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

Turlock, California
8 January 2019

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 8th day of January 2019. Present were: Directors Charles Fernandes (President), Rob Santos (Vice-President), Michael Frantz (Secretary), Joe Alamo 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 Frantz, that the consent calendar consisting of the following be approved:

A. Minutes of the regular meeting of December 18, 2018.
B. Demands against the District represented by check numbers 379812 to 380219 and check number 158, in the amount of $11,604,126.45.

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

PUBLIC COMMENT PERIOD

There was none.

WEEKLY UPDATES

Energy Trader Wes Kellison reviewed operations for the week of December 28 through January 3. The daily system peak, including partial required sales, reached 317.8 megawatts on January 2. 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 28 percent. The Tuolumne Wind Project (TWP) generated 6,408 MWh’s during this time period at the Willis Substation, averaging at 28 percent of capacity. Natural gas prices at Pacific Gas & Electric Company’s Citygate averaged out at $3.94/mmBTU. Electric operations for this period show Walnut Energy Center was online for the entire week; Boardman ran through the end of contract on December 31; Almond did not run; Don Pedro Unit 1 ran to meet river requirements through January 1, and will be out of service from January 2 through March 29, Unit 2 will be out of service until February 2, Unit 3 ran to meet river requirements and Unit 4 is out of service until further notice.
Utility Analyst-Hydrology Olivia Cramer reported on current water conditions and forecast. Accumulated precipitation measured at the three mountain stations in the Tuolumne River watershed from September 1, 2018 to present total 10.93 inches, or 77 percent of normal to date. San Francisco reservoirs contain 471,827 acre-feet and the Water Bank is at 560,647 acre-feet of credit. Don Pedro contains 1,428,154 acre-feet. Average combined releases are at 307 cubic feet per second. Computed natural flow is averaging 496 cfs, and Turlock Lake contains 25,986 acre-feet of water.

RESOLUTION NO. 2019 - 1

RESOLUTION ADOPTING THE AMENDED AND RESTATED RETIREMENT PLAN FOR EMPLOYEES AND ELECTIVE OFFICERS OF THE TURLOCK IRRIGATION DISTRICT

WHEREAS, the Turlock Irrigation District provides the Amended and Restated Retirement Plan for Employees and Elective Officers of Turlock Irrigation District Deferred (Pension Plan); and

WHEREAS, said Pension Plan was adopted in 1948, amended and restated effective January 1, 2008, January 1, 2013, and January 1, 2015; and

WHEREAS, said staff, pension actuary, and pension auditors recommend clarification to language in the document; and

WHEREAS, said language clarification will help employees and other interested parties better understand how the Pension Plan is currently being administered; and

WHEREAS, the language proposed does not change the employees monthly benefit calculation, or alter the District’s pension liability:

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Turlock Irrigation District that the Amended and Restated Retirement Plan for Employees and Elective Officers of Turlock Irrigation District, which has been amended to include clarifying language as to the administration of the Pension Plan is hereby approved.

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 and Fernandes
Noes: Directors None
Absent: Directors None

The President declared the resolution adopted.
MOTION ADJOURNING FOR A MEETING OF THE WALNUT ENERGY CENTER AUTHORITY

Moved by Director Macedo, seconded by Director Frantz, 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 – TID BOARD MEETING

The regular meeting of the Board of Directors of the Turlock Irrigation District was reconvened at 9:11 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 Macedo, seconded by Director Frantz, 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 – TID BOARD MEETING

The regular meeting of the Board of Directors of the Turlock Irrigation District was reconvened at 9:19 a.m. with all officers present as per the previous session.

RESOLUTION NO. 2019 - 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 8, 2019.

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

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

Upon roll call the following vote was had:

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

The President declared the resolution adopted.

GENERAL MANAGERS REPORT

General Manager Casey Hashimoto had not items to report.

BUSINESS OF THE BOARD

There was none.

MOTION TO ADJOURN TO CLOSED SESSION

Moved by Director Santos, seconded by Director Macedo, 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 Colantuono, Legal Counsel

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

REPORT OF ANY ACTION TAKEN IN CLOSED SESSION

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

MOTION TO ADJOURN

Moved by Director Santos, seconded by Director Alamo, 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