

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
21th DAY OF FEBRUARY 2019 AT THE HOUR OF 10:00 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. Director Scott Rogers was absent. Staff present at the meeting were Aaron Fukuda, General Manager; Wayne Fox, O&M Superintendent; Marco Crenshaw, Watermaster; and Jeremy Barroll, Assistant Engineer. Also present at the meeting was Richard Zack. President Bixler asked if there were any changes, additions or deletions to the Agenda, which Mr. Fukuda reported there were none. The meeting thereupon was called to order by President Bixler.

Public Comments:

There were no public comments.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of January 8, 2019, had been distributed and asked if there were any errors or omissions noted therein. 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 as presented.

Watermaster Report:

Water Supply Outlook – Mr. Crenshaw began his report by noting that the District staff was working on numerous construction projects when the most recent flood release started, which has required staff to keep the system below maximum capacity. Leading up to the flood release in late January, District staff worked to secure approximately 9,000 AF of Kaweah River supplies to run into the District. It was anticipated that we would run this water and then turn to Friant CVP supplies towards the end of February, however due to storms, the District was required to keep diverting Kaweah River supplies and hopes to transition to CVP Friant supplies in late February and early March.

Next, Mr. Crenshaw reviewed the current water supply status for the District noting CVP supplies of 15,605 AF and 9,361 AF in Kaweah supplies, totaling 24,966 AF in total quantities to date.

Thereupon, Mr. Crenshaw provided charts of the snow water content in the Kaweah Watershed and the San Joaquin Watershed, noting that the Kaweah Watershed was at approximately 154% and the San Joaquin was about 174% of the February 20th average. He also pointed out that the percent as of April 1st was 126% and 145% for the Kaweah and San Joaquin watersheds respectively.

Thereupon, Mr. Fukuda requested if the Board had any direction regarding the current Winter Water Rate. Based on the demand and ability to divert CVP Friant supplies the Board provided no direction to alter the current water rate of \$45 per AF.

Mr. Fukuda and Mr. Crenshaw then covered several Water Management Activities. Mr. Crenshaw indicated that with the availability of CVP Friant water in the form of Class 2 Pre-Use and Uncontrolled Season water on March 1st, and there might be a need to increase demand within the District to take advantage of supplies. Mr. Fukuda reported that

the District could access recharge points for the City of Visalia exchange and turn to on-farm recharge. The Board indicated that staff should work to identify on-farm recharge within the District and apply water to the City of Visalia exchange program.

O&M Superintendent Report:

Routine Work - Mr. Fox provided an update on operations and maintenance activities highlighting the completion of grading operations, application of herbicides on the upstream system and completion of dredging of Cameron Creek. He reported that sandy material that was dredged from Cameron Creek was being hauled throughout the District and placed on canal embankments.

4th Quarter 2018 O&M Report - Mr. Fox next reviewed operations and maintenance activities that took place in the last quarter of 2018.

Construction Projects - Mr. Fox reported that work continues to progress on the Cordeniz Basin project.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for January 2019 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for January through February 2019 was \$193,770, which was approximately 2.24% of the preliminary budget. Ms. Artis next presented the expenses, highlighting several items but reporting expenses from January to February 2019 totaling \$519,028, which was approximately 4.86% of the revised budget. She then went on with presenting the statements of cash flows and net assets, stating that the current cash standing was at \$10,393,744. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at \$12,160,358 and the Total Equity in the District stood at \$36,294,356. She thereupon cited investment returns for the District's several holding accounts, those being 1.96% with the Tulare County Pooled Fund and 2.35% with the state LAIF. Ms. Artis also noted that there were sufficient funds for six months of expenses.

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 Thomas and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 50535 through 50655 totaling \$990,423.04 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Engineering Report:

Update on Engineering Activities - Mr. Barroll provided an update on engineering activities within the District. Mr. Barroll began with an update on the new measuring station at Packwood Creek and highlighted the completion of the stilling well, structure walls, backfill, and placement of rip-rap. He then provided progress on the Cordeniz Basin project and reported that the keyway around the project was completed and progress was being made on the junction box, 21" PVC pipeline, and dirt removal. Next, Mr. Barroll reported on the request by a landowner to convert a portion of the Miot Ditch to a pipeline. Lastly, Mr. Barroll said that two new turnouts were installed as requested by landowners.

Management Staff Reports:

Mid-Kaweah GSA - Mr. Fukuda began by providing an update on the Kaweah Sub-Basin Basin Setting. He reported that a technical review of the document yielded several technical issues that the Sub-Basin Management Team had narrowed down to five critical task items that GEI will be correcting by mid-March. He thereupon reported on a recent discussion at the MKGSA regarding the potential avenues whereby the MKGSA and SGMA process may be subject to litigation. Mr. Fukuda then provided the Directors with an updated schedule, highlighting the work that Paul Hendrix will be contributing to the development of the GSP. He noted that original expectations were that GEI was to perform the work, but to keep the GSP process on schedule and within the budget, Mr. Hendrix is providing much of the drafting of the GSP.

Mr. Fukuda presented the Directors with a Mid-Kaweah GSA Apportionment Proposal, which will be used to allocate various water supplies in the Sub-Basin into their multiple categories in the Water Budget. He noted that once the Water Budget was completed in the Sub-Basin Basin Setting, the apportionment of the water will be calculated.

Lastly, Mr. Fukuda presented the Kaweah Sub-Basin Sustainable Management Criteria: Sustainability Goal and Undesirable Results document that was approved by the MKGSA Advisory Committee. He emphasized the amount of work that was done to develop the material, notably the development of a water quality provision.

Friant Matters - Mr. Fukuda began his report with an update on Temperance Flat Reservoir Activities. He noted that a Transfer Agreement between the San Joaquin Valley Water Infrastructure Authority and the Temperance Flat Reservoir Authority (TFRA) had been completed and that the Prop 1 WSIP Applicant Status would soon be transferred to the TFRA. He also reported that the new chairman of the TFRA was Kole Upton and that TFRA would rapidly be developing the policy principles for Temperance Flat Reservoir.

Next, Mr. Fukuda discussed recent Friant Water Authority activities to update the OM&R Cost Recovery Methodology. He noted that the methodology was not currently taking into consideration new forms of water created by the San Joaquin River Settlement. He reported that there seemed to be consensus to update the methodology to include these types of water. He also stated that a great deal of discussion was also taking place regarding the OM&R Cost Recovery Methodology being used to distribute the costs of fixing the Friant-Kern Canal due to subsidence. Mr. Fukuda provided a table that showed the costs, under the OM&R Cost Recovery Methodology could increase District FWA O&M costs by a range of \$404,000 to \$1,618,000 per year.

Legislation - Mr. Fukuda presented a legislative update on ACA 3, the Governor's Water Tax, and AB 417.

TID Safe Proposal - Mr. Zack provided the Board with images of the safe that is being proposed to house District historic records. Mr. Zack indicated that he is in contact with a donor that is willing to cover the costs of the safe. The Board directed Mr. Zack to continue his pursuit of the safes for the housing of historic District documents.

Matters for Consideration of Board Action

Resolution No. 19-02 Execution of Contract with U.S. for Purchase of URF Water - Mr. Fukuda presented the subject resolution and described the details of the contract. Resolution No. 19-02 was adopted by the motion of Director Borges, seconded by Director Martin, and duly put to a vote and unanimously carried by all board members present.

Resolution No. 19-03 Execution of Contract for purchase of Section 215

Water - Mr. Fukuda presented the subject resolution and described the details of the contract. Resolution No. 19-03 was adopted by the motion of Director Borges, seconded by Director Thomas, and duly put to a vote and unanimously carried by all board members present.

Valley Ag Water Coalition Dues - Mr. Fukuda provided the Board with an invoice from the Valley Ag Water Coalition and provided a history of our participation with the organization and the benefits received by being a member. By a motion of Director Martin, seconded by Director Borges and unanimously carried by all board members present, it was approved to pay the Valley Ag Water Coalition Dues.

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 recent discussions at the Friant Water Authority regarding cost allocations, subsidence correction and the San Joaquin Blueprint. He also stated that the Kaweah Basin Water Quality Association is looking for more groundwater wells to be monitored and that the Regional Water Quality Control Board is looking to monitor and test man-made canals.

Director Thomas reported that the Wutchumna Water Co. assessment was \$300 and he discussed a request to use property owned by the company to develop a lemon orchard.

Closed Session:

The Board thereupon entered into closed session under §54956.8, §54956.9(a) and §54957 of the Government Code.

Upon returning to open session, it was reported by Director Bixler that by a motion of director Martin, seconded by Director Borges and unanimously approved by all board members present approved the submission of a letter to Mr. Fagundes to purchase property and enter into a lease for the use of his ground until the property is purchased.

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



Secretary



President