

## REGULAR BOARD MEETING AGENDA

5:30 p.m. Tuesday September 24, 2024

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

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

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

## **UTICA BOARD OF DIRECTORS**

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

## **ORDER OF BUSINESS**

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

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

## 6. 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. Approval of minutes from the August 27, 2024, Regular Board Meeting (Walker)
- B. Financial reports for August 2024 (Walker)
- C. Generation report for August 2024 (Walker)
- D. Operations Report (Fields)
- E. Water Conveyance Report (Rasmussen)
- F. Water supply conditions report (Metzger)

## 7. Regular Agenda

A. Discussion / action adopting a Resolution of Appreciation for Mike Emehiser's 10-year anniversary.

(Joel Metzger, General Manager)

Resolution 2024-11

B. Discussion / action regarding approval of Moore's water contractor application.

(Joel Metzger, General Manager)

C. Discussion / action regarding approval of Tanner's water contractor application.

(Joel Metzger, General Manager)

D. Discussion / action regarding selection of a CPA firm to perform the FY 2023-2024 Annual Audit.

(Joel Metzger, General Manager)

E. Discussion / direction regarding the FERC Conduit Exemption Applications process, timing, and studies.

(Joel Metzger, General Manager)

## 8. Correspondence, Board / General Manager Reports, Future Agenda Items

- A. Correspondence
- B. General Manager Report
- C. Board reports

## D. Future agenda items

## 9. <u>Upcoming Board Meetings and Calendar Events</u>

Tuesday October 22, 2024, at 5:30 p.m.

Cancelled: Tuesday November 26, 2024, at 5:30 p.m. due to annual maintenance outage

Proposed: Tuesday December 10, 2024, at 5:30 p.m.

## 10. Adjournment

#### **Utica Mission Statement**

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

#### **Americans With Disabilities Act**

In compliance with Title II of the Americans with Disabilities Act, 28 CFR Part 36, if you need special assistance to participate in this meeting, please contact the Utica office at (209) 736-9419 or email your request to admin@uticawater.com. 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.

<sup>\*</sup>Indicates no paperwork is included in the agenda packet.



# Item 6A



## REGULAR BOARD MEETING MINUTES

5:30 p.m. Tuesday August 27, 2024

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

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## **UTICA BOARD OF DIRECTORS**

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

## **ORDER OF BUSINESS**

## 1. Call to Order / Pledge of Allegiance

The meeting was called to order at 5:00 p.m.

## 2. Roll Call

- Directors Present
  - Director Chick
  - o Directo Schirato
  - Director Herndon
  - Director Quincy
  - Director Conrado
- Utica Staff Present

- Joel Metzger, General Manager
- o Kyle Rasmussen, Conveyance Superintendent
- Stacie Walker, Administrative Specialist
- Brandi Sparks, Administrative Technician

#### Public

- Michael Minkler, Calaveras County Water District, General Manager
- Steve Williams, City of Angels, Interim Administrator (virtual)

## 3. Approval of Agenda

**Board Discussion:** None **Public Comment:** None

**Motion:** Director Herndon made a motion to approve the agenda

**Second:** Director Quincy

Vote: 5-0-0

Aves: Director Herndon, Director Schirato, Director Chick, Director

Quincy, Director Conrado

Noes: None Abstain: None Absent: None

## 4. Public Comment

• Mr. Michael Minkler commented that Calaveras County Water District (CCWD) will be at Union Public Utility District's (UPUD) board meeting tomorrow and City of Angels' (COA) meeting next week to give a presentation. The presentation, which was also presented at the Northern California Power Agency (NCPA) Board meeting in Murphys recently, outlines the history and gives an overview of the North Fork Project. The CCWD board will also view the presentation. Mr. Minkler said he believes the water community is at a pivotal time with upcoming FERC relicensing efforts and that challenges will only increase moving forward. He said CCWD's key focus is on strengthening the relationships between agencies. He noted that historically, CCWD, UPUD, and COA worked closely together, which is the momentum he believes is needed for relicensing. Mr. Minkler said he hopes to build on the previous relationship by holding informal joint meetings (2x2x2) of elected officials from CCWD, UPUD, and COA.

### 5. Closed Session

- The meeting adjourned to closed session at 5:01 p.m.
- A. Anticipated litigation pursuant to Government Code § 54956.9(d)(4): Two cases.
  - The public session resumed at 5:36 p.m.

- B. Reportable action from closed session.
  - · Direction was given to staff

## 6. 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. Approval of minutes from the July 23, 2024, Regular Board Meeting (Walker)
- B. Financial reports for July 2024 (Walker)
- C. Generation report for July 2024 (Walker)
- D. Operations Report (Fields)
- E. Water Conveyance Report (Rasmussen)

**Board Discussion:** None **Public Comment:** None

**Motion:** Director Herndon made a motion to approve the consent calendar

**Second:** Director Quincy

Vote: 5-0-0

Ayes: Director Herndon, Director Schirato, Director Chick, Director

Quincy, Director Conrado

Noes: None Abstain: None Absent: None

## 7. Regular Agenda

- A. Informational update regarding accruals and carryover for FY 2023-2024 (Joel Metzger, General Manager)
  - Mr. Metzger gave an update to the Board that the Administration Department had completed the accruals process and found no additional carryover from the May adopted budget. Staff will come to the Board with budget adjustments as needed throughout the year. Mr. Metzger reminded the Board the majority of carryover came from hydropower revenues that beat projections.
  - Director Quincy confirmed the carryover from FY 2023-24 is \$158,000.
- B. Discussion / action regarding Utica's Employee Handbook update
   (Joel Metzger, General Manager)
   Resolution 2024-09
  - Mr. Metzger briefed the Board on the Employee Handbook updates. He said the updates include general cleanup, and that the bulk of the updates were to clarify benefits, Cost of Living Adjustment (COLA) and/or step increase

timing, inclusion of the Paid Time Off (PTO) Payout policy, and Workplace Violence Prevention Plan (WVPP).

**Board Discussion:** Director Herndon asked if staff would acknowledge the updates to the handbook. Mr. Metzger confirmed that staff would sign an acknowledgment of receipt.

**Public Comment: None** 

Motion: Director Schirato made a motion to adopt Resolution 2024-09

adopting the revised Utica Employee Handbook

Second: Director Conrado

Poll:

Director Chick - Aye
Directo Schirato - Aye
Director Herndon - Aye
Director Quincy - Aye
Director Conrado – Aye

**Vote:** 5-0-0

- C. Discussion / possible action regarding the appointment of a new FERC Legal Counsel and update on FERC Exemption Application studies (Joel Metzger, General Manager)
  - Mr. Metzger reminded the Board that Utica's FERC legal counsel, Mike Swiger of Van Ness Feldman (VNF), passed away in August 2024, and he consulted with Rock Creek Energy Group, Troutman Pepper, VNF, and Thompson Coburn for new representation. While Troutman Pepper had an impressive portfolio, the potential conflict of interest due to their work with Calaveras County Water District (CCWD) was a concern. After reviewing strengths and weaknesses of all firms, Mr. Metzger and the FERC committee concluded that Rock Creek was the best candidate due to their reputation, hydro experience, and comparable rates to Mr. Swiger's.
  - Director Conrado spoke on behalf of the FERC committee stating the committee supported Rock Creek, citing their reputation and alignment with Stantec's recommendation.

**Board Discussion:** None **Public Comment:** None

**Motion:** Director Schirato made a motion to authorize the general manager to sign an engagement letter with Rock Creek to provide FERC special legal

counsel services to Utica. **Second:** Director Quincy

**Vote:** 5-0-0

Ayes: Director Herndon, Director Schirato, Director Chick, Director

Quincy, Director Conrado

Noes: None Abstain: None

**Absent:** None

D. Discussion / action regarding signing ACWA JPIA's Commitment to Excellence certification

(Joel Metzger, General Manager)

Resolution 2024-10

• Mr. Metzger explained that the Association of California Water Agencies Joint Power Insurance Authority (ACWA JPIA) provides Utica's property, liability, and cyber insurance, and that signing the Commitment to Excellence (C2E) will make Utica eligible for a grant staff hopes to apply to the trash rack project. The C2E, which is not a binding contract, must be signed by the Board to be accepted by ACWA JPIA. The C2E aligns with Utica's safety training and risk control.

**Board Discussion:** None **Public Comment:** None

Motion: Director Conrado made a motion to adopt Resolution 2024-10

adopting ACWA JPIA's Commitment to Excellence certification

**Second:** Director Herndon

Poll:

Director Chick - Aye
Directo Schirato - Aye
Director Herndon - Aye
Director Quincy - Aye
Director Conrado - Aye

Vote: 5-0-0

E. Discussion / direction regarding comparison of health insurance, dental, and vision

(Joel Metzger, General Manager)

- Mr. Metzger stated that, following direction from the Board to review insurance costs, admin staff compared insurance options. Looking at Special District Risk Management Authority (SDRMA), ACWA JPIA, and the California Public Employees' Retirement System (CalPERS) health and staff found in most areas the current plan offers as good or better coverage for a competitive rate. After running the comparison, staff recommends staying with SDRMA.
- Mr. Metzger said that in addition to insurance coverage, Utica offers a
  co-pay card that can be used to pay for some medical expenses, and
  staff found that the card could be expanded to cover vision and dental
  for a reasonable cost. The annual additional cost for all employees
  combined would be \$1,512. The Heath Reimbursement Arrangement
  (HRA) accounts are funded in the budget, and the money is only spent
  when used by the employee.

**Board Discussion:** Director Quincy asked if this was a Health Saving Account (HSA). Mr. Metzer explained that HSA accounts are employee-funded, while an HRA is employer-funded. Director Chick and Director Conrado spoke in favor of expanding the co-pay card functions.

Public Comment: None

**Motion:** Director Quincy made a motion to approve the use of the Authority's HRA cards for dental and vision co-pays and directed staff to bring a budget adjustment capturing this cost at mid-year

Second: Director Herndon

Vote: 5-0-0

Ayes: Director Herndon, Director Schirato, Director Chick, Director

Quincy, Director Conrado

Noes: None Abstain: None Absent: None

## 8. Correspondence, Board / General Manager Reports, Future Agenda Items

## A. Correspondence

None

## B. General Manager Report

- Booster Way Sewer Project substantial parking lot damaged, and staff has requested the parking area be resurfaced. Sewer service will be interrupted in the next few weeks.
- Dogtown Ditch Staff had a meeting to discuss water rights and came to an understanding with Lonnie Broglio that the Dogtown Ditch Association does not hold any water rights – they are a contractor with Utica, just like the other 20+ water contractors along the system.
- Irrigation new requests for irrigation contract water are expected next meeting.
- Trash Rake concrete work will happen during the November outage and a brief outage to install gates in December.
- WG Automation Updating power supply and connecting SCADA once commissioned two more gates will be purchased (Grant Funded)
- USBR Grant 50% funding for shotcrete will allow staff to complete twice as much overlay each outage
- EAP Rewrite Completed by Mr. Heryford, the Chief Dam Safety Engineer (CDSE) commented, and drafts submitted to FERC and California Office of Emergency Services (CalOES). EAP reprint and inundation maps are due next year.
- Water Sales Sold water to NCPA in July, August, and expect to sell in September
- FERC Exemption All studies and permits are moving forward. Calls with State Water Board and California Department of Fish and Wildlife (CDFW) discussion for comment table scheduled. Section 106 process kicking off

this week to determine updates needed. The Special Use Permit is complete and will be moving to the next step. Staff is still targeting final application submission in early 2025.

Director Conrado asked about the status of the electrical drop on Wyldridge.
Mr. Metzger said that during the meter installation, Pacific Gas and Electric
Co. (PG&E) found that underground lines replaced the overhead lines, so
a connection couldn't be made. This was not communicated to Utica staff,
nor was it known by many PG&E staff. Ms. Sparks filed a claim – in the past
week a P&GE staff member acknowledged fault and is working to get the
underground power to the site at no additional cost to Utica. Staff will keep
the Board updated.

## C. Board reports

- COA
  - Adopted a Noise Ordinance for construction and animals
  - Progress at Utica Park playground section may open in the next month
  - Accepted financial audit
  - Change order for Booster Way sewer project approved
  - COA rate study meeting tomorrow
- UPUD
  - July Board meeting was cancelled
  - o Tomorrow's meeting will present Prop 218 rate structure
  - \$1.5 million loan approved to address Capital Improvement Plan (CIP)
  - CCWD to present at August Board Meeting
- D. Future agenda items

## 9. Upcoming Board Meetings and Calendar Events

- Tuesday September 24, 2024, at 5:30 p.m.
  - Alternates expected for Schirato and Quincy
- Tuesday October 22, 2024, at 5:30 p.m.

## 10. Adjournment

Motion: Director Schirato made a motion to adjourn the meeting at

6:20 p.m.

Second: Director Quincy

**Vote:** 5-0-0

Ayes: Director Herndon, Director Schirato, Director Chick, Director

Quincy, Director Conrado

Noes: None

Abstain: None Absent: None

The meeting was adjourned at 6:20 p.m.

### **Utica Mission Statement**

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## **Questions?**

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# Item 6B

## UTICA WATER AND POWER AUTHORITY

Date: September 24, 2024

**To:** Joel Metzger, General Manager

From: Brandi Sparks, Administrative Technician

**Re:** Financial Report for August 2024

### **Power Generation and Revenue:**

In August 2024, Angels Powerhouse (APH) generated \$33,522 in revenue and Murphys Powerhouse (MPH) generated \$82,511. The combined net revenues of the powerhouses totaled \$116,033.

## Water Sales and Irrigation:

A sale of 500 acre-feet (AF) of water to Northern California Power Agency (NCPA) occurred, generating \$40,000 in revenue.

The Administration Department invoiced irrigation water contractors for the 2024 Irrigation Season. All irrigation invoices totaled \$32,651. As of August 31, 2024, the Authority has received \$28,064 in irrigator payments.

## **Power / Water Revenue Trade-Off:**

Every month, NCPA provides an offer price to buy water from Utica by the acre foot. Utica staff evaluates whether the offer from NCPA would generate more revenue than running that same water through the powerhouses – in addition to a variety of other factors – and makes a determination on whether to sell water.

One of the other factors is the Power Purchase Agreement (PPA) between Utica and PG&E through the Renewable Energy Market Adjusting Tariff (ReMAT) and determined that continuing with planned generation would likely cause the Authority to exceed the allowable generation at MPH – mostly due to consecutive winters that were average or above average. According to the PPA, any generation exceeding 120% of the contract amount will be purchased by PG&E at 75% of the contract rate per megawatt hour (MWH). To avoid this negative outcome, staff opted to sell a portion of Utica's water to the NCPA and reduce flows to both powerhouses, thereby lowering generation capacity to avoid penalties. The annual contract quantities reset on December 1.

Projected generation for August = \$145,705

Actual generation plus NCPA water sale = \$156,033

## **Interest Income:**

The Authority's funds are held in interest-bearing checking and money market accounts at the Bank of Stockton. These accounts earned \$8,697.09 in interest income for the month of August 2024.

## Utica Water and Power Authority

Budget vs. Actuals: FY 2024 - 2025 - FY25 P&L

July 2024 - June 2025

| Table   Tabl   |  | TOTAL        |                |               |                |
|--|--|--------------|----------------|---------------|----------------|
| 1200 Operating Income   1200-01 NOFA Water Sales   35,000.00   31,999.99   34,999.91   34,000.00   370,000.   |  | ACTUAL       | BUDGET         | _             | REMAINING      |
| 1200-01 NCPA Water Sales   35,000.00   30,000   34,999.90   34,999.90   1200-02 COA Water Agreement   30,000   370,000.00   370,000.00   370,000.00   370,000.00   370,000.00   370,000.00   370,000.00   1200-03 UPUD Water Agreement   30,000.00   370,000.00   370,000.00   1200-04 Irrigation Water Contractors   29,059.81   44,000.00   -1,000.00   1,00   | Income   |              |                |               |                |
| 1200-02 COA Water Agreement   0.00 370,000.00 370,000.00 1200-03 UPUD Water Agreement   0.00 370,000.00 370,   | 1200 Operating Income  |              |                |               |                |
| 1200-03 UPUD Water Agreement   0.00   370,000.00   370,000.00   1200-04 Irrigation Water Contractors   2,055.81   44,000.00   14,940.19   14,940.19   1200-05 Istury Line / CCWD Wheeling Fees   1,000.00   705,000   | 1200-01 NCPA Water Sales   | 35,000.00    | 0.01           | 34,999.99     | -34,999.99     |
| 1200-04 Irrigation Water Contractors   29,059.81   44,000.00   14,940.19   1,090.00   1,000.00      | 1200-02 COA Water Agreement                                      |              | 370,000.00     | -370,000.00   | 370,000.00     |
| 1,000.05 1200-05 Slurry Line / CCWD Wheeling Fees  | 1200-03 UPUD Water Agreement                                     | 0.00         | 370,000.00     | -370,000.00   | 370,000.00     |
| Total 1200 Operating Income  | 1200-04 Irrigation Water Contractors                             | 29,059.81    | 44,000.00      | -14,940.19    | 14,940.19      |
| 1210 Power Sales   | 1200-05 1200-05 Slurry Line / CCWD Wheeling Fees                 |              | 1,000.00       | -1,000.00     | 1,000.00       |
| 1210-01 Angels Powerhouse - Power Sales   32,753.39   576,681.00   -543,927.61   543,927.61   1210-02 Murphys Powerhouse - Power Sales   84,301.84   1,124,321.00   -1,040,019.16   1,040,019.17   1,04   | Total 1200 Operating Income                                      | 64,059.81    | 785,000.01     | -720,940.20   | 720,940.2      |
| 1210-02 Murphys Powerhouse - Power Sales   | 1210 Power Sales   |              |                |               |                |
| Total 1210 Power Sales   | 1210-01 Angels Powerhouse - Power Sales                          | 32,753.39    | 576,681.00     | -543,927.61   | 543,927.6      |
| 1300 Interest Income   | 1210-02 Murphys Powerhouse - Power Sales                         | 84,301.84    | 1,124,321.00   | -1,040,019.16 | 1,040,019.10   |
| 17,988.73   75,000.00   -57,011.27   57,   | Total 1210 Power Sales   | 117,055.23   | 1,701,002.00   | -1,583,946.77 | 1,583,946.7    |
| Total 1300 Interest Income   | 1300 Interest Income   |              | 0.00           | 0.00          | 0.0            |
| 1310 Rent Income   | 1300-01 Interest Income  | 17,988.73    | 75,000.00      | -57,011.27    | 57,011.2       |
| 1310-01 Sierra HOPE Lease Agreement  | Total 1300 Interest Income                                       | 17,988.73    | 75,000.00      | -57,011.27    | 57,011.2       |
| 1310-02 Crown Castle MFB Tower Lease Agreement       10,938.04       25,900.00       -14,961.96       14,961.93         1310-03 Hunter Reservoir Rental House       3,373.65       13,497.00       -10,123.35       10,123.33         1310-04 Cal. Net MFB Tower Lease Agreement       750.00       3,336.00       -2,586.00       2,586.00         Total 1310 Rent Income       19,948.69       62,281.00       -42,332.31       42,332.31         1340 Other Non-Operating Income       1,200.00       5,000.00       -3,800.00       3,800.00         1340-01 COA Sierra Hydrographics Pass Through       1,200.00       5,000.00       -3,800.00       3,800.00         1340-02 Other Income       173.80       5,000.00       -3,802.00       3,826.20         1350 Reserve Income       1,373.80       5,000.00       -3,802.00       2,826.20         1350-03 FERC Relicensing / Exemption Reserve (transfer in)       230,000.00       -23,000.00       24,769.00         1350-04 FERC 10 Year Plan Reserve       264,769.00       -24,769.00       24,769.00         1400 Grant Funding       950,000.00       950,000.00       950,000.00         1400-02 Lower Utica Canal Wastegates and Gaging Stations Project       950,000.00       975,458.00       25,458.00         Total 1400 Grant Funding       \$220,470.64       \$  | 1310 Rent Income   |              |                |               |                |
| 1310-02 Crown Castle MFB Tower Lease Agreement       10,938.04       25,900.00       -14,961.96       14,961.93         1310-03 Hunter Reservoir Rental House       3,373.65       13,497.00       -10,123.35       10,123.33         1310-04 Cal. Net MFB Tower Lease Agreement       750.00       3,336.00       -2,586.00       2,586.00         Total 1310 Rent Income       19,948.69       62,281.00       -42,332.31       42,332.31         1340 Other Non-Operating Income       1,200.00       5,000.00       -3,800.00       3,800.00         1340-01 COA Sierra Hydrographics Pass Through       1,200.00       5,000.00       -3,800.00       3,800.00         1340-02 Other Income       173.80       5,000.00       -3,802.00       3,826.20         1350 Reserve Income       1,373.80       5,000.00       -3,802.00       2,826.20         1350-03 FERC Relicensing / Exemption Reserve (transfer in)       230,000.00       -23,000.00       24,769.00         1350-04 FERC 10 Year Plan Reserve       264,769.00       -24,769.00       24,769.00         1400 Grant Funding       950,000.00       950,000.00       950,000.00         1400-02 Lower Utica Canal Wastegates and Gaging Stations Project       950,000.00       975,458.00       25,458.00         Total 1400 Grant Funding       \$220,470.64       \$  | 1310-01 Sierra HOPE Lease Agreement                              | 4.887.00     | 19.548.00      | -14.661.00    | 14.661.0       |
| 1310-03 Hunter Reservoir Rental House 750.00 13,497.00 -10,123.35 10,123.51 1310-04 Cal.Net MFB Tower Lease Agreement 750.00 3,336.00 -2,586.00 2,586.00 Total 1310 Rent Income 19,948.69 62,281.00 -42,332.31 42,332.31 1340 Other Non-Operating Income 11,200.00 5,000.00 3,800.00 3,800.00 1340-02 Other Income 173.80 173 | · ·  |              |                |               |                |
| 1310-04 Cal.Net MFB Tower Lease Agreement   750.00   3,336.00   2,586.00   2,586.00   Total 1310 Rent Income   19,948.69   62,281.00   -42,332.31   42,332.31   1340 Other Non-Operating Income   1,200.00   5,000.00   3,800.00   3,800.00   1340-02 Other Income   173.80   1   | · ·  |              |                |               |                |
| Total 1310 Rent Income         19,948.69         62,281.00         -42,332.31         42,332.31           1340 Other Non-Operating Income         1,200.00         5,000.00         -3,800.00         3,800.00           1340-02 Other Income         173.80         5,000.00         -3,800.00         3,800.00           1350 Reserve Income         1,373.80         5,000.00         -3,626.20         3,626.20           1350 Reserve Income         230,000.00         -230,000.00         230,000.00         24,769.00         24,769.00           1350-03 FERC Five Year Plan Reserve         24,769.00         -24,769.00         24,769.00         24,769.00         24,769.00           1350-04 FERC 10 Year Plan Reserve         10,000.00         -10,000.00         10,000.00         10,000.00         10,000.00         264,769.00  |  |              |                |               | 2,586.00       |
| 1340-01 COA Sierra Hydrographics Pass Through       1,200.00       5,000.00       -3,800.00       3,800.00         1340-02 Other Income       173.80       5,000.00       -3,626.20       3,626.20         Total 1340 Other Non-Operating Income       1,373.80       5,000.00       -3,626.20       3,626.20         1350 Reserve Income       230,000.00       -230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       24,769.00       24,769.00       24,769.00       24,769.00       24,769.00       24,769.00       24,769.00       264,769.  |  | 19,948.69    |                |               | 42,332.3       |
| 1340-02 Other Income       173.80       173.80       -173.80         Total 1340 Other Non-Operating Income       1,373.80       5,000.00       -3,626.20       3,626.20         1350 Reserve Income       230,000.00       -230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       24,769.00       24,769.00       24,769.00       24,769.00       24,769.00       24,769.00       264,769.00       10,000.00       10,000.00       10,000.00       10,000.00       10,000.00       10,000.00       10,000.00       264,769.00<   | 1340 Other Non-Operating Income                                  |              |                |               |                |
| Total 1340 Other Non-Operating Income         1,373.80         5,000.00         -3,626.20         3,626.20           1350 Reserve Income         1350-01 FERC Relicensing / Exemption Reserve (transfer in)         230,000.00         -230,000.00         230,000.00         230,000.00         230,000.00         230,000.00         230,000.00         230,000.00         230,000.00         230,000.00         230,000.00         230,000.00         230,000.00         24,769.00         24,769.00         24,769.00         24,769.00         24,769.00         24,769.00         24,769.00         10,000.00         10,000.00         10,000.00         10,000.00         10,000.00         264,769.00         264,76  | 1340-01 COA Sierra Hydrographics Pass Through                    | 1,200.00     | 5,000.00       | -3,800.00     | 3,800.0        |
| 1350 Reserve Income       230,000.00       -230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       230,000.00       24,769.00       24,769.00       24,769.00       24,769.00       24,769.00       24,769.00       24,769.00       264,769.00       264,769.00       264,769.00       10,000.00        10,000.00       264,769.00<   | 1340-02 Other Income   | 173.80       |                | 173.80        | -173.8         |
| 1350-01 FERC Relicensing / Exemption Reserve (transfer in)   230,000.00   -230,000.00   230,000.00   1350-03 FERC Five Year Plan Reserve   24,769.00   -24,769.00   24,769.00   1350-04 FERC 10 Year Plan Reserve   10,000.00   -10,000.00   10,000.   | Total 1340 Other Non-Operating Income                            | 1,373.80     | 5,000.00       | -3,626.20     | 3,626.2        |
| 1350-03 FERC Five Year Plan Reserve       24,769.00       -24,769.00       24,769.00       24,769.00       10,000.00       10,000.00       10,000.00       10,000.00       10,000.00       10,000.00       10,000.00       264,769.00       25,458.00       25,458.00       25,458.00       25,458.00       25,458.00       25,458.00       25,458.00       27,458.00       27,458.00       27,458.00       26,458.00       26,458.00   | 1350 Reserve Income  |              |                |               |                |
| 1350-04 FERC 10 Year Plan Reserve       10,000.00       -10,000.00       10,000.00         Total 1350 Reserve Income       264,769.00       -264,769.00       264,769.00         1400 Grant Funding       950,000.00       -950,000.00       950,000.00         1400-02 Lower Utica Canal Wastegates and Gaging Stations Project       25,458.00       -25,458.00       25,458.00         Total 1400 Grant Funding       975,458.00       -975,458.00       975,458.00         Sales       1.12       1.12       -1.1         Unapplied Cash Payment Revenue       43.26       43.26       -43.2         Total Income       \$220,470.64       \$3,868,510.01       \$-3,648,039.37         GROSS PROFIT       \$220,470.64       \$3,868,510.01       \$-3,648,039.37         Expenses  | 1350-01 FERC Relicensing / Exemption Reserve (transfer in)       |              | 230,000.00     | -230,000.00   | 230,000.0      |
| Total 1350 Reserve Income         264,769.00         -264,769.00         264,769.00           1400 Grant Funding         1400-01 Hunter Reservoir Fuels Reduction Project         950,000.00         -950,000.00         950,000.00           1400-02 Lower Utica Canal Wastegates and Gaging Stations Project         25,458.00         -25,458.00         25,458.00           Total 1400 Grant Funding         975,458.00         -975,458.00         975,458.00           Sales         1.12         1.12         -1.1           Unapplied Cash Payment Revenue         43.26         43.26         -43.2           Total Income         \$220,470.64         \$3,868,510.01         \$-3,648,039.37           GROSS PROFIT         \$220,470.64         \$3,868,510.01         \$-3,648,039.37           Expenses  | 1350-03 FERC Five Year Plan Reserve                              |              | 24,769.00      | -24,769.00    | 24,769.0       |
| 1400 Grant Funding         1400-01 Hunter Reservoir Fuels Reduction Project       950,000.00       -950,000.00       950,000.00         1400-02 Lower Utica Canal Wastegates and Gaging Stations Project       25,458.00       -25,458.00       25,458.00         Total 1400 Grant Funding       975,458.00       -975,458.00       975,458.00         Sales       1.12       1.12       -1.1         Unapplied Cash Payment Revenue       43.26       43.26       -43.2         Total Income       \$220,470.64       \$3,868,510.01       \$ 3,648,039.37         GROSS PROFIT       \$220,470.64       \$3,868,510.01       \$ 3,648,039.37         Expenses  | 1350-04 FERC 10 Year Plan Reserve                                |              | 10,000.00      | -10,000.00    | 10,000.0       |
| 1400-01 Hunter Reservoir Fuels Reduction Project       950,000.00       -950,000.00       950,000.00         1400-02 Lower Utica Canal Wastegates and Gaging Stations Project       25,458.00       -25,458.00       25,458.00         Total 1400 Grant Funding       975,458.00       -975,458.00       975,458.00         Sales       1.12       1.12       -1.1         Unapplied Cash Payment Revenue       43.26       43.26       -43.2         Total Income       \$220,470.64       \$3,868,510.01       \$-3,648,039.3         GROSS PROFIT       \$220,470.64       \$3,868,510.01       \$-3,648,039.3         Expenses   | Total 1350 Reserve Income  |              | 264,769.00     | -264,769.00   | 264,769.0      |
| 1400-02 Lower Utica Canal Wastegates and Gaging Stations Project       25,458.00       -25,458.00       25,458.00         Total 1400 Grant Funding       975,458.00       -975,458.00       975,458.00         Sales       1.12       1.12       -1.1         Unapplied Cash Payment Revenue       43.26       43.26       -43.2         Total Income       \$220,470.64       \$3,868,510.01       \$-       \$3,648,039.3         GROSS PROFIT       \$220,470.64       \$3,868,510.01       \$-       \$3,648,039.3         Expenses  | 1400 Grant Funding   |              |                |               |                |
| Total 1400 Grant Funding         975,458.00         -975,458.00         975,458.00           Sales         1.12         1.12         -1.1           Unapplied Cash Payment Revenue         43.26         43.26         -43.2           Total Income         \$220,470.64         \$3,868,510.01         \$-         \$3,648,039.3           GROSS PROFIT         \$220,470.64         \$3,868,510.01         \$-         \$3,648,039.3           Expenses         5220,470.64         \$3,868,510.01         \$-         \$3,648,039.3   | 1400-01 Hunter Reservoir Fuels Reduction Project                 |              | 950,000.00     | -950,000.00   | 950,000.00     |
| Sales       1.12       1.12       -1.1         Unapplied Cash Payment Revenue       43.26       43.26       -43.2         Total Income       \$220,470.64       \$3,868,510.01       \$-       \$3,648,039.3         GROSS PROFIT       \$220,470.64       \$3,868,510.01       \$-       \$3,648,039.3         Expenses       53,648,039.3       53,648,039.3       53,648,039.3  | 1400-02 Lower Utica Canal Wastegates and Gaging Stations Project |              | 25,458.00      | -25,458.00    | 25,458.00      |
| Unapplied Cash Payment Revenue       43.26       43.26       -43.2         Total Income       \$220,470.64       \$3,868,510.01       \$ - \$3,648,039.37         GROSS PROFIT       \$220,470.64       \$3,868,510.01       \$ - \$3,648,039.37         Expenses  | Total 1400 Grant Funding   |              | 975,458.00     | -975,458.00   | 975,458.0      |
| Total Income \$220,470.64 \$3,868,510.01 \$ - \$3,648,039.37 3,648,039.37  | Sales  | 1.12         |                | 1.12          | -1.12          |
| 3,648,039.37  GROSS PROFIT \$220,470.64 \$3,868,510.01 \$ - \$3,648,039.37  Expenses   | Unapplied Cash Payment Revenue                                   | 43.26        |                | 43.26         | -43.20         |
| GROSS PROFIT \$220,470.64 \$3,868,510.01 \$ - \$3,648,039.37<br>Expenses   | Total Income   | \$220,470.64 | \$3,868,510.01 |               | \$3,648,039.37 |
| 3,648,039.37<br>Expenses   |  |              |                |               |                |
| Expenses   | GROSS PROFIT   | \$220,470.64 | \$3,868,510.01 | •             | \$3,648,039.37 |
| *4100 Material/Misc 268.58 268.58 -268.5   | Expenses   |              |                | ,             |                |
|  | *4100 Material/Misc  | 268.58       |                | 268.58        | -268.58        |

|   | TOTAL      |            |                |            |
|---|------------|------------|----------------|------------|
|   | ACTUAL     | BUDGET     | OVER<br>BUDGET | REMAINING  |
| 3000 Wages, Benefits & Burden                               |            |            |                |            |
| 3100 Power  |            |            |                |            |
| 3101 Power Wages  |            |            |                |            |
| 3101-01 Operations & Maintenance Superintendent             | 32,541.45  | 113,624.94 | -81,083.49     | 81,083.49  |
| 3101-02 Hydroelectric Operator                              | 18,689.33  | 74,111.31  | -55,421.98     | 55,421.98  |
| 3101-03 Hydroelectric Operations Technician                 | 23,302.36  | 80,418.19  | -57,115.83     | 57,115.83  |
| 3101-04 On-Call   | 2,680.00   | 16,400.00  | -13,720.00     | 13,720.00  |
| 3101-05 Hydro Management Leave                              |            | 4,370.00   | -4,370.00      | 4,370.00   |
| 3101-10 Overtime  | 952.80     | 12,000.00  | -11,047.20     | 11,047.20  |
| 3101-11 One-Time Bonus                                      |            | 4,281.00   | -4,281.00      | 4,281.00   |
| Total 3101 Power Wages                                      | 78,165.94  | 305,205.44 | -227,039.50    | 227,039.50 |
| 3102 Power Burden   |            |            |                |            |
| 3102-01 Social Security, Medicare, State Unemployment Ins.  | 5,946.03   | 24,323.00  | -18,376.97     | 18,376.97  |
| 3102-03 Workers Comp  | 3,914.67   | 15,588.00  | -11,673.33     | 11,673.33  |
| Total 3102 Power Burden                                     | 9,860.70   | 39,911.00  | -30,050.30     | 30,050.30  |
| 3103 Power Benefits   |            |            |                |            |
| 3103-01 Health Insurance - SDRMA                            | 11,124.00  | 70,081.00  | -58,957.00     | 58,957.0   |
| 3103-02 Health Reimbursement Account - EDIS                 | 2,824.31   | 10,000.00  | -7,175.69      | 7,175.69   |
| 3103-03 Dental/Vision/Chiro/Life Insurance - Choice Builder | 1,082.27   | 3,550.00   | -2,467.73      | 2,467.73   |
| 3103-04 CalPERS Pension                                     | 4,838.42   | 21,104.00  | -16,265.58     | 16,265.58  |
| 3103-06 CalPERS Pension Unfunded Liability                  |            | 8,072.00   | -8,072.00      | 8,072.00   |
| Total 3103 Power Benefits                                   | 19,869.00  | 112,807.00 | -92,938.00     | 92,938.0   |
| Total 3100 Power  | 107,895.64 | 457,923.44 | -350,027.80    | 350,027.80 |
| 3200 Water  |            |            |                |            |
| 3201 Water Wages  |            |            |                |            |
| 3201-01 Water Conveyance Supervisor                         | 22,444.00  | 97,968.00  | -75,524.00     | 75,524.00  |
| 3201-02 Senior Water Conveyance Operator                    | 18,638.96  | 80,027.00  | -61,388.04     | 61,388.04  |
| 3201-03 General Manager                                     | 33,160.66  | 144,398.00 | -111,237.34    | 111,237.3  |
| 3201-04 Administrative Technician                           | 12,126.02  | 54,163.00  | -42,036.98     | 42,036.98  |
| 3201-05 Administrative Specialist                           | 13,754.40  | 59,800.00  | -46,045.60     | 46,045.60  |
| 3201-06 Conveyance and Compliance Specialist                | 14,732.78  | 62,825.00  | -48,092.22     | 48,092.22  |
| 3201-09 IT Administrator                                    | 3,345.33   | 25,856.00  | -22,510.67     | 22,510.67  |
| 3201-10 Overtime  | 202.24     | 10,000.00  | -9,797.76      | 9,797.76   |
| 3201-11 Conveyance Management Leave                         |            | 3,768.00   | -3,768.00      | 3,768.00   |
| 3201-12 Administration Management Leave                     |            | 5,554.00   | -5,554.00      | 5,554.00   |
| Total 3201 Water Wages                                      | 118,404.39 | 544,359.00 | -425,954.61    | 425,954.6° |
| 3202 Water Burden   |            |            |                |            |
| 3202-01 Social Security, Medicare, State Unemployment Ins.  | 9,122.89   | 44,088.00  | -34,965.11     | 34,965.1   |
| 3202-03 Workers Comp - Ops, GM, and Office Staff            | 3,801.17   | 22,579.00  | -18,777.83     | 18,777.83  |
| Total 3202 Water Burden                                     | 12,924.06  | 66,667.00  | -53,742.94     | 53,742.94  |
| 3203 Water Benefits   |            |            |                |            |
| 3203-01 Health Insurance - SDRMA                            | 19,380.48  | 151,479.00 | -132,098.52    | 132,098.52 |
| 3203-02 Health Reimbursement Account - EDIS                 | 1,999.43   | 15,000.00  | -13,000.57     | 13,000.57  |
| 3203-03 Dental/Vision/Chiro/Life Insurance - ChoiceBuilder  | 1,062.84   | 5,956.00   | -4,893.16      | 4,893.16   |
| 3203-04 CalPERS Pension                                     | 9,269.12   | 41,320.00  | -32,050.88     | 32,050.88  |
| 3203-06 CalPERS Pension Unfunded Liability                  |            | 12,107.00  | -12,107.00     | 12,107.00  |
| Total 3203 Water Benefits                                   | 31,711.87  | 225,862.00 | -194,150.13    | 194,150.13 |

|  |            | ТО           | TAL            |              |
|--|------------|--------------|----------------|--------------|
|  | ACTUAL     | BUDGET       | OVER<br>BUDGET | REMAINING    |
| Total 3200 Water   | 163,040.32 | 836,888.00   | -673,847.68    | 673,847.68   |
| Total 3000 Wages, Benefits & Burden                              | 270,935.96 | 1,294,811.44 | -1,023,875.48  | 1,023,875.48 |
| 3201-06 Wages, Benefits & Burden                                 | -320.00    |              | -320.00        | 320.00       |
| 4100 Maintenance & Repair  |            |              |                |              |
| 4100-01 Road Maintenance   | 0.00       | 5,150.00     | -5,150.00      | 5,150.00     |
| 4100-02 Flume Maintenance  | 988.06     | 100,000.00   | -99,011.94     | 99,011.94    |
| 4100-04 Canal Maintenance  |            | 35,000.00    | -35,000.00     | 35,000.00    |
| 4100-05 Property Maintenance                                     |            | 5,150.00     | -5,150.00      | 5,150.00     |
| 4100-06 Fuel for Vehicles and Equipment                          | 1,737.22   | 23,000.00    | -21,262.78     | 21,262.78    |
| 4100-07 Maintenance for Vehicles and Equipment                   | 1,359.06   | 7,210.00     | -5,850.94      | 5,850.94     |
| 4100-08 Temporary Labor  | 454.80     | 15,000.00    | -14,545.20     | 14,545.20    |
| 4100-09 Powerhouses Maintenance and Supplies                     | 518.43     | 12,500.00    | -11,981.57     | 11,981.57    |
| 4100-10 Gaging Station Maintenance                               | 62.50      | 8,000.00     | -7,937.50      | 7,937.50     |
| 4100-11 Misc Supplies and Repairs                                | 3,500.46   | 10,850.00    | -7,349.54      | 7,349.54     |
| 4100-12 FERC/DSOD Mandated System Maintenance                    | 126.65     | 0.00         | 126.65         | -126.65      |
| 4100-14 Dam and Spillway Maintenance                             | 0.00       | 35,000.00    | -35,000.00     | 35,000.00    |
| 4100-15 Owners Dam Safety Plan Audit - Mandated Actions          |            | 10,000.00    | -10,000.00     | 10,000.00    |
| 4100-16 Irrigation Maintenance (Not Meter Replacement)           |            | 2,000.00     | -2,000.00      | 2,000.00     |
| Total 4100 Maintenance & Repair                                  | 8,747.18   | 268,860.00   | -260,112.82    | 260,112.82   |
| 4110 Misc. Supplies & Services                                   |            |              |                |              |
| 4110-01 Office Services, Supplies, Equipment, Misc.              | 982.19     | 10,850.00    | -9,867.81      | 9,867.81     |
| 4110-02 Employee Uniforms, Boots, PPE                            | 0.00       | 5,000.00     | -5,000.00      | 5,000.00     |
| 4110-04 Headquarters Cleaning                                    | 195.00     | 1,800.00     | -1,605.00      | 1,605.00     |
| Total 4110 Misc. Supplies & Services                             | 1,177.19   | 17,650.00    | -16,472.81     | 16,472.81    |
| 4120 Leases & Subscriptions                                      |            |              |                |              |
| 4120-02 Sierra Pacific Industries Lease                          |            | 250.00       | -250.00        | 250.00       |
| 4120-03 Office Toshiba Copier Lease                              | 939.28     | 2,148.00     | -1,208.72      | 1,208.72     |
| 4120-04 Software Subscriptions                                   | 531.40     | 8,500.00     | -7,968.60      | 7,968.60     |
| 4120-06 Wylderidge Tower Lease NCPA                              |            | 2,800.00     | -2,800.00      | 2,800.00     |
| Total 4120 Leases & Subscriptions                                | 1,470.68   | 13,698.00    | -12,227.32     | 12,227.32    |
| 4200 Property & Liability Insurance                              |            |              |                |              |
| 4200-01 ACWA/JPIA Auto & General Liability                       |            | 33,800.00    | -33,800.00     | 33,800.00    |
| 4200-02 ACWA/JPIA Property Insurance                             | 66,489.83  | 66,665.00    | -175.17        | 175.17       |
| Total 4200 Property & Liability Insurance                        | 66,489.83  | 100,465.00   | -33,975.17     | 33,975.17    |
| 4200-03 ACWA / JPIA Cyber Liability                              | 1,067.48   | 988.00       | 79.48          | -79.48       |
| 4300 Memberships   | 1,007110   | 000.00       | 70.10          | 70.10        |
| 4300-01 Association California Water Agencies                    |            | 12,290.00    | -12,290.00     | 12,290.00    |
| 4300-02 Tuolumne-Stanislaus Integrated Regional Water Management | 200.00     | 220.00       | -20.00         | 20.00        |
| WAC  |            |              |                | _0.00        |
| 4300-03 Mountain Counties Water Resources Association            |            | 1,500.00     | -1,500.00      | 1,500.00     |
| 4300-04 Calaveras Historical Society                             | 50.00      | 50.00        | 0.00           | 0.00         |
| 4300-05 California Special District Association                  |            | 1,835.00     | -1,835.00      | 1,835.00     |
| 4300-06 Amazon Prime   |            | 207.00       | -207.00        | 207.00       |
| 4300-07 Farm Bureau - Calaveras Chapter                          |            | 150.00       | -150.00        | 150.00       |
| 4300-08 Murphys Community Park Association                       |            | 75.00        | -75.00         | 75.00        |
| Total 4300 Memberships   | 250.00     | 16,327.00    | -16,077.00     | 16,077.00    |
| 4400 Professional/Special. Services                              | -420.00    | -            | -420.00        | 420.00       |
| 4400-01 Consulting Services                                      | 0.00       | 15,000.00    | -15,000.00     | 15,000.00    |
| Cr Concurring Corridor   |            | . 0,000.00   | .0,000.00      | .0,000.00    |

|   |           | TOT                                     | AL                                      |            |
|---|-----------|---|---|------------|
|   | ACTUAL    | BUDGET                                  | OVER<br>BUDGET                          | REMAINING  |
| 4400-03 Chief Dam Safety Engineer                       | -1,080.00 | 16,500.00                               | -17,580.00                              | 17,580.00  |
| 4400-05 Murphys/Angels Powerhouse Inspection Reports    | 3,500.00  | 10,000.00                               | -6,500.00                               | 6,500.00   |
| 4400-07 SCADA and PLC Programming                       | 1,890.00  | 8,000.00                                | -6,110.00                               | 6,110.00   |
| 4400-08 Certified Public Accountant                     | 37.50     | 2,700.00                                | -2,662.50                               | 2,662.50   |
| 4400-09 Annual Audit                                    |           | 9,000.00                                | -9,000.00                               | 9,000.00   |
| 4400-10 General Legal Counsel                           | 892.50    | 10,000.00                               | -9,107.50                               | 9,107.50   |
| 4400-11 FERC Exemption Legal Counsel                    |           | 30,000.00                               | -30,000.00                              | 30,000.00  |
| 4400-12 FERC Exemption General Services                 | 12,047.41 | 50,000.00                               | -37,952.59                              | 37,952.59  |
| 4400-16 FERC Exemption Consultants                      | 52,592.29 | 150,000.00                              | -97,407.71                              | 97,407.71  |
| 4400-20 Hydrology Analysis Services                     | 2,062.50  | 24,750.00                               | -22,687.50                              | 22,687.50  |
| 4400-21 Community Education/Outreach                    | 350.00    | 5,000.00                                | -4,650.00                               | 4,650.00   |
| 4400-24 Grant Writing/Eng./Finance/Mgmt                 | 326.25    | 5,000.00                                | -4,673.75                               | 4,673.75   |
| 4400-28 Website Maintenance and Support                 | 59.00     | 1,000.00                                | -941.00                                 | 941.00     |
| 4400-29 GIS Mapping                                     |           | 5,000.00                                | -5,000.00                               | 5,000.00   |
| 4400-31 Recruitment                                     |           | 1,000.00                                | -1,000.00                               | 1,000.00   |
| 4400-32 Water Rights Protection & Reporting             |           | 3,000.00                                | -3,000.00                               | 3,000.00   |
| 4400-33 Human Resources Consulting Support              |           | 1,500.00                                | -1,500.00                               | 1,500.00   |
| 4400-34 Revenue Meter Maintenance - CAISO               | 5,990.00  | 6,000.00                                | -10.00                                  | 10.00      |
| Total 4400 Professional/Special. Services               | 78,247.45 | 353,450.00                              | -275,202.55                             | 275,202.55 |
| 4500 Governmental & Other Fees                          |           |   |   |            |
| 4500-02 FERC Annual Admin & Land Charge                 |           | 11,000.00                               | -11,000.00                              | 11,000.00  |
| 4500-03 Dept Water Resources Dam Fees                   |           | 73,000.00                               | -73,000.00                              | 73,000.00  |
| 4500-06 County Taxes (Booster, Hunters)                 | 116.94    | 400.00                                  | -283.06                                 | 283.06     |
| 4500-07 USA North 811 Annual Fee                        |           | 300.00                                  | -300.00                                 | 300.00     |
| 4500-08 County Environmental Health Hazardous Waste     |           | 250.00                                  | -250.00                                 | 250.00     |
| 4500-09 CA Dept of Tax & Fee Admin - State Water Rights |           | 2,500.00                                | -2,500.00                               | 2,500.00   |
| 4500-11 United States Geological Service Fees           |           | 9,270.00                                | -9,270.00                               | 9,270.00   |
| 4500-12 Bank Charges                                    | 94.06     | 150.00                                  | -55.94                                  | 55.94      |
| 4500-13 Miscellaneous Fees and Expenses                 | 000       | 1,000.00                                | -1,000.00                               | 1,000.00   |
| Total 4500 Governmental & Other Fees                    | 211.00    | 97,870.00                               | -97,659.00                              | 97,659.00  |
| 4600 Communications                                     |           | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | ,          |
| 4600-01 Comcast   | 2,398.43  | 8,500.00                                | -6,101.57                               | 6,101.57   |
| 4600-04 Verizon   | 2,123.80  | 11,000.00                               | -8,876.20                               | 8,876.20   |
| 4600-05 Columbia Communications                         | 150.00    | 975.00                                  | -825.00                                 | 825.00     |
| 4600-06 Cal.Net   | 154.11    | 2,912.00                                | -2,757.89                               | 2,757.89   |
| 4600-12 Starlink  | 588.55    | 3,000.00                                | -2,411.45                               | 2,411.45   |
| Total 4600 Communications                               | 5,414.89  | 26,387.00                               | -20,972.11                              | 20,972.11  |
| 4700 Utilities  | 0,414.00  | 20,007.00                               | 20,072.11                               | 20,072.11  |
|   | 600.00    | 10,000,00                               | 11 200 20                               | 11 200 20  |
| 4700-01 Calaveras Public Power Agency                   | 699.20    | 12,000.00                               | -11,300.80                              | 11,300.80  |
| 4700-02 PG&E  | 4,364.75  | 15,000.00                               | -10,635.25                              | 10,635.25  |
| 4700-04 UPUD Water Service                              | 81.31     | 1,000.00                                | -918.69                                 | 918.69     |
| 4700-05 City of Angels Water Service                    | 1,063.76  | 4,800.00                                | -3,736.24                               | 3,736.24   |
| 4700-07 Cal Waste Garbage & Recycling                   | 871.88    | 2,670.00                                | -1,798.12                               | 1,798.12   |
| 4700-08 Mountain Oasis Bottled Water                    | 117.50    | 1,000.00                                | -882.50                                 | 882.50     |
| 4700-09 Ebbetts Pass Gas Propane                        | 1.24      | 2,500.00                                | -2,498.76                               | 2,498.76   |
| Total 4700 Utilities                                    | 7,199.64  | 38,970.00                               | -31,770.36                              | 31,770.36  |
| 4800 Travel & Training                                  |           |   |   |            |
| 4800-01 Travel and Training                             | 3,422.86  | 16,000.00                               | -12,577.14                              | 12,577.14  |

|  |           | TO                           | TAL                            |                              |
|--|-----------|------------------------------|--------------------------------|------------------------------|
|  | ACTUAL    | BUDGET                       | OVER<br>BUDGET                 | REMAINING                    |
| 4800-03 Mileage Reimbursement  | 193.83    | 1,200.00                     | -1,006.17                      | 1,006.17                     |
| Total 4800 Travel & Training   | 3,616.69  | 17,200.00                    | -13,583.31                     | 13,583.31                    |
| 4900 Information Technology  |           |                              |                                |                              |
| 4900-02 Computers, Software, Hardware, and Equipment   |           | 10,300.00                    | -10,300.00                     | 10,300.00                    |
| Total 4900 Information Technology  |           | 10,300.00                    | -10,300.00                     | 10,300.00                    |
| 5000 Powerhouses   |           |                              |                                |                              |
| 5000-01 MPH Relay Protection Upgrade   |           | 50,000.00                    | -50,000.00                     | 50,000.00                    |
| 5000-05 Murphys Governor Retrofit  | 1,090.76  | 20,000.00                    | -18,909.24                     | 18,909.24                    |
| 5000-12 MPH Static Exciter   |           | 90,000.00                    | -90,000.00                     | 90,000.00                    |
| Total 5000 Powerhouses   | 1,090.76  | 160,000.00                   | -158,909.24                    | 158,909.24                   |
| 5100 Conveyance  |           |                              |                                |                              |
| 5100-03 Canal Repairs and Improvements   | 200.48    |                              | 200.48                         | -200.48                      |
| 5100-06 Murphys Forebay Trash Rake Replacements  | 10,462.50 | 140,000.00                   | -129,537.50                    | 129,537.50                   |
| 5100-07 Dam and Spillway Improvements  | 1,530.57  |                              | 1,530.57                       | -1,530.57                    |
| 5100-10 New Gaging Stations at the end of Each of Angels Canals                                    |           | 10,000.00                    | -10,000.00                     | 10,000.00                    |
| Total 5100 Conveyance  | 12,193.55 | 150,000.00                   | -137,806.45                    | 137,806.45                   |
| 5200 General Projects  |           |                              |                                |                              |
| 5200-03 General Facilities   | 1,165.78  | 20,000.00                    | -18,834.22                     | 18,834.22                    |
| 5200-04 Feasibility Assessments  | 1,616.16  | 15,000.00                    | -13,383.84                     | 13,383.84                    |
| Total 5200 General Projects  | 2,781.94  | 35,000.00                    | -32,218.06                     | 32,218.06                    |
| 6100 Equipment & Material Purchases  |           |                              |                                |                              |
| 6100-02 Heavy Equipment & Attachments  |           | 10,000.00                    | -10,000.00                     | 10,000.00                    |
| 6100-04 Tools and Equipment  | 238.93    | 11,000.00                    | -10,761.07                     | 10,761.07                    |
| Total 6100 Equipment & Material Purchases  | 238.93    | 21,000.00                    | -20,761.07                     | 20,761.07                    |
| 7000 FERC Relicensing/Exemption Reserve  |           |                              |                                |                              |
| 7000-01 FERC Relicensing/Exemption   |           | 300,000.00                   | -300,000.00                    | 300,000.00                   |
| Total 7000 FERC Relicensing/Exemption Reserve  |           | 300,000.00                   | -300,000.00                    | 300,000.00                   |
| 7200 Operating Reserve Fund  |           |                              |                                |                              |
| 7200-01 Operating Reserve  |           | 30,000.00                    | -30,000.00                     | 30,000.00                    |
| Total 7200 Operating Reserve Fund  |           | 30,000.00                    | -30,000.00                     | 30,000.00                    |
| 7400 FERC 5 Year Plan Reserve Fund   |           |                              |                                |                              |
| 7400-01 Five Year/Emergency Action Plan Re-Write   |           | 1,200.00                     | -1,200.00                      | 1,200.00                     |
| 7400-02 Five Year/Tabletop Functional  |           | 1,800.00                     | -1,800.00                      | 1,800.00                     |
| 7400-03 Part 12 Inspection and Potential Failure Mode Analysis                                     |           | 30,000.00                    | -30,000.00                     | 30,000.00                    |
| 7400-04 Supporting Technical Information Documents   |           | 16,300.00                    | -16,300.00                     | 16,300.00                    |
| 7400-05 Security Plan Rewrite  |           | 900.00                       | -900.00                        | 900.00                       |
| 7400-06 Environmental & Public Use Inspections   | 7 700 00  | 4,800.00                     | -4,800.00                      | 4,800.00                     |
| 7400-07 Dam Safety/Surveillance Monitoring Plans   | 7,700.80  | 1,800.00                     | 5,900.80                       | -5,900.80                    |
| 7400-08 Owners Dam Safety Plan/Ext Audt  Total 7400 FERC 5 Year Plan Reserve Fund                  | 7,700.80  | 5,000.00<br><b>61,800.00</b> | -5,000.00<br><b>-54,099.20</b> | 5,000.00<br><b>54,099.20</b> |
|  |           | 61,800.00                    |                                |                              |
| 7500 FERC 10 Year Plan Reserve Fund  | -1,000.00 | 2 000 00                     | -1,000.00                      | 1,000.00                     |
| 7500-01 Murphys Afterbay Low Level Outlet ROV Inspec   |           | 3,000.00                     | -3,000.00                      | 3,000.00                     |
| 7500-02 Murphys Afterbay Radial Gate Inspection 7500-03 Murphys Powerhouse Penstock ROV Inspection |           | 3,000.00<br>6,000.00         | -3,000.00<br>-6,000.00         | 3,000.00                     |
| Total 7500 FERC 10 Year Plan Reserve Fund  | -1,000.00 | 12,000.00                    | -6,000.00                      | 6,000.00<br><b>13,000.00</b> |
|  | -1,000.00 | 12,000.00                    | -13,000.00                     | 13,000.00                    |
| 8000 Grants Expenditures   | 6 E10 00  | 050 000 00                   | 040 400 40                     | 040 400 40                   |
| 8000-03 Hunter Reservoir Fuel Reduction Project  | 6,516.88  | 950,000.00                   | -943,483.12                    | 943,483.12                   |

|   |                    | TO             | TAL                  |                |
|---|--------------------|----------------|----------------------|----------------|
|   | ACTUAL             | BUDGET         | OVER<br>BUDGET       | REMAINING      |
| 8000-08 Automated Wastegates and Crossgates | 3,156.49           | 50,000.00      | -46,843.51           | 46,843.51      |
| Total 8000 Grants Expenditures              | 9,673.37           | 1,000,000.00   | -990,326.63          | 990,326.63     |
| QuickBooks Payments Fees                    | 85.28              |                | 85.28                | -85.28         |
| Unapplied Cash Bill Payment Expenditure     | 0.00               |                | 0.00                 | 0.00           |
| Total Expenses                              | \$477,541.20       | \$4,026,776.44 | \$ -<br>3,549,235.24 | \$3,549,235.24 |
| NET OPERATING INCOME                        | \$ -<br>257,070.56 | \$ -158,266.43 | \$ -98,804.13        | \$98,804.13    |
| NET INCOME                                  | \$ -<br>257,070.56 | \$ -158,266.43 | \$ -98,804.13        | \$98,804.13    |

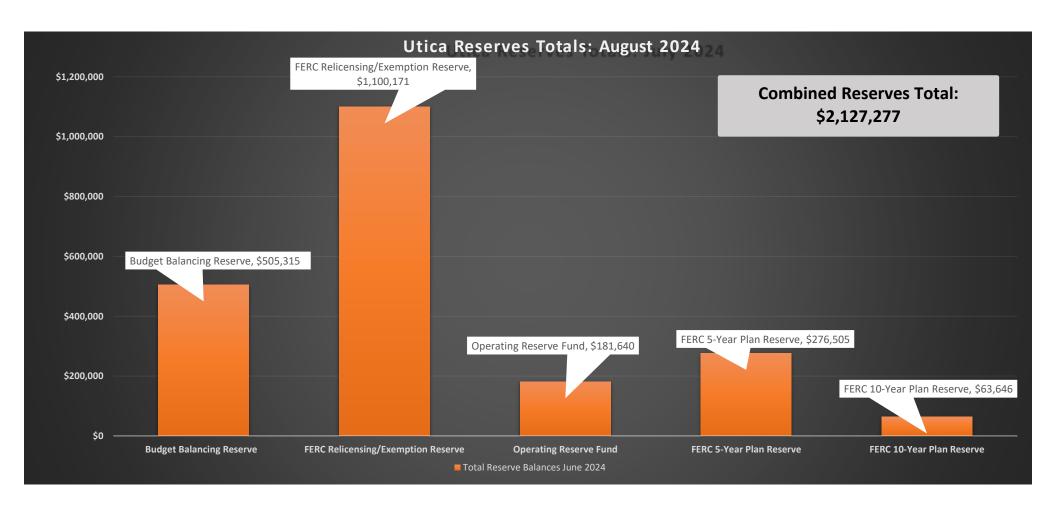
## Utica Water and Power Authority

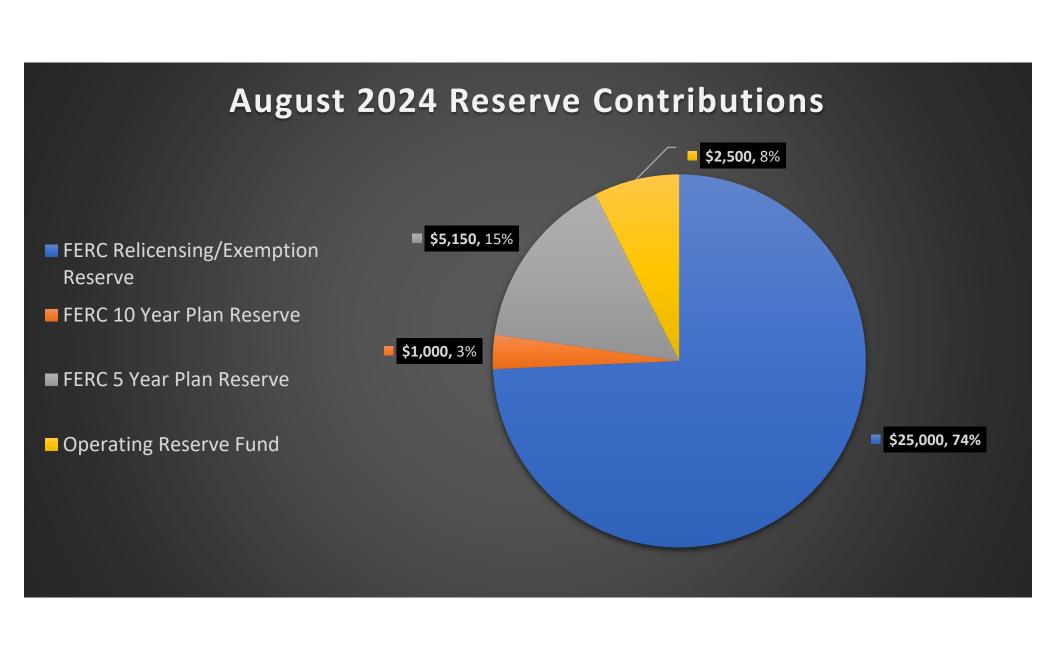
## Expenses by Vendor Summary

August 2024

|  | TOTAL     |
|--|-----------|
| A T.E.E.M. Electrical Engineering Inc.   | 1,890.00  |
| ACWA                                     | 899.00    |
| ACWA/Joint Powers Insurance Agency       | 67,557.31 |
| Amazon Business                          | 316.18    |
| Automation Direct                        | 62.50     |
| BanCorp Services                         | 2,383.56  |
| CAJPA                                    | 800.00    |
| CAL FIRE                                 | 454.80    |
| Cal-Waste                                | 223.74    |
| Cal.Net                                  | 154.11    |
| Calaveras County Historical Society      | 50.00     |
| Calaveras County Tax Collector           | 116.94    |
| Calaveras Lumber Co, Inc.                | 629.32    |
| Calaveras Power Agency                   | 699.20    |
| California Special Districts Association | 1,005.00  |
| Choice Builder                           | 1,050.52  |
| City of Angels                           | 429.77    |
| Columbia Communications, Inc.            | 75.00     |
| Comcast Business                         | 876.35    |
| Crawford Bookkeeping                     | 145.20    |
| E.D.I.S                                  | 243.60    |
| Ebbetts Pass Lumber Co. Inc.             | 17.99     |
| EKI                                      | 1,616.16  |
| Elementor Ltd.                           | 59.00     |
| ENS Resources                            | 4,000.00  |
| Eventbrite                               | 395.00    |
| Gold Electric, Inc.                      | 874.83    |
| Google LLC                               | 187.20    |
| Grainger                                 | 68.26     |
| Hanson Bridgett LLP                      | 892.50    |
| Hydraulic Controls Inc.                  | 645.48    |
| IETS                                     | 3,500.00  |
| Luz Ortigoza                             | 0.00      |
| MatterHackers                            | 106.28    |
| Microsoft                                | 50.00     |
| Ninja Forms                              | 199.00    |
| Power Business Technology                | 132.26    |
| QuickBooks Payments                      | 64.70     |
| Savemart                                 | 118.01    |
| Sierra Hydrographics                     | 2,062.50  |
| Spence Ranch Feed-Supply                 | 30.01     |
| Stantec                                  | 35,173.07 |
| State Compensation Insurance Fund        | 2,070.83  |
| Sunshine Supply Company                  | 988.06    |
| T-Stan IRWMA                             | 200.00    |
|  |           |

|                                | TOTAL        |
|--------------------------------|--------------|
| The Red Store                  | 39.61        |
| UPUD.                          | 81.31        |
| Verizon Wireless               | 1,231.44     |
| Voyager Fleet Commander Online | 1,562.22     |
| Overtime and On-call           | 268.58       |
| TOTAL                          | \$136,696.40 |







# Item 6C



## **August**

## 2024

| RAINFALL      |                          | APH   | MPH   |
|---------------|--------------------------|-------|-------|
| Rainfall      | August                   | 0.00  | 0.00  |
| WYTD rainfall | 10/1/23- 9/30/24         | 29.75 | 33.85 |
|               | PYTD this time last year | 55.25 | 62.05 |

Water Year 1 as of May 1, 2024

### **GENERATION**

| ANGELS (sold to PG&E)  |       |      |
|------------------------|-------|------|
| FROGTN_1_UTICAA        |       |      |
| PG&E has not concurred | 360   |      |
|                        |       |      |
|                        |       |      |
| MURPHYS (sold to PG&E) |       |      |
| FROGTN_1_UTICAM        |       |      |
| PG&E has not concurred | 1,123 |      |
|                        |       |      |
|                        |       |      |
| TOTAL GENERATION:      | 1,482 | MWhr |

#### **REVENUES**

August 2024 projected scheduled generation:

| \$39,320  | APH (.677) @ \$93 (1) |
|-----------|-----------------------|
| \$106,385 | MPH (1.945) @ \$73.50 |
|           |                       |
| \$145,705 | Projected Total       |

June 2024 actual received generation:

| \$33,522  | APH (0.4) @ \$93.19     |
|-----------|-------------------------|
| \$82,511  | MPH (1.3) @ \$73.50 (2) |
| \$116,033 | 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:      | \$116,033 |
|---------------------|-----------|
| RAAIM Pass-Through  | TBD       |
| Negative LMP Charge | \$0       |
| Water Revenue:      | \$40,000  |
| Water and Power:    | \$156,033 |

## **OUTAGES**

| planned II - Internal forced outage LI - external forced outage |          | d odlage       |  |       |
|---|----------|----------------|--|-------|
| Date  | Time Off | Duration       | Cause                                    | Plant |
| 8/18/2024   | 21:05    | 12 hrs, 48 min | EF - Transmission induced - line trouble | MPH   |
| 8/19/2024   | 11:07    | 48 mins        | EF - Grid disturbance due to testing     | MPH   |
| 8/29/2024   | 6:30     | 25 mins        | EF - Generator overspeed                 | APH   |

#### **WATER**

Aug '24 - Att A 3,046 + 63 carryover from July '24 S-66 + S-127

LESS water sale to NCPA @ \$80 per AF Carry over to August 2024

| ΑF | 3,109 |
|----|-------|
| ΑF | 2,488 |
| ΑF | 500   |
|    | 121   |
| •  |       |



# Item 6D

## **UTICA WATER AND POWER AUTHORITY**

Date: September 19, 2024

**To:** Joel Metzger, General Manager

From: Frank Fields, O&M Superintendent

**Re:** Operations Report: August – September 2024

## **Hunters Dam**

Annual spill gate certifications completed

- DSOD present for the spill gate functional test, headgate functional test and S47 control valve functional test
- On September 19, while performing DSOD testing. The 25 KW propane fired Generac generator failed on high RPM sense. It has 3.6 hours of run time since last repair. We are going to try to move warranty repairs to Gold Electric which has obtained the certification necessary. Total runtime on this unit since installation is fewer than 70 Hours. The unit has undergone so many warranty service repairs since it was installed in April of 2022, that it has spent one year of this time unavailable for use. See comments in June's operations Board report.

## **Murphys Powerhouse**

- Conveyance Crew installed containment structure for the November Accumulator hydraulics planned work.
- Received the accumulator manifold which on second attempt passed 140 PSI leak test.

## **Murphys Afterbay**

- DSOD present for operational inspection of the S77 headgate, S78 low level outlet, and spillway radial gate. Test completed satisfactorily.
- Radial gate annual operation certification completed.

## **Murphys Forebay**

 Wastegate 24 site, solar mast and solar array installed, Battery box, conduits and controls enclosure installed. We expect to complete wiring to pedestals by end of September. Once these steps are completed, we will work to establish control through our own SCADA system.

## **Ross Reservoir**

 Replacement buckets for the micro hydro have been received and are receiving several coats of an epoxy resin hardener prior to being re installed out in the field. This will be completed by end of September to get elevation and flow back on SCADA.

## **Angels Powerhouse**

- Angels Powerhouse Annual ReMAT inspection completed
- Cooling water developed a leak which progressively got worse and could pose a hazard if it were to enter the pit below generator. Attempts to control supply water were unsuccessful due to shutoff gate leakage, so we shutdown the unit, dewatered the penstock and made repairs with minimal interruption to only the customers served from the penstock.
- Penstock leak reported above Mr. Sage's irrigation service, patched temporarily. Two locations identified for welding during annual outage.

#### **Water Sales**

Sold 500 AF to NCPA in August

### **Miscellaneous**

 Reached out to both NCPA and CCWD regarding upcoming McKay's grizzly outage on Oct 5.



# Item 6E

## UTICA WATER AND POWER AUTHORITY

Date: September 24, 2024

**To:** Joel Metzger, General Manager

From: Kyle Rasmussen, Conveyance Supervisor

**Re**: Conveyance Report

## Conveyance system work:

Angels Penstock

- During routine monthly walk down inspection, staff discovered a new pinhole leak on the bottom side of the penstock. Hole temporarily repaired until November 2024 maintenance outage.
- One week later, after draining the penstock to fix a pipe in the Angels Powerhouse, another pinhole leak opened up on the penstock and was temporarily repaired.
- Stream gaging
  - o Sierra Hydrographics and staff measured S78, S126 and Stephens Station
  - USGS measured S78, S124, S127 and S128 for the second time this year.
     They measure twice a year at our USGS sites.
- Outage preparation
  - Fabrication of the new canal gate
  - Materials purchases
  - Tool maintenance
  - Secure labor crew

## Dam Safety:

- Vegetation management and pack rodent burrows
- Seal joint on the upstream face of the Murphys Afterbay, DSOD recommendation from 2023
- DSOD inspector was on site Sept. 19, 2024, to inspect all project dams and exercise
  the Murphys Afterbay Radial Gate. The only recommendation that was discussed
  was for Utica staff to do some testing on the upstream face of Hunter Dam to identify
  possible failures of the gunite coating.

## **Projected work for the November outage:**

- Trash Rake Project at Murphys Forebay
- USBR Water SMART grant: Canal Lining Project
  - Up to 1,200 feet of canal will get a shotcrete overlay. Sections of the Upper and Lower Utica canals will get overlayed to stop leakage.
- Angels Canal Flume Maintenance
  - o Angels Flumes 1 and 4 will have degraded flume boxes rebuilt
- Vegetation control along the canals



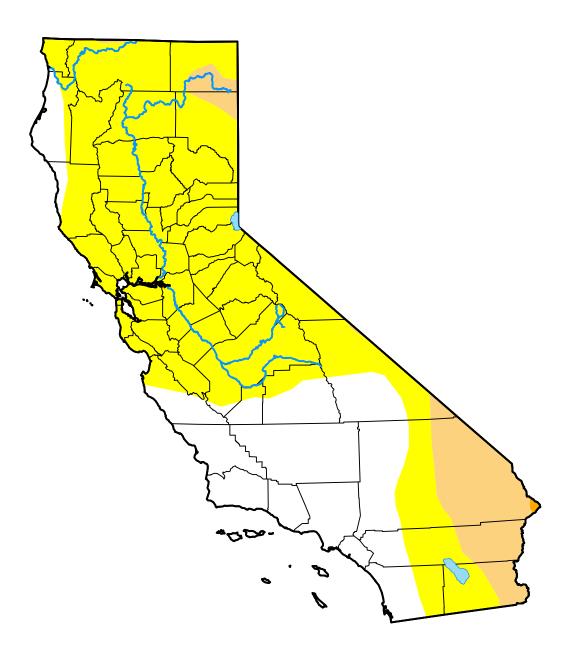
# Item 6F

## U.S. Drought Monitor

## California

## **September 17, 2024**

(Released Thursday, Sep. 19, 2024)
Valid 8 a.m. EDT



## Intensity:

None

D0 Abnormally Dry

D1 Moderate Drought

D2 Severe Drought

D3 Extreme Drought

D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to https://droughtmonitor.unl.edu/About.aspx

## Author:

Brad Rippey
U.S. Department of Agriculture





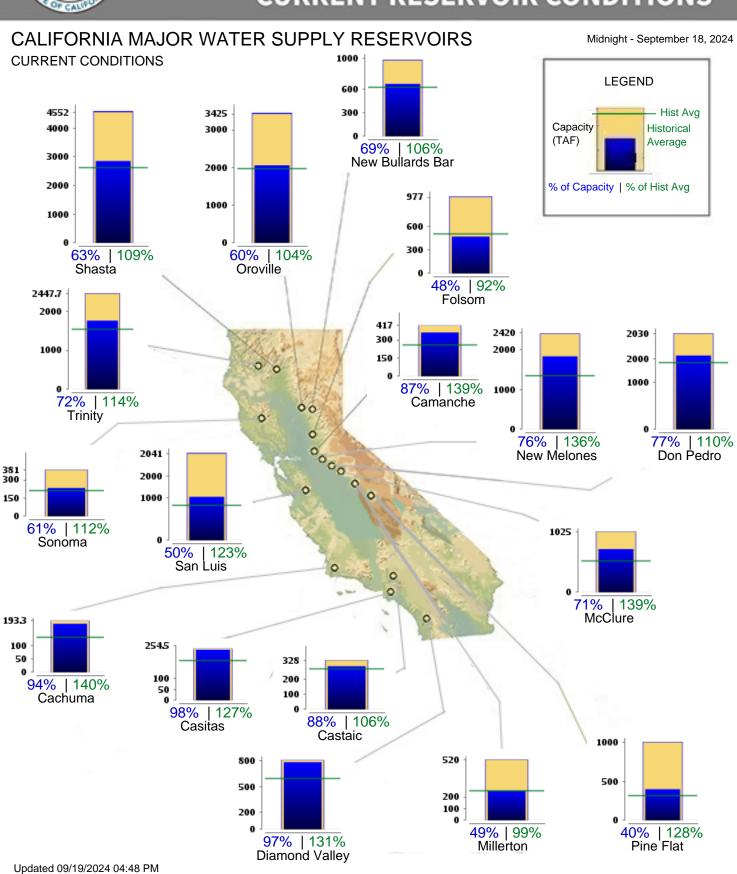


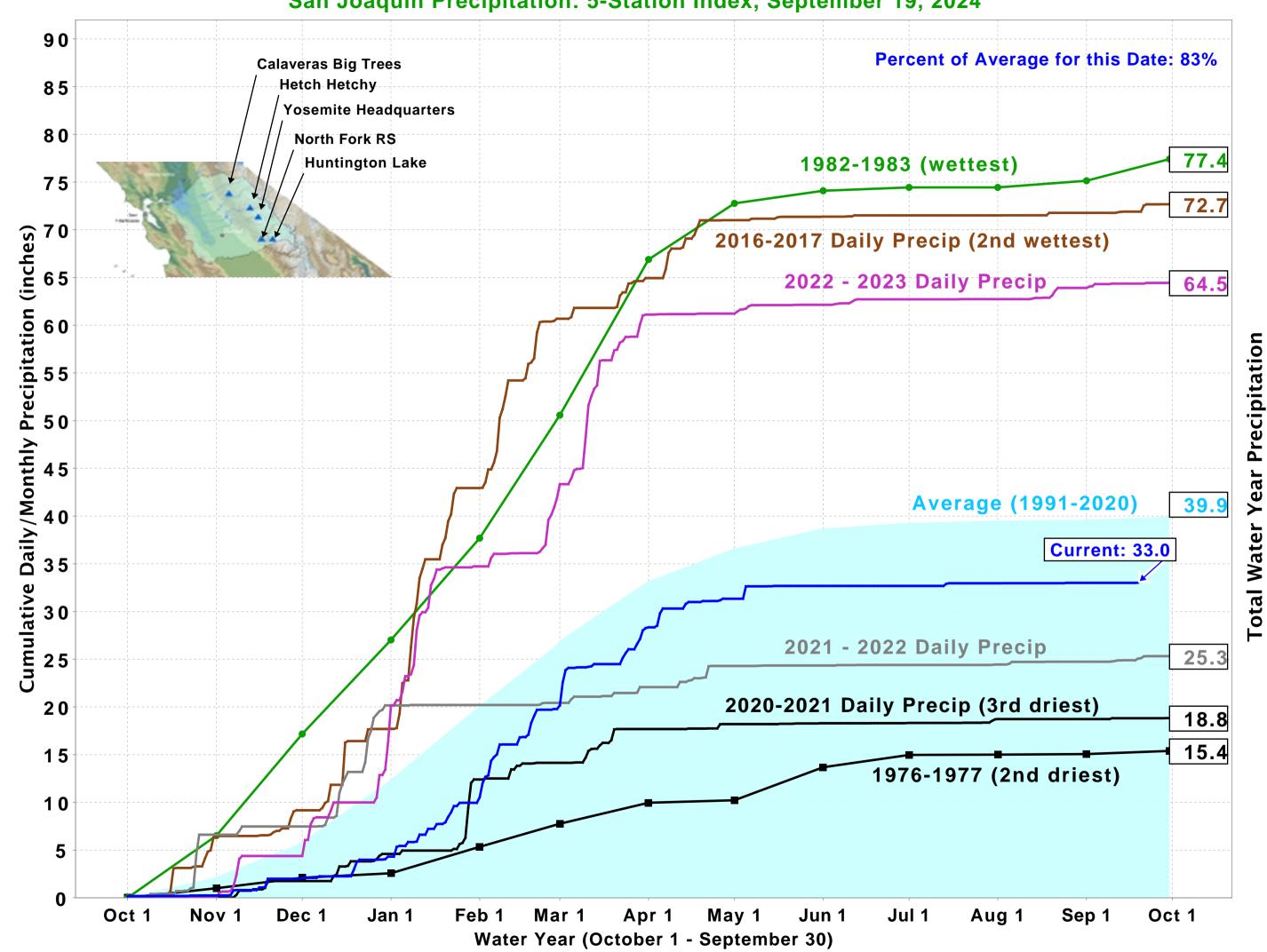


droughtmonitor.unl.edu



## **CURRENT RESERVOIR CONDITIONS**







# Item 7A

Utica Water and Power Authority – Regular Board Meeting

## UTICA WATER AND POWER AUTHORITY

Date: September 24, 2024

To: Joel Metzger, General Manager

From: Stacie Walker, Administrative Specialist

**Re:** Resolution of Appreciation for Mr. Mike Emehiser

#### **RECOMMENDED ACTION:**

Adoption of Resolution 2024-11 Appreciation for Mike Emehiser for his 10 Years of Service from the Utica Water and Power Authority Board of Directors

#### SUMMARY:

Staff would like to acknowledge the years of hard work and dedication put forth by Mr. Mike Emehiser. Mr. Emehiser started with Utica in 2014 and has been working diligently ever since. Starting as a Hydroelectric Operator and working his way to Senior Hydroelectric Operator he has been an important part of our team, always stepping up with dedication, flexibility, and hard work.

#### **Attachments**

 Resolution 2024-11 – Resolution of Appreciation for Mike Emehiser for his 10 Years of Service From the Utica Water and Power Authority Board of Directors

#### **RESOLUTION 2024-11**

# Resolution of Appreciation for Mike Emehiser for his 10 Years of Service from the Utica Water and Power Authority Board of Directors

**WHEREAS**, the Utica Water and Power Authority wishes to acknowledge and express appreciation for the contributions made by Mike Emehiser over the past 10 years; and

**WHEREAS**, on Sept 29<sup>,</sup> 2014 Mr. Emehiser was hired as a full-time employee by the Utica Water and Power Authority; and

**WHEREAS**, during Mr. Emehiser's tenure with Utica, he has served as a Hydroelectric Operator and Senior Hydroelectric Operator; and

**WHEREAS**, over the past 10 years, Mr. Emehiser has proved to be loyal, dedicated, and hardworking, and has demonstrated a high level of consistency and adaptability; and

WHEREAS, Mr. Emehiser has been vetted and wetted through each differing Water Year Allocation and served as a crash vehicle for testing of the Ignition SCADA system implementation; and

**WHEREAS,** Mr. Emehiser was subjected to both weekday and weekend ramping schedules in support of Frank's financial madness; and

**WHEREAS**, Mr. Emehiser has been flexible in the two steps forward one step back processes that aid in the overall forward movement of Utica; and

**NOW, THEREFORE, BE IT RESOLVED,** that by this resolution, the Board of Directors wishes to extend its sincere appreciation and gratitude for Mr. Emehiser's dedicated service to the Utica Water and Power Authority and the communities we serve.

| ON A MOTION by Director            | , seconded by Director        | , the foregoing resolution was      |
|------------------------------------|-------------------------------|-------------------------------------|
| passed and adopted by the Utica V  | Water and Power Authority Bo  | ard of Directors of Utica Water and |
| Power Authority this day of Septem | nber 24, 2024 by unanimous vo | ote:                                |

| Ralph Chick, Chair   | Caroline Schirato, Vice Chair      | Jennifer Herndon, Secretary |
|----------------------|------------------------------------|-----------------------------|
|                      |                                    |                             |
| Tom Quincy, Director | UTICA<br>WATER AND POWER AUTHORITY | Gary Conrado, Director      |



# Item 7B

Utica Water and Power Authority – Regular Board Meeting

## UTICA WATER AND POWER AUTHORITY

Date: September 24, 2024

To: Joel Metzger, General Manager

From: Brandi Sparks, Administrative Technician

**Re:** Water Contractor Request for Irrigation Service – Moore

#### **RECOMMENDED ACTION:**

Staff recommends approving John and Sabrina Moore's application to become a water contractor and receive irrigation water from Utica Water and Power Authority (Utica).

#### **SUMMARY:**

Utica has 21 water contractors that use water directly from the Utica ditch system. Each year, the Utica Board approves water contracts and the amount of water allocated to each contractor. Per Utica's policy, these contractors must request a water contract each year, and that request must be approved by Utica. These water contractors are not guaranteed any water. Even if a water contract is offered, Utica has the right to curtail or discontinue contractors' water usage if there is an insufficiency of supply, or for any reason.

Staff is confident adding an irrigation contractor for the usage of 5 acre-feet annually will not affect Utica's ability to provide water to Joint Powers Authority members, other contractors, or the environment.

#### FINANCIAL CONSIDERATIONS:

At the 2024 irrigation rates, granting the Moore's application could result in an increase of \$831.05 in total revenues.

#### ATTACHMENTS:

1. Request for Irrigation Water – John and Sabrina Moore



## REQUEST FOR IRRIGATION WATER FROM THE UTICA/ANGELS HYDROELECTRIC PROJECTS

| I request 5           | -<br>acre feet (AF)* of irriga | tion water per year. ** |              |
|-----------------------|--------------------------------|-------------------------|--------------|
| Describe the purpos   | e of water use: Agricult       | HAVEL USE               |              |
|                       | 2470 Murphys Grade             |                         |              |
| Physical address:     | 2470 Murphys Gra               | de Kd.                  |              |
|                       | Hugels CAMP, CA                | 95222                   |              |
| Property APN:         | 056006008                      |                         |              |
| Name:                 | SABRINA Moore                  |                         |              |
| Mailing address (if d | ifferent from above):          |                         |              |
|                       |                                |                         |              |
|                       |                                |                         |              |
| Phone:                | 925 202-3804                   | 510912-2202             | (John moore) |
| . 0                   | /                              |                         |              |
|                       | ex Made                        | 8/210/2                 | 624          |
| Signature             |                                | Date                    |              |
|                       |                                |                         |              |

Please email the completed form to: <a href="mailto:admin@uticawater.com">admin@uticawater.com</a>

Or mail to:

Utica Water and Power Authority

P.O. Box 358

Angels Camp, CA 95222

 <sup>1</sup> acre-foot (AF) = 43,560 cubic feet (CF) = 325,851 gallons (gal)
 1 cubic foot per second (cfs) = 1.9835 acre feet (AF) per day
 1 cubic foot (CF) = 7.48 gallons (gal)

<sup>\*\*</sup> The normal "on-season" is May 1st through October 30th.



# Item 7C

Utica Water and Power Authority – Regular Board Meeting

## UTICA WATER AND POWER AUTHORITY

Date: September 24, 2024

**To:** Joel Metzger, General Manager

From: Brandi Sparks, Administrative Technician

**Re:** Water Contractor Request for Irrigation Service – Tanner

#### **RECOMMENDED ACTION:**

Staff recommends approving Michael and Brittany Tanner's application to become a water contractor and receive irrigation water from Utica Water and Power Authority (Utica).

#### **SUMMARY:**

Utica has 21 water contractors that use water directly from the Utica ditch system. Each year, the Utica Board approves water contracts and the amount of water allocated to each contractor. Per Utica's policy, these contractors must request a water contract each year, and that request must be approved by Utica. These water contractors are not guaranteed any water. Even if a water contract is offered, Utica has the right to curtail or discontinue contractors' water usage if there is an insufficiency of supply.

The Tanners said they intend to use the water for fire suppression and to irrigate pastureland for livestock.

Staff is confident adding an irrigation contractor for the usage of 5 acre-feet annually will not affect Utica's ability to provide water to Joint Powers Authority members, other contractors, or the environment.

#### FINANCIAL CONSIDERATIONS:

At the 2024 irrigation rates, granting the Tanner's application could result in an increase of \$1,035.80 in total revenues.

#### **ATTACHMENTS:**

1. Request for Irrigation Water – Michael and Brittany Tanner

Brittany & Michael Tanner PO Box 811 Murphys, CA 95247 Britt.jean.tanner@gmail.com (510)292-0695

September 12, 2024

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

Subject: Request to Become an Irrigation Contractor and to Add to Board Meeting Agenda

Dear Joel Metzger and Members of the Board,

I hope this letter finds you well. We are writing to formally request consideration for becoming an irrigation contractor with the Utica Water and Power Authority. Additionally, we respectfully request that this matter be added to the agenda for the upcoming board meeting.

Our request specifically pertains to receiving water service at our parcel located at [Parcel Number: 030-003-001] for agricultural purposes. We intend to use this water to irrigate pastureland for livestock, which is vital to the sustainability and productivity of our agricultural operations.

We believe that access to the water service will help us better manage our land and enhance its agricultural output, ultimately contributing to the region's agricultural community and local economy.

Please see attached completed Application form, and let us know if there are any additional forms, documents, or steps required for our request to be processed and considered at the next board meeting. We would greatly appreciate your guidance on this matter and are happy to provide any further information needed.

Thank you for your time and consideration. We look forward to your response and the opportunity to be an irrigation contractor with the Utica Water and Power Authority.

Sincerely,

Brittany and Michael Tanner



## REQUEST FOR IRRIGATION WATER FROM THE UTICA/ANGELS HYDROELECTRIC PROJECTS

| I request x 5 acre feet (AF)* of irrigation water per year. **      |                                 |  |  |  |
|---|---------------------------------|--|--|--|
| Describe the purpose of water use: agriculture - irrigating pasture |                                 |  |  |  |
| Place of diversion:   | above cabin                     |  |  |  |
| Physical address:   | N/A                             |  |  |  |
|   |                                 |  |  |  |
| Property APN:   | 030-003-001                     |  |  |  |
| Name:   | Britany Tanner & Michael Tanner |  |  |  |
| Mailing address (if different from above):                          |                                 |  |  |  |
|   | PO BOX 811                      |  |  |  |
|   | Murphys CA 95247                |  |  |  |
| Phone:  | (510) 292-0695                  |  |  |  |
| Signature   | Tanner 9/12/24 Date             |  |  |  |

Please email the completed form to: admin@uticawater.com

Or mail to:

Utica Water and Power Authority

P.O. Box 358

Angels Camp, CA 95222

<sup>\* 1</sup> acre-foot (AF) = 43,560 cubic feet (CF) = 325,851 gallons (gal) 1 cubic foot per second (cfs) = 1.9835 acre feet (AF) per day 1 cubic foot (CF) = 7.48 gallons (gal)

<sup>\*\*</sup> The normal "on-season" is May 1st through October 30th.



# Item 7D

Utica Water and Power Authority – Regular Board Meeting

## UTICA WATER AND POWER AUTHORITY

Date: September 24, 2024

**To:** Joel Metzger, General Manager

From: Stacie Walker, Administrative Specialist

**Re:** Consideration of Selection of CPA Firm for Annual Audit Services

#### **RECOMMENDED ACTION:**

Motion to authorize the General Manager to enter into a contract with one of the firms that submitted a proposal to conduct Utica Annual Audit for the fiscal year ending on June 30, 2024.

#### **SUMMARY:**

Each year, Utica Water and Power Authority (Utica) engages a certified public accounting (CPA) firm to perform an annual audit of its financial statements. Staff requested proposals from qualified CPAs to complete the annual audit and submit the report to the State Controller's Office. Three CPA firms proposed to conduct this service and all were qualified to do so. Notable points about each firm are as follows:

- 1. Hawks & Associates CPAs, Inc.
  - \$8,500 \$9,500 for FY 2024 with annual Consumer Price Index (CPI) increases after that (estimate is based on similar size agencies)
  - Hawks & Associates bills for time, but will utilize Authority staff to facilitate cost savings.
  - Hawks & Associates is a smaller local firm, with an office in Sonora, that offers a team-based approach and extensive experience with government audits, including JPAs. Hawks & Associates is the most cost-effective option.
- 2. Ryan Jolley CPAs
  - \$13,500 for FY 2024, \$14,000 for FY 2025, and \$14,500 for FY 2026
  - Ryan Jolley CPAs has worked with Utica for many years, and selecting this firm would provide continuity, familiarity with the Authority, and a reliable audit process. However, the Authority has had Ryan Jolley CPAs audit for the past 10+ years, and it is considered best practice to rotate Auditors every three to five years.
- 3. Richardson & Company, LLP
  - \$13,900 for FY 2024, \$14,350 for 2025, and \$14,780 for 2026
  - Richardson & Company is the most well-known firm among the three, with a strong reputation for high-quality audits in larger districts, including the Department of Water Resources (DWR). Their team is highly experienced but has the highest fees.

#### **FINANCIAL IMPACTS:**

After reviewing the proposals, staff notes that Hawks & Associates CPAs, Inc. submitted the lowest proposal. Additionally, they have an office in Sonora, which aligns with the Board's preference for local contracts. However, while Hawks & Associates has performed an audit on UPUD in the past, they have minimal experience performing audits for water agencies.

Ryan Jolley CPAs has performed Utica's audits for many years, and staff has no major complaints about their services. However, best practices suggest that it is prudent to have different firms perform audits to ensure finances are looked at with fresh eyes. Jolley has good experience performing audits for water agencies.

Richardson & Company LLP submitted the highest-cost proposal. They have extensive experience performing audits for utility districts and special districts across the state, and staff has spoken to numerous water agencies that recommend this firm.

#### **FINANCIAL IMPACTS:**

Staff budgeted \$9,000 to complete the Annual Audit. Staff will need to bring a budget adjustment to the Board for consideration, which will vary based on which firm is selected.

#### **Attachments**

- 1. Hawks & Associates CPAs, Inc. Proposal
- 2. Ryan Jolley CPAs Proposal
- 3. Richardson & Company, LLP Proposal

Corporate HQ: 39 N. Washington St., Suite A, Sonora, CA 95370

Phone: (209)588-8760 Fax: (209) 288-2142 Modesto office: 1015 14th Street, Modesto, CA 95354

Phone: (209) 529-4060 Fax: (209) 529-2948

www.HawksCPA.com

## Hawks & Associates CPAs, Inc

• think BOLDLY • plan CAREFULLY • execute PRECISELY •

#### PROPOSAL FOR INDEPENDENT AUDIT SERVICES

Friday, September 13, 2024

Governing Board and Management Utica Water and Power Authority (UWPA) Angels Camp, California

Delivered by email to: Stacie Walker admin@uticawater.com

Ladies and Gentlemen:

We are pleased to submit this proposal to provide independent audit services to Utica Water and Power Authority (UWPA) for the years ended June 30, 2024, 2025, and 2026. This proposal will serve to outline the services we propose to provide and the unique qualifications of this firm.

We propose to audit the financial statements of UWPA as of your June 30 year-end each year. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Because of the concept of reasonable assurance and because we will not perform an exhaustive examination of all transactions, there is a risk that material errors, fraud or illegal acts may exist and not be detected by us. In addition, an audit is not designed to detect errors, fraud, or other illegal acts that are immaterial to the financial statements. However, we will inform you of any material error - and any fraud - that comes to our attention. We will also inform you of any illegal acts that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods for which we are not engaged as auditors. These audits will be conducted in accordance with *Government Auditing Standards*, also known as "Yellow Book" audits.

The general objectives of the audit are to determine whether:

- 1) The financial statements are presented fairly in accordance with accrual basis accounting principles, in conformity with GAAP reporting standards.
- 2) There is effective control over and proper accounting for revenues, expenses, assets, and liabilities.

The audit will include tests of your accounting records and other procedures considered necessary to enable us to express an unqualified opinion that your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. If the opinion is other than unqualified, we will fully discuss the reasons with you.

We will report to you our audit findings related to internal controls and accounting procedures as part of our audit. We routinely discuss these matters during the course of our audit work, and during report presentation at a board meeting. We are also available to consult with you regarding implementation of our suggestions or any potential changes contemplated by you or your staff. Such consultations would be billed at our applicable rates, outside of the proposed audit work.

We strive to provide the highest quality professional services and relevant advice to our clients through a close and cooperative working relationship. We serve many clients from individuals to corporations, partnerships, nonprofits, special district and JPA government organizations, and other entities operating in a wide variety of businesses and activities. We provide these clients with a full range of professional accounting services. The depth and breadth of our experience provides us significant opportunities for application and adaptation of best practices across our client base.

Hawks & Associates CPAs, Inc. has been involved with many local government and non-profit organizations for a significant portion of our history. We currently work with several of these organizations in a variety of capacities, primarily annual tax and compliance reporting, and advisory or consulting services.

Robert A. Hawks, Jr., CPA is the majority owner of this CPA firm, accordingly, Rob has authority to make representations on the part of the Firm and will be the primary representative of the Firm for this engagement, though project management and day-to-day work may be delegated.

We appreciate the opportunity to submit this proposal to provide professional services to UWPA. We are looking forward to a positive relationship, and opportunities to add value for the Agency. Please feel free to contact us with any questions about this proposal, the audit process, our firm, or any other matters.

Sincerely,

Robert A. Hawks, Jr., CPA, EA, CVA

President and CEO

Robert A. Stanky

#### FIRM PROFILE

Hawks & Associates CPAs, Inc. is a central California based CPA firm operating as a California corporation. Mr. Hawks' professional accounting career dates back to the late 1980's and the firm culture reflects this long history. The Firm operates primarily from offices located in downtown Sonora and downtown Modesto, affording easy access from Stanislaus county, Tuolumne county, and surrounding areas. Currently the staffing total of 20 people includes the owner, other CPAs, CPA candidates, tax preparers, bookkeepers, clerks, and support staff. Additional staffing is provided through contractual arrangements with local individuals and firms having long-standing relationships with Mr. Hawks.

Hawks & Associates CPAs, Inc. is a full service public accounting office. We provide services in tax planning and preparation, financial and compliance auditing, financial statement preparation, client accounting, bookkeeping, and management consulting. The firm provides accounting and auditing services to a number of our clients who use a wide variety of computerized accounting and management information systems. Our firm is also a QuickBooks ProAdvisor office, providing support, analysis, and training in the use of all versions of this popular software. For more information, please visit www.HawksCPA.com.

#### **AUDIT STAFF**

We conduct our auditing engagements under a team approach. Your audit will be staffed with individuals knowledgeable in audits of governmental organizations. All work prepared is reviewed by supervisors to assure efficient operation and adherence to professional quality control standards. Our complete staff roster and current rates are as follows:

#### **Primary Audit Staff:**

Robert A. Hawks, Jr., CPA – Majority Shareholder - \$330 to \$360 per hour Mr. Hawks bears ultimate responsibility for the engagement. It will be his responsibility to see that you receive the highest quality professional service. He has extensive experience in financial and compliance audits, income taxes, and consulting. Mr. Hawks will be involved in the day-to-day engagement activities.

<u>Josh Bigelow, CPA</u> - Shareholder – Audit Manager, Tax Manager - \$200 to \$230 per hour Mr. Bigelow will perform specific testing, work paper preparation, and other audit functions as assigned. He also performs bookkeeping, write-up, payroll and tax services.

Matthew Manafi - Shareholder - Audit Supervisor, CPA candidate - \$190 to \$210 per hour Mr. Manafi performs specific testing, work paper preparation, and other audit functions as assigned. He also performs bookkeeping, write-up, payroll and tax services

#### Additional staff:

<u>Jennifer K. Hawks</u> – Shareholder, Firm Administrator - \$240 to \$270 per hour Mrs. Hawks may assist with reports, corespondence, and project administration.

<u>Tara Perry</u> – Shareholder, Bookkeeping Supervisor - \$140 to \$160 per hour if applicable Ms. Perry may assist with reports and QuickBooks data extraction.

Evelyn Scott, Tax Supervisor, CPA Candidate - \$160 to \$180 per hour Ms. Scott may assist with reconciliations, reports and fieldwork.

<u>Priya Sohol</u>, Staff Accountant, CPA candidate - \$110 to \$130 per hour Ms. Sohol may assist with reconciliations, reports and fieldwork.

Sheliza Dass, Staff Accountant, CPA candidate - \$110 to \$130 per hour Ms. Dass may assist with reconciliations, reports and fieldwork.

Magdalena Alcazar, Staff Accountant, CPA candidate - \$100 to \$120 per hour Ms. Alcazar may assist with reconciliations, reports and fieldwork.

<u>Judy Adamson</u>, Tax Preparer - \$100 to \$130 per hour Ms. Adamson is focused exclusively on income tax preparation.

<u>Tonya Rodgers</u> – Bookkeeper - \$100 to \$110 per hour if applicable Ms. Rodgers may assist with reports and QuickBooks data extraction.

<u>Hailey Danicourt</u> – Bookkeeper - \$90 to \$100 per hour if applicable Ms. Danicourt may assist with reports and QuickBooks data extraction.

<u>Karen Ackley</u> – Bookkeeper - \$110 to \$130 per hour if applicable Ms. Ackley may assist with reports and QuickBooks data extraction.

<u>Jen Staysa</u> – Administrative Assistant - \$80 to \$90 per hour if applicable Ms. Staysa assists with reporting, scheduling, and correspondence.

<u>Kimberly Usiak</u> – Administrative Assistant - \$60 to \$70 per hour if applicable Ms. Usiak assists with reporting, scheduling, and correspondence.

<u>Becky Crifasi</u> – Administrative Assistant - \$80 to \$90 per hour if applicable Ms. Crifasi assists with reporting, scheduling, and correspondence.

<u>Lori Murry</u> - Administrative Assistant - \$80 to \$90 per hour if applicable Ms. Murry assists with reporting, scheduling, and correspondence.

<u>Jerry Ellman, CPA</u> – Semi-retired - \$325 per hour, client relations and correspondence.

<u>Mike Nickerson, CPA</u> – Semi-retired - \$325 per hour, client relations and correspondence.

UWPA three-year audit proposal Friday, September 13, 2024 Page 5 of 8

(209) 521-9372

(209) 668-4853

(209) 533-0510

The following references are listed to assist you in your evaluation of our qualifications:

#### SELECTED CURRENT NON-PROFIT ORGANIZATION AUDIT ENGAGEMENTS

Mr. Hawks and staff have been involved in auditing non-profit organizations over many years, including human services, health and welfare, and supportive organizations. The following client contacts are provided for reference purposes:

<u>Client</u> <u>Contact Person</u>

Boys and Girls Clubs of Merced County

615 W 15th Street

Merced, CA 95340

(209) 722-9922

Virginia Hayward
President & CEO

Howard Training Center (Howard Prep)

(Single Audit)

1424 Stonum Road

Modesto, CA 95351

Carla J Strong

Executive Director

(209) 538-4000
Success Capital Expansion & Development
Marsha Carr

Corporation Chief Executive Officer (Yellow Book Audit)
1100 14<sup>th</sup> Street, Suite B
Modesto, CA 95354

United Samaritans Foundation
Linda Murphy-Julien
220 S. Broadway
Executive Director
Turlock, CA 95380

WATCH Resources, Inc.

12801 Cabezut Road

Sonora, CA 95370

Clinton Bower
Executive Director

#### SELECTED CURRENT GOVERNMENTAL AUDIT ENGAGEMENTS

Mr. Hawks and staff have been involved in auditing several governmental agencies over the years, including Special Districts and JPA's. The following client contacts are provided for reference purposes:

<u>Client</u> <u>Contact Person</u>

Schools Infrastructure Financing
Agency
Carol Phipps
Controller

426 Locust Street Modesto, CA 95351 (209) 550-3300 x5524

Salida Area Public Facilities Financing
Agency
Carol Phipps
Controller

(address same as above)

Tuolumne Fire District Nick Ohler 18690 Main Street Fire Chief

Tuolumne, CA 95379 (209) 928-4505

Tuolumne Park and Recreation District
P O Box 730
James Wood
General Manager

Tuolumne, CA 95379 (209) 928-1214

#### ADDITIONAL AUDIT EXPERIENCE

Stanislaus LAFCO Catholic Charities/Diocese of Stockton

Central Region Schools Insurance Group Keyes Community Service District

CSU Stanislaus Foundation Doctors Medical Center Foundation

Greater Modesto Relocatable Administration Agency Fellowship Homes/Casa de Modesto

Modesto City Schools (District)

Stanislaus Community Foundation

Central Catholic High School Casa de Modesto

United Way of Stanislaus Area

Additional references are available upon request.

UWPA three-year audit proposal Friday, September 13, 2024 Page 7 of 8

Although not currently engaged, we have past experience with Skilled Nursing Facilities audits and Medi-Cal cost reimbursement reporting. We have extensive Public Agency audit experience.

#### **AUDIT APPROACH**

Our approach will start with a development of an understanding of your accounting systems. From this we will make a preliminary evaluation of the strengths and weaknesses of your systems. We will then modify our audit approach based upon this evaluation.

After modification of our audit program based upon our study and evaluation of internal controls we substantively review the financial statement. This phase of the audit includes, among other steps, confirmation with third parties, and reconciliation with accounting data, review of accounting estimates and analytical review.

Our audit approach anticipates your staff providing reference documents and assisting in the preparation of account analysis and reconciliation, financial statements and the MD&A report. Our fee is based upon this premise. Areas which we believe are compliance exceptions or reportable conditions will be discussed with management at the earliest possible time. We do this so that management's input can be obtained and corrective action, if needed, can be taken as soon as possible.

The specific work plan for the three-year audit of UWPA is as follows:

Review/Update Internal Control System October

Owner/Staff Accountants: 4-6 hours

Understanding, Preliminary Substantive Work October

Transaction Testing, Prior File Review Owner/Staff Accountants: 16-24 hours

Substantive Testing of Financial Statements October-November

Owner /Staff Accountants: 8-10 hours

Report Preparation, Client Discussions October-November

Owner /Staff Accountants: 3-4 hours

Audit Report Delivery no later than December

Owner: 2-3 hours

#### COMPENSATION

We estimate that our fees for the professional audit services proposed will be in the range of \$8,500 to \$9,500 each audit year. If a three-year term is requested, CPI increases may be applied. We bill for our time and will make every effort to avail ourselves of your assistance in an attempt to keep fees to a minimum, however, fees may be higher if unexpected circumstances are encountered or you need more guidance than anticipated. If this fee estimate varies significantly from your expectations, please contact us to ensure we have fully understood your intended scope of work. Also, feel free to contact us with any other questions.

These fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. We will render invoices monthly for actual time and costs incurred. Our invoices are due upon presentation. Additional services not contemplated by this proposal will be billed at our routine hourly rates. If we encounter any unusual situations or fraud, which will require a major extension of the audit procedures beyond those normally applied, we agree to notify you at once regarding significant additional costs.

#### ADDITIONAL INFORMATION

We have enclosed our Firm's privacy policy, peer review report, and other background information for Hawks & Associates CPAs, Inc.

#### **ASSURANCES**

Hawks & Associates CPAs, Inc is a California licensed Certified Public Accounting firm and intends to be continuously and indefinitely into the future.

Our Firm and individuals involved meet the independence standards of the AICPA and GAO, Government Auditing Standards.

Our firm has available capacity, resources, and flexibility to carry out the proposed services in a timely manner. We have an excellent track record of on-schedule report delivery.

Our firm and individuals involved in the audit process have direct experience necessary to carry out the objectives of our audit. Specifically, we have experience with high-quality audits of local governments and non-profits with annual operating budgets ranging from tens of thousands of dollars to tens of millions of dollars.

There are not presently nor have there ever been any disciplinary actions, sanctions, or other restrictions imposed by any regulatory body or professional organization on the firm or any principals.

There are not presently nor have there ever been any lawsuits or claims of fraud or malpractice relating to this firm or any principal's governmental auditing and consulting practice, nor any other practice area.

#### **ADDITIONAL INFORMATION**

#

### Hawks & Associates CPAs, Inc

think BOLDLY ullet plan CAREFULLY ullet execute PRECISELY ullet

#### **Privacy Policy**

Dear Client:

CPAs, as all providers of financial services, are required by law to inform their clients of their policies regarding privacy of client information. CPAs have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by law. Therefore, we have always protected your right to privacy.

#### Types of Nonpublic Personal Information We Collect

We collect nonpublic personal information about you that is provided to us by you or obtained by us from outside agencies such as IRS, banks and brokerage houses.

#### **Parties to Whom We Disclose Information**

For current and former clients, we do not disclose any nonpublic personal information obtained in the course of our practice except as required or permitted by law. Permitted disclosures include, for instance, providing information to our employees, and in limited situations, to unrelated third parties who need to know that information to assist us in providing services to you. Unrelated third parties would include the computer service we use for electronically filing your tax return, our independent peer reviewer, and professional subcontractors – all of these adhere to policies protecting your privacy.

Unrelated third parties would also include any party which you explicitly permit or request us to disclose information to on your behalf. In all such situations, we stress the confidential nature of information being shared, and will obtain your permission prior to disclosure.

#### Protecting the Confidentiality and Security of Current and Former Clients' Information

We retain records related to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

Please call if you have any questions, because your privacy, our professional ethics, and the ability to provide you with quality financial services are very important to us.



#### Report on the Firm's System of Quality Control

June 27, 2022

To Hawks & Associates CPAs, Inc. and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Hawks & Associates CPAs, Inc. (the firm) in effect for the year ended December 31, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at <a href="https://www.aicpa.org/prsummary">www.aicpa.org/prsummary</a>. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

#### Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

#### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

#### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

#### **Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Hawks & Associates CPAs, Inc. in effect for the year ended December 31, 2021, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Hawks & Associates CPAs, Inc. has received a peer review rating of pass.

Coughlan Napa CPA Company, Inc.

Coughlan Napa CPA Company, Inc.



### Robert A. Hawks, Jr., CPA, EA, CVA

• think BOLDLY • plan CAREFULLY • execute PRECISELY •

#### Resume

| Professional |
|--------------|
| experience   |

Rob is an income tax and accounting professional, who has enjoyed assisting clients in a wide variety of personal and business-related tax, accounting, reporting, and compliance issues since 1988. Rob is authorized to act as an advocate and client representative before the IRS and state authorities. Rob serves as consultant and analyst for clients including individuals, corporations, partnerships, S-corporations, LLC's, LLP's, government and non-profit organizations. Rob is an objective commentator in the roles of an internal and external auditor.

Rob has worked with, on, and through computers since 1983 in a variety of settings. He is proficient with several accounting software packages, from the most popular to the most sophisticated. Rob has significant operating system as well as hardware and software troubleshooting experience, including Network Administrator on a 20-user LAN for 8 years.

#### Memberships

Active member, American Institute of Certified Public Accountants, California Society of Certified Public Accountants since 1994. Member of NACVA, ACFE, NAEPC.

#### Licenses

Licensed by the California Board of Accountancy as a Certified Public Accountant. Passed the entire CPA exam in one sitting, receiving special recognition for this exemplary achievement.

Reflecting an emphasis in Taxation, passed the entire 2-day IRS Special Enrollment examination on first attempt in 1990, and has been an IRS Enrolled Agent since 1991

# Additional professional activities

In addition to the annually required accounting, ethics, and income tax education, continuing professional education coursework has included Intermediate and Advanced MS Excel, MS Word, PC Troubleshooting and maintenance, and Network system operations.

#### Education

National University, Sacramento, CA:

Bachelor of Science in Accountancy, Magna Cum Laude

## Community activities

Served as treasurer of a non-profit Adult Education program. Volunteered professional services to a Habitat for Humanity chapter and other agencies. Lengthy service on the Finance Committee at church. Past board member of Rotary club, Estate Planning Council, United Cerebral Palsy of Stanislaus, Sonora Chamber of Commerce, Columbia College Business Advisory Council, and Modesto Symphony Orchestra. Active member of Rotary, past member of Lions International. Served as volunteer firefighter.

#### Hobbies, Interests

Enjoys computers, artwork, golf, music, and family activities including backpacking, camping, snow skiing, and water skiing.

## PROPOSAL TO PROVIDE PROFESSIONAL AUDITING SERVICES

### **Utica Water and Power Authority**

Bryant L. Jolley, CPA

901 "N" Street, Suite 104 Firebaugh, Ca 93622 Phone: (559) 659-3045 Fax: (559) 659-0615

FID #94-2706107

August 15, 2024

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CERTIFIED PUBLIC ACCOUNTANTS

Bryant L. Jolley C.P.A. Ryan P. Jolley C.P.A. Darryl L. Smith C.P.A. Luis A. Perez C.P.A. Lan T. Kimoto

August 15, 2024

Board of Directors Utica Water and Power Authority Angels Camp, CA

We are pleased to provide this response to the Utica Water and Power Authority (the "Authority"), request for proposal for an independent accounting firm to provide audit and related financial services for the fiscal years ending June 30, 2024, 2025 and 2026.

We understand the scope of work will include Audited Financial Statements, the Annual Financial Transaction Report, and a Management Report. We also understand the audit and reports are to be conducted in accordance with generally accepted auditing standards (GAAS) as set forth by the American Institute of Certified Public Accountants (AICPA), generally accepted government auditing standards (GAGAS) as set forth by the General Accounting Office's (GAO) Government Auditing Standards, U.S. Office of Management and Budget (OMB) Uniform Guidance, and State of California Controller's Minimum Audit Requirements for California Special Districts. Finally, we understand the objective of the services to be performed and commit to performing those services within the time period specified by the Utica Water and Power Authority.

We have specialized in the auditing of cities, special districts and companies over the past 40 years and have performed over 700 such audits. Our firm consists of four CPA's who have over seventy years combined auditing experience making us premier auditors. We audit 40 special districts annually including several water districts.

We seek to conduct the Authority audit because we feel our experience and expertise with auditing makes us a perfect fit for the engagement. We can provide value to the Authority through the quality of our work, the timeliness of our performance, our knowledge of governments, team consistency, and, most important, a strong relationship among the people on our team.

In the following proposal, you will see that our firm is capable of consistently delivering high levels of value to the Authority. You will work with an auditor that is stable and responsive. You will receive accurate, reliable, and timely service that is fairly priced. And you will have continual access to senior-level team members who are knowledgeable, qualified, and consistent. Unlike other firms, our Partners participate in all parts of the audit engagement.

Ryan P. Jolley, CPA will serve as the principal contact authorized to make representations on behalf of this bid. This proposal is a firm and irrevocable offer for 60 days. He can be reached by phone at 559-659-3045, by e-mail at <a href="mailto:ryanpjolley@hotmail.com">ryanpjolley@hotmail.com</a>, or by mail at 901 "N" Street, Suite 104, Firebaugh, CA 93622.

We are eager to continue to work with the Authority and look forward to demonstrating to your Board of Directors our commitment to providing a cost-effective, high-quality audit of the Authority. We look forward to your response. Thank you for your consideration.

Sincerely,

Bryant L. Jolley, CPA

#### TECHNICAL PROPOSAL

Our firm is independent of the Utica Water and Power Authority as defined by the U.S. General Accounting Office's Government Auditing Standards. Our firm is licensed to operate as a certified public accounting firm by the State of California. All professional staff is properly licensed to practice in California.

Our firm consists of four CPA's and two other professionals who have over seventy years combined auditing experience making us premier auditors of local governments. Our firm performs approximately 55 governmental audits annually. Because of the size of our firm and the experience of the individuals, all members of our firm will be involved in this engagement. Our office is located Fresno, CA and this office will be responsible for the audit.

Our firm is in compliance with all GAO standards for continuing education and we recently completed a peer-review of our work, which included government engagements, by an independent CPA firm for which we received the highest rating of pass (page 10).

The people who serve you today will be the people who serve you tomorrow. Our firm's turnover rate is 0%, which ensures continuity on your engagement. Our firm only consists of senior level members who have significant years of auditing experience. Your engagement team will not contain staff accountants nor will you have to train new audit team members in succeeding years. We highly emphasize senior level involvement because these are the team members who know the most about you and your operations. Their involvement assures quick resolution of issues, better job management, closer supervision, and expeditious review of work papers. These are the people who will remain consistently committed to your engagement.

The following information outlines the qualifications and experience of the individuals who would be assigned to the engagement.

### QUALIFICATIONS OF YOUR AUDIT TEAM

#### BRYANT JOLLEY, CPA

#### AUDIT ROLE: CLIENT SERVICE PARTNER/ENGAGEMENT REVIEWER

Bryant Jolley will be the in-charge person for the Authority audit. He has been a licensed CPA since 1976 and has operated his own firm since 1980. He graduated from Brigham Young University in 1974 and did graduate accounting studies at the University of Southern California. His initial training as an auditor was with Deloitte Touche, an international CPA firm. The first governmental audit he performed was in 1979 and he has been extensively engaged in governmental accounting since that date. He is the in charge person on an average of thirty city or special district audits each year. This experience allows him to have a unique understanding of the accounting and fiscal problems facing governmental units and provide concrete recommendations to improve overall efficiencies. He has received over 80 hours of government-specific continuing professional education over the last two years and is a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

#### RYAN JOLLEY, CPA

#### AUDIT ROLE: ENGAGEMENT PARTNER

Ryan Jolley is a licensed certified public accountant who joined our firm in 2004. He graduated with an undergraduate degree in accounting in 2002 and entered the Masters program in accounting at San Diego State University the same year. During this period he started work as a staff auditor with Moss Adams LLP, a large national CPA firm. He interned with our firm for several summers during college and worked on numerous governmental audits. He was the primary senior non-profit/governmental auditor for the Moss Adams San Diego office. Since then he has worked extensively with several cities helping them with the GASB 34 conversion process. He has over 15 years of experience with auditing municipalities, colleges, and commercial entities as well as conducting Single Audits under OMB Circular A-133 standards.

#### Luis Perez, CPA

#### AUDIT ROLE: ENGAGEMENT MANAGER/IN-CHARGE AUDITOR

Luis Perez is a licensed certified public accountant and has 10 years of experience auditing non-profit organizations and cities. Additionally, he has helped many non-profits, cities and districts with temporary accounting projects or other operational emergencies. This has provided him with extensive working knowledge of non-profits and allows him to be available for normal accounting questions or assistance throughout the year. He is a member of the American Institute of Certified Public Accountants.

#### **OUR EXPERIENCE AUDITING ENTITIES**

#### Jamestown Sanitary District

**Principal Contacts:** Cody Billings, District Manager (209-984-5177)

Engagement Dates: June 30, 2023

**Approximate Staff Hours Expended:** 60 hours

Scope of Work: Audited Financial Statements, Annual Financial Transaction Report

#### Mariposa Public Utility District

**Principal Contacts:** Susan Wages, District Manager (209-966-2515)

Engagement Dates: June 30, 2023

**Approximate Staff Hours Expended:** 80 hours

Scope of Work: Audited Financial Statements, Annual Financial Transaction Report

#### **Union Public Utility District**

**Principal Contacts:** Elaine Urruty, Finance Officer (209-728-3651)

Engagement Dates: June 30, 2023

**Approximate Staff Hours Expended:** 40 hours

Scope of Work: Audited Financial Statements, Annual Financial Transaction Report

#### Murphys Sanitary District

**Principal Contacts:** Kristina Fillmore, Administration Manager (209-728-3094)

Engagement Dates: June 30, 2023

**Approximate Staff Hours Expended:** 60 hours

Scope of Work: Audited Financial Statements, Annual Financial Transaction Report

#### San Luis Water District

**Principal Contacts:** Lon Martin, District Manager (209-826-4043)

Engagement Dates: February 29, 2024

**Approximate Staff Hours Expended:** 100 hours

Scope of Work: Audited Financial Statements, Annual Financial Transaction Report

#### HOW WE APPROACH YOUR AUDIT

Our effective and efficient audit approach combines knowledge of governmental accounting and auditing with an understanding of the associated risks. We are value-driven and seek to maximize the return on your investment in the audit process through in-depth analysis of your financial statements and your internal controls. Throughout the engagement, our team will collaborate with your staff whenever possible to minimize costs and improve efficiencies. Of course, we will need assistance with preparing schedules, finding documents, explaining processes, and providing sample documentation, budget related materials, organizational charts, and manuals.

#### **Audit Standards**

The auditor's opinion will be directed toward the fairness of presentation of the financial statements in accordance with Generally Accepted Auditing Standards (GAAS), generally accepted government auditing standards (GAGAS), and U.S. Office of Management and Budget (OMB) Uniform Guidance. We will prepare the Annual Financial Report in conformity with Government Code Section 26909, Generally Accepted Accounting Principles (GAAP), and Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States General Accounting Office.

#### Pre-Audit

We are very familiar with the audit issues facing the Authority. We have adjusted our audit services to incorporate these specialized areas and approach the audit from the following aspects:

- ♦ Where are the Authority's greatest exposures?
- ♦ How does the Authority safeguard against risks?
- ♦ How does the Authority internally evaluate its organization?
- ♦ What are the controls used by the Authority to measure accountability?

Our approach to the Authority audit is truly a design that will be as unique as the entity itself and is based on the areas we find to be the most vulnerable. Our focus includes evaluating internal controls that ensure adherence to applicable federal and state laws and regulations. We place a substantial amount of our time reviewing and assessing such high-risk areas during our evaluation. This risk-based approach focuses our efforts on what is important to you and your stakeholders and enables us to present you with meaningful suggestions.

We monitor our performance using a variety of qualitative and quantitative measures. First and foremost, we honor our agreement with you, completing the engagement on-time and on-budget. When you talk to our references, you will find that this sets us apart from most regional and national CPA firms. Typically, in a first year audit engagement, we invest additional time in your audit, which is **not** billed to you as cost over-runs. Rather, we view it as an investment in our long-term professional relationship.

We measure our audit performance in the response we receive from the entity and its staff. In addition, we report directly to management and the Board in face-to-face meetings, providing meaningful information and answering questions directly.

#### Segmentation of the Audit

Our audit involves a logical sequence of five steps that ensures compliance with the applicable professional standards and the expeditious completion of the audit. We will tailor our audit to the needs and complexity of the Authority.

- 1. **Planning** First, we learn everything we can about the Authority and its related organizations from organizational structure to policies and procedures. We read meeting minutes, review budgets, assess manuals and programs, hold discussions with key management staff, and evaluate management information systems. Based on what we learn, we develop our expectations regarding current year results, and then compare our expectations to actual results. This helps us develop risk assessments for each audit segment to determine what level of control testing and/or substantive testing is necessary to address the assessed risk. We then design our audit program accordingly.
- 2. **Control Testing** Depending on our risk assessments, we determine specific audit cycles to test for internal controls and we evaluate the results. Based on the results against our expectations, we then determine if any modification is necessary to our planned substantive audit procedures on ending account balances and transactions. Based on the information we have obtained to date, we plan to test controls to obtain moderate to substantial reliance over cash and investments, revenues and related receivables, expenses and related payables, capital outlay, and long-term debt. This is subject to change once we gather more information as part of our audit planning procedures.
- 3. **Substantive Testing** Our overall objective is to achieve a low level of risk of error in ending account balances. After we have performed our preliminary analytical and internal control tests and evaluated the results, we determine the nature, timing, and extent of detailed audit procedures on ending account balances and transactions necessary to achieve a low level of risk that errors could be present without detection.
- 4. **Compliance Testing** The State requires testing organizational compliance with certain laws and regulations. In addition, we will test your compliance with federal laws. We have specially-designed audit programs that ensure we adequately address both areas.

- 5. **Report Writing and Review** After all the fieldwork is complete, we draft our opinions and other reports. As part of our firm's quality control process, Bryant Jolley is required to review our audit files and audit report to improve the quality of our audits and to ensure optimum quality. We have a requirement that only personnel involved in our audit service team can be involved in the review of our work. This ensures that our clients are served with professionals trained in auditing and accounting standards.
- **6. Statistical Sampling -** Sampling to be used during our audit will include random sampling methods for tests of controls and for substantive tests of details. Sampling will be used throughout the engagement to test most financial statement balances.

We will select the most appropriate sampling technique for a given compliance test, tailored to the type and nature of the test.

7. **Analytical Procedures** - Analytical procedures are generally performed throughout the audit engagement, and result in substantial discussion with management. Initially, at the planning phase of the audit, comparisons are made between current and prior year results, actual and budgetary information, and to industry benchmarks. We use common size financial statements and trend and ratio analyses to aid us in developing our audit plan and programs. Non-financial data and external information are incorporated in our procedures to enhance their validity, and information is disaggregated as much as possible to improve precision.

During our substantive testing of balances, we typically analyze the detail of changes to certain accounts. For example, this approach is often used with sampling in our testing of capital asset, long-term debt and investment accounts.

At the conclusion of the audit, we again employ analytical procedures similar to those used at the planning phase. The audit team takes a holistic view of the financial statements in light of the results of all other auditing procedures performed. We discuss our observations with management and provide information to the Board as part of our audit result presentation. Our clients find this to be the most important value of their annual audit process. It produces beneficial information far beyond the audit of the financial statements they initially expect.

#### **AUDIT: Documenting internal control structure**

- Obtain copies of all available system and policy/procedure documentation from the Authority finance, treasury, human resources, information technology, grant management, budget department, and personnel. This will include organization charts, narratives and flowcharts. Copies will be retained in our permanent working paper file. This documentation will be updated annually for any changes.
- Review the above-described documentation and meet with the Authority personnel to make inquiries about, and discuss questions that arise from, our review.
- ♦ Document and assess the adequacy of internal controls over the various systems, and develop preliminary risk assessments for each of them. As mentioned earlier in our discussion of audit approach, the framework of this system incorporates the requirements of auditing standards related to internal control and fraud detection.

At the planning phase of our audit and in accordance with Statement on Auditing Standards (SAS) 99, *Consideration of Fraud in a Financial Statement Audit*, we will hold a brainstorming meeting to discuss fraud risks related to the Authority and design the audit to take those risks into account. Provisions of this new and important auditing standard will be incorporated throughout our audit.

#### **EXHIBIT A**

#### TOTAL MAXIMUM PRICE - RESPONSE TO AUTHORITY RFP

| Service                                      | June 30,<br>2024 | June 30,<br>2025 | June 30,<br>2026 |
|--|------------------|------------------|------------------|
| Authority Audit and Related Reports          | \$ 12,500        | \$ 13,000        | \$ 13,500        |
| State Controller's Reports, if applicable    | \$ 1,000         | \$ 1,000         | <u>\$ 1,000</u>  |
| Total for Fiscal Year (not-to exceed)        | \$ 13,500        | \$ 14,000        | \$ 14,500        |
| Single Audit, per major program, if required | \$ 4,500         | \$ 4,500         | \$ 4,500         |
| Grand Total with Single Audit                | \$ 18,000        | \$ 18,500        | \$ 19,000        |

Submitted By:

Firm Name: Bryant L. Jolley, CPA

I hereby certify that the undersigned is authorized to represent the firm stated above, and empowered to submit this bid, and if selected authorized to sign a contract with the Authority, for the services identified in the Request For Proposal.

Signature:

Printed Name: Bryant L. Jolley Date: August 15, 2024

## **Grant Bennett Associates**





#### Report on the Firm's System of Quality Control

December 27, 2023

To Bryant L Jolley and the Peer Review Committee of the California Society of CPAs:

We have reviewed the system of quality control for the accounting and auditing practice of Bryant L Jolley (the firm) in effect for the year ended May 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at <a href="https://www.aicpa.org/prsummary">www.aicpa.org/prsummary</a>. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

#### Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

#### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

#### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.



## **Grant Bennett Associates**





#### **Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Bryant L Jolley in effect for the year ended May 31, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Bryant L Jolley has received a peer review rating of *pass*.

Then Denne Thank

GRANT BENNETT ASSOCIATES
A PROFESSIONAL CORPORATION
Certified Public Accountants

# PROPOSAL TO PROVIDE PROFESSIONAL AUDIT SERVICES FOR



FOR THE FISCAL YEAR ENDED JUNE 30, 2024

#### **CONTACT PERSONS:**

Ingrid Sheipline, Managing Partner
<a href="mailto:isheipline@richardsoncpas.com">isheipline@richardsoncpas.com</a>
Brian Nash, Partner
<a href="mailto:bnash@richardsoncpas.com">bnash@richardsoncpas.com</a>



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Fax: (916) 564-8728



550 Howe Avenue, Suite 210 Sacramento, California 95825

Telephone: (916) 564-8727 FAX: (916) 564-8728

September 16, 2024

Utica Water and Power Authority 1168 Booster Way Angels Camp, CA 95222

Thank you for your interest in our firm and the opportunity to present our proposal to serve the **Utica Water and Power Authority** (the Authority). We are genuinely enthusiastic about the prospect of serving as your auditors. Auditing special districts, especially utility districts, has developed into one of our firm's major areas of expertise. If given the opportunity, you can be sure that we would serve the Authority with great care and pride.

#### Our Profile and Commitment to Quality

Richardson & Company, LLP is a regional CPA firm established in 1991 and located in Sacramento. We have a staff of thirty-seven, including eleven CPAs. We are among the top 15 largest CPA firms operating in the Sacramento area. Richardson & Company, LLP is a certified Micro-Small Business Enterprise by the California Department of General Services and a certified Disadvantage Business Enterprise and Woman-owned Business Enterprise by Caltrans. All of our professional staff have governmental auditing experience. We provide audit services to numerous governmental entities, including water and other utility districts, park and recreation districts, cities, fire districts, regional transportation planning agencies, Transportation Development Act funding recipients, joint powers authorities and other special districts. We also provide audit services to nonprofit organizations, financial institutions, affordable housing entities and several others. We provide tax services to our audit clients requiring those services. Our firm is dedicated to providing our clients with quality audit, tax, accounting and business advisory services at a reasonable cost consistent with the highest professional standards.

We are registered with the Public Company Accounting Oversight Board (PCAOB), and we are a member of the Center for Audit Quality and the Center for Public Company Audit Firms of the American Institute of Certified Public Accountants (AICPA). All firms that join the Center for Audit Quality agree to adhere to published AICPA and PCAOB quality control standards and submit to peer reviews and PCAOB inspections of their practice every three years. We have passed all ten peer reviews and all three PCAOB inspections of our practice.

## **Independent Accountants with Proven Expertise Serving Utility District and Other Governmental Entities**

In any service organization, it is the people who make the difference. Our team members know and understand the challenges and opportunities confronting governmental entities and our team consists of professionals who have proven their ability to provide auditing services to utility districts. Serving this industry with its unique reporting requirements has developed into one of our firm's areas of expertise. For this reason, we believe we are best qualified to perform the audits of the Authority. The utility districts we have served range in size from small agencies, such as Orleans Community Services District and Volcano Community Services District, to very

large, such as Sacramento Suburban Water District, Yuba County Water Agency and El Dorado Irrigation District. We have also audit several agencies that receive revenue from the sale of power to PG&E.

We have audited the California Department of Water Resources on behalf of a large Southern California water agency for the past forty years, including twelve years, while key personnel in our firm were with Ernst & Young. The water agency is a consortium of twenty-six cities and water districts serving nearly nineteen million people in the Los Angeles and San Diego areas. It is the largest water district in the world. This large, complex audit of the multi-billion-dollar State Water Project managed by the California Department of Water Resources is on a scale and nature as to rarely be performed by other than "Big Four" firms. The audit of the State Water Project includes auditing its coal-fired and hydroelectric power operations and the bonds issued to finance the project.

We also have extensive experience with performing audits of other special districts, including the Sacramento Metropolitan Fire District, Sacramento Public Library Authority, Sacramento Transportation Authority, Cosumnes Community Services District, El Dorado Hills CSD, Yolo-Solano Air Quality Management District, Yolo County Transportation District, Sacramento Regional Transit District, El Dorado County Transportation Commission, El Dorado County Transit Authority, Yolo County Transportation District, Yuba-Sutter Transit Authority and Paratransit. We have also served numerous cities and other governmental entities. We have extensive experience with Single Audit Act procedures and reports, preparation of State Controller's Reports, letters to underwriters and preparation and review of Annual Comprehensive Financial Reports for compliance with the GFOA's preparers checklist in order to receive the Certificate of Achievement for Excellence in Financial Reporting.

We have been selected several times to conduct special, forensic audits on behalf of several water and fire districts, including situations where it was alleged that expense reimbursements had been paid in excess of amounts authorized by policy or law. Our investigations proved the allegations were true and discovered several other problems. Our audit results were made public by the Authorities involved and extensively reported in the local and statewide news media. The FBI, IRS and the Sacramento District Attorney subpoenaed our workpapers to assist them with their investigations. We have testified in federal court and given depositions related to this work. This special audit work proves that our firm has the resources and expertise to successfully complete difficult, unusual auditing projects in a timely manner.

We have built a practice oriented toward providing services equal in caliber to those provided by firms operating on a national level. The following is a list of governmental and governmental-affiliated entities we are currently serving or have served:

#### **Utility Districts**

- Calaveras County Water District
- Tuolumne Utilities District
- Amador Water Agency
- Tri-Dam Project and Power Authority
- Nevada Irrigation District
- South Feather Water and Power Agency
- Del Paso Manor Water District
- Florin County Water District
- Citrus Heights Water District
- Elk Grove Water Service
- Sacramento Suburban Water District

- Fair Oaks Water District
- Carmichael Water District
- Rio Linda/Elverta Community Water District
- Orleans Community Services District
- Volcano Community Services District
- Paradise Irrigation District
- Rancho Murieta Community Services District
- Central California Irrigation District
- Byron-Bethany Irrigation District
- Calaveras Public Power Agency
- North Yuba Water District
- El Dorado Irrigation District
- American River Flood Control District
- San Juan Water District
- Oakdale Irrigation District
- Bear Valley Water District
- South San Joaquin Irrigation District
- Yuba County Water Agency
- San Luis and Delta-Mendota Water Authority
- Merced Irrigation District
- San Joaquin Valley Drainage Authority
- Yolo County Flood Control and Water Conservation District
- Glenn-Colusa Irrigation District
- Westlands Water District
- Reclamation District 1000
- Reclamation District 2035
- Yolo Subbasin Groundwater Agency
- State Water Project Contractors Authority
- Regional Water Authority
- Sacramento Groundwater Authority
- Cosumnes Groundwater Authority
- Delta Conveyance Finance Authority

#### **Special Districts**

- Mountain House Community Services District
- Cosumnes (formerly Elk Grove) Community Services District
- Amador County Transportation Commission
- Amador Transit
- Byron Sanitary District
- Calaveras Council of Governments
- Calaveras Transit
- California Exposition & State Fair
- Diablo Community Services District
- Dixon Public Library District
- El Dorado County Transportation Commission
- El Dorado County Transit Authority
- El Dorado County Emergency Services Authority
- Fair Oaks Recreation & Park District
- Auburn Recreation & Park District
- California Tahoe Emergency Services Authority

- Sacramento Metropolitan Fire District
- Sacramento Area Council of Governments
- Sacramento Transportation Authority
- Sacramento Public Library Authority
- Sacramento Regional Fire/EMS Communications Center
- Sacramento Metropolitan Cable Television Commission
- Butte County Association of Governments
- Cortina Community Services District
- Yolo-Solano Air Quality Management District
- Placer Resource Conservation District
- El Dorado Hills Community Services District
- Lassen County Transportation Commission
- Lassen Transit Services Agency
- Nevada County Transportation Commission
- Yuba-Sutter Transit Authority
- Yolo County Transportation District
- Yolo Emergency Communications Agency
- Paratransit
- Placer County Transportation Planning Agency
- Regional Waste Management Authority
- Yolo County Local Agency Formation Commission
- Vacaville Unified School District Library District
- Rescue, Wilton, Herald and Pacific Fruitridge Fire Protection Districts
- Marin County Transit District
- Transport System of the University of California at Davis (Unitrans)

We have also provided audit services to most of the cities in the Sacramento area including the Cities of West Sacramento, Lincoln, Chico, American Canyon, Colfax, Elk Grove, Citrus Heights, Sonoma, Sutter Creek, Dixon, Folsom, Marysville, Ione, Biggs, Colusa, Rancho Cordova and the Towns of Loomis and Paradise, which includes services provided that are similar to those the Authority provides. We have also audited the Transportation Development Act (TDA) funds of the various cities and counties in Sacramento, Yolo, Yuba, Sutter, Butte, El Dorado, Calaveras, Amador, Placer, Nevada, Lassen and San Joaquin counties. We have extensive experience with Single Audit Act procedures and reports, preparation of State Controller's Reports, pension and OPEB entries, letters to underwriters and preparation and review of Comprehensive Annual Financial Reports for compliance with the Government Finance Officer's Association preparers checklist in order to receive the Certificate of Achievement for Excellence in Financial Reporting. Providing these services for these entities makes us exceptionally well qualified to provide the services you currently request and to provide you with these additional services should you request them in the future.

In addition to demonstrating that we have the technical expertise needed to serve the Authority, we have also demonstrated that we have the engagement management skills and local staffing resources sufficient to ensure that the Authority's reporting deadlines are met. We have planned, scheduled and conducted our audits of the governmental entities we serve in an efficient and effective manner in order to meet reporting deadlines. From time to time our clients may need to contact us to ask questions or discuss accounting issues and other matters. We are available throughout the year to answer questions and encourage our clients to ask questions as the issues surface. We are timely and responsive to our clients' questions and requests for information.

We have established a reputation with our clients for quality service, timeliness and professionalism.

#### **Our Key Personnel**

We have the personnel with the necessary professional qualifications and technical ability to provide you with the quality service you are looking for. As you can see from the resumes of our key personnel, we have developed the proficiency in the accounting principles and standards and governmental auditing to ensure you will receive quality work. Our firm philosophy centers around our commitment to the highest level of quality service--delivered by quality people. We have a history of providing technical excellence through teamwork responsive to clients' needs and expectations. Our commitment to quality results in satisfying the needs of our clients by providing value-added services and attracting and retaining clients of the highest caliber.

Our key audit executives will participate heavily in the audit of the Authority. This assures the Authority will receive a quality audit managed and executed by seasoned professionals, knowledgeable of the government and specifically the water industry. We believe the quality of our services exceeds that of national and other firms because our audit team uses more experienced professionals to actually perform the work. National and other firms typically rely heavily on senior and staff accountants to perform audit fieldwork with minimal direction from partners or managers.

The following resumes outline the qualifications and experience of our key team members.

#### Brian Nash, CPA (Audit Partner)

Brian is a partner with our firm and would be the Authority's audit partner. He would have overall responsibility for planning, directing and coordinating our services for you. Since significant and timely partner involvement is a cornerstone of our quality control procedures, he will be involved in all phases of our audit work from initial planning through report preparation. He has thirty years of professional accounting and auditing experience and has provided services to a variety of clients, including most of the government entities, nonprofits, banks, water agencies and other entities described in the following section of this proposal. He currently serves or has served a number of the water agencies, including Tri-Dam Project, Tri-Dam Power Authority, Yuba County Water Agency, Calaveras County Water District, Central California Irrigation District, Bear Valley Water District, Tuolumne Irrigation District, El Dorado Irrigation District, Oakdale Irrigation District, San Juan Water District, South San Joaquin Irrigation District, Sacramento Suburban Water District, Elk Grove Water Service, Yolo County Flood Control and Water Conservation District, Yolo Subbasin Groundwater Agency, San Luis and Delta-Mendota Water Authority, San Joaquin Valley Drainage Authority, South Feather Water and Power Agency, Citrus Heights Water District, and South Yuba Water District and numerous other governmental agencies, including cities and other special districts. Brian received a Bachelor of Science degree in accounting with honors from California State University, Sacramento. He is a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants and is licensed to practice in California.

#### Ingrid M. Sheipline, CPA (Managing Partner and Concurring Reviewer)

Ingrid serves as our Managing Partner and would serve as a second, additional or concurring reviewer, if needed. Formerly an audit manager with Ernst & Young LLP, she is a Certified Public Accountant with over thirty-nine years of experience. Ingrid has supervised and conducted the fieldwork for a variety of clients including governmental entities, nonprofit organizations, utilities, banks, insurance agencies, manufacturers and distributors. While with

Ernst & Young LLP, she specialized in governmental entities and grant compliance auditing, and has attended or taught numerous governmental education seminars. She is currently serving or has served almost all of the governmental entities listed in this proposal, including most of the water agencies and water industry related associations, such as Del Paso Manor Water District, Orleans Community Services District, Volcano Community Services District, Citrus Heights Water District, Fair Oaks Water District, Sacramento Suburban Water District, Carmichael Water District, San Juan Water District, Tuolumne Utilities District, Amador Water Agency, Glenn-Colusa Irrigation District and most of the other water agencies previously listed. She has also audited a number of cities with water operations and proprietary funds. She has audited most of the government agencies listed on the previous pages, including cities and other special districts.

Ingrid has a Bachelor of Science degree in accounting with honors from California State University, Sacramento. She is a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants, having served on the Board of Directors of the Society's Sacramento Chapter and as a member of the Government and Nonprofit Committee.

#### **Other Staff**

We would assign senior and staff accountants to the engagement with experience working on governmental audits since everyone in our firm is required to work on a portion of our previously mentioned audits. All of the staff that have worked on the Authority audits would continue to be assigned to the Authority audit. Eleven out of our thirty-three professional staff are CPAs.

#### **Scope of Services**

We understand that the Authority requires an audit of its basic financial statements, including the preparation of the financial statements, for the years ended June 30, 2024, 2025 and 2026, including all procedures necessary for the issuance of an opinion regarding the fairness of the presentation of the financial statements in conformity with generally accepted accounting principles. The audits are to be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants (AICPA) and the State Controller's Minimum Audit Requirements for California Special Districts. These services will include the following:

- 1. Perform an audit of the Authority's financial statements in conformity with generally accepted accounting standards, *Government Auditing Standards* and the State Controller's Minimum Audit Requirements for California Special Districts.
- 2. Prepare the Authority's financial statements.
- 3. Express an opinion on the financial statements as to whether they present fairly, in all material aspects, the financial position of the Authority and the changes in financial position in conformity with generally accepted accounting principles (GAAP), and issue an independent auditor's report stating this opinion.
- 4. Test internal control over financial reporting and compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters, in accordance with *Government Auditing Standards*, and issue an independent auditors' report on their consideration.
- 5. Apply limited audit procedures to the Management's Discussion and Analysis (MD&A).

- 6. Prepare a Report to the Board of Directors and Management which identifies significant audit findings, difficulties encountered in performing the audit, identify any correct and uncorrected misstatements, disagreements with management, management representations, control deficiencies, significant deficiencies and material weaknesses, if any, and our recommendations for improvements in accounting and administrative controls.
- 7. Prepare Annual Report of Financial Transactions of Special Districts pursuant to Government Code Section 53891.
- 8. Attend on Board meeting to discuss audit findings.

#### **Our Commitment to Perform Timely Services**

We have the technical expertise, engagement management skills and staffing resources sufficient to provide you with excellent service and ensure that your reporting deadlines are met. We have consistently planned, scheduled and conducted our audits of the organizations we serve in an efficient and effective manner in order to meet their reporting deadlines. We have proven our ability to provide timely services to our clients. However, given our current workload, we cannot commit to performing the audit until the December/January timeframe. If there is an opening in our schedule, we would strive to complete the audit earlier.

We will provide the Authority with a list of schedules and other work requested as soon as we are selected and will perform fieldwork in the December/January timeframe, or at such time as the books have been closed and all documents and analyses have been completed, if later than that. We anticipate draft copies of the audit reports will be available in mid-February, with final reports being available in late February.

The following estimated work plan was developed with your stated deadlines in mind. Upon selection as your independent accountants, we will meet with you, and together we will determine a specific timetable which ensures minimal disruption to your employees and meets your expectations.

| Task   | Audit Timing     |
|--|------------------|
| Audit Planning:  |                  |
| Begin audit planning process                                   | December         |
| Internal control/systems documentation, evaluation and testing |                  |
| Develop audit programs   |                  |
| Provide audit assistance package and confirmation letters      |                  |
| Risk Assessment  |                  |
| Substantive Testing:   | December/January |
| Cash   |                  |
| Revenue, receivables and deferred revenue                      |                  |
| Expenses for goods and services and related liabilities        |                  |
| Net Position - restricted and unrestricted                     |                  |
| Reporting and Wrap-up:   |                  |
| Preparation of the financial statement and other reports       | February         |
| Draft reports available for review                             | Mid January      |
| Delivery of final reports                                      | Late February    |

Our audit will be planned so that delivery of all required reports will be accomplished in a timely manner. We believe that the staffing of the audit is sufficient to ensure the timely completion of the audit and to ensure that the work is properly supervised. We would work closely with

management to ensure that we provide timely services consistent with your requirements.

We will prepare, edit and print the financial statements consistent with professional standards and your needs and will review the drafts of all our reports with management prior to finalization. We will provide digital copies of the audit reports.

#### **Professional Fees**

Our goal is to provide quality service using the highest professional standards at a reasonable cost. We plan each assignment carefully and set a time budget for each phase of the engagement. All of our staff are well indoctrinated in the need to use their time to the fullest efficiency.

During the first year, we will spend a significant amount of time becoming familiar with your organization and operations, developing permanent files, and performing our risk assessment. We will absorb the cost of this nonrecurring time and view it as an excellent investment in establishing a long-term relationship and in becoming more knowledgeable about your operating environment, which will enhance our ability to provide you with responsive service.

Since Richardson & Company, LLP consists primarily of experienced auditors, you can be sure that you will receive the experience level and quality of service you expect. Our firm will bring to the audits strong technical backgrounds, government and utility accounting expertise, outstanding engagement management skills, which will provide a "fresh look" at your programs.

Because of the start-up time incurred in an audit related to obtaining an understanding of and documenting internal controls and accounting processes, it is more cost-effective to the Authority for us to perform multi-year audits. Accordingly, we have provided a fee estimate for performing an audit for four years, assuming the Authority is satisfied with our services. Based upon our current understanding of your accounting system and procedures, our fee for audit services for the audits would be as indicated in the following table.

A summary of our fees by task are as follows:

|   | 2024 |                 | 2025 |                 | 2026 |                 | 2027               |
|---|------|-----------------|------|-----------------|------|-----------------|--------------------|
| Audit and preparation of financial statement<br>Preparation of State Controller Reports | \$   | 12,900<br>1,000 | \$   | 13,300<br>1,050 | \$   | 13,700<br>1,080 | \$ 14,100<br>1,120 |
|   | \$   | 13,900          | \$   | 14,350          | \$   | 14,780          | \$ 15,220          |

The break-down of our fee by classification is as follows:

| Classification                       | Hours<br>Per Year | ourly<br>ates | Fee          |
|--------------------------------------|-------------------|---------------|--------------|
| Partner                              | 20                | \$<br>200     | \$<br>4,000  |
| Senior Manager                       | 50                | 180           | 9,000        |
| Senior                               | 55                | 120           | 6,600        |
| Staff                                | 50                | 100           | 5,000        |
|                                      | 175               |               | 24,600       |
|                                      |                   |               | (10,700)     |
| Audit Fee for the year ended June 30 | , 2024            |               | \$<br>13,900 |

The fees assume that we will perform the audit remotely. We have experience in working with Quickbooks Online and if provided with read-only access, we can access the accounting

information that way or through a downloaded version of the general ledger. We have a secure portal for uploading documents.

These estimates do not take into consideration changes in the scope of the audit due to changes in accounting or auditing pronouncements and standards, laws or regulations, the loss of key accounting personnel, material weaknesses in the internal control environment, or significant changes in the scope of the Authority's operations. We will discuss a new fee estimate with the Authority if such an event occurs.

Should you have any questions about the details of our fees, or should our fees not appear competitive with those of the other firms, we would appreciate an opportunity to discuss them with you before you make your final decision.

#### Standard Billing Rates for Additional Services:

Our rates for additional services approved by the Authority that are not part of the scope of audit services are as follows:

| Classification             | Rate Per Hour |
|----------------------------|---------------|
| Partner                    | \$ 200        |
| Tax Director               | 290           |
| Senior Manager             | 180           |
| Managers                   | 160           |
| Supervisors                | 140           |
| Seniors                    | 120           |
| Semi-seniors               | 110           |
| Staff                      | 100           |
| Administrative or clerical | 65            |

#### References

We have the technical expertise needed to serve the Authority and engagement management skills and the local staffing resources sufficient to ensure that the Authority reporting deadlines are met. We have planned, scheduled and conducted our audits of the governmental entities we serve in an efficient and effective manner in order to meet reporting deadlines. From time to time our clients may need to contact us to ask questions or discuss accounting issues and other matters. We are available throughout the year to answer questions and encourage our clients to ask questions as the issues surface. We are timely and responsive to our clients' questions and requests for information. We have established a reputation with our clients for quality service, timeliness and professionalism. Accordingly, we have included three of these entities as references in this proposal and we encourage you to contact them.

Calaveras County Water District
Jeffrey Meyer, Director of Administrative Services
<a href="mailto:jffreym@ccwd.org">jffreym@ccwd.org</a>
(209) 754-3102

San Luis & Delta-Mendota Water Authority Raymond Tarka, Director of Finance Ray.Tarka@sldmwa.org (209) 826-7867

Tuolumne Utilities District Danica Bland, Accountant dbland@tudwater.org (209) 532-5536

#### Why We are Best Qualified

Richardson & Company, LLP is the best qualified to perform the auditing services required by the Authority for the following reasons:

- We have an extensive history in providing high-quality audits to utility districts and other governmental agencies, as previously discussed.
- Our firm uses more experienced staff to actually perform the work than is typical of larger and other firms. If our firm is selected, we plan to have the senior manager and the Partner present during fieldwork. While larger and other firms may be able to demonstrate significant amounts of experience in the areas of expertise needed to provide the services you require, the specific individuals they actually assign to your engagement may not have the specific experience you need like the team of accountants we will assign to your engagement. The use of more experienced staff will also ensure you will receive quality services. Also, smaller firms do not have our large government experience, which is essential to address unusual and complicated transactions.
- We have a thorough audit approach that focuses on substantive testing of the Authority accounts. Some firms provide lower cost audits by performing mostly analytical review procedures and the evaluation of internal controls instead of performing substantive testing of account balances. Our thorough approach ensures material misstatements and noncompliance with policies are detected, which should provide a level of comfort to management and the Board of Directors.

\* \* \* \* \*

Once again, we would like to thank you for the opportunity to discuss our services, present our qualifications, and submit our proposal to serve as independent auditors for the Authority. We are genuinely enthusiastic over the prospect of serving you and sincerely believe that we have the people, experience, resources and reputation to assure you of outstanding services. For the preceding reasons, we genuinely believe that your selection of our firm as the Authority's independent accountants is the best decision that the Authority could make.

If you have questions or need additional information, please contact Brian Nash or me at (916) 564-8727, fax (916) 564-8728, correspondence at 550 Howe Avenue, Suite 210, Sacramento, CA 95825 or email sent to <a href="mailto:bnash@richardsoncpas.com">bnash@richardsoncpas.com</a> or <a href="mailto:isheipline@richardsoncpas.com">isheipline@richardsoncpas.com</a>.

Very truly yours,

RICHARDSON & COMPANY, LLP

Ingrid M. Sheipline Ingrid Sheipline, CPA

Managing Partner



## Item 7E

Utica Water and Power Authority – Regular Board Meeting

### UTICA WATER AND POWER AUTHORITY

Date: September 24, 2024

To: Utica Board of Directors

From: Joel Metzger, General Manager

Re: Discussion / Direction Regarding FERC Exemption Applications

#### Overview:

Staff will provide a presentation that includes updates on the Federal Energy Regulatory Commission (FERC) Conduit Exemption and License Surrender applications.

The presentation will include a summary of the studies Utica is working on, per the request of state agencies, and provide updates on timing, cost, challenges, and opportunities.

