

**UNION PUBLIC UTILITY DISTRICT  
339 MAIN STREET  
MURPHYS, CA 95247**

**MINUTES OF JULY 17, 2019 REGULAR MEETING**

The Board of Directors of the Union Public Utility District met in Regular Session at the UPUD Office in Murphys, California, at approximately 7:00 PM.

Directors Present:	RALPH CHICK	President
	GREG RASMUSSEN	Vice President
	TOM QUINCY	Secretary
	DUANE ONETO	Treasurer
	ERIC BOTTOMLEY	Director

Also Present:	BILL ELTRINGHAM	District Manager
	ELAINE URRUTY	Office Manager
	KAREN ROJAS	UWPA
	STEVE SARANTOPOULOS	UWPA
	DAVID ANDRES	UWPA
	PUBLIC AT LARGE	

1. PLEDGE OF ALLEGIANCE. The Pledge was given.
2. PUBLIC COMMENT. Karen Rojas, Administrative Assistant for UWPA, introduced the newly hired UWPA General Manager Steve Sarantopolous. Karen reported that her last day will be July 26<sup>th</sup>. The Board and staff welcomed Steve and wished Karen well in her retirement.

At this time President Chick moved to New Business, Item 6.b. & then Item 6.a. for presentations.

**NEW BUSINESS:**

6.b UWPA FINANCIAL ANALYSIS & CIP PRESENTATION (David Andres); DISCUSSION/POSSIBLE ACTION Director Rasmussen introduced David Andres, Interim Director & Consultant to UWPA. David provided handouts and gave a power point presentation to the Board on his Financial Analysis and Proposed Capital Improvement Projects (CIP) and Proposed Reserve Funding for UWPA. David's Financial Analysis for 2021-2025 showed a five year increasing deficit in revenue vs expense, that member agencies would have to cover, up to <\$897,688> in FY 2024-2025. In conclusion, David reported the following:

- Rapidly Depleting Operating Capital
- Insufficient Funding for Operation & Maintenance of Conveyance System
- Insufficient Funding for Capital Needs
- Insufficient Funding for Power Generation, Re-Licensing or Exemption
- Need to Analyze the Medium to Long-term Viability of Current Organization

Lengthy discussion ensued regarding the costs facing UWPA and possible scenarios of how to handle the situation and importance of not losing our current water rights. David did note that his financial analysis did not include revenue if the Murphys Powerhouse were to get into the ReMAT program. The Board thanked David for his work and presentation.

6.a PRESENTATION ON PROPOSAL FOR CALIBRATED NETWORK ANALYSIS & SYSTEM MAPPING (District Engineer, Matt Ospital) A copy of a memorandum from Matt Ospital was provided in the agenda packets for review. Matt reviewed the memorandum which included the following items;

1. SWRCB Planning Grant – Backwash Project and items within the scope of this project currently being worked on and/or completed and the funding left in this grant.
2. Monge Ranch Road Bridge Replacement Project - This is a Calaveras County grant project to replace the existing one lane bridge on Monge Ranch Rd. Because UPUD's water lines are attached to the current bridge, these lines need to be relocated at the district's cost. Matt reviewed the relocation plan to open cut across the creek on the upstream end of the trench and install a new domestic and irrigation line and connect to the existing lines on both ends of the bridge. This work is scheduled for the Spring of 2020 with bridge construction commencing in the summer following relocation work.
3. Master Plan update – current comments from LAFCO as part of the updated MSR call for an update to the existing Master Plan. Treatment plant data has been received and awaiting final consumption and customer data from office staff to start on the update.
4. Hydraulic System Modeling and System Mapping – A hydraulic water model is a computer simulation of a water system. The model is a tool that can help to analyze an existing system. Benefits & Breakdown of costs were included.

Discussion ensued regarding the items above and costs involved. The Hydraulic System Modeling and System Mapping was the one item that needed review and approval from the Board to move forward. District Manager, Bill Eltringham, recommended moving forward on this project.

Motion: Director Rasmussen  
Second: Director Oneto  
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley  
Nays: None  
Absent: None  
Abstain: None

MINUTE ENTRY. TO APPROVE WEBER GHIO TO MOVE FORWARD WITH THE HYDRAULIC SYSTEM MODELING AND SYSTEM MAPPING PROJECT.

At this time President Chick returned to Item 3. Minutes.

3. APPROVAL OF MINUTES. The minutes of the June 19, 2019 regular meeting were included in the agenda packets for review. Bill Eltringham asked for the following corrections on pg. 6 under District Managers Report: Stephen's 'Spillway' changed to Stephen's 'Fill Line' and November '2020' changed to November '2019'.

Motion: Director Quincy  
Second: Director Bottomley  
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley  
Nays: None  
Absent: None  
Abstain: None

MINUTE ENTRY. THE MINUTES OF THE MEETING OF JUNE 19, 2019 WERE APPROVED AS CORRECTED.

**RECURRING BUSINESS:**

- 4.a APPROVAL OF EXPENDITURES. The June 2019 Expenditures report was included in the agenda packets for review. Elaine Urruty reviewed the June expenditures with the Board.

Motion: Director Quincy  
Second: Director Oneto  
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley  
Nays: None  
Absent: None  
Abstain: None

MINUTE ENTRY. THE JUNE 2019 EXPENDITURES WERE APPROVED AS PRESENTED.

- 4.b CASH RECEIPTS REPORT. The Cash Receipts report for the month of June 2019 was included in the agenda packets for review. Elaine reviewed the cash receipts report with the Board. Elaine noted receipt of our Disbursement #3 for the SWRCB/SRLF Grant in the amount of \$75,755. A portion of this disbursement was for FY 2017-2018 and a portion was for the 1<sup>st</sup> & 2<sup>nd</sup> quarter of FY 2018-2019.
- 4.c BALANCE OF FUNDS REPORT. The Balance of Funds report for the month of June 2019 was included in the agenda packet for review. Elaine Urruty reviewed the Fund Balance Report with the Board. The current LAIF balance as of June 30, 2019 is \$2,188,419.50. Director Oneto asked when the quarterly transfers will be done & Elaine reported that they will be done in July, as they are always calculated after the end of the quarter.
- 4.d BALANCE SHEET & INCOME STATEMENT. The June 2019 Balance Sheet & Income Statement were included in the agenda packet for review. Elaine Urruty reviewed the reports and reported the year to-date net income as of June 30, 2019 is \$648,563.04. Elaine reminded the Board that these numbers are prior to end-of-year postings and the balance of yearly expenses being posted. Elaine reported that our current YTD Income is at 114% and our YTD Expenses are at 85% overall. Elaine also noted that the net difference of our cash and reserve accounts to our long term debts as of June 30, 2019 is a positive \$1,571,725.36.

**OLD BUSINESS:** None

**NEW BUSINESS: (cont)**

- 6.c APPROVAL OF PREPAYMENT OF UNFUNDED ACCRUED LIABILITY (UAL) FOR CalPERS FY 2019-2020; DISCUSSION/POSSIBLE ACTION. A copy of the CalPERS Invoice was included in the agenda packet for review.

Motion: Director Quincy  
Second: Director Rasmussen  
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley  
Nays: None  
Absent: None  
Abstain: None

MINUTE ENTRY. TO APPROVE PREPAYMENT OF UNFUNDED ACCRUED LIABILITY (UAL) FOR CalPERS for FY 2019-2020 IN THE AMOUNT OF \$44,618.

- 6.d REVIEW OF UPUD SALARIES & SALARY SCHEDULE FOR FY 2019-2020; DISCUSSION/POSSIBLE ACTION. Director Chick reported that in discussion with the General Manager and the current status of UWPA, the Personnel Committee felt that there may be no raises. General Manager, Bill Eltringham, stated that he felt we should not use salary schedule step increases, but there should at least be cost of living raises. Discussion ensued and it was the Board's consensus to approve a 2.8% COLA to all employees salaries.

Motion: Director Bottomley  
Second: Director Rasmussen  
Ayes: Directors Chick, Oneto, Quincy, Rasmussen and Bottomley  
Nays: None  
Absent: None  
Abstain: None

MINUTE ENTRY. TO APPROVE A 2.8% COLA SALARY INCREASE TO ALL EMPLOYEES.

- 6.e REVIEW & POSSIBLE REVISION OF PERSONNEL POLICIES REGARDING PART-TIME EMPLOYEES; DISCUSSION/POSSIBLE ACTION This item was postponed to the August meeting.

At this time President Chick moved to REPORTS.

**REPORTS:**

- 9.a HWY 4 CORRIDOR ADHOC COMMITTEE REPORT. There was no meeting in June.

Hwy 4 Corridor meetings are on hold at this time & they may start meeting quarterly.

- 9.b UWPA REPORT. Director Rasmussen reported again that their General Manager, Steve Sarandopolous was hired and David Andres also presented the CIP to UWPA at their meeting.

Next UWPA meeting is scheduled for Tuesday, July 23, 2019 at 5:30 PM at the UWPA office in Angels Camp.

9.c LAFCO REPORT. There was nothing to report.

The next LAFCO meeting is scheduled for Monday, September 16, 2019 at 6:00 PM at the Calaveras County Board of Supervisors Chambers in San Andreas.

9.d DISTRICT MANAGER'S REPORT. Bill Eltringham reported that he had met with Michael Minkler of CCWD and CCWD's new Operations Manager and Matt Ospital, UPUD Engineer, and they discussed the intertie of our water systems and that CCWD is now planning to increase their new line to 12" all the way down and to tie in our system and then UPUD will intertie to City of Angels for emergencies. Bill noted that it is important to get the Hazard Mitigation grant funding with UWPA to assist with getting funding in a disaster. Bill said they discussed their operations and on-call schedules and said that Michael is going to be an good asset to us at CCWD. Bill noted that Kautz is asking for all the water from the slurry line, but CCWD wants to give to the other side of the county also. Bill said they need to meet with Kautz to discuss how to get more pressure to get them UPUD water. Discussion ensued regarding how to serve Kautz. Bill reported that he and Matt Ospital reviewed & updated the district's Improvement Standards, which hadn't been updated since 2002. Bill reported that he has received a quote from George Prest for improvements needed on the office building and that he had discussed with the Board prior. Bill said to do the metal siding on the back wall, repaint the building, pour the concrete floor & sheetrock in garage storage it would cost \$65,000. Bill said he was not sure how much was budgeted and Elaine said that she believed that it was discussed to use LAIF reserves and she did not believe this item was put in the budget as a line item. It was the Board's consensus to instruct Bill to move forward on the office building improvements with George Prest. Bill asked Director Chick as representative to CPPA to talk to them again regarding covering the complete District under CPPA services. Bill said PG&E is going to go up and this could save us significant funds.

9.e OFFICE MANAGER'S REPORT. Elaine Urruty reported that she had been working on building reports for the master plan numbers prior to her week off and had the office staff work on printing reports while she was off. Elaine and Lisa will now start working on compiling the data based on direction given to Lisa from Matt & Bill. Elaine said she has quarterly payroll taxes, LAIF quarterly calculations and quarterly transfers to complete this month. Elaine reported that CalPERS has finally gotten back to her on an issue she had reported to the Board and CalPERS about 1 ½ to 2 years ago when she found out that Lisa Biedinger was entitled to CalPERS from her first day of employment and should not have had a 6 month period (Jan 2011 to June 2011) without CalPERS benefits. Elaine said she has completed all of the required paperwork to fix the reporting error and CalPERS is working on calculating the amount we need to pay for those 6 months of CalPERS contributions. Elaine will report back when she hears more from CalPERS. Elaine said that she is hoping they will waive any penalty, since we caught the error & reported it to them when Kyle Spence was hired and it was made aware to us. Elaine reported that the annual 199N to the State and the biennial Financial Report have been filed for the UPUD Financial Corporation. Elaine said that Nhu Bergstrom is on vacation and they will be scheduling website training with Nhu and going live after her return. Elaine said she will also begin calculations and update to the salary schedule and process of retro payroll per the Board's approval tonight.

- 9.f IRRIGATION COMMITTEE. There was nothing to report.
- 9.g PERSONNEL COMMITTEE. There was nothing to report.
- 9.h BUDGET/FINANCE COMMITTEE. There was nothing to report.

ANNOUNCEMENT OF CLOSED SESSION ITEM AND ADJOURNMENT TO CLOSED SESSION.

At 8:25 pm President Chick adjourned the meeting to Closed Session.

- 7. CLOSED SESSION:
  - a. Conference with Legal Counsel – Anticipated Litigation §54956.9 (d) (2); 1 Potential Case

RETURN TO REGULAR MEETING:

At 8:40 pm President Chick returned the meeting to Regular Session.

- 8. REPORT OF CLOSED SESSION.  
There was nothing to report.
- 10. DIRECTORS COMMENTS. Director Oneto recommended to the Board that we possibly have a Consent Agenda item at the beginning of the meeting where we have Recurring Business for approval of the minutes and expenditures. Discussion ensued and no decision was made.
- 11. NEXT MEETING: Next regular meeting is scheduled for Wednesday, August 21, 2019, at 7:00 PM.
- 12. ADJOURNMENT. The meeting was adjourned with no further business at 8:45 PM.

Submitted by: Thomas E. Quincy  
Thomas E. Quincy, Secretary

Date: 10-1-19

ATTEST:

Elaine M. Urruty  
Elaine M. Urruty  
Clerk to the UPUD Board of Directors