

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

MINUTES OF MARCH 21, 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
	GREG RASMUSSEN	Vice President
	TOM QUINCY	Secretary
	DUANE ONETO	Treasurer
	ERIC BOTTOMLEY	Director

Also Present:	BILL ELTRINGHAM	District Manager
	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 February 21, 2018, regular meeting were included in the agenda packets for review. This item was tabled to the next meeting.

RECURRING BUSINESS:

- 4.a APPROVAL OF EXPENDITURES. The February 2018 Expenditures were included in the agenda packets for review. Elaine Urruty reviewed the expenditures with the Board, noting the February large expenditures of our annual audit to Bryant Jolley, CPA in the amount of \$7,500; payment to Golden State Flow Measurement for IPERL meters in the amount of \$1,177.43; and payment to Sutton Enterprises for rock for the Douglas Flat Irrigation project in the amount of \$1,003.86. Director Rasmussen questioned the payment to Rod Sanders for an outboard motor and Bill Eltringham explained that this was used to assist with the aeration at the reservoirs.

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

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

- 4.b CASH RECEIPTS REPORT. The Cash Receipts report for the month of February 2018 was included in the agenda packets for review. Elaine Urruty reviewed the cash receipts and over 90 day accounts with the Board.
- 4.c BALANCE OF FUNDS REPORT. The Balance of Funds report for the month of February 2018 was included in the agenda packet for review. Elaine Urruty reviewed the balance of funds report with the Board.
- 4.d BALANCE SHEET & INCOME STATEMENT. The February 2018 Financial Report was included in the agenda packet for review. Elaine reviewed the report and reported the year to-date net income as of February 28, 2018 is \$374,266.90. Elaine also noted that the net difference of our cash and reserve accounts to our long term debts as of February 28, 2018 is a positive \$755,282.35.

OLD BUSINESS:

5.a FOLLOW-UP ON ANNEXATION REQUESTS; DISCUSSION/POSSIBLE ACTION

- 1. 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)

A copy of an email and draft resolution from Joel & Emily Metzger was provided in the agenda packet for the Board's review. Joel Metzger informed the Board that the lot line adjustment has been completed and this added 5 acres to the 13 acres currently in the district for a total of 18.02 acres for this property. Joel said they kept the acreage under 20 acres per the Board's request so the lot could not be split. At this point Joel said that a resolution would be required by LAFCO from the Board to move forward on the annexation application process. The Metzgers understand that all costs for the application process and installation will be paid by the property owners. Discussion ensued regarding the proposed resolution. District Counsel, Ken Airola, said he had not had time to review the resolution and recommended an agreement be written up between the property owners and UPUD as an attachment. Bill Eltringham recommended that we also obtain authorization in writing from the Smiths & Weidmanns to utilize their service to serve this property. It was the Board's consensus to approve the resolution with any additions and/or changes made by District Legal Counsel, after his review, in order to allow this item to move forward to LAFCO. Joel noted that John Benoit of LAFCO said that if these two resolutions/properties are presented together that LAFCO will combine them, which will cut the fees required in half for each property owner and that they appreciate the opportunity to move forward together.

Motion: Director Rasmussen
Second: Director Quincy

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

RES. NO. 2018-01. TO APPROVE THE RESOLUTION WITH ANY ADDITIONS AND/OR CHANGES TO BE MADE BY DISTRICT LEGAL COUNSEL AFTER HIS REVIEW.

2. Don Padou for Property at 612 Apple Blossom Drive, Murphys (APN #034-003-016)

A copy of an email and draft resolution from Don Padou was provided in the agenda packet for the Board's review. Don reported that he was still pursuing utilizing either his neighbor, Ralph Niven, or possibly his other neighbors, Jack & Nancy Strange, service to serve his property; but this of course would also be up to the District. Both neighbors said that they would accommodate the service and would authorize utilizing their service in writing, if the engineering works out. Ken Airola, District Counsel, asked how many acres this property is and if this service would be for only one dwelling. Don said that the property is approximately 80 acres, but almost all of it is along a gulch and very steep hillside with only a small area where he plans to build their residence. Discussion ensued regarding serving through a neighbor's service, if restrictions can be put on these annexations to only serve one dwelling and if there should be annexation fees charged by the District along with the ability to serve. It was the Board's consensus to approve the resolution with any additions and/or changes made by District Legal Counsel, after his review, in order to allow this item to move forward to LAFCO. The decision on how to connect the service can be determined at a later date.

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

RES. NO. 2018-02. TO APPROVE THE RESOLUTION WITH ANY ADDITIONS AND/OR CHANGES TO BE MADE BY DISTRICT LEGAL COUNSEL AFTER HIS REVIEW.

- 5.b REVIEW AND POSSIBLE REPLACEMENT POSITION FOR DISTRIBUTION/TREATMENT; DISCUSSION/POSSIBLE ACTION This item is being brought back to the Board on a monthly basis for review. Bill Eltringham stated that at the present time things are working with Frank Tonetti coming in part-time to help out at the Treatment Plant and utilizing the additional temp help and recommended continuing as is for now. Director Bottomley stated that he felt the district should hire a permanent employee with the proper certifications to insure the district has personnel in place to cover Treatment or Distribution should we lose anyone for any reason. Lengthy discussion ensued regarding the need to hire a permanent employee with certifications necessary to work both in Treatment and Distribution. It was the Board's

consensus to have the Personnel Committee meet with Bill to discuss long term planning of personnel in Treatment and Distribution further.

NEW BUSINESS:

- 6.a PRE-APPROVAL OF APPLICATION FOR TRANSFER OF IRRIGATION SERVICE AT 15 BURROWS LANE, MURPHYS (APN #066-004-086) FROM ANNE STEVENOT TO ALAN LEAVITT, PENDING PURCHASE; DISCUSSION/POSSIBLE ACTION. A copy of the application for irrigation service was included in the agenda packet for review. Mr. Leavitt was in attendance and thanked the Board for their consideration of his request for pre-approval. Mr. Leavitt said they are in escrow at present for both parcels owned by Anne Stevenot and that one parcel had the irrigation service attached and he would like to confirm his ability to keep the rights to this service prior to closing.

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

MINUTE ENTRY. TO PRE-APPROVE TRANSFER OF IRRIGATION SERVICE FROM ANNE STEVENOT AT 15 BURROWS LANE, MURPHYS (APN #066-004-086) TO ALAN LEAVITT, PENDING SALE OF PROPERTY.

- 6.b REVIEW & PROPOSED REVISION TO DRUG AND ALCOHOL ABUSE POLICY #2190; DISCUSSION/POSSIBLE ACTION Director Chick reported that, as recommended by the Board, the Personnel Committee had reviewed different drug policies and had utilized a policy adopted by a local agency who's legal department had reviewed the policy for current regulations. Using this policy as a template, the committee then amended the policy for our district and for Legal Counsel's review. Ken Airola said he had not yet reviewed the policy and it was the Board's consensus to table this item to the next meeting.

- 6.c APPROVAL OF UWPA ANNUAL CONTRIBUTION PAYMENT IN THE AMOUNT OF \$85,000; DISCUSSION/POSSIBLE ACTION A copy of UWPA Invoice #18-14 for the annual contribution was included in the agenda packet for review. Director Rasmussen reported that it was decided by UWPA that these funds were needed for UWPA's FY 2017-2018 budget and recommended paying the requested contribution payment of \$85,000. This payment will be covered with funds from the UWPA reserves.

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

MINUTE ENTRY. TO APPROVE PAYMENT OF THE ANNUAL CONTRIBUTION TO UWPA OF \$85,000 WITH FUNDS FROM UWPA RESERVES.

REPORTS:

7.a HWY 4 CORRIDOR ADHOC COMMITTEE REPORT. There was no meeting and therefore nothing to report.

Next Hwy 4 Corridor ADHOC Committee meeting is scheduled for Tuesday, April 4, 2018 at 4:00 PM at Angels Main Fire House, 1404 Vallecito Road, Angels Camp, CA 95222.

7.b UWPA REPORT. Director Rasmussen reported that Michael Minkler had met with UWPA Board members regarding the proposed Natel Energy small hydro project below the Murphys Afterbay. The UWPA Board agreed to move forward with the Feasibility Study and said that, if this project works out, UWPA will get \$180,000 up front from Natel and then UWPA will reimburse Natel from the profits made through the generator. Director Rasmussen said that Natel will handle planning of the project and all CEQA requirements, etc. Director Bottomley explained that this is a test location for Natel for their in-line generator to show potential clients their product and Natel likes our location because it is so accessible to the Bay area and a desirable demonstration site. Director Rasmussen also noted that UWPA has a valve that is going out and needs to be replaced at the bottom of the afterbay and Natel is going to change this out, which will save UWPA a lot of money.

Director Rasmussen said there is no update on the REMAT program at this time. Currently Angels and Murphys plants are making about the same amount of revenue. Kyle Rasmussen met with Michael Minkler recently and reported that the 3 mile flume is going to need some extensive work soon and that there were some engineering flaws when the flume was replaced. Discussion ensued regarding repairs that may be needed for the flume.

Next UWPA meeting is scheduled for Tuesday, March 27, 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.

7.e DISTRICT MANAGER'S REPORT. Bill Eltringham reported that the repair work is being completed on the 2M gallon tank for replacement of cable and repair to the baffles. The cost for the one baffle would have been \$25,000 plus the cost of materials, which was close to the \$30,000 that Bill estimated at the last meeting. Bill said that when looking at the baffles they saw that the other three baffles were needing, or going to need, this same repair eventually and Aqua Video quoted \$37,500 to repair all the baffles. Bill decided it made sense to have all the baffles done at the same time. Bill said the materials cost was \$2,600, so the total cost

was approximately \$40,000. Bill said we saved some money using our crew to assist with the process.

Bill reported that the crew hurried and finished flushing lines last week so that they would be done before the tank repair this week and it took about 1M gallons of water to complete the flushing. In April they plan to do the annual cleaning of the filters at the plant. Bill said that he estimates the cost of the Douglas Flat irrigation line project to have cost approximately \$25,229, which was below what he anticipated, and the project went very well. Bill said there was a blowout in the irrigation line in Vallecito and there is approximately 200 feet that needs to be replaced near Trulocks below the towers and hopes to get this section replaced prior to the start of irrigation season. If not, they will need to patch the line and hope it holds until they can replace this section. Bill said they also plan to start the Stephens Spillway project soon and the material is in the yard for this project. Bill reported that Kyle Spence took the Distribution 1 (D1) review class and then took his test on Saturday and feels pretty comfortable on how he did and said he is coming along with his training. Bill said that he still has Kyle Eltringham on as temporary help working on the various projects and will keep him on to help complete projects this next month, as long as the Board agrees and Frank Tonetti is still coming in part-time as needed to assist at the Treatment Plant.

7.f OFFICE MANAGER'S REPORT. Elaine Urruty reported that she had been out ill with pneumonia and upon her return they had issues in the office with the internet & email being down this week due to a changeover from Golden State to CalNet, who bought them out. The Golden State system was antiquated and could not handle the customer load put on it and CalNet is changing the system over to a more updated system; however, this has caused these outages and we will probably have more until the changeover is complete. This changeover will be a 2 month process. CalNet is also going to give us quotes for changing over our phones and to see what type of savings there may be and if it would be feasible. We have had issues lately with AT&T and Elaine said she has been spending a lot of time in dispute over some charges on our data line for our tank and AT&T just agreed to reverse the charges and pay us back \$485. Elaine reported that the Worker's Comp audit was delayed by the insurance company, but was finally completed March 15th and it went really well and they said we were real close on our estimated salaries, so any adjustments needed should be minimal. Elaine said that we just got our results on the VUSD lead testing and they looked pretty good. Elaine will be completing the final reports for VUSD so Bill can meet with them to review. Elaine said that she has also been contacted by Calaveras Office of Education requesting lead and arsenic testing and she requested that they send their request in writing as required. The two locations they want tested are the Head Start location and a Childcare location which, per the State, would be at their cost since they are considered childcare not schools. It would be at the District's discretion as to whether we offer to perform the testing or not since it is not required by the State. Elaine reminded the Board that their annual 700 forms are due by April 1st and if they need forms or copies of last year's form to please let her know. Elaine said she will be working on quarterly payroll taxes & quarterly LAIF transfers in April and then gathering data and completing the annual report.

7.g IRRIGATION COMMITTEE. There was nothing more to report. Bill said he had not yet had time to meet with the irrigation applicants that the Board approved.

7.h PERSONNEL COMMITTEE. Director Chick stated the Personnel Committee met with Jason Eltringham today to review and sign an end of probation report. Jason expressed his gratitude to the Board for supporting him during his transgression and said he is doing well. Director Chick said the Personnel Committee will schedule a meeting with Bill in regards to the long range planning of personnel as mentioned prior in the meeting and to keep things moving in the right direction. Discussion ensued regarding having a Special Meeting with all Board members in regards to long range planning of personnel. It was the Board's consensus to have a Special Meeting on Thursday, April 5, 2018 at 1 pm so that all Board members are involved.

7.i BUDGET/FINANCE COMMITTEE. There was nothing to report.

8. **Closed Session was cancelled.**

a. Public Employee Discipline/Dismissal/Release, Government Code 54957, Distribution/Treatment Employee.

9. REPORT OF ACTION TAKEN

There was no action taken.

10. DIRECTORS COMMENTS. Director Rasmussen thanked the Personnel Committee for all the time they have spent recently on issues. Director Bottomley thanked the Board members, Bill & Elaine for all their time and hard work.

11. NEXT MEETING: Next regular meeting is scheduled for Wednesday, April 18, 2018, at 7:00 PM.

12. ADJOURNMENT. The meeting was adjourned with no further business at 8:13 PM.

Submitted by: _____
Thomas E. Quincy, Secretary

Date: _____

ATTEST:

Elaine M. Urruty
Clerk to the UPUD Board of Directors