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

Turlock, California
24 October 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 24th day of October 2017. Present were: Directors Joe Alamo (President), Michael Frantz (Secretary), Rob Santos and Ron Macedo, General Manager Casey Hashimoto and Executive Secretary to the Board Tami Wallenburg. Absent was: Director Charles Fernandes.

SALUTE TO THE FLAG

MOTION APPROVING CONSENT CALENDAR

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

A. Minutes of the regular meeting of October 17, 2017.
B. Demands against the District represented by check numbers 367813 to 368027, inclusive, in the amount of $5,400,771.07.

All voted in favor with none opposed (Director Fernandes was absent.) The President declared the motion carried.

PUBLIC COMMENT PERIOD

There was none.

WEEKLY UPDATES

Wes Kellison, Energy Trader, reviewed operations for the week of October 13 through 19. The daily system peak, including partial required sales, reached 339.9 megawatts on October 16. 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 32 percent. The Tuolumne Wind Project (TWP) generated 7,079 MWh’s during this time period at the Willis Substation. Natural gas prices have been steady at $3.19/mmBTU. Electric operations for this period show Walnut Energy Center was online, and Boardman tripped offline on October 17, returning to service on October 22; Almond ran two days for operations and economics, and all Don Pedro Units will be out of service through November 6.
Jason Carkeet, Utility Analyst, reported on current water conditions. Accumulated precipitation measured at the three mountain stations in the Tuolumne River watershed from September 1, 2017 to present total 1.56 inches, or 76 percent of normal to date. Computed natural flow is averaging 425 cfs. San Francisco reservoirs contain 353,756 acre-feet. Don Pedro contains 1,628,109 acre-feet. Average combined releases are at 2.893 cubic feet per second with 697 cfs going to TID, 680 cfs to Modesto Irrigation District, and the remaining 697 cfs going to the Tuolumne River. Don Pedro Water Bank is at 568,637 acre-feet and Turlock Lake contains 27,376 acre-feet of water.

Mike Kavarian, Water Distribution Department Manager, reviewed irrigation activity for the week of October 16 through 22. Activity for this period show flows ranged between 875 and 595 cfs. Daily releases from Turlock Lake averaged at 751 cfs, 111 cfs below projection. Water orders taken during this period totaled 1,388, with an additional 402 orders received the previous day. Mr. Kavarian also reviewed end of season plans to shut the system down after final irrigation orders have been completed.

RESOLUTION NO. 2017 - 72

RESOLUTION AUTHORIZING SURVEY OF PROPOSED IMPROVEMENTS IN PROPOSED IMPROVEMENT DISTRICT NO. 15860, TO BE KNOWN AS THE FOX-WAGNER PUMP NO 3

WHEREAS, a petition for the formation of Improvement District No. 15860 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 prepare 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 Frantz, seconded by Director Macedo, that the foregoing resolution be adopted.

Upon roll call the following vote was had:

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

The President declared the resolution adopted.
GENERAL MANAGER’S REPORT

General Manager Casey Hashimoto had no new items to report.

BUSINESS OF THE BOARD

There was none.

MOTION TO ADJOINT TO CLOSED SESSION

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

1. Conference to Discuss Public Employment
   California Government Code Section 54957
   Public Employment
   Title: CFO/Assistant General Manager-Financial Services

   All voted in favor with none opposed (Director Fernandes was absent). The President declared the motion carried.

REPORT OF ACTION TAKEN IN CLOSED SESSION

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

RECESS

The meeting was recessed at 10:20 a.m.

RECONVENE

The regular meeting was reconvened in GM Conference Room 172 at 10:30 a.m. with all officers present as per the previous session.

OPERATIONS AND MAINTENANCE BUDGET WORKSHOP

Accounting Finance Manager Jesse Kirschner reviewed the proposed operations and maintenance budget for 2018. Budget impacts include a $0.7 million decrease in capital labor; credit card expense of $0.6 million; pension contribution of $15.2 million will remain the same as 2017; revenue financed capital of $19.1 million; public benefits of $7.9 million and full time employee allocations will remain the same. The 2018 revenue forecast assumes no rate changes. The use of power supply adjustment reserves, as modeled by PFM, show an additional $7.1 million to cash fund capital projects in 2018, in lieu of debt, $35 million to prefund unfunded pension liability and another $6.37 million to fully fund OPED NOL. The 2018 financial forecast indicates retail electric revenue at $288 million, wholesale electric at $45 million, water operations at $14.5 million and wholesale wind revenue at $5.2 million.
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 (Director Fernandes was absent). The President declared the motion carried.

Tami Wallenburg
Executive Secretary to the Board of Directors