

Trinity Public Utilities District
MINUTES OF THE SPECIAL BOARD MEETING
May 16, 2013

Location: Trinity Public Utilities District Community Room
Weaverville, California
Board Present: Richard Morris, Thomas Ludden, Keith Groves, Kelli Gant, Rose Owens (arrived at 1:40 pm)
Board Absent: None
Others Present: Paul Hauser, Andy Lethbridge, Julie Catanese, James Underwood, Karen Palmer

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

2. Approval of the Agenda Order

President Morris requested that Item 3(e) be moved to 5(a). He would like to discuss possible changes to the Policy.

Director Ludden motioned to amend the Agenda order, moving Item 3(e) to 5(a). With a second from Director Groves, 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 Special Board Meeting April 4, 2013
- b. Approve Minutes of the Safety Meeting April 14, 2013
- c. Validate Bills of April, 2013
- d. Approve Financial Reports for March, 2013

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
Approve the Current Renewable Portfolio Policy
Mr. Hauser reviewed the Report with the Board.

President Morris requested that Staff investigate to see if the wording on the customer billings regarding energy delivery can be reworded and remain in compliance with SB1078.

The Policy will be on the Agenda in June for Board approval.

b. Approve FY 13/14 Budget Assumptions and District Goals

Mr. Hauser reviewed the revised Report and District Goals with the Board.

Mr. Hauser informed the Board that the Drought Relief Surcharge will be implemented in this month's utility bills. He stated that there is going to be some confusion for the District's customers because last year the Trinity River Restoration used an average water year designation. He reminded the Board that the designation was based on the Trinity River flows, not the California State Water Boards findings that more accurately reflect the Central Valley Project water conditions. Mr. Hauser stated that he will be contacting some of the District's larger customers to inform them of the implementation of the Surcharge prior to the bills being mailed.

After a brief discussion regarding the District Goals, Director Groves motioned to approve the District Goals for FY 13/14 as presented. Seconded by 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

c. Approve Revision to Line Extension Loan Policy

Mr. Hauser reviewed the Report with the Board. Mr. Hauser informed the Board that the Policy was revised recently, however the Long Canyon Project requires an additional change. He also stated that the District's Legal Counsel has reviewed the Policy and recommended some additional changes.

Director Owens arrived at 1:40 p.m.

There was discussion regarding different scenarios based on the Short Term, Long Term, and Interest Only loans.

Director Groves suggested that the wording be revised on the Long Term Eligibility to include wording that defines the assessed value as estimated fair market value, which is determined to the satisfaction of the District. Director Ludden motioned to approve the Revised Installment Payments for Line Extensions Policy as recommended by Director Groves and to have Staff consult with the District's Legal Counsel on the correct wording. Seconded by Director Gant, the motion passed with the following voice vote:

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

The Board requested that the Revised Policy be brought to the next meeting as an informational item with the corrected language.

d. Authorize General Manager to Execute a Consulting and Professional Services Agreement with Daniel Beans to Continue the District's Efforts to Strengthen and Modernize the Electric Power Distribution System

Mr. Hauser reviewed the Report with the Board. He also stated that Staff has been pleased with Mr. Beans' availability on a regular basis. Mr. Hauser reported that the rate Mr. Beans is charging is the same as last year.

After a brief discussion, Director Groves motioned to authorize the General Manager to execute the Consulting and Professional Services Agreement with Daniel Beans to continue the District's efforts to strengthen and modernize the District's Electric Power Distribution System as presented. Seconded by Director Gant, the motion passed with the following voice vote:

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

6. **Discussion items**

a. None

7. **Reports**

a. Board Member Reports

• Water Meeting

Director Gant informed the Board that she attended the meeting regarding updating the Regional Plan for the California Water Plan. She stated that there was not much information regarding Trinity County; however they were able to remove sections from the plan that were biased.

b. Committee Reports

None

c. General Manager's Reports

• TAMWG Meeting

Mr. Hauser reported to the Board that there was a draft letter regarding fall flows distributed. He also stated that the Central Valley Project (CVP) customers are collectively sending a letter protesting the additional flows.

The Board directed the General Manager to join together with the other CVP customers by signing the letter.

• Long Canyon Project

Mr. Hauser briefly reviewed the discussion that was held during Item 5(c).

- Land Exchange

Mr. Hauser reported to the Board that the legislation has been drafted. Trinity County Supervisor Judy Morris will be speaking with Jared Huffman requesting that he introduce the legislation in the House. After the House approves the legislation it will need to be introduced in the Senate.

There was a brief discussion regarding the Van Duzen and Sky Ranch properties as well.

- District Website

Mr. Hauser stated that the Website is still scheduled to go live in August of this year. The office will be updating the way we accept credit card payments this month.

Mr. Hauser also mentioned that we still need three of the Director's Bio's for the Website.

- Power Outages

Mr. Hauser reported that Western Area Power Administration experienced another outage at the Trinity Substation due to a Ringtail Cat. This outage occurred on April 15th. He also reported that a tree fell yesterday causing an outage on Rush Creek Road that affected approximately 300 customers.

- Lewiston Project

Mr. Hauser advised the Board that he attended a meeting a couple of days ago with the Bureau of Reclamation (Bureau) and Western Area Power Administration (Western). Western is developing a contract based on the discussions that took place. He stated that District's Legal Counsel will review the contract prior to providing it to the Board for approval.

If the new contract is approved by all parties, the construction may be able to begin next March. Mr. Hauser also stated that the equipment provider and contractor have not changed the amount that was presented in their bids. As long as they continue to hold their bid price, the District should not have to re-bid. Mr. Hauser also stated that Mr. Frank Ryan is still open to overseeing the project.

- Trinity Hospital

Mr. Hauser informed the Board that Trinity Hospital has exercised the Line of Credit again. This time they have borrowed the entire amount of \$250,000.00.

- Drought Relief Surcharge

Mr. Hauser reported to the Board that the District's May billing will include the Drought Relief Surcharge. There will also be a bill stuffer placed in the bill informing the customers of this change.

8. Communications Received

- a. Hayfork Fire District Correspondence
Mr. Hauser briefly reviewed the correspondence.
- b. Hayfork Valley Parks & Recreation District Correspondence
Mr. Hauser briefly reviewed the correspondence.

Mr. Hauser also stated that the District received an e-mail from Wendy Tyler, Trinity County CEO, thanking us for assisting in the removal of the bell tower. She also expressed her appreciation of the positive working relationship between the District and the County.

- c. Trinity Center Community Services District Correspondence
Mr. Hauser briefly reviewed the correspondence.

9. Meetings and/or Workshops

- a. NWPPA Annual Conference
Bellevue, WA
May 19-23, 2013
Mr. Hauser reported that President Morris will be the only person attending from the District.
- b. APPA National Conference
Nashville, TN
June 14-19, 2013
Mr. Hauser reported that he is not planning on attending this Conference.

10. Closed Session

Director Owens motioned to go into Closed Session at 2:58 seconded by Director Groves the Board entered into Closed Session on the following:

- a. Closed Session Item Under Government Code §54956.8
Conference with General Manager – Real Property Negotiations
- b. Closed Session Item Under Government Code §54956.9(b)
Conference with Legal Counsel – Anticipated Litigation
One Potential Case
- c. 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

Andy Lethbridge, Julie Catanese, and Karen Palmer departed at 2:59 pm.

The Board came out of Closed Session and immediately reconvened in Open Session at 3:28 pm. President Morris reported that there was no action taken during Closed Session.

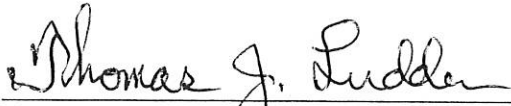
11. Public Input

- a. None

12. Adjourn

Motion to adjourn by Director Owens, second by Director Gant, passing unanimously, the Board adjourned at 3:30 pm.


Richard L. Morris, President

Attest: 
Thomas J. Ludden, Clerk