

**SPECIAL MEETING
WEDNESDAY, AUGUST 24, 2022
5:30 PM**

**UNION PUBLIC UTILITY DISTRICT
339 MAIN STREET
MURPHYS, CA 95247-9626**

NEXT RES. NO. 2022-15
NEXT ORD. NO. 2022-01

THIS MEETING WILL BE HELD IN ACCORDANCE WITH EXECUTIVE ORDER N-29-20, ISSUED BY CALIFORNIA GOVERNOR GAVIN NEWSOM ON MARCH 17, 2020, THE RALPH M. BROWN ACT (CALIFORNIA GOVERNMENT CODE SECTION 54950, ET SEZ.), AND THE FEDERAL AMERICANS WITH DISABILITIES ACT.

ALL MEMBERS OF THE PUBLIC MAY PARTICIPATE IN THE MEETING IN PERSON OR VIA TELECONFERENCE AND WILL BE GIVEN THE OPPORTUNITY TO PROVIDE PUBLIC COMMENT.

To join the video meeting, click this link:

<https://us02web.zoom.us/j/5426289577?pwd=ZDRlVU0wa3p4V3ZCZGhWnFEUglidz09>

Meeting ID: 542 628 9577 Passcode: 2ux9yC

To join by phone or hear audio by phone, dial **+1 669-900-9128; +1 346-24-7799 or +1 253-215-8782. Meeting ID: 542 628 9577 Passcode: 754521**

Questions: Contact UPUD at customerservice@upudwater.org or (209) 728-3651

Mission Statement

"Union Public Utility District is dedicated to protecting, enhancing and developing our water resources to the highest beneficial use for our customers, while maintaining cost-conscious, reliable service and providing gainful employment through responsible management."

AGENDA

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District Office at 209/728-3651. Advance notification will enable reasonable accommodations to be made to ensure accessibility to this meeting. Any materials distributed to the Board and related to the agenda, not privileged or otherwise protected from disclosure, will be made available for review at the District Office for review by the public.

- 1. CALL TO ORDER AND THE PLEDGE OF ALLEGIANCE**
- 2. APPROVAL OF AGENDA**
- 3. PUBLIC COMMENT:** (LIMIT 5 MINUTES PER PERSON) Members of the public may address the Board on items not agendized. The public is encouraged to work through staff to put items on the agenda to be considered by the Board. No action will be taken by the Board unless an item is agendized.

CONSENT AGENDA

Consent agenda items are expected to be routine and non-controversial. They will be acted upon by the Board at one time without discussion. Any board member, staff member or interested party may request removal of an item from the consent agenda for later discussion.

- 4. APPROVAL OF MINUTES:**
 - a. *July 20, 2022 – Regular Meeting
 - b. *August 7, 2022 – Special Meeting
- 5. EXPENDITURES:**
 - a. *July 2022

REGULAR MEETING AGENDA

6. **FINANCIAL REPORTS:**
 - a. *Cash Receipts – July 2022
 - b. *Fund Balance Report – July 2022
 - c. *Balance Sheet & Income Statement – July 2022

7. **OLD BUSINESS:**
 - a. 218 Water Rate Study – Review of Workshop Dates and Processes; Discussion/Possible Action
 - b. *UPUD FY 2022-2023 Final Budget; Discussion/Possible Action.....Res No. 2022-13
 - c. *UPUD 75th Anniversary Logo; Discussion/Possible Action

8. **NEW BUSINESS:**
 - a. *Request for Transfer of Irrigation Service Retroactive to Sale Date of Property from #5587-000 –A Sanchez, 7588 Red Hill Road, Angels Camp, to Russell & Stacy Simpson; Discussion/Possible Action
 - b. *Murphys Oaks Subdivision
 - (i) *Request for Waiver of Utility Billings for Murphys Oaks, Jack Kautz; Discussion/Possible Action
 - (ii) *Request for Release of Certificate of Deposit- Murphys Oaks Subdivision, Jack Kautz; Discussion/Possible Action
 - c. *Review and Approval of UPUD FY 2020-2021 Audit, Ryan Jolley; Discussion/Possible Action
 - d. *UPUD Domestic Water System Inspection by SWRCB; Information
 - e. *UPUD 2021 Annual Water Quality Report; Information
 - f. *UPUD Annual Dam Safety Report; Information
 - g. *Personnel Ad-hoc Committee; Discussion/Possible Action
 - h. *CA Uniform Public Construction Cost Accounting Resolution; Discussion/Possible Action.....Res No. 2022-12
 - i. *Witch Walk Parking Lot; Discussion/Possible Action
 - j. *Approval of COVID-19 State of Emergency Authorizing Remote Teleconference Meetings (August 20, 2022 – September 20, 2022); Discussion/Possible Action.....Res No. 2022-14

9. **REPORTS:**
 - a. UWPA
 - b. LAFCO
 - c. GENERAL MANAGER

10. **DIRECTORS COMMENTS**

11. **NEXT MEETING:** Wednesday, September 21, 2022 at 5:30 PM – Regular Meeting.

12. **ADJOURNMENT**

*Paperwork included in agenda packet

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

MINUTES OF JULY 20, 2022 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 5:30 PM.

| | | |
|--------------------|--|--|
| Directors Present: | ERIC BOTTOMLEY GREG RASMUSSEN BRUCE TALLAKSON RALPH CHICK | President Vice President Treasurer Director |
| Directors Absent: | TOM QUINCY | Secretary |
| Also Present: | SUMMER NICOTERO BILL ELTRINGHAM ELAINE URRUTY BARBARA WHITE MARK HILDEBRAND JOEL METZGER PUBLIC AT LARGE | General Manager District Manager Office Manager District Legal Counsel Consultant – 218 Rate Study UWPA General Manager |

1. PLEDGE OF ALLEGIANCE. The Pledge was given.

2. APPROVAL OF AGENDA.

| | |
|----------|---|
| Motion: | Director Ralph Chick |
| Second: | Director Greg Rasmussen |
| Ayes: | Directors Bottomley, Rasmussen, Tallakson and Chick |
| Nays: | None |
| Absent: | TQ |
| Abstain: | None |

MINUTE ENTRY. MOTION TO APPROVE THE AGENDA AS PRESENTED.

3. PUBLIC COMMENT. There was no Public Comment.

CONSENT AGENDA

4. APPROVAL OF MINUTES:
- a. January 19, 2022 - Regular Meeting
 - b. February 16, 2022 – Regular Meeting
 - c. March 16, 2022 – Regular Meeting
 - d. April 20, 2022 – Regular Meeting
 - e. June 15, 2022 – Regular Meeting

5. APPROVAL OF EXPENDITURES:

- a. June 2022 Expenditures
- b. APPROVAL OF PRE-PAYMENT OF CALPERS ANNUAL UNFUNDED LIABILITY (UAL) FOR BOTH CLASSIC AND PEPRA CONTRACTS FOR FY 2022-2023

Motion: Director Greg Rasmussen
 Second: Director Bruce Tallakson
 Ayes: Directors Bottomley, Rasmussen, Tallakson and Chick
 Nays: None
 Absent: TQ
 Abstain: None

MINUTE ENTRY. MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED; ITEMS #4.A-E – JANUARY 19, 2022, FEBRUARY 16, 2022, MARCH 16, 2022, APRIL 20, 2022 AND JUNE 15, 2022 MINUTES; #5.A – EXPENDITURES – JUNE 2022 & ITEM 5.B – APPROVAL OF PRE-PAYMENT OF CALPERS ANNUAL UNFUNDED LIABILITY (UAL) FOR BOTH CLASSIC AND PEPRA CONTRACTS FOR FY 2022-2023.

REGULAR AGENDA

RECURRING BUSINESS:

- 6.a CASH RECEIPTS REPORT. The Cash Receipts report for the month of June 2022 was included in the agenda packets for review. Elaine reviewed the cash receipts report with the Board.
- 6.b BALANCE OF FUNDS REPORT. The Balance of Funds report for the month of June 2022 was included in the agenda packet for review. Elaine reviewed the report with the Board. The current LAIF balance as of June 30, 2022 is \$2,482,713.29.
- 6.c BALANCE SHEET & INCOME STATEMENT. The June 2022 Balance Sheet & Income Statement were included in the agenda packet for review. Elaine Urruty reviewed the reports with the Board noting that these reports are prior to end of year postings. Elaine reported the year to-date net income as of June 30, 2022 is \$821,835.44, which is high due to all of the domestic service requests paid by Kautz from April to June. Elaine reported that the net total of our cash and reserve accounts as of June 30, 2022, is a positive \$3,092,123.72.

OLD BUSINESS:

- 7.a PRELIMINARY 218 WATER RATE STUDY PRESENTATION – HILDBRAND CONSULTING, MARK HILDEBRAND; DISCUSSION/POSSIBLE ACTION A copy of the UPUD 2022 Water Rate Study - Preliminary Findings Report was included in the agenda packet along with a summary of the UPUD CIP Plan. Mark Hildebrand, Consultant, gave a presentation on the 2022 Water Rate Study Preliminary Findings. Lengthy discussion and question & answer period followed. It was the Board's consensus to continue moving forward with the rate structure presented and use the \$50,000 property tax offset towards irrigation accounts.

Summer said she will continue to work with Mark to try and find any savings or ways to lower these rates. This item will be brought back to the Board for further review.

Motion: Director Bruce Tallakson
 Second: Director Ralph Chick
 Ayes: Directors Bottomley, Tallakson and Chick
 Nays: Director Rasmussen
 Absent: Tom Quincy
 Abstain: None

MINUTE ENTRY. TO APPROVE MOVING FORWARD WITH THE RATE STRUCTURE AS PRESENTED USING THE \$50,000 PROPERTY TAX OFFSET TOWARDS IRRIGATION.

NEW BUSINESS:

- 8.a REQUEST FOR LEAK ADJUSTMENT - #6076-000 – JULIE HAND, OWNER (& ROBERT JAMES, TENANT) – 241 SWEETWATER DRIVE, MURPHYS; DISCUSSION/POSSIBLE ACTION A copy of the General Manager's recommendation with the leak request were provided in the agenda packet for review.

Motion: Director Bruce Tallakson
 Second: Director Greg Rasmussen
 Ayes: Directors Bottomley, Rasmussen, Tallakson and Chick
 Nays: None
 Absent: Tom Quincy
 Abstain: None

MINUTE ENTRY. TO APPROVE THE LEAK ADJUSTMENT REQUEST TO #6076-000 – JULIE HAND, OWNER (& ROBERT JAMES, TENANT) – 241 SWEETWATER DRIVE, MURPHYS FOR ½ THE OVERAGE IN THE AMOUNT OF \$ 497.91 PER GENERAL MANAGER'S RECOMMENDATION.

- 8.b APPROVAL OF DROUGHT RESPONSE PROJECT GRANT APPLICATION & SIGNING AUTHORITY; DISCUSSION/POSSIBLE ACTION.....RES NO. 2022-10 A copy of Resolution No. 2022-10 and the General Managers recommendation were included in the agenda packet for review.

Motion: Director Ralph Chick
 Second: Director Greg Rasmussen
 Ayes: Directors Bottomley, Rasmussen, Tallakson and Chick
 Nays: None
 Absent: Tom Quincy
 Abstain: None

MOTION. TO AUTHORIZE GENERAL MANAGER TO PURSUE THE PROPOSED DROUGHT RESPONSE GRANT AND GIVE THE GENERAL MANAGER OR HER APPOINTED STAFF SIGNING AUTHORITY.

- 8.c APPROVAL OF COVID-19 STATE OF EMERGENCY AUTHORIZING REMOTE TELECONFERENCE MEETINGS; DISCUSSION/POSSIBLE ACTION....RES NO. 2022-11
A copy of Resolution No. 2022-11 was included in the agenda packet for review.

Motion: Director Ralph Chick
 Second: Director Greg Rasmussen
 Ayes: Directors Bottomley, Rasmussen, Tallakson and Chick
 Nays: None
 Absent: Tom Quincy
 Abstain: None

RES. #2022-11. TO APPROVE PROCLAMATION OF A STATE OF EMERGENCY AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF UNION PUBLIC UTILITY DISTRICT BOARD FOR THE PERIOD OF JULY 21, 2022 TO AUGUST 20, 2022.

- 8.d REVIEW & APPROVAL OF UWPA WATER AGREEMENT; DISCUSSION/POSSIBLE ACTION A copy of the proposed new water agreement with UWPA and the General Manager's recommendation were included in the agenda packet for review. Summer Nicotero reviewed the proposed agreement with the Board.

Motion: Director Greg Rasmussen
 Second: Director Bruce Tallakson
 Ayes: Directors Bottomley, Rasmussen, Tallakson and Chick
 Nays: None
 Absent: Tom Quincy
 Abstain: None

MINUTE ENTRY. TO APPROVE THE PROPOSED UWPA WATER AGREEMENT AS PRESENTED.

- 8.e APPROVAL OF NEW PART-TIME ADMINISTRATIVE ANALYST POSITION; DISCUSSION/POSSIBLE ACTION A copy of the General Manager's recommendation and the proposed job description for the Part-Time Administrative Analyst position were included in the agenda packet for review.

Motion: Director Greg Rasmussen
 Second: Director Ralph Chick
 Ayes: Directors Bottomley, Rasmussen, Tallakson and Chick
 Nays: None
 Absent: Tom Quincy
 Abstain: None

MINUTE ENTRY. TO APPROVE THE PART-TIME ADMINISTRATIVE ANALYST JOB DESCRIPTION AND POSITION AS PRESENTED.

- 8.f **MONGE RANCH ROAD UTILITY AGREEMENT; DISCUSSION/POSSIBLE ACTION** A copy of the General Manager's recommendation and the Utility Agreement for Monge Ranch Road were included in the agenda packet for review. Summer reviewed the proposal and informed the Board she is looking into this project & proposed costs further for other possibilities. Summer said she is asking for the Board's permission to sign the agreement, if she does not find other options. Discussion ensued regarding the Monge Range Road project and utility agreement.

Motion: Director Ralph Chick
 Second: Director Greg Rasmussen
 Ayes: Directors Bottomley, Rasmussen, Tallakson and Chick
 Nays: None
 Absent: Tom Quincy
 Abstain: None

MINUTE ENTRY. TO APPROVE GIVING GENERAL MANAGER, SUMMER NICOTERO, AUTHORITY TO SIGN THE MONGE RANCH ROAD UTILITY AGREEMENT WITH CALAVERAS COUNTY PUBLIC WORKS AS PRESENTED AT HER DISCRETION.

REPORTS:

- 9.a **UWPA REPORT.** UWPA General Manager, Joel Metzger, reported that UWPA had completed their Employee Handbook and will be bringing it to the UWPA Board for approval at the next meeting. Joel said he will copy their handbook to Summer for her review and possibly assist with the UPUD handbook process. Joel said now that UPUD has approved the new water supply agreement and City of Angels also approved last night, they will be bringing the agreement to the UWPA Board for final approval next week. Joel reported that there is a Sierra Nevada Conservancy grant that UWPA has been encouraged to apply for that would provide funding for planning and environmental to patch together all existing fuel breaks around the upper canal and flumes from Hunter's Reservoir to Murphys Forebay plus two additional 500-foot-wide fuel breaks to the Stanislaus River on upper and lower side of $\frac{3}{4}$ mile flume. These fuel breaks tie into the PG&E fuel breaks and will give better protection to our flumes. The request to apply will be brought to the UWPA Board at the next meeting. If UWPA gets this planning grant, then they would apply for Cal FIRE funds to complete the clearing project in future years.

Next UWPA meeting is scheduled for Tuesday, July 26, 2022, at 5:30 PM at the UWPA office in Angels Camp.

- 9.b **LAFCO REPORT.** Elaine Urruty reported that UPUD was on the LAFCO agenda for Monday's meeting for John Benoit's report only.

The next LAFCO meeting is scheduled for Monday, July 25, 2022, at 6:00 PM at the Calaveras County Board of Supervisors Chambers in San Andreas.

9.c GENERAL MANAGER'S REPORT. Summer Nicotero reported on projects that are being worked on or completed, including:

- Working with ATCAA for the payment assistance program for customers through the LIWAP program.
- Hiring of our new IT company, Coneth Solutions, and working very frequently with them on IT security, computer issues & setups and software migration.
- Coordinating with other Special Districts to gather COVID expense information and put together a proposal to place on Calaveras County Board of Supervisor's agenda to request reimbursement to Special Districts for COVID costs.
- FY 2020-2021 audit has been completed and we hope to bring the Board at the next meeting for approval.
- Will be starting FY 2021-2022 audit in the next few months.
- Will be 'Going Live' with new Springbrook software on August 8th.
- Plan on 'Going Live' with online bill pay Civic Pay program in a similar timeline.
- Start date for new statement company, Data Prose, is September 1st.
- Plan on General Manager and office staff to attend three-day Springbrook training in September in Las Vegas and have new part-time position hired to cover phones & office coverage in their absence.
- Reminder of NCPA BBQ next week & need RSVPs
- Reminder due date for November 2022 Election applications to the County is between July 18th to August 12th. Notices have been sent to the Directors emails.

10. DIRECTORS COMMENTS. Director Rasmussen said it is hard to see these proposed rate increases but understands the logic of why we have to do them. Director Chick & Director Bottomley stated that they like the new earlier meeting time. Director Tallakson said he feels good about how this meeting went and we need to keep moving forward. Director Bottomley stated that he has a hard time with the proposed increases, but we do have an antiquated system that we need to put funds towards repair and upkeep and costs are rising constantly.

11. NEXT MEETING: The next regular meeting is scheduled for Wednesday, August 17, 2022, at 5:30 PM.

12. ADJOURNMENT. The meeting was adjourned with no further business at 7:56 PM.

Submitted by: _____
Thomas E. Quincy, Secretary

Date: _____

ATTEST:

Elaine M. Urruty
Clerk to the UPUD Board of Directors

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

MINUTES OF AUGUST 9, 2022 SPECIAL MEETING

The Board of Directors of the Union Public Utility District met in Regular Session at the UPUD Office in Murphys, California, at approximately 5:30 PM.

| | | |
|--------------------|--|---|
| Directors Present: | ERIC BOTTOMLEY GREG RASMUSSEN TOM QUINCY BRUCE TALLAKSON RALPH CHICK | President Vice President Secretary Treasurer Director |
|--------------------|--|---|

Directors Absent: None

| | | |
|---------------|--|---|
| Also Present: | SUMMER NICOTERO ELAINE URRUTY MARK HILDEBRAND JOEL METZGER PUBLIC AT LARGE | General Manager Office Manager District 218 Consultant UWPA GM |
|---------------|--|---|

1. PLEDGE OF ALLEGIANCE. The Pledge was given.

2. APPROVAL OF AGENDA.

| | |
|----------|---|
| Motion: | Director Ralph Chick |
| Second: | Director Bruce Tallakson |
| Ayes: | Directors Bottomley, Rasmussen, Quincy, Tallakson and Chick |
| Nays: | None |
| Absent: | None |
| Abstain: | None |

MINUTE ENTRY. MOTION TO APPROVE THE AGENDA AS PRESENTED.

3. PUBLIC COMMENT. There was no Public Comment.

REGULAR AGENDA

OLD BUSINESS:

4.a PRELIMINARY 218 WATER RATE STUDY PRESENTATION – HILDEBRAND CONSULTING, MARK HILDEBRAND; DISCUSSION/POSSIBLE ACTION This item was to continue review of the Preliminary 218 Water Rate Study Presentation. Summer Nicotero handed out samples

of the previously presented proposed rates and possible revisions increasing the property tax income towards irrigation rates to \$100,000 and possible additional reserves for UWPA. Summer reviewed the possible revisions. Lengthy discussion and question and answer session ensued. It was the Board's consensus to approve the revised rate proposal with \$100,000 from property tax income going towards irrigation rates, a UWPA pass through rate and no additional UWPA emergency reserve. The Board thanked Mark Hildebrand for his time and participation.

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

MINUTE ENTRY. MOTION TO APPROVE REVISED RATES WITH \$100,000 FROM PROPERTY TAX INCOME GOING TOWARDS IRRIGATION RATES AND A UWPA PASS THROUGH RATE AND A ZERO UWPA EMERGENCY RESERVE.

Summer reviewed the public notice process and timing with the Board with the public hearing to be before the holidays. In the meantime, Summer said she plans to have informational workshops and open-door forums to inform the public. Discussion ensued regarding the workshops and public hearing process.

5. DIRECTORS COMMENTS. The Board thanked Summer for her work on the rate study and Director Chick said we are moving forward.
6. NEXT MEETING: The next regular meeting is re-scheduled to Wednesday, August 24, 2022, at 5:30 PM.
7. ADJOURNMENT. The meeting was adjourned with no further business at 7:05 PM.

Submitted by: _____
 Thomas E. Quincy, Secretary

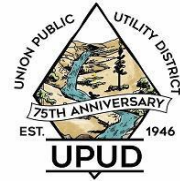
Date: _____

ATTEST:

 Elaine M. Urruty
 Clerk to the UPUD Board of Directors

Expenditure Listing

July 2022



| Check No | Check Date | Name | System | Amount |
|----------|------------|---------------------------------------|--------|------------|
| 0 | 7/8/2022 | Employment Development Dept | AP | 257.92 |
| 0 | 7/8/2022 | United States Treasury | AP | 6,609.44 |
| 0 | 7/8/2022 | EDD | AP | 1,265.36 |
| 0 | 7/8/2022 | CalPERS | AP | 3,279.77 |
| 27505 | 7/8/2022 | Lisa Biedinger | PR | 1,650.54 |
| 27506 | 7/8/2022 | William Eltringham | PR | 3,162.92 |
| 27507 | 7/8/2022 | Jason Eltringham | PR | 2,569.53 |
| 27508 | 7/8/2022 | Troy Mumm | PR | 2,147.90 |
| 27509 | 7/8/2022 | Summer Nicotero | PR | 3,287.79 |
| 27510 | 7/8/2022 | Kyle Spence | PR | 1,856.92 |
| 27511 | 7/8/2022 | Elaine Urruty | PR | 2,277.16 |
| 0 | 7/13/2022 | CalPERS - Fiscal Svs Div - Cashier/PR | AP | 36,493.00 |
| 27512 | 7/13/2022 | Alpha Analytical Laboratories, Inc. | AP | 2,670.00 |
| 27513 | 7/13/2022 | Calaveras First Company, Inc. | AP | 99.00 |
| 27514 | 7/13/2022 | California Waste Recovery System | AP | 113.12 |
| 27515 | 7/13/2022 | Carbon Copy | AP | 52.45 |
| 27516 | 7/13/2022 | Coneth Solutions, Inc | AP | 1,785.68 |
| 27517 | 7/13/2022 | CPPA | AP | 3,023.35 |
| 27518 | 7/13/2022 | CPS HR Consulting | AP | 170.00 |
| 27519 | 7/13/2022 | CSDA | AP | 5,330.00 |
| 27520 | 7/13/2022 | Ferguson Waterworks #1423 | AP | 46.04 |
| 27521 | 7/13/2022 | Mother Lode Answering Service, Inc. | AP | 279.00 |
| 27522 | 7/13/2022 | Murphys Sanitary District | AP | 120.00 |
| 27523 | 7/13/2022 | Red Store | AP | 31.81 |
| 27524 | 7/13/2022 | Signal Service | AP | 250.76 |
| 27525 | 7/13/2022 | Thatcher Company, Inc | AP | 8,275.21 |
| 27526 | 7/13/2022 | Union Bank | AP | 1,363.79 |
| 27527 | 7/13/2022 | USA Blue Book | AP | 1,400.63 |
| 27528 | 7/13/2022 | UWPA | AP | 122,500.00 |
| 27529 | 7/13/2022 | Garett Walker | AP | 5,355.00 |
| 27530 | 7/13/2022 | Western Utilities Underground Alert | AP | 60.00 |
| 27531 | 7/13/2022 | White Brenner, LLP | AP | 1,200.83 |
| 27532 | 7/13/2022 | Bruce Whittle | AP | 600.00 |
| 0 | 7/21/2022 | Employment Development Dept | AP | 263.37 |
| 0 | 7/21/2022 | EDD | AP | 1,298.03 |
| 0 | 7/21/2022 | United States Treasury | AP | 6,782.98 |
| 0 | 7/21/2022 | CalPERS | AP | 3,279.77 |
| 27533 | 7/22/2022 | Lisa Biedinger | PR | 1,650.54 |
| 27534 | 7/22/2022 | William Eltringham | PR | 3,162.92 |
| 27535 | 7/22/2022 | Jason Eltringham | PR | 2,810.08 |
| 27536 | 7/22/2022 | Troy Mumm | PR | 2,228.55 |
| 27537 | 7/22/2022 | Summer Nicotero | PR | 3,287.79 |
| 27538 | 7/22/2022 | Kyle Spence | PR | 1,856.92 |
| 27539 | 7/22/2022 | Elaine Urruty | PR | 2,277.16 |

Total: \$ 248,483.03

UNION PUBLIC UTILITY DISTRICT CASH RECEIPTS

| <u>JULY</u> | <u>2022</u> | <u>2021</u> |
|--|----------------------|----------------------|
| Water Sales | \$ 198,841.32 | \$ 191,606.11 |
| <small>(2022 - Includes Standby = \$402.00)</small> | | |
| <small>(2021 - Includes Standby = \$234.50)</small> | | |
| Other - Miscellaneous Deposits | | |
| AR - UWPA - Reim for Cell Phones Purchased thru Cal OES Grant | 1,083.17 | |
| AR - Black Diamonn Paving - Hydrant Set Fee | 125.00 | |
| AR - Joe Cover & Son - Hydrant Set Fee | 125.00 | |
| AR - M Hillyard - Emer Water Set Fee & Base | 192.00 | |
| AR - AT&T - Refund Ck for Cr on Closed Adm Acct | 34.28 | |
| 2021 Misc Deposits Included: | | |
| AR - M Miles- Hydrant Set Fee | | 125.00 |
| AR - Stai - Gar Sp #1 - June 2021 Rent | | 100.00 |
| AR - K Reeves - Hydrant Usage | | 33.00 |
| AR - M Hillyard - Emer Wtr Mthly Usage - 06/28-07/27/2021 | | 67.00 |
| AR - Roller Exca, Inc. - Hydrant Set Fee | | 125.00 |
| AR - Ford Construc Co Inc. - Hydrant Usage | | 37.00 |
| Meter Connection Fees: | | |
| 2021 - New ADU Connec Fee - H Link | | 7,000.00 |
| 2021 - Domes Connec - Bh Ctr/J Kautz 179 Murphys Oak Dr | | 14,000.00 |
| 2022 - Domes Connec - B Klassen | 14,000.00 | |
| TOTAL | \$ 214,400.77 | \$ 213,093.11 |
| UWPA Fee Billed for July | \$ 37,152.00 | \$ 36,360.00 |
| Water Sales Billed for July | 179,819.06 | 151,655.92 |
| Total Sales Billed for July | \$ 216,971.06 | \$ 188,015.92 |

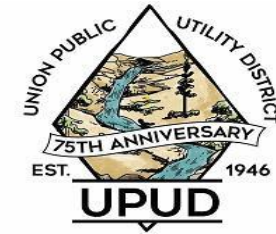
(UWPA Fee Effec 7/1/2017 & 7/1/2018 = \$6.00 & 7/1/2019 = \$7.00; Effec 7/1/2020 = \$18)

| <u>Outstanding Receivables</u> | | |
|--|----------------------|----------------------|
| Current | \$ 173,230.68 | \$ 181,616.88 |
| 30 Days | 6,989.77 | 15,160.89 |
| 60 Days | 747.59 | 5,111.04 |
| Over 90 Days | 5,842.87 | 7,822.55 |
| <small>(2020 & 2021 - No Late Fees or Shutoffs Due to COVID & Governor's Exec Order)</small> | | |
| Total Outstanding Receivables | \$ 186,810.91 | \$ 209,711.36 |

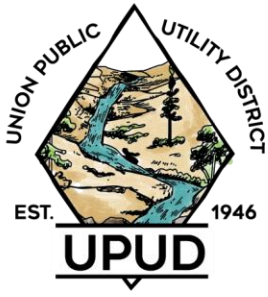
Reserve Fund Balance





Detail

Period Ending July 31, 2022



| Account Number | Description | Beginning Balance | Deposits This Period | Withdrawals This Period | Ending Balance |
|-----------------------|-------------------------------|--------------------------|-----------------------------|--------------------------------|------------------------|
| 01-00-1400 | LAIF Account | \$ 60,849.90 | \$ 107.24 | \$ - | \$ 60,957.14 |
| 01-00-1401 | LAIF-Surplus Fund | 708,251.86 | 1,431.54 | 70.00 | 709,613.40 |
| 01-00-1402 | LAIF-Irrigation Imprvmnt Fund | 147,645.81 | 5,398.09 | 0.00 | 153,043.90 |
| 01-00-1403 | LAIF-Park Fund | 0.00 | 0.00 | 0.00 | 0.00 |
| 01-00-1404 | LAIF-UWPA Reserve Fund | 217,224.56 | 111,023.48 | 104,000.00 | 224,248.04 |
| 01-00-1405 | LAIF-Reserve Fund | 846,975.54 | 16,462.75 | 18,930.00 | 844,508.29 |
| 01-00-1406 | LAIF-Capital Imprvmnt Fund | 186,625.92 | 321.72 | 0.00 | 186,947.64 |
| 01-00-1407 | LAIF-SRLF Rec (Conn Fees) | 315,139.70 | 224,544.78 | 0.00 | 539,684.48 |
| | ASSETS Totals: | \$ 2,482,713.29 | \$ 359,289.60 | \$ 123,000.00 | \$ 2,719,002.89 |
| | | | | Net Increase | \$ 236,289.60 |



 customerservice@upudwater.com
 209.728.3651
 www.upudwater.org
 339 Main St, Murphys, CA 95247

August 24, 2022

TO: BOARD OF DIRECTORS

FROM: SUMMER NICOTERO, GENERAL MANAGER

SUBJECT: 2022-2023 FINAL BUDGET

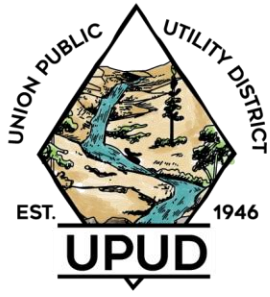
BACKGROUND: The final 2022-2023 budget has been completed. The 2021-2022 fiscal year has not yet been closed so final actual numbers will vary. The numbers presented our best estimates given the information we have.





The district anticipates closing 2021-2022 with a net surplus of approximately \$800,000. Fiscal year 2022-2023 budgeted revenues are \$3.9 million with offsetting expenses of \$4.7 million. The revenue shortfall will require a transfer from reserves in the amount of \$784k. This transfer is fully offset by the prior year surplus.

There are several line items with significant changes that should be noted. Operating revenues are expected to increase approximately \$325k due to fee increases and decrease \$440k due to fewer connection fees for an overall decrease from prior year of \$115k. Grant income of \$1.377 million is expected with an offsetting expense of \$1.55 million resulting in a \$173k district contribution. Capital expenditures are budgeted at \$2.44 million with \$170k of that dedicated to capital equipment purchases.

General increases of note include expenditures related to new contracts with the district (legal counsel, IT support, etc). The USA ticketing system has increased prices significantly, resulting in an estimated increase of \$4k. Overall increases were recognized in insurance, utilities, fuel, etc as a result of inflationary impacts felt in 2021-2022. Finally, training and memberships were increased to allow for the creation of an apprenticeship program, Springbrook on-site training, and various one-time training events throughout the year.

FINANCING: The net impact of the 2022-2023 budget as presented is a revenue shortfall of \$780k. Transfers from various reserve accounts will fund any realized shortfalls throughout the year. The remaining combined reserve fund balances after consideration of the \$780k transfer is \$1.94 million.



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-  209.728.3651
-  www.upudwater.org
-  339 Main St, Murphys, CA 95247

ALTERNATIVES: The Board could decide to modify any line items of this budget. The Board could direct staff to make adjustments and return to the Board at a later date. This is not recommended as Public Utility Code requires a final budget approved by the Board no later than September 1.

RECOMMENDATION: Staff recommends the Board approve the budget as presented.



UNION PUBLIC UTILITY DISTRICT
FINAL BUDGET
FY 2022-2023

| Account Number | | Revised Budget 2021-2022 | 2022 Actuals 2021-2022 | Proposed Budget 2022-2023 | Final Budget 2022-2023 |
|----------------|---|-----------------------------|---------------------------|------------------------------|---------------------------|
| | REVENUES | | | | |
| | Operating Revenues: | | | | |
| | <u>Water Sales:</u> | | | | |
| 01-4100/4105 | Domestic & Irrigation | 1,966,800 | 1,969,982 | 2,200,000 | 2,280,000 |
| /4180 | Other Water Related | 15,000 | 12,191 | 30,000 | 30,000 |
| 01-4189 | Meter Reset Fees | 2,000 | - | 500 | 1,000 |
| | Total Water Sales: | 1,983,800 | 1,982,173 | 2,230,500 | 2,311,000 |
| | <u>Connection Fees:</u> | | | | |
| 01-4190 | Domestic | 210,000 | 539,000 | 98,000 | 98,000 |
| 01-4190 | Irrigation | 5,000 | - | - | - |
| | Total Connection Fees | 215,000 | 539,000 | 98,000 | 98,000 |
| | Total Operating Revenue = | 2,198,800 | 2,521,173 | 2,328,500 | 2,409,000 |
| | Non-Operating Revenues: | | | | |
| 01-4181 | Sale of Assets | - | | | |
| 01-4195 | CV Autogate (offsets exp in 01-03-6220) | 3,000 | - | - | 7,100 |
| 01-4200 | Interest Earned (LAIF & Bank Accts) | 22,000 | 5,600 | 6,500 | 11,000 |
| 01-4300 | Taxes | 138,000 | 146,052 | 155,000 | 155,000 |
| 01-4420 | Insurance Refunds | - | | | |
| 01-4440 | Garage Rentals | 1,200 | 1,200 | 1,200 | 1,200 |
| 01-4441 | NCPA Facilities Use Agreement | 2,500 | 2,500 | 2,500 | 2,500 |
| 01-4450 | Forest Meadows-Div.Wtr | 50 | - | | |
| 01-4460 | Grant Income | - | | 1,377,000 | 1,377,000 |
| 01-4661 | Arrearage Income | | 337 | | - |
| 01-00-1401 | Loan Proceeds | - | | | - |
| 01-1400/1406 | Transfer from Capital Reserve Fund | | | | |
| | Non-Operating Revenues = | 166,750 | 155,689 | 1,542,200 | 1,553,800 |
| | TOTAL REVENUES: | 2,365,550 | 2,676,862 | 3,870,700 | 3,962,800 |

UNION PUBLIC UTILITY DISTRICT
FINAL BUDGET
FY 2022-2023

| Account Number | | Revised Budget | 2022 Actuals | Proposed Budget | Final Budget |
|----------------|--|----------------|----------------|------------------|------------------|
| | | 2021-2022 | 2021-2022 | 2022-2023 | 2022-2023 |
| | EXPENSES | | | | |
| | Operating Expenses: | | | | |
| | <u>Water Purchased:</u> | | | | |
| 02-6003 | Water Purchases | 42,245 | 42,245 | 42,245 | 490,000 |
| | | | | | |
| | <u>CIP/ Capital Requests</u> | | | | |
| | Tule Clearing | | | 40,000 | 40,000 |
| | Monge Ranch Bridge Line Relocation | | | 650,000 | 500,000 |
| | Backwash Project | | | 1,550,000 | 1,550,000 |
| | Increase Power at WTP | | | 175,000 | 175,000 |
| 04-6205 | Ford F-150 4X4 | | | 45,000 | 45,000 |
| 04-6205 | Vacuum Trailer | | | - | 100,000 |
| 06-6205 | Technology Upgrade | | | - | 25,000 |
| | Subtotal | - | - | 2,460,000 | 2,435,000 |
| | | | | | |
| | <u>Treatment Accounts:</u> | | | | |
| 03-6100-02 | Labor | 76,500 | 79,991 | 84,883 | 83,991 |
| 03-6103 | Overtime | 5,300 | 2,740 | 4,053 | 4,256 |
| 03-6104 | On-Call | 17,880 | 17,670 | 18,000 | 18,000 |
| 03-6105 | WT Cert Bonus | 1,500 | | 1,500 | 1,500 |
| 03-6107 | Temp Labor | 7,000 | - | | 1,000 |
| 03-6108 | COVID Bonus | 1,500 | 1,500 | - | |
| 03-6110 | FICA/Medicare (6.2%/1.45% Emplr) | 8,200 | 7,795 | 8,159 | 8,500 |
| 03-6200 | Repairs & Maintenance | 5,000 | 145 | 5,000 | 5,000 |
| 03-6201 | Equipment Repairs | 3,500 | 2,209 | 5,000 | 7,500 |
| 03-6202 | Supplies | 65,000 | 69,141 | 75,000 | 75,000 |
| 03-6204 | Utilities | 25,500 | 24,768 | 45,000 | 25,000 |
| 03-6205 | Capital Expenditures/Equipment Purchases | 10,000 | 23,171 | - | - |
| 03-6207 | Permits | 30,000 | 27,233 | 30,000 | 30,000 |
| 03-6208 | Equipment Rental | 2,000 | 1,920 | 2,000 | 2,000 |
| 03-6209 | Uniforms | 300 | 217 | 500 | 500 |
| 03-6212 | Water Analysis | 20,000 | 19,428 | 20,000 | 22,000 |
| 03-6214 | Other | 500 | - | 500 | 500 |
| 03-6215 | Equipment Purchase to \$4999 | 1,000 | - | 5,000 | 5,000 |
| 03-6216 | Education | 1,000 | 666 | 1,000 | 2,000 |
| 03-6220 | Autogate Expense - Crestview | 4,270 | 2,577 | 3,000 | 3,000 |
| 03-6299 | Health Insurance - PEMCHA - Retiree FT | - | - | | |
| 03-6300 | Health Insurance | 35,820 | 35,985 | 38,000 | 40,135 |
| 03-6301 | Worker's Comp | 5,600 | 3,258 | 4,500 | 4,160 |
| 03-6400 | CalPERS Contributions | 18,500 | 18,647 | 19,977 | 20,000 |
| 03-6450 | Travel & Mileage | 300 | - | 500 | 500 |
| 03-6500 | Telephone | 5,000 | 5,197 | 3,000 | 6,675 |
| 03-6801 | Professional Services - Engineer | - | - | - | - |
| 03-6804 | Professional Services - Other | 9,500 | 8,895 | - | 9,000 |
| | Subtotal | 360,670 | 353,153 | 374,572 | 375,216 |

UNION PUBLIC UTILITY DISTRICT
FINAL BUDGET
FY 2022-2023

| Account Number | | Revised Budget 2021-2022 | 2022 Actuals 2021-2022 | Proposed Budget 2022-2023 | Final Budget 2022-2023 |
|-------------------|--|--------------------------------|------------------------------|---------------------------------|------------------------------|
| | <i>Transmission & Distribution:</i> | | | | |
| 04-6100 | Labor | 230,000 | 232,222 | 243,600 | 243,833 |
| 04-6103 | Overtime | 7,000 | 2,283 | 4,000 | 3,000 |
| 04-6104 | On-Call | 10,920 | 10,740 | 11,000 | 11,000 |
| 04-6105 | TD Cert Bonus | 1,000 | 1,000 | 1,000 | 1,000 |
| 04-6107 | Temp Labor | 2,000 | - | - | 50,000 |
| 04-6108 | COVID Bonus Pay | 4,500 | 4,500 | - | - |
| 04-6110 | FICA/Medicare (6.2%/1.45% Emplr) | 19,250 | 19,265 | 20,277 | 24,000 |
| 04-6200 | Repairs & Maintenance | 2,000 | 690 | 5,000 | 5,000 |
| 04-6201 | Equipment Repairs | 7,500 | 4,248 | 5,000 | 7,500 |
| 04-6202 | Supplies | 20,000 | 25,245 | 30,000 | 30,000 |
| 04-6204 | Utilities | 5,000 | 3,624 | 5,000 | 4,000 |
| 04-6205 | Capital Expenditures/Equipment Purchases | 29,900 | 26,866 | - | - |
| 04-6206 | Memberships | 600 | 506 | 600 | 4,500 |
| 04-6207 | Permits | 500 | 49 | 500 | 500 |
| 04-6208 | Equipment Rental | 2,000 | - | 2,000 | 2,000 |
| 04-6209 | Uniforms | 900 | 932 | 2,000 | 2,000 |
| 04-6211 | Gas, Oil & Fuel | 15,000 | 16,365 | 16,000 | 24,000 |
| 04-6214 | Other | 200 | - | - | - |
| 04-6215 | Equipment (to \$999) | 1,250 | - | 3,000 | 3,000 |
| 04-6216 | Education & Training | 1,000 | 611 | 5,000 | 5,000 |
| 04-6300 | Health Insurance | 98,500 | 98,385 | 98,370 | 109,222 |
| 04-6301 | Worker's Comp | 17,000 | 9,801 | 11,800 | 10,500 |
| 04-6303 | Unemployment | - | - | | |
| 04-6400 | CalPERS Contributions | 48,000 | 42,920 | 46,243 | 48,000 |
| 04-6450 | Travel & Mileage | 150 | - | 300 | 300 |
| 04-6500 | Telephone | 7,100 | 7,515 | 3,000 | 9,500 |
| 04-6801 | Professional Services - Engineer | 75,000 | 64,821 | 100,000 | 65,000 |
| 04-6804 | Professional Services - Other | 20,000 | 51,065 | 15,000 | 20,000 |
| | Subtotal | 626,270 | 623,653 | 628,690 | 682,855 |

UNION PUBLIC UTILITY DISTRICT
FINAL BUDGET
FY 2022-2023

| Account Number | | Revised Budget | 2022 Actuals | Proposed Budget | Final Budget |
|----------------|---|------------------|------------------|------------------|------------------|
| | | 2021-2022 | 2021-2022 | 2022-2023 | 2022-2023 |
| | <u>Customer Service:</u> | | | | |
| 05-6100 | Labor | 58,000 | 59,309 | - | - |
| 05-6103 | Overtime | 2,200 | 2,147 | - | - |
| 05-6107 | Temp Labor/PT | - | - | - | - |
| 05-6108 | COVID Bonus Pay | 1,500 | 1,500 | - | - |
| 05-6110 | FICA/Medicare (6.2%/1.45% Emplr) | 4,700 | 5,493 | - | - |
| 05-6300 | Health Insurance | 8,850 | 8,848 | - | - |
| 05-6301 | Worker's Comp | 300 | 217 | - | - |
| 05-6303 | Unemployment | - | - | - | - |
| 05-6400 | (Employer & Employee Contributions) | 14,000 | 12,859 | - | - |
| 05-6600 | Computer Maintenance Fees | - | - | - | - |
| | Subtotal | 89,550 | 90,373 | - | - |
| | <u>Administration & General:</u> | | | | |
| 06-6100 | Labor | 83,000 | 118,094 | 269,621 | 295,000 |
| 06-6103 | Overtime | 7,500 | 12,881 | 7,300 | 4,500 |
| 06-6108 | COVID Bonus Pay | 1,500 | 1,500 | - | - |
| 06-6110 | FICA/Medicare | 8,000 | 10,134 | 22,775 | 24,000 |
| 06-6200 | Repairs & Maintenance | 1,000 | 124 | 5,000 | 5,000 |
| 06-6201 | Equipment Repairs | 300 | - | 500 | 500 |
| 06-6202 | Office & Billing Supplies | 10,000 | 8,023 | 5,000 | 5,000 |
| 06-6203 | Copier Expense | 5,000 | 3,620 | 4,000 | 3,700 |
| 06-6204 | Utilities | 3,500 | 2,357 | 3,500 | 2,500 |
| 06-6205 | Capital Expenditures/Equipment Purchases | 40,000 | 21,212 | - | - |
| 06-6206 | Memberships | 3,000 | 2,259 | 3,500 | 7,000 |
| 06-6207 | Permits & Fees | 800 | 70 | - | 300 |
| 06-6210 | Postage | 10,000 | 8,255 | 8,500 | 8,500 |
| 06-6213 | Banking Fees | 15,000 | 12,721 | 18,000 | 18,000 |
| 06-6214 | Other | 500 | 166 | - | - |
| 06-6215 | Equipment (to \$999) | 2,000 | 3,738 | 10,000 | 5,000 |
| 06-6216 | Education & Training | 2,000 | 900 | 5,000 | 7,000 |
| 06-6300 | Health Insurance | 28,000 | 39,327 | 64,850 | 80,600 |
| 06-6301 | Worker's Comp | 675 | 299 | 750 | 500 |
| 06-6302 | General Insurance | 25,000 | 20,641 | 25,000 | 25,000 |
| 06-6400 | (Employer & Employee Contributions) | 25,000 | 23,212 | 55,950 | 32,000 |
| 06-6450 | Travel & Mileage | 1,000 | 33 | 5,000 | 3,000 |
| 06-6500 | Communications- Telephone/Internet | 5,500 | 5,109 | 1,920 | 6,000 |
| 06-6802 | Professional Services - Legal | 3,000 | 2,966 | 7,000 | 17,000 |
| 06-6803 | Professional Services - Accounting | 10,000 | 9,200 | 10,000 | 9,000 |
| 06-6804 | Professional Services - Other | 30,000 | 27,134 | 35,000 | 50,000 |
| 06-6850 | Election Expense | - | - | - | - |
| 06-6860 | UWPA Contribution | 417,000 | 417,000 | 450,000 | - |
| 06-6901 | Contingencies | 506,698 | - | - | 150,000 |
| | Subtotal | 1,244,973 | 750,975 | 1,018,166 | 759,100 |
| | Total Operating Expenses: | 2,363,708 | 1,860,399 | 4,523,673 | 4,742,171 |

UNION PUBLIC UTILITY DISTRICT
FINAL BUDGET
FY 2022-2023

| Account Number | | Revised Budget 2021-2022 | 2022 Actuals 2021-2022 | Proposed Budget 2022-2023 | Final Budget 2022-2023 |
|-------------------|---|--------------------------------|------------------------------|---------------------------------|------------------------------|
| | Non-Operating Expenses: | | | | |
| | | | | | |
| | <u>Admin - Debt Svs Interest</u> | | | | |
| 06-7102 | Int Expense - SRLF | 1,843 | 1,843 | - | - |
| 06-7103 | Int Expense - All Points/First Security Bnk | - | - | - | - |
| 06-7104 | Int Expense - West America | - | - | - | - |
| 06-7105 | Int Expense - Davis Grunsky | - | - | - | - |
| | Subtotal | 1,843 | 1,843 | - | - |
| | | | | | |
| | Total Non-Operating Expenses: | 1,843 | 1,843 | - | - |
| | | | | | |
| | TOTAL EXPENSES: | 2,365,550 | 1,862,242 | 4,523,673 | 4,742,171 |
| | | | | | |
| | Transfers In/ (Out): | | | | |
| | | | | | |
| | <u>Transfer In From Reserve</u> | | | | |
| 00-1400 | Capital Replacement | - | - | - | 45,000 |
| 00-1401 | District Surplus | - | - | - | 634,371 |
| 00-1406 | Capital Improvement | - | - | - | 100,000 |
| | Subtotal | - | - | - | 779,371 |
| | | | | | |
| | Total Transfers In/ (Out) : | - | - | - | 779,371 |
| | | | | | |
| | REVENUE VS EXPENSES | | | | |
| | Total Operating Revenues | 2,198,800 | 2,521,173 | 2,328,500 | 2,409,000 |
| | Total Non-Operating Revenue | 166,750 | 155,689 | 1,542,200 | 1,553,800 |
| | Total Transfers In | - | - | - | 779,371 |
| | TOTAL REVENUE = | 2,365,550 | 2,676,862 | 3,870,700 | 4,742,171 |
| | | | | | |
| | Total Operating Expenses | 2,363,708 | 1,860,399 | 4,523,673 | 4,742,171 |
| | Total Non Operating Expenses | 1,843 | 1,843 | - | - |
| | TOTAL EXPENSES = | 2,365,550 | 1,862,242 | 4,523,673 | 4,742,171 |
| | | | | | |
| | INCOME/CONTINGENCIES | (0) | 814,620 | (652,973) | (0) |

UNION PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS

RESOLUTION NO. 2022-13

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE UNION PUBLIC UTILITY DISTRICT FINAL BUDGET FOR FISCAL YEAR 2022-2023

WHEREAS, the Union Public Utility District Board of Directors have reviewed and approved a Preliminary Budget for Fiscal Year 2022-2023 presented at the regular Board meeting on June 15, 2022;

WHEREAS, the General Manager has prepared a final budget for approval by the Board of Directors; and

THEREFORE, BE IT RESOLVED by the Board of Directors of the Union Public Utility District has reviewed the attached Final Budget for Fiscal Year 2022-2023.

PASSED AND ADOPTED by the Union Public Utility District as a Special Meeting of the Board of Directors on August 24, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

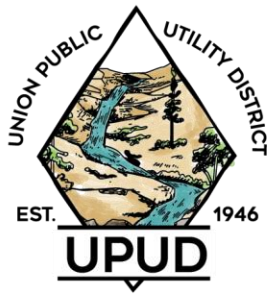
Thomas Quincy, Secretary





Union Public Utility District

I hereby certify that the within and foregoing is a full, true, and correct copy of the Resolution which was duly passed and adopted at a regular meeting of the Board of Directors of the Union Public Utility District on the 24th day of August 2022.

Eric Bottomley
Board President, Union Public Utility District

Page 1 of 1
Elaine Urruty
Clerk to the Union Public Utility District Board



 customerservice@upudwater.com
 209.728.3651
 www.upudwater.org
 339 Main St, Murphys, CA 95247

August 24, 2022

TO: BOARD OF DIRECTORS

FROM: SUMMER NICOTERO, GENERAL MANAGER

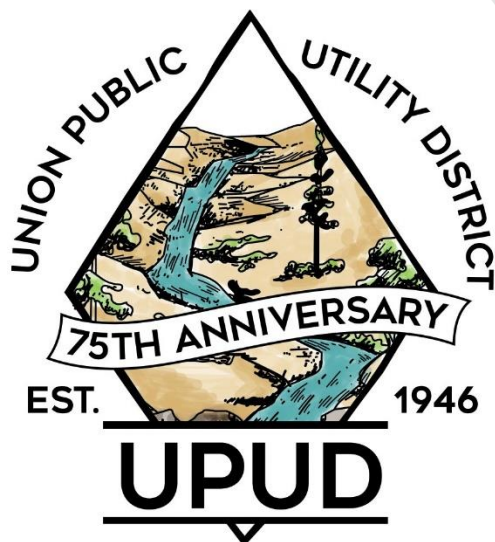
SUBJECT: UPUD 75th ANNIVERSARY LOGO

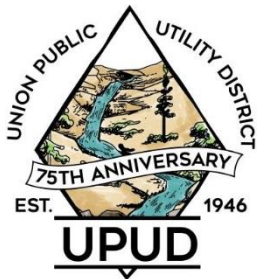
BACKGROUND: The District celebrated a 75th anniversary milestone last year. Staff has created a 75th anniversary logo as well as a standard logo that is updated from our current logo.

FINANCING: The cost of the logo redesign was under \$400. Any amendments would incur additional cost.

ALTERNATIVES: The Board could decide to keep the current logo. The Board could decide to modify the new logo.

RECOMMENDATION: Staff recommends the Board approve the use of the 75th anniversary logo in commemoration of this milestone as well as converting to the updated logo in all future correspondence/representation related to the district.





Union Public Utility District

August 24, 2022

TO: Board of Directors

FROM: Summer Nicotero, General Manager

SUBJECT: Request for Irrigation Service Transfer #5587-000 – Antony Sanchez – 7588 Red Hill Road, Angels Camp to Russell & Stacy Simpson

BACKGROUND:

Per attached Irrigation application, Antony Sanchez sold his property to Russell and Stacy Simpson. Escrow on this property closed on June 20, 2022 and the Domestic account for this property changed hands on July 1, 2022. The Simpson's plan to continue irrigation use on the property for the same purpose of irrigating land and cattle. They are asking for the irrigation service transfer to be retroactive to July 1, 2022 to coincide with the sale of the property.

FINANCING:

There is no financial impact to the district.

ALTERNATIVES:

The Board could decide to deny this irrigation transfer and the irrigation account will be closed.

RECOMMENDATION:

Staff recommends the Board approve the irrigation transfer request.

**UNION PUBLIC UTILITY DISTRICT
 339 MAIN STREET
 MURPHYS, CA 95247-9626
 PHONE (209) 728-3651 FAX (209) 728-0211**

APPLICATION FOR WATER SERVICE

- Frm #5597-000 Sanchez

OWNER NAME: Russell and Stacy Simpson

APPLICANT NAME (If different than above): _____

TELEPHONE: Day 209 559 3378 Evening/ _____

Email: Simpstacy@gmail.com

MAILING ADDRESS: 7588 Red Hill Rd
Angels Camp, CA 95222

SERVICE ADDRESS: Same as above

LOT # _____ APN# 064-003-011 SUBDIVISION _____

Note: Signature below accepts fees and charges stated on Request for Water Service Form attached. All new construction requires inspection of fire sprinkler system by District Manager.

\$25 New Account Fee _____

ALL ACCOUNTS ARE DUE AND PAYABLE UPON RECEIPT

Stacy Simpson
APPLICANT'S SIGNATURE

UNION PUBLIC UTILITY DISTRICT

6/23/22
DATE

DATE

FOR DISTRICT USE: CONNECTION: DOMESTIC _____ IRRIGATION COMMERCIAL _____

CONNECTION DATE _____

ROUTE / SERVICE _____

METER NUMBER _____

CUSTOMER # _____

METER SIZE _____

MASTER LOC # _____

TYPE _____

Backflow (BF) Required? Yes No

READING _____

BF Manufacturer Type _____

LOCATION _____

BF Model _____ Size _____

BF Serial Number _____

BF Location _____

PAID \$ _____ CHECK # _____

New Meter Book Page New Customer Pkg Sent

7588 Red Hill Rd irrigation water

Stacy Simpson <simpstacy@gmail.com>

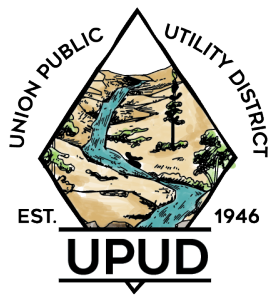
Mon 7/18/2022 1:09 PM

To: Elaine Urruty <eurruty@upudwater.org>

Hello

I would like to request continued irrigation use to property at 7588 Red Hill Rd. Transfer of ownership was completed on June 20, 2022. We kindly request the same permissions allowed from the previous owner, Tony Sanchez.

Kind regards
Rusty and Stacy Simpson
209-559-3378



✉ customerservice@upudwater.com
☎ 209.728.3651
🌐 www.upudwater.org
📍 339 Main St, Murphys, CA 95247

August 24, 2022

TO: BOARD OF DIRECTORS

FROM: SUMMER NICOTERO, GENERAL MANAGER

SUBJECT: MURPHYS OAKS SERVICE FEE WAIVER REQUEST

BACKGROUND: Late last year and again earlier this year, Jack Kautz approached the Board requesting a waiver of service fees for new utility meter installs in the Murphys Oaks subdivision. Per current policy, once the meter fee is paid and the meter is installed the district will begin billing for monthly service fees. Mr. Kautz had requested this policy be waived for a number of homes in the subdivision that he was involved in building. The Board decided in both the December and January board meetings that they would not approve a waiver of the current policy (see minutes attached). When Mr. Kautz emailed Elaine inquiring about installing new meters Elaine responded on March 2, 2022 reminding Mr. Kautz of the policy. UPUD received numerous applications for new services in the subdivision after this time. Mr. Kautz paid for the installs. UPUD staff installed the meters and began billing at that time.

In July and August district staff began fielding phone calls from new customers related to the billings. Staff explained the policy. In August Mr. Kautz spoke with Summer Nicotero, General Manager asking for waived service fees or reduced rates. Mrs. Nicotero explained that this was outside of her authority. She further explained that this was discussed previously and that Mr. Kautz should have been aware of the decision based on previous correspondence. She advised Mr. Kautz that he was welcome to request an item be added to the agenda. Mr. Kautz sent the attached email requesting to discuss this topic with the Board.

FINANCING: Since March 2022 we have installed 27 meters. At \$67 per month the cost per month is \$1809. Overall revenue is estimated to exceed \$5000 to date. Any credits or relief of these bills will have to come from property tax or other non-rate payer revenue as it would constitute a gift of funds.

RECOMMENDATION: Staff recommends the Board deny the request for waiver or reduction of rates given the amount of communication that occurred prior to the meter installation.

Elaine Urruty

From: Jack Kautz <jackkautz@msn.com>
Sent: Thursday, August 18, 2022 1:26 PM
To: Elaine Urruty
Cc: Summer Nicotero; Melissa Bowman; Eva Masdeo Oliver
Subject: Re: Agenda Item Request

1. jack kautz- When connection fee is paid the service fee should only be a standby fee until such time the resident is using water. There are many individuals located in Murphys Oaks that paid for their water meter but will not use water till the certificate of occupancy.- We are requesting the monthly fee dropped from the minimum to standby till the county issues the certificate of occupancy
2. jack kautz- Bret Harte Center Partnership would like the Certificate of Deposit released in the amount of \$16,052.79 which was used to for the bond.

Elaine Urruty

From: Elaine Urruty <adminupud@goldrush.com>
Sent: Wednesday, March 02, 2022 9:56 AM
To: 'Jack Kautz'
Cc: 'Nicole Goostree'
Subject: RE: jWater meters
Attachments: UPUD APPLICATIONS - NEW SVS.pdf

Jack,

We will need application forms for each of these services with the owners information in order to accept payment. The application forms should be signed by the owners. Per our Board, once we receive payment, meters must be installed and either pay monthly service or go to Standby and pay Standby fees, if not going to install for 6 months or longer. I have attached copies of our blank application forms needed and they are also available on our website www.upudwater.com under Forms.

If you have any questions or need further information, please do not hesitate to contact our office.

Thanks!



Elaine M Urruty
Office Manager
Union Public Utility District
339 Main Street
Murphys, CA 95247-9626
adminupud@goldrush.com
Ph: 209-728-3651
Fax: 209-728-0211

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

MINUTE ENTRY. MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED WITH REMOVAL OF MINUTES; ITEM #5.A – EXPENDITURES – NOVEMBER 2021.

REGULAR AGENDA

RECURRING BUSINESS:

- 6.a CASH RECEIPTS REPORT. The Cash Receipts report for the month of December 2021 was included in the agenda packets for review. Elaine reviewed the cash receipts report with the Board. Elaine reported to the Board that Jack Kautz had brought in a check for meters when she was out and asked the office again to not charge or hookup yet. Elaine asked to clarify once again with the Board their decision under the circumstance. Discussion ensued regarding payments for the new connections in Murphys Oaks Subdivision. It was the Board's consensus again, that we process Murphys Oaks payments like all others and once payment is received meters are installed & billing begins. If account will not need meter for 6 months or more, the owners can always request to go to Standby status at half the rate. Elaine also reported that our over 90 day accounts are continuing to increase due to no late fees or shut offs and are currently at \$14,973.66. Elaine said that the COVID Arrearages check we requested is in process and should arrive by end of January for approximately \$11,000 to help pay some of these accounts. Discussion ensued regarding late fees and delinquent accounts and ability to lien accounts if needed.
- 6.b BALANCE OF FUNDS REPORT. The Balance of Funds report for the month of December 2021 was included in the agenda packet for review. Elaine reviewed the report with the Board. Elaine noted that we did receive our payment to close the SRLF reserve accounts this month and the reserve accounts will go to zero and the funds will be deposited to District Surplus to reimburse for the loan payoff. The current LAIF balance as of December 31, 2021 is \$2,020,959.25.
- 6.c BALANCE SHEET & INCOME STATEMENT. The December 2021 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 December 31, 2021 is \$298,887.98. Elaine reported that the net total of our cash and reserve accounts as of December 31, 2021 is a positive \$2,598,080.67.

At this time President Bottomley moved to New Business for Election of Officers, Committees & Appointments.

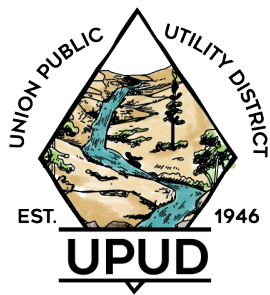
Second: Director Rasmussen
 Ayes: Directors Bottomley, Rasmussen, Quincy, Tallakson and Chick
 Nays: None
 Absent: None
 Abstain: None





MINUTE ENTRY. MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED; ITEMS #4.A – SEPTEMBER 22, 2021 REGULAR MEETING MINUTES; #4.B – NOVEMBER 17, 2021 MINUTES & #5.A & B – EXPENDITURES – NOVEMBER 2021, AS PRESENTED.

REGULAR AGENDA

RECURRING BUSINESS:

- 6.a CASH RECEIPTS REPORT. The Cash Receipts report for the month of November 2021 was included in the agenda packets for review. Elaine reviewed the cash receipts report with the Board. Elaine reported to the Board that Jack Kautz had requested that UPUD take his payments for the new connections in Murphys Oaks, but not install the meters until much later, as he does not want to pay the monthly charges. Elaine said she let him know that our process is that once we receive payment, meters are installed and billing starts. Jack then asked for a discounted rate for his connections since he was paying for so many connections, or that we hold his funds in an account and not process until they are ready for meters to be installed. Discussion ensued regarding the Murphys Oaks Subdivision & number of connections expected to be purchased and our processes. It was the Board's consensus that we process Murphys Oaks payments like all others and once payment is received meters are installed & billing begins. If account will not need meter for 6 months or more, the owners can always request to go to Standby status at half the rate. Joel Metzger said that he noted our large AT&T expenses on the Expenditure listing and that UWPA had recently changed over to Comcast Business phones and saved a lot of money and recommended UPUD look into this. Elaine said that she already has begun the process and has contracted our internet and our FAX line first to Comcast Business and then they will work with us to change over our phones. Joel also mentioned that if UPUD needs to get communications to the TP below Cademartori they can utilize the tower at the Murphys Forebay. Discussion ensued regarding the tower and how communications would work.
- 6.b BALANCE OF FUNDS REPORT. The Balance of Funds report for the month of November 2021 was included in the agenda packet for review. Elaine reviewed the report with the Board. Elaine reported that even though the SRLF loan is paid off, she is continuing to deposit domestic connection fees into the LAIF SRLF reserve account line. These funds can accumulate and be used for required reserves needed for future funding. The current LAIF balance as of November 30, 2021 is \$2,020,959.25.
- 6.c BALANCE SHEET & INCOME STATEMENT. The November 2021 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 November 30, 2021 is \$238,522.33. Elaine reported that the net total of our cash and reserve accounts as of November 30, 2021 is a positive \$2,538,701.09.



 customerservice@upudwater.com
 209.728.3651
 www.upudwater.org
 339 Main St, Murphys, CA 95247

August 24, 2022

TO: BOARD OF DIRECTORS

FROM: SUMMER NICOTERO, GENERAL MANAGER

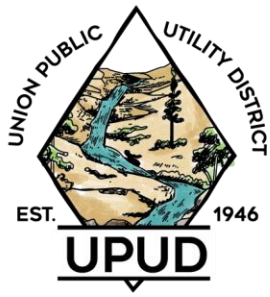
SUBJECT: MURPHYS OAKS RELEASE OF CERTIFICATE OF DEPOSIT





BACKGROUND: An agreement between Union Public Utility District and Murphys Oaks Subdivision was entered into in October of 2020. As a result, a Certificate of Deposit was put in the District name as a warranty against water line issues for a term of one year.

The term is completed and the Certificate of Deposit needs to be released back to Jack Kautz/ Murphys Oaks Subdivision.

FINANCING: There is no financial impact to the district as this was a deposit that needs to be refunded.

RECOMMENDATION: Staff recommends the Board approve the request to release the Certificate of Deposit as per the terms of the agreement.



 customerservice@upudwater.com
 209.728.3651
 www.upudwater.org
 339 Main St, Murphys, CA 95247

August 24, 2022

TO: BOARD OF DIRECTORS

FROM: SUMMER NICOTERO, GENERAL MANAGER

SUBJECT: AUDIT REPORT

BACKGROUND: The 2020-2021 Annual Financial Audit was completed by Bryant Jolley, CPA in July of 2022 and is included for your review. There were no new findings. The previously issued finding around the lack of internal controls related to cash management have been addressed and are expected to be resolved with the 2021-2022 Annual Audit.

FINANCING: There is no financial impact

RECOMMENDATION: This is an information only item.

UNION PUBLIC UTILITY DISTRICT
MANAGEMENT REPORT
FOR THE YEAR ENDED JUNE 30, 2021

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Board of Directors
Union Public Utility District
Murphys, California

We have audited the financial statements of the Union Public Utility District (District) for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated April 7, 2020. Professional standards require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

- Management has determined the economic useful lives of fixed assets based on past history of similar types of assets, future plans as to their use, and other factors that impact their economic value to the District. We evaluated the key factors and assumptions used by management in computing depreciation expense and believe that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net pension liability and related deferrals is based on actuarial valuations which include significant assumptions regarding discount rate, inflation, payroll growth, projected salary increases and investment rate of return. We evaluated the key factors and assumptions used to develop the liability and related deferrals in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 13, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Restriction on Use

This report is intended for the use of management, the Board of Directors, and others within the organization, and it's not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to be "Michael J. [unclear]", written in a cursive style.

July 13, 2022

UNION PUBLIC UTILITY DISTRICT

INDEPENDENT AUDITOR'S REPORT

AND

FINANCIAL STATEMENTS

JUNE 30, 2021

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BRYANT L. JOLLEY

CERTIFIED PUBLIC ACCOUNTANTS

Bryant L. Jolley, C.P.A.
Ryan P. Jolley C.P.A.
Darryl L. Smith C.P.A.
Luis A. Perez C.P.A.
Lan T. Kimoto

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Union Public Utility District
Murphys, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Union Public Utility District (District), which comprise the statement of net position as of June 30, 2021, and the related statement of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Union Public Utility District as of June 30, 2021, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters**Required Supplementary Information**

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United State of America require that the District's Schedule of Proportionate Share of Net Pension Liability and Contributions, on pages 21 – 22 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 13, 2022 on our consideration of the Union Public Utility District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to be "Kevin J. [unclear]", written in a cursive style.

July 13, 2022

UNION PUBLIC UTILITY DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2021

ASSETS

Current assets

| | |
|--------------------------|------------------|
| Cash and investments | \$ 2,327,301 |
| Accounts receivable, net | 216,101 |
| Interest receivable | 2,086 |
| Prepaid insurance | <u>37,046</u> |
| Total current assets | <u>2,582,534</u> |

Non-current assets

| | |
|--|------------------|
| Restricted cash and investments | 811,607 |
| Property, plant, and equipment - net of accumulated depreciation | <u>5,025,983</u> |
| Total non-current assets | <u>5,837,590</u> |

| | |
|--------------|------------------|
| Total assets | <u>8,420,124</u> |
|--------------|------------------|

DEFERRED OUTFLOWS OF RESOURCES

| |
|---------------|
| <u>98,181</u> |
|---------------|

LIABILITIES

Current liabilities

| | |
|-----------------------------------|----------------|
| Accounts payable | 37,096 |
| Current portion of long-term debt | <u>125,920</u> |
| Total current liabilities | <u>163,016</u> |

Non-current liabilities

| | |
|-------------------------------|------------------|
| Compensated absences | 59,969 |
| Long-term debt | 753,829 |
| Net pension liability | <u>437,453</u> |
| Total non-current liabilities | <u>1,251,251</u> |

| | |
|-------------------|------------------|
| Total liabilities | <u>1,414,267</u> |
|-------------------|------------------|

DEFERRED INFLOWS OF RESOURCES

| |
|--------------|
| <u>5,449</u> |
|--------------|

NET POSITION

| | |
|----------------------------------|---------------------|
| Net investment in capital assets | 4,146,234 |
| Restricted for SRLF | 658,331 |
| Restricted for debt service | 153,276 |
| Unrestricted | <u>2,140,748</u> |
| Total net position | <u>\$ 7,098,589</u> |

UNION PUBLIC UTILITY DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION YEAR ENDED JUNE 30, 2021

Operating Revenue

| | |
|------------------------------------|------------------|
| Water sales | \$ 1,980,159 |
| Transfer connection and meter fees | <u>142,000</u> |
| Total operating revenue | <u>2,122,159</u> |

Operating Expense

| | |
|--------------------------------------|------------------|
| Water treatment | 736,289 |
| Transmission and distribution | 539,861 |
| Administrative and customer services | 327,206 |
| Depreciation | <u>287,652</u> |
| Total operating expense | <u>1,891,008</u> |

| | |
|-------------------------|----------------|
| Operating income/(loss) | <u>231,151</u> |
|-------------------------|----------------|

Non-operating Revenue/(Expense)

| | |
|---------------------------------------|-----------------|
| Property taxes | 137,869 |
| Interest income | 14,855 |
| Other income | 3,800 |
| Interest expense | <u>(25,271)</u> |
| Total non-operating revenue/(expense) | <u>131,253</u> |

| | |
|-------------------------------|---------|
| Change in Net Position | 362,404 |
|-------------------------------|---------|

Net Position

| | |
|-------------------|----------------------------|
| Beginning of year | <u>6,736,185</u> |
| End of year | <u><u>\$ 7,098,589</u></u> |

UNION PUBLIC UTILITY DISTRICT

STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2021

| | |
|--|---------------------|
| Operating Activities | |
| Receipts from customers and users | \$ 2,076,969 |
| Payments to suppliers for goods and services | (945,708) |
| Payments to employees for services | (609,092) |
| Net cash provided by operating activities | <u>522,169</u> |
| Non-capital Financing Activities | |
| Property taxes received | 137,869 |
| Other income | 3,800 |
| Net cash provided by non-capital financing activities | <u>141,669</u> |
| Capital and Related Financing Activities | |
| Acquisition of capital assets | (327,322) |
| Principal paid on long-term debt | (122,709) |
| Interest paid on long-term debt | (25,271) |
| Net cash used in capital and related financing activities | <u>(475,302)</u> |
| Investing Activities | |
| Interest received | 22,386 |
| Net cash provided by investing activities | <u>22,386</u> |
| Net Increase in Cash and Investments | 210,922 |
| Cash and Investments | |
| Beginning of year | <u>2,927,986</u> |
| End of year | <u>\$ 3,138,908</u> |
| Reconciliation of Cash and Investments to the Statement of Net Position | |
| Cash and investments | \$ 2,327,301 |
| Restricted cash and investments | 811,607 |
| | <u>\$ 3,138,908</u> |
| Cash Flows from Operating Activities | |
| Operating income (loss) | \$ 231,151 |
| Adjustments to reconcile operating income (loss) | |
| to net cash provided (used) by operating activities: | |
| Depreciation | 287,652 |
| (Increase) Decrease in accounts receivable | (45,190) |
| (Increase) Decrease in prepaid expenses and inventory | 2,332 |
| (Increase) Decrease in deferred outflows of resources | 35,951 |
| Increase (Decrease) in payables and accrued expenses | 211 |
| Increase (Decrease) in net pension liability | 25,267 |
| Increase (Decrease) in deferred inflows of resources | (14,045) |
| Increase (Decrease) in compensated absences | (1,160) |
| Net Cash Provided by Operating Activities | <u>\$ 522,169</u> |

See accompanying notes.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 1 – Summary of Significant Accounting Policies

The financial statements of the Union Public Utility District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below:

Reporting Entity

The District was established July 23, 1946, for the purpose of supplying domestic and agricultural water to property within the District which includes the unincorporated communities of Murphys, Douglas Flat, Vallecito, Carson Hill and Six-Mile Village. The water supply and distribution system was acquired on January 1, 1961, from the Calaveras Water Users Association. Operations are conducted under provisions of the Community Services District Laws.

Basis of Accounting

The District accounts for its operations in an enterprise fund using the economic resources measurement focus and the accrual basis of accounting. A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific government activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

An enterprise fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for water service. Operating expenses for the District include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Financial Statement Amounts

Cash and Investments – Cash and investments represent the District's cash bank accounts including, but not limited to, certificates of deposit, money market funds and cash management pools for reporting purposes in the Statement of Cash Flows. Additionally, investments with maturities of three months or less when purchased are included as cash equivalents in the Statement of Cash Flows.

Investments of the pool include only those investments authorized by the California Government Code such as, United States Treasury securities, agencies guaranteed by the United States Government, registered state warrants, and other investments. Investments primarily consist of deposits in the State of California Local Agency Investment Fund. Investments are stated at fair value.

Accounts Receivable – Billings for water services are sent monthly and are reflected on the accrual basis of accounting. Delinquent accounts are submitted to the Calaveras County and are attached to the County tax rolls.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Capital Assets – Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets in service are depreciated using the straight line method over the following estimated useful lives:

| | <u>Years</u> |
|-------------------------------|--------------|
| Water Treatment | 25 - 50 |
| Transmission and Distribution | 25 - 50 |
| Equipment | 5 - 10 |

Compensated Absences – The District allows employees to accumulate unused vacation leave to a maximum of 400 hours. Upon termination, accumulated vacation that was not taken will be paid to the employee. Sick leave is not paid upon termination, but will be paid only upon illness while in the employment of the District.

Vested or accumulated vacation leave time that is expected to be paid with expendable available financial resources is recorded as an expense and liability as the benefits accrue.

Long-Term Obligations – Long-term debt and other obligations are reported as District liabilities.

Pension Plan – All full-time District employees are members of the State of California Public Employees' Retirement System. The District's policy is to fund all pension costs accrued; such costs to be funded are determined annually as of July 1 by the System's actuary. See Note 6 for further discussion.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's Pension Plan and additions to/deductions from the District's Pension Plan's fiduciary net position have been determined on the same basis as they are reported by the District's Pension Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

UNION PUBLIC UTILITY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

Note 1 – Summary of Significant Accounting Policies (Continued)

Net Position/Fund Equity – The financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted Net Position – This category presents external restrictions on net position imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This category represents net position of the District not restricted for any project or other purpose.

Revenues and Expenses – The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principle operating revenues of the District are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Property Tax – Secured property taxes attach as an enforceable lien on property as of March 1. Taxes are payable in two installments on November 15 and March 15. Unsecured property taxes are payable in one installment on or before August 31. The County of Calaveras bills and collects the taxes for the District. Tax revenues are recognized by the District when billed.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 2 – Cash and Investments

Cash and investments as of June 30, 2021 are classified in the accompanying financial statements as follows:

Statement of Net Position:

| | |
|---------------------------------|---------------------|
| Cash and Investments | \$ 2,327,301 |
| Restricted Cash and Investments | <u>811,607</u> |
| Total Cash and Investments | <u>\$ 3,138,908</u> |

Cash and investments as of June 30, 2021 consist of the following:

| | |
|--------------------------------------|---------------------|
| Cash on hand | \$ 200 |
| Deposits with financial institutions | 333,808 |
| Cash with fiscal agents | 153,276 |
| Local Agency Investment Fund | <u>2,651,624</u> |
| Total Cash and Investments | <u>\$ 3,138,908</u> |

Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that categorizes the inputs to valuation techniques used to measure fair value into three levels. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2: Inputs to valuation methodology include inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within a fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

LAIF is valued based on the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (Level 2 input).

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 2 – Cash and Investments (Continued)

The District had the following recurring fair value measurements as of June 30, 2021:

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>June 30, 2021 Balance</u> |
|---|----------------|---------------------|----------------|----------------------------------|
| Investments by fair value level: | | | | |
| LAIF | \$ - | \$ 2,651,624 | \$ - | \$ 2,651,624 |
| Total Investments | <u>\$ -</u> | <u>\$ 2,651,624</u> | <u>\$ -</u> | <u>\$ 2,651,624</u> |

Investments Authorized by the District's Investment Policy

The District's investment policy only authorizes investment in the local government investment pool administered by the State of California (LAIF). The District's investment policy does not contain any specific provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk.

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy. The table below identifies the investment types that are authorized for investments held by the bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

| <u>Authorized Investment Type</u> | <u>Maximum Maturity</u> |
|-----------------------------------|-----------------------------|
| U.S. Treasury Obligations | None |
| U.S. Agency Securities | None |
| Banker's Acceptances | 180 days |
| Commerical Paper | 270 days |
| Money Market Mutual Funds | N/A |
| Investment Contracts | 30 years |

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 2 – Cash and Investments (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2021 the District had the following investments.

| <u>Investment Type</u> | | <u>Maturity Date</u> |
|-------------------------------------|----------------------------|----------------------|
| Local Agency Investment Fund (LAIF) | \$ <u>2,651,624</u> | N/A |
| Total | \$ <u><u>2,651,624</u></u> | |

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF does not have a rating provided by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total District investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2021, none of the District's deposits with financial institutions in excess of federal depository insurance limits were held in non-collateralized accounts.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 2 – Cash and Investments (Continued)

Custodial Credit Risk (Continued)

The custodial risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Investment in State Investment Pool – The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Note 3 – Property, Plant and Equipment

The detail of property, plant and equipment at June 30, is as follows:

| | Balance | | | Balance |
|--|---------------------|-------------------|---------------------|----------------------|
| | July 1, 2020 | Additions | Retirements | June 30, 2021 |
| Capital assets, not being depreciated | | | | |
| Land | \$ 117,464 | \$ - | \$ - | \$ 117,464 |
| Construction in progress | 357,328 | - | (225,722) | 131,606 |
| Total capital assets, not being depreciated | <u>474,792</u> | <u>-</u> | <u>(225,722)</u> | <u>249,070</u> |
| Capital assets, being depreciated | | | | |
| Treatment plant | 6,822,939 | 285,122 | - | 7,108,061 |
| Utility system - infrastructure | 3,181,450 | 262,974 | - | 3,444,424 |
| Donated property | 232,427 | - | - | 232,427 |
| Buildings and equipment | 624,308 | 4,948 | - | 629,256 |
| Total capital assets, being depreciated | <u>10,861,124</u> | <u>553,044</u> | <u>-</u> | <u>11,414,168</u> |
| Less accumulated depreciation for | | | | |
| Treatment plant | (3,726,402) | (165,928) | - | (3,892,330) |
| Utility system - infrastructure | (1,994,543) | (87,109) | - | (2,081,652) |
| Donated property | (134,824) | (4,649) | - | (139,473) |
| Buildings and equipment | (493,834) | (29,966) | - | (523,800) |
| Total accumulated depreciation | <u>(6,349,603)</u> | <u>(287,652)</u> | <u>-</u> | <u>(6,637,255)</u> |
| Total capital assets, being depreciated, net | <u>4,511,521</u> | <u>265,392</u> | <u>-</u> | <u>4,776,913</u> |
| Total capital assets, net | <u>\$ 4,986,313</u> | <u>\$ 265,392</u> | <u>\$ (225,722)</u> | <u>\$ 5,025,983</u> |

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 4 – Long-Term Debt

Long-term debt at June 30, 2021 consisted of the following:

| | <u>Balance July 1, 2020</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance June 30, 2021</u> | <u>Current Portion</u> |
|--------------------------|---------------------------------|------------------|--------------------|----------------------------------|----------------------------|
| <i>Direct Borrowing:</i> | | | | | |
| Safe Drinking Water | \$ 1,002,458 | \$ - | \$ (122,709) | \$ 879,749 | \$ 125,920 |

Safe Drinking Water – In 2005, the District obtained a State of California Safe Drinking Water loan for \$2,329,772, proceeds were used to upgrade the water treatment plan. The loan is paid annually at 2.6% for a period of 20 years, maturing in January 2027.

The future debt service requirements for the loans payable is as follows:

| Years ending June 30, | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------------|-------------------|------------------|-------------------|
| 2022 | \$ 125,920 | \$ 22,060 | \$ 147,980 |
| 2023 | 129,215 | 18,765 | 147,980 |
| 2024 | 132,597 | 15,384 | 147,981 |
| 2025 | 136,067 | 11,914 | 147,981 |
| 2026 | 139,628 | 8,353 | 147,981 |
| 2027-2028 | 216,322 | 5,649 | 221,971 |
| | <u>\$ 879,749</u> | <u>\$ 82,125</u> | <u>\$ 961,874</u> |

The following is a summary of the changes in other noncurrent liabilities at June 30, 2021:

| | <u>Balance July 1, 2020</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance June 30, 2021</u> | <u>Current Portion</u> |
|-----------------------|---------------------------------|------------------|--------------------|----------------------------------|----------------------------|
| Compensated absences | \$ 61,129 | \$ - | \$ (1,160) | \$ 59,969 | \$ - |
| Net Pension Liability | \$ 412,186 | \$ 25,267 | \$ - | \$ 437,453 | \$ - |

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 5 – Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports one item, \$98,181 in deferred outflows related to net pension liability in the Statement of Net Position. See Note 6 for details.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports one item, \$5,449 in deferred inflows related to net pension liability in the Statement of Net Position. See Note 6 for details.

Note 6 – Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description – The District’s defined benefit pension plan, the California Public Employees’ Retirement System (CalPERS), provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. CalPERS is part of the Public Agency portion of the CalPERS, an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees Retirement Law. The District selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive financial report. Copies of the CalPERS’ annual financial report may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, CA 95814.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 6 – Defined Benefit Pension Plan (Continued)

Funding Policy – Active plan members in the District’s defined pension plan are required to contribute 7% of their annual salary. The District has elected to make the employee contribution and the District is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2021 was 7.732-8.794%. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

The Plans’ provisions and benefits in effect at June 30, 2021, are summarized as follows:

| | <u>Miscellaneous</u> | <u>PEPRA</u> |
|---|-----------------------------|------------------------------|
| Hire Date | Prior to January 1, 2013 | January 1, 2013 and after |
| Benefit Formula | 2.0% at 60; maximum 2% | 2.0% at 62; maximum 2% |
| Benefit Vesting Schedule | COLA 36 mos. | COLA 36 mos. |
| Benefit Payments | monthly for life | monthly for life |
| Retirement Age | 60 | 62 |
| Monthly Benefits, as a % of Eligible Compensation | 2.00% | 2.00% |
| Required Employee Contribution Rates | 7.00% | 6.75% |
| Required Employer Contribution Rates | 8.794% | 7.732% |

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2021, the contributions recognized as part of the pension expense is as follows:

| | |
|--------------------------|-----------|
| Contributions – employer | \$ 59,294 |
| Contributions – employee | \$ 26,869 |

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 6 – Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2021, the District reported net pension liabilities for its proportionate shares of the net pension liability as follows:

| | |
|---|---|
| | <u>Proportionate Share of Net Pension Liability</u> |
| Total Net Pension Liability - Miscellaneous | \$ 437,453 |

General Information about the Pension Plan

The District's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of each Plan is measured as of June 30, 2019, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of June 30, 2020 and 2021 was as follows:

| | |
|------------------------------|----------------------|
| | <u>Miscellaneous</u> |
| Proportion – June 30, 2020 | 0.01029% |
| Proportion – June 30, 2021 | 0.01037% |
| Change – Increase/(Decrease) | 0.00008% |

For the year ended June 30, 2021, the District recognized pension expense of \$106,467. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Pension contributions subsequent to measurement date | \$ 59,294 | \$ - |
| Changes in assumptions | - | (3,120) |
| Differences in projected and actual experience | 22,543 | - |
| Differences between employer's contributions and proportionate share of contributions | - | (2,329) |
| Differences between projected and actual investment earnings | 12,995 | - |
| Change in employer's proportion | 3,349 | - |
| Total | <u>\$ 98,181</u> | <u>\$ (5,449)</u> |

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 6 – Defined Benefit Pension Plan (Continued)

\$59,294 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Year Ended | |
|------------|----------|
| June 30 | |
| 2022 | \$ 5,256 |
| 2023 | 12,272 |
| 2024 | 9,677 |
| 2025 | 6,233 |
| Thereafter | - |

Actuarial Assumptions – The collective total pension liability for the June 30, 2020 measurement period was determined by an actuarial valuation as of June 30, 2019, with update procedures used to roll forward the total pension liability to June 30, 2020. The collective total pension liability was based on the following assumptions:

| | |
|----------------------------------|--|
| Valuation Date | June 30, 2019 |
| Measurement Date | June 30, 2020 |
| Actuarial Cost Method | Entry-Age Normal Cost Method in accordance with the requirements of GASB Statement No. 68 |
| Actuarial Assumptions: | |
| Discount Rate | 7.15% |
| Inflation | 2.50% |
| Payroll Growth | 2.50% |
| Salary Increases | Varies by Entry Age and Service |
| Mortality Rate Table | Derived using CalPERS' ¹ Membership Date for all Funds |
| Post Retirement Benefit Increase | Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power applies |

¹ The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

UNION PUBLIC UTILITY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

Note 6 – Defined Benefit Pension Plan (Continued)

Change of assumptions – None.

Discount rate – The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected rate of returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The long-term expected real rates of return by asset class can be found in CalPERS' Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 6 – Defined Benefit Pension Plan (Continued)

The table below reflects long-term expected real rates of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

| Asset Class (a) | New Strategic Allocation | Real Return Years 1-10 (b) | Real Return Years 11+ (c) |
|------------------|-----------------------------|-------------------------------|---------------------------------|
| Global Equity | 50% | 4.80% | 5.98% |
| Fixed Income | 28% | 1.00% | 2.62% |
| Inflation Assets | 0% | 0.77% | 1.81% |
| Private Equity | 8% | 6.30% | 7.23% |
| Real Assets | 13% | 3.75% | 4.93% |
| Liquidity | 1% | 0.00% | -0.92% |
| Total | 100% | | |

(a) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities

(b) An expected inflation of 2.0% used for this period

(c) An expected inflation of 2.92% used for this period

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the District's proportionate share of the net pension liability for each Plan, calculating using the discount rate of each Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.15%) or 1-percentage point higher (8.15%) than the current rate:

| | 1% Decrease (6.15%) | Current Discount Rate (7.15%) | 1% Increase (8.15%) |
|-----------------------|------------------------|----------------------------------|------------------------|
| Net Pension Liability | \$ 734,559 | \$ 437,453 | \$ 191,964 |

Pension Plan Fiduciary Net Position – Detailed information about each pension plan's fiduciary net position is available in the separately issue CalPERS financial reports.

Payable to the Pension Plan – At June 30, 2021, the District has no amount to report as outstanding amount of contributions to the pension plan required for the year ended June 30, 2021.

Note 7 – Compensated Absences

All earned vacation hours, holiday, and compensating time is payable upon termination or retirement and are accrued as compensated absences. Compensated absences liability is calculated in accordance with GASB Statement No. 16.

UNION PUBLIC UTILITY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

Note 8 – Risk Management

The District is exposed to various risks of loss to torts; theft of, damage of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District pays an annual premium for its general insurance coverage. The District continues to carry commercial insurance for all other risks of loss, including workers' compensation, and employee health and accident insurance.

Note 9 – Subsequent Events

The District evaluated subsequent events for recognition and disclosure through July 13, 2022, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2021 that required recognition or disclosure in such financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

UNION PUBLIC UTILITY DISTRICT

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
LAST 10 YEARS*
AS OF JUNE 30, 2021**

| | Proportion of the net pension liability | Proportionate share of the net pension liability | Covered - employee payroll | Proportionate share of the net pension liability as a percentage of covered-employee payroll | Plan's fiduciary net position | Plan's fiduciary net position as a percentage of the Total Pension Liability |
|------|--|---|-------------------------------|---|----------------------------------|---|
| 2015 | 0.52800% | \$ 328,685 | \$ 343,105 | 95.80% | \$ 936,016 | 74.01% |
| 2016 | 0.01047% | \$ 287,410 | \$ 421,728 | 68.15% | \$ 1,106,275 | 79.37% |
| 2017 | 0.01048% | \$ 364,105 | \$ 302,326 | 120.43% | \$ 1,203,767 | 76.78% |
| 2018 | 0.01062% | \$ 418,565 | \$ 314,078 | 133.27% | \$ 1,453,770 | 77.64% |
| 2019 | 0.01027% | \$ 386,997 | \$ 395,123 | 97.94% | \$ 1,629,807 | 80.81% |
| 2020 | 0.01029% | \$ 412,186 | \$ 388,755 | 97.94% | \$ 1,652,399 | 80.04% |
| 2021 | 0.01037% | \$ 437,453 | \$ 404,924 | 108.03% | \$ 1,795,158 | 80.41% |

*Fiscal year 2014-15 was the first year of implementation, therefore only seven years are shown.

Changes of Assumptions: None

UNION PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTAL INFORMATION SCHEDULE OF CONTRIBUTIONS LAST 10 YEAR* AS OF JUNE 30, 2021

| | Contractually required contribution (actuarially determined) | Contributions in relation to the actuarially determined contributions | Contributions deficiency (excess) | Covered-employee payroll | Contributions as a percentage of covered- employee payroll |
|------|--|---|--------------------------------------|-----------------------------|--|
| 2015 | \$ 53,888 | \$ (53,888) | \$ - | \$ 343,105 | 15.71% |
| 2016 | \$ 53,291 | \$ (53,291) | \$ - | \$ 421,728 | 12.64% |
| 2017 | \$ 51,659 | \$ (51,659) | \$ - | \$ 302,326 | 17.09% |
| 2018 | \$ 53,479 | \$ (53,479) | \$ - | \$ 314,078 | 17.03% |
| 2019 | \$ 56,704 | \$ (56,704) | \$ - | \$ 395,123 | 14.35% |
| 2020 | \$ 68,152 | \$ (68,152) | \$ - | \$ 388,755 | 17.53% |
| 2021 | \$ 78,787 | \$ (78,787) | \$ - | \$ 404,924 | 19.46% |

*Fiscal year 2014-15 was the first year of implementation, therefore only seven years are shown.

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Union Public Utility District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Union Public Utility District (District), which comprise the statement of net position as of June 30, 2021, and the related statement of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated July 13, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Union Public Utility District’s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the in the accompanying schedule of findings that we consider to be a material weakness: 2021-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Union Public Utility District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Union Public Utility District's Response to Findings

The District's response to the findings identified in our audit is described in the accompanying schedule of findings. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to be "Meredith J. [unclear]", written over a faint circular stamp.

July 13, 2022

UNION PUBLIC UTILITY DISTRICT

SCHEDULE OF FINDINGS JUNE 30, 2021

Finding 2021-001 - Lack of Segregation of Duties (Material Weakness)

Criteria:

An effective internal control system provides reasonable assurance for the safeguarding of assets, the reliability of financial information and compliance with laws and regulations.

Condition:

There was a lack of segregation of duties regarding controls over the District's cash management. Specifically, we found two individuals had authority over entering, writing, signing checks, custody of checkbook, making deposits, recording deposits, and reconciling the bank statements.

Cause:

Lack of internal controls over cash management.

Effect:

Potential for misappropriation of assets.

Repeat Finding:

This is a repeat finding from fiscal year June 30, 2020.

Recommendation:

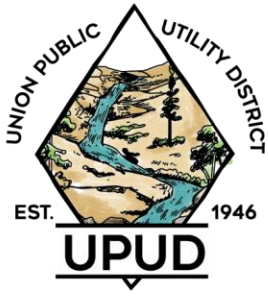
The individual should work with the Board to ensure that key duties are segregated among different individuals to the extent possible; if complete segregation of duties is not possible then compensating internal controls should be put in place.





Management's Response:

The district has hired a General Manager and redesigned internal controls utilizing this additional headcount to address current deficiencies. This finding will no longer be of concern starting with the second half of the 2021-2022 fiscal year.

UNION PUBLIC UTILITY DISTRICT**SCHEDULE OF PRIOR YEAR FINDINGS
JUNE 30, 2021**

Finding 2020-001 - Lack of Segregation of Duties (Material Weakness) – Not implemented. See Finding 2021-001.



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 209.728.3651
 www.upudwater.org
 339 Main St, Murphys, CA 95247

August 24, 2022

TO: BOARD OF DIRECTORS

FROM: SUMMER NICOTERO, GENERAL MANAGER
JASON ELLTRINGHAM, WATER TREATMENT

SUBJECT: DOMESTIC WATER SYSTEM INSPECTION REPORT

BACKGROUND: The State Water Resources Control Board conducts an inspection of our domestic water system annually. This year the inspection took place on July 7, 2022. The resulting report is included for your reference. The report contains system deficiencies and items of concern. The District is required to respond by August 26, 2022 with a plan to address the noted deficiencies and/or items of concern. The deficiencies/suggestions noted are as follows:

1. The online water turbidity analyzer was out of order.
2. Signs need to be posted on the filters to number them for identification purposes. Signs also recommended for chemical storage tanks, and for raw water lines, treated water lines, and backwash water lines in the control room.
3. Provide an update on progress toward recommendations made in the 2021 Watershed Sanitary Survey.
4. Follow the included Water Quality Monitoring Plan
5. Update the distribution system map to include routine sample locations, follow-up sample locations, source locations, storage tanks, treatment facilities and pressure zones.
6. Confirmation of comprehensive storage tank inspections for our four storage tanks.

The report was complimentary of our valve exercising program and cited no major areas for concern. The included Water Quality Monitoring Plan will be followed and is appreciated by staff.

FINANCING: There is no financial impact

RECOMMENDATION: This is an information only item.



GAVIN NEWSOM
GOVERNOR



JARED BLUMENFELD
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

August 4, 2022

System No. 0510001

Summer Nicotero, General Manager
Union Public Utility District
339 Main Street
Murphys, CA 95247

2022 Inspection of The Union Public Utility District Domestic Water System

The Union Public Utility District's (UPUD) domestic water system was inspected on July 7, 2022, by Tahir Mansoor an engineer with the State Water Resources Control Board, Division of Drinking Water (Division). The inspection indicated that the operation of the water treatment plant was generally satisfactory. The inspection of the water system and a review of the Division's files revealed a few deficiencies.

The inspection findings are documented in a memorandum prepared by Mr. Mansoor. A copy of that memorandum is enclosed for your information. Please review the memorandum and provide the Division with a written response that outlines a plan and schedule for correcting the deficiencies. Your response should be forwarded to the Division by August 26, 2022.

If you have any questions regarding the inspection or the findings, please contact Tahir Mansoor by email at Tahir.Mansoor@Waterboards.ca.gov or by phone at (209) 948-3879.

Sincerely,

Bhupinder Sahota
Digitally signed by
Bhupinder Sahota
Date: 2022.08.04 13:56:29
-07'00'
Water Boards

Bhupinder S. Sahota, P.E.
District Engineer, Stockton District
Division of Drinking Water
State Water Resources Control Board

Attachments: Inspection Memorandum

R:\DDW\Stockton\Dist10\SSF\CC\0510001\Inspections\2022-insp\2022-Cover letter.doc

State Water Resources Control Board
Division of Drinking Water

TO: Bhupinder Sahota, P.E.
District Engineer
DIVISION OF DRINKING WATER

FROM: Tahir Mansoor
Sanitary Engineer
DIVISION OF DRINKING WATER

DATE: August 4, 2022

SUBJECT: The 2022 Inspection Summary of UPUD Domestic Water System (No. 0510001)

The Union Public Utility District's (UPUD) domestic water system was inspected on July 7, 2022, with the assistance of Mr. Jason Eltringham, Chief Treatment Plant Operator of UPUD. An inspection report was prepared summarizing the system condition and the system deficiencies. Following are some deficiencies and items of concern noted during the inspection and a review of the State Water Resources Control Board, Division of Drinking Water's (Division) water quality databases and files.

1. Online Raw Water Turbidity Analyzer

The online raw water turbidity analyzer was found to be out of order during the inspection. The operators collect grab samples to measure the raw water turbidity using a benchtop turbidity analyzer. The UPUD must either fix the existing online raw water turbidity analyzer or replace it with a new turbidity analyzer. Please accomplish this task by **September 30, 2022**.

2. Identification of Treatment Facilities

The Division recommends that the UPUD identify each filter with a numbering sequence (for example Filter No. 1, 2, 3) preferred by UPUD personnel by posting or stenciling signs on them. All chemical storage tanks/containers and feed pumps must also be labeled clearly to identify the name of the chemicals they are holding or pumping. The raw water, treated water, and backwash water pipes inside the control room must also be labeled as such. In addition, the water storage tanks at the treatment plant site and other locations must also be properly labeled. **Please accomplish this task by September 30, 2022.**

3. Watershed Sanitary Survey

The 2021 Watershed Sanitary Survey Report for the Stanislaus River is available to the Division. The report was prepared by Water Quality and Treatment Solutions Inc., on behalf of the UPUD and numerous other water agencies that divert drinking water from the Stanislaus River. These agencies have formed the Stanislaus/Calaveras River Group (SCRG) as a mechanism through which they prepare the required watershed sanitary survey. The report made several recommendations regarding watershed management measures that member agencies could implement to help control potential contaminant sources, and to identify water quality constituents of concern.

Some of the recommendations apply to the UPUD. The UPUD must provide to the Division an update regarding any progress that has been made so far to achieve compliance with the watershed sanitary survey's recommendations individually (where applicable) and collectively with other member agencies of SCRG.

4. Water Quality Monitoring Plan

To assist UPUD staff in assuring that the UPUD remains up to date with the chemical water quality monitoring requirements in the future, the Division has developed a Water Quality Monitoring Plan (See **Attachment**). The UPUD should follow this plan to ensure timely completion of monitoring for the required chemicals and to determine the next monitoring due dates for the UPUD's surface water source. Note that some minor adjustments were made to the monitoring dates to allow the UPUD to collect the samples on the same dates.

5. Water Quality Monitoring

The Division's Water Quality Inquiry (WQI) Database was reviewed to determine the most recent chemical analyses performed by UPUD. Title 22 chemical monitoring was found to be current. Below find the last and the future monitoring dates for the required Title 22 chemicals.

General Mineral, General Physical, and Inorganic Chemicals

Monitoring for general mineral, general physical, and inorganic chemicals is required annually and was last conducted in January 2022 and is current. A review of the monitoring results showed compliance with applicable drinking water standards. **The next general mineral, general physical, and inorganic chemical monitoring will be due in January 2023.**

- Perchlorate

The most recent sampling for perchlorate was completed in June 2022, with non-detect result. **The next monitoring for perchlorate will be due in 2023**, as this monitoring is required annually. The monitoring must be conducted between the months of May and September.

- Asbestos

Raw water is required to be monitored for asbestos every nine years. The last monitoring for asbestos was completed in March 2016 with non-detect results. **The next monitoring of the UPUD raw water for asbestos will be due in 2025.**

Nitrate & Nitrite

Monitoring for nitrate and nitrite is required annually and is current and the 2022 results were below the respective maximum contaminant levels (MCLs) for nitrate (10 mg/L as nitrogen) and nitrite (1.0 mg/L as nitrogen). **The next nitrate and nitrite monitoring will be due in January 2023.**

Volatile Organic Chemicals (VOCs)

Monitoring for VOCs is required every three years. The most recent monitoring for VOCs was completed in January 2021. **The next VOC monitoring will be due in January 2024.**

Synthetic Organic Chemicals (SOCs)

The monitoring for all regulated SOCs (except atrazine, simazine, and 1,2,3-TCP) has been waived for the remainder of current compliance cycle that will end on December 31, 2028.

- Atrazine and simazine

These two chemicals are required to be monitored every nine years. Atrazine and simazine monitoring was last completed in January 2021. The results were non-detect for both chemicals. **The next atrazine and simazine monitoring will be due in January 2030.**

- 1,2,3-TCP

The UPUD completed the initial four-quarter monitoring for 1,2,3-TCP in January, June, August, and November 2018. The raw water tested non-detect for 1,2,3-TCP. The future monitoring requirement for 1,2,3-TCP is two samples every three years since the water system serves more than 3,300 people. In 2021, the UPUD was required to monitor the raw water for 1,2,3-TCP for two quarters. However, the UPUD only monitored once and 1,2,3-TCP was not detected. The UPUD will need to make up for the missed 1,2,3-TCP monitoring by collecting a raw water sample in August 2022 and monitor it for 1,2,3-TCP.

After the August 2022 sample has been collected and the result has been confirmed non-detect, the next monitoring for 1,2,3-TCP will be due in January and July 2024.

Gross Alpha

In accordance with the California Radionuclide Rule, since the last (2016) gross alpha monitoring result was non-detect, the UPUD's surface water source is eligible for the reduced monitoring frequency of one sample every nine-year for gross alpha. Therefore, **the next gross alpha monitoring will be due in January 2025.**

6. Distribution System Monitoring

a) Bacteriological

With a permanent population of approximately 4,668 served via 1,697 service connections in the UPUD water system, a minimum of five samples per month are required to be collected and evaluated for bacteriological quality. The UPUD, however, collects 10 samples per month. All routine distribution system samples (except one) tested negative for total coliform bacteria during the last 24 months. The positive total coliform sample (negative E. coli) was in August 2021. The repeat samples came back negative for total coliform bacteria. The total coliform treatment technique trigger violation didn't occur.

The UPUD must continue to monitor for total coliform bacteria in the routine distribution system sites per its existing BSS plan.

The water system's bacteriological sample siting (BSS) plan (September 2021) is on file with the Division. The plan is current. Although, the UPUD submitted the BSS in 2021, it failed to include a map of the distribution system showing the water system facilities and sampling locations. A map of the distribution system is required to show all routine sample locations, follow-up (repeat) sample locations, source location (well, spring, river, reservoir etc.), storage tanks, treatment facilities, and pressure zones. **Please provide a map of the distribution system (showing all the above-mentioned facilities and sampling locations) to the Division by September 30, 2022.**

b) Lead and Copper Tap Monitoring

In accordance with the Lead and Copper Rule, the UPUD has completed the initial two rounds of six-month monitoring, two rounds of reduced annual monitoring, and eight rounds of triennial monitoring for lead and copper. A review of the documents provided by the UPUD indicated that the 90th percentile results of all monitoring rounds for lead and copper were below the respective action levels (0.015 mg/L for lead and 1.3 mg/L for copper). The latest round of lead and copper monitoring was completed in 2020. The 90th percentile results are provided below.

| Sampling Round | Date Completed | No. of Samples | 90% Lead (mg/L) | 90% Copper (mg/L) |
|---------------------------|-----------------------|-----------------------|------------------------|--------------------------|
| 8 th Triennial | 2020 | 21 | 0.007 | 0.06 |

The next monitoring round for lead and copper will be due in 2023 and must be completed between the months of June to September. At least 20 samples must be collected for lead and copper from the designated distribution system sites. Once the lead and copper monitoring results are available, provide those results electronically to the Division's water quality database via the CLIP portal, in addition to providing a summary of the results to the Division's Stockton field office on the designated lead and copper reporting form.

c) Asbestos Monitoring in Distribution System

The Division's records indicate that UPUD last monitored for asbestos in the distribution system in March 2016, and the sample did not show any detectable concentration of asbestos fibers. Under Section 64432.2(a)(3), Title 22, California Code of Regulations (CCR), all community water systems must monitor to determine compliance with the MCL for asbestos in each nine-year compliance cycle. The next asbestos monitoring from the distribution system, from a site serviced by an AC pipe, will be due in April 2025.

d) Stage 2 Disinfection By-Product Rule (DBPR)

In accordance with the requirements of Stage-2 DBP Rule, the UPUD has been monitoring the distribution system for trihalomethanes (TTHM) and haloacetic acids (HAA5) quarterly at two locations since October 2013. During the second quarter of 2020, the UPUD domestic water system violated the TTHM MCL. Specifically, the TTHM locational running annual average (LRAA), at one of the two sampling locations (7551 Red Hill Road), exceeded the TTHM MCL of 0.080 mg/L. For HAA5, no violation occurred.

As a result of the violation, the Division on July 10, 2020, issued a Compliance Order No. 01-10-20R-001 to the UPUD. The UPUD was required to notify the public of this violation and comply with several other directives of the CO to bring the water system back in compliance with the TTHM MCL. The UPUD has complied with all the directives and is now back in compliance with the TTHM MCL.

The TTHM and HAA5 results for the most recent four quarters are summarized below.

2021/2022 TTHM and HAA5 Monitoring Results in ug/L

| Address | TTHM LRAA | HAA5 LRAA |
|--------------------|----------------------|----------------------|
| 7551 Red Hill Road | 39.93 | 21.95 |
| 310 Six Mile Road | 39.17 | 29.82 |

The next routine quarterly monitoring for TTHM and HAA5 will be due in August 2022. The UPUD must provide the results of the monitoring electronically to the Division's water quality database. In addition, the UPUD must summarize the results of the annual

DBP monitoring results on a spreadsheet and submit to the Division's Stockton office on a quarterly basis.

7. Distribution System Operational Requirements

a) Tank Inspections

There are four storage tanks in the UPUD's water system and were inspected from the outside during the current inspection. Due to safety concerns, the tanks could not be climbed to inspect the roof and the interior of the tanks via roof hatch. Therefore, the Division would like the UPUD to conduct a visual interior inspection of the tanks, if it has not already been inspected in 2022, and provide the following information to the Division:

- Ensure that each tank's access hatch has watertight cover that overlap the framed opening. The cover should be hinged on one side and should have a locking device.
- Air Vents must be covered with fine mesh screen (#24) inside the outer rigid wider mesh screen to prevent entrance of birds, rodents, insects, etc.
- Ensure that the discharge end of the overflow pipe is equipped and secured with a screen or flapper valve, or a duckbill valve.
- Ensure that the tank's ladder security guard is secured and locked.
- Determine the general condition of the interior paint for chalking, corrosion, and blistering. The staff should also look inside the tank to evaluate color, turbidity, and odor of the water.
- The inspection should also look for any oil and sediments floating on the water.
- Check the structural integrity of the tank and its support mechanism.

Any other observations made during the inspection regarding the sanitary condition of the tank and the stored drinking water. If during the inspection, any sanitary defects or problems are discovered, the UPUD shall take immediate steps to correct the defects and problems.

Following completion of the inspection, the UPUD shall forward a report to the Division summarizing the findings of the inspection. The UPUD shall complete this task by August 26, 2022. If an inspection was conducted within the last 12 months, forward a report to the Division with a summary of the findings.

Ensure that all applicable local and Occupational Safety & Health Administration (OSHA) safety requirements are followed while climbing, walking, and conducting the inspection of the tanks.

b) Valve Exercising Program

The Division recommends that the distribution system valves be exercised a minimum of once every three years to four years. Every water system has valves that regulate, stop, or start the flow of water in the distribution lines. Being able to locate and operate these valves at a moment's notice is extremely important. The UPUD has developed a valve

exercising program. All 750 valves were exercised in 2021 per the 2021 Annual Report to the Division. This is a commendable effort and the UPUD shall continue the practice of exercising the valves annually per its existing plan.

Union Public Utility District (System No. 0510001)

Water Quality Monitoring Plan
(Revised August 2022)

Source Name:
Utica Rep. at Angels-Raw

Primary Station Code (for lab reporting):
0510001-001

| YEAR | 2022 | | | | 2023 | | | | 2024 | | | |
|--|---|---------------------|---|---------------------|---------------------|---------------------|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Source Monitoring – All Results to Be Transmitted by EDT | | | | | | | | | | | | |
| Test | Jan. | Apr. | Jul. | Oct. | Jan. | Apr. | Jul. | Oct. | Jan. | Apr. | Jul. | Oct. |
| General Mineral/ General Physical, & Inorganic Chemicals | X (completed) | | | | X | | | | X | | | |
| Perchlorate | | | X (completed) | | | | X | | | | X | |
| Nitrate and Nitrite (as N) | X (completed) | | | | X | | | | X | | | |
| VOCs | | | | | | | | | X | | | |
| Atrazine & Simazine | One sample in 2030 | | | | | | | | | | | |
| 1,2,3-TCP | | | X (Collect one sample in August 2022) | | | | | | X | | X | |
| Gross Alpha | One sample in 2025 | | | | | | | | | | | |
| Distribution Monitoring – Send all Results to DDW Stockton District office & also EDT Lead/Copper and TTHM/HAA5 results | | | | | | | | | | | | |
| Lead & Copper (20 samples) | | | | | | | X June-Sept. | | | | | |
| Maximum Residual Disinfectant Level | X Monthly | X Monthly | X Monthly | X Monthly | X Monthly | X Monthly | X Monthly | X Monthly | X Monthly | X Monthly | X Monthly | X Monthly |
| TTHM and HAA5 Monitoring in distribution (Quarterly - see note page2) | X Feb. | X May | X Aug. | X Nov. | X Feb. | X May | X Aug. | X Nov. | X Feb. | X May | X Aug. | X Nov. |
| Asbestos | Asbestos monitoring will be due in April 2025 from the distribution system serviced by an AC pipe. One sample is required. | | | | | | | | | | | |

Union Public Utility District Water Quality Monitoring Frequencies

8.d

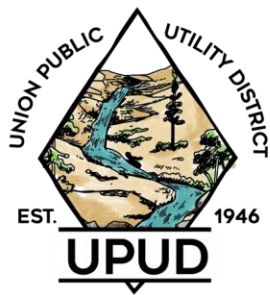
Source Water Monitoring:





- **General Mineral & General Physical:** Annual
- **Inorganic Chemicals:** Annual
- **Perchlorate:** Annual monitoring with single sample collected for each source between May 1 and September 30 of each year.
- **Nitrate** (as N): Annually in designated month.
- **Nitrite** (as N): Annually in designated month.
- **Reg. VOC** = Regulated Volatile Organic Chemicals: Every 3 years.
- **Reg. SOC** = Regulated Synthetic Organic Chemicals. Unwaived chemicals Atrazine & Simazine once every 9 years.
- **Gross Alpha** - Frequency: **Source qualifies for reduced monitoring of one sample every nine years.**

Distribution System Monitoring:

- **Lead and Copper tap monitoring (20 samples) to be conducted between June and September.** Frequency: Every 3 years.
Lead & Copper Tap Monitoring results are to be submitted electronically via Lab-to-State Portal, and a summary emailed to the Division's Stockton District office.
- **TTHM and HAA5 monitoring:** Two samples per quarter to be taken from sample site S1-1 and sample site SM-3. Reporting forms to be sent via email (included with associated monthly report) to the Division's Stockton office each quarter. Also note that the following Primary Station Codes have been established and all results shall also be transmitted via EDT.
 - Site SM-3 (310 Six Mile Road) Primary Station Code: **0510001-900**
 - Site S1-1 (7551 Red Hill Road) Primary Station Code: **0510001-901**
- **Maximum Residual Disinfectant Level (MRDL):** Monthly MRDL monitoring at the same points in the distribution system and at the same time as total coliform are sampled. Reporting forms to be sent via email (included with associated monthly report) to the Division's Stockton office each quarter.

Raw Water Coliform Monitoring shall be weekly and analyzed for total coliform and E. coli by a method that provides enumeration (MPN). Results shall be sent via email to the Division of Drinking Water - Stockton District office with monthly reports.



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 339 Main St, Murphys, CA 95247

August 24, 2022

TO: BOARD OF DIRECTORS

FROM: SUMMER NICOTERO, GENERAL MANAGER

SUBJECT: ANNUAL DAM SAFETY REPORT

BACKGROUND: The State Department of Water Resources, Division of Safety of Dams conducts an inspection of our Cademartori dam annually. The 2022 inspection had no significant issues. The items to be addressed included vegetation clearing and rodent control. The vegetation clearing has been budgeted and will be scheduled by operations staff. The rodent control will be monitored and addressed as needed.

The report is included for your reference.

FINANCING: There is no financial impact

RECOMMENDATION: This is an information only item.

8.f
RECEIVED

STATE OF CALIFORNIA
CALIFORNIA NATURAL RESOURCES AGENCY
DEPARTMENT OF WATER RESOURCES
DIVISION OF SAFETY OF DAMS

AUG 1 2 2022

INSPECTION OF DAM AND RESERVOIR IN CERTIFIED STATUS

Union Public Utility District

Name of Dam Andrew Cademartori Dam No. 2031 County Calaveras
Type of Dam Earth Type of Spillway Open Channel
Water is 3 feet above spillway crest and 7 feet below dam crest.

Weather Conditions Partially cloudy skies.
Contacts Made Jason Elltringham with Union Public Utility District
Reason for Inspection Maintenance Inspection.

Important Observations, Recommendations or Actions Taken

As mentioned in the last inspection report, the following tasks require the owner's attention as part of the annual maintenance of the dam:

1. Remove tules and vegetation at the upstream face of the dam.
2. Remove woody vegetation and berry bushes from the downstream face, groins and toe of the dam.
3. Break up, backfill and compact the existing rodent burrow on the left downstream groin and continue with rodent control efforts.

Conclusions

From the known information and visual inspection, the dam, reservoir, and all appurtenances are judged safe for continued use.

Observations and Comments

| | |
|-----------------|---|
| <u>Dam</u> | I walked the crest, downstream groins, and toe of the dam. The visible portions of the upstream and downstream faces were in satisfactory condition. There were no signs of instability or distress at the dam. As mentioned in previous inspection reports, the tules and vegetation on the upstream face of the dam need to be removed as part of the owner's annual maintenance of the dam. Minor and sporadic woody vegetation was observed on the downstream face and groins of the dam. A large rodent burrow was observed on the left downstream groin of the dam. I requested the owner to break up, backfill and compact the burrow and to continue with rodent control efforts. |
| <u>Spillway</u> | The spillway approach and control section were clear and unobstructed. The concrete control section was in satisfactory condition. |
| <u>Outlet</u> | The low-level outlet is controlled by two upstream slide gates and a downstream gate valve. The controls were satisfactorily cycled during this inspection with no issues. |
| <u>Seepage</u> | No live seepage was observed on the downstream face of the dam. There are four drain pipes located along the downstream groins and toe of the dam, and seepage flows are measured at the downstream channel weir. Approximately 2 gpm combined seepage from the Center and Left drains was observed. No flows were observed at the Right and Spring drain. During this inspection combined flows at the weir were measured to be 0.08 feet (2.13 gpm). Seepage readings are consistent with past inspection observations. |

MSB 8/5/2022

PPD 8/8/2022

MSB 8/2022

Photos taken? Yes No
cc for Owner/Book

Inspected by V.T. Jimenez
Date of Inspection 4/13/2022
Date of Report 4/27/2022

cc BE/JE

INSPECTION OF DAM AND RESERVOIR IN CERTIFIED STATUS

Name of Dam Andrew Cademartori Dam No. 2031

Date of Inspection 4/13/2022

Observations and Comments

Instr. | There is a seepage weir with no reporting requirements. No additional instrumentation is deemed necessary at this time.



1. View of downstream face of the dam. Woody vegetation in red.

INSPECTION OF DAM AND RESERVOIR IN CERTIFIED STATUS

Name of Dam Andrew Cademartori Dam No. 2031

Date of Inspection 4/13/2022



2. View of upstream face of the dam. Tules and vegetation in red.



3. View of woody vegetation at the downstream groins.

INSPECTION OF DAM AND RESERVOIR IN CERTIFIED STATUS

Name of Dam Andrew Cademartori Dam No. 2031

Date of Inspection 4/13/2022



4. View of large rodent burrow at downstream right groin.



5. View of spillway approach and control.

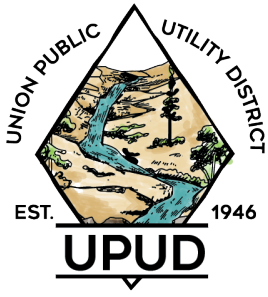
INSPECTION OF DAM AND RESERVOIR IN CERTIFIED STATUS





Name of Dam Andrew Cademartori Dam No. 2031

Date of Inspection 4/13/2022



6. View of downstream spillway channel.



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August 24, 2022

TO: BOARD OF DIRECTORS

FROM: SUMMER NICOTERO, GENERAL MANAGER

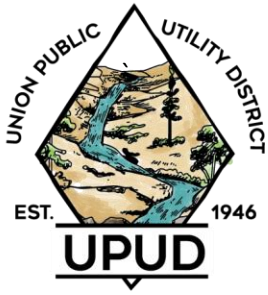
SUBJECT: PERSONNEL AD HOC COMMITTEE

BACKGROUND: Union Public Utility District is facing significant changes to workload, compliance, processes, and procedures. In an effort to provide the lowest cost water to our customers, we have staffed at minimum levels for many years. As we move forward with large capital projects, increased use of technology, compliance efforts, and general growth of the district we need to discuss how best to staff our agency.

The creation of an Ad Hoc Committee will provide a forum to discuss staffing plans, position control, salaries, benefits, and other personnel related matters. This Committee should meet bi-weekly with the goal of presenting a recommended staffing plan, salary schedule, benefits plan, and position control to the full Board of Directors in October.

FINANCING: There is no financial impact to creating a committee.

RECOMMENDATION: Staff recommends the Board nominate two Directors to sit on the Ad Hoc Committee with the intention of meeting bi-weekly beginning in August and extending through October. After the Board approves the new staffing plan the committee will dissolve.



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August 24, 2022

TO: BOARD OF DIRECTORS

FROM: SUMMER NICOTERO, GENERAL MANAGER

SUBJECT: California Uniform Public Construction Cost Accounting Act

BACKGROUND: The California Public Construction Cost Accounting Act (CUPCCAA) and Commission were created in 1983. The CUPCCAA was created to help promote “uniformity of the cost accounting standards and bidding procedures on construction work performed or contracted by public entities¹”. The Commission recommends Force Account limits and bidding thresholds to the State Controller’s Office and works with the legislature to update the Public Contracting Code (PCC). The Commission also ensures compliance with the CUPCCAA by reviewing complaints filed by interested parties. The last update to the limits and thresholds by the Commission was January 2019 (attached).

Participation in the CUPCCAA is voluntary and relatively simple. Any public agency is able to opt-in by filing a resolution with the State Controller’s Office. An agency can opt out in the same manner. Currently, there are over 1,400 California public entities participating in the CUPCCAA.

Some of the benefits of opting-in are as follows:

- Increase force account limit for public agencies
- Simplified bidding for projects that are \$200,000 or less
- Reduced number of formal bids based on project size
- Expedited contracting for projects under \$200,000

FINANCING: Reducing the requirements surrounding bidding will save time and money for any project under \$200,000.

RECOMMENDATION: Staff recommends the Board approve the attached Resolution 2022-12 to opt-in to the CUPCCAA.

¹ §22001, California Uniform Public Construction Cost Accounting Act



BETTY T. YEE
California State Controller

November 1, 2018

To: ALL PUBLIC AGENCIES SUBJECT TO THE TERMS OF THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

SUBJECT: Notification Letter-Assembly Bill 2249 (Chaptered 169, Statutes of 2018)

The California Uniform Construction Cost Accounting Commission (CUCCAC) in agreement with the State Controller's Office (SCO) recommended an increase to the bid limit threshold prescribed in Public Contract Code (PCC) 22032, which was signed into law. Pursuant to PCC 22020, and on behalf of the State Controller Betty T. Yee, the SCO would like to inform on the following changes effective as of **January 1, 2019**:

- a) The change would allow projects costing \$60,000 or less to be performed by employees of a public agency by force account, by negotiated contract, or by purchase order;
- b) The change would allow projects costing up to \$200,000 to be contracted by informal bidding procedures; and projects costing over \$200,000 are subject to the formal bidding process.

The noted increases are pursuant to the provisions and benefits found in the Uniform Public Construction Cost Accounting Act (Act), which provides public agencies economic benefits and greater freedom to expedite public works projects. Agencies which elect to follow the cost accounting procedures set forth by the CUCCAC in its *Cost Accounting Policies and Procedures Manual*, will benefit from these increased limits by expediting delivery of public work projects and reduced bid processing costs. A new resolution adopting the change in legislation is not required if your agency is currently subject to the Act.

We encourage participating agencies to sign up on the SCO website for CUCCAC's email subscription service to receive important information concerning CUCCAC updates and legislative changes via e-mail. For more details or to sign up for the email subscription services, please contact the Local Government Programs Services Division at LocalGovPolicy@sco.ca.gov or visit our website at www.sco.ca.gov/ard_cuccac.html.

Sincerely,

(Original signed)

Sandeep Singh
Manager, Local Government Policy

UNION PUBLIC UTILITY DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO. 2022-12

RESOLUTION ADOPTING UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING PROCEDURES

WHEREAS, Public Contract Code section 22000 et seq. sets forth the Uniform Public Construction Cost Accounting Act (the “Act”);

WHEREAS, the Act provides for the implementation of uniform construction cost accounting procedures and informal bidding procedures for all public agencies electing to participate, together with instructions for their adoption and implementation by such public agencies;

WHEREAS, pursuant to Public Contract Code sections 22010 and 22017, the California Uniform Construction Cost Accounting Commission (the “Commission”) developed and recommended to the State Controller uniform construction cost accounting and informal bidding procedures (the “Uniform Procedures”) consistent with Public Contract Code sections 22031 through 22045 for consideration;

WHEREAS, pursuant to Public Contract Code section 22019, the State Controller adopted the Uniform Procedures;

WHEREAS, the Act only applies to a public agency whose governing board has by resolution elected to become subject to the Uniform Procedures and has notified the State Controller of that election;

WHEREAS, California public agencies such as counties, cities, and special districts are eligible to adopt the Uniform Procedures pursuant to the Act;

WHEREAS, the Governing Board of the Union Public Utility District (“District”) has determined that it is in the best interests of the District to elect to become subject to the Uniform Procedures;

NOW, THEREFORE, the Governing Board of the Union Public Utility District hereby resolves as follows:

1. That the above recitals are all true and correct.
2. That the District elects to utilize the Act for maintenance contracts as defined in Public Contract Code section 20115 pursuant to Public Contract Code section 22000.

- 3. That the Board of Directors hereby elects pursuant to Public Contract Code section 22030 to become subject to the Uniform Procedures set forth in the Act and to the Commission's policies and procedures manual and cost accounting review procedures, as they may each from time to time be amended, and directs District staff to notify the State Controller of this election.

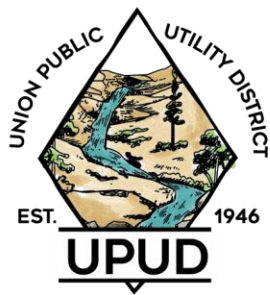
- 4. That this Resolution shall take effect immediately upon its adoption.





CERTIFICATION I hereby certify that the foregoing Resolution was duly and regularly adopted by the Board of Directors of the Union Public Utility District at the meeting held on August 24, 2022, motion by () and seconded by (), motion passed by the following vote:

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

Eric Bottomley
Board President, Union Public Utility District

Elaine Urruty
Board Clerk



 customerservice@upudwater.com
 209.728.3651
 www.upudwater.org
 339 Main St, Murphys, CA 95247

August 24, 2022

TO: BOARD OF DIRECTORS

FROM: SUMMER NICOTERO, GENERAL MANAGER

SUBJECT: MURPHYS WITCH WALK

BACKGROUND: The annual Murphys Witch Walk is scheduled for October 15, 2022. As part of the celebration, the organizers have asked Serendipity, the new business next door, to participate by adding booths to their back yard. In addition to this, Serendipity has asked UPUD if we would allow rental of our parking lot for booth space. The plan presented would include 14 10 foot by 10 foot pop-up booths positioned throughout our parking lot. No cars would be parked in the lot. They are willing to pay a rental fee and will provide insurance to cover the entire event.

FINANCING: The rental of the parking lot provides a potential financial benefit to the district. The total amount charged is being negotiated pending further discussions.

ALTERNATIVES: The Board could decide not to approve the use of our parking lot.

RECOMMENDATION: Staff recommends the Board approve the rental agreement for the event.

UNION PUBLIC UTILITY DISTRICT
RESOLUTION NO. 2022-14

**Proclamation that a Local Emergency Persists, Ratifying the Proclamation of a
State of Emergency Authorizing Remote Teleconference Meetings of the
Legislative Bodies of Union Public Utility District Board
For the Period of August 21, 2022 to September 20, 2022**

A resolution of the board of directors of the Union Public Utility District proclaiming a local emergency, ratifying the proclamation of a state of emergency by executive orders N-25-20 and N-29-20, both signed by Gov. Newsom on March 12, 2020, and authorizing remote teleconference meetings of the legislative bodies of Union Public Utility District for the period of August 21, 2022, to September 20, 2022, pursuant to the Ralph M. Brown Act provisions.

WHEREAS, the Union Public Utility District (UPUD) is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of UPUD's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the UPUD's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the UPUD's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the UPUD's service area, specifically, on March 4, 2020, Gov. Newsom proclaimed a State of Emergency to exist in California, as a result of the threat of COVID-19; and

WHEREAS, due to the high spread rate of the Delta Variant of COVID-19 and [precautionary guidelines](#) provided by the California Department of Industrial Relations, holding meetings in person with all Board members and the public would present an imminent risk to health and safety; and

WHEREAS, the Board of Directors does hereby find that the state of emergency declared by Gov. Newsom as a result of the threat of COVID-19, and guidelines provided by the CA Department of Industrial Relations has caused, and will continue to cause, conditions of peril to the safety of persons within the UPUD that are likely to be beyond the control of services, personnel, equipment, and facilities of the UPUD, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of; and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that the legislative bodies of the UPUD shall conduct its meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the UPUD will continue to publicly notice meetings 72 hours in advance on its website and post a hard copy of the agenda in an easily a public location accessible on both weekdays and weekends; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF UNION PUBLIC UTILITY DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the UPUD, due to the high spread rate of the Delta Variant of COVID-19 and [precautionary guidelines](#) provided by the California Department of Industrial Relations, holding meetings in person with all Board members and the public would present an imminent risk to health and safety.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 12, 2020.

Section 4. Remote Teleconference Meetings. The UPUD's General Manager and legislative bodies of UPUD are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) April 20, 2022, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of Union Public Utility District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

ON A MOTION By Director Chick, seconded by Director Rasmussen, the foregoing Resolution was duly passed and adopted by the Board of Directors of the Union Public Utility District on this 24th day of August 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eric Bottomley, President
Union Public Utility District

ATTEST:

Thomas Quincy, Secretary
Union Public Utility District

I hereby certify that the within and foregoing is a full, true, and correct copy of the Resolution which was duly passed and adopted at a regular meeting of the Board of Directors of the Union Public Utility District on the 24th day of August 2022.

Elaine M Urruty
Clerk to the Union Public Utility District Board