

**Trinity Public Utilities District  
MINUTES OF THE REGULAR BOARD MEETING  
April 13, 2017**

Location: Trinity Public Utilities District Community Room  
Weaverville, California  
Board Present: Thomas Ludden, Richard Morris, Kelli Gant, Clarence Rose,  
Mike Rourke  
Board Absent: None  
Others Present: Paul Hauser, Julie Catanese, James Underwood, Andy  
Lethbridge, Karen Palmer, John Hodges, Amy Gittelsohn

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

**2. Approval of the Agenda order**

President Rose suggested that Item 5b, Administer Oath of Office to Mike Rourke, be moved prior to Item 3, Consent Calendar. Director Morris motioned to approve the Agenda order as suggested by President Rose. With a second from Director Ludden the motion passed with the following voice vote:

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

**5. Action Items**

**b. Administer Oath of Office to Mike Rourke**

Ms. Palmer administered the Oath of Office to Mr. Mike Rourke. The Board Members and Staff welcomed Mr. Rourke to the Board.

Amy Gittelsohn arrived at 2:03 pm

**3. Consent Calendar**

Director Gant motioned to approve the Consent Calendar. Second by Director Morris, the Consent Calendar included:

- a. Approve Minutes of the Regular Board Meeting March 09, 2017
- b. Approve Minutes of the Special Board Meeting March 16, 2017
- c. Accept Minutes of the Safety Meeting March 07, 2017
- d. Validate Bills of March, 2017
- e. Approve Financial Reports for February, 2017

The motion passed with the following voice vote:

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

**4. Public Input**

- a. None

**5. Action Items**

- a. Items Pulled from Consent Calendar

None

- c. Adopt Resolution 17-02, a Resolution Designating the District Applicant's Agent for Non-State Agencies

Mr. Hauser reviewed the Report with the Board. He informed the Board that Haylock Ridge still has damage from the storm in January. He stated that Staff is planning to continue with the process of obtaining reimbursement.

After a brief discussion, Director Ludden motioned to adopt Resolution 17-02, Designation of District Agents as presented. Seconded by Director Rourke, the motion passed with the following roll call vote:

President Rose	Aye
Director Morris	Aye
Director Ludden	Aye
Director Gant	Aye
Director Rourke	Aye

- d. Adopt Resolution 17-03 – Declaring Intent to Finance a New Metering System and to Allow For the Reimbursement of Expenditures Made prior to the Financing

Mr. Hauser reviewed the Report with the Board.

After a brief discussion, Director Morris motioned to adopt Resolution 17-03, a Resolution of the Trinity Public Utilities District Declaring Its Intent to obtain financing for a New Metering System and to Allow for the Reimbursement of Expenditures Made Prior to the Financing. Seconded by Director Ludden, the motion passed with the following roll call vote:

President Rose	Aye
Director Morris	Aye
Director Ludden	Aye
Director Gant	Aye
Director Rourke	Aye

- e. Adopt a Debt Management Policy

Mr. Hauser reviewed the Report with the Board. He stated that there is a typo in the Draft Policy on the bottom section of page 3, Item 4, the line above Item A, the word police should be policy.

Mr. Hauser informed the Board that Ms. Catanese realized that a new State requirement mandated that we should have had this Policy in place prior to the financing for the Watershed Center.

Ms. Catanese explained the term Escrow Fund Arbitrage. Mr. Hauser reviewed the Federal Loan Program that the District is involved in with the Watershed Center. He stated that payments have been made on time to date.

After a brief discussion, Director Rourke motioned to adopt the Debt Management Policy as presented. Seconded by Director Morris, the motion passed with the following voice vote:

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

f. Award Bid 17-B1, Distribution Transformers

Mr. Hauser stated that the Agenda incorrectly noticed the Bid Number. Mr. Underwood stated that if the Board determined that it was an urgent need to order transformers, that the Board could vote to Amend the Agenda to reflect the correct Bid Number and continue to award the Bid.

Director Morris motioned to amend the Agenda from Award Bid 17-B2 to Award Bid 17-B1 on the basis of Urgency. Seconded by Director Gant the motion to amend the Agenda Item was passed with the following voice vote:

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

Mr. Hauser reviewed Report with the Board. He stated that the District will order the transformers as needed. After a brief discussion, Director Ludden motioned to award Bid Number 17-B1, Annual Transformer Purchase to Howard Industries for pad mount and three phase transformers and Pacific Utilities for pole mount transformers and authorize the General Manager to sign the proposed twelve month Contracts as presented. Seconded by Director Rourke, the motion passed with the following voice vote:

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

g. Amend Payment of Payables Policy

Mr. Hauser reviewed the Report with the Board. He also reviewed the reasons that the District changed from debit cards to credit cards.

After a brief discussion, Director Gant motioned to amend the Payment of Payables Policy as presented. Seconded by Director Morris, the motion passed with the following voice vote:

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

h. Amend Expense and Use of Public Resources Policy

Mr. Hauser reviewed the Report with the Board. He stated that this Policy goes hand in hand with the Payment of Payables Policy.

After a brief discussion, Director Rourke motioned to amend the Expense and Use of Public Resources Policy as presented. Seconded by Director Gant, the motion passed with the following voice vote:

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

i. Approve Engaging a New Auditing Firm to Perform the District's Annual Financial Audit in 2017

Mr. Hauser reviewed the Report with the Board. Ms. Catanese stated that it is important that the District contract with an accounting firm that specializes in governmental accounting. She stated that Baker Tilly Virchow Krause, LLP (Baker Tilly) is a top shelf accounting firm within the public utility community.

After a brief discussion, Director Morris motioned to approve engaging Baker Tilly as the District's auditor for Fiscal Year ending June 30, 2017. Seconded by Director Rourke, the motion passed with the following voice vote:

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

j. Amend Utility Account Deposits Policy

Mr. Hauser reviewed the Report with the Board. He stated that District Staff has noticed a change in the pattern regarding customers with new service installations.

After a brief discussion, Director Gant motioned to approve the amendment to the Utility Account Deposits Policy as presented. Seconded by Director Rourke, the motion passed with the following voice vote:

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

k. Amend Affordable Comfort Program Policy

Mr. Hauser reviewed the Report with the Board. He stated that California's new regulations are making it almost impossible for individuals to build an all-electric building. He is attempting to contact the architect that the District contracts with to obtain assistance developing information that will assist discussions with the District's lobbyists regarding this issue.

After a brief discussion, Director Gant motioned to amend the Affordable Comfort Program Policy as presented. Seconded by Director Morris, the motion passed with the following voice vote:

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

l. Amend Connection, Line Extension and Customer Requested Construction Fees

Mr. Hauser reviewed the Report with the Board.

After a brief discussion, Director Rourke motioned to amend the Connection, Line Extension, and Construction Fees Policy as presented. Seconded by Director Morris, the motion passed with the following voice vote:

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

m. Adopt Resolution 17-04 – Amending Rate Schedule 09, Agricultural Pumping Service

Mr. Hauser reviewed the Report with the Board. Director Rourke suggested that all of the District's Rate Schedules be amended to include the changes. This will keep all of the Rate Schedules consistent.

After further discussion, Director Morris motioned to adopt Resolution 17-04, Amending Rate Schedule 9 – Agricultural Pumping Service as presented. Seconded by Director Ludden, the motion passed with the following roll call vote:

President Rose	Aye
Director Morris	Aye
Director Ludden	Aye
Director Gant	Aye
Director Rourke	Aye

## 6. Discussion Items

### a. Board Compensation, 1099 vs W2

Mr. Hauser reviewed the Report with the Board.

After a brief discussion, the Board directed Staff to revert their compensation back to a payroll check effective May 1<sup>st</sup>. The Board requested that any penalties and taxes be covered by the Board Members over the next two months.

## 7. Reports

### a. General Manager's Reports

#### • Trinity Adaptive Management Working Group Meeting

Mr. Hauser informed the Board that the Trinity unit that is still down is scheduled to be operational by April 28<sup>th</sup>. He stated that Trinity Adaptive Management Working Group recommended that the high releases be pushed past the 28<sup>th</sup> to accommodate the generation unit. He stated that after the Trinity Management Committee considered the recommendation for four hours, they declined the delay due to the cottonwood seed dispersal. The lost generation from this decision will be approximately \$2.6 million in lost value.

#### • Land Exchange

Mr. Hauser reported that the archeological report has been filed. Currently the United States Forest Service is reviewing the report.

#### • Power Outages

Mr. Hauser stated that the largest outage since the last Board meeting affected the Coffee Creek/Trinity Center area. The outage was caused by five trees and lasted approximately two hours. One other large outage was in Hayfork in the Salt Creek area and was also caused by trees. The outage lasted seven hours and affected approximately 157 customers.

#### • Balancing Authority of Northern California

Mr. Hauser informed the Board that there has not been much very activity over the last month as it relates to the District. There will be a strategic planning meeting in either June or July.

- Watershed Request for two 600 amp services  
Mr. Hauser reported to the Board that the District has received a request from the Watershed Center regarding installation of two 600 amp services. The Watershed Center has applied for a State Grant that would pay for the majority of the expense for the upgrade and are inquiring if the District would be able to help offset the remaining cost.

#### Not on the Agenda

- September Board Meeting  
Mr. Hauser informed the Board that he is planning a vacation in September during the normal Board meeting time. He was wondering if the Board would be willing to consider holding a special Board Meeting on September 21<sup>st</sup> or cancel the meeting for that month.
- b. Board Member Reports
- Drought Relief Surcharge  
Director Morris stated that he has been approached by several customers regarding the Drought Relief Surcharge. He suggested that since the District will need to continue this surcharge for two consecutive above normal water years, maybe the name can be changed to reflect what the charge is actually covering.
  - Senator McGuire Visit  
President Rose informed the Board that he has been approached by Senator McGuire's Staff to participate in the Town Hall meeting next week.
- c. Committee Reports
- Request from Trinity High School  
Director Gant reported to the Board that the Community Investment Committee met prior to the Board meeting to consider the request from Trinity High School. She reported that the Committee voted to approve the request.

#### 8. Communications Received

- a. None

#### 9. Meetings and/or Workshops

- a. Northwest Public Power Association Annual Conference  
Sunriver, Oregon  
May 7-10, 2017

Mr. Hauser requested that if a Board Member is planning to attend the Conference please let Ms. Palmer know so she can finalize the Conference attendance.



- b. American Public Power Association Annual Conference  
Orlando, Florida  
June 16-21, 2017

Mr. Hauser asked if any Board Members were interested in attending this Conference. No Board Members were interested.

**10. Closed Session**

Director Ludden motioned to go into Closed Session at 4:00 p.m., second by Director Rourke, 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


The Board came out of Closed Session and immediately reconvened in Open Session at 4:15 p.m. President Rose reported that the Board took no action during Closed Session.


**11. Public Input**

- a. None

**12. Adjourn**

Motion to adjourn by Director Ludden, second by Director Morris, passing unanimously, the Board adjourned at 4:17 p.m.

  
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Clarence W. Rose, President

ATTEST:   
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Thomas J. Ludden, Clerk