

MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
1st DAY OF SEPTEMBER 2016 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, Mike Thomas, Scott Rogers, and Dave Martin. Staff present at the meeting were J. Paul Hendrix, General Manager and Secretary; Kathi Artis, Controller and Treasurer; Aaron Fukuda, Engineer; Wayne Fox, O&M Superintendent, Beth Holmes, Senior Administrator and Assessor-Collector; and Marco Crenshaw, Watermaster. Also present was Alex Peltzer, District Counsel.

Public Comments:

There were no comments from any members of the public in attendance.

Board of Equalization - Mr. Hendrix stated the Board's need to once again sit as board of equalization to hear concerns or objections to the levy of assessment for the ensuing year. By the motion of Director Rogers, second by Director Borges and unanimously carried by all board members present, it became established the District Board of Equalization to remain in existence for ten business days beginning September 13th to hear and consider any said concerns or objections.

Board Workshop Re Water Sale Rates - Mr. Hendrix then reviewed prior discussions of the adequacy of the District's water sale rates, status of reserve funds and expense projections. He presented information indicating the need, on an average basis, to increase the current rate to upwards of \$50/AF to cover anticipated shortfalls in annual O&M expenses. Mr. Hendrix also made note of the advisability of landowner outreach regarding any rate increase effort and the anticipated impacts of inflation on future expenses. Mr. Peltzer then initiated Board discussion in regards to compliance with Prop 218.

Mr. Hendrix further indicated that the disposition of monies in the CVP Environmental Reserve Fund and future assessment collections to be deposited therein await legal conclusions as to alternatives to the current practices in funding this reserve and levying assessments for this purpose. The disposition of City of Tulare payments by agreement of District per-acre assessments was discussed in this context as well. The Board then discussed this situation further and directed staff to provide definitive information as to such alternatives.

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


Secretary


President