

**MINUTES OF REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
LATHROP IRRIGATION DISTRICT**

The Regular Meeting of the Board of Directors of the Lathrop Irrigation District convened on Wednesday, January 26 at 4:03 p.m. at 1235 Academy Dr, Lathrop, California. Due to concerns caused by the Coronavirus, the meeting was noticed as an optional online meeting for members of the public and staff.

Board of Directors Present: Scot Moody, Ravi Kotecha, Michael Dell'Osso

Directors Absent: None

Also Present: Curtis Bryant, Erik Jones, Keri Richards (via Online), Terry Truscott, Brian Biering, Esq.- Ellison, Schneider, Harris, & Donlan (via phone)

There being a quorum present, the meeting was declared in order.

PUBLIC COMMENT: None.

APPROVAL OF THE MINUTES OF December 20, 2021 Special Board Meeting: Director Dell'Osso made a motion to approve the Minutes of the December 20, 2021 Special Board Meeting. Director Kotecha seconded the motion. The motion was approved by a 3-0 vote.

STAFF REPORTS:

- a. Mr. Bryant updated the Board as to the status of the substation expansion project, and the ongoing dispute with PG&E over a system impact study. Mr. Bryant added that outside counsel is working toward a resolution with PG&E
- b. Mr. Bryant advised the Board that SDRMA had declined to provide health insurance coverage as not enough employees were enrolled. He will continue to search for a company that will cover the two employees who are being offered insurance coverage.
- c. Mr. Bryant advised that our payroll company, ADP, was failing to file required reports for payroll taxes and he was having issues with balancing the amounts withheld against their reports of taxes paid. Mr. Bryant is working with ADP to resolve these issues.
- d. Mr. Bryant advised that the District Engineer would be retiring at the end of the year and the AGM would be working with him to learn the day-ahead marketing and load forecasting for power purchases.

Staff and the Board discussed the increased cost of power which is purchased by the District and delivered to customers. Significant increases have been experienced on the delivery side of the purchased power costs, not necessarily the energy itself (wheeling, CAISO fees, etc). The Board and staff discussed the Bond covenants and how the District is required to maintain a certain reserve for rate stabilization, and although the District has been able to hold off rate increases using those funds, we cannot continue to sustain that supplementation. Mr. Bryant provided a

comparison of how the LID rates and PG&E rates, and demonstrated how an overall 10% increase in the energy rate would affect customer bills. He recommended that the increase be broken down into two parts: the first an increase of 6% on the current rate for all rate classes to become effective March 1, 2022 (reflected on the April 1st statements) and a second increase of 4% on the current rate to all rate classes effective May 1, 2022 (reflected on the June 1st statements). The Board discussed the lack of public input, as there were no customers in attendance at the meeting despite a notice being sent regarding this meeting, and an assumption was made that most people recognized that the cost of everything has been rising and it is unavoidable, but if anyone felt strongly they would be welcome to come and discuss at a future meeting.

Director Moody made a motion to accept the increase as proposed by staff. Director Dell'Osso made a second to the motion and the motion was passed on a 3-0 vote.


DISTRICT ENGINEER'S REPORT: Mr. Bryant advised the Board that the recent planned maintenance outage went well and the time spend to put safety protocols put into place took nearly as long as the actual performance of the work.

TREASURER'S REPORT: Ms. Truscott presented the December, 2021 warrants for approval, as well as a report on the District's cash position. Director Kotecha made a motion to approve the warrants, Director Dell'Osso made a second to the Motion. The motion was approved by a 3-0 vote.

OTHER BUSINESS: Next Regular Board meeting scheduled for February 23, 2022. Staff gave a quick update on the text service for the outage notification and the results of the emails sent regarding the rate increase.

ADJOURNMENT: The meeting was adjourned at 4:57 pm.

Respectfully Submitted,



KERI RICHARDS,
Secretary