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

Turlock, California
5 June 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 5th day of June 2018. Present were: Directors Charles Fernandes (President), Michael Frantz (Secretary), Joe Alamo and Ron Macedo, General Manager Casey Hashimoto and Executive Secretary to the Board Tami Wallenburg. Absent was: Director Santos.

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 May 22, 2018.
B. Demands against the District represented by check numbers 374030 to 374381, inclusive, in the amount of $7,703,710.39.

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

PUBLIC COMMENT PERIOD

There was none.

WEEKLY UPDATES

Energy Trader Wes Kellison reviewed operations for the week of May 25-31. The daily system peak, including partial required sales, reached 547.2 megawatts on May 29. 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 30 percent. The Tuolumne Wind Project (TWP) generated 9,357 MWh’s during this time period at the Willis Substation. Natural gas prices at Pacific Gas & Electric Company’s Citygate were $3.05/mmBTU. Electric operations for this period show Walnut Energy Center was out of service for maintenance until June 11; Boardman was available but offline for economics; Almond ran seven days for operations; Don Pedro Unit 1 returned to service on June 2, Unit 3 will be out of service until July 31 and Unit 4 out of service until November 1, and Walnut GT #1 has been out of service since May 4 with no estimated time of return.
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 30.85 inches, or 87 percent of normal to date. Computed natural flow is averaging 4,741 cfs. San Francisco reservoirs contain 616,441 acre-feet. Don Pedro contains 1,904,834 acre-feet. Average combined releases are at 2,242 cubic feet per second with 1,480 cfs going to TID, 616 cfs to Modesto Irrigation District, and the remaining 146 cfs going to the Tuolumne River. Don Pedro Water Bank is at 628,862 acre-feet of credit and Turlock Lake contains 31,110 acre-feet of water.

Water Distribution Department Manager Mike Kavarian reviewed a summary of irrigation activity for the month of May. Water orders taken in May totaled 7,927 with an additional 551 orders received the previous day. Daily releases from Turlock Lake averaged 69,501 acre-feet for the month of May, 9,501 af below projections. Activity for the period of May 28 through June 3 show flows ranged between 1,445 and 990 cfs and included 2,078 orders for the week. Mr. Kavarian also noted that a small number of pumps ran the previous week to keep up with water orders and staff will continue to study those figures for any possible changes. The last day to order surplus water was June 4 with no plans at this time to extend the deadline. Director Alamo asked about an overtopping event on Lateral 3 but Mr. Kavarian had no information available so he would look into it.

**RESOLUTION NO. 2018 - 22**

**RESOLUTION CALLING FOR A PUBLIC HEARING ON THE PETITION FOR THE INCLUSION OF LAND INTO IMPROVEMENT DISTRICT NO. 12430, KNOWN AS THE GRAVELLE-GOMES, AND FOR THE LEVYING OF AN ASSESSMENT ON THE INCLUDED LAND**

WHEREAS, a petition for the inclusion of additional land into Improvement District No. 12430, has been properly filed with the Executive Secretary of the Turlock Irrigation District; and

WHEREAS, the required data on said inclusion has been prepared by the Water Resources Administration of the Turlock Irrigation District in accordance with California Water Code Sections 23626 and 23877 and said data has been properly filed with the Executive Secretary.

IT IS HEREBY ORDERED that a public hearing on said petition shall be held at 9:00 a.m. on July 3, 2018, 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 said public hearing shall be given in accordance with California Water Code Section 23646 and California Constitution Articles XIII.C and XIII.D.

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

Upon roll call the following vote was had:

Ayes: Directors Frantz, Macedo, Fernandes

Noes: Directors - None

Absent: Director Santos

Abstain: Director Alamo
The President declared the resolution adopted.
Director Alamo returned to the meeting.

RESOLUTION NO. 2018 - 23

RESOLUTION APPROVING QUITCLAIM OF EASEMENT TO TURLOCK REAL ESTATE INVESTORS 1, LLC.

WHEREAS, the Board of Directors of the Turlock Irrigation District are the trustees for Improvement District No. 1419, known as the Shimmon Ditch; and

WHEREAS, the owners of Turlock Real Estate Investors 1, LLC., through their representative, have requested the District quitclaim any interest in that portion of Improvement District No. 1419, known as the Shimmon Ditch, that crosses Stanislaus County Assessor’s parcel 089-019-027, and is preventing development of this parcel; and

WHEREAS, District staff has determined that the Shimmon Ditch pipeline crossing the subject properties can be relocated with no loss of functionality to the Improvement District; and

WHEREAS, Turlock Real Estate Investors 1, LLC, has signed and delivered to the Turlock Irrigation District an easement for the new alignment of the pipeline to be recorded concurrently with the quitclaim document, in support of this action.

NOW, THEREFORE BE IT HEREBY RESOLVED by the Board of Directors of the Turlock Irrigation District that the quitclaim from the Board of Directors of the Turlock Irrigation District acting as trustees for Improvement District No. 1419, known as the Shimmon Ditch, to Turlock Real Estate Investors 1, LLC, is hereby approved, and the President and Secretary are hereby authorized and directed to execute the same on behalf of the District.

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

Upon roll call the following vote was had:

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

The President declared the resolution adopted.

RESOLUTION NO. 2018 - 24

RESOLUTION APPROVING QUITCLAIM OF EASEMENT TO JB PETRO INC.
WHEREAS, the Board of Directors of the Turlock Irrigation District are the trustees for Improvement District No. 1419, known as the Shimmon Ditch; and

WHEREAS, the owners of JB Petro Inc., through their representative, have requested the District quitclaim any interest in that portion of Improvement District No. 1419, known as the Shimmon Ditch, that crosses Stanislaus County Assessor’s parcels 089-019-029, and is preventing development of these parcels; and

WHEREAS, District staff has determined that the Shimmon Ditch pipeline crossing the subject properties can be relocated with no loss of functionality to the Improvement District; and

WHEREAS, JB Petro Inc. has signed and delivered to the Turlock Irrigation District an easement for the new alignment of the pipeline to be recorded concurrently with the quitclaim document, in support of this action.

NOW, THEREFORE BE IT HEREBY RESOLVED by the Board of Directors of the Turlock Irrigation District acting as trustees for Improvement District No. 1419, known as the Shimmon Ditch, to JB Petro Inc. is hereby approved, and the President and Secretary are hereby authorized and directed to execute the same on behalf of the District.

Moved by Director Macedo, seconded by Director Alamo, that the foregoing resolution be approved.

Upon roll call the following vote was had:

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

The President declared the resolution adopted.

MOTION CANCELING THE TURLOCK IRRIGATION DISTRICT REGULAR BOARD MEETINGS OF JUNE 12 AND JUNE 19, 2018

Moved by Director Macedo, seconded by Director Alamo, that the regular meetings of the Board of Directors of the Turlock Irrigation District scheduled for June 12 and June 19, 2018, be canceled.

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

RESOLUTION NO. 2018 - 25

RESOLUTION DELEGATING AUTHORITY TO APPROVE PAYMENT OF TURLOCK IRRIGATION DISTRICT WARRANTS FROM JUNE 6 THROUGH JUNE 19, 2018
WHEREAS, because the Board of Directors will not hold its regular meetings on June 12 and June 19, 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 June 6 through June 19, 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 June 26, 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 Alamo, seconded by Director Frantz, that the foregoing resolution be adopted.

Upon roll call the following vote was had:

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

The President declared the resolution adopted.

PUBLIC BENEFITS ANNUAL REPORT

Consumer Programs Specialist Erin Riley presented an overview of the 2017 Public Benefits revenue and expenses. Low income expenses were $2.4 million or 30.6%, energy efficiency expenses were $1.8 million or 23.9%, and renewable energy expenses were $3.5 million or 45% of the public benefit 2017 budget. The CARES and medical rate discount program totaled 7,592 participants utilizing $2.2 million. The weatherization program provided by American Insulation provide services for refrigerator replacement, weather stripping, LED bulb replacement and energy efficiency education. A review of sites with new solar installation in 2017 showed residential customers totaled 204, agricultural at 2, and industrial at 6. The energy total for all 541 sites with solar was 9,293.54 kilowatts.

Energy Efficiency Analyst Aldo Lara presented an overview of the 2018 energy efficiency goals, as required by AB 2021. For 2017, goals were set at 16,394 MWhs and in March of this year, the District reported to the CEC (as required by SB 1037) TID’s actual results were 14,692 MWhs. Weatherization, cooling and pool pumps provided the top residential energy savings in 2017. Non-residential megawatt savings showed 97 percent was for lighting projects and 3 percent
for cooling. Staff expects the LED program to be a large contributor in 2018 as those rebates have not changed. The energy efficiency goal for 2018 is 14,939 MWhs, and projections for non-residential rebate programs are 61%, residential HEA at 25%, non-residential DI program at 13%, and residential rebate programs at one percent. Director Fernandes asked if it was getting more difficult to meet the goals each year as customers continue to update appliances and such to meet energy efficient standards. Mr. Lara agreed stating “as standards increase, the savings for customers get smaller.”

**EXTERNAL AFFAIRS ADMINISTRATION REPORT**

AGM External Affairs Michelle Reimers conveyed her staff would be presenting overviews of several areas including the District’s new outreach campaign as well as regulatory and legislative efforts.

Communications Division Manager Constance Anderson reviewed the new “We Are TID” campaign which will run through April 2019. The campaign is currently running on multiple forms of media and social media sites including Vimeo, YouTube, Twitter and Facebook accounts. She also reviewed the new feature on the District website and presented a couple of the “We Are TID” videos. Director Frantz provided positive comments regarding the new campaign noting it is a “great effort on building trust with our customers.”

Regulatory Analyst Dan Severson reviewed several ongoing energy regulatory issues impacting the District. The Air Resources Board/Air District is working on a Cap and Trade regulatory package with a desire to extend it out to 2030. There are a couple of deterrents on how that will be decided, and noted he would continue working with ARB staff and the California Municipal Utilities Association (CMUA) on this issue. Mr. Severson also reviewed several other regulatory matters including the California Energy Commission (CEC) SB 350 implementation which set energy efficiency and greenhouse gas targets through 2030; Title 24-Solar Mandate on new residential construction; Food Production Investment Program in which the District participated in the initial task force and will be reaching out to large producers in our territory; and Energy Equity which will make clean energy more accessible to low income and disadvantaged communities. Director Frantz questioned how energy equity is going to be implemented in the community and Mr. Severson stated the task force would address any barriers and how best they can access low income communities as there is a great need to make technology cheaper on a broader basis.

Regulatory Analyst Herb Smart reviewed several water regulatory items effecting the District. First is the Sustainable Groundwater Management Act (SGMA) which requires cities to development a groundwater sustainability plan (GSP). There are currently two separate joint power authorities within district boundaries, Eastside GSA and Westside GSA, who jointly contracted with Todd-Groundwater to provide a draft GSP by 2021. The joint agencies were awarded a $1 million grant which will cover more than half the cost. A successful public workshop was held on April 18 in Ceres with several regulators present with a second workshop scheduled for June 20. Mr. Smart also provided an update on the Bay-Delta Water Quality Plan. The next phase of the draft Substitute Environmental Document (SED) is expected to be released in June and will allow for another comment period, though staff does not anticipate any part of the plan will be favorable to the District. The State Water Resources Control Board seeks adoption of the final SED by October 2018.
Legislative Analyst Josh Weimer reviewed several legislative matters including possible leadership changes in the senate and assembly. The current Senate Pro Tem is leaving his post to run against incumbent Diane Feinstein and a new senate pro tem has already been put in place. In the state assembly, Assembly Leader Brian Dahle has endorsed Assemblyman Heath Flora for re-election in 2018, which will be helpful to the District as Assemblyman Flora is well versed on the central valley’s water needs and issues the irrigation districts are facing. Mr. Weimer also reviewed various legislative themes which will be discussed this year, one being several wildfire bills which will eventually be part of a larger energy package. The wildfire bill will include proper management in highly dense areas, tree clearing requirements, liability and insurance reform. Other topics of discussion included the future of natural gas and where the country is going on this, with specific study plans and a proposed bill on patch requirements not flushed out yet but continues to be a large topic of conversation across the nation. Unfinished business for water legislation include a fertilizer fee increase which didn’t generate much support last year but Governor Brown included this year. This bill will more than likely come up for discussion again in August. Director Frantz questioned whether the District should take a position on SB 623 (Safe Drinking Water Act) even though TID does not provide drinking water to its customers. Mr. Weimer responded stating the District has no plans to advocate either way even though we’ve had pressure from the Association of California Water Agencies to strongly oppose the measure. Mr. Weimer also reviewed a water conservation package that finally passed which will set goals for indoor water use with conservation focused around urban areas.

ELECTRICAL ENGINEERING ADMINISTRATION REPORT

AGM Electrical Engineering and Operations Manjot Gill presented an overview of the Customer Notification Project. The program consists of two types of notifications, Outage (unplanned) and Job Package. The Outage notification for unplanned outages provides customers the most up-to-date outage information. Previously, customers viewed outage information on the District’s website, however, the outage information was only provided for large outages. The new program will provide regular updates on the District’s website that impact 10 or more customers with estimated restoration times that are updated from the line crews to the power control center. Internal emails are also sent to staff with updated outage information in case a customer calls in to inquire about the outage. The information provided on the District’s website will include location, major streets affected, start date/time, cause of outage, estimated return, number of customers affected and when the last update occurred.

The Job Package notification will let customers know via email when job packages are sent for construction and scheduled. Currently, the line department contacts the customer via phone and/or field meeting to schedule construction date. The new process will continue with the initial contact to the customer coming from the Line Department via phone/field meeting but they will now follow-up with emails using the following new workflow:

1st Email – Line Department received Job Package from Engineering
2nd Email – Job Package has been scheduled and start dates are provided to customers
3rd Email – Job Rescheduled due to unforeseen circumstance (if needed). New start date is provided.
4th Email – Job Completion

Director Frantz commended Mr. Gill for implementing the new outage notification program as the board members receive several calls from customers during outages. He also
recommended an hourly website update during outages if possible.

**GENERAL MANAGER’S REPORT**

General Manager Casey Hashimoto had no new items to report.

**BUSINESS OF THE BOARD**

Director Alamo reported on a webinar he participated in regarding public record retention.

Director Frantz reported on a recent series of meetings he attended in Colorado. It consisted of a coalition of government and private enterprises focused on energy, water and power, and gas and oil. This year the discussion focused on promoting collaboration on large water projects.

Director Macedo reported on a boat tour he and Director Santos took at Don Pedro viewing the Wards Ferry Bridge and both marinas. They also viewed the many improvements new concessionaire, Suntek, has made throughout the marina with a new dock at Moccasin and several new watercraft available for rent.

**MOTION TO ADJOURN TO CLOSED SESSION**

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

1. **Public Employee Performance Evaluation**  
   California Government Code section 54957(b)(1)  
   Title: General Manager

   All voted in favor with none opposed (Director Santos 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.

**MOTION TO ADJOURN**

Moved by Director Alamo, seconded by Director Frantz, that the regular meeting of the Board of Directors be adjourned.

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

*Tami Wallenburg*  
Executive Secretary to the Board of Directors