

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

October 19, 2017
Manteca, California

The Joint Boards 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.

President Kuil called the meeting to order at 9:00 a.m.

OID DIRECTORS

SSJID DIRECTORS

DIRECTORS PRESENT:

GAIL ALTIERI
LINDA SANTOS
STEVE WEBB
HERMAN DOORNENBAL

BOB HOLMES
RALPH ROOS
JOHN HOLBROOK
DALE KUIL
DAVE KAMPER

DIRECTORS ABSENT:

Also Present:

Ron Berry, General Manager and Secretary, Tri-Dam Project; Rick Dodge, Finance Manager, Tri-Dam Project; Genna Modrell, Finance Assistant, Tri-Dam Project; Susan Larson, Compliance Coordinator, Tri-Dam Project; Thom Hardie, Interim Operations Supervisor, Tri-Dam Project; Troy Hammerbeck, Maintenance Supervisor, Tri-Dam Project; Mia Brown, District Counsel, SSJID; Peter Rietkerk, General Manager, SSJID; Scott Lewis and Andy Kositsky, Condor Earth Technologies; Sam Bologna, Engineer, SSJID; Eric Thorburn, Water Operations Manager, OID; Jason Jones, Support Services Manager, OID

PUBLIC COMMENT

None.

ITEM #1 Review and Approve Minutes of the September 21, 2017 Regular Meeting

President Kuil presented the September 21, 2017 minutes of the Regular Board meeting. Director Roos moved to approve the September 21, 2017 minutes of the Regular Board meeting as presented. Director Santos seconded the motion. The motion passed OID 4-0; SSJID 5-0.

ITEM #2 Financial Matters

a) Review and Approve the Financial Statements

Finance Manager Dodge reviewed the September 2017 financial statements, noting net revenue of \$1.29 million for the month. Dodge also discussed various expense accounts and responded to questions.

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. Dodge also discussed the negative mark-to-market loss in the investment portfolio due to the recent rise in interest rates.

c) Review and Approve the Statement of Obligations

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

d) Five Year Capital Improvement Plan Update

GM Berry, Finance Manager Dodge, and Maintenance Supervisor Troy Hammerbeck presented an updated capital improvement plan and responded to questions. The first year of the CIP will be incorporated into the 2018 draft budget, which will be brought to the advisory committee and then the full board in November.

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

ITEM #3 Discussion and possible reconsideration of Resolution 2015-03 Maintenance Fund Distribution regarding one transformer

FM Dodge provided a brief summary of the resolution, which included the payment for one recently purchased Donnells GSU transformer from the maintenance fund.

Director Holmes stated that he believes the resolution should stand as approved.

Director Holbrook stated that the resolution was originally passed primarily due to the drought and the corresponding weak Tri-Dam cash flow and minimal distributions to the Districts. Inasmuch as the last water year provided substantial generation and Tri-Dam cash flow, he believes the resolution is no longer necessary. Director Holbrook therefore moved to revise the resolution and omit paying for the transformer from the maintenance fund. The motion failed due to the lack of a second.

ITEM #4 Presentation by Condor Earth Technologies, Inc. related to the update of the Joint Main Canal Phase 2 Hazard Evaluation Report

Scott Lewis presented Condor's updated Phase 2 study of site conditions that have changed since 2007. After reviewing the findings and alternatives, Condor recommended Alternative 1 as the most reliable method for improving the Joint Main Canal for continued long-term use.

ITEM #5 Consider approval of purchase authorizations

- a. 2017.10.01 Digital Radio Upgrade and Additional Repeater

GM Berry presented authorization 2017.10.01 as presented.

Director Roos moved to approve PA 2017.10.01 as presented. Director Santos seconded the motion. The motion passed: OID 4-0; SSJID 5-0.

ITEM #6 Review and consider approval of Resolution TDP 2017-10 to conduct surplus property sale

GM Berry recommended the sale of one (1) 2010 Ford F150 (VIN ending #01361), one (1) COATS 4050A Tire Changer, and one (1) Ranger DST 1000 Tire Balancer.

Director Roos moved to approve the three items recommended as surplus property. Director Santos seconded the motion. The motion passed with a roll call vote: OID 4-0; SSJID 5-0.

ITEM #7 Review and consider approval of Resolution TDP 2017-11 to declare four used transformers as surplus property and sell to Transformer Technologies, LLC

GM Berry noted that the recently replaced GSU transformers from Donnell's powerhouse are surplus property and recommended selling to Transformer Technologies, LLC.

Director Roos moved to approve as presented. Director Webb seconded the motion. The motion passed with a roll call vote: OID 4-0; SSJID 5-0.

ITEM #8 Staff Reports

In addition to the written reports in the Directors' package, GM Berry reported staff is drafting a list of items to be considered regarding consolidation of Project and Authority.

ITEM #9 Generation Report

No discussion.

ITEM #10 Fisheries Studies on the Lower Stanislaus River

No discussion.

Recess to Tri-Dam Power Authority

Director Webb moved to recess to the Tri-Dam Power Authority Board of Commissioners meeting at 10:47 a.m. Director Roos seconded the motion. The motion passed OID 4-0; SSJID 5-0.

The Tri-Dam Project meeting resumed at 10:54 a.m. after the Tri-Dam Power Authority meeting adjourned.

ITEM #11 Directors Comments

None.

ITEM #12 Closed Session

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

- a. Closed Executive Session: Litigation
The Tri-Dam Project Board may discuss litigation matters pursuant to Government Code 11126[e][2][C][i] and/or [e][2][C][i], including:
 - (a) Potential litigation memorandum re: Tulloch Dam Road Failure

President Kuil announced out of closed session that no reportable action had been taken.

ADJOURNMENT

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

ATTEST:

Ron Berry
Secretary, Tri-Dam Project