

Trinity Public Utilities District
MINUTES OF THE REGULAR BOARD MEETING
November 8, 2012

Location: Trinity Public Utilities District Community Room
Weaverville, California
Board Present: Richard Morris, Thomas Ludden, Keith Groves, Kelli Gant
Board Absent: Rose Owens
Others Present: Paul Hauser, Andy Lethbridge, Julie Catanese, James Underwood,
Kellie Ambrose, Karen Palmer, Kathy Valenzuela, Wendy
Lonnberg, Keith Crane, Ann Crane, Brian Crane

1. President Morris called the meeting to order at 2:00 p.m.

2. Approval of the Agenda Order

Mr. Hauser requested a correction to the Agenda. Item 5(d) should state Award Bid 12-B5, Purchase and Installation of 115 kW Emergency Standby Generator instead of a 15 kW Generator. Director Ludden motioned to approve the Agenda order as amended. With a second from Director Gant, the motion passed with the following voice vote:

Ayes: Richard Morris, Thomas Ludden, Keith Groves, Kelli Gant
Noes: None
Absent: Rose Owens
Abstain: None

3. Consent Calendar

Director Groves motioned to approve the Consent Calendar. Second by Director Ludden the Consent Calendar included:

- a. Approve Minutes of the Regular Board Meeting October 11, 2012
- b. Approve Minutes of the Safety Meeting October 16, 2012
- c. Validate Bills of October, 2012
- d. Approve Financial Reports for September, 2012

The motion passed with the following voice vote:

Ayes: Richard Morris, Thomas Ludden, Keith Groves, Kelli
Gant
Noes: None
Absent: Rose Owens
Abstain: None

4. Public Input

- a. None

5. Action Items

- a. Items Pulled from Consent Calendar
None

b. Consider Easement Request from Keith Crane

Mr. Hauser reviewed the Report with the Board. Mr. Hauser explained to the Board that the easement is restrictive and unacceptable as the District could potentially lose the ability to maintain the power line through the property in the future. Mr. Lethbridge also confirmed that the line in question is the District's main overhead line that feeds Covington Mill, Trinity Center, and Coffee Creek. The property is adjacent to Stony Creek.

Mr. Keith Crane introduced Ann Crane, Brian Crane, Wendy Lonnberg, and Kathy Valenzuela. He then explained the history of the property and easements.

Mr. Crane also explained that the United States Forest Service has been interested in this property for years because it is one of the few pieces of property adjacent to Trinity Lake that is privately owned. He also explained that the Government funds set aside for this sale may be withdrawn soon.

Mr. Brian Crane stated that the current easement is unrecorded and is with Pacific Gas and Electric Company. He conceded that the District does have prescriptive right since we own the power line. The owners could attempt to deny the District access and the ability to improve the power line.

Ms. Kathy Valenzuela from the Forest Service stated that the acquisition of this property would be a great asset for them. She also stated that the Forest Service has been working on the purchase of this property for approximately ten years.

Ms. Wendy Lonnberg, a Trustee for the David Frase family, was adamant that if the sale was stopped because the District will not sign the easement, as a property owner she will require a new easement be signed. She also stated that the property owners may require the District to remove their lines.

When questioned if it would create a problem with the sale of the property if the District signed an easement with the current property owners, Ms. Valenzuela informed the Board that the Forest Service would accept the easement. The property would then be included in the current agreement with the District.

Mr. Hauser also suggested that the current property owners sell the easement to the District for \$1.00 and the remaining property to the Forest Service. Ms. Valenzuela was in agreement with that suggestion also; however Ms. Lonnberg stated that they would have to get the property re-assessed.

Mr. Underwood, District Counsel, stated that the most current easement version distributed at the meeting is less definitive than previous drafts. He also stated that there needs to be a definition of what routine maintenance is and what is deemed capital improvement.

After further discussion Director Gant motioned to allow Staff to continue to negotiate with Mr. Crane and the Forest Service to obtain the easement in an acceptable form along with considering and exploring the ability to purchase the property under the power line. Seconded by Director Ludden the motion passed with the following voice vote:

Ayes: Richard Morris, Thomas Ludden, Keith Groves, Kelli Gant
Noes: None
Absent: Rose Owens
Abstain: None

Ms. Valenzuela, Ms. Lonnberg, Mr.'s Crane, and Mrs. Crane departed at 3:08 p.m.

c. Approve Incentive for Customers to Install Electric Heat Pumps Policy

Mr. Hauser reviewed the Report with the Board. Mr. Hauser informed the Board that of the 62 units installed 10 are still pending final inspection by the County Building Inspector. He also stated that currently there is \$82,000 of Community Investment Funds that are still available.

There was discussion regarding customers in a Community Choice Aggregation District having the ability to benefit from the program. There was also discussion regarding whether the Board or General Manager was to pre-approve the commercial or larger units.

Director Groves motioned to approve the Incentive for Customers to Install Electric Heat Pumps Policy with minor changes. Seconded by Director Gant the motion carried with the following voice vote:

Ayes: Richard Morris, Thomas Ludden, Keith Groves, Kelli Gant
Noes: None
Absent: Rose Owens
Abstain: None

d. Award Bid 12-B5, Purchase and Installation of 115 kW Emergency Standby Generator

Mr. Hauser reviewed the Report with the Board. Mr. Hauser stated that Staff is looking at the ability to change the installation and to downsize the generator. There is a need to carry a portion of the heating load, phones, lights, and computers instead of the entire office and yard.

After a brief discussion, Director Groves motioned to reject all bids received for Bid 12-B5, Purchase and Installation of a 115 kW Emergency Standby Generator and to redesign and re-bid the Project. Seconded by Director Gant, the motion carried with the following voice vote:

Ayes: Richard Morris, Thomas Ludden, Keith Groves, Kelli Gant
Noes: None
Absent: Rose Owens
Abstain: None

6. Discussion items

- a. None

7. Reports

a. Board Member Reports

Director Groves informed the Board that he received an e-mail from the Coffee Creek residents stating that there was a rumor that TDS was going to be replacing the phone lines in their area and placing them underground. He contacted Mr. Lethbridge to inquire if the District knew anything about this project. Mr. Lethbridge contacted TDS and was informed that they were not planning any major projects in the Coffee Creek area.

b. Committee Reports

None

c. General Manager's Reports

• Community Choice Aggregation District

Mr. Hauser reported to the Board that he met with Ms. Wendy Tyler last week to discuss the County's role in forming a Community Choice Aggregation District (CCA). He stated that Ms. Tyler is now more comfortable with the project and the assistance the District is able to provide. Ms. Tyler stated that she would agendize this for the County Board of Supervisors to approve the Resolution supporting the CCA. Ms. Tyler has requested Mr. Hauser review the report prior to distributing it to the Board of Supervisors.

Mr. Hauser reported that the new Supervisor who will be representing Ms. Otto's district is enthusiastic with developing a CCA.

• District Website

Ms. Palmer and Ms. Ambrose demonstrated the new software program that will be providing the District's customers the ability to view and pay their bills online. Ms. Palmer also informed the Board that the District will be changing their credit card company which will save the District approximately \$300.00 a month.

• Power Outages

Mr. Hauser reported that there has been only one significant outage from the dam to Coffee Creek. The outage was caused by a ringtail cat on Western Area Power Administrations equipment at the substation which tripped the breaker. The outage lasted approximately two hours.

• BANC

Mr. Hauser informed the Board that currently the District is not a voting member of the Balancing Authority of Northern California (BANC). Mr. Hauser also stated that the District does pay a small portion of BANC costs through our power bill.

- Lewiston Project

Mr. Hauser reported that the District has not received the signed addendum to the Power Agreement with the Bureau of Reclamation stating that the District will be the owners of the new equipment. Until this Agreement is executed, he will not ask the Board to approve the Notice to Proceed.

Mr. Hauser also informed the Board that he and Ms. Catanese contacted the District's Financial Advisor regarding the Project. Once the District receives the signed addendum providing the District ownership, tax exempt financing will be possible.

- Land Swap

Mr. Hauser informed the Board that President Morris, Director Groves, and he met with representatives from the Shasta-Trinity National Forest, Bureau of Land Management, and Six Rivers National Forest at the end of October. This meeting was an attempt for the District to make a case regarding the benefits for all parties with the land swap. During the exchange all of the parties saw that there was some benefit for everyone, however Shasta-Trinity National Forest is not willing to support the swap.

- Reschedule Board Meeting in March and April 2013

Mr. Hauser mention that the APPA Legislative Rally is during the March Board Meeting and the CMUA Annual Conferences will be during the April Board Meeting. After a brief discussion the Board decided to hold the March Board meeting on March 7th. They also decided to wait until a later date to discuss the April meeting.

- Sub Meter at Pine Cove R.V. Park

Mr. Hauser informed the Board that it has come to the attention of the District that Pine Cove R.V. Park is charging tenants different amounts for power; all are more than the District charges.

Mr. Hauser stated that Ms. Ambrose has worked diligently in contacting the correct departments at the California Public Utilities Commission and Trinity County. Trinity County Weights and Measures has provided Pine Cove R.V. Park with a letter stating that it is against the law to charge a tenant more than the District charges the R.V. Park.

Not on the Agenda

- Temperature Flow Workgroup

Mr. Hauser informed the Board that he spoke at the Temperature Flow Workgroup regarding the Lewiston Project. He stated that he was surprised at some of the negative comments regarding the proposed work that the District is planning on performing in an attempt to control the water temperature.

- Long Canyon
Mr. Hauser reported that the District has contacted Mr. David Hunt to submit a proposal for obtaining easements for the projected power line. He also stated that Staff feels that there is not a reason to have the homeowners in the area sign up committing to the project at this time.
- County Subcommittee on the Bay Delta Conservation Plan
Mr. Hauser stated that the County has requested him to participate in their subcommittee regarding the Bay Delta Conservation Plan. The County has developed a resolution opposing the plan and has included the District's concerns as well.

8. Communications Received

- a. None

9. Meetings and/or Workshops

- a. CMUA Capitol Day
Sheraton Grand, Sacramento
January 14, 2013
- b. APPA Legislative Rally
Grand Hyatt Washington, DC
March 11-14, 2013
- c. CMUA Annual Conference
Loews Coronado
April 9-11, 2013

10. Closed Session

Director Ludden motioned to go into Closed Session at 3:14 p.m., seconded by Director Gant the Board entered into Closed Session on the following:

- a. Closed Session Item Under Government Code §54956.9(b)
Conference with Legal Counsel – Anticipated Litigation
One Potential Case
- b. Closed Session Item Under Government Code §54956.9(a)
Conference with Legal Counsel – Anticipated Litigation
One Potential Case
McColm vs. PG&E, et al
Trinity County Superior Court Case No. 10CV065
- c. Closed Session Item Under Government Code §54957.6
Conference with Labor Negotiator
Agency Negotiator: Board of Directors
Employee Organization: Unrepresented Employee:
General Manager

Mr. Lethbridge, Ms. Catanese, Ms. Ambrose, and Ms. Palmer departed at 3:14 p.m.

The Board came out of Closed Session and immediately reconvened in Open Session at 5:15 p.m. President Morris reported that the following action was taken during Closed Session:

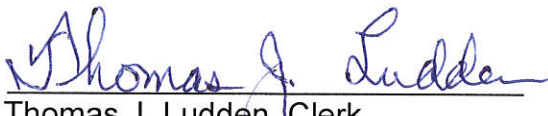
- a. No Action taken – informational only.
- b. No Action taken – informational only.
- c. The Board authorized an amendment to Mr. Hauser's Employment Agreement allowing him to buy back four weeks of accrued vacation time per fiscal year and to include the agreed upon Incentive Structure.

11. Adjourn

Motion to adjourn by Director Groves, second by Director Ludden, passing unanimously, the Board adjourned at 5:20 p.m.



Richard L. Morris, President

Attest: 

Thomas J. Ludden, Clerk