

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE TULARE IRRIGATION DISTRICT HELD ON THE  
9<sup>th</sup> DAY OF JULY, 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 Vice President Rick Borges, Dave Martin, Scott Rogers, and Mike Thomas. Absent from the meeting was President David Bixler. Staff present at the meeting were Aaron Fukuda, General Manager; Kathi Artis, Controller and Treasurer; Beth Holmes, Senior Administrator and Assessor-Collector; Wayne Fox, O&M Superintendent; Marco Crenshaw, Watermaster; and Jeremy Barroll, Assistant Engineer. Also present at the meeting was Mike Lane, Ed Henry, and Johnny Gailey. Vice President Borges asked if there were any changes, additions or deletions to the Agenda. Mr. Fukuda noted a correction in the agenda regarding the numbering of an item. The meeting thereupon was called to order by Vice President Borges.

Public Comments:

During public comment, Mr. Henry presented a current Tulare Advance Register article published, Saturday, July 6, 2019. He stated that the article mentioned planting trees is the best way to combat climate change and in Milan, Italy, there are plans to plant 3 million new trees by 2030. Mr. Henry mentioned trees would benefit our climate. There were no other comments from any members of the public to come before the board.

Approval of Minutes:

Director Borges then noted that the minutes of the regular meeting of June 11, 2019, had been distributed and asked if there were any errors or omissions noted therein. By the motion of Director Thomas 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 began his report by noting Terminus total inflow was 1,422 CFS, and that the entire storage at Terminus Reservoir for the current day was 170,019 AF and the total release from the reservoir was 2,342 CFS. He then reported that total diversions into the District for the day were 1,039 CFS with approximately 180 users receiving water. Mr. Crenshaw next provided storage operation charts for Terminus Reservoir and Millerton Reservoir. He noted that flood release at Kaweah ended June 24<sup>th</sup> and he projected the irrigation run would go until the first week of September.

Mr. Crenshaw said there was approximately 59,928 AF in Lake Kaweah assigned to TID, which includes Wutchumna storage at Lake Kaweah in the amount of 14,548 AF. The projected January to December 2019 cumulative diversions to TID was estimated to be 325,810 AF.

Mr. Crenshaw reported that the District diverted 55,601 AF in June, which included some on-farm recharge, 3% recharge deliveries to the City of Visalia, and 48% of the diversions were delivered to turnouts.

Mr. Crenshaw provided charts of the snow water content in the Kaweah and the San Joaquin Watershed, noting that the Kaweah Watershed snow content was at approximately 126% of the June 30<sup>th</sup> average and 7% of

April 1<sup>st</sup> average. He also pointed out that the DWR April-July Kaweah runoff was projected to be 182% and 168% of the average for both the Kaweah and San Joaquin watersheds respectively.

Mr. Crenshaw then presented a historical chart that showed February through June combined diversions to TID in AF for the years 1950 through 2019. He noted that 2019 was the third-highest year in Combined Diversions AF and that 2017 was the highest.

Water Supply Outlook - Next, Mr. Crenshaw provided an estimated current water supply status for the District noting CVP supplies of 20,219 AF and 57,928 AF in Kaweah supplies, totaling 78,147 AF in total quantities to date.

Water Rate - Mr. Fukuda opened the discussion of water sale rates. He reported that the TID Revised 2019 Budget was developed based upon the water sales rate of \$45 per AF. He noted a projected surplus of \$916,000, partially due to reduced recapture/recirculation water of \$125,000. He also brought to the Board's attention that the FWA Revised 2019 Budget was set, and TID percentage of the FWA O&M Budget is 7.31658%. He detailed FWA 2018-19 Budget: \$8.667 million (TID portion would be \$630,500); FWA 2019-20 Budget: \$15,642 million (TID portion would be \$1,145,000); and 2020-21 Budget: \$19,682 million (TID portion would be \$1,440,000). After deliberations concerning the price of water the Board, by a motion of Director Rogers and seconded by Director Thomas, unanimously carried by all board members present, a sale price \$49/AF was approved. Said rate to be effective as of July 15<sup>th</sup>.

KRPA Report - No report provided.

Water Management Activities and Issues - Mr. Fukuda stated that Friant Water Authority's CVP Tier 2, Block 1 URF supply is approximately 10,000 AF, and of that TID's share is 1,000 AF, the cost is \$68 per AF, the total cost to the District is estimated to be \$68,000.

#### O&M Superintendent Report:

Routine Work and Construction Projects - Mr. Fox reported on the maintenance activities undertaken during the past month. Mr. Fox highlighted various safety trainings, mentioning heat safety, lock-out, tag-out, personnel safety, and safety-data. He then noted ongoing work consisting of trash removal, herbicide applications, copper sulfate applications, shop repairs, vehicle maintenance, vehicle 90-day inspection maintenance program, and facility and shop maintenance, which included painting and yard work.

Mr. Fox reported on construction activities within the District, noting that construction on the Cordeniz Basin project continues. He also mentioned the recent earthquake and inspection of leaks.

2019 2<sup>nd</sup> Quarter O&M Report - Mr. Fox delivered the 2019 2<sup>nd</sup> Quarter Operations and Maintenance Report to the Board. He thereupon highlighted the following O&M activities: District Safety Program, Maintenance Operations, Vehicle Maintenance Program, Herbicide Application Program, Construction Projects highlighting the Cordeniz Basin Project and the Modernization Phase II (SCADA) Project.

#### Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for June 2019 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for January through May 2019 was

\$5,783,187, which was approximately 45.35% of the preliminary budget. Ms. Artis next presented the expenses, highlighting several items, and reporting expenses from January to June 2019, totaling \$5,801,333, which was approximately 49.02% of the preliminary budget. She then went on with presenting the statements of cash flows and net assets, stating that the current cash standing was at \$10,915,480. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at \$11,966,631, and the Total Equity in the District stood at \$37,665,261. She thereupon cited investment returns for the District's several holding accounts, those being 2.12% with the Tulare County Pooled Fund and 2.449% with the state LAIF. Ms. Artis also noted that there were sufficient funds for six months of expenses.

Approval of Bill Payments - Ms. Artis presented the list of bills submitted for ratification and approval by the Board. Highlighting a payment to Friant Water Authority in the amount of \$113,251.05 for SLDMWA June 2019. After further scrutiny of particular bills, the Board, by the motion of Director Martin, seconded by Director Rogers and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 51034 through 51094 totaling \$275,650.16 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

2018 Financial Statements & Audit - Status Report - No report provided

#### Assessor-Collector Report:

Ms. Holmes presented a letter addressed to the TID Board of Directors, dated July 8, 2019 from Ms. Maartje Lemstra asking for the removal of the 2<sup>nd</sup> installment penalty for \$762.89 that was applied June 20, 2019. Ms. Lemstra described reasons for being late and walking the payment into the office on June 21, 2019. After a short discussion, it was determined that the Board of Directors does not have any protocol or ability to waive the penalties that have been incurred.

Status of Assessment: Ms. Holmes provided an update on the collection of the second installment of assessments noting that of the total 2,400 parcels assessed for a total of \$2,196,369.78, 158 parcels with assessments of \$46,822.30 were yet to be collected. She thereupon provided a report indicating five parcels that would be submitted to the County of Tulare for inclusion on the tax roll.

#### Engineering Report:

Update on Engineering Activities - Mr. Barroll presented a report on the Cordeniz Basin and Serpa Ditch Realignment Construction Project reporting that the crew has been rough grading banks, have completed east and south sides of South Basin, and have mostly completed west side South Basin and begun working on the middle bank between North and South Basin. He noted that since the last board meeting, the dirt hauling count was at 250 loads or 3,500 BCY has been excavated.

#### Management Staff Reports:

Mid-Kaweah GSA - Mr. Fukuda then provided a PowerPoint presentation detailing Mid-Kaweah GSA reporting on the Kaweah Subbasin and GSP activities providing a SkyTem investigation on the hydrologic model base run scenarios. He then indicated that the initial modeling runs are completed and the Draft Coordination Agreement is in the review process. Mr. Fukuda highlighted MKGSA, EKGSA, and GKGSA deadline regarding public comment period and special combined meeting planned for Late July and early August. In addition, Mr. Fukuda announced to serve better the District's Growers he has plans to have small weekly scheduled GSA informative meetings discussing guidelines and answering

questions and addressing concerns.

Friant Matters - Mr. Fukuda first reported that Temperance Flat 2019-2020 Budget was approved for \$150,000 with three members. Mr. Fukuda then summarized the MOU Group and TFRA Group upcoming activities, highlighting cost and benefit analysis reports.

Mr. Fukuda next reported on the Valley Blueprint progress, non-profit organization status, membership contributions, and various committees formed. Mr. Fukuda informed the Board that Fresno State University is working on a Social/Economic Impact Report. He declared that the Valley Blueprint looks to be the Water Resiliency Plan for the Central Valley.

Mr. Fukuda presented an overview of the Subsidence Fix. He reported that the Stantec contract cost is estimated to be \$12.0 million. He announced that the Subsidence Fix Draft Notice of Preparation had been completed and the Feasibility Report has been delivered to the Bureau. He stated that the goal is to award contracts in August 2020.

Mr. Fukuda stated there had been a significant increase up to \$15.6 million in the FWA FY 2020-21 O&M Budget due to the Subsidence Fix, other projects scheduled for a dewatering year, and radial gate replacement.

Mr. Fukuda then reported that Recirculation Districts want upward of \$150 per AF. He declares FWA staff are in the proves of re-negotiating an agreement at \$135 per AF.

Finally, Mr. Fukuda stated that sometime during August, a Title Transfer Workshop would be offered and the Board will be asked to vote Title Transfer in September. He also said that there are pros and cons that need to be evaluated before making a decision.

Legislation - Mr. Fukuda provided an update on (1) SB 487 (Caballero) - ASO Funding for 10 years unanimously passed to Appropriations Committee; (2) SB 559 (Hurtado) - FKC Subsidence Funding \$400 million passes as amended to appropriations committee; and (3) Water Tax supported by ACWA, through the 2019 Conf. Comm.

Strategic Plan - Mr. Fukuda reported that the District's Strategic Plan has been on hold due to SGMA workload and the current wet year. He noted changes necessitating progress on Strategic Plan which include Increasing FWA/SLDMWA Costs; GSP submission, costs associated with implementing GSP; Bond market rates (2.5% to 4%); District Staff internal meetings; Board Strategic Planning Workshop; and Final Strategic Plan Report adoption.

#### Matters for Consideration of Board Action:

Resolution No. 19-04 - Placing Delinquent Assessment of County Tax Roll - Ms. Holmes presented a resolution needed to place direct charges (special assessments - Liens 2013) on the secured tax roll. By motion of Director Martin, seconded by Director Rogers and unanimously approved by all board members present. Resolution No. 19-04 was approved as presented.

Resolution No. 19-05 - Support for TowTEM Groundwater Recharge Enhancement Project Grant Application. Mr. Fukuda provided an update on the TowTem Groundwater Recharge Enhancement Project. Mr. Fukuda expressed the desire and board approval to apply for and secure funds for a USBR WaterSMART Grant, Small-Scale Water Efficiently Projects for the Fiscal Year 2019 Grant. By a motion of Director Rogers, seconded by Director Martin, and unanimously approved by the Board

members present, Resolution No. 19-05 was approved.

Montgomery & Associates - Professional Service Agreement - Mr. Fukuda provided a summary and recommended board approval to enter into a Montgomery and Associates Professional Services Agreement providing Groundwater Sustainability Plan consulting services support. By a motion of Director Martin, seconded by Director Thomas, and unanimously approved by the Board members present, the Montgomery and Associates Professional Services Agreement was approved.

Consideration of Wage/Salary CPI Adjustment - Mr. Fukuda presented tabular information regarding the Consumer Price Index changes over time and corresponding board-approved cost-of-living adjustments. After some deliberation and discussion concerning the data by the Board. By the motion of Director Martin, seconded by Director Rogers, unanimously carried by all board members present, that a 1.75% increase shall be applied to all wage and salary rates at the District, said increase to made effective in July.

Closed Session:

The Board thereupon entered into closed session under §54956.8, §54956.9(a)), §54957.6, §54957, and 54956.95 of the Government Code.

Further, it was reported that upon the motion of Director Martin and seconded by Director Thomas, unanimously carried by all board members present, the following merit raises were approved for hourly non-exempt staff:

- R. Nablo - Ditch Tender 1, Step 3
- K. Anderson - Ditch Tender 1, Step 3
- A. Linhares - Ditch Tender 1, Step 4
- J. Mello - Engineering Technician, Step 3
- J. Felix - Heavy Equipment Operator, Step 3
- J. Frausto - Ditch Maintenance, Step 3
- D. Castro - Shop/Yard Maintenance, Step 5

Board Member Report of Meetings:

Director Borges 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 Company meeting on June 12, 2019. He stated the water stock assessment rate was set at \$325.00 per share.

The Directors noted that no new information needed to be reported.

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



Secretary



Vice-President