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

Turlock, California
21 January 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 21st day of January 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 Alamo, seconded by Director Frantz, that the consent calendar consisting of the following be approved:

A. Minutes of the regular meeting of January 14, 2020.
B. Demands against the District represented by check numbers 390322 to 390568, inclusive, in the amount of $12,514,736.53.

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

PUBLIC COMMENT PERIOD

There was none.

WEEKLY REPORT

Line Division Manager Denver Hodges presented the report for the Electrical Engineering and Line Department for the month of December. The SAIDI (System Average Interruption Duration Index) year-to-date figure is 59.2. (SAIDI totals the duration of each outage then divides it by the customer base, and is considered a commonly used formula in the industry). The December monthly average for customers without power was 6.3 minutes. Major outage contributors for the month show third-party (car/pole events) at 63 percent, trees at 12 percent, unknown causes at 17 percent and equipment failure at 8 percent. Electrical Engineering Design received 47 customer job requests with 34 being sent to the Line Department for completion. Overall, 82 job requests were sent to the Line Department in December (customer and internal combined). Construction lead time in December was one week for customer jobs. The crew structure consisted of one 2-person crews, two 5-person crews, and three 4-person crews. Capital work increased significantly in December.
Trading and Scheduling Division Manager Bill Bacca reviewed operations for the month of December. The Balancing Authority Area daily estimated system peaks averaged 323 megawatts for the month. The load was met with Thermal at 41 percent, Short-term at 18 percent, TID hydro at 4.8 percent, Wind Exchange at 12 percent, ACS Specified at 10 percent and long-term at 2.5 percent. The Tuolumne Wind Project (TWP) generated 15,614 MWh’s during the month of December at the Willis Substation, averaging at 15 percent of capacity. Natural gas prices at Pacific Gas & Electric Company’s Citygate averaged out at $3.38/mmBTU. 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. Almond Power Plant generated 17,131 MWh, and Almond 2 at 32,193 MWh. Walnut Energy Center generated 47,796 MWh. Electric operations for this period show Don Pedro Unit 4 began testing on December 14 but returned to service on December 23; Don Pedro Unit 2 was out of service December 2 through January 3 for annual maintenance; all of Walnut Energy Center (WEC) was out of service beginning November 29 for semi-annual maintenance with Unit 2 returning to service on December 16, and Unit 1 remained out of service until December 27; Almond ran for 28 days primarily for operations, and the Turlock Lake percolation test was conducted from November 1 through December 31.

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 11.07 inches, or 66.3 percent of normal to date. Snow pack levels are at 78 percent to date. The 8-day precipitation forecast is showing 1-2 inches at higher elevations with only a quarter to 1-inch probability locally. The 15-day temperature forecast is showing highs in the mid-60s with lows in the mid-40s, freezing levels are projected at the 3500 ft. elevation level. San Francisco reservoirs contain 495,399 acre-feet and the Water Bank is at 556,960 acre-feet of credit. CCSF releases averaged 381 cfs with no diversions. Don Pedro contains 1,629,203 acre-feet. Average combined releases were 512 cubic feet per second with 129 cfs to TID canals, 0 cfs to Modesto Irrigation District and the remaining 383 cfs going to the Tuolumne River. Computed natural flow is averaging 527 cfs, and computed natural flow to date for the current water year is 127,571 af or 41.4 percent of average. Turlock Lake contains 26,853 acre-feet of water. The updated weekly watershed report shows Don Pedro remained relatively flat in elevation when compared to the previous week. Director Macedo questioned why the newspaper shows the Stanislaus watershed containing more than the Tuolumne and Ms. Cramer responded stating she would look into the data they are using.

MOTION APPROVING APPLICATION FOR INSTALLATION OF A 12-INCH SIDEGATE IN THE UPPER LATERAL 2 1/2 CANAL BY JOHN ALBERTI

Moved by Director Frantz, seconded by Director Fernandes, that the application of John Alberti, dated February 25, 2019 for installation of one 12” sidegate in Turlock Irrigation District's Upper Lateral 2 1/2 Canal be approved.

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

MOTION APPROVING APPLICATION FOR INSTALLATION OF A 15-INCH SIDEGATE IN THE LOWER LATERAL 2 CANAL BY HANS WAGNER

Moved by Director Macedo, seconded by Director Frantz, that the application of Hans
Wagner, dated January 13, 2020 for installation of one 15” sidegate in Turlock Irrigation District's Lower Lateral 2 Canal be approved.

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

RESOLUTION NO. 2020 - 6
RESOLUTION APPROVING ABANDONMENTS FROM IMPROVEMENT DISTRICTS

WHEREAS, the holders of title to land named in attached Exhibits A, A-1, A-2, A-3, B, and B-1 desire to abandon their rights in an 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 districts named in attached Exhibits A, A-1, A-2, A-3, B, and B-1, do hereby approve the Agreements 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 Alamo, seconded by Director Frantz, 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.

RESOLUTION NO. 2020 - 7
RESOLUTION CALLING FOR A PUBLIC HEARING ON THE PETITION FOR THE INCLUSION OF LAND INTO IMPROVEMENT DISTRICT NO. 15310, KNOWN AS STENSETH-BAWCUM-REARICK PIPELINE, AND FOR THE LEVYING OF AN ASSESSMENT ON THE INCLUDED LAND

WHEREAS, a petition for the inclusion of additional land into Improvement District No. 15310, 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 February 11, 2020, 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 Fernandes, seconded by Director Macedo, 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.

RESOLUTION NO. 2020 - 8
RESOLUTION APPROVING TURLOCK IRRIGATION DISTRICT INVESTMENT POLICY AND AUTHORIZING THE TREASURER TO PERFORM INVESTMENT ACTIVITY

WHEREAS, the California Government Code requires that Turlock Irrigation District (“District”) review its Investment Policy and delegate the authority to its Treasurer to perform investment activity on its behalf; and

WHEREAS, the Treasurer has reviewed said policy and has determined that no changes in said policy are necessary at this time.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Turlock Irrigation District that the District’s Investment Policy dated January 21, 2020 be approved and that the Treasurer be authorized to perform all investment activity on behalf of the District.

Moved by Director Alamo, seconded by Director Frantz, 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.
RESOLUTION AUTHORIZING THE GENERAL MANAGER AND/OR CHIEF OPERATING OFFICER TO NEGOTIATE, EXECUTE, AND ADMINISTER THE SB 859 PURCHASE AGREEMENT WITH ROSEBURG FOREST PRODUCTS CO., AND PREPARE AND SIGN THE EMISSIONS PERFORMANCE STANDARD (“EPS”) COMPLIANCE FILING WITH THE CALIFORNIA ENERGY COMMISSION

WHEREAS, Senate Bill 859 ("SB859") added Section 399.20.3 to the California Public Utilities Code, requiring publicly owned utilities ("POUs") serving more than 100,000 customers to procure their share, based on the ratio of the utility’s peak demand to the total statewide peak demand, of 125 MW of biomass capacity from existing biomass projects for a term of at least five years; and

WHEREAS, TID must comply with SB 859, and its share of the 125 MW biomass capacity requirement is 1.3 MW; and

WHEREAS, with Resolution No. 2017-77, TID’s Board of Directors authorized the General Manager and/or Assistant General Manager – Power Supply to enter into an agreement with ARP-Loyalton Cogen, LLC. for 0.806 MW of biomass capacity, and this procurement will be for the remainder of TID’s 1.3 MW requirement under SB859; and

WHEREAS, Roseburg Forest Products Co. ("Roseburg") submitted a competitive bid in SCPPA’s Request For Proposals for biomass capacity issued on April 11, 2018 on behalf of all the POUs subject to the requirements of SB859; and

WHEREAS, following negotiations with Roseburg, TID, SCPPA, SMUD, Modesto Irrigation District and the City of Riverside, in order to fulfill the biomass requirements of SB 859, intend to enter into a contract for 11 MW of biomass capacity (TID’s share is 0.4928 MW) for a contract term of five years; and

WHEREAS, the purchase agreement with Roseburg ("SB 859 Purchase Agreement") is for a baseload energy resource with a contract term of five years or more and is therefore subject to the Emissions Performance Standard regulations set forth in Title 20, Division 2, Article 11 of the California Code of Regulations ("EPS Regulations"); and

WHEREAS, the SB 859 Purchase Agreement is compliant with the EPS Regulations because the capacity and SB 859 attributes stem from a biomass generation facility.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Turlock Irrigation District that the General Manager and/or Chief Operating Officer and/or their designee are hereby authorized to 1) negotiate, execute, and administer the SB 859 Purchase Agreement and 2) prepare and sign on behalf of Turlock Irrigation District’s Board the Emissions Performance Standard (“EPS’) filing to the California Energy Commission (“CEC”) for the SB 859 Purchase Agreement.

Moved by Director Alamo, seconded by Director Frantz, 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.

**MOTION ACCEPTING TREASURER'S REPORT ON TURLOCK IRRIGATION DISTRICT'S INVESTMENT PORTFOLIO AND SUMMARY OF INVESTMENT ACTIVITY**

Moved by Director Alamo, seconded by Director Frantz, that the Investment Portfolio dated December 31, 2019 which was prepared by Public Financial Management, Inc. for the Turlock Irrigation District (District) and reviewed by the Board of Directors be hereby accepted, and that the Board of Directors hereby acknowledges the opinion of Treasurer Brian Stubbert, confirming the Investment Portfolio is in compliance with the District’s Investment Policy and verifying the District has the ability to meet budgeted expenditures for the next six months.

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

**MOTION CANCELING THE TURLOCK IRRIGATION DISTRICT REGULAR BOARD MEETING OF JANUARY 28, 2020**

Moved by Director Macedo, seconded by Director Fernandes, that the regular meetings of the Board of Directors of the Turlock Irrigation District scheduled for January 28, 2020, be canceled.

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

**RESOLUTION NO. 2020-10**

**RESOLUTION DELEGATING AUTHORITY TO APPROVE PAYMENT OF TURLOCK IRRIGATION DISTRICT WARRANTS FROM JANUARY 22 THROUGH JANUARY 28, 2020**

WHEREAS, because the Board of Directors will not hold its regular meeting on January 28, 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 January 22 through January 28, 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 February 4, 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 Fernandes, seconded by Director Frantz, 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.

GENERAL MANAGER’S REPORT

General Manager Michelle Reimers reported on a couple of upcoming events including CMUA Capitol Day in Sacramento noting Directors Fernandes and Macedo will be attending. She also mentioned a Water Manager’s Roundtable discussion the upcoming Saturday which will include a few state and federal water managers in attendance.

BUSINESS OF THE BOARD

Director Alamo commented that he desired to receive PowerPoint presentations for the board meetings by Monday (day prior to the board meeting) if possible. He also asked how things were progressing with the Transparency Committee (of which 2 members of the board are members). Director Santos stated they would set a follow-up meeting sometime in February. General Manager Michelle Reimers commented on a couple of items the Transparency Committee has been working on including Live Streaming of the board meetings which should be ready in February, and also the creation of the Public Records Act Policy. She noted she has been working with staff and an outside attorney on the policy as well as an updated Record Retention Policy. This project will be ongoing through the year as there are different retention requirements for the numerous departments in the District, and she plans to bring it to the board for adoption with future amendments as needed.

Director Frantz asked if there could be better use of the current Consent Calendar, perhaps using it to set public hearing dates for items pertaining to improvement districts as an example. Water Distribution Department Manager Mike Kavarian responded stating he was not sure if that would be allowed by the Water Code for items pertaining to his department but would look into it further.
MOTION TO ADJOURN TO CLOSED SESSION

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

1. Conference with Property Negotiator  
   California Government Code Section 54956.8  
   Property: APN 018-006-013  
   Agency negotiator: Michelle Reimers  
   Negotiating parties: Stanislaus Regional Water Authority  
   Under negotiation: Price, terms and other related items  
   - Tou Her, AGM Water Resources  
   - 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 no action was taken in closed session.

MOTION TO ADJOURN

Hearing no further business, Director Macedo 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