

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

May 15, 2014
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 9:17 A.M. by Chairman Roos.

OID DIRECTORS

SSJID DIRECTORS

DIRECTORS PRESENT:

FRANK CLARK
JACK ALPERS
STEVE WEBB

BOB HOLMES (Arrived 9:21 am)
JOHN HOLBROOK
RALPH ROOS
DALE KUIL
DAVE KAMPER

DIRECTORS ABSENT:

HERMAN DOORNENBAL; AL BAIROS, JR.

ALSO PRESENT:

Ron Berry, General Manager, Tri-Dam Project; Jeff Shields, General Manager, SSJID; Steve Emrick, Counsel, SSJID; Bere Lindley, CFO, SSJID; Steve Knell, General Manager, OID; Gary Jernigan, Special Projects Manager, OID; Rick Dodge, Finance Manager and Secretary, Tri-Dam Project; Susan Larson, License Compliance Coordinator, Tri-Dam Project; Genna Modrell, Finance Asst., Tri-Dam Project; Dave Ward, InterWest Insurance.

PUBLIC COMMENT

None

ITEM #1 REVIEW AND APPROVE MINUTES OF THE REGULAR MEETING

Chairman Roos presented the April 17, 2014 Minutes of the Regular Board meeting. Director Holbrook noted a correction on Item #3. He moved to "accept" Tri-Dam's 2013 audited financial statements. Director Clark moved to approve the April 17, 2014 Minutes of the Regular Board meeting with the noted correction. The motion was seconded by Director Kuil. The motion passed 8-0.

ITEM #2 FINANCIAL MATTERS

a) Review and Approve the Financial Statements

Finance Manager Dodge reviewed the April financial statements, noting a profit of \$424,000 for the month. Mr. Dodge also discussed various expense variances. Director Clark requested that staff provide an update on anticipated expenses for the remainder of the year, incorporating areas that could be reduced or deferred to future years.

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 Holmes moved to approve the financial statements and statement of obligations. Director Clark seconded the motion. The motion passed 8-0.

ITEM #4 REVIEW AND APPROVE 2014 INTERWEST INSURANCE RENEWAL

Dave Ward, InterWest Insurance, presented the insurance renewal process, including a discussion of Tri-Dam's coverages and deductibles. Although not yet finalized, the annual premium is expected to decrease from 2013 by approximately five percent. Mr. Ward responded to various questions regarding Tri-Dam's coverage, including areas where Tri-Dam is not insured due to excessive cost.

Director Webb moved to approve the renewal and to authorize General Manager Berry to place coverage through InterWest. Director Kamper seconded the motion. The motion passed 8-0.

ITEM #3 PURCHASE AUTHORIZATIONS

Gary Jernigan briefly reviewed the details of the purchase authorization presented for the Board's approval.

- a. 2014.05.01 Contractor Services Group – Change Order #01

Director Holbrook moved to approve. Director Clark seconded the motion. The motion passed 8-0.

ITEM #5 BEARDSLEY REC IMPROVEMENTS – PHASE II UPDATE

Gary Jernigan stated the Phase I completion date will be May 16th. A meeting is scheduled with Ford Construction to discuss the quality of slurry seal, which may not have cured properly. Mr. Jernigan discussed his concerns and stated that he may request a five-year maintenance bond from the contractor. Mr. Jernigan advised that there was an issue with the water line near the boat ramp and had notified the US Forest Service.

Phase II reached substantial completion on May 12th with the completion of the trails work.

ITEM #6 PRESENTATION AND DISCUSSION OF TULLOCH LAND OWNERSHIP

Ms. Larson presented a map of the lands surrounding Tulloch Reservoir, depicting lands held in public ownership by various agencies, Tri-Dam property, and property held in private ownership. Along with a map, the Board staff report for this item included a listing of the various sites and a general inventory of site conditions at the shoreline. Ms. Larson explained to the Board that this information was prepared in response to an informational request by FERC as part of the initial Recreation Plan submittal.

ITEM #7 PROJECT STAFF REPORTS

General Manager Berry provided an update on the water situation and District usage. Mr. Berry noted that the river below Goodwin continues to run at heavy flows causing spill at Tulloch. USBR will be decreasing the flows in the Stanislaus River in the coming days.

ITEM #8 GENERATION AND POWER MARKETING REPORT

Mr. Dodge gave a brief review of the generation and revenue report.

ITEM #9 FISHBIO

No discussion.

ITEM #10 CLOSED SESSION

- a. Public Employee Appointment, Pursuant to Section 54957
Title: General Manager
- b. Public Employee Appointment, Pursuant to Section 54957
Title: Interim Operations Supervisor
- c. Public Employee Appointment, Pursuant to Section 54957
Title: Power Plant Operator
- d. Conference with legal counsel – Existing Litigation
Pursuant to subdivision (c) 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
- e. Conference with Real Property Negotiators, Pursuant to Section 54956.8
Property: APN's 064-029-062 and 064-029-063
Agency Negotiators: Ron Berry
Negotiating Parties: Tri-Dam Project and Merle Holman
Under Negotiation: Price and Terms of payment

Chairman Roos reported out of closed session that the board appointed Ron Berry as General Manager, effective April 29, 2014.

ITEM #11 DIRECTOR COMMENTS

None.

ADJOURNMENT

Director Webb moved to recess to the Tri-Dam Power Authority Board of Commissioners Meeting at 11:37 A.M. Director Holbrook seconded the motion. The motion passed unanimously.

The next Regular Board meeting is scheduled for June 19, 2014, at the Oakdale Irrigation District in Oakdale, California beginning at 9:00 A.M.

ATTEST:

Rick Dodge
Secretary, Tri-Dam Project