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

Turlock, California
October 27, 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 (via Zoom Webinar) on 27th day of October 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.

Board President Rob Santos read the following statement: “This meeting is being digitally recorded, and the Board Secretary is taking minutes as well. Materials presented will be made available online at www.tid.org. We encourage public participation during the Board meeting. Much like an in-person TID Board meeting, we’ll receive public comment during the ‘Public Comment Period’ portion of the agenda early on, as well as receive comment on specific agenda items. If you want to comment, please click the ‘raise hand feature’ on Zoom to do so. If you’re participating via phone, please press (Star) 9 to raise your hand over the phone.”

SALUTE TO THE FLAG

MOTION APPROVING CONSENT CALENDAR

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

A. Minutes of the regular meeting of October 13, 2020.
B. Demands against the District represented by check numbers 397151 to 397499, inclusive, in the amount of $13,328,154.53.

All voted in favor with none opposed (Directors voted via teleconference). The President declared the motion carried.

PUBLIC COMMENT PERIOD

Trevor Thomp expressed concern over the recent cancellation of an annual Duck Hunting event by Land and Leisure, concessionaire for Turlock Lake State Park. He reviewed conversations with District managers, State Park staff (they currently lease the land from the District) and representatives with Land and Leisure. Mr. Thomas emphasized this event has been ongoing since 1923 with many generations of families attending throughout the years. He noted he has been working with the AGM of Water Resources Tou Her who has been very helpful. Mr. Her confirmed he has been assisting Mr. Thompson and reviewed the timeline of when Land and
Leisure terminated their contract with the State Parks Department in regards to Turlock Lake. Mr. Her stated he has met with the State Park officials and conveyed they are currently vetting their options and associated costs related to the annual hunt.

WEEKLY/MONTHLY REPORTS

Trading and Scheduling Department Manager Bill Bacca reviewed power operations for the month of September. The Balancing Authority Area daily estimated system peaks averaged 625 megawatts for the month. The load was met with Thermal at 62.8 percent, TID hydro at 7.7 percent, Wind and Solar at 5.5 percent, ACS Specified at 11 percent and Wind Exchange at 5.3 percent. The Tuolomne Wind Project (TWP) generated 26,760 MWh’s during the month of September at the Willis Substation, averaging at 27 percent of capacity. Natural gas prices at Pacific Gas & Electric Company’s Citygate averaged out at $3.59/mmBTU. Thermal generation and implied heat rates for September show Walnut Energy Center at 151,099 MWh and Almond 2 Power Plant at 17,214 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 forced out of service September 23 through October; all of Don Pedro was out of service for five hours on September 19 for testing; Walnut Energy Center was online the entire month; Walnut GT ran one hour due to curtailment; Almond 2 had a scheduled outage September 21-23; Almond 3 experienced a scheduled outage from September 7-14; overall Almond ran for 28 days, a combination of operations and economics; EMS testing was performed for both WEC and Almond units from September 22-23; and Rosamond Solar was reduced to 78 percent capacity. The Board President asked for comments from the public, and there were none.

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, 2020 to present total 0.03 inches, or 1.4 percent of normal to date (Note: The precipitation water year begins on September 1 each year). Forecasted temperatures show they are approximately 2-3 degrees below average over the next 16-days ranging from 70 to 78 degrees for a high and averaging around 41 degrees for a low. San Francisco reservoirs contain 476,487 acre-feet and the Water Bank is at 522,937 acre-feet of credit. CCSF releases for the past 7-days averaged at 608 cfs with 263 cfs in diversions. Don Pedro contains 1,375,465 acre-feet and is currently at 771.7 elevation. Average combined releases were 1,777 cubic feet per second with 754 cfs to TID canals, 565 cfs to Modesto Irrigation District and the remaining 458 cfs going to the Tuolumne River. Computed natural flow for the current water-year is averaging 141 cfs, and computed natural flow to date is 6,980 af or 32.4 percent of average. Turlock Lake contains 10,845 acre-feet of water. The updated weekly watershed report shows Don Pedro elevation decreased almost 2-feet when compared to the previous week. The Board President asked for comments from the public, and there were none.

Water Distribution Department Manager Mike Kavarian reported on activity from October 19-25. Daily releases from Turlock Lake averaged 924 cfs, or 204 cfs above projections. Water orders received during this time period totaled 1,878 with an additional 333 orders received on Sunday. Flows ranged between 1,035 to 765 cfs. Mr. Kavarian also noted that the last day to order water was October 25th with deliveries ending on October 28. Staff will begin shutting the canal system down on October 29. Water Distribution Operators will allow users along the line to utilize the remaining water in the system as opposed to spilling at the end of the canal system. The Board President asked for comments from the public, and there were none.
President Santos left the meeting momentarily.

**RESOLUTION NO. 2020 - 43**

**RESOLUTION CALLING FOR A PUBLIC HEARING ON THE PETITION FOR THE INCLUSIONS OF LAND INTO IMPROVEMENT DISTRICT NOS. 01171, COLBURN03700, COLBURN MCCOY BR. 09370, COLBURN LOWER BR. AND FOR THE LEVYING OF AN ASSESSMENT ON THE INCLUDED LAND**

WHEREAS, the petitions for the inclusion of additional land into Improvement District Nos. 01171, Colburn, 03700, Colburn McCoy Br., and 09370, Colburn Lower Br. 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 December 1, 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 Macedo, seconded by Director Alamo, that the foregoing resolution be adopted.

Upon roll call the following vote was had:

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

The Vice-President declared the resolution adopted.

President Santos returned to the meeting.

**RESOLUTION NO. 2020 - 44**

**RESOLUTION AUTHORIZING SURVEY AND PREPARATION OF CHARGES FOR PROPOSED ASSESSMENT OF PROPOSED INCLUSION INTO IMPROVEMENT DISTRICT NO. 15610, WOLFE PIPELINE**

WHEREAS, a petition for the inclusion of additional land into Improvement District No. 15610, having been received by the Board of Directors of the Turlock Irrigation District, which petition was properly filed and signed by the owner of the additional land in accordance with California Water Code Section 23875-23876.
NOW, THEREFORE BE IT HEREBY ORDERED that the Turlock Irrigation District’s Water Resources Administration make a survey of the proposed inclusion. If, upon completion of such survey, the Water Resources Administration finds that the proposed inclusion is feasible, the Water Resources Administration is further ordered to prepare a statement of the proposed charge for such inclusion according to the benefits that will accrue to each parcel of land proposed to be included into the improvement districts.

IT IS FURTHER ORDERED that any survey and statement of proposed charge prepared pursuant to this resolution be filed with the Executive Secretary of the Turlock Irrigation District and said documents shall be subject to the inspection of all interested parties.

Moved by Director Frantz, 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.

MOTION APPROVING AND LEVYING THE ANNUAL IMPROVEMENT DISTRICT ASSESSMENTS FOR 2021

Moved by Director Frantz, seconded by Director Macedo, that levying the Annual Improvement District Assessments for 2021, dated October 27, 2020, be approved.

All voted in favor with none opposed (Directors voted via teleconference). The President declared the motion carried.

RESOLUTION NO. 2020 - 45

RESOLUTION ADOPTING A RESOLUTION APPROVING REVISIONS TO ELECTRIC SERVICE RULES 1, 3, 6, 7, 8, 9, 10, 11 & 21

WHEREAS, Turlock Irrigation District’s (TID) Electric Service Rules reflect the manner in which TID bills and collects from customers; and

WHEREAS, TID staff will be going live with a new billing system at the end of the week; and

WHEREAS, TID staff proposes to update these rules to changes taking place as a result of the implementation of a new billing system; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Turlock Irrigation District that revised Electric Service Rules 1, 3, 6, 7, 8, 9, 10, 11 & 21 is hereby approved.
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, Alamo, Macedo, Santos
Noes: Directors - None
Absent: Directors - None

The President declared the resolution adopted.

RESOLUTION NO. 2020 - 46

RESOLUTION TO SELL REAL PROPERTY

WHEREAS, in 2008, the Turlock Irrigation District acquired a parcel known as Stanislaus County Assessor’s Parcel 018-006-013 (WTP Parcel), containing an area of approximately 47.91 acres for the purpose of constructing a Water Treatment Plant (WTP); and

WHEREAS, in 2015, the District and the Stanislaus Regional Water Authority (SRWA) entered into a Water Sales Agreement; and

WHEREAS, the Water Sales Agreement, Section 11, Subsection (d) specifies that the District shall sell the WTP Parcel to SRWA at a sales price of $1,436,674.00; and

WHEREAS, the WTP project has progressed to the stage that finalizing the purchase and sale of the WTP Parcel is necessary to allow the development of the WTP.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Turlock Irrigation District that the Adoption of a Resolution to Sell Real Property is hereby approved, and the General Manager or her designee is hereby authorized and directed to execute all documents necessary to finalize the sale of the property to the Stanislaus Regional Water Authority.

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

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 Frantz, seconded by Macedo, that the Investment Portfolio dated September 30, 2020, 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 (Directors voted via teleconference). The President declared the motion carried.

RESOLUTION NO. 2020 - 47

RESOLUTION ADOPTING A RESERVE POLICY

WHEREAS, the Turlock Irrigation District (“TID”) is a public entity duly organized and existing pursuant to the Irrigation District Law (California Water Code Section 20500, et seq.); and

WHEREAS, the District has unrestricted reserves consisting of cash and investments; and

WHEREAS, a reserve policy is recommended by the Government Finance Officers Association; and

WHEREAS, the District has determined a formal reserve policy is prudent; and

WHEREAS, the District has the desire to formalize a reserve policy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Turlock Irrigation District as follows:

1. The Reserve Policy, dated October 27, 2020, presented to and discussed with the Board of Directors is approved and shall take effect on October 27, 2020.

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, Alamo, Macedo, Santos
Noes: Directors - None
Absent: Directors - None

The President declared the resolution adopted.
CFO/AGM Financial Services Brian Stubbert presented an overview of the proposed 2021 Operations and Maintenance budget. Budget impacts include a three-percent Cost-of-Living adjustment and step increases; pension contribution of $15.2 million will remain the same as 2019 and 2020; revenue financed capital of $57.3 million net of CIAC; public benefits of $8.1 million; rate stabilization transfer of $8.8 million to cash fund capital projects in 2021, in lieu of debt. The 2021 revenue forecast assumes $375 million total operating revenues, up slightly when compared to 2020. The number of full-time employees for 2021 will increase by seven employees. The Operations and Maintenance Budget recap by Administration show the General Manager’s administration at $12.5 million, an 18% increase due to the addition of the Chief Operating Officer classification and slight overlapping of the Director of Water Resources position among other staff changes; Financial Services at $18.0 million, an 0.7% increase; Water Resources at $20.6 million, a -3.2% decrease; Electrical Engineering & Operations at $24.8 million, a 3.2% increase, and Power Supply at $92.5 million, a 1.6% increase. Each Assistant General Manager provided an overview of their respective budgets and staff responded to questions from the Board. Mr. Stubbert provided a timeline for the adoption of the 2021 budget which is scheduled for December 15th. He also wished to thank accounting staff including Accounting Department Manager Jesse Kirschner and Financial Reporting Manager Michael Vincent.

GENERAL MANAGER’S UPDATE

General Manager Michelle Reimers reported the District has been invited by the Wildfire Advisory Board to present the District’s highly complimented Wildfire Mitigation Plan. The governor created the board to oversee the wildfire mitigation planning process, and Ms. Reimers stated “the District is one of only six public-owned utilities invited and we are excited to be recognized.”

General Manager Michelle Reimers referred to the previous discussion during the last board meeting regarding the return of normal business practices for collecting past due accounts remaining unpaid through the pandemic. She stated a letter would be sent by the District in November to all customers with past due accounts notifying them the District will begin non-pay disconnects after the first of the year with courtesy calls beginning January 6. Board members and staff discussed the timeline for initiation of collection on the delinquent bills, and potential billing impacts due to the implementation of the new C2M billing system which goes live on November 2. Ms. Reimers stated she planned to meet with appropriate staff to determine a confirmed date the notices would begin and hoped to have that information by the next board meeting.

BUSINESS OF THE BOARD

Director Frantz reported he received a call from the gentleman, Trevor Thompson, who spoke during public comment at the start of today’s meeting to discuss the same topic he brought before the board today.

Board President Rob Santos announced the November 3rd Board Meeting would begin an hour earlier at 8 a.m. to accommodate a closed session matter.
MOTION TO ADJOURN

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

All voted in favor with none opposed (Directors voted via teleconference). The President declared the motion carried.

Tami Wallenburg
Executive Secretary to the Board of Directors