



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

Turlock, California
16 January 2018

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 16th day of January 2018. Present were: Directors Charles Fernandes (President), Rob Santos (Vice-President), Michael Frantz (Secretary), Joe Alamo 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 Macedo, seconded by Director Santos, that the consent calendar consisting of the following be approved:

- A. Minutes of the regular meeting of January 9, 2018.
- B. Demands against the District represented by check numbers 370075 to 370427, inclusive, in the amount of \$32,838,998.87.

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

PUBLIC COMMENT PERIOD

There was none.

WEEKLY UPDATES

Line Division Manager Denver Hodges presented the report for the Electrical Engineering and Line Department for the month of December. The SAIDI (System Average Interruption Duration Index) year-to-date figure is 74.6. (SAIDI totals the duration of each outage then divides it by the customer base, and is considered a commonly used formula in the industry). The average length of time customers were without power (due to outages) was 7.7 minutes. Major outage contributors in December show Third Party Damage (car/pole accidents, etc.) at 28 percent, animals at 11 percent, equipment failure at 20 percent, weather at 15 percent and unknown causes at 25 percent. Electrical Engineering sent 44 customer requests to the Line Department for completion. Construction lead time in December was 1 week, with one contracted crew for the month. The crew structure consisted of three 5-person crews, one 2-person crew, one 4-person

contract crew and one 4-person crew. Mr. Hodges noted that capital work was completed in December so crews increased scheduled maintenance work through the remainder of the month.

Energy Trader Wes Kellison reviewed operations for the week of January 5-11. The daily system peak, including partial required sales, reached 312.7 megawatts on January 8. The load was met with TID Hydro, thermal generation, short and long-term firm, renewables and spot purchases. Total renewables of TID retail energy sales plus losses were at 21 percent. The Tuolumne Wind Project (TWP) generated 6,315 MWh's during this time period at the Willis Substation. Natural gas prices at Pacific Gas & Electric Company's Citygate were \$2.86/mmBTU. Electric operations for this period show Walnut Energy Center was fully available with Unit 2 offline for economics; Boardman has been out of service since October 28; Almond ran two days for operations and one day for economics; and all Don Pedro Units will be out of service through February 16.

Utility Analyst-Hydrologist Jason Carkeet reported on current water conditions and precipitation forecast. Accumulated precipitation measured at the three mountain stations in the Tuolumne River watershed from September 1, 2017 to present total 9.03 inches, or 57 percent of normal to date. Computed natural flow is averaging 1,789 cfs. San Francisco reservoirs contain 361,250 acre-feet. Don Pedro contains 1,661,185 acre-feet. Average combined releases are at 330 cubic feet per second with 1 cfs going to TID, 0 cfs to Modesto Irrigation District, and the remaining 329 cfs going to the Tuolumne River. Don Pedro Water Bank is at 562,191 acre-feet of credit and Turlock Lake contains 23,755 acre-feet of water.

Water Distribution Department Manager Mike Kavarian presented a brief update regarding the start of the 2018 irrigation season. With the forecast showing precipitation in the next few weeks, it was recommended an early irrigation season be held off until drier conditions persist. If dry patterns continue into February there will be crops needing initial irrigations so he preferred waiting until that time to make a decision. Director Alamo asked Mr. Kavarian for an update on the SBX-7-7 measure and how installations are progressing. Mr. Kavarian stated staff continues to install frames on gates not being measured by the flow meters as there are several along Lateral 7 and a few along Lateral 6. The areas along these laterals which do not have a pipeline go directly into a field but still requires a SBX7-7 measurement per the mandate. He also noted that gardenhead type irrigations and pastures do not need to be measured and are exempt.

**MOTION APPROVING APPLICATION FOR
INSTALLATION OF A 15-INCH SIDEGATE
IN THE MAIN CANAL BY CLIFFORD ACOSTA**

Moved by Director Frantz, seconded by Director Santos, that the application of Clifford Acosta, dated January 9, 2018 for installation of one 15" sidegate in Turlock Irrigation District's Main Canal be approved.

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

**MOTION APPROVING APPLICATION FOR
INSTALLATION OF AN 18-INCH SIDEGATE
IN THE CROSS DITCH 1 BY VICTOR FIORINI**

Moved by Director Macedo, seconded by Director Frantz, that the application of Victor Fiorini, dated January 9, 2018 for installation of one 18” sidegate in Turlock Irrigation District’s Cross Ditch 1 be approved.

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

**MOTION APPROVING APPLICATION FOR
INSTALLATION OF A 24-INCH SIDEGATE
IN THE LATERAL 4 ½ CANAL BY JUSTIN GIOLETTI**

Moved by Director Frantz, seconded by Director Santos, that the application of Justin Gioletti, dated January 9, 2018 for installation of one 24” sidegate in Turlock Irrigation District’s Lateral 4 ½ 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 6 CANAL BY SAM MINTURN**

Moved by Director Macedo, seconded by Director Alamo, that the application of Sam Minturn, dated January 9, 2018 for installation of one 15” sidegate in Turlock Irrigation District’s Lateral 6 Canal be approved.

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

**MOTION ADJOURNING FOR A MEETING OF THE
WALNUT ENERGY CENTER AUTHORITY**

Moved by Director Fernandes, seconded by Director Macedo, that the regular meeting be adjourned for a meeting of the Walnut Energy Center Authority.

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

RECONVENED

The regular meeting of the Board of Directors of the Turlock Irrigation District was reconvened at 9:35 a.m. with all officers present as per the previous session.

**MOTION ADJOURNING FOR A MEETING OF THE
TUOLUMNE WIND PROJECT AUTHORITY**

Moved by Director Santos, seconded by Director Fernandes, that the regular meeting be adjourned for a meeting of the Tuolumne Wind Project Authority.

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

RECONVENED

The regular meeting of the Board of Directors of the Turlock Irrigation District was reconvened at 9:37 a.m. with all officers present as per the previous session.

RESOLUTION NO. 2018 - 2

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
TURLOCK IRRIGATION DISTRICT MAKING CERTAIN
DETERMINATIONS WITH RESPECT TO REIMBURSEMENT
OF ADVANCES AND PROPOSED ADVANCES FOR CAPITAL
PROJECTS FROM THE DISTRICT'S GENERAL AND/OR CAPITAL
RESERVES FROM THE PROCEEDS OF TAXABLE OR TAX-EXEMPT DEBT**

WHEREAS, Turlock Irrigation District (the "District" or "TID") has already or intends to build, construct, purchase, and improve those certain projects more fully described in attached Exhibit A (the "Projects"); and

WHEREAS, the District has paid or expects to pay certain capital expenditures in connection with the Projects by the issuance of taxable or tax-exempt indebtedness to be used to finance such expenditures; and

WHEREAS, the District is authorized to incur or issue debt obligations to finance costs of the Project; and

WHEREAS, the District anticipates it will issue debt obligations for the purpose of financing costs of the Projects on a long-term basis; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the District to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a taxable or tax-exempt borrowing.

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

Section 1. The Board of Directors of the District finds and determines that the foregoing recitals are true and correct.

Section 2. This Resolution is adopted by the Board of Directors of the District solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This Resolution does not bind TID to make any expenditures, incur any indebtedness, or proceed with the Projects.

Section 3. The Board of Directors expects the District will pay certain capital expenditures in connection with the Projects prior to the issuance of taxable or tax-exempt indebtedness for the Projects. The reimbursement of such project expenditures is consistent with the District's established budgetary and financial circumstances. As of the date hereof, the Board of Directors of the District reasonably expects that such project expenditures shall be paid from the District's Reserves. The Board of Directors of the District does not expect that moneys in the District's General or Capital Reserves temporarily used to pay such project expenditures will be permanently available for the Projects. Other than proceeds of taxable or tax-exempt indebtedness to be issued for the Projects, there are no funds or sources of moneys that have been, or reasonably are expected to be, allocated, reserved, or otherwise made available on a long-term basis pursuant to the District's budget to pay costs of the Projects.

Section 4. Project expenditures that are to be reimbursed to the District shall not have been paid from proceeds of any other tax-exempt indebtedness.

Section 5. The Board of Directors of the District hereby declares the District's official intent to use proceeds of taxable or tax-exempt indebtedness to reimburse itself for future project expenditures. The Board of Directors of the District reasonably expects that such indebtedness will be secured by and payable from revenues of the Projects.

Section 6. This Resolution shall be continuously available for inspection by the general public during normal business hours at the offices of TID located at 333 East Canal Drive, Turlock, California, commencing on January 23, 2018.

Section 7. This Resolution shall take effect from and after its adoption.

Moved by Director Alamo, seconded by Director Santos, that the foregoing resolution be adopted.

Upon roll call the following vote was had:

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

The President declared the resolution adopted.

**MOTION ACCEPTING TREASURER'S REPORT
ON TURLOCK IRRIGATION DISTRICT'S
INVESTMENT PORTFOLIO AND SUMMARY OF
INVESTMENT ACTIVITY**

Moved by Director Santos, seconded by Director Alamo, that the Investment Portfolio dated December 31, 2017 which was prepared by Public Financial Management, Inc. for the Turlock Irrigation District (District) and reviewed by the Board of Directors be hereby accepted, and that the Board of Directors hereby acknowledges the opinion of Treasurer Brian Stubbart, confirming the Investment Portfolio is in compliance with the District's Investment Policy and verifying the District has the ability to meet budgeted expenditures for the next six months.

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

**MOTION CANCELING THE TURLOCK IRRIGATION DISTRICT
REGULAR BOARD MEETINGS OF JANUARY 23 AND JANUARY 30, 2018**

Moved by Director Macedo, seconded by Director Santos, that the regular meetings of the Board of Directors of the Turlock Irrigation District scheduled for January 23 and January 30, 2018, be canceled.

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

RESOLUTION NO. 2018 - 3

**RESOLUTION DELEGATING AUTHORITY TO APPROVE
PAYMENT OF TURLOCK IRRIGATION DISTRICT
WARRANTS FROM JANUARY 17 THROUGH JANUARY 30, 2018**

WHEREAS, because the Board of Directors will not hold its regular meetings on January 23 and 30, 2018; and

WHEREAS, Water Code Section 24600 states "No claim shall be paid by the treasurer until allowed by the board, and only upon a warrant signed by the president and countersigned by the secretary"; and

WHEREAS, it is in the best interests of the District that the District pay vendors in a timely manner.

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

1. For the period of January 17 through January 30, 2018 only, the Board of Directors delegates to the President and Vice President of the District's Board of Directors and either of them, the authority to approve claims under Water Code Section 24600 for payment.

2. At the Board of Directors' regular meeting on February 6, 2018, the Treasurer or the Accounting Department Manager shall report to the Board all claims paid during that period pursuant to this resolution.

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

Upon roll call the following vote was had:

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

The President declared the resolution adopted.

GENERAL MANAGER'S REPORT

General Manager Casey Hashimoto had no items to report.

BUSINESS OF THE BOARD

Director Alamo reported on the West Turlock Subbasin Groundwater Sustainability Agency meeting he attended the previous week.

MOTION TO ADJOURN TO CLOSED SESSION

Moved by Director Frantz, seconded by Director Alamo, 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
- Michael Clipper, Risk & Investment Analyst
- Sara Lima, Assistant General Counsel
2. **Public Employee Performance Evaluation**
California Government Code section 54957(b) (1)
Title: General Manager

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

REPORT OF ACTION TAKEN IN CLOSED SESSION

The President announced the following action was taken in closed session:

Moved by Director Frantz, seconded by Director Fernandes, that the claim of Debbie Dahlin in the amount of \$3,389.40 be approved.

MOTION TO ADJOURN

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

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

Executive Secretary to the Board of Directors