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

Turlock, California
11 February 2020

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 11th day of February 2020. Present were: Directors Rob Santos (President), Michael Frantz (Vice-President), Ron Macedo (Secretary), Charles Fernandes and Joe Alamo, General Manager Michelle Reimers and Executive Secretary to the Board Tami Wallenburg.

SALUTE TO THE FLAG

MOTION APPROVING CONSENT CALENDAR

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

A. Minutes of the special and regular meetings of February 4, 2020.
B. Demands against the District represented by check numbers 391010 to 391221, inclusive, in the amount of $12,145,523.68.

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

PUBLIC COMMENT PERIOD

Customer Ladd Hackler expressed concern regarding the immediate need for irrigation water. He stated he flood irrigates and has no alternate source of water to apply much needed water to his almond trees. He understood the need for crews to finish their winter work on the canal system but emphasized the young trees are in need of water sooner than later. Mr. Heckler also thanked the Board for choosing the District’s new general manager, Michelle Reimers, as he has known her and her spouse for some time and assured them she will do an excellent job. Board President Rob Santos thanked Mr. Hackler for his comments and agreed that the District has the “best staff” working on customer concerns.

PUBLIC HEARING REGARDING PROPOSED INCLUSION INTO ID NO. 15310

A public hearing was opened at 9:07 a.m. to receive comments from the public regarding the proposed inclusion into ID No. 15310, known as the Stenseth-Bawcum-Rearick Pipeline. Customer Johnny Freitas commented he requested the inclusion due to only one pump station located on the south side of the property and he has already planted new trees on the parcel. Hearing no further comments, the hearing was closed at 9:08 a.m. and the following action was taken:
RESOLUTION NO. 2020 - 11

RESOLUTION OF FINAL ORDER OF THE BOARD OF DIRECTORS OF THE TURLOCK IRRIGATION DISTRICT APPROVING INCLUSION OF ADDITIONAL LAND INTO IMPROVEMENT DISTRICT NO. 15310, KNOWN AS STENSETH-BAWCUM-REARICK PIPELINE

WHEREAS, the Board of Directors of the Turlock Irrigation District on February 11, 2020 at 9:00 a.m., held a public hearing on the petition for inclusion of additional land into Improvement District No. 15310, known as Stenseth-Bawcum-Rearick Pipeline, under the provisions of Part 7, Division 11, of the California Water Code.

Based upon the evidence presented at the public hearing, the Board finds:

1. All of the landowners of the parcel described in attached Exhibit A to be included have signed a petition for inclusion and have properly filed the petition with the Board. The petition is incorporated herein by reference.

2. The District's Water Resources Administration, in accordance with a Board resolution, has properly prepared a Report of Survey of the proposed inclusion, an Estimate of the Cost of the Inclusion, and the Statement of Proposed Charge for inclusion into the improvement district.

3. Proper and timely notice of the public hearing was given in accordance with California Water Code Section 23646 and/or the California Constitution.

4. The land, which the Board finds should be included, is described in the attached Exhibit A and incorporated herein by reference.

5. The land to be included within the improvement district will be benefited by the improvement district facilities.

6. Seven Thousand, Nine Hundred Ninety-Three and 48/100 dollars ($7,993.48) is a just charge, which the landowner must pay as a prerequisite for the land being included into the improvement district, and that land title holder will deposit that amount of money with the Executive Secretary of the Board for payment of that charge before recordation of the Final Order.

7. The Board tabulated the ballots submitted and determined no majority protest exists.

8. The landowners have agreed to pay all future assessments levied upon the land by the Turlock Irrigation District for the maintenance and operation of the improvement district.

9. It will be in the best interests of the Turlock Irrigation District and the improvement district to allow the land described in Exhibit A to be included in the improvement district.

NOW, THEREFORE BE IT HEREBY ORDERED AND DECREED by the Board of Directors of the Turlock Irrigation District that the petition for the inclusion of additional land into Improvement District No. 15310 is hereby approved, and that the lands described in Exhibit A is hereby included within the improvement district.
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, Frantz, Macedo, Alamo, Santos
Noes: Directors - None
Absent: Directors - None

The President declared the resolution adopted.

WEEKLY/MONTHLY REPORTS

Utility Analyst/Hydrology Olivia Cramer reported on current water conditions. Accumulated precipitation measured at the three mountain stations in the Tuolumne River watershed from September 1, 2019 to present total 11.66 inches, or 55.3 percent of normal to date. Snow pack levels are at 58 percent of average to date. The 8-day precipitation forecast is showing a half-inch to inch at higher elevations with only a quarter to 1-inch on the US model. The 16-day temperature forecast shows an average of 62 to 66 degrees for a high with minimum temperatures at 42 to 44 degrees average. Freezing levels are projected at the 3500 ft. elevation level. San Francisco reservoirs contain 490,747 acre-feet and the Water Bank is at 557,170 acre-feet of credit. CCSF releases averaged 381 cfs with 34 cfs in diversions. Don Pedro contains 1,639,078 acre-feet and is currently at 797.3 elevation which would allow room in the reservoir if weather patterns change quickly. Average combined releases were 400 cubic feet per second with 1 cfs to TID canals, 16 cfs to Modesto Irrigation District and the remaining 383 cfs going to the Tuolumne River. Computed natural flow is averaging 544 cfs, and computed natural flow to date for the current water year is 153,302 af or 33.8 percent of average. Turlock Lake contains 28,497 acre-feet of water. The updated weekly watershed report shows Don Pedro elevation up half a foot when compared to the previous week.

Water Distribution Department Manager Mike Kavarian presented a brief update on the upcoming irrigation season. Staff has received several phone calls from farmers expressing concern over the lack of precipitation and desiring to know when the 2020 Irrigation season would begin. Current statistics show precipitation at 32 percent of average to date. Mr. Kavarian reviewed a couple of options with 1) making the canals available for those wishing to utilize irrigation pumps, and 2) begin the season in early March but end the first week in October or begin the regular season in April and end the last week in October to allow for final irrigations. Mr. Kavarian reminded the Board there are several ongoing canal projects so it would be difficult to bring water into the system early. Board members asked several questions regarding SBX7-7 regulations, how a longer irrigation season would impact water available in 2021, normal vs. dry year scenarios, and potential impacts to groundwater levels. After a lengthy discussion amongst board members and staff, it was decided to convey to customers needing irrigation water to utilize their pumps until the regular season opens and the District will make the canals available for that use. The Board agreed to revisit the topic at the next scheduled board meeting on March 3 to determine if modifications are needed or at a special Board Meeting if decisions need to be made sooner.

Trading and Scheduling Division Manager Bill Bacca reviewed power operations for the month of January. The Balancing Authority Area daily estimated system peaks averaged 326
megawatts for the month. The load was met with Thermal at 62 percent, TID hydro at 6.7 percent, Wind and Solar Exchange at 8.4 percent, ACS Specified at 10 percent and Wind Exchange at 4.5 percent. The Tuolumne Wind Project (TWP) generated 32,167 MWh’s during the month of January at the Willis Substation, averaging at 32 percent of capacity. Natural gas prices at Pacific Gas & Electric Company’s Citygate averaged out at $2.96/mmBTU. Thermal generation and implied heat rates for January show Walnut Energy Center at 123,699 MWh and Almond 2 Power Plant at 8,594 MWh. Mr. Bacca also reviewed Powerdex pricing for the month using the hour-ahead market index and CAISO’s day-ahead and hour-ahead market selling prices. Electric operations for this period show Don Pedro Unit 2 was out of service December 2 through January 3 for annual maintenance; Walnut Energy Center #2 was being tested on January 21; Almond Unit 3 was forced out of service January 21 for six hours for a minor repair, Almond 4 was out of service January 17 for four hours for routine maintenance, and overall Almond ran for 16 days, a combination of operations and economics; Tuolumne Wind Feeder 3 was out of service January 13 for 1.5 hours with no significant loss of energy; and import capability was limited the entire month due to scheduled work. On January 27, the District became the Scheduling Coordinator for the Rosamond Solar contract.

MOTION CANCELING THE TURLOCK IRRIGATION DISTRICT
REGULAR BOARD MEETINGS OF FEBRUARY 18 AND FEBRUARY 25, 2020

Moved by Director Alamo, seconded by Director Fernandes, that the regular meetings of the Board of Directors of the Turlock Irrigation District scheduled for February 18 and February 25, 2020, be canceled.

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

RESOLUTION NO. 2020 - 12

RESOLUTION DELEGATING AUTHORITY TO APPROVE
PAYMENT OF TURLOCK IRRIGATION DISTRICT
WARRANTS FROM FEBRUARY 19 THROUGH FEBRUARY 25, 2020

WHEREAS, because the Board of Directors will not hold its regular meeting on February 25, 2020; 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 February 19 through February 25, 2020 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 March 3, 2020, 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 Fernandes, that the foregoing resolution be adopted.

Upon roll call the following vote was had:

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

The President declared the resolution adopted.

ENERGY IMBALANCE MARKET UPDATE

AGM Power Supply Dan Severson presented an update on the Energy Imbalance Market (EIM). The EIM allows for energy transactions on a 5-minute basis (versus hourly) while giving visibility over a broad Western footprint, balancing supply and demand at a lower cost. EIM leverages transmission capacity between Balancing Areas allowing the same benefits of the CAISO Market but without the incurring Export Fees. The District is one of eight entities planning to go-live in 2021. In March 2019, the Board had authorized and directed the past general manager (or designee) to administer all documents necessary to enable EIM participation, and in April 2019 the District hired Utilicast to consult on the EIM Project implementation. The project is currently under budget and further along than anticipated. Next steps include a contract execution with a software vendor for system design (integration/reporting), generation modeling, meter review and EMS installation and testing. Mr. Severson commended the previous administration for assessing the need to join EIM noting the District is well-positioned to capitalize on resources by being ahead of the rush.

GENERAL MANAGER’S REPORT

General Manager Michelle Reimers reported that Director Alamo volunteered to be the District representative on the Stanislaus County Water Advisory Committee. Also planned are several Grower meetings which will take place in the community. An evening Board Meeting is planned on March 24 which will incorporate the first Grower Meeting. The next Grower meeting will be held at Chatom School District on March 25, in Hughson on March 26 and at the Hilmar Community Center on March 30. Ms. Reimer also reported on the West Turlock Subbasin GSA meeting the previous Thursday where new marketing communication measures have been put in place including a short video educating the public on SGMA and groundwater issues. Lastly, Ms. Reimers informed board members there were 24 Blue Tags issued on Sunday due to the weather causing 2,800 customers to be out of power. She commended District Troubleshooters and Line crews for a great job in getting customers power back on as quickly as possible. Board President Rob Santos also commended staff for a job well done and for keeping customers informed of outages on social media.
BUSINESS OF THE BOARD

Director Frantz reported on his attendance as District representative at the recent San Joaquin Tributaries Authority meeting. He noted that CCSF will serve as Chair and TID will serve as Vice-Chair for the next two years. He also reported that the SJTA Commission authorized legal counsel to file an appeal regarding the rejection of attorney fees which were a part of the previous curtailment lawsuit.

Director Alamo reported on his attendance as District representative at the West Turlock Subbasin GSA meeting the previous week. He noted they conducted some minor business and also previewed the newly created short video which explains the SGMA process and groundwater issues stating it was very well done.

MOTION TO ADJOURN TO CLOSED SESSION

Moved by Director Fernandes, seconded by Director Frantz, that the regular meeting of the Board of Directors be adjourned to closed session:

1. Conference with Legal Counsel – Anticipated Litigation
   California Government Code Section 54956.9(d)(2)
   Anticipated litigation: one potential case
   - Michael Clipper, Risk & Investment Analyst
   - Sara Lima, Assistant General Counsel

2. Conference with Legal Counsel – Existing Litigation
   California Government Code Section 54956.9
   TID vs. Gary Nazareno, et al
   Case Number: CV-19-006339, Stanislaus County Superior Court
   - Phil Govea, Civil Engineering Department Manager
   - Tristan Higgins, Survey/Right-of-Way Manager
   - Joe Fagundes, Legal Counsel

3. Conference with Property Negotiator
   California Government Code Section 54956.8
   Property: APN 018-004-013
   Agency negotiator: Michelle Reimers
   Negotiating parties: Stanislaus Regional Water Authority
   Under negotiation: Price and terms
   - Tou Her, AGM Water Resources
   - Art Godwin, Legal Counsel
   - Valerie Kincaid, 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 the following action was taken in closed session:
Moved by Director Frantz, seconded by Director Fernandes, that the 2016 claim of Martha Tenbrink be approved in the requested amount. A roll call vote showed Directors Alamo, Macedo and Santos voting to deny the claim. The motion failed and the claim was denied.

MOTION TO ADJOURN

Hearing no further business, Director Alamo motioned, seconded by Director Fernandes, that the regular meeting of the Board of Directors be adjourned.

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

Tami Wallenburg
Executive Secretary to the Board of Directors