

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE TULARE IRRIGATION DISTRICT HELD ON THE  
11<sup>th</sup> DAY OF JULY 2017 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, Mike Thomas, Dave Martin and Scott Rogers. Director Rick Borges was absent. Staff present at the meeting were J. Paul Hendrix, General Manager and Secretary; Kathi Artis, Controller and Treasurer; Beth Holmes, Assessor-Collector; Aaron Fukuda, Engineer; and Marco Crenshaw, Watermaster. Also present was Don "Tex" Wright, scribe for the Renewable Resources Group. The meeting was called to order by President Bixler.

Public Comments:

No comments were voiced by any members of the public in attendance.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of June 13, 2017 had been distributed and asked if there were any errors or omissions noted therein. There being none, by the motion of Director Martin 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 said Lake Kaweah storage has peaked and has since dropped to 159,000 AF. He noted that a Friant-Kern Canal pro-rate is in effect and the District's diversion is being restricted to 335 cfs. There ensued a discussion of the interaction between Kaweah and Friant diversions and resulting operations. He added that the exchange deliveries directed to Visalia continue, with about 20,000 AF accumulated to-date. Mr. Crenshaw next discussed a chart indicating record diversions for the year to-date, citing 260,000 AF diverted into the District channel system during the period January through June. He also presented graphs and charts depicting both Terminus and Friant Dam operations.

Water Supply Outlook - Mr. Crenshaw then discussed projected supplies, noting that there might be a 5% residual Class 2 allocation forthcoming. He said that the District's total diversions for the year could top out at 353,000 AF. Director Martin then asked about operational decisions related to carryover of Friant water versus a fall recharge program.

On-Farm Recharge Program - Mr. Fukuda indicated that there is interest in acquiring more information from growers to guide further refinement of the groundwater recharge assessment tool (GRAT) under development by Sustainable Conservation. The Board indicated its support of any grower outreach conducted in this regard. Board discussions ensued regarding on-farm, sinking basin, and other methods of recharge, and implications on water quality. Mr. Fukuda made reference to ongoing research as to which crops and soils can withstand over-irrigation for groundwater recharge purposes. He also brought up a proposal by D. Westra for District access and improvements to his pond for receipt of ditch water for groundwater recharge. The Board expressed caution in proceeding with such a proposal until more is known about it.

Water Management Activities - Mr. Hendrix summarized the District's purchase and disposition of Unreleased Restoration Flow water and Recovered Water Account water from USBR. He indicated that most of the CVP water delivered from the Friant-Kern Canal thus far has been from these sources at a unit price range of \$10 to \$20.

O&M Superintendent Report:

Routine Work, Outside Work and Construction Projects - Mr. Fox thereupon reported on the maintenance activities undertaken during the past month in the delivery system and within upstream diversion channels. He made reference to the second-quarter O&M report and highlighted safety classes, canal system trash removal, weed control, culvert and turnout repairs, District yard cleanup work, vehicle/equipment repairs, and construction projects.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for the month of June 2017 for the Board's review and consideration. She noted certain line items, comparing expenses to-date as a percentage of amounts budgeted. She cited total expenses as being 31% of the budget, and a net increase in cash of \$1.02 million after capital outlay and loan payments. Ms. Artis continued with presenting the statements of cash flows and net assets and further indicated cash on hand of \$8.2 million. She then cited investment returns for the District's several holding accounts, those being 1.41% with the Tulare County Pooled Fund, .93% with the state LAIF, and 1.29% with CalTRUST.

Approval of Bill Payments - Ms. Artis next presented the list of bills submitted for ratification and approval by the Board. Ms. Artis fielded questions from Director Thomas regarding the audit work, and Mr. Hendrix also addressed an inquiry from Director Bixler regarding attorney billings for Friant legal matters. By the motion of Director Martin, second by Director Thomas and unanimously carried by all board members present, the Board accepted the financial statements and, by said motion, check nos. 48657 through 48762 totaling \$383,786.84 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

2016 Financial Statements - Ms. Artis told the Board that most of the audit work has been done and that the auditor should be present at the next board meeting to deliver the audit review.

Assessor-Collector Report:

Ms. Holmes reported that uncollected assessments totaled about \$33,000, representing 2% of the total. She added that, of the total number of tax sale parcels assigned to the County, three have either been redeemed or sold. Ms. Holmes then presented the Board with a request of a landowner to waive a late penalty payment, which request was denied by the motion of Director Martin, second by Director Rogers and unanimously carried by all board members present.

Management Staff Reports:

Mid-Kaweah GSA - Mr. Hendrix stated that a GSA quarterly meeting is scheduled for this afternoon. He also said that, at the last special meeting, the GSA board approved a budget for fiscal year 2017-18 and was informed of a state grant program to assist with the costs to prepare a GSP. Mr. Hendrix also indicated that GSA member

contributions to support the budget are to be deferred until later this fall.

KRPA Budget - Mr. Hendrix briefed the Board on upcoming budget decisions by the KRPA. He noted that Unit No. 2 costs are mounting and that the KRPA board must soon determine if such costs are going to be paid out of energy revenues and reserves or by financing. He also advised that KRPA should consider obtaining a financial advisor and confirming the revenue projections for Unit No. 2.

Matters for Consideration of Board Action:

Resolution No. 17-09 - Mr. Hendrix recommended Board action to move 2011 delinquencies to the County tax roles. By the motion of Director Thomas and second by Director Rogers, duly put and carried by all board members present, Resolution No. 17-09 placing direct charges on the County's secured tax role was adopted.

Consideration of CPI Adjustment - Mr. Hendrix presented tabular and graphical information regarding Consumer Price Index changes over time and corresponding board-approved cost-of-living adjustments. Director Martin asked that, in the future, a budget impact assessment be included in the information presented to depict wage and salary increases for selected CPI increase options. After further deliberation and discussion concerning the data by the Board, it was moved by Director Rogers, seconded by Director Martin and unanimously approved by all board members present, that a 1.5% increase shall be applied to all wage and salary rates at the District, said increase to be made effective in the appropriate pay period 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.

He proceeded to summarize the topics under discussion at the June 14<sup>th</sup> Wutchumna WC board meeting, making note of the \$325 assessment levied thereat. He also mentioned that, at the June 27<sup>th</sup> Evans DC special meeting, an assessment of \$35 was levied on shareholders.

Director Thomas thereupon noted the highlights of the June 27<sup>th</sup> quarterly meeting of the Tulare IC.

Lastly, Mr. Hendrix noted that the Friant WA board discussed, at its June 22<sup>nd</sup> meeting, terms under which to join the San Joaquin Valley Water Infrastructure Authority, which is the entity promoting the Temperance Flat reservoir project.

Closed Session:

The Board thereupon adjourned to closed session per Government Code §54956.95 and §54957. At the return to open session, two reportable actions were announced:

- 1) Upon the motion of Director Martin, second by Director Rogers and unanimously carried by all board members present, the flooding damage asserted by Mr. Fults on land adjacent the Evans Ditch in Visalia was rejected.
- 2) Upon the motion of Director Rogers and second by Director Thomas, unanimously carried by all board members present, that the following one-step merit raises were approved for hourly, non-exempt staff:

|             |   |
|-------------|---|
| J. Mello    | Engineering Technician - Step 1 to 2          |
| J. Felix    | Heavy Equip. Operator - Step 1 to 2           |
| D. Castro   | Shop/Yard Main. Person - Step 3 to 4          |
| C. Soria    | Ditchtender I Step 5 to Ditchtender II Step 1 |
| A. Munoz    | Ditchtender I - Step 1 to 2                   |
| K. Anderson | Ditchtender I - Step 1 to 2                   |
| J. Flores   | Ditchtender I - Step 1 to 2                   |
| R. Nablo    | Ditchtender I - Step 1 to 2                   |
| V. Baker    | Senior Accountant II - Step 2 to 3            |

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

  
Secretary

  
President