

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

April 19, 2018  
Oakdale, 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 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.

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

**OID DIRECTORS**

**SSJID DIRECTORS**

***DIRECTORS PRESENT:***

GAIL ALTIERI  
LINDA SANTOS  
TOM ORVIS  
BRAD DE BOER  
HERMAN DOORNENBAL

BOB HOLMES  
DAVE KAMPER  
JOHN HOLBROOK  
DALE KUIL  
RALPH ROOS

***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; Brian Belitz, Ops Supervisor, Tri-Dam Project (*arrived 9:28am*); Peter Rietkerk, General Manager, SSJID; Bere Lindley, Assistant General Manager, SSJID; Mia Brown, Counsel, SSJID; Steve Knell, General Manager, OID; Tim Wasiewski, Water Counsel, O'Laughlin & Paris; Whitney Crockett, Maze & Associates; Dave Ward, InterWest Insurance

***PUBLIC COMMENT***

Dave Ward, InterWest Insurance, presented the insurance renewal process, including a discussion of the current insurance market, Tri-Dam's coverages, premiums, and deductibles. Mr. Ward responded to various questions regarding Tri-Dam's coverage.

***ITEM #1 Review and Approve Minutes of the March 15, 2018 Regular Meeting***

President Kuil presented the March 15, 2018 minutes of the Regular Board meeting. Director Kamper moved to approve the March 15, 2018 minutes of the Regular Board meeting. Director Doornenbal seconded the motion. The motion passed OID 5-0, SSJID 5-0.

***ITEM 3 # Consider approval of 2017 audited financial statements – Maze & Associates***

Whitney Crockett from Maze & Associates presented Tri-Dam Project's 2017 audited financial statements, noting that her firm has issued an unqualified opinion. Ms. Crockett advised that there were no difficulties or issues encountered during the audit and that the Project's accounting

records are very clean, with no other material or significant issues.

Director Doornenbal moved to accept Tri-Dam's 2017 audited financial statements as presented. Director Holbrook seconded the motion. The motion passed OID 5-0, SSJID 5-0.

### ***Recess to Tri-Dam Power Authority***

Director Holbrook moved to recess to the Tri-Dam Power Authority Board of Commissioners meeting at 9:17 a.m. Director Orvis seconded the motion. The motion passed OID 5-0, SSJID 5-0.

The Tri-Dam Project meeting resumed at 9:28 a.m. after the Tri-Dam Power Authority meeting adjourned.

### ***ITEM #2 Financial Matters***

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

Finance Manager Dodge reviewed the March 2018 financial statements, noting net revenue of \$96,000 for the month. Dodge also discussed various expense accounts and responded to questions. Director Doornenbal expressed concern over the Project's high level of expenses during the prior year. Dodge acknowledged the high level of expenses, but reminded the Board of the significant road damage incurred during 2017, as well as the large non-cash pension expense recorded because of GASB 68.

#### **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.

#### **c) Review and Approve the Statement of Obligations**

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

Director Roos moved to approve the financial statements and statement of obligations as presented. Director Santos seconded the motion. The motion passed OID 5-0, SSJID 5-0.

### ***ITEM #4 Consider approval of purchase authorizations***

- a. 2018.4.01 Donnells realignment project – Kingsbury, Inc.

GM Berry discussed the recent Donnells generating unit bearing failure that occurred during start up testing of the realignment project, providing details on the suspected reasons for the failure, timeline of the repair, and actions taken to mitigate a recurrence. Mr. Berry also answered questions from the board regarding the cause of the failure and the qualifications of the third-party personnel involved with the project.

After a lengthy discussion, Director Holmes moved to approve PA 2018.4.01 as presented. Director Altieri seconded the motion. The motion passed OID 5-0, SSJID 5-0.

### ***ITEM #5 Discussion of the Stanislaus River Basin Plan***

GM Rietkerk presented the scope of work for the Districts' proposed Stanislaus River Basin Plan. Mr. Rietkerk explained that the plan is a joint effort between OID and SSJID that prioritizes and

describes the tasks necessary to develop and cooperatively implement a regional water resources plan for the basin to address anticipated regulatory and resource challenges, protect the Districts' joint water rights, support continued water use, and identify potential water transfers. CH2M will assist in developing the plan, with funding likely to be through Tri-Dam. After much discussion, the board generally acknowledged that the plan should provide value in several areas, regardless of the response or acceptance from the various state and federal agencies. A proposal is expected to be brought before the Board at the May 17, 2018 regular meeting.

A member of the public, John Mills, representing Chicken Ranch Casino in Jamestown, stated that the casino believes the plan is necessary and that they strongly support this undertaking.

#### ***ITEM #6 Staff Reports***

In addition to the written reports, GM Berry also advised the Board that staff is still working on the Beardsley A-Bay Dam repair plan, and hopes to provide an update in May.

#### ***ITEM #7 Generation Report***

No discussion.

#### ***ITEM #8 Fisheries Studies on the Lower Stanislaus River***

No discussion.

#### ***ITEM #9 Directors Comments***

Director Holbrook thanked staff for a positive audit report.

Director Santos commented that Tri-Dam is stressing over down time, but we have people on top of it and minimizing the loss of generation.

Director Roos stated he was glad to be back.

Director Holmes stated that considering the recent lost revenues maybe we should bring back the budget for review.

#### ***ITEM #10 Closed Session***

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

- a. CONFERENCE WITH LABOR NEGOTIATOR  
Pursuant to Section 54957.6  
Agency Negotiator: General Manager & Finance Manager  
Employee Organization: IBEW 1245
- b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Initiation of litigation pursuant to Government Code section 54956.9(d)(4):  
1 potential case

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

## ***ADJOURNMENT***

Director Kamper moved to adjourn the Tri-Dam Project Board of Director's Meeting. Director Doornenbal seconded the motion. The motion passed OID 5-0, SSJID 5-0.

President Kuil adjourned the meeting at 11:56 a.m.

The next regular board meeting is scheduled for May 17, 2018, at Tri-Dam Project in Strawberry, California beginning at 9:00 a.m.

ATTEST:

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Ron Berry  
Secretary, Tri-Dam Project