

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD ON THE
14TH DAY OF NOVEMBER 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; and Jeremy Barroll, Assistant Engineer. Also present at the meeting was Ed Henry; and Joe Mastro, CPA, Mastro & Associates Inc. President Bixler asked if there were any changes, additions or deletions to the Agenda, of which Mr. Fukuda reported there were none. The meeting thereupon was called to order by President Bixler.

Public Comments:

Ed Henry presented to the Board each a copy of the Tulare County 2018 Crop & Livestock Report, he stated his concerns and opinion that within 7 years 15% of the Agricultural lands (Farming/Dairies/Crop lands) would be out of business due to the Sustainable Groundwater Management Act (SGMA). Also mentioning the financial economic effects, millions of dollars in lost revenue, lost jobs, and the human tolls on Tulare County.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of October 8, 2019, had been distributed and asked if there were any errors or omissions noted therein. By the motion of Director Borges and seconded by Director Rogers, unanimously carried by all Directors present, the minutes of the meeting was thereupon approved.

2018 Financial Statement & Audit: Mr. Mastro thereupon presented the audited financial statements for 2018, and audit report for 2017-18, He indicated that the audit had no issues or concerns. Upon the motion of Director Thomas and seconded by Director Rogers and unanimously carried by all board members present, the financial statements and audit report for 2017-18 were accepted.

Watermaster Report:

Lake Kaweah Storage and Operations/Water Supply Outlook - Mr. Crenshaw began his report by noting Terminus Reservoir total inflow was 71 CFS, and that the entire storage at Terminus Reservoir for the current day was 14,936 AF. He then reported that the daily release from Terminus Reservoir was 32 CFS. He lastly stated that total diversions into the District for the day were 0 CFS.

He then stated TID's current water supply stood at 5,565 AF. The projected January to December 2019 cumulative diversions to TID was estimated to be 326,128 AF.

Mr. Crenshaw thereupon reported that the District diverted 117 AF in October. He indicated that 70% of the diversions were delivered to turnouts, 10% of the diversions were delivered to District's basins, and 20% recharged in District's canals.

Fall 2019 Groundwater Report: Mr. Crenshaw presented the Tulare Irrigation District 1922-2019 Depth to Groundwater tables detailing

Fall Depth/Spring Depth measurements. He next presented the Fall 2019 Depth to Groundwater Map and a Fall 2018 to 2019 Groundwater Area Comparison Map. The Comparison Map showed where changes are taking place within the District. Mr. Crenshaw reported that the October 2019 depth to groundwater measurement average totaled 143.5 and the October 2018 average being 153.2, showing a 10 foot increase.

Management Activities and Issues - Mr. Fukuda noted that there was nothing to report at the time.

O&M Superintendent Report:

Routine Work - Mr. Fox reported to the Board that two mowers were being operated in the District and two graders operations were following behind the mowers. He stated that currently the new grader was out for repair. Next Mr. Fox updated the Board on discing done in town, weed spraying, grader work, making rain with water truck, pre-emergent and contact herbicide applications throughout the District. He then stated Cordeniz lost pump and that bids were out.

Tilt-Trailer Purchase - Mr. Fox expressed his need to replace the District's 1989 Trailer which is a 24 ft. Trail Master use as a backup trailer for equipment. He presented to two options for the Board's consideration and approval. A 2019 Trail King TKT40LP or a 2019 Trail Maxx TDK-40. Upon the motion of Director Rogers and seconded by Director Borges and unanimously carried by all board members present, the Superintendent was instructed to purchase the 2019 Trail King TKR40LP in the amount of \$35,802.32.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis then presented the financial statements for October 2019 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for January through October 2019 was \$9,953,781, which was approximately 78.06% of the revised budget. Ms. Artis next presented the expenses, highlighting several items and reporting expenses from January to October 2019 totaling \$10,901,180, which was approximately 92.10% 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 \$11,150,896. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at \$13,284,425, and the Total Equity in the District stood at \$36,408,055. She thereupon cited investment returns for the District's several holding accounts, those being 2.31% with the Tulare County Pooled Fund and 2.190% 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. She noted a payment to the Friant Water Authority in the amount of \$130,121.00 for October and November Operation & Maintenance. She then discussed payment to Phase 1 Construction totaling \$110,736.00 for Job #991 Modernization Phase II concrete Structure. After further scrutiny of particular bills, the Board, by the motion of Director Rogers, seconded by Director Thomas and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 51350 through 51478 totaling \$1,004,621.16 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 noted the

Cordeniz Basin and Serpa Ditch realignment project, stating that our crew have completed rough grading banks, will continue stockpiling dirt in North Basin, and have mostly completed excavating South Basin.

Lastly, Mr. Barroll gave an update on Packwood at head of 5 Run Project reported that the structure and stilling well have been constructed, and that Phase 1 we have recently completed backfilling, and the remaining work consist of: install rip-rap, complete Scada work, install pressure and flow sensors.

Management Staff Reports:

Mr. Fukuda first gave a brief Kaweah River Power Authority update. He detailed the 2018-2019 KRPA Generation & Revenue Summary. He estimated \$4.0 million Revenue, \$1.0 million Expenses, Net Gain of \$4.0 million, and TID share being \$1.0 million. He mentioned that GridSME is continuing to work on a PPA.

Mr. Fukuda next presented Kaweah River Powers Authority Preferred Structure, providing different term offers received from Shell and 3PR. He detailed and showed comparing differences in fixed/variables/profit sharing offers, along with estimated annual O&M costs, and the estimated annual revenues. He stated that there was an increase of 40% in insurance costs that amounted to \$210,000 per year.

Mid-Kaweah GSA - Status Report: Mr. Fukuda provided a Kaweah Subbasin Update reporting that the Coordination Agreement was close to being done; reporting Prop 68 Grant was being prepared by P&P (\$30,000 split three ways); reporting First Annual Report is Due April 2, 2020; Reporting on P&P Contract (Estimated Cost \$100,000); reporting the Data Management System (DMS) was developed by GEI and will only host the site until December 2019; and that EKGSA is going to use LandIQ modeling and that Managers decided to operate to only 2040.

UPDATE ON MKGDA GSP - Public Comment Process - Mr. Fukuda then announced that the MKGSA GSP Public Comment Closed. He reported that 13 Individual Comment/Comment Letters were submitted which broke down into 197 individual comments. All comments were put into three priorities: Priority 1 - Editorial or Grammatical corrections; Priority 2 - Comments that required GSA Manager and Consultant review; Priority 3 - Comments of a technical or policy nature. He mentioned that the Advisory Committee met October 4th, October 15th, October 22nd, and November 15th.

Mr. Fukuda lastly reviewed the following findings: (1) Incomplete evaluations of surface and groundwater interactions and related observation that we had an incomplete assessment of groundwater dependent ecosystems and associated Resolution; (2) Incomplete Water Budget and clarification of the difference between Water Budgets and the Water Accounting Framework and associated Resolution; (3) Unacceptable Groundwater Levels Impacts on small water system and domestic well owners and associated Resolution; and (4) Unacceptable groundwater quality protections to DACs and small community water systems and associated Resolution.

Friant Matters - Mr. Fukuda first reported that Temperance Flat Reservoir Authority Board approved the Operating Principles and have also approved the Stantec Master Services agreement. Mr. Fukuda then reported on the MOU Technical Report mentioning that Temperance Flat Reservoir is not fully subscribed and TID's costs are estimated to be \$450 per AF. He commented that next year the MOU effort should be completed and investors will begin to determine their ability and need to participate in the Temperance Flat Reservoir Authority.

Next Mr. Fukuda announced that Friant Water Authority (FWA) newly hired

Tal Eslick as the Valley Blueprint Project Manager. He stated that a new Executive Committee has been formed and a new Valley Blueprint Economic Impact Study is in place.

Mr. Fukuda reported on the Friant Kern Canal Subsidence Fix stating the USBR completed an engineering review and has found that the parallel canal was the superior alternative. He noted that the Environmental Review Notice of Intent is being finalized, Geotechnical work has begun, and the USBR has agreed to move the Feasibility Study up in the schedule. Mr. Fukuda then reported on the Title Transfer, Gary Perez's Retirement from FWA, mentioning ASO Flights, and that the Reclamation will be refunding \$3/AF from 2020 to 2039.

Biological Opinion for Reinitiation of Consultation on the Long Term Coordinated Operations of the Central Valley Project and State Water Project - Mr. Fukuda gave a historical timeline starting with August 2016 - USBR and DWR requested reinitiation of consultation on long-term coordinated operations of the Central Valley Project, the State Water Project with National Marine Fisheries Service and the US Fish and Wildlife Service; October 2019 - White House issued a memorandum of accelerate the process; January 2019 - USBR submitted their proposed action. Mr. Fukuda reported that the initial review has gaps and further review by the agencies was needed, which would include a "strike team" of engineers and scientists.

Mr. Fukuda discussed Shasta Cold Water Pool Management Plan - more cold water for salmon; using science and fish counts to operate the pumps, rather than calendars; investment in Delta Smelt hatcheries; and investment in the Battle Creek Restoration Project.

Legislation - Mr. Fukuda provided a Legislation update on: (1) SB 487 - reporting the bill became policy bill that authorized DWR to conduct ASO Flights noting that it passed legislature but was vetoed); (2) AB 417 Arambula - Ag and Rural Prosperity Act noting that it passed legislature but was vetoed); and (3) AB 638 - required State to look at climate change and identify projects to address climate change noting it passed legislature but was also vetoed.

Speaker Request - Biennial Symposium on Managed Aquifer Recharge - Mr. Fukuda announced that he has accepted the request to be a headline speaker at the 17th Annual Biennial Symposium on Managed Aquifer Recharge event scheduled for April 1-3 in Tempe, Arizona.

Strategic Plan Update - Mr. Fukuda gave a quick review of East Kaweah GSP, Greater Kaweah GSP, Tulare Lake Subbasin GSP, and Eastern Tule GSP. Mr. Fukuda discussed each agencies difference concerning Water Budget, Water Allocation Framework, Projects and Management Actions, issues, objectives, methodology and subsidence issues.

Matters for Consideration of Board Action: - No report provided.

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 stated that the KBWQA meeting was held on November 7, 2019 reporting on the budget and that the assessment remained the same, but slightly higher. He also stated that the Regional Board sent 66 KBWQA members Notice of Violations for not submitting a 2018 NMP Summary Report.

Director Borges reported attending the Kaweah and St. Johns River Association meeting held November 7, 2019, and he mentioned the water

report, snow survey, and the assessments being \$310,020 for the entire association.

Next Director Borges reported attending KRPA meeting held on October 31, 2019, mentioning higher land values and Kaweah Riparian Water Rights under Sigma.

Lastly Director Borges reported attending the Tulare Irrigation Company Board meeting on October 28, 2019.

Director Martin reported attending the Evans Ditch Company on October 28th.

Director Thomas reported on activities of the Wutchumna Water Company meeting on October 9, 2019. He stated the water stock assessment rate was set at \$200.00 per share.

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 return to open session, it was reported that no reportable actions were made by the Board.

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



Secretary



President