

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

The Special Meeting of the Board of Directors of the Lathrop Irrigation District convened on Wednesday, March 15, 2023 at 4:05 p.m. at 1235 Academy Dr, Lathrop, California. The meeting was noticed as an optional online meeting for members of the public and staff.

Board of Directors Present:	Juan Vega, Ravi Kotecha
Directors Absent:	Michael Dell’Osso
Also Present:	Curtis Bryant, Erik Jones, Terry Truscott, Keri Richards (via Online), Brian Biering, Esq. (via phone)
Public Present:	None

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

PUBLIC COMMENT: None.

APPROVAL OF THE MINUTES OF February 22, 2023 Regular Board Meeting: Director Kotecha a made a motion to approve the Minutes of the February 22, 2023 Regular Board Meeting. Director Vega seconded the motion. The motion was approved by a 2-0 vote.

STAFF REPORTS:

- a. Mr. Bryant described a new security system that he is planning to implement at the laydown yard to deter the frequent break-ins and damage caused by transients. He will keep the Board updated as the project progresses.
- b. Ms. Richards updated the Board on the 2021-22 audit, stating that the auditors have been provided with all documents and the auditors will be reaching out for some final explanations on some items and confirmation of questions, but tax season is interfering with the progress of the audit so we don’t expect much until after mid-April.

PRESENTATION OF RATE CHANGE PROPOSAL AND APPROVAL OF RESOLUTION NO. 2023-01 APPROVING TARIFF AMENDMENT FOR ENERGY RATES: Staff again presented information on the costs of power procurement and the District rates based on residential usage from the beginning of the District formation to the present. Due to unprecedented energy cost increases for power procurement the District and all utilities are struggling with recovering enough revenue to cover the costs of procurement and delivery. There were other modifications to existing fees made to recover costs such as application fees, builder application fees, and NSF check fees. Discussion ensued regarding power purchasing contracts, the unavailability of low-cost, long-term power contracts and the ancillary costs which are significantly out-pacing even the cost of the energy itself. Staff recommends that an additional \$.02 be added to all of the

energy rates to bring that cost of purchasing the power closer to the rates charge for delivery to customers.

Staff also recommended that a component be added to monthly statements that would allow the District to make a monthly analysis of any extreme fluctuations in the costs (whether up or down) to adjust the kwh charges to align with those costs more quickly, commonly known as an Energy Rate Adjustment or "ERA". Staff presented an outline of how the ERA would be implemented and explained that it would be brought back at a future meeting for review and approval.

Director Kotecha made a motion to approve Resolution No 2023-01 approving Tariff Amendment for Energy Rates which would become effective with the April 1<sup>st</sup> billing. Director Vega made a second to the motion and the motion was approved on a 2-0 vote.

DISTRICT ENGINEER'S REPORT: Mr. Jones advised the engineering teams were working on completing inspections on crucial equipment and preparing reports and manuals for future use for the substation and other District equipment. He reported that there was a brief outage from the PG&E side earlier in the month but the LID system responded appropriately and it is not known what the cause was.

TREASURER'S REPORT: Ms. Truscott presented the February 2023 warrants for approval, as well as a report on the District's cash position. Director Kotecha made a motion to approve the warrants, Director Vega made a second to the Motion. The motion was approved by a 2-0 vote. The Board reviewed the Cash Balance and Budget to Actual reports presented by Ms. Truscott as well.

OTHER BUSINESS: The Board was made aware that our payment platform system (PSN) was forced to delay our deposits for customer payments for about three days while they switched banks away from SVB due to the closure of SVB. The action was swift and the District was not majorly impacted.

Next regular Board meeting is scheduled for a regular Board meeting April 26, 2023.

ADJOURNMENT: The meeting was adjourned at 5:00 pm on a motion made by Director Kotecha and a second Director Vega, the motion with a passed 2-0 vote.

Respectfully Submitted,

*Keri Richards*

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KERI RICHARDS,  
Secretary