

**OFFICE OF THE BOARD OF DIRECTORS
OF THE MODESTO IRRIGATION DISTRICT**

AMENDED ON MARCH 14, 2023

1231 Eleventh Street
Modesto, CA
January 24, 2023
9:00 a.m.

The meeting of the Board of Directors of the Modesto Irrigation District was called to order, in special session, in-person and via webinar, on the twenty-fourth day of January 2023. Present were Directors: Larry Byrd, President, Nick Blom, Vice President, John Boer IV, Robert Frobose and Janice Keating, General Manager, Ed Franciosa, General Counsel, Wesley Miliband and Board Secretary, Angela Cartisano.

QUORUM

Upon roll call, a quorum being present, President Byrd called the meeting to order.

PLEDGE OF ALLEGIANCE

President Byrd led the pledge of allegiance.

President Byrd opened the meeting up to public comment prior to going into closed session.

Public Comment:

Emerson Drake, longtime Modesto resident, expressed concerns regarding an article in the Modesto Bee written by Director Keating; commented on special interest groups and having an exceptional water attorney is always an asset.

President Byrd announced the Board will now convene into closed session for items listed on the agenda.

RECESS

At 9:10 a.m., the Board of Directors recessed the meeting.

CLOSED SESSION

At 9:15 a.m., the Board of Directors convened in closed session for:

Conference with Legal Counsel – Anticipated Litigation
(Government Code § 54956.9(d)(2))

One Potential Case

Conference with Legal Counsel – Existing Litigation
(Government Code § 54956.9(d)(1))
Modesto Irrigation District v. California State Water Resources Control Board
Sacramento County Superior Court; Case No.: 34-2019-8000305

RECONVENE OPEN SESSION

At 10:30 a.m., the Board of Directors reconvened in open session.

ANNOUNCEMENTS FOLLOWING CLOSED SESSION

Wes Miliband, General Counsel, said there is one reportable action for the first item on the agenda. The Board took action to reject the claim for Mercury Insurance by a roll call vote of 5-0. There was no other reportable action in closed session.

The Board Secretary conducted a roll call vote on the consent items.

WARRANTS

Moved by Director Blom, seconded by Director Keating, that warrants numbered 124396 to 124517, in the amount of \$892,659.99, be approved. President Byrd declared the motion carried by a vote of all Directors present.

DISBURSEMENT ACCOUNT PAYMENTS

Moved by Director Blom, seconded by Director Keating, that disbursement account payments for the month of December, in the amount of \$5,185,883.88, be approved. President Byrd declared the motion carried by a vote of all Directors present.

WIRES

Moved by Director Blom, seconded by Director Keating, that wire transfers for the month of December, in the amount of \$27,489,321.42, be approved. President Byrd declared the motion carried by a vote of all Directors present.

RESOLUTION 2023-05

APPROVING A TEMPORARY USE AGREEMENT BETWEEN THE MODESTO IRRIGATION DISTRICT AND ROLFE CONSTRUCTION, INC.

WHEREAS, the Modesto Irrigation District (MID) has property interests in certain real property referred to as the Goldsworthy Ditch (Property) located along the west side of Conant Avenue, south of Budd Street in the City of Modesto, County of Stanislaus, State of California; and

WHEREAS, Rolfe Construction, Inc. is in the process of replacing existing water mains between Conant Avenue, Rumble Road and Sisk Road as part of the City of Modesto's Water Main Project. Rolfe

Construction, Inc. desires District's permission to temporarily use a portion of the Property as a staging area for their construction equipment from January 21, 2023, to October 31, 2023.

BE IT RESOLVED, That the Board of Directors of the Modesto Irrigation District does hereby authorize and direct the General Manager to execute and administer that certain Temporary Use Agreement dated January 24, 2023, between the Modesto Irrigation District and Rolfe Construction, Inc.

BE IT FURTHER RESOLVED, That the Board of Directors of the Modesto Irrigation District does hereby approve and authorize Rolfe Construction, Inc. to use the MID Property as a staging area for construction equipment during the time period stated above. Both parties have agreed to the terms and conditions of the Temporary Use Agreement which is more particularly described in said Temporary Use Agreement and to which reference is hereby made for full particulars.

Moved by Director Blom, seconded by Director Keating, that the foregoing resolution be adopted.

The following roll call vote was had:

Ayes: Directors Blom, Boer, Byrd, Frobose and Keating

Noes: Director None

Absent: Director None

President Byrd declared the resolution adopted.

**RESOLUTION 2023-06
AUTHORIZING THE DISPOSAL OF MODESTO IRRIGATION DISTRICT SURPLUS ITEMS**

WHEREAS, On September 13, 2022, the Modesto Irrigation District Board of Directors authorized as surplus equipment, through Board Resolution 2022-37, a list of initial items resulting the conversion project for Woodland Generation Station Unit 1 (WGS1); and

WHEREAS, Additional equipment resulting from the WGS1 conversion project has been identified as surplus equipment and no longer necessary for District use.

BE IT RESOLVED, That the Modesto Irrigation District Board of Directors does hereby authorize the disposal of the attached list of surplus items through direct sale, auction, donation, recycle or scrap that are no longer necessary for District purposes and declares that it is in the best interest of the District to dispose of said property. Reference is hereby made to the detailed list of such property as on file in the Board Secretary's office for full particulars.

Moved by Director Blom, seconded by Director Keating, that the foregoing resolution be adopted.

The following roll call vote was had:

Ayes: Directors Blom, Boer, Byrd, Frobose and Keating

Noes: Director None

Absent: Director None

President Byrd declared the resolution adopted.

PUBLIC INPUT FOR THE GOOD OF THE DISTRICT

There were none.

RETENTION OF LUCAS LAW FOR LEGAL CONSULTING SERVICES

President Byrd referenced Director Keating's opinion that was printed in the Modesto Bee and concurs with her statement. He agrees that MID has excellent staff, including the General Manager and General Counsel. He also agrees the resolution should make clear that Lucas Law should report to and be subject to the oversight of the General Counsel and not the Board. Lucas Law has significant experience and knowledge regarding MID and can provide cost effective legal services, provided there is oversight by the General Counsel. Director Keating responded.

MOTION

Moved by Director Frobose, seconded by Vice President Blom, that the Modesto Irrigation District Board of Directors retain Lucas Law, as special counsel to the Modesto Irrigation District administered consistent with the Board Governance. The motioned remained on the floor.

A discussion ensued amongst the Board of Directors regarding the order in which the public may comment on this matter.

Board Comment:

Director Keating commented on having honest discussions regarding their deliberations, and whether or not there is a need for a special representative, at all. She said if a need is established, it should go through the regular channels and further questioned who does this legal firm report to, under what parameters are they conducting business for us, what is the scope and how much is this going to cost the ratepayers. Director Frobose responded.

Director John Boer said this is about every customer at MID. He would like to hear what the public would like to say as it may generate more questions.

Wes Miliband, General Counsel, addressed the scope of work for Lucas Law which will be to assist in the SED matter and look at the Board Governance Policies.

The following individuals spoke under public comment regarding this matter:

Emerson Drake, Modesto resident, Lauren Layne, Fresno Attorney, Stacy Henderson, Ripon Attorney, and Frank Damrell, Modesto resident.

Board Comment:

Director Keating made other additional comments regarding the SED, who normally hires and fires within the organization, is it typical for the Board of Directors to hire anyone, how much is the estimated first year cost, what is the scope of work, what is lacking in our current representation for

any and all litigation that requires us to bring on an additional law firm, does Lucas Law represent any other water customers. Miliband responded.

Director Boer said coming into this he has never worked with this law firm and hearing comments from Mr. Drake and Mr. Damrell, we have to fight for our water, we have to put our best offense in front of us or we are going to be playing defense the entire time.

**AMENDED RESOLUTION 2023-07
AUTHORIZING THE RETENTION OF LUCAS LAW
FOR LEGAL CONSULTING SERVICES**

WHEREAS, the Modesto Irrigation District Board of Directors hereby desires that Lucas Law be retained to serve as Special Counsel to the Modesto Irrigation District Board of Directors.

BE IT RESOLVED, That the Modesto Irrigation District Board of Directors hereby directs that Lucas Law be retained to serve as Special Counsel to the Modesto Irrigation District Board of Directors.

Moved by Director Frobose, seconded by Director Blom, that the foregoing resolution be adopted.

The following roll call vote was had:

Ayes: Directors Blom, Boer, Byrd and Frobose

Noes: Director Keating

Absent: None

President Byrd declared the resolution adopted.

ANNOUNCEMENTS BY BOARD MEMBERS

Vice President Blom asked for legal costs for the past 3-4 years, so they understand what MID is spending. Director Keating asked if staff could break them down specifically. Ed Franciosa, General Manager, responded.

GENERAL MANAGER UPDATES

Ed Franciosa, reported during the recent storms MID sent two-line crews to provide mutual aid to SMUD. At one point, SMUD had over 200,000 customers without power. The first crew assisted SMUD for six days and the second crew provided three additional days of aid. The remaining MID crews stayed here and performed emergency work for our own customer restorations. They all did a great job.

Last week, Franciosa was invited to give a presentation regarding MID operations at the Sons in Retirement, Modesto branch. Due to the amount of interest in power and water issues, the question-and-answer session lasted over one hour. The audience appreciated is presentation.

Director Boer extended his appreciation to the MID crews who assisted SMUD.

President Byrd said he would like the legal costs for the last 6-years. He said it's very important to this Board to know those numbers and he knows the numbers will be correct, transparent, and honest.

FUTURE BOARD MEETINGS

President Byrd announced the next Board meetings are scheduled for February 14 and March 14, 2023.

RECESS/RECONVENE

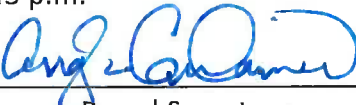
At 11:30 a.m., the Board of Directors recessed the meeting; it reconvened at 11:45 a.m.

MID BOARD OF DIRECTORS ORIENTATION WORKSHOP

Irma Perrone, Human Resources Manager, presented the Board of Directors with an overview of the Human Resource Department. Bruce Rankin, Information Technology Manager and Nick Braden, a Senior Electrical Engineer, presented an overview of the IT Department.

ADJOURN

There being no further business, the meeting was adjourned at 12:45 p.m.


Board Secretary

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**RESOLUTION 2023-07
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WHEREAS, the Modesto Irrigation District Board of Directors desires to retain Lucas Law for legal services given Lucas Law's significant knowledge and experience regarding Modesto Irrigation District; and

WHEREAS, Lucas Law will perform legal services as determined by the Board; and

WHEREAS, President Byrd indicated that Lucas Law's services should be subject to oversight of Modesto Irrigation District's General Counsel.

BE IT RESOLVED, the Modesto Irrigation District Board of Directors hereby directs that Lucas Law be retained to serve as Special Counsel to the Modesto Irrigation District.

Moved by Director Frobose, seconded by Director Blom, that the foregoing resolution be adopted.

The following roll call vote was had:

Ayes: Directors Blom, Boer, Byrd and Frobose

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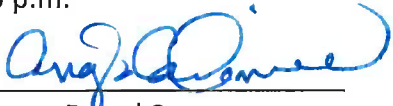
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