

**MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS  
OF THE TULARE IRRIGATION DISTRICT HELD ON THE  
12<sup>th</sup> DAY OF JUNE 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. Directors absent from the meeting included Scott Rogers. Staff present at the meeting were Aaron Fukuda, General Manager; Kathi Artis, Controller; Wayne Fox, O&M Superintendent; Marco Crenshaw, Watermaster; and Beth Holmes, Assessor Collector. Also present at the meeting was Don Wright, representing Water Wrights; Paul Hendrix, representing the Mid-Kaweah Groundwater Sustainability Agency; Richard Zack; and Yanin Kramsky, a student at the University of California, Berkeley. President Bixler asked if there were any changes, additions or deletions to the Agenda. Mr. Fukuda noted a correction in the agenda under the Closed Session discussion regarding the APNs listed under Section A. The meeting thereupon was called to order by President Bixler.

Public Comments:

During public comment, Richard Zack presented a proposal to the Board to install two new fireproof safes in the office to house and protect the minute books of the District that date back to the formation of the District. Mr. Zack indicated that he would be returning to the Board with costs and designs for the safes.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of May 8, 2018, had been distributed and asked if there were any errors or omissions noted therein. There being none, by the motion of Director Borges and second by Director Martin, unanimously carried by all Directors 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 158,186 AF. He then noted that the total inflow to the Terminus Reservoir for the prior day was 435 CFS. He then pointed out that the current diversions to the District were 706 CFS, to meet irrigation demand for approximately 160 turnouts.

Water Supply Outlook - Mr. Crenshaw next provided an update on the water supply for the Summer irrigation season noting that he anticipated the irrigation run to last until approximately July 10<sup>th</sup> with a prorate of 0.55 AF per acre.

Terminus Power Operations - Mr. Fukuda reported that the power plant began generating power on May 15<sup>th</sup> and as of June 1<sup>st</sup> Summer power generation rates would be applied.

Water Management Activities - Mr. Fukuda reported that the City of Visalia was ready to begin delivering tertiary treated wastewater to the District. He thereupon reported that a trial run would take place after the Summer irrigation run and full deliveries would take place later in the Fall after the District completed some SCADA improvements.

O&M Superintendent Report:

Routine Work - Mr. Fox reported on recent activities concerning the operations and maintenance of the District system and equipment. He stated that the herbicide department has been working hard to keep ahead of weed growth. He also indicated that staff had been providing limited grading operations, pipeline repairs, and trash removal/disposal as needed during the irrigation run.

Construction Projects - Mr. Fox next provided an update on construction activities at the Cordeniz Basin project. He indicated that staff had been working on the project for approximately three months and that given the availability of water, staff rented a pump and flooded the field to increase moisture in the soil and to assist with dust control and compaction. Lastly, Mr. Fox relayed that construction efforts were mainly focused on the excavation and compaction of a keyway under the proposed embankments of the basin.

#### Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for May 2018 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for January through May 2018 was \$1,590,046, which was approximately 70.88% of the budget. Ms. Artis next presented the expenses, highlighting several items but reporting expenses from January to May 2018 totaling \$3,413,529, which was approximately 52.82% of the budget. She then went on with presenting the statements of cash flows and net assets, stating that the current cash standing was at \$11,708,762. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at \$11,896,159 and the Total Equity in the District stood at \$37,832,986. She thereupon cited investment returns for the District's several holding accounts, those being 1.54% with the Tulare County Pooled Fund, 1.76% with the state LAIF, and 1.92% with CalTRUST. Lastly, Ms. Artis noted that the remaining principal on the 9(d) capital repayment loan was \$6.792 million.

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 Martin, second by Director Thomas and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 49698 through 49794 totaling \$1,043,072.78 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Audit Update - Ms. Artis indicated that she was working on the 2017 financial adjustments and would be scheduling the audit potentially in July 2018.

#### Management Staff Reports:

Mid-Kaweah GSA - Mr. Hendrix, General Manager of the MKGSA, provided an update of activities within the Kaweah Subbasin. He first noted that the City of Visalia had hired hydrogeologist Tom Harder to consult with them on SGMA related issues. He next provided information regarding efforts by the Greater Kaweah GSA and the East Kaweah GSA attorneys to define loss water in natural and man-made channels.

Mr. Fukuda then provided further updates for SGMA activities within the Kaweah Subbasin highlighting efforts to modify the Kaweah Subbasin Coordination MOU to remove the Kaweah Subbasin TAC; development of a subbasin website; a proposal to seek DWR technical services money for monitoring wells; and an update on the SkyTEM project.

Mr. Fukuda next updated the Board on prior activities and upcoming activities of the MKGSA. He noted first that the MKGSA Advisory Committee had one remaining open position, which was anticipated to be filled by a representative from the urban sector, and that the Advisory Committee had recommended to the MKGSA Board the adoption of a formal Outreach Plan. Next Mr. Fukuda noted that the FY 2018-19 Budget was to be presented at the next MKGSA meeting, with an anticipated overall budget of \$1.123 million and a potential cost to the District of approximately \$121,800, after grants and carryover revenue. Thereupon, Mr. Fukuda indicated that the MKGSA would need to seek a new legal counsel due to the resignation of Ken Richardson, citing potential conflicts of interest. Lastly, Mr. Fukuda provided an update on activities surrounding the development of a water budget for the MKGSA, outlining recent work and a process to inform Board such that a decision on a District approach could be accomplished by September 2018.

Friant Matters - Mr. Fukuda began his report on Friant activities with an update on the progress of the Temperance Flat project. He noted that he was undergoing modeling of District operations to determine an initial storage volume of the District. He then pointed out that this storage volume would be coupled with a cost analysis. Lastly, he reported that a movement was underway to develop a new entity that would ultimately be the entity representing the development of Temperance Flat, which would leave the San Joaquin Valley Infrastructure Authority in the lead on the Prop 1 application process.

Next, Mr. Fukuda noted that the Friant Water Authority had solicited proposals from firms to assist in the development of a design solution to the subsidence being observed in the Friant-Kern Canal. He reported that two firms submitted proposals and Stantec was selected as the preferred contractor.

Gin Ditch Proposal - Mr. Fukuda presented a proposal to install a PVC pipeline to replace a section of the Gin Ditch behind five homes along Tollin Road. The Board directed Mr. Fukuda to work with the landowners in a cost-share for the materials.

Legislation - Mr. Fukuda provided an update on the Safe and Affordable Drinking Water Act as it was contained in the recent California Budget Trailer Bill. He noted a recent legislative negotiation to remove the provisions from the Budget Trailer Bill, leaving the future of the legislation in question. Thereupon, Mr. Fukuda presented alternatives to the legislation as proposed by ACWA.

#### Matters for Consideration of Board Action

Revised 2018 Budget - Mr. Fukuda proceeded to provide a discussion of the Revised 2018 Budget noting several critical components of the report. He first stated the revised revenue of approximately \$9.85 million, of which with the better water year the District expected revenues from water operations to be roughly \$4 million. Next Mr. Fukuda noted that expenses were anticipated to be approximately \$11.26 million, with operations and administration being \$9.38 million and capital outlay being \$1.89 million. Mr. Fukuda noted that cash reserves at the end of the year would stand at approximately \$10.32 million. At the conclusion the report, it was moved by Director Thomas, seconded by Director Martin and unanimously approved by the board members present, that the Revised 2018 Budget be approved as presented.

Resolution No. 18-07 - Consenting to County election for Division 1 and 2 - The District Assessor Collector, Ms. Beth Holmes presented the

Board with information regarding the election process and upcoming election for Division 1 and 2. By a motion of Director Borges, seconded by Director Martin and unanimously approved by all board members present, Resolution No. 18-07 was approved as presented.

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 Friant Water Authority Board Meeting, which took place on May 24, 2018. He noted the efforts of the FWA to provide better runoff forecasting with the ASO flights.

Director Martin reported on the Kaweah & St. Johns Rivers Association meeting and the Kaweah Basin Water Quality Association meeting, which took place on June 7, 2018. He noted that there were five members of the Water Quality Association that had paid late fees, 12 members sent to the Regional Board for not renewing membership and that there were 24 groundwater wells that will need to be monitored for water quality in the future.

Director Thomas reported on activities of the Wutchumna Water Company meeting on May 14, 2018. He noted the recent assessment was established at \$425.

Closed Session:

The Board thereupon entered into closed session under §54956.8 and §54956.9(a) of the Government Code. Upon returning to open session, it was reported 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