

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
14th DAY OF MAY, 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, Scott Rogers and Mike Thomas. 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; Bill Sario, District Engineer; and Jeremy Barroll, Assistant Engineer. Also present at the meeting was Lawrence O'Leary, Sales Manager at Mottech Water Solutions Ltd., Mike Lange, Ed Henry, and Johnny Gailey. President Bixler asked if there were any changes, additions or deletions to the Agenda, which Mr. Fukuda reported that there were no changes. The meeting thereupon was called to order by President Bixler.

Public Comments:

Mr. Lawrence O'Leary, Sales Manager, introduced Mottech Water Solutions Ltd. to the Board of Directors. Mr. O'Leary stated that Mottech was a communication technology solution for irrigation and water control systems, well data, and gates. He noted the ability of their communication equipment to transmit an electrical out put back to a central location.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of April 9, 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 corrected.

Watermaster Report:

Lake Kaweah Storage and Operations - Mr. Crenshaw began his report by noting that the total storage at Terminus Reservoir for the current day was 154,683 AF and the total release from the reservoir was 2,159 CFS. He then reported that total diversions into the District for the day was 752 CFS with approximately 100 users receiving water. Mr. Crenshaw next provided storage operation charts for Terminus Reservoir and Millerton Reservoir.

Mr. Crenshaw noted that Terminus remains in a potential flood release mode for the foreseeable future. Mr. Crenshaw said there was about 43,508 AF in Lake Kaweah for TID. Which includes Wutchumna storage at Lake Kaweah in the amount of 18,204 A.F. The projected January to December 2019 cumulative diversions to T.I.D. Boundary was estimated to be 313,000 A.F. The City of Visalia treatment plant was reported to be delivering at 16 CFS to the District. Mr. Crenshaw noted this is not a normal year due to low temperatures we are not seeing higher run offs and there is still plenty of snowpack.

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% of the May 13th average and

the San Joaquin was about 139% of the May 1st average. He also pointed out that the percent of the April-July runoff was projected to be 151% and 161% for the Kaweah and San Joaquin watersheds respectively.

Next, Mr. Crenshaw provided an estimated current water supply status for the District noting CVP supplies of 60,077 AF and 43,508 AF in Kaweah supplies, totaling 103,585 AF in total quantities to date.

Thereupon, Mr. Crenshaw updated the Board on current supplies being diverted to the District. He first noted that based upon Friant Uncontrolled Season supplies and demand, he anticipated shutting off end of August. He then discussed potentially running more CVP Class 2 water after May 17th, which was supported by the Board.

Mr. Crenshaw reported that the District diverted 41,412 AF in April, which included some on-farm recharge, recharge deliveries to the City of Visalia, and 44% of the diversions being delivered to turnouts.

Water Rate - Mr. Fukuda and Mr. Crenshaw provided a tool to estimate water supply costs and revenue to assist in setting the rate. Upon further discussion, it was the Board's conclusion that the current sale rate should stand at \$45/AF and be revisited at a later date.

KRPA Report - Mr. Fukuda first reported that Terry Stafford is no longer the KRPA Manager and that Mark Larsen would be assuming the duties of KRPA Manager in his place. Mr. Fukuda noted that KRPA is looking to sell power to a buyer and reported that Southern California Edison agreement will terminate in 2020.

Management Staff Reports:

Mid-Kaweah GSA - Mr. Fukuda presented a chart prepared by GSI Water Solution Inc. of the Kaweah Sub-basin Water Supply Accounting which includes groundwater inflows values in Acre-feet. The chart was based on water budget for the period Water Year 1997-2017 for the Kaweah Subbasin and Water Supply Account Frame work developed by GSA managers. The components being Native Water/Foreign Water/Salvaged Water. Mid-Kaweah GSA totals: Native Water 85,874 AF (24%), Foreign Water 45,713 AF (63%) and Salvaged Water 98,406 AF (35%). East-Kaweah GSA totals: Native Water 96,894 AF (27%), Foreign Water 12,073 AF (17%) and Salvaged Water 15,593 AF (7%). Greater-Kaweah GSA totals: Native Water 181,017 AF (50%), Foreign Water 15,225 AF (21%) and Salvaged Water 109,205 AF(49%). The Grand Total: Mid-Kaweah GSA: 229,992 (35%); East-Kaweah GSA: 124,560 (19%); and Greater-Kaweah GSA: 305,447 (46%).

Mr. Fukuda next provided an update on MKSGA activities including updates on Grant Reimbursements, a groundwater water metering pilot study, and updates on GSP sections 3,5,6 and 8. Lastly Mr. Fukuda presented two potential model runs being conducted. The first run included no projects or actions and would set minimum thresholds. The second run included some projects and management actions to set the measurable objectives.

Friant Matters- Mr. Fukuda began his report with an update on Temperance Flat. He noted that the Temperance Flat Reservoir Authority (TFRA) is working on operational principals and would be establishing a budget. He also updated the Board on recharge activities noting that the cost/benefit report should be completed this Summer. Mr. Fukuda next provided an update on the Friant-Kern Canal(FKC)Capacity Correction Project and Cost Share (Ad Hoc) Committee. Participants included Arvin Edison WSA, Delano-Earlimart ID, Orange Cove ID and Fresno ID. The Friant Districts local cost share is being proposed at \$50M. The FKC Subsidence Correction Project will cost somewhere between \$238-\$357M to construct.

Legislation - Mr. Fukuda presented a brief legislative update on SB 487, SB 559 and AB 417. Mr. Fukuda noted that SB 559 was moving through the legislature and would be heard by the appropriations committee soon. Lastly, he noted some opposition from Kern County.

Matters for Consideration of Board Action:

Termination of Main Intake Canal Seepage Agreement - Mr. Fukuda summarized reasons to terminate the TID/KDWCD 2001 Main Intake Canal Seepage Agreement and mentioned that the agreement would be eligible for termination in 2021. He therefore recommended that the Board terminate under mutual and agreeable terms today new SGMA. By motion of Director Martin and seconded by Director Rogers, unanimously approved by all board members present, with the exception of Director Thomas who was not present at the time of the motion, it was approved to terminate the agreement conditional on mutual agreement.

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.

Upon returning to open session, it was reported that there were no actions taken in closed session.

O&M Superintendent Report:

Routine Work and Construction Projects - Mr. Fox reported on the maintenance activities undertaken during the past month. Mr. Fox highlighted herbicide application, removal of a homeless encampment, maintenance operations, vehicle maintenance, copper sulfate application, and a 90-day vehicle inspection were in process. He also mentioned discing at various locations including Liberty Ditch, Cordeniz Basin, Swall Bain, and Okieville Basin.

Mr. Fox reported on construction activities within the District, noting that construction on the Cordeniz Basin inlet structures were in progress and that dirt hauling was in progress. He reported that because we've been working with one less employee, staff had to work Saturdays to help catchup.

Lastly, Mr. Fox reported that Reedley Irrigation Company and Borges Irrigation Systems are working on repairs to Area 11 Pipeline, Area 12 Pipeline and City Pump.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for April 2019 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for January through April 2019 was \$2,716,041, which was approximately 31.40% of the preliminary budget. Ms. Artis next presented the expenses, highlighting several items, including a payment to US Bureau of Reclamation for Unreleased Restoration Flows and Friant Water Authority for approximately \$259,041 for San Luis Delta Mendota Water Authority Operation and Maintenance, and reporting expenses from January to April 2019 totaling \$3,825,613, which was approximately 35.82% 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 \$9,547,705. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at \$12,911,234 and the Total Equity in the District stood at \$36,967,545. She thereupon cited investment returns

for the District's several holding accounts, those being 2.08% with the Tulare County Pooled Fund and 2.445% 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 Martin and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 50813 through 50927 totaling \$838,166.61 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

2018 Audit Update - Ms. Artis indicated that she was working on the 2018 financial adjustments and would be scheduling the audit potentially in June 2019.

Engineering Report:

Update on Engineering Activities - Mr. Fox mentioned that Mr. Barroll had stepped out of the meeting during close session and that he had covered the engineering activities and the constructions projects within the District during his Superintendent report.

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.

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



President