

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
10th DAY OF NOVEMBER 2015 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, Scott Rogers, Mike Thomas and Dave Martin. 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. Members of the public in attendance were Richard Zack, local historian and Don Wright representing the Renewable Resources Group. The meeting was called to order by President Bixler.

Public Comments:

There were no comments brought before the Board from those members of the public in attendance.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting held October 13, 2015 had been distributed and asked if there were any errors or omissions noted therein. Director Borges pointed out a needed typographical correction therein. Then, by his motion and second by Director Martin, unanimously carried by all board members present, the minutes of that meeting were thereupon approved as corrected.

Watermaster Report:

Lake Kaweah Storage and Operations - Mr. Crenshaw said Lake Kaweah storage has surged to 17,000 AF; inflow to the lake is currently 91 cfs and slowly increasing. He added that precipitation to-date for the water year is 242% of normal, and that snowfall in the San Joaquin and Kaweah watersheds is well above average for this time of the year.

Groundwater Level Survey - Mr. Crenshaw presented to the Board charts and figures depicting fall groundwater levels as compared to previous years. He noted the average depth to be 170 ft. He said that levels were down 11 ft from this time last year, and down 59 ft from their previous high mark in 2011. Mr. Crenshaw also presented to the Board a District contour map depicting depths to groundwater, and this map generated some discussions as to variances across the District.

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 named grading, mowing, gate repairs, mandatory vehicle safety inspections, and pre-emergent applications all in full swing. He indicated that headgate repairs and canal discing are nearly complete; also that sand has been delivered to measuring station sites to secure access in wet conditions.

Mr. Fox then detailed work done for non-District entities, which included Corcoran ID and joint rehabilitation of Anderson Basin with KDWCD. He and Mr. Fukuda next reviewed the attempts by a private contractor to recondition Swall Basin and Basin No. 6 in the aftermath of extra dirt removal for the City of Tulare's needs. They noted that

the contractor appears unable to complete the work, and that the time has come to intervene with district forces. Mr. Fukuda indicated that the City is desirous of exhausting all legal channels before this would occur. The Board expressed concern that a wet winter may well be approaching and that access to these two basins may be limited due to the ineptitude of this contractor. They urged an immediate and satisfactory resolution to this situation.

Mr. Fox then summarized the large number of oak trees along the upper reaches of the Main Intake Canal that appear to be dead due to lack of water. As has occurred in the past, their toppling over into the canal could send large branches towards the St. Johns River siphon and thwart delivery capacity during the winter. Neighboring landowners have historically been concerned over oak tree removal, and Mr. Fox recommended a consultation with a qualified arborist to advise as to which trees will not recover and thus should be cut down. Discussion then ensued as to the best means to safely remove the trees and dispose of the wood. The Board supported the retention of an arborist prior to any tree removal.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for the month of October 2015 for the Board's review and consideration. She cited year-to-date income of \$2.04 million, and then proceeded to call out expenditure line items of note. She called attention to the expense offsets in labor and construction equipment for work on behalf of outside entities. She made note of a net loss to-date, exclusive of capital outlay, of \$2.14 million. Ms. Artis next reviewed capital outlay, the statement of cash flows and statement of net assets, detailing certain line items in those statements. She cited cash reserve components as of the end of September totaling \$10.45 million.

Ms. Artis then reported on the status of the District's investments, citing yield rates of 1.23% in the Tulare County pooled fund, .34% at the state LAIF, and .85% with CalTrust. She then referred the Board to the graphical depiction of investment rates since 2008. She indicated that, as a required financial disclosure, cash on hand would be sufficient to cover at least six months of future expenses. Ms. Artis lastly made reference to the amortization schedule for the USBR contract loan with Banc of America, noting no changes since last month. Mr. Fukuda then summarized the status of anticipated grant payouts from the state for the Swall Basin project.

Approval of Bill Payments - Ms. Artis next presented the list of bills submitted for ratification and approval by the Board. Several questions from the Board were fielded by her, including those related to the state's water rights billing, miscellaneous equipment and rental costs, SCADA costs, and consultant billings. By the motion of Director Borges, second by Director Martin and unanimously carried by all board members present, the Board accepted the financial statements and, by said motion, check nos. 46678 through 46771 totaling \$322,461.92 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Management Staff Reports:

Mid-Kaweah GSA - Mr. Hendrix said that Director Thomas has made mention of his time commitments and limited availability for the GSA meetings and activities, and Director Thomas reaffirmed this situation. Upon brief discussion, President Bixler then appointed Director Martin to serve in Director Thomas' stead as one of the two District representatives on the GSA board. Mr. Hendrix next summarized the discussions among Kaweah Sub-Basin entities to form

other GSAs in addition to the Mid-Kaweah. He referred the Board to a map depicting the likely formations, and highlighted the largest of these to be headed up by Kaweah Delta WCD and Tulare County. Mr. Hendrix then reviewed the MOU for signature by those entities wishing to join this Greater Kaweah GSA.

Well/Pump Workshop - Mr. Hendrix indicated that arrangements are being made for the workshop to be held at the SCE AgTac Center on December 14th. He added that the attendance is targeted for District landowners, but that invitation list may broaden depending on responses from District farmers.

COS Stock Disposition - Mr. Hendrix reviewed the 2015 stock lease with College of the Sequoias and their interest in alternatives for 2016. He noted that it was recently suggested by the Evans DC board that the District pursue, along with all other Evans shareholders, the purchase of the COS shares for ultimate retirement and distribution of the associated annual water supply to remaining shareholders. The Board also indicated that leasing of the COS shares on behalf of all shareholders could be pursued if a permanent acquisition was of no interest to COS. Mr. Hendrix indicated that he will contact some of the other shareholders to gauge interest in these options.

TID Water Management Plan - Mr. Fukuda proceeded to summarize the need to update the District's SB 7X-7 water management plan as mandated by DWR. He noted that the new elements to be added are to define a drought management plan, including decision thresholds, dry-year allocations, collaboration efforts, and other elements.

2016 On-Farm Recharge Program - Mr. Fukuda proceeded to summarize proposed elements of a winter/spring program by which the District would pay growers to accept surplus water deliveries on their open-ground property in the event that the District has reached capacity on all other recharge facilities. He reviewed payments to be made to landowners, an overall acreage limit, optimal locations to deliver excess water, and net costs to the District to undertake such a program. Discussion then ensued as to these and other procedures to effectuate the program. Director Thomas mentioned Mooney Grove as another potential recipient of surplus water for recharge. Upon conclusion of discussions, it was determined by the Board for staff to contact landowners and offer \$100 to reserve the land, and another \$150 should the District use said land for surplus water deliveries. It was further agreed that the program commence on December 15th and end on April 15th next year and that no more than 800 acres of land be committed to it.

Matters for Consideration of Board Action:

TID History Book - Mr. Zack briefed the Board on the status of peer reviews as well as the outstanding items needed to finish the project, including board member pictures, book title, and the number of copies to print. The Board approved the book title "Quest for Water: Tulare Irrigation District, Its History, People and Progression." Mr. Hendrix then cited printing costs at Jostens which, for a 480-page book with over 400 photos/pictures such as this book contains, amount to about \$13,600 for 500 copies and \$16,900 for 1,000 copies. Noting the considerable savings per copy at 1,000 the Board, by the motion of Director Thomas, second by Director Rogers and unanimously carried by all board members present, authorized final editing, title selection, layout and printing arrangements for 1,000 copies of the District history book.

Public Hearing - Mr. Fukuda then announced that the public comment period has been open since October 10th in regards to the draft EIR for the Cordeniz Basin Project, and that this meeting is to serve as a

public hearing by the Board on the project's impacts in order to satisfy CEQA requirements. He noted that only two letters regarding the EIR had been received, and both indicated no comments were being offered by their respective authors. The Board thereupon took three actions, each unanimously carried by all those members present. By the motion of Director Martin and second by Director Thomas, the public hearing was closed. By the motion of Director Thomas and second by Director Borges, the Cordeniz Basin Project was approved. And, by the motion of Director Rogers and second by Director Martin, all documents prepared for CEQA compliance were accepted.

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 first summarized the November 2nd Tulare IC meeting, making note of the \$70 assessment and outline of work needed on the Ketchum Ditch.

Director Martin then covered the KSJRA meeting held on November 5th, addressing the subject of upgrades to remote sensing equipment being planned.

Director Borges next went over the highlights of the November 5th KBWQA meeting, citing member reinstatements, workshops, fee reductions, and assessments on the Kaweah group from the broader South Valley Water Quality Assn. He went on with a summary of the most recent Friant WA board meeting held on October 22nd. He covered various topics, including the USBR water supply outlook, personnel matters, the status of the federal drought legislation, status of the CEO search, and a USBR presentation on Temperance Flat Reservoir.

Then Director Bixler summarized the business to come before the ACWA board at its September 25th meeting. He next summarized the action items brought before the Mid-Kaweah GSA on October 13th board meeting, including the appointment of a Treasurer, review of the JPA as previously adopted, the initial budget, and appointment of legal counsel. Mr. Bixler then brought up the Evans DC meeting held on November 2nd, mentioning the water operations review, disposition of COS shares, and the pending Caldwell Ave encroachments. Director Martin added the discussion of the proposed use of the Nelson Pit by a developer for storm water disposition.


Lastly, Director Thomas reiterated the Evans DC discussion on November 2nd of a combined purchase of the COS shares in the company. He also lamented that neither he nor Director Rogers was able to attend the Wutchumna WC meeting held on October 14th.


Closed Session:

The Board then adjourned to a closed session per Gov't. Code §54957. Upon return to open session it was reported that there were seven actions taken by the Board, all unanimously carried by those members present. By the motion of Director Borges and second by Director Thomas, Personnel Policy No. 1204 was amended to permit General Manager approval to modify management (overtime exempt) staff hours to less than 40 per week. By the motion of Director Martin and second by Director Borges the General Manager's recommendation that the Controller's weekly hours be reduced to 36 in concert with a 10% reduction in salary. By the motion of Director Borges and second by Director Rogers, it was moved to amend Personnel Policy No. 1202 to upwardly adjust all five hourly wage steps by 5% for the positions of Ditch Maintenance Person, Shop Maintenance Person and Senior Accountant II. By the motion of Director Rogers and second by

Director Thomas, approval was given to add a new personnel policy allowing a \$50 annual contribution by the District towards an employee's purchase of prescription safety glasses. By the motion of Director Martin and second by Director Borges, a new personnel policy was created to transfer the sick leave provisions in contained in Personnel Policy 1226 into another policy, including applicability of pay out provisions for unused sick leave for employees who leave the District. By the motion of Director Borges and second by Director Thomas it was moved to amend Personnel Policy No. 1226 such that it deal solely with disability and FLMA types of leave as currently defined by law, leaving sick leave provisions to be set forth in another policy. By the motion of Director Rogers and second by Director Thomas, the Board established a new personnel policy offering term life insurance for employee dependents, the premiums for which are to be paid by participating employees.

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


Secretary


President

