

**MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
10th DAY OF APRIL 2018 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, and Mike Thomas. Staff present at the meeting were Aaron Fukuda, General Manager; Kathi Artis, Controller; Wayne Fox, O&M Superintendent; and Marco Crenshaw, Watermaster. Also present at the meeting was Jason Phillips representing the Friant Water Authority; Don Wright, representing Water Wrights; Matt Kidder, representing Barcellos Farms and Sarjit and Jesse Mali, representing Mali Farms. President Bixler asked if there were any changes, additions or deletions to the Agenda, at which time Mr. Fukuda reported that Item 6.E Liberty Ditch Railroad Crossing was added to the agenda. The meeting thereupon called to order by President Bixler.

Public Comments:

There were no comments from any members of the public to come before the Board.

Management Staff Reports:

Friant Matters - Mr. Phillips reported on various activities being managed and tracked by the Friant Water Authority (FWA). The first item Mr. Phillips reported on was the work being conducted to return the Friant Kern Canal (FKC) back to its design capacity, which has been diminished due to subsidence and other infrastructure issues. On this issue he reported that the intent is to access funding from the upcoming water bond, however in the event the bond is not successful the FWA will continue to work on addressing the issue as it represents a critical piece of the surface water system to support agriculture and address SGMA.

Mr. Phillips next reported on the Sacramento Delta Operations and its critical impact on FKC operations. He noted efforts in working with legislators in Washington DC to begin having the Bureau of Reclamation secure new operating permits by 2020.

The last issue Mr. Phillips discussed was the efforts to secure Title Transfer of the FKC. He has directed FWA staff to begin investigating the process, pros and cons to pursuing title transfer.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of March 13, 2018 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 noted that storage at Terminus Reservoir as of the day prior was at approximately 112,373 AF. He then noted that the total inflow for the prior day was 2,080 cfs but during prior storms had peaked at approximately 7,000 cfs.

Water Supply Outlook - Mr. Crenshaw next provided an update on the snow conditions, reporting that the Department of Water Resources was

reporting as of April 9th a 51% runoff for the Kaweah River Basin and a 70% runoff for the Sam Joaquin River Basin. Mr. Crenshaw indicated that Kaweah Lake was expected to fill towards the end of May and with Millerton Lake currently at 89% of capacity that the an Uncontrolled Season could be expected.

Mr. Crenshaw then provided an estimate of surface water supplies for the summer, highlighting approximately 20,218 AF of available CVP supplies, 18,549 AF of current Kaweah supplies, and 12,500 AF of future Kaweah supplies. Thereupon he estimated that a total supply of 51,267 AF would allow for a 4.5 week irrigation run with 0.5 AF/acre prorated.

Terminus Power Operations - Mr. Fukuda presented an update on KRPA operations, highlighting a recent report that problems with the transformer would limit power production to 19 Mw.

Water Management Activities - Mr. Fukuda reported that due to the unexpected storms that generated a significant amount of runoff, that the Bureau had released a block of Tier 1 Unreleased Restoration Flows to Class 2 contractors, which generated approximately 3,823 AF for the District. He also reported that the storms have generated the need for a potential Uncontrolled Season release from Millerton Lake and this was to be confirmed later in the day on a scheduled conference call with the Bureau.

Next Mr. Fukuda presented a report on the ongoing exchange balanced due to other district as a part of prior year exchanges. He noted that the total payback balance stood at 31,922 AF (Kern Tulare: 22,500 AF, DEID: 9,000 AF, and Rocky Hill: 422 AF). Lastly he provided a breakdown of potential scenarios for payback in 2018, reporting that with a 60% Class 1 the District would owe back approximately 9,000 AF and in a 100% Class 1 year the District would owe back approximately 8,000 AF to partners.

Mr. Crenshaw then noted the potential need to establish a summer irrigation rate, noting that the current established rate was \$43 per AF. The Board concurred that there was no immediate to change the current rate and for a lack of motion the existing rate of \$43 per AF was kept in place.

O&M Superintendent Report:

Quarterly O&M Report - Mr. Fox presented the Board with the 2018 Quarter 1 report, which highlighted activities conducted by staff in the field. Mr. Fox highlighted the ongoing safety training programs, the maintenance operations, vehicle maintenance herbicide application and construction projects. Specific discussions took place on the amount of debris and tires removed and discarded during the maintenance discussion. Mr. Fox also highlighted the ongoing construction projects, the Cordeniz Basin project and the Modernization Phase II Project.

Mr. Fox updated the Board on the sale of the 1989 Caterpillar D6 in exchange for a 2012 Ford F250, which is to be converted into an herbicide spray truck, and approximately \$7,779.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for March 2018 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for January through March 2018 was \$691,391, which was approximately 8.83% percent of the budget. Ms. Artis next presented the expenses, highlighting several items but

reporting expenses totaling \$2,165,926. She then went on with presenting the statements of cash flows and net assets, stating that the current cash standing was at \$11,707,775 with the increase in cash mainly coming from the 2017 power revenue. She thereupon cited investment returns for the District's several holding accounts, those being 1.48% with the Tulare County Pooled Fund, 1.41% with the state LAIF, and 1.80% with CalTRUST.

Approval of Bill Payments - Ms. Artis next presented the list of bills submitted for ratification and approval by the Board. 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. 49515 through 49610 totaling \$654,227.03 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Management Staff Reports:

Annexation Request - Mr. Fukuda provided a presentation on recent annexation requests, alternatives for the annexations and potential issues associated with the annexations. He highlighted the unknown process ahead for the annexation under the implementation of SGMA. Dr. Jesse Mali provided a public comment that encouraged the Board to entertain the annexation to provide a stronger voice in light of SGMA. Staff was directed to gather more information regarding prior annexations and how we can proceed in the future before a determination is made.

Mid-Kaweah GSA - Mr. Fukuda reported that there was no update on this matter.

Friant Matters - Mr. Fukuda indicated that Mr. Phillips had provided the update on Friant Matters at the beginning of the meeting.

District Engineer Search - Mr. Fukuda reported that the recruiter hired by the District established interviews with five candidates and that he would be working with the recruiter to determine the next steps in the process.

Matters for Consideration of Board Action

Evans Ditch Measurement Station - Mr. Fukuda presented bid quote results for the construction of the Evans Ditch Measurement Station. The apparent low bidder was Phase 1 Construction at \$151,390.00. By a motion of Director Martin, seconded by Director Thomas and unanimously approved by the directors present Phase 1 Construction was awarded the contract for the construction of the Evans Ditch Measurement Station.

Tulare Irrigation District Procurement of Goods and Services Policy and Policy for Bid Proposals - Mr. Fukuda provide the Board with copies of the proposed policies, which were required to be adopted per prior audit finding to comply with grand project requirements. He highlighted that the policies are consistent with current law and current grant requirements. The Tulare Irrigation District Procurement of Goods and Services Policy and the Tulare Irrigation District Policy for Bid Proposal was approved and adopted by a motion of Director Thomas, seconded by Director Borges and unanimously approved by all Directors present.

Repayment Agreement for Recapture of Restoration Flows in Lower San Joaquin River (Water Year 2018). Mr. Fukuda presented the Repayment Agreement for Recapture of Restoration Flows in the Lower San Joaquin River (Water Year 2018) which was approved by Director Borges, seconded by Director Martin and unanimously approved by all Directors

present.

Liberty Ditch Railroad Crossing - Mr. Fukuda reported on the leaks and issues with the Liberty Ditch Railroad Crossing. He indicated that he was seeking assistance from a consulting engineer, but was not ready for approval of a contract.

Closed Session:

The Board thereupon entered into closed session under §54956.8, §54956.9(a) and §54957.6 of the Government Code. Upon returning to open session, it was reported that Board by a motion of Director Thomas, Seconded by Director Borges and unanimously approved by all Directors present approved the General Manager - Vehicle Proposal submitted by Mr. Fukuda.

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 activities of the Kaweah & St. Johns Rivers Association meeting and the Kaweah Basin Water Quality Association meeting, which took place on April 5, 2018.

Director Thomas next reported on the Wutchumna Water Company meeting held on March 14, 2018. He reported that the assessment was \$375 for March 2018.

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



Secretary



President