

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

May 21, 2015  
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 the 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 regular meeting was called to order at 9:04 A.M. by President Holmes.

**OID DIRECTORS**

**SSJID DIRECTORS**

***DIRECTORS PRESENT:***

FRANK CLARK  
HERMAN DOORNENBAL  
STEVE WEBB  
GARY OSMUNDSON

BOB HOLMES  
DAVE KAMPER  
DALE KUIL  
JOHN HOLBROOK  
RALPH ROOS

***DIRECTORS ABSENT:***

AL BAIROS, JR.

***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; Jeff Shields, General Manager, SSJID; Bere Lindley, Finance Manager, SSJID; Tim O'Laughlin, Counsel, OID; Steve Emrick, Counsel, SSJID

***PUBLIC COMMENT***

None.

***ITEM #1 REVIEW AND APPROVE MINUTES OF THE REGULAR MEETING***

President Holmes presented the April 16, 2015 minutes of the Regular Board meeting. Director Roos stated that the second was made by Director Webb instead of Director Kamper. Director Roos moved to approve the April 16, 2015 minutes of the Regular Board meeting with the noted correction. The motion was seconded by Director Clark. The motion passed 9-0.

***ITEM #2 FINANCIAL MATTERS***

- a) **Review and Approve the Financial Statements**

Finance Manager Dodge reviewed the April financial statements, noting a monthly profit of \$202,000. Year-to-date net earnings totaled \$1.6 million, well ahead of April 2014 year-to-date net earnings of \$312,000. Mr. Dodge also discussed the project's current cash position and expected cash available for distribution in July. Consistent with reservoir operations, staff anticipates increasing generation at the Donnells plant over the next several weeks which will improve June cash flow and the corresponding July distribution.

**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 statement of obligations and responded to questions.

Director Kamper moved to approve the financial statements and statement of obligations. Director Webb seconded the motion. The motion passed 9-0.

***ITEM #3 APPROVE RESOLUTION TDP 2015-03 DISTRIBUTION FROM MAINTENANCE RESERVE TO FUND SPECIFIC CAPITAL PROJECTS***

Staff presented Resolution TDP 2015-03 which provides for funding of three significant capital projects from the Tri-Dam maintenance reserve. The capital projects to be funded from the maintenance reserve are 1) the replacement or rewind of one transformer at the Donnells powerhouse, 2) painting the Beardsley and/or Donnells spillgates, and 3) replacement of the Beardsley powerhouse switchgear. After discussion, it was agreed that 100 percent of the cost of these three projects would be funded from the maintenance fund, not just the amounts budgeted and expended during 2015.

Director Webb made a motion to approve Resolution TDP 2015-03. Director Kuil seconded the motion. The motion passed with a roll call vote 9-0.

***ITEM #4 APPROVE 2015 INTERWEST INSURANCE RENEWAL***

Dave Ward, InterWest Insurance, presented the insurance renewal process, including a discussion of Tri-Dam's coverages and deductibles, including the favorable trend in premiums due to Tri-Dam's excellent loss history. Mr. Ward responded to various questions regarding Tri-Dam's coverage.

Director Webb moved to approve the renewal and to authorize GM Berry to place coverage through InterWest. Director Holbrook seconded the motion. The motion passed 9-0.

***ITEM #5 APPROVE PURCHASE AUTHORIZATIONS***

- a. 2015.05.01      Beardsley Switchgear and Control Cable
- b. 2015.05.02      MHD Group 2015 Strategic Communications Program

GM Berry and Mr. Townsend presented purchase authorization 05.01 and answered director questions. Director Kamper moved to approve the purchase authorization as presented. Director Webb seconded the motion. The motion passed 9-0.

GM Berry presented purchase authorization 05.02 and answered director questions. Director Webb moved to approve the purchase authorization as presented and authorize GM Berry to execute an agreement. Director Holbrook seconded the motion. The motion passed 9-0.

***ITEM #6 APPROVE TO CHANGE JULY MEETING DATE FROM JULY 16, 2015 TO JULY 22, 2015.***

GM Berry advised the Board the next meeting is scheduled when most directors will be attending the HydroVision conference. He recommended changing the meeting from July 16, 2015 to July 22, 2015 and suggested the meeting be moved to Strawberry.

Director Holbrook moved to approve the meeting change to July 22<sup>nd</sup> and change the location to Strawberry, CA. Director Doornenbal seconded the motion. The motion passed 9-0.

***ITEM #7 APPROVE TRI-DAM PROJECT REVISED PERSONNEL RULES AND REGULATIONS***

GM Berry presented draft revised personnel rules and regulations, which had been previously distributed to the board. Mr. Berry advised that the rules and regulations have also been reviewed by Tri-Dam's counsel and the IBEW, with appropriate revisions incorporated into the draft version provided to the Board. Mr. Berry further advised that the draft revisions are virtually a complete re-write of the prior personnel rules and regulations.

Director Webb moved to approve the revised personnel and regulations as presented. Director Kuil seconded the motion. The motion passed 8-1. Director Roos voted no.

***ITEM #8 RESERVOIR MANAGEMENT***

No discussion.

***ITEM #9 STAFF REPORTS***

Ms. Larson reported that FERC public comment period for the draft Tulloch Shoreline Management Plan would end on June 11<sup>th</sup>.

***ITEM #10 GENERATION REPORT***

No discussion.

***ITEM #11 FISHBIO***

No discussion.

## **RECESS TO TRI-DAM POWER AUTHORITY**

Director Clark moved to recess to the Tri-Dam Power Authority Board of Commissioners Meeting at 10:37 A.M. Director Holbrook seconded the motion. The motion passed 9-0.

The Project meeting resumed at 10:40 A.M.

## **ITEM #12 CLOSED SESSION**

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

- a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Paragraph (1) of subdivision (d) of Section 54956.9) - 5 cases
  1. Tri-Dam Project v. Schediwy, et al.
  2. Tri-Dam Project v. Keller
  3. Tri-Dam Project v. Michael, et al.
  4. Tri-Dam Project v. Yick
  5. Tri-Dam Project v. Holman
- b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9  
1 case
- c. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9  
(Multiple potential cases)
- d. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9  
1 case
- e. CONFERENCE WITH LABOR NEGOTIATOR  
Pursuant to Section 54957.6  
Agency Negotiator: General Manager and Finance Manager  
Employee Organization: IBEW

President Holmes announced out of closed session the Board authorized counsel to commence litigation pertaining to potential curtailment of pre-1914 water rights. The parties to be announced after filing of litigation.

## **ITEM #13 DIRECTOR COMMENTS**

None

## **ADJOURNMENT**

Director Holbrook moved to adjourn the Tri-Dam Project regular meeting. Director Clark seconded the motion. The motion passed 9-0.

President Holmes adjourned the Tri-Dam Project Board of Directors meeting at 12:40 P.M.

The next Regular Board meeting is scheduled for June 18, 2015, at the Oakdale Irrigation District in Oakdale, California beginning at 9:00 A.M.

ATTEST:

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Ron Berry  
Secretary, Tri-Dam Project