

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
10th DAY OF DECEMBER 2013 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, Scott Rogers and Dave Martin. Staff present at the meeting were J. Paul Hendrix, General Manager and Secretary; Kathi Artis, Controller; Wayne Fox, O&M Superintendent; Marco Crenshaw, Watermaster; and Aaron Fukuda, Engineer. Also present were Alex Peltzer, District Counsel, and Richard Zack, history consultant. The meeting was called to order by President Bixler.

Public Comments:

There were no comments from any members of the public in attendance to come before the Board.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting held November 12, 2013 had been distributed and asked if there were any errors or omissions noted therein. There being none, and upon the motion of Director Thomas and second by Director Rogers, the minutes of the meeting were thereupon approved.

Management Staff Reports:

TID History Project - Mr. Zack provided an update on his efforts to complete a manuscript of the District's developmental history. He focused on the chapter dealing with the Terminus Dam era and much earlier studies by the District regarding placement of a dam at Venice Hill or at Allen Gap.

Review of Employee Benefits - Mr. Hendrix next reviewed the development over time of the District's employee benefits policies, with emphasis on the health plan and eligibility therein for retirees. The Board expressed concern over the projected rising costs to pay for health insurance premiums and directed staff to evaluate ways to reduce such costs.

Closed Session:

The Board then adjourned to closed session per Govt. Code §54956.9(a), and Mr. Peltzer provided updates to matters relating to the NRDC v. Rodgers Settlement. No actions were taken in closed session.

Watermaster Report:

Lake Kaweah Storage and Operations - Mr. Crenshaw noted that about 10,000 AF is retained in storage behind Terminus Dam, 1,000 AF of which is in the District's name. He added that LSID may need some of this supply before the end of the winter. He then went on to note rainfall to-date at the District's yard of 37% of average, and that snowfall is at 37% of average to-date for the San Joaquin Basin. He also noted that the Farewell Gap snow pillow in the upper Kaweah watershed will once again not be in operation this winter.

Water Management Activities - No report was given.

O&M Superintendent Report:

Routine Work, Construction Projects - Mr. Fox reported on the maintenance activities undertaken during the past month in the

delivery system and within upstream diversion channels. He noted activities including channel grading, pre-emergent applications, weed mowing, O&M yard improvements, equipment inspections per DOT requirements, and turnout gate repairs. Mr. Fox also mentioned consideration being given to issues related to pipeline leaks and replacements.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis brought to the Board's attention the financial statements for the month of November 2013 for their review and consideration. She cited monthly and year-to-date income of \$4.37 million and \$10.34 million, respectively. Likewise for expenses of \$442,000 and \$5.85 million. She also noted capital outlay which now stands at \$677,400 for the year.

Ms. Artis next reviewed the statement of net assets and changes from last year, accounts receivable details, fixed assets, investments, liabilities and construction-in-progress figures. She cited cash on hand at the end of October of \$11.13 million.

Ms. Artis then reviewed graphical depictions of historical investment yields at both the state LAIF and County pooled fund, citing yields of 1.18% for LAIF and 0.26% for the County. She lastly summarized the status and amortization schedule for the USBR 9(d) contract pay-off loan.

Approval of Bill Payments - Ms. Artis next presented the list of bills submitted for ratification and approval by the Board. Several such bills were inquired about by the Board and discussed. By the motion of Director Borges and second by Director Thomas, the Board accepted the financial statements and, by said motion, check nos. 44513 through 44621 totaling \$319,357.07 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Management Staff Reports (cont.):

Groundwater Activities - Mr. Hendrix briefed the Board on a groundwater overdraft forum held in Tulare on November 18th. He noted attendance thereat of about 280 people. Mr. Hendrix also made mention of an ACWA task force and involvement of the Calif. Water Foundation regarding groundwater management in the San Joaquin Valley.

McKay Point Reservoir - Mr. Fukuda summarized the progress being made on the planning, design and permitting of the reservoir project. He made note of a recent meeting with County Supervisors and staff, the EIR and associated archeological studies, reservoir design features, and future actions leading to construction.

Matters for Consideration of Board Action:

2014 Preliminary Budget - This item was tabled until the January 2014 board meeting.

Board Member Report of Meetings:

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

Director Borges provided highlights of the December 5th meeting of the K&SJRA. He focused on activities regarding the transition of the Kaweah Sub-watershed to the new Kaweah Basin Water Quality Association. He said that a request for proposals for the administration of the new organization is to be disseminated soon.

Director Bixler then updated the Board on the November 20th meeting of the KRPA, noting that Terry Stafford was appointed as the new manager of the Authority and that details concerning a new hydropower unit were presented and discussed. Mr. Bixler next summarized his

attendance at the ACWA fall conference in Los Angeles earlier in December.

Directors Rogers and Thomas next covered the last Wutchumna WC meeting held on November 13th and addressed topics including the property survey at the head of Wutchumna Ditch, the St. Johns WC diversion facilities on the Ditch, and status of the empty lots owned by the Company adjacent the O&M yard on State Hwy 245.

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

J. Paul Hendrix
Secretary

David G. Bealer
President