

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

October 16, 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 9:00 A.M. by Chairman Webb.

**OID DIRECTORS**

FRANK CLARK  
HERMAN DOORNENBAL  
STEVE WEBB

**SSJID DIRECTORS**

BOB HOLMES  
DAVE KAMPER  
RALPH ROOS  
DALE KUIL

***DIRECTORS PRESENT:***

***DIRECTORS ABSENT:***

JACK ALPERS; AL BAIROS, JR., JOHN HOLBROOK

***ALSO PRESENT:***

Ron Berry, General Manager and Secretary, Tri-Dam Project; Jeff Shields, General Manager, SSJID; Rick Dodge, Finance Manager, Tri-Dam Project; Genna Modrell, Finance Asst., Tri-Dam Project; Susan Larson, License Compliance Coordinator, Tri-Dam Project; Steve Knell, General Manager, OID; Tim O'Laughlin, General Counsel, OID.

***PUBLIC COMMENT***

None

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

Chairman Webb presented the Special September 18, 2014 minutes of the Regular Board meeting. Director Holmes stated that Chairman Roos adjourned the meeting rather than Director Webb. Director Clark moved to approve the Special September 18, 2014 minutes of the Regular Board meeting with the noted correction. The motion was seconded by Director Holmes. The motion passed 7-0.

***ITEM #2 FINANCIAL MATTERS***

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

Finance Manager Dodge reviewed the September financial statements. Mr. Dodge reported that cash and investments increased approximately \$1.2 million during

September. Mr. Dodge also discussed various revenue and expense accounts and noted that the Project recorded a profit of \$905,000 for the month.

**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 Doornenbal seconded the motion. The motion passed 7-0.

***ITEM #3 DISCUSSION AND POSSIBLE ACTION TO PURSUE CLOUD SEEDING PROGRAM***

Mr. Berry and Mr. Dodge updated the board regarding the potential of implementing a cloud seeding program for the upcoming winter. Mr. Berry provided an update on the discussions he has had thus far with potential contractors, along with his discussions with other agencies that are currently engaged in cloud seeding programs. Also discussed was the plan to file a 1-year notice of exemption from CEQA requirements due to the emergency drought declaration. Staff will continue to pursue implementing a program, and report back at the November meeting.

***ITEM #4 DISCUSSION OF 2015 DRAFT BUDGET***

Mr. Dodge presented the first draft of the 2015 budget, noting that estimates and quotes are still being developed by staff, particularly for capital expenditures and large O&M projects. Mr. Dodge suggested that both dry year and average year scenarios be developed to eventually be adopted during the December board meeting.

***ITEM #5 STAFF REPORTS***

GM Berry updated the Board on scheduled annual maintenance for Donnell's and Beardsley. Mr. Berry also reported that the annual DSOD and FERC dam inspections have been completed with no major findings.

***ITEM #6 GENERATION AND POWER MARKETING REPORT***

No discussion.

***ITEM #7 FISHBIO***

Mr. O'Laughlin informed the Board that Doug Demko will present to the Board in November or December his recommended adjustments to the 2015 budget, while maintaining the 2014 total budget amount. Mr. O'Laughlin advised that 2015 will likely require additional litigation costs with related support from Fishbio. As a result, Fishbio may curtail somewhat its river activities in order to maintain total costs consistent with 2014. Director Holmes cautioned that this makes sense as long as it doesn't compromise the long-term data collection pattern.

Mr. O’Laughlin also provided a review of the current USBR operations at New Melones, including the concern that New Melones will essentially be empty at this time next year if a similar water year occurs and the Bureau does not change its release schedule. The Board engaged in a lengthy discussion regarding the Bureau’s apparent lack of science (or ignored science) to support these excessive releases, and expressed skepticism that the targeted temperature levels at New Melones can be achieved without a change in operations.

**ITEM #8 UPDATE ON PROPERTY ACQUISITION AT TULLOCH & REVIEW APN 064-029-062, 064-029-063 & 061-057-001**

Mr. Berry and Ms. Larson provided a brief update on an additional available parcel. Counsel advised that specific discussion will take place in closed session as disclosed on the agenda.

**ITEM #9 STATE WATER ISSUES, PRESENTATION BY TIM QUINN, ACWA EXECUTIVE DIRECTOR**

Mr. Quinn gave a presentation of State water issues, including ACWA’s position and recent actions with regard to groundwater over-drafting, the Bay-Delta Conservation Plan, the need for a state-wide water plan and the water bond ballot initiative (Prop. 1). The Board urged Mr. Quinn to ensure that ACWA gets involved with, and opposes the current required 40 percent unimpaired river flows. The Board also stated that the Districts’ science continues to be ignored by the Bureau and the State agencies year after year, and that ACWA’s support is needed to effect policy changes. Mr. Quinn acknowledged the Board’s concerns.

**ITEM #10 CLOSED SESSION**

- 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 Real Property Negotiators, Pursuant to Section 54956.8  
Property: APN’s 064-029-062, 064-029-063 and 061-057-001  
Agency Negotiator: Ron Berry  
Negotiating Parties: Tri-Dam Project, Merle Holman and Rick Percell  
Under Negotiation: Price and Terms of Payment
  
- c. Conference with Labor Negotiator  
Pursuant to Section 54957.6  
Agency Negotiator: General Manager  
Employee Organization: IBEW and Management Group
  
- d. Conference with Legal Counsel – Anticipated Litigation  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 – 1 case

Chairman Webb reported out of closed session that the Board voted to purchase APN 061-057-001 for the amount of \$600,000. Additional terms as provided in the proposed purchase agreement.

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

Director Roos moved to recess to the Tri-Dam Power Authority Board of Commissioners Meeting at 11:51 A.M. Director Clark seconded the motion. The motion passed 7-0.

The Project meeting resumed at 11:55 A.M.

***ITEM #11 DIRECTOR COMMENTS***

None

***ADJOURNMENT***

Director Kuil moved to adjourn the Tri-Dam Project Board of Directors meeting at 11:56 A.M. Director Doornenbal seconded the motion. The motion passed 7-0.

The next Regular Board meeting is scheduled for November 20, 2014, at the South San Joaquin Irrigation District in Manteca, California beginning at 9:00 A.M.

ATTEST:

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Ron Berry  
Secretary, Tri-Dam Project