



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

Turlock, California  
11 July 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 11<sup>th</sup> day of July 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 Macedo, seconded by Director Fernandes, that the consent calendar consisting of the following be approved:

- A. Minutes of the regular meeting of June 27, 2017.
- B. Demands against the District represented by check numbers 364455 to 364803 in the amount of \$9,329,869.48.

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

**PUBLIC COMMENT PERIOD**

There were no public comments.

**WEEKLY UPDATES**

Wes Kellison, Energy Trader, reviewed operations for the week of June 30 to July 6. The daily system peak, including partial required sales, reached 478 megawatts on July 6. 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 26 percent. The Tuolumne Wind Project (TWP) generated 7,744 MWh's during this time period at the Willis Substation. Natural gas prices have been steady at \$3.09/mmBTU. Electric operations for this period show Walnut Energy Center back online due to warmer temperatures, and Boardman is also back online. Almond 1 ran all week for operations and economics as warranted, and Don Pedro Unit 4 remains out of service until further notice.

Jason Carkeet, Utility Analyst, reported on current water conditions and precipitation forecasts. Accumulated precipitation measured at the three mountain stations in the Tuolumne River watershed from September 1, 2016 to present total 63.67 inches, or 177.8 percent of normal to date. Snow sensors are 12.8 percent of average to date. Computed natural flow is averaging

9,152 cfs. San Francisco reservoirs contain 604,867 acre-feet. Don Pedro contains 2,000,398 acre-feet. Average combined releases are at 8,115 cubic feet per second with 2,166 cfs going to TID, 1,082 cfs to Modesto Irrigation District, and the remaining 4,868 cfs going to the Tuolumne River. Don Pedro Water Bank is at 725,199 acre-feet of credit and Turlock Lake contains 26,932 acre-feet of water. Forecasts show that by end of the month, this year will exceed the wettest year on record as far as snowpack. There is currently 4,000 cfs being released to the river, which will be reduced to 3,000 cfs by Thursday as inflow continues to be monitored.

Mike Kavarian, Water Distribution Department Manager, reviewed irrigation activity for the period of July 3 - 9. Water orders taken during this period totaled 3,045, for a total of 10,982 orders in the month of June. Several customers placed multiple orders per parcel, making orders about 20 percent more than normal. Activity for this period show flows ranged between 1,805 and 1,535 cfs. Daily releases from Turlock Lake averaged at 1,699 cfs, 73 cfs above projections due to increased temperatures. The month of June had an approximate 9 percent spill ratio and there was also discussion about allowing extra spills this season to help bring the reservoir levels down. Last year there was about 13,000 acre feet of water pumped, and current year-to-date is approximately 3,000 af. There are 74 pump contracts available to use with the existing pumps running sparingly and meters being read on a daily basis. Mr. Kavarian complimented his staff on how well they are controlling the pumps. There was discussion about a large mound of dirt located at the Faith Home Road canal. Mr. Kavarian said that dirt is stored throughout the area to use for canal repair if needed, but he will look in to this matter and report back.

#### **RESOLUTION NO. 2017-44**

#### **RESOLUTION CALLING FOR PUBLIC HEARING ON PETITION FOR THE FORMATION OF IMPROVEMENT DISTRICT NO. 15880, TO BE KNOWN AS THE TRZ PUMP**

WHEREAS, a Petition for the formation of Improvement District No. 15880 has been properly filed with the Secretary of the Turlock Irrigation District; and

WHEREAS, the Plans and Specifications, Estimate of the Cost of the proposed improvements, Statement of the Proposed Assessments, Statement of Benefit, and Statement of Proposed Operation and Maintenance Assessment have been duly prepared and are on file with the Secretary in the office of the Turlock Irrigation District.

IT IS HEREBY ORDERED that a public hearing on the petition shall be held to determine whether or not the proposed special assessment should be levied and regarding any other matters relating to the proposed formation of Improvement District No. 15880, at 9:00 a.m., on August 29, 2017, in the office of the Board of Directors of the Turlock Irrigation District, 333 East Canal Drive, Turlock, Stanislaus County, California, and that proper and timely notice of the public hearing shall be given in accordance with the California Water Code Section 23646 and California State Constitutional Article XIII.

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 and Alamo  
Noes: Directors None  
Absent: Directors None

The President declared the resolution adopted.

**RESOLUTION NO. 2017-45**

**RESOLUTION CALLING FOR PUBLIC HEARING ON PETITION FOR  
THE FORMATION OF IMPROVEMENT DISTRICT NO. 15870,  
TO BE KNOWN AS THE MORA-TAVERNAS PUMP**

WHEREAS, a Petition for the formation of Improvement District No. 15870 has been properly filed with the Secretary of the Turlock Irrigation District; and

WHEREAS, the Plans and Specifications, Estimate of the Cost of the proposed improvements, Statement of the Proposed Assessments, Statement of Benefit, and Statement of Proposed Operation and Maintenance Assessment have been duly prepared and are on file with the Secretary in the office of the Turlock Irrigation District.

IT IS HEREBY ORDERED that a public hearing on the petition shall be held to determine whether or not the proposed special assessment should be levied and regarding any other matters relating to the proposed formation of Improvement District No. 15870, at 9:00 a.m., on August 29, 2017, in the office of the Board of Directors of the Turlock Irrigation District, 333 East Canal Drive, Turlock, Stanislaus County, California, and that proper and timely notice of the public hearing shall be given in accordance with the California Water Code Section 23646 and California State Constitutional Article XIII.

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 and Alamo  
Noes: Directors None  
Absent: Directors None

The President declared the resolution adopted.

**RESOLUTION NO. 2017-46**

**RESOLUTION AUTHORIZING SURVEY AND PREPARATION OF CHARGES  
FOR PROPOSED ASSESSMENT OF PROPOSED INCLUSION INTO  
IMPROVEMENT DISTRICT NO. 06630, KNOWN AS THE DAMAS**

WHEREAS, a petition for the inclusion of additional land into Improvement District No. 06630, having been received by the Board of Directors of the Turlock Irrigation District, which petition was properly filed and signed by all the owners of the additional land in accordance with California Water Code Section 23875-23876.

NOW, THEREFORE BE IT HEREBY ORDERED that the Turlock Irrigation District's Water Resources Administration make a survey of the proposed inclusion. If, upon completion of such survey, the Water Resources Administration finds that the proposed inclusion is feasible, the Water Resources Administration is further ordered to prepare a statement of the proposed charge for such inclusion according to the benefits that will accrue to each parcel of land proposed to be included into the improvement districts.

IT IS FURTHER ORDERED that any survey and statement of proposed charge prepared pursuant to this resolution be filed with the Executive Secretary of the Turlock Irrigation District and said documents shall be subject to the inspection of all interested parties.

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 and Alamo
Noes:	Directors None
Absent:	Directors None

The President declared the resolution adopted.

#### **RESOLUTION NO. 2017 - 47**

#### **RESOLUTION APPROVING ABANDONMENT FROM IMPROVEMENT DISTRICT**

WHEREAS, the holders of title to land named in attached Exhibit A desires to abandon their rights in the improvement district within the Turlock Irrigation District and have signed Agreement to Abandon Use of Improvement District Facility, which agreements are incorporated into this resolution by reference.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Turlock Irrigation District, acting as trustees for the improvement district named in attached Exhibit A, do hereby approve the Agreement to Abandon Use of Improvement District Facility signed by the holders of title to land.

BE IT FURTHER RESOLVED that the Executive Secretary or Deputy Secretary of the Board of Directors is authorized and directed to sign the agreements on behalf of the District and to record said agreements with the appropriate County Recorder.

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 and Alamo  
Noes: Directors None  
Absent: Directors None

The President declared the resolution adopted.

**MOTION CANCELING THE TURLOCK IRRIGATION DISTRICT  
REGULAR BOARD MEETING OF JULY 18, 2017**

Moved by Director Macedo, seconded by Director Fernandes, that the regular meeting of the Board of Directors of the Turlock Irrigation District scheduled for July 18, 2017, be canceled.

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

**RESOLUTION NO. 2017 - 48**

**RESOLUTION DELEGATING AUTHORITY TO APPROVE PAYMENT  
OF TURLOCK IRRIGATION DISTRICT WARRANTS  
FROM JULY 12 THROUGH JULY 18, 2017**

WHEREAS, because the Board of Directors will not hold its regular meeting on July 18, 2017; 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 July 12 through July 18, 2017 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 July 25, 2017, 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 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 and Alamo  
Noes: Directors None  
Absent: Directors None

The President declared the resolution adopted.

### **GENERAL MANAGERS REPORT**

General Manager Casey Hashimoto had no new items to report.

### **BUSINESS OF THE BOARD**

There was none.

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

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

- 1. Conference with Real Property Negotiator**  
California Government Code Section 54956.8  
Conference with Real Property Negotiator Tristan Higgins to receive authorization to discuss price and terms to negotiate for interests in real property located at 1271 Geer Road, Hughson, Stanislaus County APN 018-004-013, California  
- Tristan Higgins, Survey/Right-of-Way Manager
  
- 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 and 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 regular meeting was recessed at 11:35 a.m.

## **RECONVENE – GM CONFERENCE RM 172**

The regular meeting of the Board of Directors was reconvened at 11:40 a.m. with all officers present as per the previous session.

### **RATE POLICY WORKSHOP**

Joe Malaski, CFO/AGM Financial Services, noted that one element of the TID Strategic Plan is the development of a Rate Policy. In order to meet revenue requirements, one method of rate adjustments would have the District wait until the actual needs are realized (Option 1), or preemptively raise rates based on forecasted needs and adjust in advance of needing the full amount (Option 2). Mr. Malaski reviewed the positive and negative attributes of each option, and said if the preference is Option 1, then no changes are necessary. If Option 2 is preferred, the Board would need to decide how much and the frequency of any proposed rate adjustments. There was much discussion on the impacts of each option and the consensus of the Board was to postpone any rate adjustments until needed (Option 1). The Board did not take any formal action.

Mr. Malaski also reported on the Power Supply Adjustment (PSA) Balance, and noted that policy allows excess revenue to be rolled into Rate Reserves, and is staff's recommendation. There was discussion about earmarking these revenues as a source of funds in the next refunding, and using the funds to reduce the District's unfunded pension liability; or to use the funds to defer rate adjustments versus earmarking for specific uses. The consensus of the Board was to earmark half of the revenues to be used in the next refunding, and half of the revenues to reduce the District's unfunded pension liability. The Board did not take any formal action.

### **MOTION TO ADJOURN**

Moved by Director Frantz, 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.

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