

CALAVERAS PUBLIC UTILITY DISTRICT

August 15, 2023

Regular Meeting

9:00 am

DIRECTORS PRESENT: Richard Blood
J.W. Dell'Orto
Steve McDermed

MEMBERS ABSENT: Brady McCartney (arrived at 9:09am)
Jack Tressler

STAFF PRESENT: Travis Small, General Manager
Adam Brown, District Legal Counsel
Carissa Bear, Clerk of the Board
Mathew Roberts, Water System Superintendent

OTHERS PRESENT: Jason Thompson (Laketricity)
Eva Pauly (Laketricity)

1. CALL THE MEETING TO ORDER: The regular meeting was called to order by President Blood at 9:02 A.M.
2. ROLL CALL OF DIRECTORS: Directors Blood, Dell'Orto, and McDermed, were present. Director McCartney and Tressler were absent.
3. PLEDGE OF ALLEGIANCE
4. PUBLIC COMMENT (Limit 3 minutes per person/15 minutes per subject): None.
5. CONSENT ITEMS
 - a. July 11, 2023 Regular Board Meeting Minutes
 - b. Claim Summary

A motion was made by Director Dell'Orto, seconded by Director McDermed, to approve consent items a-b. A roll call vote was taken. Directors Dell'Orto, McDermed, and Blood voted yes; none opposed. Motion carried 3-0.

6. LAKETRICITY – JEFF DAVIS RESERVOIR

Jason Thompson met Travis Small, General Manager at the Spring ACWA conference and has since prepared a proposal for an agreement between Calaveras Public Utility District and Laketricity.

** Director McCartney arrived.

Mr. Thompson and Eva Pauly presented the Board with a slideshow for the proposed project which would be a 30-year lease agreement. Director McCartney if it would be concerning if the

water levels dropped. Mr. Thompson explained that a sonar survey will be conducted but typically their product can accommodate a 30-40' drop in water level depending on the terrain at the bottom of the reservoir. The proposal estimated about \$34,000 of income for the District by renting the surface water to Laketricity. Director Blood inquired about state permitting amendments and CEQA requirements. Ms. Pauly responded that any fees accrued to state permits would be covered by Laketricity and that all of their products are drinking water safe. Director Blood inquired about the amount of water that would be displaced, Ms. Pauly explained that a precise calculation will be done but it is not a significant amount. Director McDermed asked for the material of the flotation devices, Ms. Pauly replied that it is HDPE material. Mathew Roberts, Water System Superintendent, inquired about if anyone has reported negative impacts on their water quality using Laketricity solar panels. Ms. Pauly responded that it has actually been reported that companies have seen improvements in their water quality. Mr. Thompson informed the Board that all maintenance on the panels will be handled by Laketricity. He went over what to expect for typical maintenance. Maintenance is done about 3-4 times a year. Director Dell'Orto inquired about the impact of snow fall on the solar panels. Ms. Pauly responded that the snow typically melts quicker than on the ground due to the proximity of the water. Laketricity has panels in Massachusetts and Colorado with no issues. The board and staff discussed potential issues with the District's contract with Calaveras Public Power Authority. Mr. Small will look into it. Mr. Small inquired about security protocols; Ms. Pauly responded. Mr. Roberts inquired about Division of Safety of Dams requirements; Ms. Pauly stated that Laketricity will have to provide a plan but their product will not affect the integrity of the dam. Director McCartney inquired about the possibility of owning the panels. Ms. Pauly informed the Board that there is an option to buy it back after 7 years. Director Blood expressed his interest in getting more information about buying after 7 years. Director Blood inquired about the timeframe for the assessment; Ms. Pauly responded that in one year they should be able to tell if it's feasible.

7. BUDGET UPDATE FISCAL YEAR 2022/2023

Mr. Small is working on closing out fiscal year 2022/23. He's anticipating it to be completed by the end of this month. The audit should be done in late October. Mr. Small looked into switching auditors but there's currently a shortage of auditors that are available. Mr. Small has been advised that it might be best to stay with our current auditor, he has plenty of staff to rotate out that there shouldn't be any conflicts. Mr. Small is hopeful for an engagement letter by the next board meeting. Mr. Small went over the 2022/23 fiscal year operating budget and capital outlay. Overall the District did well with staying on budget. A mid-year rate increase for electricity put the District over budget on utilities. This year, Schaads hydro had the best income producing thus far. Mr. Small will have a list of budget amendments for board review.

8. UPDATE POLICY REGARDING BOARD OF DIRECTOR COMPENSATION

Mr. Small as well as Director's Blood and McCartney held a committee meeting regarding board compensation. The two directors recommend keeping the payment at \$100 per meeting with the

ability to opt in or out. They also proposed offering dental and vision insurance to the Board with the ability to opt out. Director McDermed cannot accept anything as an employee. Mr. Small explained that a Board member can receive health benefits and reimbursements but still opt out of the \$100 per meeting. Mr. Small explained that this is what the committee is recommending if the Board is ready to move forward he can bring it to the next Board meeting for the Board to adopt. President Blood would like verbiage to be added that states attendance to Board meeting is required to receive health benefits. Adam Brown, District Legal Counsel, informed the Board that even if you missed a meeting you would still get benefits. The only way benefits would stop is if the Board member is no longer on the Board. Mr. Small reminded the Board that the policy states that if a Board member misses 3 or more meetings, the Board can vote to dismiss a Board member from being on the Board. President Blood would like to clean up section 4125.3 (D) stating that a Board member needs to provide a written report when attending an outside meeting. He thinks a verbal report would suffice. He'd also like verbiage added that Board members should inform the Board when planning to attend outside meetings. Mr. Brown reminded the Board that the Board reviews all claims, he has seen Board members withdrawal claims at that time.

9. POLICY ON RECORDED MEETINGS

President Blood requested this to be on the agenda. He would like the public to have access to recorded meetings when they cannot attend. Mr. Small stated that most agencies will keep the recorded meetings for a maximum of 90 days. He did some research and most districts do not have a policy for recorded minutes but they did have a sub section in their retention guide. In his research Mr. Small has found that it's such a controversial subject as many agencies do not like it. Mr. Brown advised that once the timeframe has been met and the board has approved the minutes that the audio and video recording should be destroyed. Director McDermed feels like this will be creating a lot more work and feels it is unnecessary. Director Blood believes it will provide better transparency. Mr. Small pointed out that currently our meetings are summary minutes and he feels when we have recordings available to the public that they might nitpick what does and doesn't make it to the written minutes. Mr. Brown added that verbatim minutes is a huge burden to staff. Director Blood stated that he is not looking for verbatim just more transparency. Mr. Small reminded the Board that it is just discussion at this point and will need to come back to be voted on by the Board. Director Dell'Orto asked if we would run into the possibility of request for minutes to be amended between the time they were approved and the time for the video and audio to be destroyed. Mr. Brown confirmed that could be a potential problem. Director McCartney feels that recorded meetings could become an issue. President Blood asked for this to be brought back at a later meeting. He would like the public to hear the tone of voice and the back-and-forth discussion that the Board has. Director Dell'Orto would definitely like the minutes destroyed at the 90-day mark if this is approved.

10. REPORTS

a. Legal Counsel's Report

Mr. Brown stated that his report was covered.

b. Water System Superintendent's Report

Mathew Roberts, Water System Superintendent informed the Board that the District has a new operator named Heather Pedro. She has been a great asset to the team so far. President Blood inquired about her certifications. Mr. Roberts informed him that she currently has her treatment

certifications but still needs her distribution certifications. Mr. Small stated that he'll bring in the new employees at the next meeting. Mr. Roberts provided a slideshow of photos for the month of operations. The photos provided the majority of his report. Directors McCartney and McDermed enjoyed the photos.

c. District Engineer Report

Mr. Small reported that the SRF application has been submitted.

d. General Manager's Report

Mr. Small informed the Board that ACWA is holding their annual conference in Indian Wells in the fall. If any of the Board is interested in attending let him know. ACWA sent out an email informing their members that all legislative got defeated, there will be no changes for now. Ms. Bear will be attending the Board Secretary conference in November, if any of the Board would like to attend, let him know. Mountain Counties has reached out asking of the District would like to rejoin. Director Dell'Orto said that we dropped in the past due to the cost. Mr. Small informed the Board that Mountain Counties is good to be a part of as they can act as our voice for a lot of things. Mr. Small informed the Board that the Rich Gulch grant application should be funded within the year as long as there is funding.

e. Director's Comments:

Director Dell'Orto informed the Board that his CAMRA cancelled their meeting. He also had a member of the public reach out about wanting to do fuel reduction at the Mokelumne Hill tank through a grant.

8. ADJOURNMENT

There being no further business to come before the Board, President Blood adjourned the meeting at 11:25 am.

Respectfully Submitted,



Carissa Bear, Secretary/Clerk of the Board



UTILITY
DISTRICT