

Trinity Public Utilities District
MINUTES OF THE REGULAR BOARD MEETING
August 14, 2014

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, Andy Lethbridge, Karen Palmer,
Kellie Haigh

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

2. Approval of the Agenda order

Director Gant motioned to approve the Agenda order. With a second from Director Morris, 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 July 10, 2014
- b. Approve Minutes of the Safety Meeting July 8, 2014
- c. Validate Bills of July, 2014
- d. Approve Financial Reports for June, 2014

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. Award 14-B4, Underground Distribution Project

Mr. Hauser reviewed the Report with the Board. He stated that Mr. Lethbridge met with the low bidder, Bill Sharp Electric, and discussed the

bid requirements. Mr. Sharp was certain that he would be able to meet the bid requirements for the proposed cost in his bid.

There was a brief discussion regarding how the cost difference between the engineers estimate and the actual bid price would affect the customers. Director Morris motioned to award Bid 14-B4 for the Long Canyon Underground Distribution Project to Bill Sharp Electric and authorize the General Manager to sign the Contract for the not-to-exceed amount of \$108,714.00 as presented. Seconded by Director Ludden, 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

c. Approve Larry Cordtz Line Extension Contract for Electric Service

Mr. Hauser reviewed the Report with the Board. Mr. Hauser informed the Board that the total upfront fee in the Report was incorrect. The upfront fee is \$1,531.65 not \$2,143.30. Mr. Hauser also informed the Board that the customer has contacted Staff to inquire about a penalty if they were to pay the loan off early.

Mr. Hauser also mentioned to the Board that there is a possibility of one other adjoining land owner requesting electric service utilizing Mr. Cordtz's line extension. Director Morris motioned to approve the Contract for Electric Service be extended to Larry Cordtz for a total charge of \$14,866.44. Seconded by Director Ludden, 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

6. Discussion Items

a. Broadband Funding

Mr. Hauser explained to the Board that that the District has received communications regarding the Home Broadband Funding available through the Federal Communications Commission (FCC). Mr. Hauser discussed with the Board what the District would need to be prepared to do if the District were to be awarded the Grant.

There was discussion regarding partnering up with a large organization such as Google. There was also discussion about enhancing efforts that the County has put forth to establish reliable Broadband services in the County.

The Board suggested that the General Manager check into the Grant further and possibly submit an application. The Board also suggested that Director Gant investigate the possibility of partnering with another organization.

b. Regulatory Proposals

Mr. Hauser discussed with the Board the Regulatory Changes that the Environmental Protection Agency (EPA) is proposing. He also explained that Northwest Public Power Association (NWPPA) is concerned about the impact that these proposals have on its members. Mr. Hauser wanted the Board's concurrence for the District to submit letters to our Senators and Representatives requesting that the EPA abandon these proposals because they bypass the congressional process. The Board concurred with Mr. Hauser and suggested that he also send copies of the letters to the County Board of Supervisors, Trinity County RCD, Trinity River Lumber Company and the Watershed District.

7. Reports

a. General Manager's Reports

- Fall Flows

Mr. Hauser reported to the Board that the Bureau of Reclamation has announced that they will not schedule an increased fall flow this year due to the drought. However they will continue to monitor the effects of their decision on the fish population.

Mr. Hauser also mentioned that even if we have an above average water year, the lake levels will not be brought up to normal.

- Long Canyon Project

Mr. Hauser reiterated that with the lower cost for the installation of the main line, the District might be able to lower the cost for individual line extensions.

- Land Exchange

Mr. Hauser informed the Board that he has attempted to contact Mr. Dave Myers to ascertain the probability of the District and the Forest Service exchanging land without the congressional effort. Staff will continue to request the legislation be introduced, however it is sitting idle without movement in Washington.

- Lewiston Project

Mr. Hauser informed the Board that he attended a four day value engineering meeting with the Bureau of Reclamation. It has been determined that there might be a path for the District to own the generation facility. If this were to be accomplished, there is a possibility that the project can be resurrected. With ownership of the facility, the District would be able to keep the cost of the project down as well as possibly obtaining tax exempt financing.

- Power Outages
Mr. Hauser informed the Board that there were only three significant unplanned outages since the last Board meeting. All three of the outages were caused by trees. He reminded the Board that trees are extremely stressed this year due to the consecutive drought years. The smallest of the three outages affected approximately 50 customers in the Hayfork area and lasted about three hours. The second largest outage was in the Ohio Hill/Steelbridge Road area affecting approximately 200 customers lasting about two hours. The largest outage was caused by a tree falling through the line across from the Mule Creek Guard Station and causing a small fire. This outage affected the Trinity Lake area up into Trinity Center, approximately 300 customers, and lasted four and a half hours.
- National Recreation Area Meeting
Mr. Hauser reported to the Board the he and Director's Morris and Gant attended a meeting with the National Recreation Area representative.
- Trinity County Fair Auction
Mr. Hauser thanked President Groves for attending the Auction and assisting him. Mr. Hauser reported to the Board that the District purchased one steer and three pigs for the Trinity County Food Bank. He stated that there is confusion between the Food Bank and the Food Pantry. He explained that the Food Bank receives state funding, therefore individuals have to qualify to receive assistance. The animals have been transported to a Siskiyou processing company and will be donated to the Trinity County Food Bank.

- b. Board Member Reports
None
- c. Committee Reports
None

8. **Communications Received**

- a. None

9. **Meetings and/or Workshops**

- a. NCPA Annual Conference
September 17-19
Napa, California

Mr. Hauser informed the Board that he has received correspondence from the County thanking the District for the invitation to the Conference, however they will be unable to attend this year.

10. Closed Session

Director Owens motioned to go into Closed Session at 3:50 p.m., second by Director Ludden, the Board entered into Closed Session on the following:

- a. Closed Session Item Under Government Code § 54957.6
Conference with Labor Negotiator
Agency Negotiator: General Manager
Employee Organization: Trinity Public Utilities District Employees Association
- 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 §54956.8
Conference with Real Property Negotiator
Agency Negotiator: Trinity PUD General Manager
Property: Weaverville Property AP#024-200-19-00

Mr. Andy Lethbridge, Ms. Kellie Haigh, and Ms. Julie Catanese departed at 3:51 p.m.

Ms. Karen Palmer departed at 4:05 p.m.

The Board came out of Closed Session and immediately reconvened in Open Session at 4:10 p.m. President Groves reported that the Board:

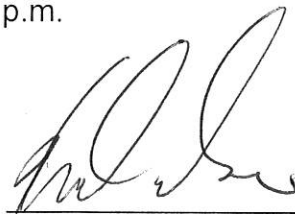
- a. Agreed to follow the Memorandum of Understanding between the District and the Employees Association as it relates to the Post-65 retiree medical benefit.
- b. There was no action taken.
- c. There was no action taken.

11. Public Input

- a. None

12. Adjourn

Motion to adjourn by Director Gant, second by Director Owens, passing unanimously, the Board adjourned at 4:12 p.m.



Keith Groves, President

ATTEST: Richard L. Morris
Richard L. Morris, Clerk