



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

Turlock, California  
7 February 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 7<sup>th</sup> day of February 2017. Present were: Directors Joe Alamo (President), Charles Fernandes (Vice-President), Michael Frantz (Secretary), Rob Santos and Ron Macedo, General Manager Casey Hashimoto and Executive Secretary to the Board Tami Wallenburg.

**SALUTE TO THE FLAG**

**MOTION APPROVING CONSENT CALENDAR**

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

- A. Minutes of the regular meeting of January 31, 2017.
- B. Demands against the District represented by check numbers 360156 to 360405 in the amount of \$3,252,954.13.

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

**PUBLIC HEARING**

A public hearing was opened at 9:03 a.m. to receive comments from the public regarding the proposed formation of ID. No. 15810, to be known as the West California Pump. Hearing no comments from the public, the hearing was closed at 9:04 a.m. and the following action was taken:

**RESOLUTION NO. 2017- 5**

**RESOLUTION OF FINAL ORDER OF THE BOARD OF DIRECTORS OF  
THE TURLOCK IRRIGATION DISTRICT FORMING IMPROVEMENT DISTRICT  
NO. 15810, TO BE KNOWN AS THE WEST CALIFORNIA PUMP,  
AND LEVYING A SPECIAL ASSESSMENT THEREIN**

WHEREAS, the Board of Directors of the Turlock Irrigation District, on January 24, 2017, at 9:00 a.m., held a public hearing on the petition for formation of Improvement District No. 15810, to be known as the West California Pump, under the provisions of Part 7, Division

11, of the California Water Code; and

WHEREAS, based upon the evidence presented at the public hearing, the Board of Directors finds the following:

A. The holders of title or evidence of title of two-thirds or more in number of the acres of the land in the proposed improvement district have signed the petition for the formation of an improvement district.

B. The Turlock Irrigation District has properly caused to be prepared a Survey of the proposed improvements.

C. Plans and Specifications, an Estimate of the Cost of the improvements, and a Statement of the Proposed Assessment have been filed with the Secretary of the Board of Directors of the Turlock Irrigation District.

D. A Detailed Engineer’s Report has been prepared.

E. Proper and timely notice of the hearing was given in accordance with California Water Code Section 23646 and/or the California Constitution.

F. Timely notice of the hearing and of the proposed assessment was given to the lien holders of record of the parcels to be included in the proposed improvement district, and all lien holders’ objections, if any, were resolved to the satisfaction of the Board of Directors.

G. The ballots were tabulated and no majority protest exists.

H. Each of the tracts of land within the boundaries of the proposed improvement district will be benefited by the formation of the improvement district.

I. It is in the best interests of the Turlock Irrigation District and the proposed improvement district to form the improvement district and to acquire or construct the proposed improvements.

J. The assessment hereinafter levied is necessary for the purpose of acquiring or constructing the proposed improvements.

NOW, THEREFORE BE IT HEREBY ORDERED AND DECREED as follows:

1. The petition for the formation of Improvement District No. 15810 is hereby approved and Improvement District No. 15810 is hereby formed. The Turlock Irrigation District is hereby authorized to proceed with the acquisition or construction of the improvements set forth in the petition and in accordance with the applicable survey and estimate of the costs.

2. The Board of Directors of the Turlock Irrigation District does hereby levy and apportion the assessment according to benefits in the manner described in Exhibit A, which is attached hereto and incorporated herein by reference.

3. To the above assessment shall be added both of the following sums: (a) an amount equal to interest on any deferred payments at the rate of five and one quarter percent (5 1/4%) per annum, and (b) an amount equal to ten percent (10%) more than all other sums to be raised by the assessment in order to provide for anticipated delinquencies.

4. The assessment shall be payable over ten (10) years in twenty (20) semi-annual installments with the first installment due and payable at the time the first installment of the year 2017 improvement district assessments are due and payable.

5. In addition to the above assessment, each year there shall be assessed against the lands of the improvement district a sum sufficient to pay for the necessary maintenance and operation costs, as determined by the Board, of the improvement district's facilities and related improvements, and that the assessments shall be levied and apportioned according to benefits by the Board each year at the time set for the levying of the annual assessment of the Turlock Irrigation District and shall be in addition to any other assessment levied upon the lands within the improvement district.

6. The improvement district assessment, and each installment thereof, shall be and remain a lien on such lands in the same manner and effect as the annual assessment of the Turlock Irrigation District.

7. This Final Order forming the improvement district and levying the assessments shall be entered in the minutes of the Board and the Executive Secretary of the Board shall cause a certified copy of this Final Order to be recorded in the office of the County Recorder in each county in which any land of the improvement district is situated.

Moved by Director Frantz, seconded by Director Fernandes, that the foregoing resolution be adopted.

Upon roll call the following vote was had:

Ayes: Directors Fernandes, Santos, Frantz, Macedo, Alamo  
Noes: Directors None  
Absent: Directors None

The President declared the resolution adopted.

**MOTION APPROVING APPLICATION FOR INSTALLATION OF A  
15-INCH SIDEGATE IN THE LATERAL 7 CANAL BY RAY AZEVEDO**

Moved by Director Macedo, seconded by Director Fernandes, that the application of Ray Azevedo, dated February 1, 2017 for installation of one 15" sidegate in Turlock Irrigation District's Lateral 7 Canal be approved.

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

**MOTION APPROVING APPLICATION FOR INSTALLATION OF A  
15-INCH SIDEGATE IN THE LOWER LATERAL 2 1/2 CANAL BY EDWARD KAISER**

Moved by Director Macedo, seconded by Director Fernandes, that the application of Edward Kaiser, dated January 31, 2017 for installation of one 15" sidegate in Turlock Irrigation District's Lower Lateral 2 1/2 Canal be approved.

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

**MOTION APPROVING APPLICATION FOR INSTALLATION OF A  
15-INCH SIDEGATE IN THE LATERAL 8 CANAL BY BILL STAVRIANOUDAKIS**

Moved by Director Frantz, seconded by Director Macedo, that the application of Bill Stavrianoudakis, dated February 1, 2017 for installation of one 15” sidegate in Turlock Irrigation District’s Lateral 8 Canal be approved.

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

**RESOLUTION NO. 2017 - 6**

**RESOLUTION AUTHORIZING SURVEY OF PROPOSED IMPROVEMENTS  
IN PROPOSED IMPROVEMENT DISTRICT NO. 15890,  
TO BE KNOWN AS THE BURNS PUMP**

WHEREAS, a petition for the formation of Improvement District No. 15890 has been received by the Board of Directors of the Turlock Irrigation District, the petition was properly filed and signed by the holders of title, or evidence of title, of at least two-thirds or more of the acres of all the tracts of land situated within the boundaries of the proposed improvement district, for the purpose of forming the improvement district within the Turlock Irrigation District under the provisions of Part 7, Division 11, of the California Water Code.

NOW, THEREFORE BE IT HEREBY ORDERED by the Board of Directors of the Turlock Irrigation District that the Turlock Irrigation District Water Resources Administration prepares a survey of the proposed improvements to be made under the petition, and that the survey be filed with the Board of Directors of the Turlock Irrigation District when it has been completed.

Moved by Director Fernandes, seconded by Director Frantz, that the foregoing resolution be adopted.

Upon roll call the following vote was had:

Ayes:	Directors Fernandes, Santos, Frantz, Macedo, Alamo
Noes:	Directors None
Absent:	Directors None

The President declared the resolution adopted.

**DISCUSSION REGARDING PROPOSED SERVICES AGREEMENT**

Director of Energy Markets Jim Farrar reviewed the proposed interconnection and transmission services agreement with Merced Irrigation District (MeID). Changes were made to the structure of past agreements to be consistent with the standard FERC Open Access Transmission Tariff and also assure TID’s ability to operate the Balancing Authority area in a reliable and economic manner. The new proposed agreement also reflects the requirements of existing

agreements so that MeID actions do not result in adverse effects on TID. The final product is superior to the Open Access Transmission Tariff (OATT) as the rates are cost based (approved by TID Board), must take certain Ancillary services, and also competitive purchase of other services meeting TID requirements. Currently, MeID is excluded from the credit limitations imposed by the Risk policies and procedures and in addition staff proposes an \$8 million dollar limit. Such a limit would likely be triggered if MeID was over 45 days late in its payments. Mr. Farrar commended Utility Analyst Chris Poley and AGM Power Supply Brian LaFollette for their consistent effort and support in attaining the final terms of the agreement in the best interest of both parties. Hearing no further comments, the following action was taken:

**RESOLUTION NO. 2017 - 7**

**RESOLUTION APPROVING THE INTERCONNECTION AND TRANSMISSION SERVICES AGREEMENT BETWEEN MERCED IRRIGATION DISTRICT AND TURLOCK IRRIGATION DISTRICT**

WHEREAS, Turlock Irrigation District (TID) desires to allow Merced Irrigation District to remain interconnected to the TID Balancing Authority Area; and

WHEREAS, Merced Irrigation District (MeID) desires to remain interconnected to the Turlock Irrigation District for MeID customers receiving electric service within the TID Balancing Authority Area.

NOW, THEREFORE BE IT HEREBY RESOLVED by the Board of Directors of the Turlock Irrigation District that:

1. The proposed form of the Interconnection and Transmission Services Agreement between Turlock Irrigation District and Merced Irrigation District is hereby approved.

2. The General Manager and the Assistant General Manager of Power Supply singly, are hereby authorized and directed to execute and deliver, for and on behalf of TID, the Agreement in substantially the same form and with such changes as shall be approved by the Assistant General Manager of Power Supply, with the advice of the FERC Counsel of TID, such approval to be conclusively evidenced by the execution and delivery thereof.

3. The Director of Energy Markets and Assistant General Manager of Power Supply, singly, are hereby directed to administer this Agreement on behalf of TID and to do and cause to be done any and all acts and things necessary or convenient to assure the interconnection with MeID does not interfere with the reliable and economic operation of the TID Balancing Authority Area and assure that transmission service is provided to MeID in conformance with the purposes and intent Interconnection and Transmission Services Agreement.

Moved by Director Frantz, seconded by Director Macedo, that the foregoing resolution be adopted.

Upon roll call the following vote was had:

Ayes: Directors Fernandes, Santos, Frantz, Macedo, Alamo  
Noes: Directors None  
Absent: Directors None

The President declared the resolution adopted.

### **WEEKLY UPDATES**

Strategic Issues and Planning Department Manager Wes Monier reported on current and projected forecast water conditions. Forecast numbers for the watershed show approximately 4 to 4 ½ inches through Tuesday with more expected through Friday. Temperatures are expected to drop at the 6,000 foot elevation. The district is currently releasing 17,000-18,000 cfs a day down the Tuolumne with close to 9,000 cfs being maintained at the 9<sup>th</sup> street point in Modesto. Staff remains in constant contact with CCSF as they recently pre-released water to us from Hetch Hetchy in anticipation of increased run-off due to the upcoming storms. Staff does not anticipate Hetch Hetchy filling but highly possible for Lakes Eleanor and Lloyd.

Water Distribution Department Manager Mike Kavarian noted that approximately 150 cfs is being released from Turlock Lake with all going through the San Joaquin. Staff will hold off increasing releases from Turlock Lake until the next series of storms pass. Director Alamo questioned if customers were to take 20 percent of the releases right now would that help alleviate the impact to the canal system. Mr. Kavarian stated it wouldn't have much of an impact besides the fact it would be difficult to locate irrigation customers who would be willing to take the water. He also noted there are 60 flood gates on the Highline which are closed right now but could be opened if needed, though staff is not recommending this at this time. Water resources staff will continue to monitor the watershed and flows impacting district operations through the next series of storms.

### **GENERAL MANAGER'S REPORT**

General Manager Casey Hashimoto reported on his attendance at the CMUA Board of Governors meeting in Sacramento on January 31.

### **BUSINESS OF THE BOARD**

Director Alamo reported on his attendance as TID's representative on the West Turlock Subbasin Groundwater Sustainability Agency (WTS-GSA) initial meeting on February 2. Members elected him as the chair for the newly formed agency as well as Mayor Gary Soiseth, representing the City of Turlock, as Vice-Chair. Director Fernandes was also in attendance as TID's alternate representative. The GSA will hold two public hearings on March 1 in Merced and March 2 in Turlock to receive comments regarding the formation of the agency.

## **MOTION ADJOURNING TO CLOSED SESSION**

Moved by Director Fernandes, seconded by Director Frantz, that the Board of Directors adjourn to closed session:

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

California Government Code Section 54956.9(d)

Anticipated litigation: one potential case

- Tou Her, AGM Water Resources
- Mike Kavarian, Water Distribution Department Manager
- Art Godwin, Legal Counsel

**2. Conference with Legal Counsel – Anticipated Litigation**

California Government Code Section 54956.9(d)

Anticipated litigation: one potential case

- 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 declared no reportable action was taken in closed session.

## **MOTION TO ADJOURN**

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

The President declared the motion carried.

*Tami Wallenburg*

**Executive Secretary to the Board of Directors**