AGENDA
WALNUT ENERGY CENTER AUTHORITY

TURLOCK IRRIGATION DISTRICT
333 EAST CANAL DRIVE
BOARD ROOM, MAIN OFFICE BUILDING
TURLOCK, CALIFORNIA

STARBUCKS
75-5695 KUAKINI HIGHWAY, HENRY STREET
KAILUA-KONA, HI 96740

Click here to view the livestream of the meeting

ALTERNATE FORMATS OF THIS AGENDA WILL BE MADE AVAILABLE UPON REQUEST TO QUALIFIED INDIVIDUALS WITH DISABILITIES. APPROPRIATE INTERPRETIVE SERVICES FOR THIS MEETING WILL BE PROVIDED IF FEASIBLE UPON ADVANCE REQUEST TO QUALIFIED INDIVIDUALS WITH DISABILITIES.

REGULAR MEETING
TUESDAY, NOVEMBER 25, 2025
9:00 A.M.

A. CALL TO ORDER

B. CONSENT CALENDAR

All matters listed hereunder will be acted upon by a single vote of the Authority. There will be no individual discussion of these items unless a member of the Authority or the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate agenda item.

1. **Motion to approve minutes of the regular meeting of July 22, 2025.**

C. PUBLIC COMMENT PERIOD (5-minutes per speaker)

Interested persons in the audience are welcome to introduce any topic within the Authority's jurisdiction. Matters presented under this heading may be discussed, but no action will be taken by the Authority at this meeting.

D. ACTION ITEMS

1. **Resolution to Adopt the WECA 2026 Budget**
   Consider a resolution adopting the Walnut Energy Center Authority 2026 Operations & Maintenance and Capital Budget.
   -Brian Stubbert, Treasurer

2. **Resolution to Make Certain Determinations with Respect to Reimbursement of Advances and Proposed Advances for Capital Projects from the WECA General and/or Capital Reserves from the Proceeds of Taxable or Tax-exempt Debt**
   Consider a resolution making certain determinations with respect to reimbursement of advances and proposed advances for Capital Projects from the WECA General and/or Capital Reserves from the Proceeds of Taxable or Tax-exempt Debt.
   -Brian Stubbert, Treasurer

E. MOTION TO ADJOURN

MINUTES OF THE COMMISSION OF THE
WALNUT ENERGY CENTER AUTHORITY

Turlock, California
22 July 2025

Prior to the meeting being called to order, Commissioner Alamo, staff, and General Counsel discussed the minimum number of Commissioners required to establish a quorum. It was determined that a quorum was in attendance.

A regular meeting of the Commission of the Walnut Energy Center Authority was called to order at 9:31 a.m. in regular session on the 22nd day of July, 2025 at the offices of the Turlock Irrigation District, 333 East Canal Drive, Turlock, California. Present were: Commissioners Michael Frantz, Joe Alamo, and Becky Hackler Arellano, CEO Brad Koehn, Treasurer/Auditor Brian Stubbert, and Secretary Jennifer Land. Absent were: Commissioners David Yonan and Ron Macedo.

MOTION APPROVING CONSENT CALENDAR

Moved by Commissioner Alamo, seconded by Commissioner Arellano, that the consent calendar consisting of the following approved:

1. **Approval of minutes of the regular meeting of November 26, 2024.**

All voted in favor with none opposed (Commissioners Macedo and Yonan were absent). The President declared the motion carried.

PUBLIC COMMENT

There was none.

ACTION ITEMS

1. **Resolution to Approve the Forms, Execution, and Delivery of Agreements and Fee Letter related to an existing subordinate Commercial Paper Program for WECA**

Treasurer Brian Stubbert presented an overview of the key facts for the WECA Commercial Paper program, noting Bank of America’s proposal had the most favorable terms.

Hearing no comments, the Commission took the following action:

ACTION: **<u>Resolution No. 2025-1</u>** Approving the forms and execution and delivery of a Reimbursement Agreement and Fee Letter and an Amended and Restated Issuing and Paying Agent Agreement related to an existing subordinate Commercial Paper program for the Walnut Energy Center Authority and authorizing certain other matters related thereto.

Motion by Commissioner Arellano, seconded by Commissioner Alamo, that the foregoing resolution be adopted.

Ayes:	Commissioner Arellano, Alamo, and Frantz
Noes:	None
Absent:	Commissioners Macedo and Yonan

The President declared the resolution adopted.

MOTION TO ADJOURN

Moved by Commissioner Alamo, seconded by Commissioner Arellano, that the regular meeting of the Commission be adjourned at 9:33 a.m.

All voted in favor with none opposed (Commissioners Macedo and Yonan were absent). The President declared the motion carried and the meeting adjourned.

Secretary of the Commission of the
Walnut Energy Center Authority

WECA
WALNUT ENERGY CENTER AUTHORITY

COMMISSION AGENDA REPORT

Commission Meeting Date:	November 25, 2025
Subject:	2026 WECA Proposed Budget
Administration:	Financial Services
Recommended Action:	Consider a resolution adopting the WECA 2026 Operations & Maintenance and Capital Budget.
Background and Discussion:	Request approval of the WECA 2026 Operations & Maintenance and Capital Budget as discussed during the Workshops held on September 30, 2025 and November 4, 2025.
Alternative(s) Pros and Cons:	Alternative: None, it is necessary to establish a budget and related processes for the 2026 year. Pros: N/A Cons: N/A
Additional Information:	
Fiscal Impact:	Establishes the WECA Operations & Maintenance and Capital Budget for 2026.

Presenter Signature	Dept. Manager Signature	AGM Signature
Brian Stubbert		Brian Stubbert
Name: Brian Stubbert	Name:	Name: Brian Stubbert
Date Signed: 11/20/2025	Date Signed:	Date Signed: 11/20/2025

CEO Signature
Name: Brad Koehn
Date Signed: 11/20/2025

RESOLUTION NO. 2025 –

RESOLUTION ADOPTING THE WALNUT ENERGY CENTER AUTHORITY 2026 OPERATIONS & MAINTENANCE AND CAPITAL BUDGET

WHEREAS, the Walnut Energy Center Authority Budget for calendar year 2026 is hereby proposed.

NOW, THEREFORE, BE IT RESOLVED by the Commission of the Walnut Energy Center Authority that the WECA Operations & Maintenance and Capital Budget for calendar year 2026 are hereby adopted and a copy is ordered filed in the Secretary's office.

Moved by Commissioner , seconded by Commissioner , that the foregoing resolution be adopted.

Upon roll call the following vote was had:

Ayes:
Noes:
Absent:

The President declared the resolution ______.

I, Jennifer Land, Secretary of the Commission of the WALNUT ENERGY CENTER AUTHORITY, a California joint powers authority, do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly adopted at a regular meeting of said Commission held the 25th day of November 2025.

____

Secretary of the Commission of the
Walnut Energy Center Authority

Walnut Energy Center Authority-Budget

(x$1,000)	2025 Budget	2026 Budget *Proposed*
Operating Revenues:		
WECA Lease Revenue	$ 157,321	$ 131,610
Fuel:		
Fuel	110,000	89,410
Gas Fields	(2,600)	(3,600)
Total Fuel Expense	107,400	85,810
Net Operating Margin	49,921	45,800
Operating Expenses		
O & M	22,500	23,400
Total Operating Expenses	22,500	23,400
Total Cash Generated	27,421	22,400
Debt Service	(17,200)	(16,700)
Commercial Paper	(5,300)	(1,000)
Total TID Debt Serv.	(22,500)	(17,700)
Net Cash Avail. for Capital	4,921	4,700
Revenue Financed Capital Expenditures	(4,921)	(4,700)
Balance to Reserves	**$ -**	**$ -**
WEC D/Serv. Coverage-(X)	1.0	1.0

Walnut Energy Center Authority- Capital Budget **Description**	**2026** **Budget**
WEC, Unit #1 Major Outage & Associated Work	$ 3,500,000
WEC HRSG 1&2 Pen Seal Replacements	1,000,000
Natural Gas Reserves – Pinedale	100,000
Natural Gas Reserves – Barnett	100,000
Total Capital	**$4,700,000**

COMMISSION AGENDA REPORT

Commission Meeting Date:	November 25, 2025
Subject:	WECA Financing Reimbursement Resolution
Administration:	Financial Services
Recommended Action:	Consider a resolution making certain determinations with respect to reimbursement of advances and proposed advances for Capital Projects from the WECA General and/or Capital Reserves from the Proceeds of Taxable or Tax-exempt Debt.
Background and Discussion:	On June 14, 1993, the Department of Treasury released Reimbursement Regulations clarifying when proceeds of taxable or tax-exempt bond issue used to reimburse expenditures made by an issuer prior to the date of issue of the bonds will be treated as expended. These Regulations are generally effective for all bonds issued after June 30, 1993. To satisfy the Regulations, WECA must satisfy three general requirements. First, WECA must declare a reasonable official intent to reimburse the expenditure with proceeds of the borrowing. Second, the allocation of bond proceeds to reimburse an expenditure must take place generally within the latter of eighteen months after the expenditure was originally paid or eighteen months after the facility financed was placed in service. Third, the reimbursed expenditures must be a capital expenditure for Federal tax purposes or an extraordinary working capital item. Attached is a resolution declaring WECA's official intent to finance the projects. The projects are listed with an estimated 2026 cost. The resolution does not bind WECA to make an expenditure, incur any debt, or proceed with the projects.
Alternative(s) Pros and Cons:	Alternative: Obtain bond funding before beginning work on projects. Pros: N/A Cons: Lose flexibility in financing structures.
Additional Information:	None
Fiscal Impact:	NA

Presenter Signature	Dept. Manager Signature	AGM Signature
Brian Stubbert		Brian Stubbert
Name: Brian Stubbert	Name:	Name: Brian Stubbert
Date Signed: 11/20/2025	Date Signed:	Date Signed: 11/20/2025

CEO Signature
Name: Brad Koehn
Date Signed: 11/20/2025

RESOLUTION NO. 2025 –

RESOLUTION MAKING CERTAIN DETERMINATIONS WITH RESPECT TO REIMBURSEMENT OF ADVANCES AND PROPOSED ADVANCES FOR CAPITAL PROJECTS FROM THE WECA GENERAL AND/OR CAPITAL RESERVES FROM THE PROCEEDS OF TAXABLE OR TAX-EXEMPT DEBT

WHEREAS, the Walnut Energy Center Authority ("WECA") has already or intends to build, construct, purchase, and improve those certain projects more fully described in attached Exhibit A (the "Projects"); and

WHEREAS, WECA 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, WECA is authorized to incur or issue debt obligations to finance costs of the Project; and

WHEREAS, WECA 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 WECA 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 RESOLVED by the Commission of the Walnut Energy Center Authority as follows:

<u>Section 1.</u> The Commissioners of WECA finds and determines that the foregoing recitals are true and correct.

<u>Section 2.</u> This Resolution is adopted by the Commissioners of WECA solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This Resolution does not bind WECA to make any expenditures, incur any indebtedness, or proceed with the Projects.

<u>Section 3.</u> The Commissioners expects WECA 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 WECA's established budgetary and financial circumstances. As of the date hereof, the Commissioners of WECA reasonably expects that such project expenditures shall be paid from WECA's Reserves. The Commissioners of WECA does not expect that moneys in WECA'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 WECA's budget to pay costs of the Projects.

Section 4. Project expenditures that are to be reimbursed to WECA shall not have been paid from proceeds of any other tax-exempt indebtedness.

Section 5. The commissioners of WECA hereby declares WECA's official intent to use proceeds of taxable or tax-exempt indebtedness to reimburse itself for future project expenditures. The Board of Directors of WECA 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 WECA located at 333 East Canal Drive, Turlock, California, commencing on January 1, 2026.

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

Moved by Commissioner , seconded by Commissioner , that the foregoing resolution be adopted.

Upon roll call the following vote was had:

Ayes:
Noes:
Absent:

The President declared the resolution ______.

I, Jennifer Land, Secretary of the Commission of the WALNUT ENERGY CENTER AUTHORITY, a California joint powers authority, do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly adopted at a regular meeting of said Commission held the 25th day of November 2025.

____
Secretary of the Commission of the
Walnut Energy Center Authority

Exhibit A

Walnut Energy Center Authority

List of Assets for Potential Debt Financing

2026 Budget Year

Walnut Energy Center Authority	**2026 Budget**
WEC, Unit #1 Major Outage & Associated Work	$ 3,500,000
WEC, Major Inspection Unit #3	1,000,000
Natural Gas Reserves - Pinedale	100,000
Natural Gas Reserves - Barnett	100,000
Total Walnut Energy Center Capital	**$ 4,700,000**