

Trinity Public Utilities District
MINUTES OF THE SPECIAL BOARD MEETING
May 05, 2016

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, Tom Barnes, Cindy
Blackburn, Susan Maria, Nick Goulette

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

2. Approval of the Agenda order

Director Rose requested that Item 3(d), Approve Financial Reports for March, 2016 be moved to Action Item 5(a). Director Ludden motioned to approve the Agenda order as requested by Director Rose. With a second from Director Gant, 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 Rose motioned to approve the Consent Calendar. Second by Director Gant, the Consent Calendar included:

a. Approve Minutes of the Regular Board Meeting April 14, 2016

b. Accept Minutes of the Safety Meeting April 05, 2016

c. Validate Bills of April, 2016

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

4. Public Input

a. None

5. Action Items

a. Items Pulled from Consent Calendar

Approve Financial Reports for March, 2016

Director Rose had questions regarding load growth. Mr. Hauser explained that with the installation of more energy efficient appliances and lighting, utilities across the country are seeing decreases in their load. He suggested that Staff should include five years' worth of data to the report which will provide a better comparison.

After a brief discussion regarding the Debt Service Coverage Ratio, Director Rose motioned to approve the Financial Reports for March, 2016. Seconded by Director Gant 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

b. Review the Current Renewable Portfolio Policy

Mr. Hauser reviewed the Report with the Board. After a brief discussion, Director Owens motioned to make no changes to the current Renewable Portfolio Policy. Seconded by Director Ludden, 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. Approve Fiscal Year 16/17 Budget Assumptions and District Goals

Mr. Hauser reviewed the Report with the Board.

After discussions regarding the Power Revenue Requirement and Hayfork Bally repeater, Director Owens motioned to approve the District Goals and Budget Assumptions for Fiscal Year 16/17 as presented. Seconded by Director Gant, 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

d. Authorize General Manager to Execute a Consulting and Professional Services Agreement with Daniel Beans

Mr. Hauser reviewed the Report with the Board. He informed the Board that Mr. Beans will be maintaining the same rate as last year.

After a brief discussion, Director Gant motioned to authorize the General Manager to execute the Consulting and Professional Services Agreement with Daniel Beans 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

e. Award Bid 16-B1, Utility Class Wood Poles

Mr. Hauser reviewed the Report with the Board. He explained the difference between cedar poles that are butt treated and other fully treated poles and the different treatments used.

After a brief discussion, Director Gant motioned to: 1) Award Bid 16-B1, Utility Class Wood Poles to McFarland Cascade, and 2) 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, Rose Owens, Kelli Gant,
Clarence Rose
Noes: None
Absent: None
Abstain: None

f. Consider Applying for the Rural Economic Development Loan and Grant Program

Mr. Hauser reviewed the Report with the Board. He then introduced Ms. Cindy Blackburn, Ms. Susan Marie, and Mr. Nick Goulette from The Watershed Center.

Ms. Blackburn, Ms. Marie, and Mr. Goulette presented the Tule Creek Forest Products (TCFP) and discussed with the Board the financial information provided. They also discussed the requirement that all employees would be drug tested.

The Board discussed the need to promote economic development and any ramifications that might occur if the District were to apply for the loan. The Board requested that if the District were to enter into an Agreement with TCFP that Staff would need to periodically review the financials for both TCFP and The Watershed Center.

After a lengthy discussion, Director Gant motioned to authorize the General Manager to apply for the Rural Economic Development Loan and Grant Program to assist Tule Creek Forest Products, subject to proper due diligence in verifying the ability of either TCFP or The Watershed Project to repay the loan. Seconded by Director Ludden, 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. Lethbridge departed at 4:00 p.m.

Director Rose stated that he hopes that this is the first step in bringing an honest forestry industry back into the Hayfork Valley.

Mr. Blackburn, Ms. Marie, and Mr. Goulette departed at 4:02 p.m.

6. Discussion Items

a. System Improvement Plan

Mr. Hauser reviewed the System Improvement Plan with the Board. He stated that the only change in the document presented is the year of the Plan. He stated that some of the projects have been removed such as the Big Flat Line Extension since the feasibility is questionable with the Forest Service's requirements.

Mr. Hauser stated that the first priority will be replacing the District's automated meter reading system since our current system is no longer supported. He stated that the District is looking at converting the system over one substation at a time which would allow us to spread the cost over a few years instead of all at once. When the project begins, he suggests that the District convert the Hayfork Substation first.

He stated that the substations that need spare transformers are Hyampom and Hayfork.

The Board took a break at 4:18 pm
Meeting resumed at 4:22 pm

7. Reports

a. General Manager's Reports

• Trinity Adaptive Management Working Group Meeting

Mr. Hauser informed the Board that the Trinity Adaptive Management Working Group (TAMWG) attempted to convince the Trinity Management Council (TMC) to alter the flow schedule. The TMC ignored TAMWG's recommendation.

- Land Exchange
Mr. Hauser reported to the Board that the Forest Service has reviewed the archeological study and has requested additional information. He has contacted Mr. Cousins and discussed the additional information that the Forest Service is requesting.

Mr. Hauser informed the Board that he discussed the marijuana grow that is next to the southern edge of the property with Mr. David Myers. The growers have illegally diverted water and placed a water tank on the Forest Service property that the District would acquire. He stated that Mr. Myers will be sending the USFS law enforcement out to the location to remedy the issues.
- Power Outages
Mr. Hauser advised the Board that the only large outage occurred last night during the lightning storm. The outage affected ten customers in the Oregon Mountain area and lasted approximately five and a half hours
- Balancing Authority of Northern California
Mr. Hauser informed the Board that the Resource Committee is still studying the Energy Imbalance Market.
- Lewiston Substation
Mr. Hauser reported that the new transformers at the Lewiston Substation will be installed and energized by the end of next week.

Not on the Agenda

- Tom Barnes Presence at the Meeting
Mr. Hauser introduced Mr. Tom Barnes to the Board Members. He stated that Mr. Barnes will be filling in for Ms. Palmer next month at the Board meeting while she is on vacation.
- Office of Emergency Services Payment
Mr. Hauser informed the Board that the District received the payment of \$83,304 from its fire damage claim with the California Office of Emergency Services. He commended Ms. Kim Hale on her hard work in obtaining this reimbursement.
- Energy Bill
Mr. Hauser reported to the Board that Ms. Susan Stohr is watching the Senate Energy Bill for the District. This bill is addressing fire hazard reduction. There is concern regarding the possibility that the District would have a liability issue with dead and dying trees.

- Asphalt Company
Mr. Hauser updated the Board regarding the possibility of increased load in Junction City with the temporary installation of asphalt processing equipment. Mr. Justin Zabel will be metering an identical plant on the coast to determine the exact load requirements.
- Community Choice Aggregation
Mr. Hauser informed the Board that he spoke with Supervisor Keith Groves recently. The County is waiting to obtain the power usage information from Pacific Gas & Electric Company. Supervisor Groves has requested that the District consider assisting the County with obtaining the information.

b. Board Member Reports

- Collaborative
Director Rose reported that the process is moving very slowly. He stated that Congressman Huffman has suggested that the California Fish and Wildlife, National Fisheries, Forest Service, and Collaborative develop goals in writing. It has also been suggested that there be a Memorandum of Understanding created between the Collaborative and the Forest Service.
- Northwest Public Power Association/Northern California Power Agency Meeting
President Morris reported to the Board that NCPA is beginning to lobby on issues regarding right-of-way vegetation management. NWPPA has been working on this as well. He stated that the issues surrounding the legalization of marijuana were discussed as well.

c. Committee Reports

None

8. Communications Received

- a. None

9. Meetings and/or Workshops

- a. Northwest Public Power Association Annual Conference
May 15-18, 2016
Marysville, WA

Mr. Hauser reported that all of the arrangements have been made for this trip.

10. Closed Session

Director Ludden motioned to go into Closed Session at 4:53 p.m., second by Director Gant, the Board entered into Closed Session on the following:

- a. 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

Neighboring Weaverville Property

The Board came out of Closed Session and immediately reconvened in Open Session at 5:15 p.m. President Morris reported that the Board took no action during closed session.

11. Public Input

- a. None

12. Adjourn

Motion to adjourn by Director Rose, second by Director Owens, passing unanimously, the Board adjourned at 5:18 p.m.


Richard L. Morris, President

ATTEST: 
Clarence W. Rose, Clerk