

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

MINUTES OF MARCH 20, 2019 REGULAR MEETING

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

Directors Present:	RALPH CHICK	President
	TOM QUINCY	Secretary
	DUANE ONETO	Treasurer
	ERIC BOTTOMLEY	Director
Directors Absent:	GREG RASMUSSEN	Vice President
Also Present:	BILL ELTRINGHAM	District Manager
	ELAINE URRUTY	Office Manager
	KEN AIROLA	Legal Counsel
	CHRISTINE VANA	39 TH DAA/CALAVERAS FAIR
	LAURIE GIANNINI	39 TH DAA/CALAVERAS FAIR
	TIM FOLENDORF	39 TH DAA/CALAVERAS FAIR
	BOB TRINCHERO	39 TH DAA/CALAVERAS FAIR
	GAY CALLAN	39 TH DAA/CALAVERAS FAIR
	TAD WINANS	DOVE HILL RANCH
	PUBLIC AT LARGE	

1. PLEDGE OF ALLEGIANCE. The Pledge was given.
2. PUBLIC COMMENT. There was no public comment.

At this time President Chick moved to New Business for Item 6.a. and Director Bottomley excused himself from the meeting.

NEW BUSINESS:

- 6.a CALAVERAS COUNTY FAIRGROUNDS WATER SYSTEM & BOTTOMLEY TRUST WATER CONNECTION; DISCUSSION/POSSIBLE ACTION A copy of the letter requesting this agenda item was included in the agenda packet for review. Complete proposal packets from 39th District Agricultural Association/Calaveras County Fair were available to the Board and those in attendance for review. Christine Vana, 39th DAA Legal Counsel and Laurie Giannini, Calaveras Fair Manager, were introduced and reviewed the packet and the history of the fairgrounds water system and their proposed water agreement with Bottomley Trust with the Board. Christine noted that they had met with Bill Eltringham regarding this proposed agreement and he had recommended that they bring this item to the UPUD Board for their review and approval. Lengthy discussion ensued regarding the proposal and possible problems or issues and it was recommended by Legal Counsel, Ken Airola that since he and

the Board had not had a chance to review all the documents provided that they postpone this item to the April 17th meeting.

At this time President Chick returned to Item #3 on the agenda. Director Bottomley returned to the meeting.

3. APPROVAL OF MINUTES. Approvals of the minutes of the February 20, 2019, regular meeting were postponed to the April meeting.

RECURRING BUSINESS:

- 4.a APPROVAL OF EXPENDITURES. The February 2019 Expenditures report was included in the agenda packets for review. Elaine Urruty reviewed the February expenditures with the Board noting the payment to Weber, Ghio & Associates in the amount of \$26,659.33 mostly related to our grant expense.

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

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

- 4.b CASH RECEIPTS REPORT. The Cash Receipts report for the month of February 2019 was included in the agenda packets for review. Elaine reviewed the cash receipts report noting receipt of our grant disbursement #2 in the amount of \$107,133. Elaine said that this disbursement covered FY 2017-2018 and 1st Qtr of FY 2018-2019 expenditures.
- 4.c BALANCE OF FUNDS REPORT. The Balance of Funds report for the month of February 2019 was included in the agenda packet for review. Elaine Urruty noted that \$450,000 was transferred from Union Bank to the LAIF District Reserve account per the Board direction at the last meeting. The current LAIF balance as of February 28, 2019 is \$2,131,944.58. Elaine also noted that if we were to deduct our SRLF reserve account balances totaling \$150,464.66 and our LAIF SRLF fund balance totaling \$443,961.71 from our SRLF loan balance of \$1,180,78.87, the difference needed to pay off the loan would be approximately \$586,253. Elaine recommended as these reserves raise we may want to look into paying off this loan early to save interest costs on the loan.
- 4.d BALANCE SHEET & INCOME STATEMENT. The February 2019 Balance Sheet & Income Statement were included in the agenda packet for review. Elaine Urruty reviewed the reports and reported the year to-date net income as of February 28, 2019 is \$445,008.60. Elaine reported that we are at 67% of the year and our YTD Income is at 76% and our YTD Expenses are at 54% overall. Elaine also noted that the net difference of our cash and reserve accounts to our long term debts as of February 28, 2019 is a positive \$1,376,176.33. Elaine also reported that she had run an extended Income Statement showing all the GLs included in each category for the Board's review per our last meeting. Elaine noted that the largest GL amounts

in the Miscellaneous Operating Expense are the UWPA Contributions, Unemployment Insurance, Postage, Copier Expense & Contingencies.

OLD BUSINESS:

5. There was no Old Business.

NEW BUSINESS:

6.b UWPA RESOLUTION #19-03 & INVITATION TO HWY 4 CORRIDOR AGENCIES TO EXPLORE COLLABORATION OPTIONS; DISCUSSION/POSSIBLE ACTION. Copies of UWPA resolution #19-03 and UWPA letter were included in the agenda packet for review. President Chick read the letter & resolution from UWPA to the Board. Director Rasmussen reported that this was just an invitation to bring the agencies together to try and capitalize on some of the funding that is out there. There were some issues at the UWPA meeting initially in regards to some of the 'consolidation' wording in the resolution, which has since been corrected. Director Rasmussen said that this is something that Michael Minkler had looked into before he left UWPA and CCWD wasn't comfortable moving forward without some type of resolution from UWPA. Karen Rojas reported that this is an invitation from UWPA to get the agencies together as a listening session to put everything on the table such as agencies assets and resources along with agencies common needs & problems and possible funding available if we go together as a group. Karen noted that there is also funding available for feasibility studies and this is an opportune time to see if agencies want to look into applying for these funds. In addition, if there is some type of collaboration there are larger sums of funds available for perhaps replacing infrastructure and possibly consolidating managements or governance. Karen said it is important to get these agencies together, especially since most of these agencies are reliant on UWPA's water rights and everyone is therefore affected by the reliability of UWPA. This is a staff meeting that is not agendized and will be open and transparent to establish a place and/or process to move forward. Karen said that the Friday, March 29th meeting is for senior staff to attend & would like to have Elaine Urruty & Bill Eltringham attend. Karen said that they tried to include any agencies in our area with water related issues. Bill Eltringham mentioned that he had been speaking to a CCWD director regarding all of us needing a grant writer and the tax dollars that are collected in all of our areas and deposited to CCWD and whether these dollars could be used for a grant writer these agencies could utilize. The Board asked if Bill and Elaine would be available to attend the meeting. Bill said he wasn't planning to be in town, but he would like to see our Engineer, Matt Ospital, attend and will ask him. Bill said he will attend if he can. Elaine said she can be available. It was the Board's consensus to direct Bill and Elaine to attend the Hwy 4 Agencies Collaboration meetings and have Bill ask Matt Ospital to attend.

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

MINUTE ENTRY. MOTION TO AUTHORIZE BILL ELTRINGHAM AND ELAINE URRUTY TO ATTEND THE HWY 4 COLLABORATION MEETING ON MARCH 29TH AND ASK DISTRICT ENGINEER, MATT OSPITAL, TO ALSO ATTEND.

- 6.c ACCEPTANCE OF UPUD FY 2017-2018 AUDIT BY BRYANT JOLLEY, CPA; DISCUSSION/POSSIBLE ACTION Elaine reported to the Board that she had placed this item on the agenda thinking that she would have the audit prior to the meeting; however, Lan has been ill and Bryant's office is very busy working on taxes and we have not yet received the audit for review. Acceptance of the audit was postponed to the April 17th meeting.

REPORTS:

- 7.a HWY 4 CORRIDOR ADHOC COMMITTEE REPORT. There was no meeting in March. Bill Eltringham reported that he had spoken to Cindy Secada and they are looking into possibly changing to a quarterly meeting or stopping all together, because attendance is dropping.

Next Hwy 4 Corridor meeting time is to be announced.

- 7.b UWPA REPORT. Director Quincy reported that UWPA is in the process of looking for a new General Manager and also had a meeting regarding Ag water use, which will be on the agenda for the next meeting. Director Rasmussen reported that they had a very good candidate from DWR that they thought would be a good fit, but he did not accept the job because he had other offers. Because of this, a meeting is scheduled tomorrow to regroup on the interview process and in the meantime, Karen Rojas will be acting as interim manager with the assistance of Frank Fields and Kyle Rasmussen. Director Rasmussen says they have discussed the possibility of not hiring a General Manager right now and sourcing out for temporary management. Discussion ensued regarding management and that things are being handled satisfactorily at the moment, but staff does look forward to having permanent management. The Board thanked Karen for stepping in and covering and for all her hard work.

Next UWPA meeting is scheduled for Tuesday, March 26, 2019 at 5:30 PM at the UWPA office in Angels Camp.

- 7.c LAFCO REPORT. There was nothing to report.

The next LAFCO meeting is scheduled for Monday, March 28, 2019 at 6:00 PM at the Calaveras County Board of Supervisors Chambers in San Andreas.

- 7.d DISTRICT MANAGER'S REPORT. Bill Eltringham reported that the crew has been flushing the domestic system and they are half way through. Bill said he took the new guys out during the storms to see the impact on the reservoirs with all the water coming in and how the levels need to be watched. It was good training for them and they did very well. After flushing is complete, they will begin work on the service and cleaning of the filter media and topping off with anthracite. Bill said, depending on the amount of anthracite needed, the cost could be between \$12,000 to \$20,000 for the anthracite. Bill said the next media change out in approximately 6 years will be costly because they need to change out the interior piping. Once the filter media service is completed the crew has some meters to replace and hydrants to

service, so the crew will be busy. Bill said he brought Frank Tonetti back part time as he needed to utilize Jason during the flushing of lines.

Bill said that in regards to the Calaveras Fairgrounds issue, he just wanted to state that he feels that the District should not be involved in collecting the bills or reading the meters connected to the fairgrounds water lines. Discussion ensued and the Board said that they can make sure this is not a condition of any agreement and asked Bill for his input in regards to the agreement.

7.e OFFICE MANAGER'S REPORT. Elaine Urruty reported the Worker's Comp audit was completed and everything looked good and the auditor reported that we should be receiving a credit back this year. Elaine said that this credit is due to the fact that she estimated salaries on the high side, because staff was changing and Frank Tonetti was still working part time and she wanted to make sure we didn't end up with a charge after the audit. Elaine said the FY 2017-2018 financial audit was completed and thought she would have the report in time for this meeting, but being tax time it was not done yet. Elaine said she did receive a draft to review and will place on April agenda. Rate study numbers have all been compiled and given to Dave Bahr at Weber, Ghio & Associates. Dave still needs the audit numbers and water numbers from the annual report as soon as it is complete. Dave said he has enough to work with for now and has started work on the rate study. Elaine reported that she met with Nhu again regarding the website and has tentatively scheduled April 15th as a 'go live' date for the website. Nhu asked for some more information and documents which we are compiling and will still need to schedule staff training. A customer service email was setup and will be announced as soon as we go live for customer issues & questions. Elaine said she has been working on the annual report and will be giving the draft to Bill for his review and to obtain treatment plant numbers from Bill and Jason. Elaine said that she had verbally informed Mark Wilson of the Board decision on accessory dwellings and the application form being developed for the new accessory dwelling fees and that we would be adding a minimum charge to his account for his accessory dwelling effective April 1st. We will be sending him the application form once developed for his completion so we can calculate his connection fee due for his accessory dwelling and Mark was good with this. Elaine said that she needs to schedule a meeting with John Benoit from LAFCO, Director Quincy and Bill Eltringham to review the MSR report updates needed. Elaine said this will probably be April or start of May as her time is booked with quarterly taxes, quarterly transfers, annual report and St Comp report all due by the end of April. Elaine said she also plans to work on draft budget as soon as these reports are complete. Elaine reported that Mary Miloslavich is doing better and in a routine on her daily job. Mary's main job is coding and posting mail, answering phones and on slower mail days we are working on cross training her on other aspects of Lisa's job for coverage along with miscellaneous filing and clerical assistance. Elaine said that she just replace the battery backup for our server and moved the old backup battery next door to hookup once we get new computers. Now that the heater is complete next door she hopes to move forward, time permitting, on ordering equipment & telephones and Comcast Business internet necessary to move next door. Discussion ensued regarding the internet service we have now and issues we have been having versus Comcast Business service. Elaine said, as soon as she has time, she will move forward on contacting Springbrook regarding online bill pay costs, processes and training to install and utilize with our website.

7.f IRRIGATION COMMITTEE. There was nothing to report.

- 7.g PERSONNEL COMMITTEE. There was nothing to report.
- 7.h BUDGET/FINANCE COMMITTEE. There was nothing to report.
- 8. DIRECTORS COMMENTS. The Board commended Director Oneto on his presentation at the Calaveras County Historical Society meeting. Director Oneto said that he had a few people comment on wanting to tour our system and asked if this is possible. Discussion ensued regarding touring the system and security of the system. It was decided not to advertise, but if individuals ask about a tour to contact the District Manager and it will be at his discretion to schedule tours.
- 9. NEXT MEETING: Next regular meeting is scheduled for Wednesday, April 17, 2019, at 7:00 PM.
- 10. ADJOURNMENT. The meeting was adjourned with no further business at 8:01 PM.

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

Date: 5-19-19

ATTEST:

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