

**MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
13th DAY OF MARCH 2018 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, Scott Rogers and Mike Thomas. Staff present at the meeting were Aaron Fukuda, Interim General Manager; Kathi Artis, Controller; Wayne Fox, O&M Superintendent; and Marco Crenshaw, Watermaster. Also present at the meeting was Tim Leo and Jeff Meyer, representing Montgomery & Associates; Don Wright, representing Water Wrights; and Luke Parreira and Joseph Parreira, representing Barcellos Farms. The meeting was called to order by President Bixler.

Public Comments:

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

Approval of Minutes:

Director Bixler then noted that the minutes of the special meeting of February 20, 2018 had been distributed and asked if there were any errors or omissions noted therein. There being none, by the motion of Director Borges and second by Director Thomas, unanimously carried by all board members present, the minutes of the meeting were thereupon approved.

Watermaster Report:

Lake Kaweah Storage and Operations - Mr. Crenshaw noted that storage at Terminus Reservoir as of the day prior was at approximately 35,476 AF. He then noted that during the February 2018 irrigation run, which lasted approximately 17 days, 16,307 AF was diverted into the District and 68% of the water was sold to growers.

Water Supply Outlook - Mr. Crenshaw next provided an update on the snow conditions, reporting that the Department of Water Resources was reporting a snowpack of 6% of April 1 and 7% of March 1, representing the lowest percentage on record. He noted that the information being provided did not include storms experienced the prior week, and upcoming reports should be higher.

Terminus Power Operations - Mr. Fukuda presented an update on KRPA operations, highlighting a recent Kaweah River Power Authority meeting whereby it was reported by consultants that expected revenues for power generation had caused them to halt work on Unit #2 and to hire a consultant to assist in contracting a suitable rate for Unit #1 when the existing contract expires in March 2020.

Spring 2018 Groundwater Report - Mr. Crenshaw presented a Spring 2017 Depth to Groundwater contour map. He presented field measurement results showing the average depth to groundwater of approximately 145'.

Water Management Activities - Mr. Fukuda indicated that there were no water management activities to report.

O&M Superintendent Report:

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

month. Mr. Fox highlighted trash cleaning done ahead and during the February irrigation run. He noted that grading operations were underway on 9 Run and the herbicide department was spraying preemergent herbicides behind the grading operations.

Mr. Fox reported that staff was reconstructing a section of Rockyford Canal along Avenue 240, just west of Road 68. He indicated that the inner banks had been deteriorating and needed to be rebuilt.

Lastly, Mr. Fox reported on construction activities at the Cordeniz Basin Project. He stated that staff was removing pipelines and grading the old canals through the adjacent property. Mr. Fukuda added that the Bureau of Reclamation had approved a time extension allowing the project completion date to be extended to June 2019.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for February 2018 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for February 2018 was \$643,570. Ms. Artis presented the expenses, highlighting several items but reporting expenses totaling \$1,738,757. She then went on with presenting the statements of cash flows and net assets, stating that the current cash standing was at \$10,620,917. She thereupon cited investment returns for the District's several holding accounts, those being 1.45% with the Tulare County Pooled Fund, 1.41% with the state LAIF, and 1.80% with CalTRUST. She further stated that the District had sufficient funds on hand to pay for routine expenses for a six-month period. Lastly, Ms. Artis noted that a payment was made to bring the remaining principal on the 9(d) capital repayment loan to \$6.792 million.

Approval of Bill Payments - Ms. Artis next presented the list of bills submitted for ratification and approval by the Board. After further scrutiny of particular bills, the Board, by the motion of Director Martin, second by Director Thomas and unanimously carried by all board members present, accepted the financial statements and, by said motion, check nos. 4950 through 49514 totaling \$1,240,145.50 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Management Staff Reports:

Montgomery & Assoc. Groundwater Recharge Report - Mr. Fukuda introduced Jeff Meyer with Montgomery & Associates who was contracted to complete a groundwater recharge assessment report as a part of the USBR Part III grant project. Mr. Meyer reported that the intent of the report was to investigate the groundwater recharge opportunities available to the District to overcome the overdraft conditions. The report focused on the potential to improve recharge at existing recharge basins, and also looked at direct injection systems, the District distribution system, and on-farm recharge projects. Director Martin asked about injection wells, to which Mr. Meyer provided some benefits and limitations of such a system. Director Thomas highlighted the utilization of a lease agreement on a 40-acre parcel for a recharge basin as a successful alternative to purchasing basins.

Mid-Kaweah GSA - Mr. Fukuda reported on updates at the MKGSA beginning with the activities of the Kaweah Subbasin Technical Advisory Committee. He began with a report on a proposal to participate in a cost-sharing arrangement between the Kaweah Subbasin, DWR and Stanford University to provide an aerial investigation of the underlying geophysics utilizing the SkyTEM system, which was originally utilized as a test in the District in the Fall of 2016. The Board discussed the benefits and costs associated with the program and provided

direction to cost-share in the common work, estimated to be approximately \$10,000 and for the necessary flight lines flown within the District boundary.

The next topic that Mr. Fukuda reported on was a memo provided by GEI Consultants titled, Summary of Water Accounting options. He provided a brief description of the four alternatives being proposed: 1) Common Approach, 2) Footprint Approach, 3) Distributed Approach, and 4) Ownership Approach. After a Board discussion on the various approaches, the Board directed Mr. Fukuda to initially work towards the approach that yields the greatest water budget benefit to the MKGSA.

Closed Session:

The Board thereupon entered into closed session under §54956.8, §54956.9(a) and §54957.6 of the Government Code. Upon returning to open session, it was reported that Board took no actions

Management Staff Reports:

Mid-Kaweah GSA - Mr. Fukuda provided an update on the MKGSA efforts to modify the voting requirements under the Joint Powers Authority to remove specific unanimous voting provisions in favor of a lesser threshold. The Board held a discussion on the benefits and drawbacks to various options.

Friant Matters - Mr. Fukuda provided an update on the progress of the MOU group, beginning with a meeting with the consultants to review the modeling progress. He provided a schedule of upcoming benchmarks and highlighted the need to begin investigating how the District could best utilize the storage space created in Temperance Flat.

Mr. Fukuda thereupon provided a letter sent to the District from the Friant Water Authority that indicated the pursuit of title transfer of the Friant-Kern Canal to the Friant Water Authority. Director Borges indicated the letter and process is in its infancy, and the Friant Water Authority is only looking at the potential of the effort.

Tulare ID Strategic Planning - Mr. Fukuda provided the Board with some initial thoughts on a Fall 2018 strategic planning session and indicated that more information and details were to follow in the upcoming months.

Matters for Consideration of Board Action

Legal Representation Agreement - Mr. Fukuda provided the Board with a letter and First Amendment Revising Scope of Duties from attorney Scott Kuney. He reported that this amendment would provide the Board requested representation on SGMA matters in the future. The First Amendment to Legal Representation Agreement was approved with the motion of Director Martin, seconded by Director Borges, and duly put to vote and unanimously carried by all board member present.

General Manager Contract - Mr. Fukuda provided the finalized Employment Contract between Tulare Irrigation District and Aaron Fukuda to the Board. The Employment Contract between Tulare Irrigation District and Aaron Fukuda was approved with the motion of Director Thomas, seconded by Director Martin, and duly put to vote and unanimously carried by all board member present.

FWA Bylaw Changes - Mr. Fukuda provided a document from the Friant Water Authority describing the proposed changes to the Friant Bylaws. He thereupon described the major changes of concern and a brief discussion ensued. The revisions to the Friant Bylaws were approved

with the motion of Director Borges, seconded by Director Rogers, and duly put to vote and unanimously carried by all board member present.

First Amended and Restated Temperance Flat MOU - Mr. Fukuda reported that the participating agencies in the Temperance Flat MOU process, along with other agencies with pending memberships had provided comments and revisions to the MOU. He thereupon described the major changes being proposed. The First Amended and Restated Temperance Flat MOU was approved with the motion of Director Borges, seconded by Director Martin, and duly put to vote and unanimously carried by all board member present.

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 reported on the activities of the Friant Water Authority Board meeting which took place on March 2, 2018.

Director Thomas next reported on the Wutchumna Water Company meeting held on March 7, 2018. He reported that the assessment was \$325 for February 2018.

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



Secretary



President