

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
10th DAY OF JULY 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, General Manager; Kathi Artis, Controller; Wayne Fox, O&M Superintendent; Marco Crenshaw, Watermaster; and Beth Holmes, Assessor Collector. Also present at the meeting was Richard Zack; Tom Barcellos, representing Barcellos Farms; and Matt Kidder, representing Barcellos Farms. President Bixler asked if there were any changes, additions or deletions to the Agenda. Mr. Fukuda noted a correction in the agenda regarding the number of items. The meeting thereupon was called to order by President Bixler.

Public Comments:

During public comment, Mr. Barcellos requested that the District install a new turnout on a piece of property acquired under Barcellos Farms. The Board noted the request and directed staff to contact Mr. Barcellos to coordinate the installation per District policies.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of June 12, 2018, and the special meeting of June 27, 2018 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 Rogers, unanimously carried by all Directors 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 69,980 AF. He then noted that the total inflow to the Terminus Reservoir for the prior day was 133 CFS and the total release from the reservoir was 1,559 CFS. He then pointed out that the current diversions to the District were 724 CFS, to meet irrigation demand for approximately 105 turnouts.

Water Supply Outlook - Mr. Crenshaw next provided an update on the water supply for the Summer irrigation season noting that he anticipated the irrigation run to last through the weekend, at which point we would deliver what is remaining in the distribution system and then end the irrigation season. Mr. Crenshaw also noted that the District reserved 2,500 AF to exchange with the Wutchumna Water Company to facilitate the shutdown of Wutchumna Ditch for construction projects from September to November.

Mr. Crenshaw updated the Board on the failure of the air vent at the St. Johns River Siphon, indicating that the repair had been completed and water was returned to the Main Intake Canal. He indicated that District staff worked diligently to divert water around, which maintained irrigation deliveries, and quickly repaired the damage. Mr. Fukuda noted that a long-term fix was being developed and would be implemented when the river system was dry.

Terminus Power Operations - Mr. Fukuda reported that the power plant was operating at full capacity and was estimated to generate \$3.2 million in revenues for the year.

Water Management Activities - Mr. Fukuda indicated there was no information to report.

O&M Superintendent Report:

Routine Work - Mr. Fox delivered the 2018 Quarter 2 Operations and Maintenance Report to the Board. He thereupon highlighted the following O&M activities, dredging of the Kaweah Ditch; reconstruction of the Rockyford Canal; area pipeline repairs; trash and debris removal; repair of the air vent on the St. Johns River siphon; and the retrofit of the flatbed truck.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for May 2018 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for January through June 2018 was \$4,080,849, which was approximately 41.41% of the revised budget. Ms. Artis next presented the expenses, highlighting several items but reporting expenses from January to June 2018 totaling \$4,670,977, which was approximately 52.17% of the revised budget. She then went on with presenting the statements of cash flows and net assets, stating that the current cash standing was at \$11,305,872. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at \$11,420,839 and the Total Equity in the District stood at \$38,975,582. She thereupon cited investment returns for the District's several holding accounts, those being 1.56% with the Tulare County Pooled Fund, 1.76% with the state LAIF, and 1.91% with CalTRUST. Lastly, Ms. Artis noted that the remaining principal on the 9(d) capital repayment loan was \$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 Borges, second by Director Martin and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 49795 through 49879 totaling \$1,002,811.61 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Audit Update - Ms. Artis indicated that she was working on the 2017 financial adjustments and would be scheduling the audit for July 26, 2018.

Assessors-Collector Report:

Second Installment - Ms. Holmes provided an updated on the collection of the second installment of assessments noting that of the total 2,400 parcels assessed for a total of \$2,196,369.74, 158 parcels with assessment of \$46,822.30 were yet to be collected. She thereupon provided a report indicating four parcels that would be submitted to the County of Tulare for inclusion on the tax roll.

Management Staff Reports:

Mid-Kaweah GSA - Mr. Fukuda presented an update on Kaweah Subbasin activities highlighting a funding application to install monitoring wells; a meeting between modelers in the adjacent subbasins; and discussions regarding the water accounting framework for the water budget. He then provided an update of MKGSA activities noting that there is an anticipated call for funds, the preparation to conduct grant administration and the implementation of the Communication and Engagement Plan. Thereupon, Mr. Fukuda updated the board on efforts

to identify a new legal counsel for the MKGSA and the submission of 10 proposals that had been short-listed to five firms.

Friant Matters - Mr. Fukuda began his report on Friant activities with an update on FY 2019 and FY 2020 budgets, noting that increases were anticipated in each year. He indicated that public comments were due by September 1, 2018 and the budget would be submitted to the Bureau of Reclamation by October 1, 2018.

Next, Mr. Fukuda provided an update on Temperance Flat activities, noting that a storage volume of 50,000 AF was submitted to Stantec for the next steps of the analysis. He thereupon reported on a meeting with Jason Philips of the Friant Water Authority to discuss a request to have Mr. Fukuda act as a spokesperson and facilitator for the Temperance Flat MOA and JPA efforts. The Board directed Mr. Fukuda to participate in this role for the benefit of Temperance Flat and the District.

Matters for Consideration of Board Action

Resolution No. 18-08 - Ms. Holmes presented a resolution needed to place direct charges (special assessments - Liens 2012) on the secured tax roll. By a motion of Director Martin, seconded by Director Borges and unanimously approved by all board members present, Resolution No. 18-08 was approved as presented.

Consideration of CPI Adjustment - Mr. Fukuda presented tabular information regarding the Consumer Price Index changes over time and corresponding board-approved cost-of-living adjustments. After some deliberation and discussion concerning the data by the Board, it was moved by Director Borges, seconded by Director Martin and unanimously approved by all board members present, that a 1.75% increase shall be applied to all wage and salary rates at the District, said increase to made effective in July.

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 Martin reported on the Kaweah & St. Johns Rivers Association meeting and the Kaweah Basin Water Quality Association meeting, which took place on July 5, 2018. He noted that a proposal had been submitted to participate in the Airborne Snow Observatory (ASO) program at a cost of \$500,000. He also noted that acreage participation in the water quality association was decreasing, yet new members were being added.

Director Borges reported on the activities of the Friant Water Authority Board Meeting, which took place on June 28, 2018. He indicated that an ad hoc committee had been formed with the South Valley group to keep them involved in the Temperance Flat project and at a later date they would assimilate into the JPA efforts. He noted a need to maintain current water contract rights during the development of the Temperance Flat project. Lastly, he shared an effort to strategically plan for the O&M budget to try and save money.

Director Thomas reported on activities of the Wutchumna Water Company meeting on June 13, 2018.

Closed Session:

The Board thereupon entered into closed session under §54956.8 and §54956.9(a) and §54957 of the Government Code. Upon returning to open session, it was reported that, upon the motion of Director Martin and

seconded by Director Thomas, unanimously carried by all board members present, that a 2% merit raise in salary was approved for Kathi Artis, Marco Crenshaw, and Wayne Fox.

Further, it was reported that, upon the motion of Director Thomas and seconded by Director Borges, unanimously carried by all board members present, that the following merit raises were approved for hourly, non-exempt staff:

- E. Holmes - Senior Administrator, Step 2 to 3
- A. Munoz - Ditch Tender I, Step 2 to 3
- A. Linhares - Ditch Main. Person, Step 4 to 5
- K. Anderson - Ditch Main. Person Step 4 to Light Equipment Op. 3
- D. Ford - Temporary, hourly increase by \$.75/hour
- J. Frausto - Temporary, hourly increase by \$.75/hour

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



Secretary



President