

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
8th DAY OF JANUARY 2019 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. Director Scott Rogers was absent. Staff present at the meeting were Aaron Fukuda, General Manager; Wayne Fox, O&M Superintendent; Marco Crenshaw, Watermaster; Bill Sario, District Engineer; Jeremy Barroll, Assistant Engineer; and Beth Holmes, Assessor-Collector. Also present at the meeting 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:

Mr. Zack reported that due to the efforts of Congressman Devin Nunes and his staff, the Tulare Irrigation District History Book had been submitted and had received acceptance into the Library of Congress.

Oath of Office:

Ms. Holmes proceeded to instruct the incumbent for Division 2 of the District, being the only board member candidate for said division, to recite the oath of office. Director Martin (Division 2) did so and were thus sworn in for another four-year term as director of the District.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of December 11, 2018, had been distributed and asked if there were any errors or omissions noted therein. By the motion of Director Thomas and second by Director Borges, unanimously carried by all Directors present, the minutes of the meeting were thereupon approved as presented.

Watermaster Report:

Water Supply Outlook - Mr. Crenshaw presented the Directors with charts showing the operations at Terminus and Millerton Reservoir. He noted that Lake Kaweah storage was at 23,597 AF with only 341 CFS of inflow, and with the future rain forecasts, there was an anticipation that a flood release would take place when the reservoir reached a storage of 35,000 AF.

Next, Mr. Crenshaw review the current water supply status for the District noting CVP supplies of 885 AF and 3,468 AF in Kaweah supplies, totaling 4,353 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 86% and the San Joaquin was about 86% of the January 7th average. He also pointed out that the percent as of April 1st was 37% and 35% for the Kaweah and San Joaquin watersheds respectively.

O&M Superintendent Report:

Routine Work - Mr. Fox provided an update on operations and maintenance activities highlighting upstream mowing, grading

operations that were approximately 95% complete, dredging of material from canals and placement of sand on canal banks, and the installation of rip-rap on canal embankments with stability issues. Mr. Fox noted that the herbicide department was applying preemergent herbicides behind the grading operations and contact herbicides were being used on the upstream system. Thereupon he reported that the shop continues to pursue repairs on equipment and vehicles including the required smog/smoke tests that were completed for the year.

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

Treasurer Reports:

Approval of Financial Statements - Mr. Fukuda then presented the financial statements for December 2018 for the Board's review and consideration. He addressed first the revenue and expense statement, indicating that the total revenue for January through December 2018 was \$6,642,521, which was approximately 67.41% of the revised budget. Mr. Fukuda next presented the expenses, highlighting several items but reporting expenses from January to December 2018 totaling \$10,045,193, which was approximately 89.14% of the revised budget. He then went on with presenting the statements of cash flows and net assets, stating that the current cash standing was at \$10,646,676. Based on the Statement of Net Assets, Mr. Fukuda reported that Total Liabilities were at \$12,052,012 and the Total Equity in the District stood at \$36,052,079. He thereupon cited investment returns for the District's several holding accounts, those being 1.90% with the Tulare County Pooled Fund and 2.21% with the state LAIF.

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 Directors present, accepted the financial statements and, by said motion, check nos. 50440 through 50534 totaling \$461,201.71 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Assessor-Collector Reports:

Ms. Holmes presented the Assessor's Board Report and noted that 97% of the 1st Installment and Environmental Charge had been collected, and approximately 41% of the 2nd Installment and Environmental Charge had been collected, which when taking into account water tolls, 1st penalties and 2nd penalties meant that the District had received \$1,446,564 as of January 8th and \$689,547 was yet to be collected. Next, Ms. Holmes noted a list of landowners with water tolls, which totaled \$26,266 and delinquent assessments totaling \$15,267.

Engineering Report:

Update on Engineering Activities - Mr. Barroll provided an update on engineering activities within the District. He presented progress on the Packwood Creek measurement station and the Cordinez Basin project. He made note that dirt hauling at the Cordinez Basin site had reached approximately 11,000 cubic yards and more dirt was expected to excavated and removed in the near future.

Management Staff Reports:

Mid-Kaweah GSA - Mr. Fukuda provided a brief update on activities of the MKGSA, noting a review of the Draft Basin Setting was underway and there continue to be concerns with some of the components of the Water Budget and text of the document. Next, he provided an update on the

development of the minimum thresholds and measurable objective including a discussion of the recent efforts by members of the Advisory Committee to include an aspiration goal of the MKGSA to improve water quality, which was received with a legal response that it was not required to enhance the quality of water, but to not degrade water quality.

Thereupon, Mr. Fukuda presented a description of the recent submission of projects and management actions to be included in the MKGSA GSP. He explained that the projects in general fit with the four categories including 1) groundwater recharge project, 2) surface water storage projects, 3) water management activities and 3) groundwater pumping restrictions.

Friant Matters - Mr. Fukuda reported that activities continue to progress including working with the San Joaquin Valley Water Infrastructure Authority to transition the California Water Commission Water Storage Infrastructure Project application to the Temperance Flat Reservoir Joint Powers Authority.

Thereupon, Mr. Fukuda presented a summary of the recent agreements that were part of a negotiation between numerous State, local and Federal entities to resolve issues that were impediments to water management activities. He indicated that the District interests were represented by Jason Philips, CEO of the Friant Water Authority, who had a place at the negotiation table. The negotiation was shown to provide the FWA with reduced risks on calls on the Exchange Contract and greater ability to recapture and recirculate San Joaquin River Settlement releases down the river.

Matters for Consideration of Board Action

Resolution No. 19-01 Appointments and Proxies for 2019 - Mr. Fukuda presented the subject resolution and associated listings of appointments, proxies, and representations to be identified as among board members and staff. The Board discussed two changes 1) including Mr. Crenshaw as the alternate to the Kaweah and St. Johns Rivers Association and 2) including Scott Rogers and Aaron Fukuda as the alternates to the Mid Kaweah Groundwater Sustainability Agency. With the preceding changes, Resolution No. 19-01 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.

2019 Preliminary Budget - Mr. Fukuda reviewed the Preliminary 2019 Budget as presented to the Board. He cited project income of \$8.65 million, O&M expenses of \$8.41 million, and capital expenses of \$2.27 million, the combination of which is anticipated to leave the District with approximately \$10.27 million in reserves at the end of the year. By the motion of Director Martin, seconded by Director Borges and unanimously carried by all board members present, the preliminary 2019 budget as presented was approved.

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 Thomas reported on activities of the Wutchumna Water Co., noting that the assessment was \$425.

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 Thomas and unanimously approved by all board members present, the Board acted to approve a 5% merit increase for the position of Watermaster and a 2% merit increase for the position of Controller in 2019.

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



Secretary



President