



# UTICA WATER AND POWER AUTHORITY

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

## Minutes of the June 23, 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
- Greg Rasmussen (UPUD), Director
- Larry Thompson, Community Member

### Also Present:

- Joel Metzger, General Manager
- Lori Karnes, Administrative Manager
- Frank Fields, O & M Superintendent
- Kyle Rasmussen, Water Conveyance Supervisor
- Public at Large

### **Item 1: CALL TO ORDER / PLEDGE OF ALLIEGIANCE**

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

**Item 2: ROLL CALL**

- Director Chick, Director Broglio, Director Davis-Herndon, Director Rasmussen, Director Thompson - 5-0 all present said aye.

**Item 3: APPROVAL OF AGENDA**

- Motion: Director Broglio
- Second: Director Rasmussen
- Vote: 5-0

**Item 4: PUBLIC COMMENT**

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

- There was no public comment

**Item 5: CONSENT CALENDAR**

These items are expected to be routine and non-controversial. Unless a Board member pulls an item, all items will be approved together at one time without discussion.

- A. Minutes of the meeting on 5/17/21 and special meeting 6/3/21
- B. General manager's report (Metzger)
- C. Financial reports 4/1/21 - 4/30/21 and 5/1/21 – 5/31/21 (Karnes)
- D. Generation reports for 4/1/21 – 4/30/21 and 5/1/21 – 5/31/21 (Karnes & Fields)
- E. Operations report (Fields)
- F. Water conveyance report (Rasmussen)
- G. Precipitation report and B120

Director Broglio asked to pull item 5A minutes from the special meeting dated 6/3/21.

Chair Chick requested a motion to approve all other items except for 5A

- **Motion:** Director Broglio
- **Second:** Director Davis-Herndon
- **Board Discussion:** None
- **Public Comment:** None
- **Vote:** 5-0
- **Ayes:** Directors Chick, Broglio, Rasmussen, Davis-Herndon, Thompson
- **Noes:** None
- **Abstain:** None
- **Absent:** None

Chair Chick requested the Board to move to item 5A.

Director Broglio did not attend the special meeting on 6/3/21 and asked to abstain from voting.

Director Davis-Herndon had a question regarding the minutes from special meeting on 6/3/21, Item 4A concerning the discussion and the motion for the 218 agreements. She requested that the record reflect that there was extensive discussion among the Board, input from the staff and comments from the public who attended the meeting concerning the impacts of opting out of Social Security or continuing to participate.

Director Broglio made a motion to approve the minutes dated 5/17/21.

- **Motion:** Director Broglio
- **Second:** Director Davis-Herndon
- **Board Discussion:** None
- **Public Comment:** None
- **Vote:** 5-0
- **Ayes:** Directors Chick, Rasmussen, Davis-Herndon, Thompson
- **Noes:** None
- **Abstain:** Broglio
- **Absent:** None

No motion was made to approve the minutes from 6/3/21 meeting.

**Item 6: REGULAR AGENDA – Discussion and possible action**

A. Social Security 218 Agreement and Agreement for Continued Employer Contributions for Employees Who Opt Out (Metzger)  
(Resolution 21-04)

Metzger gave an overview of the what the 218 agreement is and how it could affect Utica and its employees. The Board discussed the option of “opting out” of Social Security and/or retaining it. Per Social Security regulations, the Board has the option of offering current employees a one-time opportunity to “opt-out” of Social Security. This option would not be available to future employees – any future employee must be part of Social Security. Metzger provided the Board with an agreement that would allow employee who opt out to receive the 6.2% employer contribution Utica is paying to Social Security and contribute it to a deferred compensation plan, like the CalPERS 457 deferred compensation Utica currently has for its employees.

The Board had an extensive discussion regarding the pros and cons of offering employees the opportunity to opt-out.

Director Broglio made a motion to adopt Resolution 21-04 including Social Security.

- **Motion:** Director Broglio
- **Second:** Rasmussen
- **Board Discussion:** None
- **Public Comment:** None
- **Vote:** 5-0
- **Ayes:** Directors Chick, Broglio, Rasmussen, Davis-Herndon, Thompson
- **Noes:** None
- **Abstain:** None
- **Absent:** None

The Board continued to discuss at length the impacts mandating all employees continue with Social Security or giving the option to “opt out” and providing current employees the opportunity to choose the best fit for their financial future.

Director Broglio made a motion approve the “absolute” option for the 218 that does not offer the “opt-out” option and mandates all employees must participate in Social Security.

- **Motion:** Director Broglio

- **Second:** Rasmussen
- **Board Discussion:** None
- **Public Comment:** None
- **Vote:** 3-2-0
- **Ayes:** Directors Broglio, Rasmussen, Thompson
- **Noes:** Davis-Herndon and Chick
- **Abstain:** None
- **Absent:** None

B. CalPERS Pension Plan Contract Approval (Metzger)  
(Resolution 21-05)

Metzger provided a summary of the CalPERS pension plan contracting process. In previous meetings the Board has discussed at length the pros and cons of contracting with CalPERS and their concerns for the potential unfunded liability in the future, employee recruitment and retention. The Board emphasized the importance of monitoring any unfunded liability and budget accordingly to prevent the balance from growing out of control.

Metzger mentioned Utica had additional funds that were not utilized in the current budget that could be used to pay the minimum payment toward the 20% prior service for Utica employees. He also mentioned that power revenues were higher than projected, which will open up additional funds.

Director Thompson moved to adopt Resolution 21-05 to enter a contract with CalPERS

- **Motion:** Director Thompson
- **Second:** Director Broglio
- **Board Discussion:** None
- **Public Comment:** None
- **Vote:** 5-0
- **Ayes:** Directors Chick, Broglio, Davis-Herndon, Rasmussen, Thompson
- **Noes:** None
- **Abstain:** None
- **Absent:** None

C. Purchasing policy for Utica Water and Power Authority (Metzger)  
(Resolution 21-06)

Metzger informed the Board that Utica does not currently have a purchasing policy in place. The attached policy would give the general manager and staff clear direction on purchasing authority and procedures to follow for budgeted and non-budgeted items, including emergency spending. The Board discussed the policy for some time and made sure that this document could be reviewed and modified over time to accommodate Utica's needs.

Director Rasmussen Motion to approve Resolution 21-06

- **Motion:** Director Rasmussen
- **Second:** Director Broglio
- **Board Discussion:** None
- **Public Comment:** None
- **Vote:** 5-0
- **Ayes:** Directors Chick, Broglio, Davis-Herndon, Rasmussen, Thompson
- **Noes:** None
- **Abstain:** None
- **Absent:** None

D. Union Public Utility District and Utica Water and Power Authority Multi-Jurisdictional Local Hazard Mitigation Plan Acceptance (Metzger)  
(Resolution 21-07)

Metzger provided a background of the how the Multi-Jurisdictional Local Hazard Mitigation Plan (MJLHMP) came about and explained that it is critical for obtaining grant funding from Cal OES and FEMA to prevent and mitigate disasters. This plan can be updated each year, but formally must be updated every five years to remain qualified for pre-hazard mitigation grant funding. As a cost-saving measure, the general manager recommended partnering with County's LHMP update for future updates.

Director Rasmussen made a motion to adopt Resolution 21-07

- **Motion:** Rasmussen
- **Second:** Thompson
- **Board Discussion:** None
- **Public Comment:** None
- **Vote:** 5-0

- **Ayes:** Directors Chick, Broglio, Davis-Herndon, Rasmussen, Thompson
- **Noes:** None
- **Abstain:** None
- **Absent:** None

**Item 7: BOARD REPORTS AND FUTURE AGENDA ITEMS**

**Director Broglio:** No comment

**Director Thompson:** Expressed his happiness about CalPERS pension plan approval.

**Director Rasmussen:** Union Public Utility District (UPUD) is moving forward with a rate study and Proposition 218 proceeding.

**Director Davis-Herndon:** Nothing to report

**Director Chick:** Mentioned he planned to schedule a 1-year evaluation for Utica's general manager. He also mentioned that Director Behiel has decided to resign from the Utica Board. Chair Chick thanked Director Behiel for his service and input regarding finances and budget. He said Utica would need to search for a new at-large member to join Utica's Board. As the alternate, Director Thompson will temporarily replace Director Behiel until a new Board member is selected.

**Metzger:** Mentioned the funds from the Stephens Tower Grant through the Tuolumne-Stanislaus Integrated Regional Water Management Authority (T-Stan IRWMA) are being used to construct a tower by Stephen's Reservoir and new monitoring equipment at Cademartori Reservoir. Utica staff built the tower using in-house labor and is waiting for additional materials to arrive before the project can be completed. Once completed, the project will help provide Utica with the ability to control its systems without relying on Comcast, Verizon and Cal.Net.

**Item 8: NEXT BOARD MEETINGS**

- Tuesday July 27, 2021 at 5:30 p.m.
- Tuesday August 24, 2021 at 5:30 p.m.

**Item 9: ADJOURNMENT**

The meeting was adjourned at 6:26 p.m.

Approved at the July 29, 2021 meeting:

*Ralph Chick*

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Board Chair

*Lori Karnes*

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Clerk to the Board






# Signature Certificate

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