



UTICA WATER AND POWER AUTHORITY

UWPA Office Building
1168 Booster Way
Angels Camp, CA 95222
(209) 736-9419

Minutes of the May 17, 2021 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

- Rocky Chick (UPUD), Chair
- Alvin Broglio (COA), Vice Chair
- Jennifer Davis-Herndon (COA), Secretary
- Scott Behiel (Community), Director
- Greg Rasmussen (UPUD), Director

Also Present:

- Joel Metzger, General Manager
- Lori Karnes, Administrative Manager
- Karlee Karnes, Administrative Assistant
- Frank Fields, O & M Superintendent
- Derek Martinez, Hydroelectric Operator
- Jeremiah Hyde, Water Conveyance/Hydroelectric Relief Operator
- Larry Thompson, UWPA Alternate Community Member
- Eric Bottomley, UPUD Board Member
- Public at Large

The meeting was called to order at 5:30 p.m. by Chair Chick.

Item 1: Call to Order / Pledge of Allegiance

Item 2: Roll Call

- Director Broglio, Director Rasmussen, Director Chick, Director Behiel, Director Davis-Herndon, Director Behiel 5-0. All present said aye; Absent: None

Item 3: Public Comments

- There was no public comment.

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

- A. Minutes of the regular and special board meeting Board Meeting dated 4/27/21
- B. Precipitation report and B120

- **Motion:** Director Behiel moved to approve Items 4A and 4B
- **Second:** Director Rasmussen
- **Board discussion:** None
- **Public comment:** None
- **Vote:** 5-0; Ayes: Directors Chick, Rasmussen, Broglio, Davis-Herndon, Behiel; Noes: None; Absent: None; Abstain: None.

Item 5: Regular Agenda – Discussion and possible action

- A. Cal PERS pension plan options overview (Metzger)
Metzger gave a Power Point presentation to the group that explained the history of Utica’s attempts to secure a contract for CalPERS pension. In December 2020, CalPERS approved Utica’s financials and authorized Utica to move ahead with the process. CalPERS has provided two actuarial valuations options for the Board to choose from. Nate Jensen, Associate Pension Actuary from CalPERS, joined the meeting to provide an overview of the defined benefit plan and to answer any questions.

Metzger explained the options:

- Option 1 – Pay no prior service to employees and have 0 unfunded liability on the CalPERS pension date of execution.
- Option 2 – Pay 20% prior service for employees that would amount to a one-time payment of \$119,607 in one lump sum or \$17,846 annually amortized over nine

years. Another option would be to make larger payments to pay off the debt earlier to reduce interest.

- Option 3 – Take no action and the employees would continue to receive 6.8% of their salaries matched by Utica that is invested in a 457 deferred compensation retirement plan.
- Metzger also informed the Board they could opt out of Social Security once in CalPERS, which could result in an estimated savings of \$45,000/year.
- **Motion:** Director Broglio moved to go forward with CalPERS and opt out of Social Security, and proceed with the 20% prior service for Utica employees
- **Second:** Director Davis-Herndon
- **Board discussion:** Director Behiel said he believes the CalPERS pension plan is not in the best interest of the employees or UWPA.
- **Public comment:** None
- **Vote:** 4-1-0; Ayes: Directors Chick, Rasmussen, Davis-Herndon, Broglio; Noes: Director Behiel; Absent: None; Abstain: None

Director Chick recommended we move Item C before Item B. The Board approved the request.

C. Water contractor request for increased allocation (Metzger)

Metzger explained that Mr. Rolleri has requested to increase his water allocation to 300 AF from 185 AF per year. Mr. Rolleri used more than his contracted amount this year and is planning on using more in the 2021-2022 season. Metzger explained Utica adequate water supply to approve this increase and reminded the Board that this is a one-year contract and in the event of a water shortage, the contract states that Utica has the right to curtail or completely cutoff water supply. This contract does not have to be renewed in future years.

- **Motion:** Director Broglio moved to approve the increase for Mr. Rolleri to 300 AF for one year.
- **Second:** Director Davis-Herndon
- **Board discussion:** None
- **Public comment:** None
- **Vote:** 5-0; Ayes: Directors Chick, Rasmussen, Broglio, Davis-Herndon, Behiel; Noes: None; Absent: None; Abstain: None

B. Fiscal Year 2021-2022 Budget presentation and approval of Resolution #21-02 adopting the budget for fiscal year 2021-2022 (Metzger)

Metzger presented the Fiscal Year 2021-2022 draft budget to the Board and explained how it was developed and what went in to arriving to a balanced budget. The Budget Committee that was comprised of Director Broglio and Director Behiel met on two occasions to review the budget with Utica's staff and provided direction for how to prepare a more comprehensive, transparent budget by illustrating comparisons of past years actual spending vs. current projections, and budget projections for 2021-2022. Metzger explained key items in the budget that were reduced, cut, and/or deferred in order to reach a balanced budget for the 2021-2022 fiscal year. One of the goals was to tighten the budget to reduce the large carryover that Utica has experienced in past years.

- **Motion:** Director Behiel made a motion to approve the Fiscal Year 2021-2022 Budget, Resolution No. 21-02
- **Second:** Director Rasmussen
- **Board discussion:** Director Behiel is comfortable with the budget and believed if the reserves and capital improvement projects were removed, the actuals are consistent with previous years.
- **Public comment:** None
- **Vote:** 5-0; Ayes: Directors Chick, Rasmussen, Broglio, Davis-Herndon, Behiel; Noes: None; Absent: None; Abstain: None

Item 6: Board Reports, and Future Agenda Items

- Director Chick: None
- Director Rasmussen: Director Rasmussen thank everyone for working on the budget and mentioned the UPUD meeting on Wednesday, May 19.
- Director Broglio: The City's attorneys are reviewing the proposal from Utica to potentially add more agricultural irrigation customers. It looks promising and they will have a definite decision soon.
- Director Behiel: None
- Director Davis-Herndon: None
- Metzger: Joel will be welcoming a new baby and spending some time at home with the family in the upcoming weeks. However, he will be available by phone and email.
- Karnes: None
- Fields: None
- K. Rasmussen: Not present
- L. Thompson: Commented that this is the most fiscally responsible action he has seen the Utica Board take and he applauds the effort that has been devoted to preparing this budget.

Item 7: Next Board Meetings

Wednesday June 2, 2021 at 5:30 p.m.

Tuesday June 22, 2021 at 5:30 p.m.

Item 8: Adjournment was at 7:51 p.m.

- **Motion:** Director Behiel
- **Second:** Director Rasmussen
- **Board discussion:** None
- **Public comment:** None
- **Vote:** 5-0; Ayes: Directors Chick, Rasmussen, Behiel, Davis-Herndon, Broglio; Noes: None; Absent: None; Abstain: None.

Approved at the June 23, 2021 meeting:

Ralph Chick

Chair

Gori Karnes




Clerk to the Board

Signature Certificate

Document Ref.: DWDNP-YH3NH-XUVTV-64NPQ

Document signed by:

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|  | Lori Karnes Verified E-mail: admin@uticapower.net |  |
| IP: 96.92.110.142 Date: 30 Sep 2021 18:07:16 UTC | |  |

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|  | Rocky Chick Verified E-mail: rockyc@uticawater.com |  |
| IP: 98.224.22.18 Date: 30 Sep 2021 21:43:48 UTC | |  |

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