

**Trinity Public Utilities District**  
**MINUTES OF THE REGULAR BOARD MEETING**  
**June 11, 2015**

Location: Trinity Public Utilities District Community Room  
Weaverville, California

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

Board Absent: None

Others Present: Paul Hauser, Julie Catanese, James Underwood, Andy  
Lethbridge, Karen Palmer, Kellie Haigh, Jim Jungwirth, Cindy  
Blackburn, Aaron Rogers

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

**2. Approval of the Agenda order**

President Gant suggested that Item 5f, Agreement with the Hospital District be moved up in the Action Items to accommodate Mr. Rogers. Director Ludden motioned to approve the Agenda order as suggested by President Gant. With a second from Director Owens, the motion passed with the following voice vote:

Ayes: Thomas Ludden, Richard Morris, Rose Owens, Kelli Gant,  
Clarence Rose

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 May 14, 2015
- b. Approve Minutes of the Safety Meeting May 5, 2015
- c. Validate Bills of May, 2015
- d. Approve Financial Reports for April, 2015
- e. Approve Task Order 007-6633-004 to Provide Miscellaneous Engineering Support, Maintenance of Substations, and Other Major Electrical Equipment
- f. Adopt Resolution 15-06 Ordering Board of Directors Election; Consolidation of Elections; and Specifications of the Election Order
- g. Review the Current Renewable Portfolio Policy

The motion passed with the following roll call vote:

President Gant: Aye  
Director Morris: Aye  
Director Ludden: Aye  
Director Owens: Aye  
Director Rose: Aye

#### 4. Public Input

a. Presentation by Jim Jungwirth of Hayfork Mill Site Development and Business Opportunities

Mr. Jim Jungwirth introduced Ms. Cindy Blackburn who is the project manager. Mr. Jungwirth explained the process used to decide what project would best utilize the wood that is available. He advised the Board of the current status of the project and the approximate startup date. His main objective with presenting the project to the Board is to encourage one of the District Board of Directors to become a Board Member for the corporation that will be established for this business. The new Board should be created within the next sixty days.

President Gant thanked Mr. Jungwirth for providing the Board an opportunity to participate in this project.

Mr. Jungwirth and Ms. Blackburn departed at 2:25.

#### 5. Action Items

a. Items Pulled from Consent Calendar

None

f. Amend the Agreement for Line of Credit for Mountain Communities Healthcare District

Mr. Hauser reviewed the Report with the Board. He stated that the current Agreement expired June 1, 2015.

Mr. Rogers stated that the intent for the line of credit is to not need it, however it is nice to have the "safety net" in case the need arises. He stated that he is not an advocate of obtaining loans or requesting funds from line of credits unless it is absolutely necessary.

Director Rose stated that the hospital receives seventy percent of its income from the Government and payment rates as well as the timing of payments are uncertain.

After a brief discussion, Director Ludden motioned to approve the Agreement for Line of Credit with the Mountain Communities Healthcare District as presented and authorize the Board President to sign the Agreement. Seconded by Director Morris the motion passed with the following voice vote:

|          |  |
|----------|--|
| Ayes:    | Thomas Ludden, Richard Morris, Rose Owens, Kelli Gant, Clarence Rose |
| Noes:    | None   |
| Absent:  | None   |
| Abstain: | None   |

Mr. Rogers departed at 2:30 p.m.

- b. Award Bid #15-B2, Annual Distribution Transformer Purchase  
Mr. Hauser reviewed the Report with the Board.

After a brief discussion Director Morris motioned to award Bid Number 15-B2, Annual Transformer Purchase's to General Pacific Inc., and authorize the General Manager to sign the eighteen month Contract as presented. Seconded by Director Rose the motion passed with the following voice vote:

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

- c. Award Bid #15-B3, Ground Level Vegetation Clearing

Mr. Hauser reviewed the Report to the Board. He stated that fire season is upon us as demonstrated with the current fire in Hyampom. He reminded the Board that the ground clearing will help in the prevention of fires that might be caused if the Districts line equipment causes sparks.

After a brief discussion, Director Rose motioned to award Bid Number 15-B3, Ground Level Vegetation Clearance and Removal to the Trinity County Resource Conservation District for a not-to-exceed cost of \$33,818 and authorize the General Manager to sign the Contract as presented. Seconded by Director Ludden, the motion passed with the following voice vote:

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

- d. Adopt Proposed FY 15/16 Budget and Five Year Financial Forecast

Mr. Hauser reminded the Board that the Budget is a guideline. The Board still has to approve major purchases. Mr. Hauser reviewed the Report with the Board and discussed the Budget and Forecast. Mr. Hauser stated that the Budget is drastically impacted by the drought because the District's power cost has more than doubled.

The Board suggested that the graph on page 1 of the 5 Year Forecast include the Board's minimum goal for the Debt Service Coverage Ratio.

After a brief discussion, Director Ludden motioned to adopt the FY 15/16 Budget and Five Year Financial Forecast as amended. Seconded by Director Morris, the motion passed with the following voice vote:

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

e. Amend Various District Policies and Adopt Resolution 15-05 Amending the Schedule of Miscellaneous Charges

Mr. Hauser reviewed the Report with the Board. After a brief discussion Director Rose motioned to: 1) Adopt Resolution 15-05, Rescinding the Current Miscellaneous Service Charges and Adopting new Miscellaneous Service Charges as presented, 2) Amend the Connection and Reconnection Policy as presented, 3) Amend the Utility Account Deposits Policy as presented, and 4) Amend the Utility Billing, Delinquency, Late Payment, and Disconnections Policy as presented. Seconded by Director Morris, the motion passed with the following roll call vote:

President Gant: Aye  
Director Morris: Aye  
Director Ludden: Aye  
Director Owens: Aye  
Director Rose: Aye

The Board took a recess at 3:25 p.m.

The Board resumed open session at 3:35 p.m.

## 6. Discussion Items

a. System Improvement Plan

Mr. Hauser explained to the Board that the System Improvement Plan is the same plan that was presented last year with minor changes. He reminded the Board that the Lewiston Substation Project was moved forward because of load growth and that the Fire Hazard Reduction is included in this year's tree trimming budget.

Mr. Hauser also discussed the reasons for removing the Big Flat and Hyampom Substation projects.

## 7. Reports

a. General Manager's Reports

- Trinity Adaptive Management Working Group Meeting

Mr. Hauser informed the Board that the first meeting since the resurrection of TAMWG is scheduled for June 16 and 17. He will be unable to attend due to a meeting with Western so Ms. Catanese will attend as the District's alternate.

- Long Canyon Project

Mr. Hauser reported to the Board that Phase II begun today. There are several property owners who are anxious to receive electricity from the District.

- Land Exchange  
Mr. Hauser stated that the project is moving forward. The District will be contacting a local surveyor to mark the corners of the Weaverville Airport property soon.
- Power Outages  
The Hyampom Substation is de-energized due to the fire in Hyampom. The substation serves approximately 200 customers and there is no estimated time for restoral.

Mr. Hauser also reported that approximately 200 customers in the Trinity Center area experienced a four hour outage due to a squirrel. He also stated that approximately 600 customers from Trinity Lake north experienced a three hour outage due to a ring tailed cat at the Trinity Sub.

Mr. Hauser stated that Staff will be contacting Western Area Power Administration to find out the estimated time for installation of guards at the Trinity Substation

- Lewiston Project  
Mr. Hauser reported that Engineers from the Bureau of Reclamation have performed a partial test at the Lewiston Substation. He stated that he is waiting for the results from this partial test.
- Balancing Authority of Northern California  
Mr. Hauser informed the Board that the next BANC meeting will be June 24<sup>th</sup>.
- Banking Services  
Mr. Hauser informed the Board that Staff is extremely happy with the new bank. Staff is beginning the process of closing out the District's accounts at Tri Counties Bank.
- Western Customer Meeting  
Mr. Hauser reported that the Bureau of Reclamation gave an interesting presentation at the last Western Customer Meeting. The presentation was regarding the drought and what effects it will have this summer on hydroelectric generation at all of the major reservoirs in California including Trinity Lake.

Not on the Agenda

- Hyampom Fire  
Mr. Hauser informed the Board that District personnel de-energized the Hyampom Sub early last night to allow the Forest Service to safely battle the fire. District crews did find a singed pole and made all of the repairs this morning. The District is ready to energize the line, however the forest service wants us to wait until tonight or tomorrow when the

fire management team is in place and makes a decision on how they will manage the fire.

- HR 2358 – Hazard Trees on Forest Service Lands

Mr. Hauser informed the Board that there is a possibility that Bill HR 2358 regarding clearing hazard trees on the Forest Service Lands will pass. This Bill would improve the District's ability to manage rights-of-way through Federal lands.

b. Board Member Reports

- Westlands Law Suit

President Gant informed the Board that the Wetlands are suing the Bureau of Reclamation citing that they are in violation of the Endangered Species Act.

- Community Choice Aggregation

President Gant inquired about the Community Choice Aggregation. Mr. Hauser stated that the County has been busy with other things and has not had the chance to move forward with this yet.

- Correspondence from Northwest Public Power Association

Director Morris informed the Board that he received correspondence from Anita Decker at NWPPA stating that Mr. Hauser's attendance and participation at the NWPPA/NCPA Legislative Rally was excellent and well received.

- APPA Conference

Director Morris stated that the APPA Conference in Minnesota was excellent. There was a lot of information provided.

- NWPPA Conference

Director Ludden stated that the NWPPA Conference was very nice. He stated that it was interesting to attend a conference in another state where different issues were discussed.

- Preseason Fire Meeting

Director Rose stated that he attended a pre-fire season meeting with the Forest Service. He stated that the Forest Service plans to keep fires smaller this year and will be allowing retardant to be dropped in areas that have previously been banned, such as the Wilderness. They also stated that there will be a full suppression approach to firefighting which will allow the fires to be fought instead of managed.

b. Committee Reports

- Community Investment Committee Recommendation Regarding the Watershed Center Request

President Gant informed the Board that the Committee met prior to the meeting and approved the request to upgrade the electric service as presented.



- Community Investment Committee Recommendation Regarding the Christian Fellowship Church  
President Gant informed the Board that the Committee also approved the request from the Christian Fellowship Church for lighting as presented.

**8. Communications Received**

- a. None

**9. Meetings and/or Workshops**

- a. NCPA Annual Conference  
September 30 – October 2, 2015  
Monterey, California  
Mr. Hauser stated that no information is available on this conference at this time.

**10. Closed Session**

Director Ludden motioned to go into Closed Session at 4:50 p.m., second by Director Rose, the Board entered into Closed Session on the following:

- a. Closed Session Item Under Government Code §54956.9(d)(1)  
**Conference with Legal Counsel – Existing Litigation**  
Name of Case: PG&E v. McColm (& Related Cross-Complaint)
- 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  
Property: Rush Creek Road
- c. Closed Session Item Under Government Code §54956.9(a)  
**Conference with Legal Counsel – Existing Litigation**  
Name of Case: Thomas Reese v. Trinity PUD
- d. Closed Session Item Under Government Code §54957.6  
**Conference with Labor Negotiator**  
Agency Negotiator: General Manager  
Employee Organization: Unrepresented Employee:  
Line Superintendent  
Budget Officer  
Office Administrator  
Assistant Office Administrator

Mr. Lethbridge, Ms. Catanese, Ms. Haigh, and Ms. Palmer departed at 4:51 p.m.

The Board came out of Closed Session and immediately reconvened in Open Session at 6:11 p.m. President Gant reported that the Board took the following action:

- a. No action was taken, informational only.
- b. No action was taken, informational only.


- c. The Board directed the General Manager to reach a settlement agreement with Mr. Reese for a not-to-exceed amount of \$3,000.
- d. The Board voted to increase the Line Superintendents, Andrew Lethbridge, annual salary from \$141,702.60 to \$146,662.19. To bring the Budget Officer, Julie Catanese's salary closer to industry standard, the Board voted to increase Ms. Catanese's annual salary from \$78,241.80 to \$82,153.89. The Board voted to increase the Office Administrators, Karen Palmer, annual salary from \$92,287.36 to \$95,517.42. The Board also voted to provide Ms. Palmer and additional \$2,000 in recognition for completing several special projects over the last year. The Board voted to increase the Assistant Office Administrators, Kellie Haigh, annual salary from \$74,983.48 to \$77,232.98. The Board also voted to increase Ms. Haigh's accrued vacation time from 24 days per year to 29 days per year. All of the changes will become effective July 1, 2015.

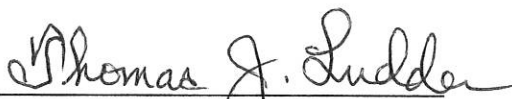
**11. Public Input**

- a. None

**12. Adjourn**

Motion to adjourn by Director Owens, second by Director Ludden, passing unanimously, the Board adjourned at 6:14 p.m.

  
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Kelli Gant, President

ATTEST:   
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Thomas J. Ludden, Clerk