

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
10th DAY OF JUNE 2014 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, Dave Martin and Mike Thomas. Director Scott Rogers was absent. Staff present at the meeting were J. Paul Hendrix, General Manager and Secretary; Kathi Artis, Contoller; Wayne Fox, O&M Superintendent; Aaron Fukuda, Engineer; and Marco Crenshaw, Watermaster. Also present were Alex Peltzer, District Counsel and Richard Zack, history consultant. The meeting was called to order by President Bixler.

Public Comments:

Mr. Zack announced that a rough draft of the District's history book has been completed. He noted that he is still searching for additional photos of historical significance. Mr. Hendrix added that the editing and publishing phase of the project will be undertaken next. Director Thomas made mention of the decision of Kings River officials to end rafting trips for the season as of today due to low flows.

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

Closed Session:

The Board then convened to closed session per Govt. Code §54956.8 and §54956.9(a). There were no actions taken in closed session and the Board thereupon returned to open session.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting held May 13, 2014 had been distributed and asked if there were any errors or omissions noted therein. There being none, and upon the motion of Director Borges, second by Director Thomas and unanimously carried by all board members present, the minutes of the meeting were thereupon approved.

Watermaster Report:

Lake Kaweah Storage and Operations - Mr. Crenshaw said that Lake Kaweah storage peaked at about 83,000 AF and is now down to 77,000 AF.

Water Supply Outlook - Mr. Crenshaw reported that the District has 5,700 AF of Kaweah River entitlement remaining in storage to-date. He noted too that total transfers to LSID are projected to be 7,400 AF. Mr. Crenshaw then presented graphs of Kaweah River runoff and northern Sierra runoff for 2014 v. 1977, and observations and comments were made of the comparisons. Mr. Hendrix noted the differences in entitlement allocations for the SWP and CVP between these two dry years.

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 that maintenance and repair tasks were in high gear with all would-be Ditch Tenders available. He cited the refurbishment of SCADA control boxes, weed control, and removal of unauthorized tail water drains. Mr. Fox then summarized the non-District work being performed, including turnout gate replacements for

Clarklind Farms, ditch bank armoring at the head of the Wutchumna Ditch, and operations work at Orange Cove ID. He added that upcoming work includes a pedestrian bridge installation at Mooney Grove for Tulare County, a pipeline installation for landowner Borba and storm water basin rehabilitation services for the City of Tulare.

Mr. Fukuda then explained the plan to rehabilitate Basin No. 6, saying that a private contractor will excavate the dirt to District specifications. He said this will be in lieu of using District crew members and equipment to remove, stockpile and sell the dirt. He noted that this dirt, as well as additional dirt from Swall Basin, is being used at the Cartmill-Hwy 99 overpass project. This plan will enable the District to work on another basin at the same time, speeding up the overall basin rehabilitation schedule. He added that there may still be an opportunity to sell dirt removed from Basin No. 3.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for the month of May 2014 for the Board's review and consideration. She made note of revenues thus far as 87% of the amount budgeted for the year, and expressed various expenses in the same vein. She added that net income through May was \$1.71 million. Ms. Artis then turned her attention to the statement of cash flows, making note of cash on hand as of the end of May totaling \$15.31 million. She pointed out billable income due from WWC of \$28,952 for services rendered.

Ms. Artis then reviewed graphical depictions of historical investment yields at both the state LAIF, County pooled fund and Citizens Business Bank money fund, citing posted yields of 0.23% for LAIF, 1.04% for the County and 0.35% at Citizens. She noted that the District has sufficient funds to cover six months of routine operational costs, noting \$6.15 million in the Citizens money fund alone.

Approval of Bill Payments - Ms. Artis next presented the list of bills submitted for ratification and approval by the Board. Several bill payments were highlighted, including payments to engineering consultants, WWC conveyance charges, and staff reimbursements for attendance at the ACWA spring conference. After some further discussion and questions regarding selected bills, and by the motion of Director Martin, second by Director Thomas and unanimously carried by all board members present, the Board accepted the financial statements and, by said motion, check nos. 45044 through 45154 totaling \$259,319.34 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Management Staff Reports:

Groundwater Legislation - Mr. Hendrix reviewed the key elements of AB 1739 by Assembly Member Dickinson. He noted that the bill reflects much of the input received from Central Valley representatives, including the embodiment of local control and a 20-year time frame to stabilize excessive basin extractions. Director Martin commented that none of this new regulation would be necessary if sufficient surface water by the import projects was provided. Director Thomas asked who would be the entities who prepare and administer the groundwater management plans. The Board also discussed the collection of pumping fees and purposes for such monies. Mr. Hendrix emphasized that the Board will ultimately need to determine the level of involvement of the District in implementing any new regulations within its service area.

Packwood Canal - Mr. Hendrix indicated that a proposal has been offered to Monrovia Nursery along the lines of what was suggested at the last board meeting, namely that the canal be turned over to Monrovia as the property owner, with the District retaining a flowage easement to preserve the transport of water from the St. Johns River to the lower portion of Packwood Canal en route to the Kaweah River. He noted that Monrovia representatives seemed supportive of the idea and will confirm acceptance of the approach with the corporate office.

IWRMP Regional Water Management Group - Mr. Fukuda reviewed before the Board the elements of the Kaweah Basin Integrated Water Resources Management Plan's MOU and its governance structure. He noted that each member is to identify its representatives to serve on the IWRM's Governing Board. Mr. Hendrix then recommended that President Bixler be appointed as the primary representative and Mr. Fukuda be appointed as the alternate representative to serve on the Governing Board. By the motion of Director Thomas, second by Director Martin and unanimously carried by all board members present, said appointments were made.

Resignation of Engineering Technician - Mr. Hendrix indicated that Matt Limas, first hired in 2009 and promoted to Engineering Technician in 2012, has recently resigned. Mr. Limas is returning to Quad Knopf Engineering, the firm he left when he was hired by the District. Mr. Hendrix said that, between Mr. Fukuda's fill-in work and the hiring of an intern college student, the vacant position's work load will be partially met for the time being.

Matters for Consideration of Board Action:

No action items were identified on the agenda.

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 Borges thereupon summarized the matters dealt with at the May 22nd FWA board meeting, noting that much of the meeting content was held in closed session. Director Borges next summarized the June 5th K&SJRA meeting. He provided an update on the fate of the old water quality coalition, the water supply report, and out-of-basin transfers of Consolidated Peoples and Farmers ditch companies.


Director Martin next summarized the KBWQA meeting held on June 5th, highlighting that 61% of agricultural lands basin-wide have signed on thus far, and that 85% were needed to meet budgeted expenditures. Other things brought up were potential NRCS funding and various cost issues of the organization.

Director Borges then made note of the highlights of the quarterly meeting of the KRPA on May 21st. He mentioned the repair work on WWC's control gates at the Ragle turnout, Mr. Fukuda's presentation of the McKay Pt Reservoir project, and the intended retention of a consultant for a Unit No. 2 rate and revenue study.

Lastly, Director Thomas summarized the conduct of the Wutchumna WC's May 14th board meeting, making note of a \$250 per share assessment and a discussion of the potential sale of the Woodlake Ranch olive orchard property adjacent Bravo Lake.

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


Secretary


President