

SPECIAL BOARD MEETING AGENDA

6:00 PM Wednesday December 11, 2024
UPUD Maintenance Building | 988 Sheep Ranch Rd, Murphys, CA 95247

OUR MISSION

Union Public Utility District is dedicated to protecting, enhancing, and developing our water resources to the highest beneficial use for our customers, while maintaining cost-conscious, reliable service and providing gainful employment through responsible management.

Board Chambers are open to the public and the following alternative is available to members of the public who wish to participate in the meeting virtually:

Microsoft Teams meeting

Join on your computer, mobile app or room device

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Meeting ID: 223 227 920 62

Passcode: BAXU4J

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Or call in (audio only)

[+1 209-729-7215,,721029680#](#)

Phone Conference ID: 721 029 680#

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at 209-728-3651. Notification in advance of the meeting will enable UPUD to make reasonable arrangements to ensure accessibility to this meeting. Any documents that are made available to the Board before or at the meeting, not privileged or otherwise protected from disclosure, and related to agenda items, will be made available at UPUD for review by the public.

ORDER OF BUSINESS

CALL TO ORDER/THE PLEDGE OF ALLEGIANCE

1. ROLL CALL

2. APPROVAL OF AGENDA

3. PUBLIC COMMENT:

(LIMIT 5 MINUTES PER PERSON) Members of the public may address the Board on items not agendized. The public is encouraged to contact the General Manager or Board of Directors for consideration of items to be placed on the agenda. No action will be taken by the Board unless an item is agendized.

4. PUBLIC HEARING

a. Conduct a Public Hearing at the hour of 6:00 p.m. to receive and consider all comments and protests regarding the Proposed 2024 Water Rate Study as shown in the October 2024 Notice of Proposed Water Rate Adjustments effective January 1, 2025.

- Presentation on 2024 Water Rate Study
- Public Comment
- Call for Protests/Withdrawals of Protests
- Close Public Hearing
- Discussion/Action: Adoption of Resolution Increasing Proposed Water Rates
RES 2024-026

5. NEW BUSINESS

a. Discussion/Action: Authorizing Application To The Director Of Industrial Relations, State Of California For A Certificate Of Consent To Self-insure Workers' Compensation Liabilities
RES 2024-027

b. Discussion/Action: Consenting To Enter The Joint Protection Programs Of The Association Of California Water Agencies/Joint Powers Insurance Authority
RES 2024-028

6. DIRECTORS COMMENTS

7. CLOSED SESSION

a. Conference with Legal Counsel – Initiating Litigation (Gov. Code, § 54956.9(d)(4)): One case

8. NEXT BOARD MEETINGS & EVENTS

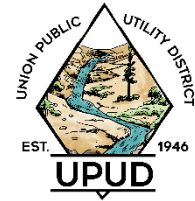
- December Regular Board Meeting: CANCELED
- Happy Holidays!
- Wednesday, January 22, 2024 at 5:30 PM - Regular Meeting

9. ADJOURNMENT

PROCEDURAL NOTICES

LEVINE ACT PUBLIC PARTY/APPLICANT DISCLOSURE OBLIGATIONS: Applicants, parties, and their agents who have made campaign contributions totaling more than \$250 (aggregated) to a Board Member over the past 12 months must publicly disclose that fact for the official record of that agenda item. Disclosures must include the amount of the campaign contribution aggregated, and the name(s) of the campaign contributor(s) and Board member(s). The disclosure may be made either in writing to the Clerk prior to the agenda item consideration, or by verbal disclosure at the time of the agenda item consideration. The foregoing statements do not constitute legal advice, nor a recitation of all legal requirements and obligations of parties/applicants and their agents. Parties and agents are urged to consult with their own legal counsel regarding the requirements of the law.

Agenda Item



DATE: December 11, 2024

TO: UPUD Board of Directors

FROM: Jessica Self, General Manager

SUBJECT: Consideration and Adoption of a Resolution Establishing the Maximum Rates for Water Service Charges for Calendar Year 2025 effective January 1, 2025 Through and Including Calendar Year January 1, 2029

RECOMMENDED ACTION:

Staff recommends the Board of Directors of the Union Public Utility District (the “District”):

- Conduct a public hearing; and
- If no majority protest exists, adopt Resolution No. 2024-026 a Resolution of the Union Public Utility District Board of Directors Approval of and Setting Rates and Charges for Water Service Effective January 1, 2025 and Each Year Thereafter Through and Including January 1, 2029.

BACKGROUND INFORMATION:

The District is obligated to collect revenue sufficient to cover the cost of operating and maintaining its water system enterprise, which includes both domestic and raw water. These revenues enable the District to protect public health and safety and reliably convey and treat water for its customers. The communities the District serves depend on safe and reliable service for both residential and non-residential uses, as well as fire protection. Costs that must be covered through rate revenue include, among other things, infrastructure, electricity, equipment and supplies, debt service, and regulatory compliance to ensure current and future generations can depend on the District’s water services.

The District hired an independent rate consultant to conduct a cost of service analysis and rate study to determine the appropriate maximum rates for water service for a five year period commencing January 1, 2025, through and including January 1, 2029. The cost of service analysis and rate study recommends maximum annual rates based on projections and assumptions for revenue needs, costs of service, and proportional allocation of such costs, for a five year period.

SUMMARY:

The District's rates for water service are subject to article XIII D, section 6 of the California Constitution (also known as "Proposition 218"). Pursuant to Proposition 218, maximum rates may only be adopted after a noticed public hearing, with notice mailed to each property owner and customer of record at least 45 days prior to the date of the public hearing. The District mailed such notice in compliance with Proposition 218.

The District's Board of Directors may adopt the maximum rates provided that there is no majority protest. A majority protest exists if the owners or customers of record representing a majority of properties served by the District submit protests against the proposed rate increases.

A copy of the Proposition 218 notices are attached as Exhibit A to this agenda report. If no majority protest exists and the Board determines to adopt the maximum rates set forth in the Proposition 218 notice, the Board will be authorized to adopt a resolution adopting such maximum rates for water service. However, the Board may implement the rates at an amount equal to or less than the maximum noticed rates. To that end, the resolution requires that the Board set the rates annually at an amount equal to or less than the maximum rates, based on the actual revenue needs and cost of service of the District for such year.

FINANCIAL CONSIDERATIONS:

Adopting the maximum rates for water service will ensure sufficient revenue to meet the District's revenue requirements for providing the water service.

CEQA ASSESSMENT:

In accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, the increases in the water service charges are exempt from CEQA pursuant to Section 15378 and Section 15273 of the CEQA Guidelines and Public Resources Code Section 21080(b)(8) because (i) the increased charges are for the purpose of meeting operational and maintenance expenses of providing water service and (ii) the charges constitute the creation of a funding mechanism/other governmental fiscal activity which does not involve any commitment to any specific project that may result in potential significant physical impact on the environment.

ATTACHMENTS:

- Proposition 218 Notices; and
- Resolution No. 2024-026.

**RESOLUTION NO. 2024-026
UNION PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS APPROVAL OF AND
SETTING RATES AND CHARGES FOR WATER
SERVICE EFFECTIVE JANUARY 1, 2025 AND EACH
YEAR THEREAFTER THROUGH AND INCLUDING
JANUARY 1, 2029**

WHEREAS, the Union Public Utility District (the “District”) is a public agency formed under the Public Utility District Act (“Act”) set forth in Division 7 of the Public Utilities Code; and

WHEREAS, the District is authorized pursuant to the Act to provide water service, which includes domestic (potable water) and raw water (non-potable for irrigation), and to establish fees and charges for the provision of such services; and

WHEREAS, the District engaged the services of a professional and independent rate consultant to perform a comprehensive study of the District’s domestic and raw water rates; and

WHEREAS, the consultant provided a comprehensive financial plan and a water cost-of-service rate study (“Study”), which concluded that without revenue adjustments, revenues are not sufficient to cover expenses; and

WHEREAS, based on the Study, the Board of Directors has concluded that: (1) the proposed water rate adjustments are necessary to cover the costs of operating the domestic and raw water systems, respectively; (2) the revenues derived therefrom will not exceed the funds required to provide the service for which the rates are imposed; (3) said revenues will be used exclusively for the operation and maintenance of the raw and domestic water systems; (4) the proposed rates for domestic and raw water service are equitable to all customer classes; (5) the amount of the proposed rates for domestic and raw water service will not exceed the proportional cost of the service attributable to each parcel upon which they are proposed for imposition; and (6) the proposed rates for domestic and raw water service will not be imposed on a parcel unless the service for which such rates are imposed is actually used by, or immediately available to, the owner of the parcel; and

WHEREAS, Article XIII D, Section 6 of the California Constitution (“Proposition 218”) requires that prior to imposing any increase to the water service rates, the District shall provide written notice (“Notice”) by mail of the increased rates to the record owner of each parcel upon which the rates are proposed for imposition and any tenant directly liable for payment of the proposed rates, the amount of the rates proposed to be imposed on each parcel, the basis upon which the rates were calculated, the reason for the rate increases, and the date time and location of a public hearing (“Hearing”) on the proposed rates; and

WHEREAS, pursuant to Proposition 218, such Notice is required to be provided to the affected property owners and any tenant directly liable for the payment of the rates not less than forty-five (45) days prior to the Hearing on the proposed rates, and the District provided such notice in compliance with Proposition 218; and

WHEREAS, the Hearing was held on December 11, 2024, at which the Board heard and considered all oral testimony, written materials, and written protests concerning the establishment and imposition of the proposed rate increases, and the Board further determined that no majority protest existed with respect to either the water rates; and

WHEREAS, the Board has determined that the rates for water service proposed in the Study are necessary in order to cover actual costs incurred by the District in providing water service to its customers, and will not produce revenues in excess of costs of such services; and

WHEREAS, the Board now desires to establish and impose the proposed water rates in the amounts and on the dates set forth in Exhibit A attached hereto and made an operative part of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Union Public Utility District as follows:

1. The Recitals set forth above are true and correct, and by this reference are incorporated and made an operative part of this Resolution.
2. The Board hereby adopts the rates for domestic and raw water service set forth in Exhibit A hereto.
3. The Board finds that the administration, operation, maintenance, and improvements of the water system, which are to be funded by the rates as set forth herein, are necessary to maintain service within the District. The Board further finds that the administration, operation, maintenance and improvements of the water system, to be funded by the rates, will not expand such system. The Board further finds that the adoption of the rates is necessary and reasonable to fund the administration, operation, maintenance and improvements of the water system. Based on these findings, the Board determines that the adoption of the rates established herein are exempt from the requirements of the California Environmental Quality Act pursuant to section 21080(b)(8) of the Public Resources Code and section 15273(a) of the State CEQA Guidelines. The documents and materials that constitute the record of proceedings on which these findings have been based are located at the District offices: 339 Main Street, Murphys, CA 95247.
4. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of the Union Public Utility District at a special meeting held this 11th day of December, 2024.

AYES:

NOES:

ABSENT:

ABSTAIN:

Eric Bottomley, President
Union Public Utility District

I hereby certify that the within and foregoing is a full, true, and correct copy of the Resolution which was duly passed and adopted at a special meeting of the Board of Directors of the Union Public Utility District on the 11th day of December, 2024.

Jenna Mayo
Clerk to the Board

Exhibit A
Domestic and Raw Water Rates

Union Public Utility District

Proposed Rate Schedule

January 1, 2025 - January 1, 2029

Domestic Water Rates		Current	January 1, 2025	January 1, 2026	January 1, 2027	January 1, 2028	January 1, 2029
Monthly Fixed Charges (\$/month)							
PROPOSED							
5/8" or 3/4"		\$62.86	\$67.98	\$74.78	\$81.51	\$86.40	\$91.58
1"		\$94.15	\$110.81	\$121.89	\$132.86	\$140.83	\$149.28
1.5"		\$172.39	\$217.88	\$239.66	\$261.23	\$276.91	\$293.52
2"		\$266.28	\$346.36	\$381.00	\$415.29	\$440.20	\$466.62
3"		\$485.34	\$688.98	\$757.88	\$826.09	\$875.66	\$928.20
4"		\$798.28	\$1,074.43	\$1,181.88	\$1,288.25	\$1,365.54	\$1,447.47
6"		\$1,580.65	\$2,145.13	\$2,359.64	\$2,572.01	\$2,726.33	\$2,889.91
CURRENTLY SCHEDULED							
5/8" or 3/4"		\$62.86	\$69.15	\$76.07	\$83.68	NA	NA
1"		\$94.15	\$103.57	\$113.93	\$125.32	NA	NA
1.5"		\$172.39	\$189.63	\$208.59	\$229.45	NA	NA
2"		\$266.28	\$292.91	\$322.20	\$354.42	NA	NA
3"		\$485.34	\$533.87	\$587.26	\$645.99	NA	NA
4"		\$798.28	\$878.11	\$965.92	\$1,062.51	NA	NA
6"		\$1,580.65	\$1,738.72	\$1,912.59	\$2,103.85	NA	NA
Water Usage Charges (in \$/HCF (748 gallons))							
PROPOSED		\$1.04	\$2.00	\$2.20	\$2.39	\$2.54	\$2.69
CURRENTLY SCHEDULED		\$1.04	\$1.14	\$1.25	\$1.38	NA	NA
UPWA Fee (\$/mo)							
PROPOSED - All Customers, Per Accessory Dwelling Unit or additional parcel		\$18.00	\$16.20	\$17.47	\$18.85	\$20.32	\$21.92
CURRENT - All Customers only, not charged to Accessory Dwelling Units or additional parcel		\$18.00	\$18.00	\$18.00	\$18.00	NA	NA
Customer Service Charge (\$/mo/dwelling unit)							
PROPOSED Customer Service Charge - Per Each Additional Dwelling Unit or Parcel		N/A	\$3.74	\$4.11	\$4.48	\$4.75	\$5.04

Raw Water Rates		Current	January 1, 2025	January 1, 2026	January 1, 2027	January 1, 2028	January 1, 2029
Monthly Fixed Charge (\$/Month)							
PROPOSED							
Raw Water Service Charge							
5/8" or 3/4"		\$32.83	\$35.65	\$37.97	\$40.43	\$43.06	\$45.86
1"		\$45.16	\$56.92	\$60.62	\$64.56	\$68.76	\$73.23
1.5"		\$75.97	\$110.11	\$117.26	\$124.88	\$133.00	\$141.65
2"		\$112.95	\$173.93	\$185.23	\$197.27	\$210.09	\$223.75
3"		\$199.24	\$344.11	\$366.48	\$390.30	\$415.67	\$442.69
4"		\$322.51	\$535.58	\$570.39	\$607.46	\$646.95	\$689.00
6"		\$630.67	\$1,067.41	\$1,136.80	\$1,210.69	\$1,289.38	\$1,373.19
CURRENTLY SCHEDULED							
Raw Water Service Charge							
5/8" or 3/4"		\$32.83	\$36.11	\$39.72	\$43.70	NA	NA
1"		\$45.16	\$49.68	\$54.64	\$60.11	NA	NA
1.5"		\$75.97	\$83.57	\$91.92	\$101.12	NA	NA
2"		\$112.95	\$124.25	\$136.67	\$150.34	NA	NA
3"		\$199.24	\$219.16	\$241.08	\$265.19	NA	NA
4"		\$322.51	\$354.76	\$390.24	\$429.26	NA	NA
6"		\$630.67	\$693.74	\$763.11	\$839.42	NA	NA
Water Usage Charges (in \$/HCF (748 gallons))							
PROPOSED		\$0.09	\$0.10	\$0.10	\$0.11	\$0.12	\$0.12
CURRENTLY SCHEDULED		\$0.09	\$0.10	\$0.11	\$0.12	NA	NA
UPWA Fee (\$/mo)							
PROPOSED UPWA Fee - All Customers, Per Accessory Dwelling Unit or Parcel		\$18.00	\$16.20	\$17.47	\$18.85	\$20.32	\$21.92
CURRENT UPWA Fee - All Customers, not charged to Accessory Dwelling Unit or Parcel		\$18.00	\$18.00	\$18.00	\$18.00	NA	NA

Domestic Emergency Response Charges (\$/HCF)					
Conservation Goal	2025	2026	2027	2028	2029
< 10%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Up to 20%	\$0.22	\$0.24	\$0.27	\$0.28	\$0.30
Up to 30%	\$0.50	\$0.55	\$0.60	\$0.63	\$0.67
Up to 40%	\$0.86	\$0.94	\$1.03	\$1.09	\$1.15
Up to 50%	\$1.33	\$1.46	\$1.60	\$1.69	\$1.79
> 50%	\$2.00	\$2.20	\$2.39	\$2.54	\$2.69

Raw Water Emergency Response Charges (\$/HCF)					
Conservation Goal	2025	2026	2027	2028	2029
< 10%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Up to 20%	\$0.01	\$0.01	\$0.02	\$0.02	\$0.02
Up to 30%	\$0.03	\$0.03	\$0.03	\$0.04	\$0.04
Up to 40%	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07
Up to 50%	\$0.08	\$0.08	\$0.09	\$0.10	\$0.10
> 50%	\$0.11	\$0.12	\$0.14	\$0.14	\$0.15

UNION

Public Utility District

Proudly providing safe and reliable water to our community since 1946.

Proposition 218 Notification

NOTICE OF PUBLIC HEARING REGARDING RAW WATER RATE ADJUSTMENTS

The Union Public Utility District Board of Directors will hold a Public Hearing on December 11, 2024, at 6:00 p.m. (or shortly thereafter) at the District's Maintenance Building, located at 988 Sheep Ranch Rd, Murphys, CA. The purpose of the hearing is to consider adjustments to water rates for both Domestic and Raw Water customers.

This notice is being sent to all affected property owners in accordance with California Constitution Article XIII D, Section 6 (Proposition 218), which requires that a notice be mailed at least 45 days before the Public Hearing. Proposition 218 also outlines a protest process for those who wish to oppose the proposed rates.

BASIS FOR THE RATE ADJUSTMENTS: The proposed rates were developed through a comprehensive water rate study to meet legal requirements and ensure a fair distribution of costs across all customer types. As part of UPUD's commitment to fiscal responsibility and long-term financial planning, the District hired an independent rate consultant, NBS, to conduct the 2024 Rate Study. This study evaluated revenues and costs over the next five years and serves as a guide for setting maximum rates for both Domestic and Irrigation systems, as well as for different customer categories.

WHEN WOULD NEW RATES BECOME EFFECTIVE? If approved, the initial rate adjustment will take effect starting January 1, 2025, with subsequent annual adjustments occurring every January 1 for a five-year period.

Pursuant to Government Code section 53759, you are hereby notified that there is a 120-day statute of limitations for challenging the water rates, which begins on the date that the resolution adopting the water rates is adopted.



WORKSHOP



988 Sheep Ranch Rd,
Murphys, CA



November 14, 2024



1:00 pm

PUBLIC HEARING



988 Sheep Ranch Rd,
Murphys, CA



December 11, 2024



6:00 pm



Purpose of the Rate Study

YOUR DOLLARS AT WORK

Investing in capital infrastructure and routine maintenance is essential to keeping our water systems functioning properly. Water rates pay for regular operating expenses, the rehabilitation of aging infrastructure, and new capital improvements that meet current standards. Proposed upgrades are outlined in UPUD’s Capital Improvement Program (CIP). In addition, the 2024 Rate Study will determine the revenue necessary for:

- Daily **operations and maintenance** including labor costs and administration.
- Enhance our water systems effectiveness in supporting **fire suppression** efforts in our community.
- A rate design that promotes **revenue stability**.
- Maintaining **adequate reserve levels** to ensure continuity in operations.
- Compliance with State and Federal **regulatory requirements** related to operations of our systems.
- Complying with the legal **requirements of Prop 218** to ensure the cost of providing service is properly allocated amongst user classifications.

UTICA WATER & POWER AUTHORITY

Utica Water & Power Authority (UWPA) was created in 1996 as a Joint Powers Authority to hold our water rights and deliver surface water from the North Fork Stanislaus River to UPUD and the City of Angels (COA). The UWPA is asking both UPUD and the City of Angels to increase their contributions by 10% each year for the next five fiscal years to cover annual costs. Currently, our District collects \$370,000 annually from customers. This rate study proposes a monthly UWPA fee for Accessory Dwelling Units (ADUs) in addition to all other customers to help offset per-customer costs as the fee increases over the next five years.

CHANGES TO FIXED CHARGES

The District is proposing to adjust the fixed charges for both Domestic and Raw water rate structures to better align with current costs of service and to take into account maximum flow for each meter size (1).



Meter Size	Standard Meters	
	Meter Capacity (gpm) ¹	Equivalency to 1-inch
	<i>Displacement Meters</i>	
3/4 inch	30	1.00
1 inch	50	1.67
1 1/2 inch	100	3.33
2 inch	160	5.33
	<i>Compound Class I Meters</i>	
3 inch	320	10.67
4 inch	500	16.67
6 inch	1,000	33.33
8 inch	1,600	53.33
	<i>Turbine Class II Meters</i>	
10 inch	4,200	140.00

1. Per AWWA M-1, Table B-1.



Purposed vs Current Raw Water Rates

The water rate structure is based on a cost-of-service analysis that includes fixed costs to cover non-consumption related expenses such as customer service and billing, operation and maintenance of the water system, and community fire protection. This fixed cost, also called a base rate, is the same every month, regardless of consumption. The base rate a customer pays is determined by the size of the water meter. Variable costs, which are a function of the quantity of water consumed, are included in the consumption rate.

Raw Water Rates		Current	January 1, 2025	January 1, 2026	January 1, 2027	January 1, 2028	January 1, 2029
Monthly Fixed Charge (\$/Month)							
PROPOSED							
Raw Water Service Charge							
5/8" or 3/4"		\$32.83	\$35.65	\$37.97	\$40.43	\$43.06	\$45.86
1"		\$45.16	\$56.92	\$60.62	\$64.56	\$68.76	\$73.23
1.5"		\$75.97	\$110.11	\$117.26	\$124.88	\$133.00	\$141.65
2"		\$112.95	\$173.93	\$185.23	\$197.27	\$210.09	\$223.75
3"		\$199.24	\$344.11	\$366.48	\$390.30	\$415.67	\$442.69
4"		\$322.51	\$535.58	\$570.39	\$607.46	\$646.95	\$689.00
6"		\$630.67	\$1,067.41	\$1,136.80	\$1,210.69	\$1,289.38	\$1,373.19
CURRENTLY SCHEDULED							
Raw Water Service Charge							
5/8" or 3/4"		\$32.83	\$36.11	\$39.72	\$43.70	NA	NA
1"		\$45.16	\$49.68	\$54.64	\$60.11	NA	NA
1.5"		\$75.97	\$83.57	\$91.92	\$101.12	NA	NA
2"		\$112.95	\$124.25	\$136.67	\$150.34	NA	NA
3"		\$199.24	\$219.16	\$241.08	\$265.19	NA	NA
4"		\$322.51	\$354.76	\$390.24	\$429.26	NA	NA
6"		\$630.67	\$693.74	\$763.11	\$839.42	NA	NA
Water Usage Charges (in \$/HCF (748 gallons))							
PROPOSED		\$0.09	\$0.10	\$0.10	\$0.11	\$0.12	\$0.12
CURRENTLY SCHEDULED		\$0.09	\$0.10	\$0.11	\$0.12	NA	NA
UPWA Fee (\$/mo)							
PROPOSED UPWA Fee - All Customers, Per Accessory Dwelling Unit or Parcel		\$18.00	\$16.20	\$17.47	\$18.85	\$20.32	\$21.92
CURRENT UWPA Fee - All Customers, not charged to Accessory Dwelling Unit or Parcel		\$18.00	\$18.00	\$18.00	\$18.00	NA	NA

Raw Water Emergency Response Charges

The District is obligated to meet its annual net revenue requirements regardless of whether consumption levels decline due to State mandated conservation or other unexpected events (e.g., natural disasters, wildfire, catastrophic infrastructure failure, etc.). To this end, emergency response rates are intended to maintain the necessary level of revenues. The table below shows the proposed maximum emergency response charge (\$/HCF) that could be enacted by the District Board of Directors in the event of an emergency scenario by mandate shortage level and calendar year for raw water customers. Details regarding the calculation of the emergency response rates can be found in the rate study.

Raw Water Emergency Response Charges (\$/HCF)					
Conservation Goal	2025	2026	2027	2028	2029
< 10%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Up to 20%	\$0.01	\$0.01	\$0.02	\$0.02	\$0.02
Up to 30%	\$0.03	\$0.03	\$0.03	\$0.04	\$0.04
Up to 40%	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07
Up to 50%	\$0.08	\$0.08	\$0.09	\$0.10	\$0.10
> 50%	\$0.11	\$0.12	\$0.14	\$0.14	\$0.15





A Message from the General Manager

As someone deeply rooted in Calaveras County, I am honored to lead the Union Public Utility District, where we are committed to maintaining safe, reliable water systems for all. We work diligently to ensure our District remains fiscally responsible while prioritizing the health and well-being of our community.

We are incredibly fortunate to have water rights to some of the most pristine water in the world, and it is vital that we all invest in our water infrastructure - not just for our current needs, but for future generations. Investing in aging infrastructure is essential for water reliability, while increasing our system's capacity to respond to fire emergencies.

The agricultural community is not just a part of our local economy, it is woven into the very fabric of Calaveras County's history and identity. We fully recognize the challenges posed by rising water costs and are actively pursuing alternative funding sources to tackle our aging infrastructure. This endeavor will demand considerable effort and collaboration, but I am passionate about finding innovative solutions to help offset the costs of our future projects. Together, we can ensure that our agricultural heritage continues to thrive for generations to come.

Sincerely,

Jessica Self

General Manager, Union Public Utility District

Protest Procedure

NOTE: If the District receives a majority protest, the current rate schedule will remain in effect. The current rates, established in 2022, include three more years of scheduled 10% annual increases.

As the owner or ratepayer of a parcel subject to the proposed rate adjustments, you may submit a written protest against these changes. If a majority of affected owners or customers of record submit written protests prior to the end of the hearing, the Board will not approve the proposed rates. Only one written protest per identified parcel will be counted.

You have the right to withdraw a previously submitted protest before the conclusion of the Public Hearing. The District will count all complete written protests received by the District's Main Office by 4:00 p.m. on December 11, 2024, or submitted in person at the Public Hearing before it concludes. Protests submitted after the hearing will not be counted. Written protests will not be accepted by email or fax, and verbal protests will not be counted.

A written protest must include the following information: **(1) Your full name (2) The parcel's address or assessor's parcel number, (3) Whether you are the owner or the person receiving the service subject to the fee, (4) A statement opposing the proposed rate increases, (5) Your original signature.** Protests may be submitted by mail or in person to:

Union Public Utility District
Attn: Raw Water Rate Protest
339 Main Street
Murphys, CA 95247

At the Public Hearing, the Board of Directors will review all written protests and listen to oral comments about the proposed rate adjustments. However, oral comments alone will not count as formal protests unless they are submitted with a written protest. At the end of the hearing, the Board will decide whether to adopt the resolution authorizing the rate adjustments for water service as outlined.



UNION

Public Utility District

Proudly providing safe and reliable water to our community since 1946.

Proposition 218 Notification

NOTICE OF PUBLIC HEARING REGARDING DOMESTIC WATER RATE ADJUSTMENTS

The Union Public Utility District Board of Directors will hold a Public Hearing on December 11, 2024, at 6:00 p.m. (or shortly thereafter) at the District's Maintenance Building, located at 988 Sheep Ranch Rd, Murphys, CA. The purpose of the hearing is to consider adjustments to water rates for both Domestic and Raw Water customers.

This notice is being sent to all affected property owners in accordance with California Constitution Article XIII D, Section 6 (Proposition 218), which requires that a notice be mailed at least 45 days before the Public Hearing. Proposition 218 also outlines a protest process for those who wish to oppose the proposed rates.

BASIS FOR THE RATE ADJUSTMENTS: The proposed rates were developed through a comprehensive water rate study to meet legal requirements and ensure a fair distribution of costs across all customer types. As part of UPUD's commitment to fiscal responsibility and long-term financial planning, the District hired an independent rate consultant, NBS, to conduct the 2024 Rate Study. This study evaluated revenues and costs over the next five years and serves as a guide for setting maximum rates for both Domestic and Irrigation systems, as well as for different customer categories.

WHEN WOULD NEW RATES BECOME EFFECTIVE? If approved, the initial rate adjustment will take effect starting January 1, 2025, with subsequent annual adjustments occurring every January 1 for a five-year period.

Pursuant to Government Code section 53759, you are hereby notified that there is a 120-day statute of limitations for challenging the water rates, which begins on the date that the resolution adopting the water rates is adopted.



WORKSHOP



988 Sheep Ranch Rd,
Murphys, CA



November 14, 2024



6:00 pm

PUBLIC HEARING



988 Sheep Ranch Rd,
Murphys, CA



December 11, 2024



6:00 pm



Purpose of the Rate Study

YOUR DOLLARS AT WORK

Investing in capital infrastructure and routine maintenance is essential to keeping our water systems functioning properly. Water rates pay for regular operating expenses, the rehabilitation of aging infrastructure, and new capital improvements that meet current standards. Proposed upgrades are outlined in UPUD's Capital Improvement Program (CIP). In addition, the 2024 Rate Study will determine the revenue necessary for:

- Daily **operations and maintenance** including labor costs and administration.
- Enhance our water systems effectiveness in supporting **fire suppression** efforts in our community.
- A rate design that promotes **revenue stability**.
- Maintaining **adequate reserve levels** to ensure continuity in operations.
- Compliance with State and Federal **regulatory requirements** related to operations of our systems.
- Complying with the legal **requirements of Prop 218** to ensure the cost of providing service is properly allocated amongst user classifications.

UTICA WATER & POWER AUTHORITY

Utica Water & Power Authority (UWPA) was created in 1996 as a Joint Powers Authority to hold our water rights and deliver surface water from the North Fork Stanislaus River to UPUD and the City of Angels (COA). The UWPA is asking both the UPUD and the City of Angels to increase their contributions by 10% each year for the next five fiscal years to cover annual costs. Currently, our District collects \$370,000 annually from customers. This rate study proposes a monthly UWPA fee for Accessory Dwelling Units (ADUs) in addition to all other customers to help offset per-customer costs as the fee increases over the next five years.

CHANGES TO FIXED CHARGES

The District is proposing to adjust the fixed charges for both Domestic and Raw water rate structures to better align with current costs of service and to take into account maximum flow for each meter size.



FINANCIAL ASSISTANCE FOR LOW-INCOME CUSTOMERS

We understand that times are tough, and rising costs in our daily lives make it even more challenging to pay utility bills. In response, the District has launched the Domestic Residential Opportunity Program (DROP). This program utilizes non-rate revenue, to provide financial relief to residential customers. Qualified customers can enroll in DROP and receive a credit on their monthly water bill. Spaces are still available for this fiscal year. For more information on how to apply, visit our website at upudwater.org or call 209-728-3651.



Learn more
about DROP



Union Public Utility District | upudwater.org

Purposed vs Current Domestic Water Rates

The water rate structure is based on a cost-of-service analysis that includes fixed costs to cover non-consumption related expenses such as customer service and billing, operation and maintenance of the water system, and public fire protection that benefit all our customers. This fixed cost, also called a base rate, is the same every month, regardless of consumption. The base rate a customer pays is determined by the size of the water meter. Variable costs, which are a function of the quantity of water consumed, are included in the consumption rate.

Domestic Water Rates		Current	January 1, 2025	January 1, 2026	January 1, 2027	January 1, 2028	January 1, 2029
Monthly Fixed Charges (\$/month)							
PROPOSED							
5/8" or 3/4"		\$62.86	\$67.98	\$74.78	\$81.51	\$86.40	\$91.58
1"		\$94.15	\$110.81	\$121.89	\$132.86	\$140.83	\$149.28
1.5"		\$172.39	\$217.88	\$239.66	\$261.23	\$276.91	\$293.52
2"		\$266.28	\$346.36	\$381.00	\$415.29	\$440.20	\$466.62
3"		\$485.34	\$688.98	\$757.88	\$826.09	\$875.66	\$928.20
4"		\$798.28	\$1,074.43	\$1,181.88	\$1,288.25	\$1,365.54	\$1,447.47
6"		\$1,580.65	\$2,145.13	\$2,359.64	\$2,572.01	\$2,726.33	\$2,889.91
CURRENTLY SCHEDULED							
5/8" or 3/4"		\$62.86	\$69.15	\$76.07	\$83.68	NA	NA
1"		\$94.15	\$103.57	\$113.93	\$125.32	NA	NA
1.5"		\$172.39	\$189.63	\$208.59	\$229.45	NA	NA
2"		\$266.28	\$292.91	\$322.20	\$354.42	NA	NA
3"		\$485.34	\$533.87	\$587.26	\$645.99	NA	NA
4"		\$798.28	\$878.11	\$965.92	\$1,062.51	NA	NA
6"		\$1,580.65	\$1,738.72	\$1,912.59	\$2,103.85	NA	NA
Water Usage Charges (in \$/HCF (748 gallons))							
PROPOSED		\$1.04	\$2.00	\$2.20	\$2.39	\$2.54	\$2.69
CURRENTLY SCHEDULED		\$1.04	\$1.14	\$1.25	\$1.38	NA	NA
UPWA Fee (\$/mo)							
PROPOSED - All Customers, Per Accessory Dwelling Unit or additional parcel		\$18.00	\$16.20	\$17.47	\$18.85	\$20.32	\$21.92
CURRENT - All Customers only, not charged to Accessory Dwelling Units or additional parcel		\$18.00	\$18.00	\$18.00	\$18.00	NA	NA
Customer Service Charge (\$/mo/dwelling unit)							
PROPOSED Customer Service Charge - Per Each Additional Dwelling Unit or Parcel		N/A	\$3.74	\$4.11	\$4.48	\$4.75	\$5.04

Domestic Emergency Response Charges

The District is obligated to meet its annual net revenue requirements regardless of whether consumption levels decline due to State mandated conservation or other unexpected events (e.g., natural disasters, wildfire, catastrophic infrastructure failure, etc.). To this end, emergency responses rates are intended to maintain the necessary level of revenues. The table below shows the proposed maximum emergency response charge (\$/HCF) that could be enacted by the District Board of Directors in the event of an emergency scenario by mandate shortage level and calendar year for domestic water customers. Details regarding the calculation of the emergency response rates can be found in the rate study.

Domestic Emergency Response Charges (\$/HCF)					
Conservation Goal	2025	2026	2027	2028	2029
< 10%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Up to 20%	\$0.22	\$0.24	\$0.27	\$0.28	\$0.30
Up to 30%	\$0.50	\$0.55	\$0.60	\$0.63	\$0.67
Up to 40%	\$0.86	\$0.94	\$1.03	\$1.09	\$1.15
Up to 50%	\$1.33	\$1.46	\$1.60	\$1.69	\$1.79
> 50%	\$2.00	\$2.20	\$2.39	\$2.54	\$2.69





A Message from the General Manager

As someone deeply rooted in Calaveras County, I am honored to lead the Union Public Utility District, where we are committed to maintaining safe, reliable water systems for all. We work diligently to ensure our District remains fiscally responsible while prioritizing the health and well-being of our community.

We are incredibly fortunate to have water rights to some of the most pristine water in the world, and it is vital that we all invest in our water infrastructure - not just for our current needs, but for future generations. Investing in aging infrastructure is essential for water reliability, while increasing our system's capacity to respond to fire emergencies. To support our residents, we've created a financial assistance program to help low-income households with their water bills.

We are also investing in the future of our community by educating our children. Programs like "Trout in the Classroom" at Michelson Elementary and facility tours for schools and organizations such as the Girl Scouts, are teaching the next generation the value of our water.

Together, we can ensure a sustainable and healthy water future for all.

Sincerely,

Jessica Self

General Manager, Union Public Utility District

Protest Procedure

NOTE: If the District receives a majority protest, the current rate schedule will remain in effect. The current rates, established in 2022, include three more years of scheduled 10% annual increases.

As the owner or ratepayer of a parcel subject to the proposed rate adjustments, you may submit a written protest against these changes. If a majority of affected owners or customers of record submit written protests prior to the end of the hearing, the Board will not approve the proposed rates. Only one written protest per identified parcel will be counted.

You have the right to withdraw a previously submitted protest before the conclusion of the Public Hearing. The District will count all complete written protests received by the District's Main Office by 4:00 p.m. on December 11, 2024, or submitted in person at the Public Hearing before it concludes. Protests submitted after the hearing will not be counted. Written protests will not be accepted by email or fax, and verbal protests will not be counted.

A written protest must include the following information: **(1) Your full name (2) The parcel's address or assessor's parcel number, (3) Whether you are the owner or the person receiving the service subject to the fee, (4) A statement opposing the proposed rate increases, (5) Your original signature.** Protests may be submitted by mail or in person to:

Union Public Utility District
Attn: Domestic Water Rate Protest
339 Main Street
Murphys, CA 95247

At the Public Hearing, the Board of Directors will review all written protests and listen to oral comments about the proposed rate adjustments. However, oral comments alone will not count as formal protests unless they are submitted with a written protest. At the end of the hearing, the Board will decide whether to adopt the resolution authorizing the rate adjustments for water service as outlined.



Agenda Item

DATE: December 11, 2024

TO: UPUD Board of Directors

FROM: Jessica Self, General Manager

SUBJECT: Discussion/Action Authorizing Resolutions to Join the ACWA JPIA Workers' Compensation Program

RECOMMENDED ACTION:

Motion: _____ / _____ adopting Resolution No. 2024-027 authorizing the application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self-insure Workers' Compensation Liabilities.

Motion: _____ / _____ adopting Resolution No. 2024-028 consenting to enter the Joint Protection Programs of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA JPIA).

SUMMARY:

The UPUD is seeking Board approval for two important resolutions related to workers' compensation and insurance programs.

Resolution No. 2024-027 seeks authorization to apply for a Certificate of Consent to Self-insure Workers' Compensation Liabilities. This step is necessary for UPUD to self-insure its workers' compensation liabilities, which would provide flexibility and potential cost savings for the district.

Resolution No. 2024-028 concerns consenting to enter the Joint Protection Programs offered by the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA JPIA). Joining this program will allow UPUD to participate in a cooperative insurance pool, ensuring better coverage options and potentially lower premiums for the district.

FINANCIAL CONSIDERATIONS:

There are no direct financial costs associated with the adoption of these resolutions at this time. The potential benefits from self-insuring and joining ACWA JPIA include potential cost savings and more favorable insurance terms, which have been considered in the current fiscal year budget (FY24).

Attachments:

- *Resolution No. 2024-027 authorizing the application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self-insure Workers' Compensation Liabilities.*
- *Resolution No. 2024-028 consenting to enter the Joint Protection Programs of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA JPIA).*
- *UPUD_ACWA JPIA Comprehensive Quote Package 2024-2025*

RESOLUTION NO.: 2024-027 DATED: 12/11/2024

**A RESOLUTION AUTHORIZING APPLICATION
TO THE DIRECTOR OF INDUSTRIAL RELATIONS, STATE OF CALIFORNIA
FOR A CERTIFICATE OF CONSENT TO SELF-INSURE
WORKERS' COMPENSATION LIABILITIES**

At a meeting of the UPUD Board of Directors
(Enter Name of the Board)

of the Union Public Utility District
(Enter Name of Public Agency, District, Etc.)

a Public Utility District
(Enter Type of Agency, i.e., County, City, School District, etc.) organized and existing under the

laws of the State of California, held on the 11 day of December, 2024,

the following resolution was adopted:

RESOLVED, that the above named public agency is authorized and empowered to make application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self-Insure workers' compensation liabilities and representatives of Agency are authorized to execute any and all documents required for such application.

IN WITNESS WHEREOF: I HAVE SIGNED AND AFFIXED THE AGENCY SEAL.

X _____ DATE: 12/11/2024

SIGNED: Board Secretary or Chair

Tom Quincy

Printed Name

Board Secretary

Title

Union Public Utility District

Agency Name

Affix Seal Here

RESOLUTION NO. 2024-028

A RESOLUTION OF THE BOARD OF DIRECTORS OF
UNION PUBLIC UTILITY DISTRICT
CONSENTING TO ENTER THE JOINT PROTECTION
PROGRAMS OF THE ASSOCIATION OF CALIFORNIA
WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY

WHEREAS, the Union Public Utility District is a public entity organized and existing under laws of the State of California; and

WHEREAS, pursuant to the provisions of Section 3700 of the California Labor Code, said Agency may self-insure for Workers' Compensation Liabilities in a joint protection program; and

WHEREAS, said Agency desires to participate in the ACWA/Joint Powers Insurance Authority joint protection program for Workers' Compensation coverage.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Union Public Utility District:

Section 1. That the District hereby elects to join the Workers' Compensation Program sponsored by the Authority.

Section 2. That the District hereby selects \$2,500 as its Retrospective Allocation Point (RAP) for the Authority's cost allocation formula for Workers' Compensation.

Section 3: That the Treasurer of this District is hereby authorized to pay to the ACWA/Joint Powers Insurance Authority its deposit premium quarterly.

Section 4. That the Secretary of the Board of Directors of this District is directed to certify a copy of this resolution and to forward the same resolution, and the signed Joint Powers Agreement promptly by mail to the Association of California Water Agencies/ Joint Powers Insurance Authority, P.O. Box 619082, Roseville, California, 95661, at which time coverage will commence the 1st day of January, 2025.

PASSED, APPROVED, AND ADOPTED this 11th day of December, 2024 by the following vote:

AYES:
NOES:
ABSENT:

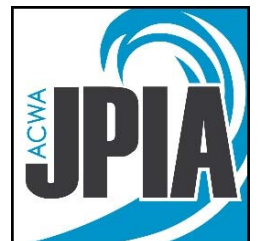
ATTEST:

Jenna Mayo
Clerk to the Board

Eric Bottomley, President
Union Public Utility District



Coverage – Proposal
UNION PUBLIC UTILITY DISTRICT



December 9, 2024

Workers' Compensation

SERVING WATER AGENCIES WITH
THE BEST COVERAGES AND BENEFITS



ACWA JPIA's
Workers'
Compensation
protection provides
members with
**premium rate
stability and
in-house claim
handling** specific
for water agencies.

YOUR BEST WORKERS' COMPENSATION PROTECTION

ACWA JPIA provides comprehensive workers' compensation to keep your employees and agency protected. We offer a self-administered program that covers bodily injury by accident or bodily injury by disease arising out of and in the course of employment.

ADVANTAGES OF THE PROGRAM

PREMIUM RATE STABILITY

- Rates set and adjusted by member's experience
- Risk consultants manage risk requirements
- Same risk management requirements apply to all members
- Pooled program with potential for retrospective premium adjustments
- Multiple program premium discounts available
- Reduction in loss exposures results in fewer claims keeping rates lower

IN-HOUSE CLAIMS HANDLING

- Experienced adjusters who handle only water agency claims
- Continuity in claims adjuster contact
- Lower case load per adjuster allows maximum attention to employer and injured worker
- Support of agency's return-to-work program
- Legal counsel
- Ten year-plus history of DWC Audit Unit rating program #1 with no errors found

PROGRAM ENHANCEMENTS

- Services provided (pre-employment physicals, clinic selection, job analysis and assistance with the interactive process)
- DOT drug & alcohol sponsored consortium
- Free lending library with safety related materials
- Free to low cost training classes and materials specific to workers' compensation exposures

Workers' Compensation

SERVING WATER AGENCIES WITH
THE BEST COVERAGES AND BENEFITS



VALUE-ADDED SERVICES EXCLUSIVE TO MEMBERS

ACWA JPIA is proud to offer our members access to Occu-Med, a healthcare services and human resources consulting firm. Occu-Med's program significantly reduces worker injuries by identifying pre-existing medical conditions or physical limitations that may pre-dispose the applicant or employee to injury when performing essential job duties including;

- Employer-oriented medical services
- Placement medical evaluation and fitness-for-duty
- Return-to-work evaluation services to all Workers' Compensation member districts
- Bank of Job Analysis pertinent to water agencies



Workers' Compensation & Employers Liability Program

WORKERS' COMPENSATION

Coverage Limit..... Up to Statutory Limits

EMPLOYERS' LIABILITY

Bodily Injury by Accident \$ 4,000,000
 Bodily Injury by Disease - each employee \$ 4,000,000
 Bodily Injury by Disease - coverage limit \$ 4,000,000

Class Code	Classification	Estimated Annual Payroll	Rate 7/1/2024	Estimated Contribution
7520	Waterworks Operations	\$ 385,440	.0386	\$14,878
8742	Salespersons / Meter Readers	\$ 151,571	.0089	\$1,349
8810	Clerical	\$ 158,143	.0073	\$1,154
Total		\$ 695,154		\$17,381
Economy of Size Discount – 7%				\$(1,217)
Discounted Contribution				\$16,165
Experience Modification Factor				0.85
7/1/24-25 Total Contribution				\$13,740

Minimum Retrospective Attachment Point (RAP) - \$ 2,500

Contribution is payable on a quarterly reporting basis. No up-front payment is required.

SUBJECTIVITIES:

1. Participation requires an initial three-year commitment;
2. Favorable risk assessment;
3. ACWA JPIA Executive Committee approval;
4. Board resolution to join JPIA programs;
5. Application to State Dept. of Industrial Relations for a Certification of Consent to Self Insure.