

**TRI-DAM PROJECT
MINUTES OF THE JOINT BOARD
OF DIRECTORS REGULAR MEETING**

February 16, 2017
Manteca, California

The Joint Board of Directors of the Oakdale Irrigation District and the South San Joaquin Irrigation District met in joint session at the office of South San Joaquin Irrigation District located in Manteca, California on the above date for the purpose of conducting business of the TRI-DAM PROJECT, pursuant to the resolution adopted by each of the respective Districts on July 29, 1955.

The meeting was called to order at 8:59 a.m. by President Kuil.

OID DIRECTORS

SSJID DIRECTORS

DIRECTORS PRESENT:

GAIL ALTIERI
LINDA SANTOS
STEVE WEBB

JOHN HOLBROOK
BOB HOLMES
DAVE KAMPER
DALE KUIL
RALPH ROOS

DIRECTORS ABSENT:

HERMAN DOORNENBAL; GARY OSMUNDSON

Also Present:

Ron Berry, General Manager and Secretary, Tri-Dam Project; Rick Dodge, Finance Manager, Tri-Dam Project; Susan Larson, Compliance Coordinator, Tri-Dam Project; Tim Townsend, Operations Supervisor, Tri-Dam Project; Peter Rietkerk, General Manager, SSJID; Bere Lindley, Assistant General Manager, SSJID; Steve Emrick, General Counsel, SSJID; Dave Lyghtle, MHD Group

Public Comment

None

ITEM #1 Review and Approve Minutes of the January 19, 2017 Regular Meeting

President Kuil presented the January 19, 2017 minutes of the Regular Board meeting. Director Webb moved to approve the January 19, 2017 minutes of the Regular Board meeting as presented. The motion was seconded by Director Roos. The motion passed: OID 3-0; SSJID 5-0.

ITEM #2 Financial Matters

a) Review and Approve the Financial Statements

Finance Manager Dodge reviewed the January financial statements, noting net revenue of \$3.8 million. Generation revenue was exceptionally strong during the month as a result of the record level of precipitation. Dodge also advised the Board that the Project's 2015 audited financial statements will require a restatement due

to reclassifications made in the Project's net pension liability and related deferred outflows and deferred inflows, as required by GASB 68. Dodge stressed that the restatement is a non-cash adjustment. Dodge advised that fieldwork for the 2016 audit will begin on February 27th.

b) Review Investment Portfolio and Reserve Fund Status

Finance Manager Dodge presented the monthly activity and securities held in each of the Project's reserve funds and responded to questions.

c) Review and Approve the Statement of Obligations

Finance Manager Dodge reviewed the monthly statement of obligations and responded to questions.

Director Webb moved to approve the financial statements and statement of obligations. Director Roos seconded the motion. The motion passed: OID 3-0; SSJID 5-0.

ITEM #3 Purchase Authorizations

- a. 2017.02.01 Donnells Protection Relays – Schweitzer Engineering Laboratories

GM Berry presented authorization 2017.02.01, recommending Schweitzer Engineering Laboratories to ensure uniformity throughout our system and answered questions.

Director Holbrook moved to approve PA 2017.02.01 as presented. Director Altieri seconded the motion. The motion passed: OID 3-0; SSJID 5-0.

- b. 2017.02.02 Refurbish Donnells Motor Control Center – Circuit Breaker Sales

GM Berry presented authorization 2017.02.02, recommending Circuit Breaker Sales NE Inc. to ensure compatibility throughout our system and answered Director questions. Director Holbrook asked what the warranty was on refurbished MCCs; Operations Supervisor Townsend stated that the warranty was one year. Director Altieri asked why the cost of the MCCs exceeded the budgeted amount. Finance Manager Dodge advised that the budget was developed in November and was based on the Beardsley MCCs cost. It was later determined that Donnells required more units.

Director Holbrook moved to approve PA 2017.02.02 as presented. Director Santos seconded the motion. The motion passed: OID 3-0; SSJID 5-0.

- c. 2017.02.03 2017 WECC/NERC Compliance Advisory Service

GM Berry and Supervisor Townsend presented authorization 2017.02.03 recommending SOS Reliability Matters for NERC/WECC compliance services and answered questions.

Director Holbrook moved to approve PA 2017.02.03 as presented. Director Altieri seconded the motion. The motion passed: OID 3-0; SSJID 5-0.

d. 2017.02.04 Masonry/Concrete Work for Tulloch Boat Wash Station

GM Berry and Compliance Coordinator Larson presented authorization 2017.02.04 recommending Taylor Masonry and answered questions.

Director Holmes moved to approve PA 2017.02.04 as presented. Director Webb seconded the motion. The motion passed: OID 3-0; SSJID 5-0.

e. 2017.02.05 Tulloch Feeder Breakers – Circuit Breaker Sales

GM Berry requested that this authorization be postponed 2017.02.05 to allow staff to review the timing of this purchase. No objections.

f. 2017.02.06 Donnells Transformer Replacement – Sage Engineers

GM Berry presented authorization 2017.02.06 recommending Sage Engineers to prepare and evaluate drawings and wiring diagrams and assist in the installation of the transformers.

Director Roos moved to approve PA 2017.02.06 as presented. Director Altieri seconded the motion. The motion passed: OID 3-0; SSJID 5-0.

ITEM #4 Status Update on New Melones Operations, including SWRCB Substitute Environmental Document (SED)

OID GM Knell advised that the first re-consultation meeting of Central Valley Project and State Water Project partners was held on February 14th. The meeting was held by stakeholders on the Stanislaus River to discuss operations of the various projects in light of five years of drought and the resulting decline in fish populations. GM Knell advised that the re-consultation will likely take two to three years to complete, and that a re-consultation will be performed for every river in the system. The original consultation resulted in the original biological opinion, and the re-consultation will likely result in a new biological opinion. SSJID GM Rietkerk added that FISHBIO, O’Laughlin and Paris, and Karna Harragfeld will be involved on behalf of the Districts and Stockton East Water District.

ITEM #5 Staff Reports

GM Berry reminded directors about the upcoming TuCARE annual dinner being held on March 11, 2017.

GM Berry presented a PowerPoint presentation of the road damage that occurred during the February heavy storm events causing major damage to project roads. Staff fielded questions from Directors.

ITEM #6 Generation Report

GM Berry noted the January was a record month for the Donnells and Beardsley power plants.

ITEM #7 FISHBIO

Director Holbrook asked if the non-native investigation that is being commenced in response to the passage of the Water Infrastructure Improvements for the Nation Act was included in the 2017 budget. Finance Manager Dodge advised that it was included.

ITEM #8 Directors Comments

Director Webb stated that he believes it would be a good idea for staff to begin looking into combining the Tri-Dam Project with the Tri-Dam Power Authority.

Director Altieri commented on how she enjoyed the Sandbar bond burning party and thanked staff for their efforts.

ADJOURNMENT

Director Holmes moved to adjourn the Tri-Dam Project regular meeting. Director Santos seconded the motion. The motion passed: OID 3-0; SSJID 5-0.

President Kuil adjourned the Tri-Dam Project Board of Directors meeting at 10:35 A.M.

The next Regular Board meeting is scheduled for March 16, 2017, at Oakdale Irrigation District in Oakdale, California beginning at 9:00 a.m.

ATTEST:

Ron Berry
Secretary, Tri-Dam Project