

MID Board Report

Modesto Irrigation District (MID) Board Meeting of Tue., Nov. 24, 2009

Media contact: MID Public Affairs Department, Melissa Williams, 209 526-7390

Next MID Board meetings: Dec. 8 and 22, Jan. 12 and 26

The MID Board Report is a summary of highlights of meetings of the MID Board of Directors and not a complete or official record of proceedings. Official records of proceedings of the MID Board of Directors are contained in the Minutes of meetings of the Board of Directors. For information about the Minutes, please contact the Office of the Board Secretary, 1231 Eleventh Street, Modesto, telephone 209 526-7360, 8 a.m. – 5 p.m., Monday – Friday, excluding holidays, or email Board@mid.org.

Water Report – Walt Ward, Assistant General Manager of Water Operations reported that:

- **The Tuolumne River fish weir was adjusted** – three panels removed – per California Department of Fish & Game conditions regarding fish movement on the river.
- **Tuolumne River flows** are at approximately 241 cubic feet per second.
- **Irrigation maintenance activities** in progress include replacing a gate at La Grange Dam, clearing trash from the canals, sandblasting and guniting canals and SCADA system improvements.

Financial Rating Change – Lou Hampel, Assistant General Manager of Finance, reported that Fitch Ratings has downgraded MID bonds to “A” from “A+” and noted:

- Rating outlook remains stable.
- Rating change is due in part to the Board’s decision to reduce 2009 electric rate increases. The original approved rate increases would have improved District reserves which are projected to be \$121-\$125 million at year’s end.
- The rating change will affect future District financing, including adding \$13 million in interest to proposed 2010 financing. However, if the District doesn’t meet its 1.1 debt coverage ratio on bonds, no financing can occur.

Budget Summary & Review – Discussion of MID’s 2010 operating and maintenance and capital budgets continued and will carry to the Dec. 8 Board meeting.