

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
9th DAY OF MAY 2017 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 Vice President Rick Borges, Mike Thomas, and Scott Rogers. Directors David Bixler and Dave Martin were 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, scribe for Renewable Resources Group and Richard Zack, District history book author. The meeting was called to order by Vice President Borges.

Public Comments:

There were no public comments to come before the Board.

Watermaster Report:

Lake Kaweah Storage and Operations - Mr. Crenshaw stated that Lake Kaweah stands at 100,000 AF in storage and that lake outflows are matching inflows for the time being. He noted that District diversions have been as high as 900 cfs, and that the January through April total diversions of 156,000 AF is the highest it has been since 1950. He noted that 39% of diversions were delivered to turnouts during the past month and the balance credited to canal seepage and basin recharge to groundwater.

Water Supply Outlook - Mr. Crenshaw next discussed projected diversions for the balance of the year. He next summarized snowpack conditions in the Kaweah watershed, followed by April-July runoff projections, based on the state's snow course data, of 193% of average. For the San Joaquin watershed the state's data indicates 199% of average. He further noted that rainfall at the District's yard totals 143% of average to-date. He and Mr. Fukuda then indicated that the on-farm recharge program continues and may do so until Terminus flood releases come to an end.

KRPA Operations - Mr. Crenshaw stated that the Unit No. 1 plant was down for a week or so for repairs but is now up and running again.

Water Management Activities - Mr. Hendrix discussed the several types of water supplies currently available during surplus conditions within the Friant Unit. He made mention of Recovered Water Account (RWA) water, Unreleased Restoration Flow (RWA) water, and Class 2 water. He noted the price range for these supplies being between \$10 to \$25/AF. Mr. Hendrix then indicated that FWA system operators are projecting a canal pro-rate to occur soon due to the deliveries of surplus water for groundwater recharge and banking and rising irrigation demand. Exacerbating the situation is recent subsidence in the Friant-Kern Canal in its southerly reaches near the Tulare-Kern County line.

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 noted that the weed control department is understaffed and is

working overtime. He mentioned several work areas being undertaken, including trash removal, upstream system grading, wash-ins, Area Pipeline and City Pump repairs, and landowner facility installations. In regards to construction projects, Mr. Fox indicated that the concrete entrance structure to the Cordeniz Pipeline has been completed and the tie-in to the 48-inch pipeline should be finished within the next two to three weeks with service from the downstream Liberty Ditch system back on line thereafter. Lastly, Mr. Fox made mention of leakage problems elsewhere on the Liberty Ditch at the railroad undercrossing.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for the month of April 2017 for the Board's review and consideration. She noted water sales to-date amounting to \$444,000 and total revenue of \$712,000 from all sources. She next reviewed expenses, citing total O&M costs of \$1.7 million, capital outlay of \$197,000 and loan principal pay down of \$244,000. Ms. Artis continued with presenting the statements of cash flows and net assets, citing total assets of \$46 million as well as other pertinent figures therein. She lastly cited investment returns for the District's several holding accounts, those being 1.36% with the Tulare County Pooled Fund, .82% with the state LAIF, and 1.24% with CalTRUST.

Approval of Bill Payments - Ms. Artis next presented the list of bills submitted for ratification and approval by the Board. The semi-annual loan payment on the John Deere scraper was pointed out as well as attorney billings, equipment repair and rental costs, and others. By the motion of Director Rogers, second by Director Thomas and unanimously carried by all board members present, the Board accepted the financial statements and, by said motion, check nos. 48383 through 48555 totaling \$517,083.13 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Approval of Minutes:

Director Borges then noted that the minutes of the special meeting of April 11, 2017 had been distributed and asked if there were any errors or omissions noted therein. There being none, by the motion of Director Rogers and second by Director Thomas, unanimously carried by all board members present, the minutes of the meeting were thereupon approved.

Management Staff Reports:

Recharge Capacity Overview - This matter was tabled until a later board meeting.

Mid-Kaweah GSA - This matter was tabled until a later board meeting.

Groundwater Recharge Report - Mr. Hendrix reviewed the "Report on 2016 Water Management Operations for the City of Tulare," noting that this report is the eleventh of such annual reports to be submitted to the City. He made note of the qualifying statement in the report that groundwater recharge identified in the report does not constitute a groundwater bank, the anticipated payment by the City of \$442,300 per the agreement, and that the agreement's calculated recharge deficit as a result of the recent drought may be largely erased given this year's recharge accomplishments.

Board Member Report of Meetings:

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

Director Thomas thereupon noted the highlights of the May 3rd meeting of the Wutchumna WC, saying that an assessment was levied in the amount of \$300 per share and that continued discussion were held with the City of Woodlake regarding the choice of which Groundwater Sustainability Agency to join.

Director Borges went on to review the May 4th meeting of the K&SJRA, highlighting the water supply update and riparian water right inquires by landowners. He also summarized the same day meeting of the KBWQA, noting the status of membership, farm evaluations being due in August, and the status of nitrogen management plan submittals.


Director Borges next summarized the April 19th meeting of the KRPA. He highlighted SCE revenue to-date of about \$1.1 million, a one-week turbine down time period, possible power enhancement programs later in the season and the status of Unit No. 2.

Director Borges lastly proceeded to talk about the FWA board meeting held on April 27th. There occurred discussions of the Friant PAC, Friant's first annual meeting, the water supply outlook, NASA snow survey activities, potential membership in the San Joaquin Valley Water Infrastructure Authority, and the retention of Mike Villines as a state legislative advocate for FWA.

Closed Session:

The Board thereupon adjourned to closed session per Govt. Code §54956.8. Upon return to open session, it was reported that no reportable actions were made by the Board.

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


Secretary


President