

**Trinity Public Utilities District
MINUTES OF THE REGULAR BOARD MEETING
December 12, 2013**

Location: Trinity Public Utilities District Community Room
Weaverville, California

Board Present: Thomas Ludden, Richard Morris, Rose Owens, Keith Groves,
Kelli Gant

Board Absent: None

Others Present: Paul Hauser, Julie Catanese, James Underwood, Andy
Lethbridge, Karen Palmer, Kellie Ambrose, Amy Gittelsohn

1. President Morris called the meeting to order at 2:02 p.m.

2. Approval of the Agenda order

Director Ludden motioned to approve the Agenda order. With a second from Director Groves, the motion passed with the following voice vote:

Ayes: Thomas Ludden, Richard Morris, Rose Owens, Kelli Gant,
Keith Groves

Noes: None

Absent: None

Abstain: None

3. Consent Calendar

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

- a. Approve Minutes of the Regular Board Meeting November 14, 2013
- b. Approve Minutes of the Safety Meeting November 04, 2013
- c. Validate Bills of November, 2013
- d. Approve Financial Reports for October, 2013

The motion passed with the following voice vote:

Ayes: Thomas Ludden, Richard Morris, Rose Owens, Kelli Gant,
Keith Groves

Noes: None

Absent: None

Abstain: None

4. Public Input

- a. None

5. Action Items

- a. Items Pulled from Consent Calendar
None
- b. Administer Oath of Office for Richard Morris and Rose Owens
Ms. Palmer administered the Oath of Office for President Morris and Vice-President Owens.

c. Election of Officers of the Trinity P.U.D. for 2014

President Morris opened the nominations for President. President Morris nominated Director Gant who respectfully declined the nomination due to family obligations. Director Gant nominated Director Groves. Director Ludden nominated President Morris, who declined stating that it was time for a change in the leadership structure of the Board.

Director Owens motioned that the nominations for President be closed. Seconded by Director Ludden, the nominations were closed. Director Groves was elected President of the Board for 2014.

President Morris opened the nominations for Vice-President. Director Ludden nominated Director Owens and Director Groves nominated Director Gant. Both Director Owens and Director Gant accepted the nomination.

Director Ludden motioned that the nominations for Vice-President be closed. Seconded by Director Groves, the nominations were closed. Director Gant was elected Vice-President of the Board for 2014.

President Morris opened the nominations for Clerk. Director Ludden nominated President Morris. Director Owens motioned that the nominations be closed. Seconded by Director Groves the nominations were closed. President Morris was elected Clerk of the Board for 2014.

d. Ratify No Change to Rate Schedule 10 – Public Benefit Discount Amount

Mr. Hauser reviewed the Report with the Board. He informed the Board that currently the District is able to assist 215 low income residential customers as well as the nonprofit customers.

After a brief discussion, Director Ludden motioned to ratify no change to Rate Schedule 10 – Public Benefit Discount of 25% for Calendar Year 2014. Seconded by Director Owens, the motion passed with the following voice vote:

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

e. Adopt Resolution 13-06 Amending Rate Schedule 16 – Project Agreement Number 1 Surcharge

Mr. Hauser reviewed the Report with the Board. He explained to the Board that the District bases the rate on a calendar year and the County pays the rate on a fiscal year. Therefore there is a slight true up period that occurs when calculating the payment amount over the past year.

After a brief discussion, Director Gant motioned to adopt Resolution 13-06, Amending Rate Schedule 26 – Project Agreement No. 1 Surcharge from its current \$0.0718 to \$0.0740. Seconded by Director Owens, the motion passed with the following roll call vote:

Richard Morris:	Aye
Rose Owens:	Aye
Thomas Ludden:	Aye
Kelli Gant:	Aye
Keith Groves:	Aye

- f. Ratify No Change to Rate Schedule 14 – Deregulation Surcharge
Mr. Hauser reviewed the Report with the Board.

After a brief discussion, Director Ludden motioned to ratify no change to Rate Schedule 14 – Deregulation Surcharge. Seconded by Director Gant the motion passed with the following voice vote:

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

- g. Validation of Payment of Claim
Mr. Hauser reviewed the Report with the Board.

After a brief discussion, Director Owens motioned to validate the payment in settlement of the claim. Seconded by Director Ludden, the motion was passed with the following voice vote:

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

- h. Approve Agreement to Continue to Retain Edelstein, Gilbert, Robson & Smith, State Lobbyists

Mr. Hauser reviewed the Report with the Board. He reiterated the need to continue the relationship with Edelstein, Gilbert, Robson & Smith. Mr. Hauser also mentioned that they came to Weaverville to visit our area touring the dam and our facilities. After a brief discussion, Director Ludden motioned to approve the Agreement as provided with Edelstein, Gilbert, Robson & Smith for a not-to-exceed cost of \$49,000 per year. Seconded by Director Groves, the motion was passed with the following voice vote:

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

6. Discussion Items

a. Lewiston Project

Mr. Hauser explained to the Board that the District continues to be in negotiations with the Bureau of Reclamation (Bureau). He stated that the Bureau is still not willing to add language that will protect the District if the ability to generate power or the sale of that power is jeopardized.

Mr. Hauser explained that if there is not a catastrophic event the payback for the project is twenty-three years. This does not include any taxes or additional charges that may be leveled on the District. Mr. Hauser also mentioned that the District would need to borrow more money to fund the project because it is over budget. Mr. Hauser mentioned that if the District chose to cancel the project, in all likelihood it would not be built.

After much discussion the Board asked that this item be placed on the January Agenda as a Closed Session Item to discuss contract negotiations.

Director Groves reported that in January the County Board of Supervisors will be discussing the Ordinance regarding taxing Hydroelectric plants in Trinity County.

7. Reports

a. General Manager's Reports

- TAMWG Meeting

Mr. Hauser discussed the most recent Trinity Adaptive Management Working Group (TAMWG) meeting with the Board.

- Long Canyon Project

Mr. Hauser informed the Board that the first two Long Canyon customers will be connected this week. He also stated that once the weather improves we will be able to connect the next group of customers.

- Land Exchange

Mr. Hauser informed the Board that there has been positive movement in introducing the legislation in the Senate. He also stated that the support from US Forest Service and Bureau of Reclamation at both the local and Washington DC level has helped.

- District Website

Mr. Hauser informed the Board that Staff is continuing to monitor the website use by customers.

- Power Outages

Mr. Hauser informed the Board that there were two storm outages. The first outage occurred on November 21st during a wind storm and affected approximately 75-100 customers in the Hayfork area. The second outage occurred on December 7th during the snow storm and affected approximately 30 people in the Jordan Road area in Douglas City.

Mr. Hauser reported that there were also a couple of small outages that were caused by either heavy load or animals.

Mr. Hauser informed the Board that the District is currently working on a plan to move power lines closer to the highway for better access during outages.

- Balancing Authority of Northern California

Mr. Hauser reported to the Board that Mr. Feider's last day with the Balancing Authority of Northern California (BANC) will be tomorrow. Mr. Jim Shetler will be replacing Mr. Feider. Mr. Shetler has retired from Sacramento Municipal Utility District; therefore he has previously worked with most of the BANC staff.

- CVP Cost Allocation Study

Mr. Hauser informed the Board that the Central Valley Project Allocation Study occurs every few years. Mr. Hauser explained the process and discussions that have been taking place and stated that he will continue to keep the Board updated as developments occur.

Not on the Agenda

- Western Area Power Administration Changes

Mr. Hauser informed the Board that Mr. Tom Boyko has resigned as Area Manager for the Western Area Power Administration to take a job in Madison, South Dakota. At this time he is not sure who will be taking Mr. Boyko's position.

- District Stand-by Generator

Mr. Hauser informed the Board that the new generator has been installed at the District office and is operational.

- Junction City School

Mr. Hauser reported to the Board that he has been contacted by the Junction City School regarding changing out their propane heat pump with all-electric heating. They are using Proposition 39 funds. He reported that this should be a program that most of the schools in the area will be utilizing.

- b. Board Member Reports
 - Director Gant reported that she has attended the Trinity Management Committee meeting and Forest Service meeting to discuss the water flows.
 - President Morris informed the Board that he attended Walter Robb's 60th Birthday party and had a chance to visit with Secretary Vilsack.
- c. Committee Reports
None

8. **Communications Received**

- a. Thank You from Judith Haseltine
Mr. Hauser informed the Board that the District also received a nice note from Supervisor Judy Pfluger.

9. **Meetings and/or Workshops**

- a. CMUA Capitol Days
February 3, 2014
Sacramento, CA
Mr. Hauser asked the Board to let Ms. Palmer know if they will be able to attend the meeting in Sacramento. Directors Gant, Groves and President Morris stated that they will be attending.
- b. APPA Legislative Rally
March 10-12, 2014
Washington, DC
Mr. Hauser informed the Board that it is time to start deciding who will be attending the Legislative Rally this upcoming year.
- c. 2014 CMUA Annual Conference
April 1-3, 2014
Napa, CA
Mr. Hauser stated that this is informational at this time, but asked the Board to check their calendars to see if they might be able to attend.

10. **Closed Session**

Director Owens motioned to go into Closed Session at 3:37 p.m., second by Director Ludden 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 §54956.8
Conference with Real Property Negotiator
Agency Negotiator: Trinity PUD General Manager
Property: Van Duzen Property AP#018-090-64-00

- c. Closed Session Item Under Government Code §54957.6
Agency Negotiator: Trinity PUD Board of Directors
Employee Organization: Unrepresented Employee:
General Manager

Mr. Lethbridge, Ms. Catanese, Ms. Ambrose, Ms. Gittelsohn, and Ms. Palmer departed at 3:38 p.m.


The Board came out of Closed Session and immediately reconvened in Open Session at 4:15 p.m. President Morris reported that there was not any action taken in Closed Session.

11. Public Input

- a. None

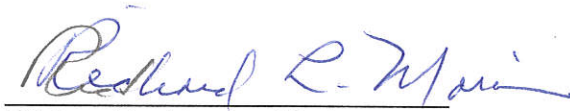
12. Adjourn

Motion to adjourn by Director Gant, second by Director Groves, passing unanimously, the Board adjourned at 4:16 p.m.



Keith Groves, President

ATTEST:



Richard L. Morris, Clerk