

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

MINUTES OF MAY 16, 2018 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:	ELAINE URRUTY	Office Manager
	KEN AIROLA	District Legal Counsel
	PUBLIC AT LARGE	

1. PLEDGE OF ALLEGIANCE. The Pledge was given.
2. PUBLIC COMMENT. There was no public comment.
3. APPROVAL OF MINUTES. The minutes of the March 21, 2018, regular meeting were included in the agenda packets for review. There was one correction requested on Item #7.e, page 6, line 2, remove the words 'he is'.

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

MINUTE ENTRY. THE MINUTES OF THE MEETING OF March 21, 2018 WERE APPROVED AS CORRECTED.

The minutes of the April 5, 2018, special meeting were included in the agenda packets for review.

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

MINUTE ENTRY. THE MINUTES OF THE SPECIAL MEETING OF APRIL 5, 2018 WERE APPROVED AS SUBMITTED.

The minutes of the April 18, 2018, regular meeting were included in the agenda packets for review.

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

MINUTE ENTRY. THE MINUTES OF THE MEETING OF APRIL 18, 2018 WERE APPROVED AS SUBMITTED.

At this time President Chick moved to New Business for Item 6.a.

NEW BUSINESS:

6.a REQUEST FROM MATT OSPITAL, DISTRICT ENGINEER, WEBER, GHIO & ASSOCIATES, INC. TO PROVIDE ENGINEERING SERVICES TO MURPHYS OAKS SUBDIVISION PROJECT; DISCUSSION/POSSIBLE ACTION A memorandum from Matt Ospital, reviewing the request, was included in the agenda packet for the Board's review. Matt was in attendance and reviewed the request with the Board. Elaine Urruty reported that District Manager, Bill Eltringham, who was not in attendance, asked to let the Board know that he had no problem with Weber, Ghio, & Associates completing the engineering for this project and that this has been done in the past. Discussion ensued regarding the possible conflict of interest. District Legal Counsel, Ken Airola, stated that there could be a conflict and recommended denying this request. Further discussion ensued regarding the positive aspects of having Weber, Ghio & Associates working on this project, as they would make sure that the project meets with the District's rules and guidelines and will work closely with our District Manager. Matt noted that Jack Kautz is planning on only doing the groundwork on this project and will not be building dwellings. It was the Board's consensus to allow Weber, Ghio & Associates to act as Engineer on this project.

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

MINUTE ENTRY. TO APPROVE DISTRICT ENGINEER, MATT OSPITAL'S REQUEST FOR WEBER, GHIO & ASSOCIATES, INC. TO ACT AS ENGINEER ON THE MURPHYS OAKS SUBDIVISION PROJECT WITH DEVELOPER JACK KAUTZ.

At this time President Chick returned to Recurring Business.

RECURRING BUSINESS:

- 4.a APPROVAL OF EXPENDITURES. The April 2018 Expenditures were included in the agenda packets for review. Elaine Urruty reviewed the expenditures with the Board, noting the April large expenditures of: Aqua Video for the curtain repair on the Treatment Plant tank in the amount of \$37,500; UWPA annual contribution payment for FY 2017-2018 in the amount of \$85,000; UWPA 4th Qtr contract payment in the amount of \$10,000 and Sonora Rentals in the amount of \$1,288 for rental of a compressor.

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

MINUTE ENTRY. THE APRIL 2018 EXPENDITURES WERE APPROVED AS PRESENTED.

- 4.b CASH RECEIPTS REPORT. The Cash Receipts report for the month of April 2018 was included in the agenda packets for review. Elaine reviewed the report with the Board noting that our first irrigation connection fee has been paid by Sebastian Martz in the amount of \$5,000 from the connections the Board recently approved. Director Chick noted that Bill had been busy with projects and had not had time to work on the new irrigation connections, but is back working on contacting the applicants. Elaine reviewed the 90 day report with the Board and reported that the Byrnes property that has the \$42,000 lien on the property for the connection fees due for the additional large home and the two story duplex rental cottage built on the property had been sold. Elaine said that the office was informed yesterday that the property was finally sold at trustee sale and Bryan & Jessica Hitchcock purchased the property. The Hitchcocks and the Byrnes have kept in contact with our office through the whole procedure keeping us abreast of developments including the short sale and eventually the trustee sale. The Hitchcocks have found that, in addition to no permits, the property is not zoned for the duplex rental cottage and they are not sure what the county will allow or require in order to keep the duplex. Therefore, the Hitchcocks have asked me to request if the Board will allow them to pay the \$14,000 connection fee due for the additional large dwelling and leave the two additional mins on the original dwelling and provide water service while they work with Calaveras County to find out if they will be allowed to keep the duplex or have to tear it down. I explained that the lien would not be released, as they had not paid the total due or any of the additional interest or fees yet. Discussion ensued regarding this property and the lien and it was the Board's consensus to allow the Hitchcock's to pay the \$14,000 connection fee for the additional large dwelling, and continue paying the 2 additional mins for the duplex, while they work with the County on the duplex requirements. However, the Board said that this must be done in a timely manner and request a report back from the Hitchcock's soon and that the lien is not to be released until paid in full based on County findings and the Board's decision, as this is our guarantee of payment. Elaine noted that the Hitchcock's do plan on installing a separate meter for the 2nd large dwelling. The Board directed Elaine to inform the

Hitchcocks and agendize this item once they have findings from the County for final determination from our Board on connection fees required and balance due to satisfy the lien.

- 4.c BALANCE OF FUNDS REPORT. The Balance of Funds report for the month of April 2018 was included in the agenda packet for review. Elaine reviewed the report noting the 3rd quarter transfers completed for both UWPA & Irrigation reserves and quarterly interest; along with \$85,000 from UWPA reserves for our annual contribution payment and \$15,000 deposited into District Reserve for Filter Media. The current LAIF balance is \$1,502,591.50.
- 4.d BALANCE SHEET & INCOME STATEMENT. The April 2018 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 April 30, 2018 is \$355,983.76. Elaine also noted that the net difference of our cash and reserve accounts to our long term debts as of April 30, 2018 is a positive \$732,438.00.

OLD BUSINESS:

- 5.a FOLLOW-UP ON ANNEXATION RESOLUTION – JOEL & EMILY METZGER FOR PROPERTY OVERLAPPING DISTRICT BOUNDARY AND TO BE SERVICED THROUGH CURRENT SMITH FAMILY/WEIDMANN SERVICE METER (APN #068-011-051 with Pending Lot Line Adjustment); DISCUSSION/POSSIBLE ACTION.....Res. No. 2018-01 This resolution was approved at the March 2018 Board meeting with District Counsel amendments & agreement to be added. It was recommended by District Counsel to bring this resolution and agreement back to the Board for final review and approval along with the Padou Res. No. 2018-02. The Padou resolution was approved as completed at the April 2018 meeting and the Metzger resolution and agreement were tabled pending finalization by Legal Counsel and the Metzgers. Ken Airola reported that he just received the annexation agreement signed and notarized by Joel & Emily Metzger. Ken reviewed the agreement and said he will have President Chick sign the agreement tonight so that he can have it recorded. Ken said the only piece we are still missing is the revised Exhibit 'A' with the legal description of the revised property including the portion outside of our district and after the lot line adjustment. Ken said he spoke with Joel and he will get the revised legal description to us as soon as possible to attach to the resolution. Once this is done, Joel can move forward with the LAFCO annexation application process. Discussion ensued regarding the changes made to the agreement and the property description needed. Ken noted that because the resolution was approved at the March meeting with changes made by legal, there is no need for an additional motion.
- 5.b REVIEW AND PROPOSED REVISION & ADDITION OF EMPLOYEE HANDBOOK POLICIES; DISCUSSION/POSSIBLE ACTION This item was tabled from the April 2018 meeting due to the absence of Legal Counsel. Copies of the Policies were provided in the agenda packets for review. Elaine Urruty reported that the only changes made were to put the policies into UPUD Policy Handbook format and the amendment to Policy #2001 – Hiring - adding 2001.2 ...'drug testing as a condition of employment per Policy #2191'.

- 1. #2190 – Drug Free Workplace and Testing (Drug and Alcohol Abuse Policy)

- 2. #2191 – Pre-Employment Physical Examinations and Drug Testing
- 3. #2001 – Hiring; Add 2001.2

Director Bottomley mentioned that at UWPA the applicant pays for their pre-employment physical and then they are reimbursed on their first paycheck and Director Bottomley said he liked this idea.

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

MINUTE ENTRY. TO APPROVE POLICY #2190 – DRUG FREE WORKPLACE AND TESTING (DRUG AND ALCOHOL ABUSE POLICY) AS PRESENTED.

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

MINUTE ENTRY. TO APPROVE POLICY #2191 – PRE-EMPLOYMENT PHYSICAL EXAMINATIONS AND DRUG TESTING AS PRESENTED.

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

MINUTE ENTRY. TO APPROVE AMENDMENT TO POLICY #2001 – HIRING, ADDING 2001.2 AS PRESENTED.

- 5.c REVIEW AND POSSIBLE REPLACEMENT POSITION FOR DISTRIBUTION/TREATMENT; DISCUSSION/POSSIBLE ACTION Director Chick reported that the ad was placed for the D2/T2 position and the application process closed Friday, May 11th. So far we have received three applications for the position. The Personnel Committee will review applications and decided on whether to schedule interviews or if more applications are needed.

NEW BUSINESS:

- 6.b REQUEST FROM MURPHYS SANITARY DISTRICT TO PULL STANDBY METER – ACCOUNT #6855-002 – SIX MILE RD., MURPHYS, APN #066-022-004 & KEEP RIGHTS TO DOMESTIC SERVICE; DISCUSSION/POSSIBLE ACTION Elaine Urruty reported that this is a

domestic meter that was originally on Bill Riedel's property serving a trough when MSD purchased the property. This meter has not been used by MSD; therefore, in 2011 MSD requested this meter be put on Standby. Because of the yearly cost of the Standby meter of over \$300, MSD is requesting to pull this meter and keep the rights to the meter in case they ever need it. MSD understands they would have to pay a current reset fee, if they ever want the meter reset for use. Elaine said that MSD just paid their Standby fee of \$326 for 2017, as Standby billings are always charged in January for the prior year. Elaine stated that when MSD made the request they asked, if UPUD approves pulling of the meter, could the pro-rated standby fees for January through May 2018 be waived. Elaine said these fees would total \$132.50. Elaine said that Bill Eltringham recommended allowing the pulling of the meter and keeping the rights to the meter since this is for another utility agency.

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

MINUTE ENTRY. TO APPROVE ALLOWING MURPHYS SANITARY DISTRICT (MSD) TO CHANGE THEIR STANDBY METER AT SIX MILE RD., MURPHYS, APN #066-022-004 (ACCOUNT #6855-002) TO PULLED STATUS AND KEEP ALL RIGHTS TO THE DOMESTIC METER AND WAIVE THE PRO-RATED JANUARY TO MAY STANDBY CHARGES OF \$132.50. A CURRENT RESET FEE WILL BE REQUIRED TO RESET AND ACTIVATE THIS DOMESTIC SERVICE.

- 6.c REVIEW IRWMP REQUEST FOR SMALL COMMUNITY WATER/WASTEWATER PRELIMINARY SURVEY FOR DISADVANTAGED COMMUNITIES; DISCUSSION/POSSIBLE ACTION A copy of IRWMP's request for agencies to complete a 'Disadvantaged Community and Tribal Involvement Program (DACTI) Small Community Water/Wastewater Preliminary Survey and an invitation to a May 24, 2018 Workshop were included in the agenda packet for review. Elaine Urruty reported that Bill Eltringham asked that this item be placed on the agenda for the Board's review. Elaine said that IRWMP is asking agencies to complete the survey and attend the workshop and apparently have extended the time requirements, since they are have such a low response. Discussion ensued regarding the IRWMP and their request. It was the Board's consensus not to reply.
- 6.d UWPA IRRIGATION CONTRACTS FY 2018-2019 – CORNISH & PAUL; DISCUSSION/POSSIBLE ACTION Copies of the UWPA irrigation contracts were included in the agenda packet for review. Elaine Urruty noted that in the past the UWPA had charged an administrative fee of \$150 and UPUD charged an administrative fee of \$100 per account. Elaine said that in FY 2016-2017 UWPA raised their administrative fee to \$300, but UPUD did not raise their fee. Then again in FY 2017-2018, UWPA raised their administrative fee to \$310 and Elaine said that she requested that the Board raise our administrative fee since we handle the bi-annual billing and collection of contract signatures for these contracts and processing of payments. The Board choose to leave UPUD's administrative fee the same and address it with the FY 2018-2019 billing. Elaine noted that UWPA has again raised their administrative

fee to \$325 for FY 2018-2019 and Elaine therefore again recommended that UPUD also raise their administrative fee to coincide with UWPA for FY 2018-2019 and to reimburse the district for staff time. Discussion ensued regarding the UPUD administrative fee and it was the Board's consensus to approve the UWPA irrigation contracts as presented and look into raising the UPUD administrative fee next fiscal year. The Board asked that the Budget Committee and administrative staff document staff time spent and calculate the estimated costs to the district for next year.

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

MINUTE ENTRY. TO APPROVE THE UWPA IRRIGATION CONTRACTS FOR CORNISH & PAUL FOR FY 2018-2019 AS PRESENTED.

REPORTS:

7.a HWY 4 CORRIDOR ADHOC COMMITTEE REPORT. There was nothing to report.

Next Hwy 4 Corridor meeting is scheduled for Thursday, June 7, 2018 at 4:00 PM at the Murphys Sanitary District Office in Murphys.

7.b UWPA REPORT. The UWPA meeting was cancelled and there was nothing to report.

Next UWPA meeting is scheduled for Tuesday, May 22, 2018 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, May 21, 2018 at 6:00 PM at the Calaveras County Board of Supervisors Chambers in San Andreas.

7.d IRWMP/CRG. There was nothing to report. Director Quincy asked to have this item removed from reports on the agenda.

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

MINUTE ENTRY. TO REMOVE IRWMP/CRG FROM FUTURE REPORTS ON THE AGENDA.

7.e DISTRICT MANAGER'S REPORT. Bill Eltringham was not in attendance. Director Chick reported that the crew did a repair on the face of the dam and had a leak, but thinks it was all taken care of. Director Chick also said that the Water System Inspection had been done and asked Elaine if we had received any response. Elaine said that yes, Bill, Gary Ghio and Matt Ospital had meet with Brian Kidwell from SWRCB and completed the Water System Inspection on May 4th and on May 9th we received their response and Bill and Gary are reviewing and answering their response and requests and Bill will report at the next meeting.

7.f OFFICE MANAGER'S REPORT. Elaine Urruty reported that the SRLF grant is being rewritten and was sent to her from Dave at Weber, Ghio to complete some Financial sections & gather documents needed. These sections have been completed and documents copied and Elaine said Bill just signed application and Elaine will be sending the documents to Bow Riley at SWRCB for processing in the morning. Elaine said she is working on data for the annual report and entering the report online. She needs to complete our annual backflow listing for Garrett Walker to complete our annual testing in June and will also be working on the annual CCR report in June. Elaine reported she has been meeting with Nhu Bergstrom from Nhu Design regarding the website setup and design and the associated costs. Elaine said that Nhu showed her various sites and options she has completed for other districts and reviewed pricing and has provided us with a contract. The contract is for the initial website design and development, plus the cost of software for hosting & theme in the amount of \$2,925. This contract includes 5 hours training of staff and the first month of 5 hours of updates/design free. After this we have the option of two maintenance plans: #1) is \$100 per month which includes – 24/7 monitoring, security & WordPress updates; reports on website visits, updates, etc., daily backups and 1 hour of updates & design assistance; #2) is \$250 per month which includes all items in option 1 with 5 hours of updates & design assistance. If we do not use a maintenance plan, Nhu's hourly rate for any assistance is \$85 per hour. We also have the option of having an annual maintenance contract, which would give us a 10% discount on either option. I recommend at this time to start on a month to month maintenance with option #2, with 5 hours of assistance and if we find we do not need this we can lower to option #1. Nhu said we can always go to an annual maintenance contract later once we know our needs better. Elaine reviewed the timeline in the contract with the Board and will be communicating with Nhu to finalize the contract and move forward, as long as the Board is in agreement. It was the Board's consensus to direct Elaine to move forward with the contract and keep the Board abreast of the status. Elaine reported that setting up the website, getting it tested, online and working live is the first step to setting up the Springbrook online billing. Once this is accomplished we will need to add the Springbrook online billing module; train staff and then notify autopay customers of the change and all customers of the option of online bill pay. Springbrook said this can be a 2 to 3 month process. Once online bill pay is live and working smoothly, we can work on migrating to the newest version of Springbrook.

Elaine asked the Board for clarification in regards to her permission on part time help in the office. Director Chick reported that Elaine has just recently returned from being gone due to a death in the family and Lisa is scheduled to be off the next two weeks and Elaine was wanting to verify she can bring in temporary part time help to cover while Lisa is gone and help catchup on workflow, filing and organization of the office. Director Chick said that Mary Milaslovich, who lives behind the office, has expressed an interest in the position and is available to come

in at the last minute to assist in the office and is familiar with utility billing. Elaine said the Board approved advertising and bringing in part time office help at the Special Meeting in April at the bottom step of the Customer Service Rep scale of \$17.08 per hour and she just wanted to confirm approval, since this is at the last minute without advertising. Elaine said this is a last minute fill in of the position because Mary is immediately available and then depending on needs we can advertise later, if needed. It was the Board's consensus to approve Elaine moving forward on the hiring of Mary Milaslovich as temporary part time help in the office.

- 7.g IRRIGATION COMMITTEE. There was nothing to report.
- 7.h PERSONNEL COMMITTEE. Director Oneto asked the Personnel Committee if they were planning to include Bill Eltringham in the interviews for the D2/T2 position and Director Chick said yes; however, Bill had commented that the Personnel Committee could do them without him.
- 7.i BUDGET/FINANCE COMMITTEE. Director Chick asked about taking the current budget and adding 5% as a starting budget. Director Oneto said that he would prefer to use the three year history and work with Bill and Elaine on calculations and more accurate budget. Director Chick said his concern is the raises being given later in the year and the retro pay calculations that have to be done and trying to avoid this extra work. Director Oneto said they will try to work with the current expenses and three year history and come up with a beginning budget as soon as possible.
8. **Adjourn to Closed Session at 7:59 PM.**
- a. Public Employee Discipline/Dismissal/Release, Government Code 54957, Distribution/Treatment Employee.

Reconvene from Closed Session at 8:13 PM.

9. REPORT OF ACTION TAKEN
- District Legal Counsel and Director Chick will meet to discuss and complete a written argument to respond to EDD and if possible, get the deadline of May 23rd extended due to the certified letter from EDD just being received and Director Chick not being available for a week. If not, District Legal Counsel will respond by the May 23rd deadline. The EDD invoice in the amount of \$2,250 due by June 6th will be paid immediately.
10. DIRECTORS COMMENTS. Director Bottomley asked if we still have a position in Distribution to be filled or will this new position bring the Distribution/Treatment staff back where it belongs. Discussion ensued and it was determined that once the D2/T2 position is filled the staffing will be back where it belongs. Director Quincy said the Personnel Committee and Elaine will meet to review the applications received & schedule interviews. Director Oneto wished Tom & Elaine luck with their family issues. Elaine reported that the office will be closing at 3:00 pm on May 24th and no one will be in the office from 3 to 5:00 pm due to her prearranged appointment

to meet with lawyers. Director Bottomley & the Board thanked Elaine for her work on the website and said it looks promising. Ken Airola reported that he will be gone and not attending the next meeting.

11. NEXT MEETING: Next regular meeting is scheduled for Wednesday, June 20, 2018, at 7:00 PM.

12. ADJOURNMENT. The meeting was adjourned with no further business at 8:14 PM.

Submitted by: _____
Thomas E. Quincy, Secretary

Date: _____

ATTEST:

Elaine M. Urruty
Clerk to the UPUD Board of Directors