

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE TULARE IRRIGATION DISTRICT HELD ON THE  
12<sup>th</sup> DAY OF SEPTEMBER 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, Vice President Rick Borges, and Dave Martin. Directors Mike Thomas and Scott Rogers were 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; Wayne Fox, O&M Superintendent; and Marco Crenshaw, Watermaster. Also present were Paul Boyer with Self-Help Enterprises and Don Wright, scribe for the Renewable Resources Group. The meeting was called to order by President Bixler.

Public Comments:

Mr. Boyer spoke about the proposed Okieville Recharge Project and his organization's interest in its development. He stated that Self-Help would proceed with a state Prop 1 grant application for the project as it has recently been reconfigured, provided that the District would purchase the property and pay any required cost share above the grant funds. He also reviewed the community's water supply situation, its new well and distribution system, and the potential benefits of a new recharge basin nearby.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of August 8 and special meeting of August 25, 2017 had been distributed and asked if there were any errors or omissions noted therein. There being none brought up, by the motion of Director Borges and second by Director Martin, unanimously carried by all board members present, the minutes of the meetings were thereupon approved.

Watermaster Report:

Lake Kaweah Storage and Operations - Mr. Crenshaw said Lake Kaweah storage now stands at 15,000 AF and that diversions feeding the summer irrigation run were being terminated as of today. He proceeded to show the Board graphs of Lake Kaweah and Millerton Lake operations during the year.

Water Supply Outlook - Mr. Crenshaw updated the Board on remaining supplies to-date, including those from Delano-Earlimart ID and Lindmore ID which will add to supplies which may be diverted next winter. Mr. Crenshaw noted that this year's diversions through September are projected to be 381,000 AF. He further noted that, for August, 64% of the monthly diversions were sold at turnouts, as were 45% of the annual diversions through August.

KRPA Operations - No report provided.

On-Farm Recharge Projects - Mr. Fukuda next summarized the proposal by Mr. Westra regarding his pit/pond which could be utilized for groundwater recharge. He indicated that the proposed annual lease payment would be \$1,000 with an ability to renew and that an estimated 800 AF could be recharged over the 5-year initial term. After some

discussion of the arrangement, the Board was supportive of staff proceeding with the lease as proposed and drawing up a lease agreement for execution.

Water Management Activities - Mr. Hendrix stated that Delano-Earlimart ID has opted to pursue an exchange of its unused URF water rather than a sale and that he has negotiated a leveraged exchange with an up-front payment by DEID for up to 30,000 AF for delivery prior to March 1, 2018. He indicated that return of half the water received by TID would be made in below-average years, similar to terms agreed to previously with Kern-Tulare WD under an exchange therewith.

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 mentioned that clean-up of the Evans system is done for the most part, as is the Little Tulare system. Canal shaping and levee work has also been done for the Main Canal along Mooney Blvd. Mr. Fox also noted that crews are catching up with weed control and spraying, along with ditch repairs and Area Pipeline fixes. Board discussion ensued regarding ditch bank maintenance and weed eradication practices.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis presented the financial statements for the month of August 2017 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating the water sale revenues to-date stood at about \$5.7 million, which amount exceeds that which was budgeted for the year. She also noted that revenues to-date are 62% of the annual amount budgeted. She continued with highlighting major expense categories, and indicated that total expenses to-date are 64% of the amount budgeted. Ms. Artis further cited a net year-to-date O&M cash increase of \$2.8 million and \$1.9 million when capital expenditures and loan principal amounts are deducted. She then went on with presenting the statements of cash flows and net assets. She lastly cited investment returns for the District's several holding accounts, those being 1.36% with the Tulare County Pooled Fund, 1.08% with the state LAIF, and 1.45% with CalTRUST.

Approval of Bill Payments - Ms. Artis next presented the list of bills submitted for ratification and approval by the Board. Her highlights included USBR true-up billings for 2016, a credit for FWA O&M, Kaweah water purchases, and a reference to the total 2016 audit cost of about \$15,000. After further scrutiny of particular bills the Board, by the motion of Director Borges, second by Director Martin and unanimously carried by all board members present, accepted the financial statements and, by said motion, check nos. 48844 through 48943 totaling \$1,014,056.18 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Management Staff Reports:

Mid-Kaweah GSA - Mr. Hendrix made note of a special meeting set for September 21<sup>st</sup> and regular meeting for October 10<sup>th</sup>. He indicated that, at the September meeting, officers are to be appointed and actions are needed for the Prop 1 grant application submittal.

Okieville Recharge Project - Mr. Fukuda stated that the proposed project, consisting of a recharge basin, Packwood Creek control

facilities, and farmer equipment benefits was not awarded grant funding as applied for from the state. He then reviewed a reconfigured project focused on the recharge basin and its eligibility for a Prop 1 disadvantaged community grant. After discussing the reconfigured project's costs and benefits to District growers, the Board directed staff to not proceed with the land purchase or Prop 1 grant application preparation.

KRPA Unit No. 2 Hydroelectric Project - Mr. Fukuda reviewed the evolution of the proposed Unit No. 2 at Terminus Dam, noting its primary purpose would be to accept additional dam releases when Unit No. 1 is at maximum capacity. He cited the estimated planning and construction cost of \$5.3 million. Mr. Fukuda also told the Board that revenue projections for the new hydroelectric plant are based on energy sales at 9¢ per KW-Hr as identified in a revenue study conducted in 2014.

Temperance Flat Reservoir Project - Mr. Hendrix reviewed the key planning, construction features and projected costs for the project. He indicated that the cost is currently estimated at \$2.7 billion, and that about \$2 million will be needed over the next two years to undertake the operational studies to define Friant contractor participation in the facility and associated benefits. Potential sources of governmental funding were reviewed, including the state's Water Storage and Investment Program. Director Borges commented that this project may be of more interest to the District than would the Calif. WaterFix project.

Mid-Kaweah Water Budget - Mr. Fukuda presented an overview of groundwater utilization figures for each member of the GSA and how they aggregate to an overall Mid-Kaweah water balance. He emphasized that the values do not constitute a complete water budget from a hydrogeologic standpoint, nor do they represent a computation of overdraft. Mr. Hendrix next discussed how the water management agreement in place with the cities of Tulare and Visalia will play a role in bolstering the net balance for each city. Board discussions ensued as to the implications of these findings and how this may factor in to discussions at the sub-basin level.

#### Matters for Consideration of Board Action:

Board of Equalization - Mr. Hendrix stated that the District's Board of Equalization needs to be established and remain in existence for ten days to hear objections to the levy of District assessments and related land valuations for 2018. Director Bixler so ordered that the equalization board be formed and remain standing until September 23<sup>rd</sup> for the purposes as stated.

#### 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 summarized the FWA meeting held on August 24<sup>th</sup>. Matters addressed included an overview of High Speed Rail's interface with water districts, a planned FWA retreat, a presentation by NASA regarding its Airborne Snow Observatory, a discussion of Friant contractor participation in the Temperance Flat project, and a summary of upcoming state water bond initiatives and legislation.

Director Martin then proceeded to update the Board on both the K&SJWA and KBWQA meetings held on September 7<sup>th</sup>. He mentioned board discussions of Lake Kaweah operations and discussions this year with

USCE and J.G. Boswell representatives, support for SB 623, irrigated land fees as being on the rise, and Blake Mauritson as a new KBWQA board member.

Director Borges next summarized the KRPA quarterly board meeting held on July 19<sup>th</sup>. He noted that officers were elected and summaries were given regarding this year's generation revenue and Unit No. 2 costs.

Director Bixler thereupon brought up the August 9<sup>th</sup> WWC board meeting and highlighted a \$300 assessment levied thereat and the status of the City of Woodlake's storm water discharge pumping system into Bravo Lake.

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

  
Secretary

  
President