

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD
VIA WEBEX TELECONFERENCE ON THE
10TH DAY OF NOVEMBER 2020 AT THE HOUR OF 9:00 A.M.**

Call to Order and Roll Call:

Mr. Fukuda reported due to the Governor's Executive Order (N-29-20) and the declared state of emergency, including current social distancing directives as a result of the threat of the COVID-19 virus, the TID Board members and TID Staff attended this meeting remotely. There was no physical location for this meeting. Members of the public and other officials participated in the Open Session portion of the meeting remotely via WebEx teleconference.

Directors present at the meeting held at the date and time above designated were President David Bixler, Rick Borges, Dave Martin, and Mike Thomas. Absent was Director Scott Rogers. Staff present at the meeting were Aaron Fukuda, General Manager; Kathi Artis, Controller and Treasurer; Beth Holmes, Senior Administrator and Assessor-Collector; Wayne Fox, O&M Superintendent; Marco Crenshaw, Watermaster; Jeremy Barroll, Assistant Engineer; and Riley Nolan, Engineering Intern. Also present were Geoff Vanden Heuvel; Johnny Gailey, Delta View Water Association; and Joseph Gallegos, Umida Ag. Mr. Bixler thanked everyone for attending and announced that there was a full quorum of the Board of Directors present. President Bixler asked if there were any changes, additions, or deletions to the agenda, of which Mr. Fukuda reported there were none. The meeting was thereupon called to order by President Bixler.

Public Comments:

Mr. Fukuda, at this time, noted that the meeting was being recorded. Thereupon there were no public comments.

Approval of Minutes:

Director Bixler then noted that the minutes of the Regular Meeting of October 13, 2020 had been distributed and asked if there were any errors or omissions noted therein. By the motion of Director Borges and seconded by Director Martin, unanimously carried by all Directors present, the minutes of the October 13, 2020 meeting was thereupon approved.

Watermaster Report:

Lake Kaweah Storage and Operations/Water Supply Outlook - Mr. Crenshaw began his report by noting Terminus Reservoir total inflow for the day was 22 CFS, and the storage at Terminus Reservoir for the previous day was 9,375 AF. He then reported that the daily release from Terminus Reservoir was 28 CFS.

Thereupon Mr. Crenshaw mentioned that the Millerton Lake total inflow was 758 CFS and that the entire storage at Millerton Lake was 159,676 AF. He reported that the total daily release from Millerton was 721.

Mr. Crenshaw continued with his report by indicating that the District's current water supply stood at 1,056 AF. The projected January 2020 to November 2020 cumulative diversions to TID was estimated to be 48,198 AF. He stated the Friant Kern Canal was shut down for repairs.

Mr. Crenshaw provided Sequoia National Park Webcam snow level pictures at Mineral King with a depth of snow at approximately 10-inches, Giant Forest at 6-inches, and China Peak at 10-inches. Mr. Crenshaw thereupon provided a chart reporting warm ocean temperatures indicating that storms would be moving away from California.

Next, Mr. Crenshaw provided a San Joaquin Basin (SJB) map highlighting the Creek Fire area reporting 1/3 of the SJB area had burned.

Lastly, Mr. Crenshaw reported the November 2020 daily precipitation measurement total at 6%, representing a 0.95 average.

Management Activities and Issues - Mr. Fukuda noted that there was nothing to report at this time.

O&M Superintendent Report:

Routine Work - Mr. Fox thereupon reported the maintenance activities undertaken during the past month in the delivery system and within upstream diversion channels. He cited ditch bank mowing, grading work, dozer work, dredging, basin discing, rip-rap replacement, maintenance projects, construction projects, pre-emergent herbicide applications, and maintenance of District vehicles and construction equipment.

Mr. Fox provided for discussion a District Map and Master Project detailed list of 2020 Maintenance and Construction Projects highlighting activities completed and in-progress within the District's far reaches.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis presented the financial statements for October 2020 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for January-October 2020 was \$3,519,447, which was approximately 44.71% of the revised budget. Ms. Artis next presented the expenses, highlighting several items and reporting expenses from October totaling \$8,310,521, which was approximately 80.74% 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 \$8,967,204. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at \$12,811,115, and the Total Equity in the District stood at \$36,356,340. She lastly cited investment return for the District's several holding accounts, those being 2.470% with the Tulare County Pooled Fund, 0.620% with the state LAIF, and 2.38% with Citizen's Money Market Fund.

Next, Ms. Artis reported on the new Citizens Business Bank loan providing an Amortization 10-year Scheduled Chart representing the following: Interest Rate 2.1375%; Principal Loan \$5,150,600.00; and Set Payments in the amount of \$286,456 due March and September of every year. Mr. Fukuda stated the District's total net saving over the ten years would be approximately \$1.2 million due to the refinancing of the previous loan.

Approval of Bill Payments - Ms. Artis and Mr. Fukuda presented the list of bills submitted for ratification and approval by the Board. Mr. Fukuda noted payment to the Friant Water Authority (FWA) in the amount of \$179,264.00 for November and December Operation & Maintenance. He also noted payments totally \$41,532.06 to FWA for San Luis & Delta-Mendota Water Authority (SLDMWA) October 2020 which included a September 2020 adjustment. Mr. Fukuda addressed payment to Sespe Consulting Inc. in the amount of \$25,086.25 representing EIR Consulting fees, 2 public scoping meetings, public comments; and consultant field visits highlighting the costs would be divided in half, then split-3-ways, noting TID's share would be 17% of the total. After further scrutiny of particular bills, the Board, by the motion of Director Martin, seconded by Director Borges and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 52333 through 52432 totaling \$583,164.50 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Engineering Report:

Update on Engineering Activities - Mr. Barroll provided an update on engineering activities within the District. Mr. Barroll reported to the board that contractors continue to haul dirt out of Cordeniz Basin. Mr. Barroll further noted that most of the Cordeniz basin stockpile and

Anderson Basin stockpile had been transported away for various projects in the Visalia and Tulare area.

Management Staff Reports:

COVID-19 Response Plan Update - Mr. Fukuda updated the Board on the COVID-19 District Response Plan, reporting that the district has no employee exposures for the month of October. Mr. Fukuda provided a chart reporting the Tulare County new positive case rate is at approximately 10 per 1,000 population.

SGMA Matters - Mr. Fukuda summarized recent activities concerning the Kaweah Subbasin. Mr. Fukuda first updated the board on the Kaweah Subbasin Water Budget Refinement, reporting that surface water managers met to discuss the water accounting format, and all were in agreement on the format and timing of data submission.

Mr. Fukuda provided an update on the Kaweah Subbasin Data Management System. Mr. Fukuda commented on the need to have something simple to manage and access.

Mr. Fukuda then reported on the Regional Conservation Investment Strategies (RCIS) Program. Mr. Fukuda advised that the next RCIS meeting is set for November 17, 2020. Mr. Fukuda noted progress was made answering questions regarding balancing water/environmental/focal species.

Next, Mr. Fukuda reported on the Kaweah Subbasin Water Market Strategy. Mr. Fukuda provided a status update on GSA Appointments: GKGSA: Joe Cardoza; MKGSA: Steve Nelson; EKGSA: Brian Watson; and TID Representative: Scott Rogers. Mr. Fukuda mentioned the Committee would soon schedule a meeting to discuss projects and next steps. Mr. Fukuda advised the goal would be to begin work on the Water Marketing Strategy in early 2021.

Lastly, Mr. Fukuda provided an update on Proposition 68 Implementation Grant (Okieville Basin Project alternative funding mechanism) mentioning funding in the amount of \$103 Million in two (2) rounds. Mr. Fukuda provided details on Round 1: \$26 million for Critically Over-drafted Basins; Min. \$2 million per basin; Max. \$5 million per basin; Cost-Share min. 25%; Grant application due date is January 8, 2021; Public Review of Draft Funding List is due March 2021; and Final Award is set for May 2021. Mr. Fukuda next advised Round 2: Solicitation opens Spring 2020, up to \$62 million available for medium, high, critically Over-drafted basins; and the Final Awards is set for Fall 2022.

Mr. Fukuda noted that the Okieville Basin project would be a likely candidate for the Prop 68 Implementation Grant and requested feedback from the Board regarding the inclusion of the Okieville Basin Project. The Board was supportive of moving forward with the Okieville Basin Project for the Prop 68 Implementation Grant.

Mr. Fukuda provided a report on the activities of the Mid-Kaweah Groundwater Sustainability Agency (MKGSA). Mr. Fukuda reported the City of Visalia HR department created the MKGSA General Manager solicitation package and is currently accepting applications. The application deadline is December 15, 2020. Mr. Fukuda asked if Director Bixler or Director Martin would like to participate in the selection process. Director Bixler stated he was willing.

Next, Mr. Fukuda provided an update regarding Montgomery and Associates Modeling discussion - Mr. Fukuda informed the Board that Stanford is updating the GSI model, which will be available in 2022. He then note that the MKGSA is evaluating the need to have Montgomery and Associates begin working with the MODFLOW Groundwater Model.

Friant Matters - Mr. Fukuda began his report by providing an update on the Friant Kern Canal (FKC) Middle Reach project, noting that the Certification of Final EIR and the USBR signed and approved the Record of Decision. Next, Mr. Fukuda reported on FWA entering into a Funding

Agreement with San Luis Delta Mendota Water Authority (SLDMWA) for motor rewinds and emphasizing that FWA provided cash funding versus financed funding, an additional fee was being levied against FWA by SLDMWA.

Next, Mr. Fukuda reported on the FKC Middle Reach Funding. Mr. Fukuda said that a Cost Share Agreement with USBR was being negotiated and was expected to be completed in January 2021. He then noted that a Repayment Agreement with the USBR was also being developed. Next, Mr. Fukuda noted that the ETGSA Mitigation Agreement was still being negotiated, and discussions with other Tule Basin GSAs were ongoing. Lastly, Mr. Fukuda reported that FWA submitted a Letter of Interest for WIFIA funding.

McKay Point Reservoir Project - Mr. Fukuda reported on the McKay Point Reservoir Project (MPRP), beginning with a report on the Notice of Preparation hearings that took place in October. Next, Mr. Fukuda provided the Board with a recommendation to rebrand the project and utilize the Lockwood Agency's help. The Board was supportive of the effort and directed Mr. Fukuda to pursue the rebranding efforts.

Legislation - Mr. Fukuda indicated that there was no update.

Matters for Consideration of Board Action:

No Actions were taken.

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 Kaweah and St. Johns River Association (KSJRA) Board of Directors meeting held November 5, 2020, mentioning the following: 2021 Budget; Water Report; ASO Flights; Possible purchase of Hot-Spot Ag Scada System; and new bookkeeper, Breanna Terry.

Director Borges also reported attending the Kaweah Basin Water Quality Association (KBWQA) Board of Directors meeting held on November 5, 2020. Commenting on the following: 2021 Budget; Call for Funds: \$6.25 per acre plus \$50.00 Admin Fee; New ACH online payment ability; Video recorded Annual Growers meeting/workshop; and Tulare Lake Basin's General - 24 monitoring wells.

Director Martin reported attending the KBWQA meeting and reported on the following: Replacement Water; Okieville Fill Station; Farmersville Fill Station; and CV-Salts October 19, 2020 Board meeting.

Director Borges then commented on the following: CV-Salts (Kaweah Water Foundation); New Bylaws approved; Start-up Funding: KBWQA \$50,000 and Dairy Association \$25,000; Selected an Attorney; Forming a new advisory group; and in the process of hiring a new general manager.

Director Thomas and Director Bixler both mentioned attending the Wutchumna Ditch Company (WWC) Board meeting on October 14, 2020. Director Thomas reported on the following: Ongoing fence easement dispute; Issue with Newman/Peltzer fractural 25-year-old stock certificate; Possible change to bylaws concerning fractural share stock certificates.

President Bixler moved the meeting to Closed Session.

Closed Session:

The Board thereupon entered into closed session under §54956.8, §54956.9(a), §54956.9(b), §54956.9(c), §54957.6, §54957, and 54956.95 of the Government Code.

Upon returning to Open Session, President Bixler noted that there were no actions taken in Closed Session.

There being no other items to come before the Board of Directors, the

meeting was then adjourned.

Secretary

President