

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
8th DAY OF NOVEMBER 2016 AT THE HOUR OF 9:00 A.M.**

Call to Order:

Directors present at the meeting held at the date and time above designated were President David Bixler, Vice President Rick Borges, Mike Thomas and Dave Martin. Director Scott Rogers was absent. Staff present at the meeting were J. Paul Hendrix, General Manager and Secretary; Kathi Artis, Controller and Treasurer; Wayne Fox, O&M Superintendent; Aaron Fukuda, Engineer; and Marco Crenshaw, Watermaster. Also present was Don Wright, a representative of the Renewable Resources Group, and Richard Zack, history consultant. The meeting was called to order by President Bixler.

Public Comments:

Director Thomas commented that some upkeep was needed regarding the landscaping around the District administrative building, noting that weeds were prevalent in some areas.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting held October 11 and November 1, 2016 had been distributed and asked if there were any errors or omissions noted therein. There being none, by the motion of Director Thomas and second by Director Martin, unanimously carried by all board members present, the minutes of the meeting were thereupon approved.

Watermaster Report:

Lake Kaweah Storage and Operations - Mr. Crenshaw began with noting the storage level at Lake Kaweah being at about 12,000 AF and that inflow peaked at 600 cfs after the recent rain event. He said that no new Friant allocations have been made and that the Friant-Kern Canal maintenance shutdown will soon occur. He added that the District's Kaweah River supply in storage amounts to 1,170 AF. Mr. Crenshaw concluded with noting that forecasters are predicting a fifty-fifty chance of an above-average year.

Terminus Hydropower Operations - No report.

Water Management Activities - No report.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for the month of October 2016 for the Board's review and consideration. She noted that revenue to-date amounts to about half of the annual amount budgeted. She then highlighted expenses, noting that \$4 million was associated with water acquisition. Upon citing other line items, she cited operational expenses through October of \$6.8 million and, including capital and loan pay-down, a net decrease of \$4.3 million. Ms. Artis next reviewed the statement of cash flows and statement of net assets, highlighting and explaining pertinent details in each.

Ms. Artis then reported on the status of the District's investments, citing yield rates of 1.37% in the Tulare County pooled fund, .63% at

the state LAIF, and 1.04% with CalTrust. She also referred the Board to the graphical depiction of such investment rate trends since January 2009.

Approval of Bill Payments - Ms. Artis next presented the list of bills submitted for ratification and approval by the Board. A few questions regarding operational expense items received discussion. By the motion of Director Borges, second by Director Martin and unanimously carried by all board members present, the Board accepted the financial statements and, by said motion, check nos. 47850 through 47906 totaling \$332,654.32 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

O&M Superintendent Report:

Routine Work, Outside Work and Construction Projects - Mr. Fox reported on the maintenance activities undertaken during the past month in the delivery system and within upstream diversion channels. He said the focus has been on canal grading, with the Main Canal nearly completed. He added that rip-rap is being placed in erosion-prone areas and that pre-emergent applications are starting up. Mr. Fox also noted that turnout gate and area pipeline repairs have also been undertaken. He concluded with a status report on the Cordeniz Basin construction project, indicating that the feeder pipeline placement is well underway.

Management Staff Reports:

Mid-Kaweah GSA - Mr. Hendrix noted that the Mid-Kaweah board meeting will occur this afternoon. He added that sub-basin facilitation meetings will begin again in the near future, and that Mid-Kaweah's outline of coordination agreement elements is receiving attention amongst the regional stakeholders.

Cordeniz Basin Project - Mr. Fukuda thereupon reviewed the project, beginning with an overview of the monitoring wells installed as part of the overall plan. He next presented pictures of construction work at the project site, showing pipeline placement and on-site slope adjustments. He made note of excellent sand deposits in some areas of the planned basin. Mr. Fukuda indicated that the project should be finished by the end of 2017, and that the USBR grant time frame extends through August of that year. [or 2018? - check w/ Aaron]

Landowner Meeting - Mr. Hendrix stated his intent to hold a landowner meeting in early January for the purposes of discussing the need to raise water sale rates and provide an update on SGMA compliance. He noted that the County's role in SGMA within the Kaweah Sub-Basin is to be addressed by Supervisor Pete Vander Poel. He added that updates on the District's water supply projects and history book are to also be covered at this meeting.

Matters for Consideration of Board Action:

No action items were brought before the Board.

Board Member Report of Meetings:

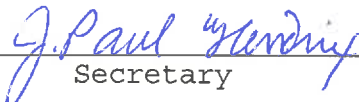
Director Bixler asked if any of the Directors have reports on meetings they attended or wished to discuss at this time.

Director Thomas then summarized the substance of the Wutchumna WC meeting held on October 12th, whereat a \$225 assessment was levied on all shareholders. He also indicated that Bravo Lake was in drawdown

mode in October, and that the state's Division of Dam Safety was on site last month as well. Work was done at the outlet works at the lake, and discussions were held with Dick Jacobsen over his proposal to lease Company ground adjacent the Kaweah River for citrus plantings.

Director Martin then reviewed the dialogue at the November 3rd meeting of the K&SJRA, stating that an audit of last year's financial statements is to be conducted by M. Green & Co. Regarding the KBWQA meeting held thereafter, Director Martin said that the budget, the expenses for which having been exceeded, was discussed. He noted too that the new participation fees are to be \$6.20 per acre and a flat \$50 management fee. Lastly, he mentioned upcoming certification training and the authority's award of grant funds.

There being no other items to come before the Board of Directors, the meeting was then adjourned.


Secretary


President

