

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD
VIA WEBEX TELECONFERENCE ON THE
9TH DAY OF JUNE 2020 AT THE HOUR OF 9:00 A.M.**

Call to Order and Roll Call:

Mr. Fukuda reported that due to the recent COVID-19 Pandemic, the Tulare Irrigation District Board meeting was being held remotely, with no physical location being provided to the public.

Directors present via WebEx teleconference roll call at the date and time above designated were President David Bixler, Vice President Rick Borges, Dave Martin, Scott Rogers, and Mike Thomas. Staff present remotely via teleconference 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 on the teleconference were Kel Mitchel; Don Wright representing Water Wrights; Joseph Gallego, CEO at Umida Ag; and Richard Zack, local historian. Mr. Bixler thanked everyone for attending and announced that there was a full quorum of the Board of Directors present. President Bixler asked if there were any changes, additions, or deletions to the agenda, of which Mr. Fukuda reported there were none. The meeting was called to order by President Bixler.

Public Comments:

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

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of May 12, 2020 had been distributed and asked if there were any errors or omissions noted therein. By the motion of Director Thomas and seconded by Director Borges, unanimously carried by all Directors present, the minutes of the May 12, 2020 meeting was thereupon approved.

Watermaster Report:

Lake Kaweah Storage and Operations/Water Supply Outlook - Mr. Crenshaw first reported that due to recent storms inflow at Lake Kaweah and other lakes have come up. Mr. Crenshaw said that the Lake Kaweah total inflow for the day was 506 CFS and that the storage at Lake Kaweah for the current day was 139,198 AF. He then reported that the daily release from Lake Kaweah was 795 CFS.

Mr. Crenshaw continued with his report by indicating that the current water supply for the District stood at 30,285 AF. The projected January 2020 to June 2020 cumulative diversions to TID was estimated to be 47,727 AF. Mr. Crenshaw thereupon reported that the District diverted 925 AF in May with 44% recharged in District basins, 16% recharged in District canals, and 40% diverted to farm turnouts.

Mr. Crenshaw provided for comparison and discussion a historical low water supply year chart that showed the number of days ran, Kaweah River supply percentage, CVP Class 1 percentage, and totals for the following years: 2004, 2007, 2012, 2013, 2016, and 2018.

Mr. Crenshaw then reported on rainfall for the area and noted that the accumulated rainfall at the District office was 8.73" compared to the average of 8.51".

Summer Irrigation Run: Mr. Crenshaw mentioned a possible water delivery date starting towards the end of June stretching into July. Mr. Crenshaw reported the current CVP Class 1 supply and Kaweah River Supply projection amounted to 30,000 AF, which would allow a 19-day water run. Mr. Fukuda mentioned waiting until late June might enable the District to utilize any late USBR allocation, which could be approximately 5% more Class 1. The Board decided that the Summer Irrigation Run start date to be June 22nd.

Summer Irrigation Rate: Mr. Fukuda and Mr. Crenshaw requested direction from the Board on establishing the 2019 Summer Irrigation Rate. Mr. Fukuda reported that based on the direction provided earlier in the season, the current water rate was at \$49 per AF. He then presented for discussion a spreadsheet that analyzed the water supply, water costs, and possible water rates for the 2020 water year. By a motion of Director Rogers, seconded by Director Martin, and unanimously carried by Directors present, the 2019 Summer Irrigation rate was set at \$52 per AF.

Director Borges stated that the current rate was low compared to other Districts, and the cost to pump is much higher than the surface water rate.

Director Rogers mentioned wanting to be fair to growers and liked keeping the costs somewhere in the middle between \$49-\$55 range. Director Thomas was concerned that the District continues to lose money on average and sees the need to raise the rate.

Mr. Fukuda stated in the future, higher land assessments would be needed to stabilize the water rate.

Riverdale Ranch - Interest on Delinquent Payments Request: Mr. Fukuda provided to the Board for discussion a letter received from Riverdale Ranch LLC, dated May 11, 2020, stating that due to the Covid-19 Pandemic and Shelter in Place from Fresno City, their office was closed. The letter requested a waiver of interest charged on delinquent water due to Covid-19. Mr. Fukuda noted payment was made in full on June 2, 2020, with the exception of April/May interest in the amount of \$18.85. Mr. Fukuda stated that under the California Water Code, there are no provisions that would allow the waiving of Delinquent Fees due to Covid-19. The board concurred. Mr. Fukuda was directed by the Board to inform Riverdale Ranch that the District cannot waive the interest, and to avoid interest fees, payments must be made in a timely fashion.

Management Activities and Issues:

Mr. Fukuda reported on Kaweah Ditch Stock 2020 Water availability. Mr. Fukuda informed the Board that Tad Edwards would like to lease 200 AF of Tulare Irrigation Company water shares @ \$100 per AF. He then noted that historically the District has paid \$35-\$50 AF. Mr. Fukuda highlighted that Mr. Edwards did lease Consolidated Peoples Ditch Company (CPDC) 2020 water for \$100 per AF. The Board discussed the possibilities and instructed Mr. Fukuda to offer \$50 per AF.

O&M Superintendent Report:

Routine Work - Mr. Fox provided an update on operations and maintenance activities first reporting that the District and the City of Tulare partnered together to remove homeless encampments and remove debris along the Main Canal upstream of Mooney

Boulevard. He also said the same efforts would be given to eliminating homeless camps near the railroad tracks within the City this Thursday, June 11, 2020. Mr. Fox also mentioned the City is presently in the process of developing and adopting new City ordinances to keep the homeless off canals and easements.

Lastly, Mr. Fox reported on preemergent herbicides application, spraying and grading operations ahead of the Summer irrigation run, copper sulfate treatments throughout the District, Gin Ditch clean-up, placement of rip-rap on Cameron Creek, Oakland Colony and Road 96 culvert crossing repair, Billings Ditch replacement of headworks, Cordeniz Basin SCADA underground auto gates 100% finished, and Cordeniz Basin barbwire fence construction is 85% finished.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis presented the financial statements for May 2020 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for January-May 2020 was \$429,261, which was approximately 5.11% of the revised budget. Ms. Artis next presented the expenses, highlighting several items and reporting expenses from April totaling \$3,248,652, which was approximately 30.17% 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 \$11,064,113. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at \$13,495,780, and the Total Equity in the District stood at \$36,032,974. She lastly cited investment return for the District's several holding accounts, those being 2.530% with the Tulare County Pooled Fund, 1.363% with the state LAIF, and 0.350% with Citizen's Money Market Fund.

Approval of Bill Payments - Ms. Artis presented the list of bills submitted for ratification and approval by the Board. She noted various payments toward costs associated with J. Paul Hendrix's payroll and Mid-Kaweah Ground Water Sustainability Agency (MKGSA) office and utility expenses informing the Board that MKGSA would reimburse the District. Mr. Fukuda noted payment to Reyna's Translation & Interpreting Services in the amount of \$196.80 for a 2nd Installment Covid-19 Assessment Spanish Translation Notice; and payment to California Animal Products in the amount of \$181.00 for Covid-19 Personal Protection Equipment (PPE) Supplies. After further scrutiny of particular bills, the Board, by the motion of Director Martin, seconded by Director Borges and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 51923 through 52015 totaling \$475,295.07 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. He first reported on the progress at the Cordeniz Basin project, saying the project was right on schedule and mentioning the perimeter barbed wire fencing is about done. Next, Mr. Barroll informed that Board that the No. 3 Basin Drought Grant would be submitted this July 2020. Lastly, Mr. Barroll reported on No. 6 Basin dirt removal and sales to Tom Barcellos. The Board inquired about the price per load. Mr. Barroll stated the current inside landowner rate is \$10 per load, and the outside rate is \$20 per load.

Management Staff Reports:

COVID-19 Response Plan Update - Mr. Fukuda reported to the Board that District Management staff will continue to monitor the COVID-19 situation, and safety guidelines are updated to minimize exposure. He mentioned the Office would remain closed to the public and that Office staff has returned to a regular schedule. Mr. Fukuda stated that current guidelines include reinforced sanitizing, social distancing, good hygiene practices, and that facemasks are required for situations where social distancing is not maintained.

Next, Mr. Fukuda brought to the Board's attention his desire to move forward and hold the next Board of Directors meeting in person. He recommended the Board be prepared that the July 14th Board meeting most likely would be held as a Board Members only meeting with public participating via WebEx.

SGMA Matters - Kaweah Subbasin Update. Mr. Fukuda summarized recent activities concerning the Kaweah Subbasin, first reporting that Managers have met and have agreed to the following plan: 1) pursue the work product, data, and documents from GEI; 2) collectively work with Provost & Pritchard to continue collecting water budget data and the Annual Plan; 3) the three GSAs signed on to a letter that was sent to the El Rico GSA to request ongoing coordination between plans, and 4) that Prop 68 Grant Contract has been received noting grants funds would pay for existing SkyTEM work, Well data collection, and Well Metering Study.

Mid-Kaweah Groundwater Sustainability Agency Update - Mr. Fukuda summarized the recent activities at the Mid-Kaweah GSA, reporting that Mid-Kaweah's Comment period closed on June 3, 2020, and DWR received eight (8) comments. Comments were submitted from the following: California Department of Fish and Wildlife, California Department of Water Resources - Division of Flood Management, Central Valley Flood Protection Board, Animal Legal Defense Fund, Leadership Counsel, Various Non-Profit Organization Co-Signed Letter, The Nature Conservancy, and Kristen Dobin - UC Davis Graduate Student. Mr. Fukuda reported that DWR would accept GSA responses to comments at a later date.

Mr. Fukuda thereupon reported on MKGSA's Consultant status, noting first that Montgomery and Associates was hired to provide hydrogeologist support. Next, he said that Stantec is being sought to provide PR/Outreach and Provost and Pritchard was being considered for Engineering services.

Mr. Fukuda reported that MKGSA's FY 2020-21 Budget was approved. He noted a total expense budget of \$433,500, offset by approximately \$217,000 in carryover and \$150,000 in grant funds. This budget is considered interim until a new manager is hired.

Mr. Fukuda presented MKGSA Budget Allocation reporting that Members had agreed to equal shares up to the submission of the GSP with a commitment to revisit the allocation at the first budget after the GSP submission. Mr. Fukuda indicated that the general consensus is to continue with equal 1/3 split between the three members, and projects will be based upon benefits and agreed upon cost-sharing. Director Martin stated 1/3 would be fair and balanced.

Friant Matters - Mr. Fukuda first reported on the Friant Kern Canal (FKC) Middle Reach Capacity Correction Project noting that the project was trending on schedule and the Draft EIS/EIR has been issued for a 60-day review and would be published May 8, 2020. He also stated that the Public Hearing would be held on June 8th.

Mr. Fukuda updated the Board on the FKC Middle Reach Capacity Correction Project Funding, reporting that FWA staff and financing

consultants continue to pursue funding and have identified \$51 million. The project can be funded by federal or state grants, OM&R funding, or GSA funding. Mr. Fukuda provided a chart showing where the money is coming from: Mandatory SJRRP Funds - (PL 111-11 sec 10203.a.) (Non-R) \$23.90 Million; WIIN Act Funding (non-R)(Share)\$2.20 Million; FWA OM&R Budget FY 2020 (Share) \$5.00 Million; WIIN Act Funding FY 2020 (non-R)(Share)\$2.35 Million; and SJRRP Funds (PL 111-11 sec 10203.c.) FY 2021 (Non-R) \$18.00 Million.

Next, Mr. Fukuda presented to the Board for discussion FWA Friant-Kern Canal Middle Reach Capacity Correction Project request for interest in FKC Middle Reach Zone 3 Capacity Report. Stating FWA has approved a Friant Contractors additional funding Zone 3 approach for the FKC Middle Reach Project in exchange for capacity priority and related benefits. Mr. Fukuda presented the investing funding structure, and highlighting the capacity in the restored segment of the FKC below Milepost 88 would be divided into three zones. Mr. Fukuda outlined the differences of the FWA Zone 3 approach: Zone 1: Capacity without Project; Zone 2: Capacity due to FWA, Public, GSA, Conveyance Charge Funding; and Zone 3: Capacity due to Friant Contractor Additional Funding. Mr. Fukuda asked the Board if there would be any interest in buying capacity. A lengthy conversation pursued. Mr. Fukuda noted that requests for interest responses are due by July 2, 2020.

Legislation - Mr. Fukuda provided an update on the Federal Infrastructure Bill, stating that discussions are still active. The opportunity to include some of the larger Tulare ID infrastructure projects for potential funding in any future infrastructure bill may be possible.

Strategic Plan Update - Mr. Fukuda provided the Board with a copy of the Draft Strategic Plan for review and consideration. Mr. Fukuda encouraged the Board to review and provide comments. He noted that the goal is to adopt the Strategic Plan in July/August.

Matters for Consideration of Board Action:

2020 Revised Budget - Mr. Fukuda proceeded to provide a discussion of the Revised 2020 Budget noting several critical components of the report. He first stated the revised revenue of approximately \$7.87 million, of which, with the current water year, the District expected revenues from water operations to be roughly \$2.85 million. Next, Mr. Fukuda noted that expenses were anticipated to be approximately \$10.29 million, with operations and administration being \$7.91 million and capital outlay being \$2.38 million. Mr. Fukuda noted that cash reserves at the end of the year would stand at approximately \$10.98 million. After the report, it was moved by Director Rogers, seconded by Director Martin and unanimously approved by the board members present, that the Revised 2020 Budget be approved as presented.

Resolution NO. 20-07 - 2020 TID Election: Consenting to County election for Division 3, 4, and 5 - Mr. Fukuda presented the Board with information regarding the election process and the upcoming election for Division 3, 4, and 5. By motion of Director Borges, seconded by Director Martin and unanimously approved by all board members present, Resolution No. 20-07 was approved as presented.

Provost & Prichard Master Consulting Services Agreement for Seaborn Due Diligence Project - Task Order 1, Tulare County, California. Mr. Fukuda noted within the agreement the following: time and materials would not exceed \$19,000, 90 days for false unknowns, Consolidated Peoples Ditch Company (CPDC) property survey, CPDC share of the cost would be 50%. By motion of Director Thomas, seconded by Director Borges and unanimously approved by all board members present, the Master Consulting Services Agreement 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 Kaweah & St. Johns River Association (KSJRA) Meeting and the Kaweah Basin Water Quality Association (KBWQA) meeting, which took place on June 4, 2020.

Director Martin also reported on the activities of the KSJRA meeting, which was held on June 4, 2020.

Mr. Martin also reported on attending the KBWQA on June 4th, reporting the following: No new memberships; Annual Meeting will be held at the Wyndham on October 15th, 2020; KBWQA and Kaweah Delta Water Conservation District entered a Share of Cost Services Agreement; Reporting a field technician for surface water sampling was hired to take samples at the Okieville Kiosk and to maintain the Farmersville Kiosk; New approved laboratory contract with Moore-Twining Associates replacing Fruit Growers Lab, and lastly Mr. Martin mentioned the Okieville Kiosk replacement water fill station is scheduled to be up and running next month.

Mr. Borges and Mr. Fukuda both mentioned attending the Kaweah River Power Authority Board Meeting on May 20, 2020.

Director Thomas reported activities of the Wutchumna Water Company meeting held on May 13, 2020. He reported on the following: A recent assessment was set at \$325.00; WWC has an ongoing easement dispute; and Historian Richard Zack was hired to organize paperwork and do a ditch parcel research at a fee of \$500.00.

Closed Session:

The Board thereupon entered into closed session under §54956.8, §54956.9(a), §54956.9(b)), §54956.9(c)), §54957.6, §54957, and 54956.95 of the Government Code. Upon returning to open session, it was reported that there were no actions taken in closed session.

Mr. Fukuda noted that the next Board Meeting would be held on July 14, 2020.

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



Secretary



President