

# UTICA WATER AND POWER AUTHORITY

UWPA Office Building

1168 Booster Way

Angels Camp, CA 95222

(209)736-9419

Minutes of the

June 23, 2020

Regular Board Meeting

The Board of Directors of the Utica Water and Power Authority met in Regular Session via remote access at the UWPA office in Angels Camp, California.

Directors present:

Ralph Chick, UPUD  
Joe Oliveira, COA  
Scott Behiel, Community  
Tom Quincy, UPUD

Secretary and Acting Chairman  
Director  
Director  
Vice Chairman Alt.

Also present:

Lori Karnes  
Dave Andres  
Frank Fields  
Larry Thompson  
Public At Large

Administrative Manager  
Interim General Manager  
O & M Superintendent  
UWPA Community Alternate

Absent:

Amanda Folendorf, COA  
Greg Rasmussen, UPUD

Chairman  
Vice Chairman

**The meeting was called to order at 5:31 pm by Director Chick.**

## **Item 1: Roll Call**

Director Quincy, Director Chick, Director Oliveira, and Director Behiel.

4-1; 1 absent- Director Folendorf; all present said Aye.

## **Item 2: Approval of Agenda**

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

*Limited to 5 minutes per person. Members of the public may address the board on items not agendized. The public is encouraged to work through staff members to put items on the agenda to be considered by the Board. No action will be taken unless an item is agendized.*

- No Public Comment

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

Director Oliveira asked to pull items B and G for discussion.

Director Behiel moved to approve items A-L with the exception of B and G; seconded by Director Quincy and adopted 4-0-1 absent. Ayes: Oliveira, Quincy, Behiel, Chick; Noes: None; Absent- Director Folendorf.

Director Oliveira moved to approve items B and G; seconded by Director Behiel and adopted 4-0-1 absent. Ayes: Oliveira, Quincy, Behiel, Chick; Noes: None; Absent: 1- Folendorf.

- A. Minutes of the Regular Meeting dated 5/26/20
- B. Financials 5/1/20-5/30-20 – L. Karnes

Director Oliveira mentioned that on the revenue fund report sheet, the net expenditures are over \$300,000. Oliveira questioned whether there would be future expenses within this fiscal year to spend more of that money, or if the plan was for the money to carry over into the new budget. Interim General Manager Andres explained that UWPA had recently purchased a new vehicle with grant money, costing around \$75,000 that would be taken out of this year's budget. He continued to explain that there are contracts that are awaiting payment for this fiscal year as well. Administrative Manager Karnes mentioned that there would also be payments to consulting agencies that would be paid at the end of the year as well. Oliveira went on to mention that the water conveyance and powerhouse percentages are also low. O&M Superintendent Frank Fields mentioned that some of the materials were already purchased for the outage planned for July, as well as a plan to get some consulting for the outage as well. He went on to explain that some of the excess expenditures are due to lower prices on the jet controllers, and that money would carry over into the next fiscal year. Oliveira asked for more information regarding the breakdown of the expenditures at the upcoming meeting. Andres responded that there was an extra amount of savings in the administration salary category due to the change in the general manager position to part-time.

- C. General Manager's report – D. Andres.
- D. Administrative Report – L. Karnes
- E. Generation and O&M Report for May– F. Fields
- F. Water Conveyance – K. Rasmussen
- G. Approval of the Multi-Jurisdictional Hazard Mitigation Plan Consulting Services Agreement between UWPA and Preparative Consulting - D. Andres

Director Oliveira sought clarification on the estimate for the proposal of \$80,000, when the ask was for \$120,000. Andres explained that there were other costs associated with the proposal. He went on to say that the grant was \$90,000 and the match was \$30,000, which is how the \$120,000 amount was decided. Other costs can also be charged to that grant as well, so UWPA will be receiving some of that money back from the federal government.

- H. Approval of Agreement between Tribble & Ayala CPA's, Inc. and UWPA for Accounting Services through June 30, 2022 - D. Andres and L. Karnes
- I. Approval of Lease Agreement between Sierra Hope and UWPA through June 30, 2022 - D. Andres and L. Karnes
- J. Approval of Lease Agreement between UWPA, Dan Routh, and Lisa Auld for 317 Hunter Dam Road Rental Property - D. Andres and L. Karnes
- K. Approval and Authorization for General Manager to sign Agreement between Domenichelli and Associates, Inc. and UWPA to Provide Inundation Mapping Services for Murphys Afterbay Dam Radial Gate Failure with costs not to exceed \$18,310 - D. Andres
- L. Approval and Adoption of Res. #20-06 - Authorizing Representatives of UWPA to Acquire State Surplus Property - D. Andres and L. Karnes.

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

- A. Approval and Adoption of Resolution No: 20-05 – Reserve Policy - D. Andres

Andres explained that the resolution proposes five different reserves: Emergency Reserve, Operating Reserve, Capital Reserve, FERC Reserve, and FERC Dam Safety 5 year and 10 Year Reserve. The FERC Dam Safety Reserve is to set up a reserve to pull money for the studies needed for each year. The other four reserves are much more specific. Emergency Reserve is to be used only in emergencies, for any possible unexpected emergencies that take place. The Operating Reserve is an unrestricted fund balance mainly to stabilize our finances. We currently have one, but we are formalizing this into an actual Operating Reserve, as opposed to just putting all the money we have left over into that reserve. We are going to try to allocate funds until we are fully appropriated into the Operating Reserve. The Capital Reserve will typically only be used for cost overruns on a particular project. The FERC Reserve is the long-term reserve for re-licensing, to seek exemptions, or other types of associated studies in terms of the powerplants. Andres pointed out that the Operating Reserve is also to include over-payments by our member agencies. These reserves are able to be re-evaluated each year to decide how to allocate the funds. Director Behiel inquired about what would happen to the money remaining in the reserves. Andres answered that it would ultimately be a decision made by the board. Behiel asked if the reserves would be enough and if there was an opportunity to negotiate with member agencies for larger reserves. Andres responded explaining that he wanted to balance the need for reserves with the CIP program costs.

Director Behiel moved to approve the Reserve Policy; seconded by Director Oliveira and adopted 4-0-1 absent. The Board was polled. Ayes: Behiel, Oliveira, Chick, Quincy; Noes: None; Absent 1- Folendorf.

**Item 6: Staff/Directors' Reports, Comments and Future Agenda Items (if any)**

Fields mentions the Public Utilities Commission changing the buckets that affect resource adequacy contracts. These changes could impact the number of hours that Calpine bids us in within the month. So far, these changes are not expected to affect the annual income.

**Item 7: Calendar – L. Karnes**

Fields explains that we have notified to the agencies regarding the possible outage.

Director Thompson expressed his gratitude to Dave Andres for exceptional professionalism and work ethic throughout his interim managing time. Andres mentioned that he has enjoyed his time working with this agency as well.

**Adjournment at 6:03 pm**

**Next Regular Meeting: Tuesday, July 28, 2020 at 5:30 pm**

Approved at the Regular Board Meeting July 28<sup>th</sup>, 2020



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Board Chairman



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Board Secretary