

Trinity Public Utilities District
MINUTES OF THE SPECIAL MEETING OF THE BOARD
November 29, 2021

Location: Trinity County Library Conference Room
351 Main Street, Weaverville, CA
Board Present: Alex Cousins, Andrew Johnson, Michael Rourke
Board Present via Audio/Video
Teleconference: Kelli Gant, Richard Morris
Others Present: Paul Hauser and Sarah Sheetz

1. President Rourke called the meeting to order at 6:01 p.m.

2. Approval of the Agenda Order

Director Cousins made a motion to approve the Agenda Order. Director Johnson seconded the motion. The motion passed with the following roll call vote:

| | |
|----------------|---------|
| Alex Cousins | -Aye |
| Kelli Gant | -Aye |
| Andrew Johnson | -Aye |
| Richard Morris | -Absent |
| Michael Rourke | -Aye |

3. Action Items

- a. Adopt Resolution 21-05 Re-Authorizing Remote Teleconference Meetings
Director Cousins made a motion to Adopt Resolution 21-05 Re-Authorizing Remote Teleconference Meetings for 30 days. Director Johnson seconded the motion. The motion passed with the following roll call vote:

| | |
|----------------|---------|
| Alex Cousins | -Aye |
| Kelli Gant | -Aye |
| Andrew Johnson | -Aye |
| Richard Morris | -Absent |
| Michael Rourke | -Aye |

Director Morris joined the meeting remotely.

4. Presentation and Discussion on Proposed Rate Restructuring

Mr. Hauser provided a presentation on the proposed Rate Restructuring. At the conclusion of the presentation, President Rourke invited questions and comments from those in attendance both in person and online.

The Board received comments and questions on topics including the following items that were discussed in more detail at the meeting:

- The overall revenue generated from the increase.
- The percentage increase generated in each zone.
- The impact of drought on generation at Trinity Dam, the Central Valley Project and the Districts First Preference Power designation.

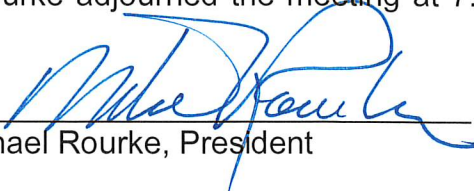
- The rationale for the increase in the flat rate surcharge and the impact on residential, commercial and high impact accounts.
- The possibility of the District requesting cannabis tax fund revenue from Trinity County to offset high impact users.
- The potential for renting out poles to other utilities to generate revenue, which is a current practice of Trinity PUD as a member of the Northern California Joint Pole Association. This topic also triggered a brief discussion regarding the Trinity PUD/Western Area Power Administration Fiber Project.
- Shared concerns about increases to homes and businesses.
- How an adequate reserve is established and the potential risk associated with higher reserves and wildfire litigation expenses in California.
- The equalizing of rates between Zone A and Zone B, and the promise that was made in 1993 being realized.
- Debt service and the ability to bond while being self-insured.
- The type of improvements included in capital expenditures, will the system be hardened or modernized.
- When more power will be available on the Weaverville 1102 circuit serving Oregon Mountain and Junction City.
- How much it could cost to underground the system (order of magnitude estimate is \$350,000,000, excluding environmental clearances)
- The potential for solar, which currently costs more for most customers due to the Districts low rates, and at what point that may become untrue if rates go up.
- The main reasons why additional revenue is needed, which are infrastructure, power costs and increased risk associated with fire liability.
- Rates are rising at utilities throughout California.
- Proposed improvements (Mill Street Substation and circuit serving Junction City, completion of the reconductoring in Hayfork) and improvements that have already been made (Lewiston substation and reconductoring portions of the Lewiston circuits, upgrades at the Hayfork Substation).

5. Public Comment

None

6. Adjournment

There being no further business, President Rourke adjourned the meeting at 7:28 p.m.


 Michael Rourke, President

ATTEST: 
 Richard Morris, Clerk