

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT HELD
VIA WEBEX TELECONFERENCE ON THE
8TH DAY OF September 2020 AT THE HOUR OF 9:00 A.M.**

Call to Order and Roll Call:

Mr. Fukuda reported due to the Governor's Executive Order (N-29-20) and the declared state of emergency, including current social distancing directives as a result of the threat of the COVID-19 virus, the TID Board members and TID Staff will be attending this meeting remotely. There was no physical location for this meeting. Members of the public and other officials participated in the Open Session portion of the meeting remotely via WebEx teleconference.

Directors present at the meeting held at the date and time above designated were President David Bixler, Rick Borges, Dave Martin, and Mike Thomas. Director Scott Rogers was absent. 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; Jeremy Barroll, Assistant Engineer; and Riley Nolan, Summer Intern. Also present via WebEx teleconference roll call were Scott Kuney, District Attorney; Don Wright representing Water Wrights; Geoff Vanden Heuvel; Lora Carpenter, Fieldman Rolapp & Associates; Mike Cavanaugh, Hill Top Securities; Molly Thurman, Farmland Management Services; Mitch Partovi, Water Agency; Johnny Gailey, Delta View Water Association; and Alan Becker, Renewable Resources Group. 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 was none. The meeting was thereupon called to order by President Bixler.

Public Comments:

Mr. Fukuda gave notice that the meeting was being recorded.

Geoff Vanden Heuvel stated that at the Eastern Tule Groundwater Sustainability Agency (ETGSA) Board of Director's meeting held on August 20, 2020, Aquilogic, Inc., an environmental and water resources consulting company, gave a presentation on existing and predicted future subsidence.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of August 11, 2020 had been distributed and asked if there were any errors or omissions noted therein. By the motion of Director Borges and seconded by Director Martin, unanimously carried by all Directors present, the minutes of the August 11, 2020 meeting was thereupon approved.

Watermaster Report:

Lake Kaweah Storage and Operations/Water Supply Outlook - Mr. Crenshaw began his report by noting Terminus Reservoir total inflow for the day was 23 CFS and the storage at Terminus Reservoir for the previous day was 13,394 AF. He then reported that the daily release from Terminus Reservoir was 122 CFS.

Thereupon Mr. Crenshaw mentioned that the Millerton Lake total inflow was 902 CFS and that the entire storage at Millerton Lake was 209,409 AF. He thereupon reported that the total daily release from Millerton was 1,838.

Mr. Crenshaw continued with his report by indicating that the District's current water supply stood at 980 AF. The projected January 2020 to September 2020 cumulative diversions to TID was estimated to be 48,216 AF. Mr. Crenshaw thereupon reported that the District diverted 922 AF in July

with 32% recharged in District basins, 20% recharged in District canals, and 67% diverted to farmer turnouts.

Management Activities and Issues: Mr. Fukuda briefly reported that the anticipated CVP Supply Class 1 supply of 2% -3% would not likely show up.

O&M Superintendent Report:

Routine Work - Mr. Fox reported on the maintenance activities undertaken during the past month. Mr. Fox highlighted mowing operations, grading operations, weed control activities, clean-up of homeless encampments on ditch banks, the hauling of rip-rap, erosion control placement, gate repair activities, tree trimming/removal on the Main Canal, and the daily service and repair on equipment and vehicles.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis presented the financial statements for August 2020 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for January-August 2020 was \$2,933,668, which was approximately 37.27% of the revised budget. Ms. Artis next presented the expenses, highlighting several items and reporting expenses from August totaling \$6,374,968, which was approximately 61.94% 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 \$10,566,562. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at \$13,299,735, and the Total Equity in the District stood at \$37,042,766. She lastly cited investment return for the District's several holding accounts, those being 2.88% with the Tulare County Pooled Fund, 0.920% 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 highlighted two payments to Banc of America Leasing, totaling \$356,078.13 for principal and interest. Mr. Artis next noted two ditch company assessments payments: Tulare Irrigation Company \$12,320.00 and Evans Ditch Company \$9,700.00, totaling \$22,020.00. 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. 52192 through 52253 totaling \$605,358.39 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

2019 Financial Statements & Audit - Status Update - Ms. Artis indicated that the audit materials had been finished and the review process had begun. Ms. Artis highlighted that she received notice that the 2019 United States Bureau of Reclamation (USBR) Water Accounting was not available, and it would not be included in the audit materials.

Bid Results - Request for Terms and Summary of Conditions - Mr. Fukuda and Mike Cavanaugh, Hilltop Securities Financial Advisor, reported to the Board that a Request for Terms - Tax Exempt Loan Bid document was sent to twenty (20) different banking institutions. Three (3) bids were received by Hilltop Securities and presented for the Board's review and consideration. The three (3) bids included 1) Signature Public Funding, Rate 2.1375%; 2) MFC on behalf of City National Bank, Rate 2.15%; and 3) MFC on Behalf of Citizens Bank, Rate 2.35%. Mr. Fukuda reported that the District's Refinance Team: Fieldman, Rolapp, and Associates (FRA); Stradling, Yocca, Carlson, and Rauth (SYCR); and Hilltop Securities, recommend proceeding with negotiating a Refinancing Agreement with the Best Value bid. The Board granted permission to negotiate an equal or better rate with Citizen's Business Bank. Mr. Fukuda was approved to move forward with refinancing with the best value bid.

Engineering Report:

Update on Engineering Activities - Mr. Barroll provided an update on

engineering activities within the District. Mr. Barroll gave an update on the USBR Modernization Phase 2 Grant. He noted that the Watte Basin Measurement Structure had been initially installed, but due to issues with the installation, the contractor, Phase 1 Construction, had agreed to remove and reconstruct the measurement station. Mr. Barroll reported that Phase 1 Construction had completed the structure in conformance with the District design and standards. Mr. Fukuda noted that the contractor was very responsible and cooperative in this unfortunate incident.

Management Staff Reports:

COVID-19 Response Plan Update - Mr. Fukuda updated the Board on the COVID-19 District Response Plan, reporting that he had met with staff and reviewed the Response Plan, mentioning staff was very cooperative with measures put in place. Mr. Fukuda presented a Tulare County COVID-19 Response Chart that showed New Cases per Day per 100K that showed the numbers were coming down and that 1 in 32 in Tulare County has had COVID-19, and 1 in 670 in Tulare County is currently an active COVID-19 case.

Okieville Basin Project - Mr. Fukuda reported on the Okieville Basin Project, noting that the Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program Denial Letter was never received. He then reported on a California Office of Emergency Services (CalOES) coordination meeting where a Building Resilient Infrastructure and Communities (BRIC) Program application was introduced as an alternative funding mechanism for the Okieville Basin Project. Mr. Fukuda requested Board permission to move forward with the application.

SGMA Matters - Kaweah Subbasin Update - Mr. Fukuda summarized recent activities concerning the Kaweah Subbasin. Mr. Fukuda began his report by mentioning the CVSALTS program and continued discussions with the newly formed Kaweah Water Foundation. He then noted that the Kaweah Water Foundation formed a non-profit organization with the goal of having a seven (7) member board: 3 ILRP Members, 2 Dairy/Bovine Members, 2 future seats (GSA Seat and a Municipal Operator Seat). Mr. Fukuda stated that the GSA Managers would likely participate in the Advisory Committee level.

The next topic that Mr. Fukuda brought to the Board's attention was the Prop 68 Grant. In his report, he noted the well metering study through Fresno State University (FSU) noting the following: Contract with Fresno State is in Place; Kick-off meeting is being planned, and FSU is seeking sample meters and equipment from vendors.

Mr. Fukuda next reported on the Regional Conservation Investment Strategies (RCIS) Program. Mr. Fukuda stated the RCIS Program had three meetings to discuss: Introduction, Plan Area, and Focal Species. Mr. Fukuda described Focal Species as those plants and animals that water to be included in the plan that are available for incentive/mitigation programs and payments. Mr. Fukuda addressed his concerns noting the two main issues. The first was the concern that Focal Species may require water and be counterproductive to achieving groundwater sustainability. The second concern was the ability of the RCIS to encompass the reality of land fallowing in Kaweah Subbasin fully.

Lastly, Mr. Fukuda reported on the need to establish a Kaweah Subbasin Water Market Strategy Committee (Committee). Mr. Fukuda mentioned modifying the process to develop the Committee to account for COVID-19. Mr. Fukuda said at the October meeting a Board Member from the District could be selected to serve on the Committee. He also noted that a grower within Tulare ID could serve as a Committee member, and Jeremy Barroll or himself could service as an alternate.

Mr. Fukuda provided a report on the activities of the Mid-Kaweah Groundwater Sustainability Agency (MKGSA). He first noted that the MKGSA General Manager Draft Solicitation had been created, and the City of Visalia Human Resource Department is working on the materials.

Then Mr. Fukuda reported on the MKGSA Advisory Committee and their need to

fill three seats (AG, At-large Tulare, DAC). He noted that advertisements and applications were available.

Next, Mr. Fukuda presented for Board discussion an MKGSA Responses to Comments Letter that was approved by the MKGSA Advisory Committee with the addition of a statement addressing the Animal Legal Defense Fund (ALDF). Mr. Fukuda reported the California Department of Water Resources (DWR) received nine (9) public comments on the MKGSA GSP. Mr. Fukuda noted based on the review of the comment letters and the responses, MKGSA is confident that the GSP substantially meets the requirements of SGMA,

President Bixler moved the meeting to Closed Session.

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, by the motion of Director Borges and seconded by Director Thomas, unanimously carried by all board members present, the following merit raise (Retroactive to July 2020) was approved for one hourly non-exempt staff:

J. Felix - Heavy Equipment Operator Step 2 - Step 3

Friant Matters - Mr. Fukuda began his report noting that the FWA 2021 Draft General Member Budget was set at \$2,575,000. Mr. Fukuda pointed out this was a \$461,000 (22%) increase in FWA Budget from 2020. He then indicated that TID's Quarterly FWA Call for Funds would be \$49,050,00.

Next, Mr. Fukuda presented a summary of funding that has been identified by the Bureau of Reclamation for the project Friant Kern Canal Middle Reach Subsidence Project, with a breakdown of funding that was reimbursable and non-reimbursable. He then presented a current Milestone implementation schedule chart that showed: October 20, 2020: 100% Bid issue Design Completion; October 27, 2020: ROD Approval/Signature; and April 2021: Award Construction Contract.

Legislation - No Report Provided.

Matters for Consideration of Board Action:

Board of Equalization - Director Bixler thereupon called the Equalization Board to Order. Mr. Fukuda indicated that as of this date, no written comments had been received regarding the assessment and related valuations for 2021. He further informed the Board that they would remain seated in this capacity for ten days to collect written comments on the relevant subject matters pertaining to the levy of the District assessment for next year.

Resolution 20-10 - U.S. Bureau of Reclamation WaterSMART Water and Energy Efficiency Grants for Fiscal Year 2021. Mr. Fukuda presented the subject resolution and described the details of the proposed redesign of the Area 18 Pipeline. By motion of Director Borges, seconded by Director Martin and unanimously approved by all board members present, Resolution No. 20-10 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 held September 3, 2020, reporting the Engineering Committee reviewed the Yohannes Riparian applications, Attorney Alex Peltzer direction concerning applicants highlighting that outside of Kaweah Basin is not required.

Director Borges also reported attending the Kaweah Basin Water Quality Association (KBWQA) meeting, which took place on September 3, 2020. Mr. Borges noted KBQWA membership, that the annual meeting would be held remotely, and commenting on Okieville Water Fill Station.

Director Martin mentioned attending the Kaweah Basin Water Quality Association (KBQWA) meeting on September 3, 2020, reporting on CVSALTS management meeting, zone formation, and the Okieville replacement water fill station.


Director Bixler mentioned attending the Wutchumna Ditch Company Board meeting on August 12, 2020, noting a recent assessment rate in the amount of \$375.00 and reported on an easement dispute and a Stock Ownership dispute.

Mr. Bixler noted that the next Board Meeting would be held on October 13, 2020.

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



Secretary



President