

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

March 17, 2016
Oakdale, 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 the Oakdale Irrigation District located in Oakdale, 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 regular meeting was called to order at 9:00 A.M. by President Webb.

OID DIRECTORS

SSJID DIRECTORS

DIRECTORS PRESENT:

HERMAN DOORNENBAL
LINDA SANTOS
GAIL ALTIERI
GARY OSMUNDSON
STEVE WEBB

DALE KUIL
DAVE KAMPER
JOHN HOLBROOK
RALPH ROOS

DIRECTORS ABSENT:

BOB HOLMES

Also Present:

Ron Berry, General Manager and Secretary, Tri-Dam Project; Rick Dodge, Finance Manager, Tri-Dam Project; Susan Larson, License Compliance Coordinator, Tri-Dam Project; Genna Modrell, Finance Assistant, Tri-Dam Project; Tim Townsend, Operations Supervisor, Tri-Dam Project; Steve Knell, General Manager, OID (*arrived 9:15am*); Peter Rietkerk, General Manager, SSJID; Bere Lindley, Assistant General Manager, SSJID; Tim O’Laughlin, Water Counsel; Troy Hammerbeck, Interim Maintenance Supervisor, Tri-Dam Project; Matt Weber, Counsel

Public Comment

No public comment.

ITEM #1 Review and approve minutes of the regular meeting

President Webb presented the February 18, 2016 minutes of the Regular Board meeting. Director Kuil moved to approve the February 18, 2016 minutes of the Regular Board meeting. The motion was seconded by Director Altieri. The motion passed: OID 5-0; SSJID 4-0.

ITEM #2 Financial Matters

a) Review and Approve the Financial Statements

Finance Manager Dodge reviewed the February financial statements, noting net revenue of \$1.5 million for the month. He advised the Board that the 2015 financial audit fieldwork is complete, but agencies are still awaiting GASB 68 information from CalPERS before the report can be issued.

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 Doornenbal moved to approve the financial statements and statement of obligations. Director Kamper seconded the motion. The motion passed: OID 5-0; SSJID 4-0.

ITEM #3 Review and approve revised equipment mechanic job description

GM Berry presented the revised equipment mechanic job description and responded to Director questions.

Director Roos moved to approve the job description noting the welding certificate and class A driver's license be listed *as desired* and add that a class A will be obtained within 8 months. Director Osmundson seconded the motion. The motion passed: OID 5-0; SSJID 3-1. Director Holbrook voted no.

ITEM #4 Approve Purchase Authorizations

- a. TDP 2016.3.01 Hydro Engineering – Tulloch Boat Wash Station, Hydrosite Integrated System

Ms. Larson presented authorization 2016.3.01 and answered Director questions.

Director Webb moved to approve the Hydro Engineering decontamination station as presented. Director Kuil seconded the motion. The motion passed: OID 5-0; SSJID 3-1. Director Kamper voted no.

- b. TDP 2016.3.02 Eaton Corp. – manual ground & test device (ground buggy)

GM Berry presented authorization 2016.3.02 and answered Director questions.

Director Kamper moved to approve the Eaton Corp. ground buggy as presented. Director Doornenbal seconded the motion. The motion passed: OID 5-0; SSJID 4-0.

- c. TDP 2016.3.03 Replacement of Remote Intelligent Gateway

GM Berry presented authorization 2016.3.03 and answered Director questions.

Director Kuil moved to approve the replacement of Remote Intelligent Gateway as presented. Director Doornenbal seconded the motion. The motion passed: OID 5-0; SSJID 4-0.

d. TDP 2016.3.04 Replacement of Battery Chargers

GM Berry presented authorization 2016.3.04 and answered Director questions.

Director Santos moved to approve the replacement of battery chargers at the Donnells, Beardsley and Tulloch powerhouses as presented. Director Holbrook seconded the motion. The motion passed: OID 5-0; SSJID 4-0.

ITEM #5 Review and discuss Stanislaus River Operations 2016 Temporary Urgency Change Position, April-May Release, End of the Month Storage September (carryover storage), Fall Attraction Flow, Fish Flows, Water Transfer to SEWD, Conservation Account, Districts' Allocation under '88 Agreement

Tim O'Laughlin discussed the current Vernalis required flows relative to forecast flows, and noted that it is unlikely that the required flows can be met. Accordingly, the USBR will be filing a change petition with the State Water Board requesting relief, including a request that the Districts release approximately 70,000 acre feet for pulse flows at a price of \$300 per AF. Since the Districts will likely use approximately 500,000 AF for irrigation, and inflows to New Melones should exceed the 600,000 AF the Districts are entitled to, the proposed transfer is feasible. The contract language is being drafted to come before the two District boards in the coming months. Mr. O'Laughlin also advised the Board that current projections indicate that New Melones end-of-September storage should approximate 400,000 AF. The Districts' conservation account is full; therefore, any unused water in excess of the conservation account at the end of September will not be carried over.

Director Webb expressed his concerns that the USBR will always draw New Melones down to 300,000 AF, and that the Districts will continue to be asked to essentially come to the rescue and provide water to meet river demands. Mr. O'Laughlin acknowledged that the New Melones drawdown will be a recurring issue barring several consecutive years of above-average hydrology; however, given the various agencies involved, the Districts need to cooperate and at least get paid for releasing water that will not be used within the Districts.

Mr. O'Laughlin also advised that the USBR has asked the Districts to sell Stockton East Water District 10,000 AF of water to help meet a supply shortfall. The price for this water has been proposed at \$200 per AF. Director Holbrook requested that any contract include a provision that SEWD cannot re-sell this water.

Mr. O'Laughlin also provided an overview of current hydrology, expected inflow to New Melones, and various other issues facing the Districts with regard to 2016 water operations. Of note, the water quality control plan is still not completed, and Governor Brown's twin tunnels "Water Fix" is scheduled to begin 45 days of hearings starting May 6.

ITEM #6 Discussion and update on Beardsley Afterbay

Mr. Berry advised that Condor Earth Technologies met with the Division of Safety of Dams and has reviewed the 1957 files. It was recommended to hold off on the repair work and do a seepage test in the fall. Staff will continue to work on the permitting process and contacting the other agencies that may be involved.

ITEM #7 Staff Reports

GM Berry congratulated staff on a successful completion of the annual audit. Richardson and Company is scheduled to be present at the April meeting.

Ms. Larson reported the recently adopted fee schedule has been updated and posted to the website. She also advised that TDP has received some compliments regarding all the information now available on our website.

ITEM #8 Generation Report

No discussion

ITEM #9 FishBio

No discussion

Recess to Tri-Dam Power Authority

Director Osmundson moved to recess to the Tri-Dam Power Authority Board of Commissioners Meeting at 10:25 A.M. Director Kamper seconded the motion. The motion passed: OID 5-0; SSJID 4-0.

The Project meeting resumed at 10:31 A.M.

ITEM #10 Closed Session

GM Berry announced before closed session that the following items would be discussed:

11. a. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 (1 case)
- b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9 (1 case)
- c. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9) - 2 cases
 1. Tri-Dam Project v. Michael, et al.
 2. Tri-Dam Project v. Yick
- d. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Section 54957.6

Agency Negotiator: General Manager and Finance Manager
Employee Organization: IBEW

- e. Public Employment Performance Evaluation
Government Code Section 54957
Position: General Manager

President Webb announced out of closed session that no action was taken.

ITEM #11 Director Comments

None.

Adjournment

Director Doornenbal moved to adjourn the Tri-Dam Project regular meeting. Director Kamper seconded the motion. The motion passed: OID 5-0; SSJID 4-0.

President Webb adjourned the Tri-Dam Project Board of Directors meeting at 11:14 A.M.

The next Regular Board meeting is scheduled for April 21, 2016, at South San Joaquin Irrigation District in Manteca, California beginning at 9:00 A.M.

ATTEST:

Ron Berry
Secretary, Tri-Dam Project