

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
10th DAY OF OCTOBER 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, Dave Martin, Scott Rogers, and Mike Thomas. Staff present at the meeting were J. Paul Hendrix, General Manager; Aaron Fukuda, Engineer; Wayne Fox, O&M Superintendent; and Marco Crenshaw, Watermaster. Also present was Don Wright, scribe for the Renewable Resources Group. The meeting was called to order by President Bixler.

Public Comments:

There were no public comments to come before the Board.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of September 12, 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 Martin and second by Director Borges, unanimously carried by all board members present, the minutes of the meeting were thereupon approved.

Watermaster Report:

Lake Kaweah Storage and Operations - Mr. Crenshaw commented that a new water year has begun and presented reservoir operation graphs for Lake Kaweah and Millerton Lake. He noted that Millerton storage is high for this time of the year, as are the upstream hydropower reservoirs.

Water Supply Outlook - Mr. Crenshaw updated the Board on remaining supplies to-date, noting that a 3% Class 2 allocation has been made by USBR. He stated that, with an exchange supply in hand from Delano-Earlimart ID, the District now has about 17,000 AF of Friant supply in Millerton lake. Mr. Crenshaw noted that this year's diversions totaled 381,307 AF, a near record for the water year. He further indicated that, for the year, turnout sales amounted to 46% of diversions and that 52,000 AF had been sent to recharge basins associated with the District-City of Tulare recharge agreement. He closed with reference to runoff and diversion charts, including representations of San Joaquin River flow at Gravelly Ford since implementation of the Restoration Settlement.

KRPA Operations - Graph of historical energy production provided.

On-Farm Recharge Projects - Mr. Fukuda next summarized his engagement in statewide forums on the potential for on-farm recharge programs. He indicated that considerable attention is being drawn to these programs as a way to comply with SGMA.

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 reviewed the content of the third-quarter O&M report, highlighting safety training, canal and shop maintenance work, herbicide applications, and construction projects.

Treasurer Reports:

Approval of Financial Statements - Mr. Hendrix presented the financial statements for the month of September 2017 for the Board's review and consideration. He addressed first the revenue and expense statement and made note of current cash reserves vis-à-vis commitments made in 2013 to devote that year's transfer/exchange revenues to future water purchases.

Approval of Bill Payments - Mr. Hendrix next presented the list of bills submitted for ratification and approval by the Board. Reviewed and discussed by Board members were water purchase costs, legal expenses, and miscellaneous service and equipment billings. 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. 48944 through 49030 totaling \$283,102.41 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Management Staff Reports:

Mid-Kaweah GSA - Mr. Hendrix stated that the regular meeting of October 10th had been canceled and that a special meeting was being planned for late October. He noted that budget and funding contributions were up for discussion and action, as was a sub-basin coordination MOU and advisory committee appointments.

Wutchumna Ditch Measurement Structure - Mr. Hendrix indicated that Wutchumna WC has deposited with the District \$35,000 as advance payment for its planned measurement structure downstream of Bravo Lake, of which \$9,000 has been spent for preliminary design work. He noted that the full cost of the project is upwards of \$250,000 and that the Company seeks clarification from the District on future payments towards the project and on a possible extended payment plan post construction. The Board thereupon discussed the proposed ideas and directed staff to ask for an increase in advance payments and to work out terms for up to a two-year payback program after completion of the project.

Matters for Consideration of Board Action:

Temperance Flat Reservoir Project MOU - Mr. Hendrix referred the Board to a memorandum summarizing the project, the potential involvement of Friant contractors, and the MOU to be executed should the District wish to engage in project evaluation at this time. He indicated that the San Joaquin Valley Water Infrastructure Authority has applied for a \$1.33 billion grant from the state's Prop 1 storage funding program. Mr. Hendrix noted that, per the MOU, pre-construction costs are projected to be around \$2 million, and that the cost to participating contractors will be a function of how many choose to participate at this time. After discussion by board members as to the potential costs and benefits of the project, it was moved by Director Borges,

seconded by Director Martin and unanimously carried by all board members present, to execute the MOU and to contribute the requisite \$100,000 to become a member of the project steering committee.

Resolution No. 17-11 - Mr. Hendrix presented the established form of resolution to levy the annual assessment to partially fund CVP water purchases in 2018 and for groundwater recharge operations. It was moved by Director Martin, seconded by Director Thomas, duly put and carried by all board members present, that Resolution No. 17-11 levying an assessment of 0.8% of the District assessed valuation on all lands within the District, be approved and adopted.

Resolution No. 17-12 - Mr. Hendrix next presented the established form of resolution to fix the annual charge for 2018 to defray the costs to the District of the USBR-imposed Friant surcharge and environmental restoration fees. It was then moved by Director Borges, seconded by Director Rogers and duly put and carried by all board members present, that Resolution No. 17-12, fixing a charge of \$16 per acre on all lands within the District, be approved and adopted.

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 September 28th. He covered new representatives from the City of Fresno, joining the Temperance Flat JPA, approval of O&M budgets, and a legislative report.

Director Martin then proceeded to update the Board on both the K&SJRA and KBWQA meetings held on October 5th. He made note of reduced fees to K&SJRA members for this year, new officers of the KBWQA, increases in state fees for the Irrigated Lands program, and the annual membership meeting. He then summarized the September 21st meeting of the Mid-Kaweah GSA, noting new officers were appointed, coordination and outreach discussions, and GEI's summary of technical work and associated costs.

Director Bixler thereupon brought up the September 29th ACWA board meeting, stating that its revised 2018 budget was discussed, and increases in membership dues were dealt with. He then made note of an assessment of \$300 and an update on the new flume structure as brought up at the September 13th meeting of the Wutchumna WC.

Closed Session:

The Board thereupon entered into closed session under §54957 of the Government Code. Upon return to open session, it was moved by Director Martin, seconded by Director Thomas and unanimously approved by all board members present, to execute the GSA Employment Agreement and the General Manager Services Agreement, both pertaining to the future administration of the Mid-Kaweah GSA.

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


Secretary

David G. Lester
President