



**MINUTES OF THE  
BOARD OF DIRECTORS MEETING  
OF THE TURLOCK IRRIGATION DISTRICT**

Turlock, California  
25 April, 2017

The meeting of the Board of Directors of the Turlock Irrigation District was called to order at 9:00 a.m. in regular session on the 25<sup>th</sup> day of April 2017. Present were: Directors Joe Alamo (President), Charles Fernandes (Vice-President), Michael Frantz (Secretary), Rob Santos and Ron Macedo, General Manager Casey Hashimoto and Deputy Secretary to the Board Dorinda Soiseth.

**SALUTE TO THE FLAG**

**MOTION APPROVING CONSENT CALENDAR**

Moved by Director Fernandes, seconded by Director Macedo, that the consent calendar consisting of the following be approved:

- A. Minutes of the regular meeting of April 18, 2017.
- B. Demands against the District represented by check numbers 362476 to 362696 in the amount of \$2,466,481.50.

All voted in favor with none opposed. The President declared the motion carried.

**PUBLIC COMMENT PERIOD**

Caroline Hlavaty, who owns property at 8700 W. Grayson Road, commented that on February 13, 2017 her property was flooded due to a levee breach. She stated there was a TID electrical pole placed in the levee and claimed the leak started at the base of the pole. The pole fell down and ripped a 15-foot hole in the levee which allegedly caused the flooding. She stated she had submitted a claim to the District for the damages to her property, but it was denied. She asked the Board to reconsider her claim as her house was recently remodeled at a cost of \$48,000.00 and now she has had to replace cabinets, carpet, etc. General Manager Casey Hashimoto advised that if the Board desires staff will re-investigate this claim.

**WEEKLY UPDATES**

Jason Carkeet, Utility Analyst, reported on current water conditions for the week of April 17 - 23, 2017. Accumulated precipitation measured at the three mountain stations in the Tuolumne River watershed from September 1, 2016 to present total 62.92 inches, or 191.0 percent of normal to date. Snow sensors are 201.0 percent of average to date. Computed natural flow is averaging 9,314 cfs. San Francisco reservoirs contain 496.084 acre-feet. Don Pedro contains 1,673,467 acre-feet. Average combined releases are at 11,230 cubic feet per second with 459 cfs going to TID,

353 cfs to Modesto Irrigation District, and the remaining 10,418 cfs going to the Tuolumne River. Don Pedro Water Bank is at 570,000 acre-feet of credit and Turlock Lake contains 22,401 acre-feet of water. Total precipitation for April is 6.34 inches, almost 200% of average. Director Macedo said that growers are asking about Tuolumne River flow levels. Mr. Carkeet responded that staff will be working with the Army Corp of Engineers, and that the reservoir is about 150,000 acre feet higher than the previous Thursday due to recent precipitation. There was discussion about Don Pedro and the need to keep it low enough to receive the anticipated runoff from the watershed and also keep the river flow consistent.

Mike Kavarian, Water Distribution Department Manager, reviewed current irrigation activities for the week of April 17-23. Flows ranged between 455 and 290 cfs. Daily releases from Turlock Lake were 358 cfs, 566 cfs below projections. The call center received 434 orders for the week, which is the smallest amount of orders for the past 15 years. Yesterday 201 orders were placed and today we've already received 525. There have been eight surplus water requests on 14 parcels. Pump contracts will not go out for another week or two.

### **FINANCIAL SERVICES ADMINISTRATION REPORT**

Joe Malaski, CFO/AGM Financial Services, reported that the Annual Audit is complete, the Engineer's Report bond covenant work is complete and the report has been sent to the trustees. The annual SEC reporting on outstanding bond issues and the Renewal of Letter of Credit facility for TID's Commercial Paper program are due before the end of the second quarter. There will be upcoming Board workshops on Rate Adjustment Policy and financing. He also reported on Senate Bill 1029 reporting requirements and the need to certify that we have adopted local debt policies. Annual reporting is also required to CDIAC on any issuance after January 21, 2017.

### **POWER SUPPLY ADMINISTRATION REPORT**

Brian LaFollette, AGM Power Supply, provided information on the CEC Integrated Energy Policy Report and IRP process, which is committed to addressing climate change and emissions. The IEPR Executive Summary notes that State policy urgency on climate change continues. California is making good progress on 2020. 2030 goals are substantially more aggressive and will be much more difficult for the State to achieve. Additional emphasis will be placed on disadvantaged communities and on short-lived climate/criteria pollutant emissions. The 2016 IEPR indicates the 2017 IEPR will also more fully address renewable natural gas – methane for example. Mr. LaFollette also discussed aging infrastructure, Aliso Canyon leaks, natural gas system & raw methane leaks, gas supply to electric plants, old plant retirements for age, efficiency, economics and once-through cooling, as well as nuclear shutdowns including San Onofre and Diablo Canyon in 2025, greenhouse gas and CO2 emissions and climate change impact planning among several other topics. There was discussion about the impact to our infrastructure from future electric vehicle and solar needs, direct emission targets for each load serving entity, and acquisition mandates for woody biomass and comparison of raw emissions versus power plant emissions with mitigation equipment. There was also discussion about energy forecasts, energy storage goals, and continued economics of gas fired plants.

## **GENERAL MANAGERS REPORT**

General Manager Casey Hashimoto had no items to report.

## **BUSINESS OF THE BOARD**

Director Alamo reported that he recently attended a California Farm Water Coalition meeting.

## **MOTION TO ADJOURN TO CLOSED SESSION**

Moved by Director Frantz, seconded by Director Fernandes, that the regular meeting of the Board of Directors be adjourned:

### **1. Conference with Legal Counsel – Anticipated Litigation**

California Government Code Section 54956.9(d)

Anticipated litigation: one potential case

- Casey Hashimoto, General Manager
- Steve Boyd, Director of Water Resources & Regulatory Affairs
- Art Godwin, Legal Counsel

All voted in favor with none opposed. The President declared the motion carried.

## **REPORT OF ACTION TAKEN IN CLOSED SESSION**

The President announced there was no reportable action taken in closed session.

## **RECESS**

The meeting was recessed at 11:00 a.m.

## **RECONVENE – GM CONFERENCE ROOM 172**

The regular board meeting of the TID Board of Directors was reconvened at 11:10 a.m. in GM Conference Room 172 with all officers present as per the previous session.

## **WORKSHOP – WALNUT POWER PLANT**

Brian LaFollette, AGM Power Supply Administration and members of his staff, and Larry Gilbertson, AGM Electrical Engineering and Operations and one of his staff, provided an overview of the Walnut Power Plant (WPP) and a discussion of proposed continued operation. Staff reported that while the plant is not normally required to meet WECC reliability planning criteria, and does not have a large economic benefit or cost to TID, it can continue to operate safely until 2020 with a low risk of failure at a relatively low cost and with continued benefits to TID. Staff presented information about the advantages of continued plant availability over the next few years, especially in light of numerous planned outages that are anticipated for infrastructure maintenance over the next few years and recommended deferring any significant capital expenditures allowable

continuing operation availability at the lowest prudent cost, and to re-examine/re-study in 2019 for possible continuation or permanent closure in 2020 or after. The Board did not take any formal action to close the plant.

**MOTION TO ADJOURN**

Moved by Director Macedo, seconded by Director Santos, that the regular meeting of the Board of Directors be adjourned.

The President declared the motion carried.

*Dorinda Soiseth*  
**Deputy Secretary to the Board of Directors**