINE	Operating Account	25,000.00		25,000.00	726,307.48
	06/30/2026	Deposit		Bank of Stockton		INTEREST PAYMENT SYSTEM GENERATE INTEREST PAYMENT SYSTEM GENERATED?	Interest Income	1,942.64		1,942.64	728,250.12
Total for 1012 FERC Exemption/Relicense Reserve (2948)											\$26,942.64

Utica Water and Power Authority

Balance Sheet Detail

June 2026

	Transaction date	Transaction type	Num	Name	Item class	Description	Split account	Debit	Credit	Amount	Balance
1013 FERC 5 Year Reserve (2955)											
Beginning Balance											290,745.63
	06/01/2026	Transfer				IB XFER TO DDA XXXXXXXX2955 FUND IB XFER TO DDA XXXXXXXX2955 FUNDS TRANSFER VIA ONLINE	Operating Account	5,150.00		5,150.00	295,895.63
	06/30/2026	Deposit		Bank of Stockton		INTEREST PAYMENT SYSTEM GENERATE INTEREST PAYMENT SYSTEM GENERATED?	Interest Income	788.75		788.75	296,684.38
Total for 1013 FERC 5 Year Reserve (2955)										\$5,938.75	
1014 FERC 10 Year Reserve (2070)											
Beginning Balance											64,996.09
	06/01/2026	Transfer				IB XFER TO DDA XXXXXXXX2070 FUND IB XFER TO DDA XXXXXXXX2070 FUNDS TRANSFER VIA ONLINE	Operating Account	1,000.00		1,000.00	65,996.09
	06/30/2026	Deposit		Bank of Stockton		INTEREST PAYMENT SYSTEM GENERATE INTEREST PAYMENT SYSTEM GENERATED?	Interest Income	176.52		176.52	66,172.61
Total for 1014 FERC 10 Year Reserve (2070)										\$1,176.52	
1015 Budget Balancing Reserve (2930)											
Beginning Balance											531,147.93
	06/25/2026	Transfer				DEBIT MEMO	Operating Account	463,372.35		-463,372.35	67,775.58
	06/30/2026	Deposit		Bank of Stockton		INTEREST PAYMENT SYSTEM GENERATE INTEREST PAYMENT SYSTEM GENERATED?	Interest Income	1,173.04		1,173.04	68,948.62
Total for 1015 Budget Balancing Reserve (2930)										-\$462,199.31	

Utica Water and Power Authority

July 1-August 20, 2026

	Jul 2026	Aug 1-20 2026	Total
Income			
1200 Operating Income			
1200-02 COA Water Agreement	167,628.36		167,628.36
1200-03 UPUD Water Agreement		101,750.00	101,750.00
1200-04 Irrigation Water Contractors	11,839.93	16,181.80	28,021.73
Total for 1200 Operating Income	179,468.29	117,931.80	\$297,400.09
1210 Power Sales			
1210-01 Angels Powerhouse - Power Sales	42,826.68		42,826.68
1210-02 Murphys Powerhouse - Power Sales	83,118.23		83,118.23
Total for 1210 Power Sales	125,944.91		\$125,944.91
1300 Interest Income			
1300-01 Interest Income	9.65		9.65
Total for 1300 Interest Income	9.65		\$9.65
1310 Rent Income			
1310-02 Crown Castle MFB Tower Lease Agreement	4,017.90	2,231.31	6,249.21
1310-03 Hunter Reservoir Rental House	1,180.78	1,180.78	2,361.56
1310-04 Cal.Net MFB Tower Lease Agreement	298.00	298.00	596.00
Total for 1310 Rent Income	5,496.68	3,710.09	\$9,206.77
1340 Other Non-Operating Income			
1340-01 COA Sierra Hydrographics Pass Through	400.00		400.00
Total for 1340 Other Non-Operating Income	400.00		\$400.00
1400 Grant Funding			
1400-02 Lower Utica Canal Wastegates and Gaging Stations Project	-8.58		-8.58
Total for 1400 Grant Funding	-8.58		-\$8.58
Unapplied Cash Payment Revenue	-825.09		-825.09
Total for Income	310,485.86	121,641.89	\$432,127.75
Gross Profit	310,485.86	121,641.89	\$432,127.75
Expenses			
3000 Wages, Benefits & Burden			
3100 Power			
3101 Power Wages			
3101-01 Operations & Maintenance Superintendent	9,916.85	10,185.60	20,102.45
3101-02 Hydroelectric Operator II	7,400.67	7,161.20	14,561.87
3101-03 Hydroelectric Operator I	5,146.16	5,522.92	10,669.08
Total for 3101 Power Wages	22,463.68	22,869.72	\$45,333.40
3102 Power Burden			
3102-01 Social Security, Medicare, State Unemployment Ins.	2,185.62	2,441.97	4,627.59
3102-03 Workers Comp	1,399.99		1,399.99

Utica Water and Power Authority

Profit and Loss by Month
July 1-August 20, 2026

	Jul 2026	Aug 1-20 2026	Total
Total for 3102 Power Burden	3,585.61	2,441.97	\$6,027.58
3103 Power Benefits			
3103-01 Health Insurance - SDRMA	6,599.21		6,599.21
3103-02 Health Reimbursement Account - EDIS	110.59	97.00	207.59
3103-03 Dental/Vision/Chiro/Life Insurance - Choice Builder	449.48		449.48
3103-04 CalPERS Pension	1,654.13	1,765.26	3,419.39
Total for 3103 Power Benefits	8,813.41	1,862.26	\$10,675.67
Total for 3100 Power	34,862.70	27,173.95	\$62,036.65
3200 Water			
3201 Water Wages			
3201-01 Water Conveyance Supervisor	8,343.20	8,569.60	16,912.80
3201-02 Senior Water Conveyance Operator	6,813.60	7,523.28	14,336.88
3201-03 General Manager	12,689.54	12,694.56	25,384.10
3201-04 Administrative Compliance Specialist	5,609.84	5,494.40	11,104.24
3201-05 Administrative Specialist, Clerk of the Board	5,483.20	8,963.33	14,446.53
3201-06 Hydroelectric Relief Operator and Conveyance Operator	5,586.80	6,741.16	12,327.96
3201-07 Temp. Hire for Admin Support		649.50	649.50
3201-08 Temp. Hire for Operations	800.00	3,400.00	4,200.00
3201-09 IT Administrator	3,396.98	4,506.77	7,903.75
Total for 3201 Water Wages	48,723.16	58,542.60	\$107,265.76
3202 Water Burden			
3202-01 Social Security, Medicare, State Unemployment Ins.	3,325.54	4,092.39	7,417.93
3202-03 Workers Comp - Ops, GM, and Office Staff	2,099.99		2,099.99
Total for 3202 Water Burden	5,425.53	4,092.39	\$9,517.92
3203 Water Benefits			
3203-01 Health Insurance - SDRMA	10,430.81	2,766.58	13,197.39
3203-02 Health Reimbursement Account - EDIS	5,488.78	180.00	5,668.78
3203-03 Dental/Vision/Chiro/Life Insurance - ChoiceBuilder	554.66		554.66
3203-04 CalPERS Pension	3,684.07	3,834.38	7,518.45
Total for 3203 Water Benefits	20,158.32	6,780.96	\$26,939.28
Total for 3200 Water	74,307.01	69,415.95	\$143,722.96
Total for 3000 Wages, Benefits & Burden	109,169.71	96,589.90	\$205,759.61
4000 Conveyance Maintenance and Supplies			
4000-27 Utica Canal Maintenance and Supplies	4,616.44		4,616.44
Total for 4000 Conveyance Maintenance and Supplies	4,616.44		\$4,616.44
4100 Maintenance & Repair			
4100-01 Road Maintenance	2,500.00		2,500.00
4100-06 Fuel for Vehicles and Equipment	2,000.84		2,000.84
4100-07 Maintenance for Vehicles and Equipment	313.36		313.36
4100-09 Powerhouses Maintenance and Supplies		15,859.85	15,859.85
4100-11 Misc Supplies and Repairs	24.25		24.25
Total for 4100 Maintenance & Repair	4,838.45	15,859.85	\$20,698.30

Utica Water and Power Authority

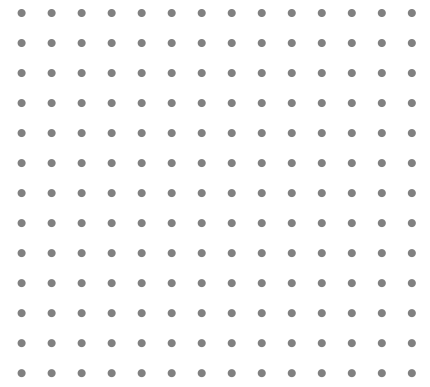
Profit and Loss by Month
July 1-August 20, 2026

	Jul 2026	Aug 1-20 2026	Total
4110 Misc. Supplies & Services			
4110-04 Headquarters Cleaning	75.00	75.00	150.00
Total for 4110 Misc. Supplies & Services	75.00	75.00	\$150.00
4120 Leases & Subscriptions			
4120-03 Office Toshiba Copier Lease	435.05		435.05
4120-04 Software Subscriptions	219.50		219.50
Total for 4120 Leases & Subscriptions	654.55		\$654.55
4200 Property & Liability Insurance			
4200-02 ACWA/JPIA Property Insurance	61,179.46		61,179.46
Total for 4200 Property & Liability Insurance	61,179.46		\$61,179.46
4300 Memberships			
4300-04 Calaveras Historical Society	50.00		50.00
Total for 4300 Memberships	50.00		\$50.00
4400 Professional/Special. Services			
4400-07 SCADA and PLC Programming	2,634.10		2,634.10
4400-08 Certified Public Accountant	181.25		181.25
4400-10 General Legal Counsel	4,420.00	765.00	5,185.00
4400-16 FERC Exemption Consultants	2,952.69		2,952.69
4400-28 Website Maintenance and Support		524.00	524.00
4400-33 Human Resources Consulting Support		1,200.00	1,200.00
4400-34 Revenue Meter Maintenance - CAISO	5,990.00		5,990.00
Total for 4400 Professional/Special. Services	16,178.04	2,489.00	\$18,667.04
4500 Governmental & Other Fees			
4500-02 FERC Annual Admin & Land Charge	10,228.85		10,228.85
4500-06 County Taxes (Booster, Hunters)		120.48	120.48
4500-07 USA North 811 Annual Fee	300.00		300.00
4500-11 United States Geological Service Fees	9,890.00		9,890.00
4500-16 Wylderidge Road Fee	470.00		470.00
Total for 4500 Governmental & Other Fees	20,888.85	120.48	\$21,009.33
4700 Utilities			
4700-01 Calaveras Public Power Agency		629.60	629.60
4700-02 PG&E	1,803.31		1,803.31
4700-05 City of Angels Water Service	435.98		435.98
4700-07 Cal Waste Garbage & Recycling	234.88		234.88
Total for 4700 Utilities	2,474.17	629.60	\$3,103.77
5000 Powerhouses			
5000-01 MPH Relay Protection Upgrade		1,242.00	1,242.00
5000-04 Feasibility & Facility Assessments	9,975.00		9,975.00
5000-11 Backup MPH Transformer	5,561.02		5,561.02
Total for 5000 Powerhouses	15,536.02	1,242.00	\$16,778.02

Utica Water and Power Authority

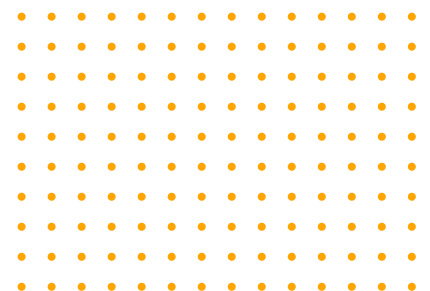
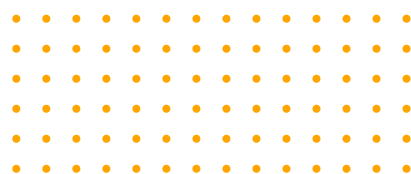
Profit and Loss by Month
July 1-August 20, 2026

	Jul 2026	Aug 1-20 2026	Total
5100 Conveyance			
5100-06 Murphys Forebay Trash Rake Replacements		1,300.00	1,300.00
Total for 5100 Conveyance		1,300.00	\$1,300.00
Unapplied Cash Bill Payment Expenditure	-470.00	0.00	-470.00
Total for Expenses	235,190.69	118,305.83	\$353,496.52
Net Operating Income	75,295.17	3,336.06	\$78,631.23
Net Income	75,295.17	3,336.06	\$78,631.23



Utica Water and Power Authority

Jul 1 - 31, 2026



Utica Water and Power Authority

Profit and Loss

July 2026

	Total
✓ Income	
✓ 1200 Operating Income	
1200-02 COA Water Agreement	167,628.36
1200-04 Irrigation Water Contractors	11,839.93
Total for 1200 Operating Income	\$179,468.29
✓ 1210 Power Sales	
1210-01 Angels Powerhouse - Power Sales	42,826.68
1210-02 Murphys Powerhouse - Power Sales	83,118.23
Total for 1210 Power Sales	\$125,944.91
✓ 1300 Interest Income	
1300-01 Interest Income	9.65
Total for 1300 Interest Income	\$9.65
✓ 1310 Rent Income	
1310-02 Crown Castle MFB Tower Lease Agreement	4,017.90
1310-03 Hunter Reservoir Rental House	1,180.78
1310-04 Cal.Net MFB Tower Lease Agreement	298.00
Total for 1310 Rent Income	\$5,496.68
✓ 1340 Other Non-Operating Income	
1340-01 COA Sierra Hydrographics Pass Through	400.00
Total for 1340 Other Non-Operating Income	\$400.00
✓ 1400 Grant Funding	
1400-02 Lower Utica Canal Wastegates and Gaging Stations Project	-8.58
Total for 1400 Grant Funding	-\$8.58
Unapplied Cash Payment Revenue	-825.09
Total for Income	\$310,485.86
Gross Profit	\$310,485.86
✓ Expenses	
✓ 3000 Wages, Benefits & Burden	
✓ 3100 Power	
✓ 3101 Power Wages	
3101-01 Operations & Maintenance Superintendent	9,916.85
3101-02 Hydroelectric Operator II	7,400.67
3101-03 Hydroelectric Operator I	5,146.16
Total for 3101 Power Wages	\$22,463.68

▼ 3102 Power Burden	
3102-01 Social Security, Medicare, State Unemployment Ins.	2,185.62
3102-03 Workers Comp	1,399.99
Total for 3102 Power Burden	\$3,585.61
▼ 3103 Power Benefits	
3103-01 Health Insurance - SDRMA	6,599.21
3103-02 Health Reimbursement Account - EDIS	110.59
3103-03 Dental/Vision/Chiro/Life Insurance - Choice Builder	449.48
3103-04 CalPERS Pension	1,654.13
Total for 3103 Power Benefits	\$8,813.41
Total for 3100 Power	\$34,862.70
▼ 3200 Water	
▼ 3201 Water Wages	
3201-01 Water Conveyance Supervisor	8,343.20
3201-02 Senior Water Conveyance Operator	6,813.60
3201-03 General Manager	12,689.54
3201-04 Administrative Compliance Specialist	5,609.84
3201-05 Administrative Specialist, Clerk of the Board	5,483.20
3201-06 Hydroelectric Relief Operator and Conveyance Operator	5,586.80
3201-08 Temp. Hire for Operations	800.00
3201-09 IT Administrator	3,396.98
Total for 3201 Water Wages	\$48,723.16
▼ 3202 Water Burden	
3202-01 Social Security, Medicare, State Unemployment Ins.	3,325.54
3202-03 Workers Comp - Ops, GM, and Office Staff	2,099.99
Total for 3202 Water Burden	\$5,425.53
▼ 3203 Water Benefits	
3203-01 Health Insurance - SDRMA	10,430.81
3203-02 Health Reimbursement Account - EDIS	5,488.78
3203-03 Dental/Vision/Chiro/Life Insurance - ChoiceBuilder	554.66
3203-04 CalPERS Pension	3,684.07
Total for 3203 Water Benefits	\$20,158.32
Total for 3200 Water	\$74,307.01
Total for 3000 Wages, Benefits & Burden	\$109,169.71
▼ 4000 Conveyance Maintenance and Supplies	
4000-27 Utica Canal Maintenance and Supplies	4,616.44
Total for 4000 Conveyance Maintenance and Supplies	\$4,616.44
▼ 4100 Maintenance & Repair	
4100-01 Road Maintenance	2,500.00
4100-06 Fuel for Vehicles and Equipment	2,000.84
4100-07 Maintenance for Vehicles and Equipment	313.36
4100-11 Misc Supplies and Repairs	24.25
Total for 4100 Maintenance & Repair	\$4,838.45

✓ 4110 Misc. Supplies & Services	
4110-04 Headquarters Cleaning	75.00
Total for 4110 Misc. Supplies & Services	\$75.00
✓ 4120 Leases & Subscriptions	
4120-03 Office Toshiba Copier Lease	435.05
4120-04 Software Subscriptions	219.50
Total for 4120 Leases & Subscriptions	\$654.55
✓ 4200 Property & Liability Insurance	
4200-02 ACWA/JPIA Property Insurance	61,179.46
Total for 4200 Property & Liability Insurance	\$61,179.46
✓ 4300 Memberships	
4300-04 Calaveras Historical Society	50.00
Total for 4300 Memberships	\$50.00
✓ 4400 Professional/Special. Services	
4400-07 SCADA and PLC Programming	2,634.10
4400-08 Certified Public Accountant	181.25
4400-10 General Legal Counsel	4,420.00
4400-16 FERC Exemption Consultants	2,952.69
4400-34 Revenue Meter Maintenance - CAISO	5,990.00
Total for 4400 Professional/Special. Services	\$16,178.04
✓ 4500 Governmental & Other Fees	
4500-02 FERC Annual Admin & Land Charge	10,228.85
4500-07 USA North 811 Annual Fee	300.00
4500-11 United States Geological Service Fees	9,890.00
4500-16 Wylderidge Road Fee	470.00
Total for 4500 Governmental & Other Fees	\$20,888.85
✓ 4700 Utilities	
4700-02 PG&E	1,803.31
4700-05 City of Angels Water Service	435.98
4700-07 Cal Waste Garbage & Recycling	234.88
Total for 4700 Utilities	\$2,474.17
✓ 5000 Powerhouses	
5000-04 Feasibility & Facility Assessments	9,975.00
5000-11 Backup MPH Transformer	5,561.02
Total for 5000 Powerhouses	\$15,536.02
Unapplied Cash Bill Payment Expenditure	-470.00
Total for Expenses	\$235,190.69
Net Operating Income	\$75,295.17
Net Income	\$75,295.17

Utica Water and Power Authority

Balance Sheet
As of July 31, 2026

	Total
✓ Assets	
✓ Current Assets	
✓ Bank Accounts	
1001 Operating Account	387,790.71
1010 General Fund Reserve (2971)	310,189.96
1011 Operating Reserve (2195)	132,983.53
1012 FERC Exemption/Relicense Reserve (2948)	728,250.12
1013 FERC 5 Year Reserve (2955)	296,684.38
1014 FERC 10 Year Reserve (2070)	66,172.61
1015 Budget Balancing Reserve (2930)	68,948.62
1030 Local Agency Investment Fund	15,043.42
1090 Petty Cash	200.00
Payroll Checking	0.00
U.S. Bank Account (obsolete)	0.00
Total for Bank Accounts	\$2,006,263.35
✓ Accounts Receivable	
1201 Accounts Receivable (A/R)	70,551.82
Total for Accounts Receivable	\$70,551.82
✓ Other Current Assets	
1201-01 Accounts Receivable	163.65
1202 Interest Receivable	0.00
1204 Prepaid expenses	70,244.00
1299 Undeposited Funds	400.00
2104 Payroll Refunds	189.58
QuickBooks Tax Holding Account	98.78
Total for Other Current Assets	\$71,096.01
Total for Current Assets	\$2,147,911.18
✓ Fixed Assets	
1311 Facilities	3,308,550.57
1315 Vehicles	326,943.31
1316 Equipment	665,305.03
1317 Construction in progress	213,757.00
1325 Accumulated Depreciation	-4,131,738.00
2100 Facility Startup & Improvement	1,061,637.89

Total for Fixed Assets	\$1,444,455.80
▼ Other Assets	
1351 FERC License	294,926.97
1355 Accumulated Amortization	-251,280.00
1360 Refinance Costs	43,899.91
1680 Transfers	0.00
1690 ISO Escrow Deposit	0.00
1695 APX Deposit	0.00
1698 PG&E Deposit	80,000.00
1700 Deposit - ORIX	0.00
1710 Deferred Outflows - Pension	217,351.00
Total for Other Assets	\$384,897.88
Total for Assets	\$3,977,264.86
▼ Liabilities and Equity	
▼ Liabilities	
▼ Current Liabilities	
▼ Accounts Payable	
2000 Accounts Payable (A/P)	0.00
Total for Accounts Payable	\$0.00
▼ Credit Cards	
6158 Umpqua Credit Accounts	8,146.06
Total for Credit Cards	\$8,146.06
▼ Other Current Liabilities	
2020 Accounts Payable	0.00
2101 Accrued Payroll & Workers Comp	24,598.23
2103 Pension Payable	0.00
2105 Compensated Absences	0.00
2110 Direct Deposit Liabilities	0.00
2111 Direct Deposit Payable	0.00
▼ 2112 Payroll Liabilities	\$0.01
2112-01 457B Roth	1,474.18
2112-02 CA PIT / SDI	0.00
2112-03 CA SUI / ETT	131.84
2112-05 CalPERS Survivor Benefits	-23.25
2112-06 CalPERS-Correct one	-971.43
2112-07 CalPERS-Water	13,284.99
2112-08 Choice Builder	8,426.75
2112-09 EE CalPers Survivor Benefits-Water	26.97
2112-10 EE Supplemental 457b (pre-tax)	4,909.48
2112-13 Federal Taxes (941/943/944)	26.33
2112-14 Federal Unemployment (940)	-138.19
2112-16 SIP After-Tax Loan Payment	2,893.29
Calaveras Superior Court	0.00

CalPERS Retirement - Power	-523.50
EDIS reimbursement	50.00
Total for 2112 Payroll Liabilities	\$29,567.47
2113 Payroll Corrections	0.00
2205 Unearned revenue	4,922.50
2210 Security Deposits	500.00
5001 Current Portion of Debt	0.00
California Department of Tax and Fee Administration Payable	0.00
Total for Other Current Liabilities	\$59,588.20
Total for Current Liabilities	\$67,734.26
✓ Long-term Liabilities	
2500 Net Pension Liability	147,653.00
2510 Deferred Inflows-Pension	3,021.00
2635 Lease Payable - US Bank	0.00
2901 Less Current Portion of Debt	0.00
5004 Note Payable - ORIX	0.00
Total for Long-term Liabilities	\$150,674.00
Total for Liabilities	\$218,408.26
✓ Equity	
2997 Contributed Capital	3,604,313.04
2999 Opening Bal Equity	1,508,714.11
2998 Retained Earnings	-1,117,299.76
Net Income	-236,870.79
Total for Equity	\$3,758,856.60
Total for Liabilities and Equity	\$3,977,264.86



Item 6D

[Return to Agenda](#)

UTICA WATER AND POWER AUTHORITY

Date: August 25, 2026
To: Erik Holt, General Manager
From: Brandi Sparks, Administrative Compliance Specialist
Re: Revised Purchasing Policy

Recommendation

Review the proposed revisions to the Utica Water and Power Authority Purchasing Policy

Background

The Purchasing Policy has been updated to clarify purchasing authority, strengthen internal controls, and ensure compliance with applicable California laws and procurement best practices. The revised policy also provides a clearer framework for the procurement of goods, professional services, public works, sole source purchases, and emergency procurements.

Summary of Changes

Key revisions include:

- Clearly defined purchasing authority and approval responsibilities.
- Updated procurement procedures for goods, services, professional services, and public works.
- Formalized requirements for sole source and emergency purchases.
- Enhanced documentation and internal control requirements.
- Updated references to applicable California laws and federal grant procurement requirements.
- Improved organization and clarity to provide consistent guidance for Authority staff.

Fiscal Impact

There is no direct fiscal impact associated with adopting this policy. The revisions strengthen financial controls, improve procurement consistency, and support compliance with applicable laws.



Utica Water and Power Authority

Purchasing Policy

PURPOSE, AUTHORITY, AND POLICY

1.1 Purpose

The purpose of this Purchasing Policy ("Policy") is to establish uniform procedures governing the procurement of supplies, equipment, materials, services, professional services, and public works by the Utica Water and Power Authority ("Authority").

This Policy is intended to:

- a. Ensure public funds are expended in a fair, ethical, transparent, and fiscally responsible manner.
- b. Promote open and fair competition whenever practical and required by law.
- c. Obtain the best value for the Authority while maintaining quality, reliability, and operational efficiency.
- d. Clearly define purchasing authority and approval responsibilities.
- e. Ensure compliance with applicable provisions of the California Government Code, California Public Contract Code, federal procurement regulations when applicable, and all other applicable laws.
- f. Maintain effective internal controls to protect Authority assets.

1.2 Authority

This Policy is adopted pursuant to California Government Code Section 54202 and other applicable provisions of California law governing procurement by local agencies and Joint Powers Authorities.

Nothing contained in this Policy shall be interpreted to supersede any applicable federal, state, or local law.

Where conflicts exist between this Policy and applicable law, the applicable law shall govern.

1.3 Guiding Principles

Authority purchasing decisions shall be based upon the following principles:

- Accountability
- Fair competition
- Fiscal responsibility
- Transparency
- Best value to the Authority
- Ethical conduct
- Compliance with applicable law

Selection of vendors shall consider price, qualifications, experience, responsiveness, quality, delivery schedule, warranty, compatibility with existing equipment, lifecycle costs, and the overall best interests of the Authority.

The Authority is not required to accept the lowest priced quotation when another vendor provides the best overall value and the decision is adequately documented.

1.4 Responsibilities

The Board of Directors establishes procurement policy and approves expenditures requiring Board authorization.

The General Manager is responsible for administering this Policy, ensuring compliance by Authority staff, and recommending contracts requiring Board approval.

Department Supervisors are responsible for planning purchases in advance, preparing specifications or scopes of work, obtaining required quotations, and ensuring adequate budget appropriations exist prior to requesting procurement.

Employees authorized to make purchases shall comply with this Policy and all applicable administrative procedures.

1.5 Budget Authority

Adoption of the Authority's annual operating or capital budget authorizes expenditure of appropriated funds but does not, by itself, authorize the General Manager or staff to execute contracts or make purchases beyond the approval authority established by this Policy.

Purchases shall remain subject to the procurement procedures and approval thresholds established herein regardless of budget adoption unless the Board expressly delegates additional authority by separate action.

PURCHASING AUTHORITY AND APPROVAL LIMITS

2.1 General Authority Structure

Purchasing authority for the Authority is established to ensure appropriate fiscal oversight, internal controls, and compliance with applicable law. Authority to initiate, approve, and execute purchases is limited to the thresholds established in this Section.

All procurement actions must:

- Be within the adopted budget;
- Comply with this Policy and applicable law;
- Be properly documented prior to purchase or contract execution; and
- Be approved by the individual(s) designated in this Section.

Budget availability alone does not constitute purchasing authority.

2.2 Purchasing Authority Matrix

The following dollar limits apply to all purchases of goods, materials, supplies, equipment, and non-professional services, unless otherwise required by law or specifically addressed in Sections governing public works or professional services.

2.2.1 Authorized Employees

- Up to \$500 per transaction
- May purchase routine supplies, materials, and small equipment
- Must follow established departmental purchasing procedures
- Must ensure budget availability prior to purchase

2.2.2 Department Supervisors

- Up to \$5000 per transaction
- Requires prior written approval from the General Manager
- Responsible for obtaining informal quotes when required by Section 4 (Procurement of Goods and Services)
- Responsible for ensuring compliance with this Policy prior to submitting requisitions or purchase orders

2.2.3 General Manager

- Up to \$50,000 per transaction
- May approve purchases and execute purchase orders within this limit
- Must ensure purchases are:
 - Within budget authority,
 - Compliant with procurement requirements, and
 - Supported by appropriate documentation (quotes, scope of work, justification)

The General Manager shall not have authority to approve or execute purchases exceeding \$50,000 unless specifically authorized by the Board of Directors or approved in the annual budget.

2.2.4 Board of Directors

- Required for:
 - All purchases and contracts exceeding \$50,000.
 - All professional service agreements exceeding General Manager authority
 - All public works contracts exceeding applicable statutory thresholds or delegated bidding limits
 - Any procurement where Board approval is required by law, grant conditions, or this Policy

Board approval may be provided through:

- Adoption of the annual budget (only where specifically identified),
- Separate Board action, or
- Ratification of emergency purchases as provided in Section 7

2.3 Professional Services Exception

Professional services (including, but not limited to engineering, legal, auditing, environmental, financial advisory, and surveying services) shall not be governed solely by the monetary thresholds in Section 2.2.

All professional service agreements shall:

- Be evaluated based on qualifications, experience, and competence consistent with applicable law;
- Be approved by the General Manager only when the total contract value is \$50,000 or less; and
- Require Board approval when exceeding \$50,000 or when otherwise required by law or this Policy.

2.4 Public Works Contracts

Public works projects are subject to the California Public Contract Code and any applicable competitive bidding requirements, including CUPCCAA if adopted by the Authority.

Approval authority is as follows:

- The General Manager may approve and execute public works contracts only within limits established by applicable law and Board authorization.
- All public works contracts exceeding statutory informal bidding limits or otherwise required by law shall be approved by the Board of Directors prior to award.

Nothing in this Policy authorizes the General Manager to circumvent statutory bidding requirements.

2.5 Emergency Authority Limitation

In emergency situations as defined in Section 7, the General Manager may take immediate action to protect life, property, or essential Authority operations.

However:

- Emergency expenditures shall be limited to what is necessary to respond to the emergency;
- Emergency actions exceeding normal approval limits shall be reported to the Board President as soon as practicable; and
- All emergency expenditures shall be presented to the Board for ratification at the next available Board meeting.

2.6 Splitting of Purchases Prohibited

No officer or employee shall divide or structure a purchase, contract, or requisition into smaller components for the purpose of avoiding approval thresholds or competitive procurement requirements.

All related or recurring purchases shall be aggregated when determining applicable approval levels.

2.7 Delegation of Authority

The General Manager may delegate purchasing authority to designated employees only within the limits of this Policy. Any delegation must:

- Be in writing;
- Identify the specific authority granted;
- Be consistent with established dollar limits; and
- Not exceed authority granted to the General Manager under this Policy.

Delegation does not relieve the General Manager of ultimate responsibility for compliance.

PROCUREMENT OF GOODS, MATERIALS, SUPPLIES, EQUIPMENT, AND NON-PROFESSIONAL SERVICES

3.1 General Requirements

All purchases of goods, materials, supplies, equipment, and non-professional services shall be conducted in a manner that ensures:

- Fair and open competition whenever practical;
- Reasonable pricing and best value to the Authority;
- Documentation sufficient to support audit and regulatory review;
- Compliance with adopted budget appropriations; and
- Adherence to applicable provisions of California law.

No procurement shall be made without appropriate authorization as established in Section 2 of this Policy.

3.2 Procurement Thresholds and Methods

The following procedures apply to all non-professional service procurements unless otherwise exempted by this Policy.

3.2.1 Purchases \$0 – \$2,500 (Low Value Purchases)

- May be purchased directly by authorized employees.
- Competitive quotes are not required but should be obtained when practical.
- Purchases shall be made at the best available price considering quality, availability, and operational need.
- Receipts or supporting documentation must be retained for audit purposes.

3.2.2 Purchases \$2,501 – \$10,000 (Informal Quotes Required)

- A minimum of three (3) informal price quotations shall be obtained whenever practicable unless a current master services agreement is signed prior or sole source acquisition is obtained.
- Quotes may be obtained via written, email, online catalog, or documented verbal communication.
- The department shall document:
 - Vendors contacted,

- Prices obtained, and
 - Basis for vendor selection.
- Department Supervisor may recommend award only with prior written approval of the General Manager per Section 2.

3.2.3 Purchases \$10,001 – \$50,000 (General Manager Approval Required)

- Require documented informal competition whenever practicable.
- Written justification shall be included in the purchase file.
- The General Manager may approve award and execution of purchase orders within this threshold in accordance with Section 2.

3.2.4 Purchases Over \$50,000 (Board Approval Required)

- Require prior approval by the Board of Directors.
- Shall be procured using one of the following methods, as appropriate:
 - Informal bid process, or
 - Formal bid process, or
 - Request for proposals (RFP), if appropriate for scope and complexity.
- Staff shall prepare a written staff report including:
 - Scope of work or specifications,
 - Funding source and budget confirmation,
 - Summary of quotes or bids received,
 - Recommendation for award.

No contract or purchase order shall be executed until Board approval is obtained, except as otherwise provided under emergency provisions.

3.3 Splitting of Purchases

Purchases shall not be divided into smaller transactions to avoid approval thresholds or competitive requirements.

Related purchases that are part of a single project, scope, or operational need shall be aggregated when determining applicable procurement thresholds.

3.4 Exempt Purchases (Non-Competitive)

The following purchases are exempt from competitive quotation requirements but still require appropriate authorization under Section 2:

- Utilities (electricity, water, gas, communications)
- Insurance premiums and claims
- Regulatory fees and permits
- Memberships and subscriptions
- Legal services approved by the Board or General Counsel
- Emergency repairs under Section 7
- Intergovernmental agreements
- Debt service payments

PROFESSIONAL SERVICES PROCUREMENT (ENGINEERING, LEGAL, ENVIRONMENTAL, FINANCIAL, AND CONSULTING SERVICES)

4.1 General Procurement Standard

Professional services shall be procured based on demonstrated competence and qualifications, in accordance with applicable California law, including where appropriate the principles of qualifications-based selection (QBS).

The Authority is not required to select the lowest cost proposer when qualifications, experience, or technical expertise are determined to provide greater value or are required by law.

4.2 Procurement Methods

Professional services may be procured using one or more of the following methods:

4.2.1 Request for Qualifications (RFQ)

Used to establish a pool of qualified consultants for ongoing or future services. Selection is based primarily on qualifications, experience, and capability.

4.2.2 Request for Proposals (RFP)

Used when the scope of work is defined and the Authority seeks both qualifications and cost proposals. Evaluation criteria shall be stated in the solicitation.

4.2.3 Request for Quote (RFQ)

Used when the scope of work is defined and the Authority seeks multiple quotes for a job when it exceeds the amounts in Section 2.2 to ensure the Authority selects the appropriate bid amounts for services.

4.2.4 Informal Solicitation

For smaller projects or routine services, the General Manager or designee may obtain informal proposals or statements of qualifications, provided documentation is maintained.

4.3 Selection Criteria

Selection of professional service providers shall be based on criteria that may include:

- Relevant experience and technical expertise
- Demonstrated performance on similar projects
- Staff qualifications and availability
- Understanding of the project scope
- Proposed methodology and approach
- Schedule capability
- Cost or fee structure, where applicable
- References and past performance

No single criterion is required to control selection unless specified in the solicitation.

4.5 Approval Authority

4.5.1 General Manager Authority

The General Manager may approve and execute professional services agreements only when:

- The total contract value is \$50,000 or less, or
- The contract is within the adopted budget, and
- Procurement procedures in this Policy have been followed.

4.5.2 Board of Directors Approval

Board approval is required for:

- All professional services contracts exceeding \$50,000
- Multi-year contracts extending beyond the current fiscal year unless expressly authorized by the Board
- Amendments or change orders that increase total contract value beyond the General Manager's authority
- Contracts of significant policy, financial, or operational impact as determined by the General Manager or Board

4.6 Master Service Agreements (MSAs)

The Authority may enter into Master Service Agreements with qualified professional service providers when ongoing or recurring services are anticipated.

Key provisions:

- An MSA establishes general terms and conditions but does not, by itself, authorize specific work or payment.
- Individual task orders or work authorizations must be issued for specific assignments.
- Each task order shall comply with applicable procurement thresholds and approval requirements under this Policy.
- The existence of an MSA does not bypass Board approval requirements.

4.7 Task Orders and Work Authorizations

All work performed under professional services agreements shall be authorized through written task orders or work authorizations that include:

- Scope of work
- Budget or fee estimate
- Schedule
- Funding source
- Required approvals

Task orders shall not exceed the authorized contract amount unless formally amended and approved at the appropriate authority level in this policy.

4.8 Conflict of Interest and Ethics

All consultants and professional service providers shall comply with applicable conflict-of-interest laws, including the California Political Reform Act.

Consultants may be required to complete conflict-of-interest disclosure forms as determined by the Authority.

No consultant shall participate in any activity where a conflict of interest exists or appears to exist.

4.9 Change Orders and Amendments

Any amendment to a professional services agreement shall require:

- Written justification describing the need for the amendment
- Confirmation of available budget
- Approval by the same authority level that approved the original contract or a higher authority level

Amendments shall not be used to circumvent procurement thresholds or competitive selection requirements.

4.10 Federal and Grant-Funded Professional Services

Where professional services are funded in whole or in part by federal or state grants, the Authority shall comply with applicable Uniform Guidance requirements (2 CFR Part 200), including:

- Full and open competition where required
- Cost or price analysis documentation
- Verification of contractor eligibility (SAM.gov or equivalent)
- Required contract clauses imposed by funding agencies

If federal or state requirements are more restrictive than this Policy, those requirements shall govern.

PUBLIC WORKS PROCUREMENT (CONSTRUCTION, REPAIR, AND CAPITAL IMPROVEMENT PROJECTS)

5.1 Purpose and Applicability

This Section governs the procurement of public works projects, including but not limited to:

- Construction of new facilities
- Reconstruction, rehabilitation, or improvement of existing facilities
- Repairs to Authority infrastructure
- Dam, reservoir, canal, pipeline, flume, penstock, and hydroelectric facility work
- Capital improvement projects (CIP)
- Site preparation and related construction activities

All public works procurement shall comply with applicable provisions of the California Public Contract Code and other applicable state and federal law.

5.2 Compliance with Law

Public works projects shall be procured in accordance with:

- California Public Contract Code requirements
- Applicable competitive bidding statutes

- CUPCCAA (if adopted and applicable to the Authority)
- Federal procurement requirements when federally funded
- Any grant-specific procurement conditions

Where conflicts exist between this Policy and applicable law, the law shall prevail.

5.3 Competitive Bidding Requirement

Except as otherwise provided by law or this Policy:

- Public works projects exceeding applicable statutory thresholds shall be awarded through a formal competitive bidding process.
- Projects below statutory formal bidding thresholds may be awarded using informal bidding procedures or other authorized procurement methods consistent with law.

No public works contract shall be split or structured to avoid competitive bidding requirements.

5.4 Procurement Methods

The Authority may utilize the following procurement methods for public works:

5.4.1 Formal Bid Process

Used for projects exceeding statutory thresholds or as otherwise required by law.

Includes:

- Public advertisement of Notice Inviting Bids
- Sealed bids submitted by contractors
- Public bid opening
- Award to the lowest responsive and responsible bidder, unless otherwise permitted by law

5.4.2 Informal Bid Process (CUPCCAA or Applicable Statute)

If the Authority participates in the California Uniform Public Construction Cost Accounting Act (CUPCCAA), or as otherwise permitted:

- Informal bids may be solicited for projects under applicable thresholds
- Contractors may be invited from prequalified or maintained lists
- Award shall be made to the lowest responsive and responsible bidder unless otherwise justified and documented

5.4.3 Design-Build Procurement

Design-build procurement may be used when authorized by law and approved by the Board of Directors, including when:

- The combined design and construction delivery method is determined to be in the best interest of the Authority
- The project requires integrated design and construction services
- Time or cost efficiencies are expected

Design-build contracts require Board approval prior to award.

5.5 Approval Authority

5.5.1 General Manager Authority

The General Manager may:

- Approve minor public works repairs or maintenance projects within adopted budget limits consistent with Section 2
- Authorize emergency repairs under Section 7
- Execute contracts only within delegated authority and applicable law

5.5.2 Board of Directors Authority

Board approval is required for:

- All formal public works contracts requiring competitive bidding
- Any construction contract exceeding statutory informal bidding limits
- Any design-build contract
- Any contract not included in the adopted budget where Board approval is required

- Any contract exceeding General Manager authority under Section 2

5.6 Contractor Responsibility and Award Standards

Contracts shall be awarded only to a responsive and responsible bidder, considering:

- Contractor experience and qualifications
- Safety record and regulatory compliance
- Financial capacity
- Past performance with the Authority or other public agencies
- Ability to meet project schedule requirements
- Bid responsiveness and completeness

The Authority is not required to award a contract solely to the lowest bidder if a bidder is determined not to be responsible or responsive, not the proper qualifications, or bid work scope subject to applicable law and proper documentation.

5.7 Bid Rejection

The Authority reserves the right to:

- Reject any or all bids
- Re-advertise a project
- Cancel a solicitation
- Waive informal irregularities when permitted by law

All bid rejections shall be documented and approved by the appropriate authority level.

5.8 Change Orders

All change orders shall:

- Be in writing
- Include a description of the scope change and justification
- Confirm budget availability
- Be approved at the same authority level as the original contract or higher

Change orders shall not be used to circumvent bidding requirements or approval thresholds.

5.9 Emergency Public Works

In the event of an emergency affecting:

- Water delivery
- Hydroelectric generation
- Dam safety
- Public health or safety
- Critical Authority infrastructure

The General Manager may authorize emergency public works actions necessary to protect life, property, or essential services.

Emergency procurement procedures shall follow Section 7 and applicable law.

All emergency public works expenditures shall be reported to the Board at the next available meeting for review and ratification.

5.10 Retention of Contractor Compliance Documents

Prior to contract execution, contractors shall provide:

- Valid contractor's license verification
- Insurance certificates meeting Authority requirements
- Bonding documentation when required
- Any required safety or regulatory certifications
-

SOLE SOURCE AND NON-COMPETITIVE PROCUREMENT

6.1 Purpose

This Section establishes requirements and limitations for sole source and other non-competitive procurements. Sole source procurement is an exception to the Authority's

standard requirement for competitive procurement and shall be used only when justified and in the best interest of the Authority.

6.2 General Policy

Competitive procurement is the preferred method for acquiring goods, materials, services, and professional services. Sole source procurement shall be used only when:

- The required item or service is reasonably available from only one source; or
- Unique circumstances exist that make competitive procurement impractical or not in the best interest of the Authority; or
- An emergency exists as defined in Section 7.

Sole source justification must be documented and approved prior to purchase whenever practicable.

6.3 Definition of Sole Source

A sole source procurement exists when:

- The product or service is proprietary and available only from one vendor;
- The vendor is the only known qualified source due to technical, operational, or compatibility requirements;
- Standardization with existing equipment or systems is necessary;
- There is no reasonable substitute that meets operational requirements; or
- Competition is otherwise determined to be infeasible or contrary to the Authority's best interest.

6.4 Approval Authority

6.4.1 General Manager Approval

The General Manager may approve sole source procurements only when:

- The total contract or purchase amount is \$50,000 or less, and
- Adequate written justification is provided, and
- The procurement is within budget and complies with this Policy.

6.4.2 Board of Directors Approval

All sole source procurements exceeding \$50,000 require prior approval by the Board of Directors unless:

- The procurement is made under emergency conditions in accordance with Section 7, or
- The Board has previously approved the specific vendor or scope of work through a contract, MSA, or budget action that clearly authorizes the expenditure.

6.5 Required Sole Source Documentation

All sole source procurements shall include written justification describing:

- Why the product or service is required
- Why competition is not feasible
- Why alternative vendors or products were not acceptable
- Technical or operational compatibility requirements (if applicable)
- Efforts made to identify other sources, if any
- Price reasonableness determination (when practicable)

The justification shall be signed by the Department Supervisor and approved by the General Manager or Board, as applicable.

6.6 Price Reasonableness

Even when competition is not available, the Authority shall take reasonable steps to ensure pricing is fair and reasonable. Methods may include:

- Comparison to previous purchases
- Published price lists or catalogs
- Independent cost estimates
- Market research
- Historical pricing data

6.7 Prohibited Use of Sole Source

Sole source procurement shall not be used to:

- Avoid competitive bidding requirements
- Favor a particular vendor without justification
- Circumvent procurement thresholds or Board approval requirements
- Split purchases or contracts into smaller components

Repeated or routine sole source awards to the same vendor shall be reviewed for compliance and necessity.

6.8 Professional Services Exception

Professional services may be exempt from competitive bidding requirements when:

- Selection is based on qualifications-based criteria permitted under California law; and
- The procurement process complies with Section 4 of this Policy

However, the sole source designation shall not be used for professional services unless a true single-source condition exists.

6.9 Emergency Exception

Sole source procurement may be authorized during emergencies when:

- Immediate action is required to protect life, public health, safety, or critical infrastructure; and
- Competitive procurement is not feasible due to time constraints

All emergency sole source actions shall comply with Section 7 and be reported to the Board as soon as practicable.

EMERGENCY PURCHASES AND DISASTER PROCUREMENT AUTHORITY

7.1 Purpose

This Section establishes procedures for emergency procurement necessary to protect life, public health and safety, property, and the continuity of essential Authority services, including water delivery and hydroelectric operations.

Emergency authority is intended to allow rapid response while maintaining reasonable fiscal controls and post-event accountability.

7.2 Definition of Emergency

An “emergency” includes any sudden, unexpected occurrence requiring immediate action to prevent or mitigate:

- Threats to life or public health and safety
- Failure or imminent failure of dams, reservoirs, canals, pipelines, flumes, penstocks, or hydroelectric facilities
- Interruption of water delivery or critical system operations
- Major infrastructure damage due to fire, flood, earthquake, landslide, storm, vandalism, or equipment failure
- Conditions that would result in significant property damage or regulatory non-compliance if not immediately addressed

An emergency exists only for the duration necessary to resolve the immediate threat.

7.3 Emergency Authority

During an emergency, the General Manager, or their designee when authorized, may:

- Authorize immediate procurement of goods, services, equipment, and construction work necessary to respond to the emergency
- Waive competitive bidding requirements when time does not permit compliance
- Execute contracts and purchase orders necessary to stabilize, repair, or restore service
- Mobilize contractors, consultants, and vendors without prior Board approval when delay would endanger life, safety, or essential operations

Emergency authority shall be exercised in good faith and limited to the scope necessary to address the emergency conditions.

7.4 Limitations on Emergency Authority

Emergency procurement authority:

- Shall not be used for non-emergency or planned work
- Shall be limited to the minimum scope necessary to address the emergency
- Shall not be used to expand project scope beyond immediate stabilization or restoration unless separately justified
- Shall not be used to circumvent normal procurement requirements for convenience or scheduling purposes

7.5 Notification Requirements

As soon as practicable during or following the initiation of emergency action, the General Manager shall:

- Notify the Board Chair or designated Board representative
- Provide a summary of the emergency condition, actions taken, and estimated costs if known
- Continue to provide updates as information becomes available and conditions evolve

7.6 Ratification by Board of Directors

All emergency expenditures exceeding standard purchasing authority shall be presented to the Board of Directors for review and ratification at the next available regular Board meeting or emergency special meeting.

The report shall include:

- Description of the emergency
- Justification for emergency procurement
- Vendors utilized and scope of work performed
- Itemized costs and expenditures
- Assessment of ongoing or follow-up work required

Board ratification does not preclude audit review or further Board action.

7.7 Competition During Emergency Conditions

To the extent feasible under emergency conditions, the Authority should:

- Obtain informal price estimates when time allows
- Select vendors capable of immediate response and qualified performance
- Avoid unnecessary or duplicative expenditures
- Document efforts to obtain reasonable pricing under the circumstances

However, the preservation of life, safety, and essential services shall take precedence over competitive procurement requirements.

7.8 Emergency Contracting for Public Works

Emergency public works procurement may be performed without formal bidding when authorized under applicable provisions of the California Public Contract Code due to emergency conditions.

Such work may include:

- Immediate repair or replacement of damaged infrastructure
- Stabilization of slopes, embankments, or hydraulic structures
- Restoration of water delivery or power generation systems
- Removal of hazards impacting Authority facilities

All emergency construction work shall be documented and later reviewed for compliance and cost reasonableness.

7.9 Transition Back to Standard Procurement

Once emergency conditions have been stabilized:

- Procurement shall return to standard procedures outlined in this Policy
- Any remaining work shall be evaluated to determine if competitive procurement is required
- Long-term repair or reconstruction shall be procured through normal bidding or professional service processes

7.10 Documentation Requirements

All emergency procurement actions shall be documented and retained, including:

- Description of emergency conditions
- Authorization by General Manager or designee
- Vendor selection rationale
- Invoices and payment records
- Contracts or purchase orders issued
- Post-emergency summary report

CREDIT CARDS, PURCHASE ORDERS, AND PROCUREMENT DOCUMENTATION CONTROLS

8.1 Purpose

This Section establishes administrative controls for the use of purchase orders, credit cards, and procurement documentation to ensure:

- Proper authorization of expenditures
- Compliance with this Policy
- Adequate audit trail and financial controls
- Prevention of unauthorized or unsupported purchases
- Accurate financial reporting

8.2 Credit Card Use

Authority-issued credit cards may be used for legitimate business expenses when:

- The purchase is within approved budget limits
- The purchase complies with this Policy

Credit card use is subject to the following controls:

- All transactions must be supported by itemized receipts

- Monthly credit card statements shall be reviewed and approved by a designated authority
- Personal or unauthorized charges are strictly prohibited
- Splitting transactions to circumvent approval limits is prohibited

Misuse of credit cards may result in disciplinary action and personal liability for improper charges.

8.3 Audit Compliance

The General Manager shall ensure periodic review of procurement practices to confirm:

- Compliance with this Policy
- Proper documentation and controls
- Appropriate use of purchasing authority
- Absence of split purchases or unauthorized expenditures

Audit findings shall be reported to the Board of Directors as necessary.



Item 6E

[Return to Agenda](#)

UTICA WATER AND POWER AUTHORITY

Date: August 25, 2026

To: Board of Directors

From: Erik Holt, General Manager

Re: Establishment of an Ad Hoc Committee on Member Agency Rate Considerations

RECOMMENDED ACTION:

Motion to establish an Ad Hoc Committee on Member Agency Rate Considerations, consisting of no more than two members of the Board of Directors appointed by the Board and Director from each member agency; to charge the Committee with evaluating rate considerations related to member agency rates and reporting its findings and any recommendations to the full Board; and to provide that the Committee shall dissolve upon delivery of its final report to the Board, or upon such earlier or later date as the Board may direct.

SUMMARY:

Staff recommends that the Board establish an ad hoc committee to evaluate rate considerations related to the rates and charges applicable to UWPA's member agencies. UWPA operates as a wholesale provider of water conveyance and hydroelectric services, and the rates and charges paid by its member agencies are a foundational element of the Authority's revenue structure. A focused, time-limited committee will allow the Board to give these considerations the deliberate attention they warrant while preserving the efficiency of regular Board meetings.

The Committee's charge would be advisory only. Its purpose is to review and evaluate matters bearing on member agency rates, which may include: the structure, methodology, and adequacy of current rates and charges; alignment of rates with the cost of providing service and with the Authority's adopted planning framework, including the Master Plan, Strategic Plan, Capital Improvement Plan; affordability considerations for member agencies and their ratepayers; reserve, capital reinvestment, and debt service implications; and the process and timeline for any future rate actions the Board may wish to consider. The Committee would gather information, work with the General Manager and staff, and return to the full Board with findings and any recommendations.

The Committee itself would take no final action, set no rates, and make no commitments on behalf of the Authority; all policy decisions and any rate actions remain exclusively with the full Board through its established governance processes.

Consistent with the Ralph M. Brown Act, the Committee is proposed as a true ad hoc committee: composed solely of less than a quorum of the Board, charged with a single defined task, and limited in duration. So constituted, the Committee is not a standing committee and is not subject to the Brown Act's open meeting requirements, though the Committee's findings and recommendations will be presented, discussed, and acted upon in open session of the full Board. Should the Board instead prefer a committee of continuing jurisdiction or one including non-Board members, staff would return with appropriate noticing and structural provisions.

In taking this action, the Board may wish to determine: which two Board members will serve on the Committee; the reporting schedule (staff suggests an initial report within 30 days, with a target of presenting final findings within 90 days); and any additional matters the Board wishes to include within, or exclude from, the Committee's scope.

FINANCIAL IMPACTS:

Establishment of the Committee has no direct fiscal impact. Staff time to support the Committee will be absorbed within the adopted budget. Should the Committee's work identify a need for outside assistance, such as a cost-of-service or rate study, any such engagement would be brought to the full Board for separate consideration and approval. The Committee's formation does not authorize expenditures, modify rates or charges, or commit the Authority to any rate action.

Attachments

None