

# UTICA WATER AND POWER AUTHORITY

## Regular Board Meeting

Angels Firehouse

1404 Vallecito Road

Angels Camp, CA 95222

(209)736-9419

Minutes of the

February 25, 2020

Regular Board Meeting

The Board of Directors of the Utica Water & Power Authority met in Regular Session at the Angels Firehouse, 1404 Vallecito Rd. Angels Camp California.

Directors present:

Amanda Folendorf, COA

Chairman

Greg Rasmussen, UPUD

Vice Chairman

Ralph Chick, UPUD

Secretary

Joe Oliveira, COA

Director

Scott Behiel, Community

Director

Also present:

Lori Karnes

Administrative Manager

Frank Fields

O & M Supervisor

Kyle Rasmussen

Water Conveyance Supervisor

Dave Andres

IMS, Consulting

Melissa Eads

City of Angels

Elaine Urruty

U.P.U.D.

Eric Bottomley

U.P.U.D.

Duane Oneto

U.P.U.D.

Joel Metzger

C.C.W.D.

Russ Thomas

C.C.W.D.

Michael Minkler

C.C.W.D.

Public At Large

## **Call to Order and Pledge of Allegiance**

**The meeting was called to order at 5:00 pm by Chairman Folendorf**

**Item 1: Roll call**

Director Folendorf, Director Rasmussen, Director Chick, Director Behiel, and Director Oliveira.

**Item 2: Approval of Agenda**

Director Rasmussen motioned to approve the agenda; seconded by Director Behiel and adopted 5-0. Ayes: Oliveira, Rasmussen, Chick, Behiel, Folendorf; Noes: none; Absent: 0.

**Item 3: Opportunity for Public Comments:**

None to report.

**Item 4: Consent Calendar and Staff Reports - Approval of all items**

- A. Minutes of the Regular Meeting dated 1/28/20
- B. Financials 01/1/20 - 01/31/20 - L. Karnes
- C. Administrative report – L. Karnes
- D. Generation and O&M Report for January – F. Fields
- E. Water Conveyance – K. Rasmussen

Director Behiel moved to approve the Consent Calendar and Staff Reports Items A-E; seconded by Director Rasmussen and adopted 5-0. Ayes: Oliveira, Rasmussen, Chick, Behiel, Folendorf; Noes: none; Absent: 0.

**Item 5: Regular Agenda - Discussion and possible action**

- A. GEI Agreement - Approve and authorize General Manager to sign agreement- D.Andres

This is part of the process of trying to complete the FERC requirements for the Hunters Dam Safety Program. This report was due in 2017, and UWPA asked for an extension under their last inspection, and then ask for another extension. FERC sent a letter saying "to please reconsider the time frame for completion." Andres introduced the Master Agreement GEI, and that there is two consultants working on it. One is from GEI and the other John Kessler who is the dam safety engineer. The Master Agreement is the master scope of the work expenses of \$25,000 to complete the report process. This agreement will allow for over the next five-years to provide funding approved by the board for the work expense by GEI.

-Director Behiel motioned the approval to give authorization for the General Manager to sign agreement; seconded by Director Chick and adopted 5-0. Ayes: Oliveira, Rasmussen, Chick, Behiel, Folendorf; Noes: none; Absent 0.

**Item 6: Adjourn to Closed Session: at 5:06pm**

**PUBLIC EMPLOYMENT PURSUANT GOV'T CODE SECTION (54957)**  
Title: General Manager Recruitment

-Direction was given to staff.

Reconvene from Closed Session: *Report of any reportable action*

**Out of closed session at 5:22pm**

**Adjourn - UWPA Board Meeting at 5:28pm**

Director Chick motioned to adjourn UWPA Board Meeting at 5:28pm; seconded by Director Oliveira and adopted 5-0. Ayes: Oliveira, Rasmussen, Chick, Behiel, Folendorf; Noes: none; Absent: 0.

**Utica Water and Power Authority  
Union Public Utility District  
City of Angels Camp  
Convenes Joint Agency Meeting  
(Each Board Chairman/President will open the meeting for their  
respective Boards)  
5:30 pm**

**Call to Order and Pledge of Allegiance**

**Item 1: Roll call by each agency**

UPUD: Director Chick, Director Rasmussen, Director Oneto, Director Bottomley; Absent Director Quincy.

COA: Councilmember Metildi, Councilmember Hermann, Councilmember Oliveira, Councilmember Folendorf, Councilmember Broglio

UWPA: Director Folendorf, Director Rasmussen, Director Chick, Director Behiel, Director Oliveira

**Item 2: Opportunity for Public Comments:**

None to report.

**Item 3: Regular Agenda - Discussion and possible action**

A. Workshop - Overview of past and future issues affecting the UWPA Joint Powers Agency and the current operational, capital and financial needs of the Agency.

D. Andres started the presentation with JPA's history and purpose. Andres gave a brief description of the major system components which are the north fork diversion, ditches and flumes, storage reservoirs, hydroelectric plants, and the waters rights. UWPA holds senior pre-1914 water rights, subject to regulatory and contractual limitations and highly variable flow rates. Andres went over the unimpaired runoff in acre feet (1) explaining the water supply throughout the years. The reliance on electrical generation revenues chart shows that the peak power revenue came back in 2010-11 and the worst year was during the drought in 2015-16. Taking count for the total revenue throughout the years. Dave present the last few slides addressing five requested actions.

- Establish two-year funding commitment of \$405,00 for Fiscal Year 2020-2021 and \$417,000 in Fiscal Year 2021-2022 for each agency.
- Commitment by member agencies to guaranty repayment of grants/loans applied for by UWPA when required.
- Commitment by member agencies to conduct proposition 218 hearing on UWPA funding needs when necessary.
- Amend current JPA agreement to ensure the long-term sustainability of the organization and to account for new issues, obligations and requirements.
- Establish future "UWPA funding levels" beginning in 2022 for the ensuing 5-year period based on future information and studies.

The presentation ended and followed by questions/discussion. Director Oliveira asked if it would be a possibility to be outbid for the FERC re-licensing by a bigger agency? Andres said it could

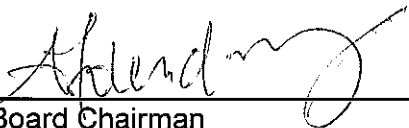
be a risk but that it would be difficult for another agency to take over. Director Oliveira's follow-up question about the long-term contracts such as ReMAT, and no given detail on legislative relief and would it be a possibility? M. Minkler addressed the question by saying that it is unlikely. ACWA has sponsored some legislation this year to insure hydro-power is considered renewable under SB100, but no additional incentives for a small hydro. Minkler also spoke about the PUC, and how they were going to bring a proposed decision back in January 2019 on ReMAT to help open the case back up again. If UWPA got ReMAT in Murphys it would make a huge change but would not solve all the problems in the years to come. A statement was made that if the public were to get involved in this process that it might help generate some legislative activity that it could be very helpful. Then the discussion lead to page six in the presentation asking if the Hydroelectric system is paying for its self, and if it would be better to remove it. Dave's reply was that it has not been able to catch up due to the equipment getting older, and the cost to replace it would get to be too expensive. To remove them completely it would not be worth the effort and the agency would still need to hire a crew to maintain the 27-miles of flume system, and get the approval to remove the plants. Then the statement was made that the flume is the most expensive to due to the maintenance and repair. The question is why hasn't UWPA installed a tunnel tap past the flume? Dave's reply was that it would eliminate half of the conveyance system for maintenance and repair, but the trouble would be that UWPA doesn't own the tunnel or the tap so UWPA would have to get an agreement to do that plus expenses. Discussion was made about the water rights and what UWPA does with the excess water. The idea of possibility storing the excess water to help during the dry years was brought to discussion to create more storage for the wet years. The tunnel tap idea was re-addressed, but the argument was made that there would be to many complications and expenses in the process. The Board also re-addressed the re-licensing for FERC, discussing whether UWPA should get re-licensed or just pay for one of the licenses. Dave closed the meeting with the hope that UPUD finds it very important that they add UWPA into their new budget year, and that their commitment alone can help with the revenue for future plans. The meetings discussion ended with UPUD explaining that the 218 needs to start at the next fiscal year. The last 218 gave UPUD the flexibility, depending on water year, to increase rates for the next fiscal year, but no further increases can be done without a new 218 process and rate schedule approved.

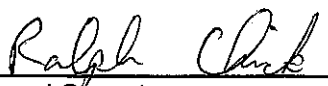
**Adjourn – Utica Water and Power Authority, Union Public Utility District, and City of Angels Camp Joint Agency Meeting**

Director Behiel motioned to adjourn the Joint Agency meeting at 7:19pm; seconded by Director Oliveira and adjournment was unanimous.

**Next Regular Meeting: Tuesday, March 24, 2020 at 5:30 pm**

Approved at the Regular Board Meeting March 24, 2020

  
Board Chairman

  
Board Secretary