

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

June 19, 2014
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 9:02 A.M. by Chairman Webb.

OID DIRECTORS

SSJID DIRECTORS

DIRECTORS PRESENT:

FRANK CLARK
JACK ALPERS (*arrived 9:08am*)
STEVE WEBB
HERMAN DOORNENBAL
AL BAIROS, JR.

BOB HOLMES
JOHN HOLBROOK
RALPH ROOS
DALE KUIL
DAVE KAMPER

DIRECTORS ABSENT:

ALSO PRESENT:

Ron Berry, General Manager, Tri-Dam Project; Steve Emrick, Counsel, SSJID; Bere Lindley, CFO, SSJID; 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; Tim Townsend, Operations Supervisor, Tri-Dam Project

PUBLIC COMMENT

None

ITEM #1 APPROVE RESOLUTION TDP 2014-03 ELECTION OF SECRETARY AND GENERAL MANAGER

Chairman Webb presented Resolution TDP 2014-03 Electing Ron Berry as Secretary and General Manager. Director Roos moved to approve Resolution TDP 2014-03. Director Clark seconded the motion. The motion passed 10-0.

ITEM #2 REVIEW AND APPROVE MINUTES OF THE REGULAR MEETING

Chairman Webb presented the May 15, 2014 Minutes of the Regular Board meeting. Director Roos moved to approve the May 15, 2014 Minutes of the Regular Board meeting. The motion was seconded by Director Bairos. The motion passed 10-0.

ITEM #3 FINANCIAL MATTERS

a) Review and Approve the Financial Statements

Finance Manager Dodge reviewed the May financial statements, noting a profit of \$1.9 million for the month. Mr. Dodge noted that generation was comparable to May 2013, although significantly below long-term historical levels. Operating expenses continue to trend well-below budget, and Dodge advised that he expects that trend to continue throughout the year. Mr. Dodge also advised that the remaining grant funds from the California Department of Boating and Waterways is expected to arrive before June 30th.

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 Holbrook moved to approve the financial statements and statement of obligations. Director Alpers seconded the motion. The motion passed 10-0.

ITEM #4 PURCHASE AUTHORIZATIONS

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

- a. 2014.06.01 Ford - Change Order #11, Final Closeout, Release of Claim and Notice of Completion
- b. 2014.06.02 Contractor Services Group CO #2

Director Holbrook moved to approve. Director Bairos seconded the motion. The motion passed 10-0.

ITEM #5 APPROVE RESOLUTION TDP 2014-04 AUTHORIZE MAINTENANCE OF BANK DEPOSIT ACCOUNTS

Chairman Webb presented Resolution TDP 2014-04 Authorization for Maintenance of Bank Deposit Accounts. Director Kamper moved to approve resolution TDP 2014-04. Director Bairos seconded the motion. The motion passed 10-0.

ITEM #6 APPROVE RESOLUTION TDP 2014-05 DISPOSITION OF PROPERTY BY LEASE

Chairman Webb presented Resolution TDP 2014-05 Director Roos moved to approve resolution TDP 2014-05. Director Clark seconded the motion. The motion passed 10-0.

ITEM #7 BEARDSLEY REC IMPROVEMENTS – PHASE II UPDATE

GM Berry briefly reviewed the status of the Phase II and final close out status of Phase I.

ITEM #8 MID-YEAR BUDGET REVIEW

Finance Manager Dodge presented a summary of staff's estimated expense reductions and capital project deferrals relative to budget. Mr. Dodge specifically noted labor and overhead adjustments that are expected to result in significant cost savings, primarily as a result of the delay in filling staff vacancies and the elimination of temporary labor expense.

ITEM #9 DISCUSSION OF DRAFT AQUATIC PLANT MANAGEMENT PLAN

Ms. Larson presented the current draft of the Aquatic Plant Management Plan, and associated Federal Energy Regulatory Commission (FERC) license article. Ms. Larson explained that the plan had been prepared by a consultant, with input from the working group comprised of homeowners' association representatives and agencies. The draft plan should be finalized shortly, and then forwarded to agencies for formal comment and then ultimately to FERC.

ITEM #10 DISCUSSION OF ENCROACHMENT/APPLICATION FEE STUDY WORK PLAN

Ms. Larson reviewed the staff report for the proposed application fee work study plan, explaining the steps to be undertaken and the public involvement that will be solicited as part of the process. There was discussion of several options regarding possible ways to amend the fee structure, including establishing one fee for the actual dock structure and another fee for the added elements if requested later. There was also a discussion about possible security deposits to ensure completion of facilities, etc.

ITEM #11 PROJECT STAFF REPORTS

General Manager Berry provided an update on the upcoming FERC Security Inspection scheduled for August 26th and 27th at Tulloch Dam and Powerhouse (P-2067). Mr. Berry noted that staff plans to have an internal audit of the current security measures in place at Tulloch Dam and Powerhouse, and prepare a list of our findings and possible solutions to compare with FERC's findings. Mr. Berry and Operations Supervisor Tim Townsend discussed the water situation with the reservoirs. Mr. Berry reported on behalf of Maintenance Supervisor Tom Ruhl, about power pole replacement for Sandbar intake distribution line that was destroyed from a rock slide. Mr. Berry also noted the purchase of the new Technician truck and the replacement of 200 feet of communication wire stolen at Goodwin.

ITEM #12 GENERATION AND POWER MARKETING REPORT

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

ITEM #13 FISHBIO

No discussion.

RECESS TO TRI-DAM POWER AUTHORITY

Director Holmes moved to recess to the Tri-Dam Power Authority Board of Commissioners meeting at 10:39 A.M. Director Alpers seconded the motion. The motion passed unanimously.

The Project meeting resumed at 10:43 A.M.

ITEM #14 CLOSED SESSION

- a. 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

- b. 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

No action taken during closed session.

ITEM #15 DIRECTOR COMMENTS

None.

ADJOURNMENT

Director Webb adjourned the Tri-Dam Project Board of Directors Meeting at 11:06 A.M.

The next Regular Board meeting is scheduled for July 17, 2014, at the South San Joaquin Irrigation District in Manteca, California beginning at 9:00 A.M.

ATTEST:

Ron Berry
Secretary, Tri-Dam Project