

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TULARE IRRIGATION DISTRICT
HELD AT 6826 AVEUE 240,
TULARE, CALIFORNIA 93274
VIA ZOOM TELECONFERENCE ON THE
13th DAY OF SEPTEMBER, 2022 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 Tulare Irrigation District (TID) Board Members met in person at the Tulare Irrigation District Administration Office, under social distancing guidelines. There was no physical location for this meeting for the public. Members of the public and other officials participated in the Open Session portion of the meeting remotely via Zoom teleconference.

Directors present at the meeting held at the date and time above designated were President David Bixler, Rick Borges, Scott Rogers, and Dave Martin. Absent was Director Mike Thomas. Staff present at the meeting were Aaron Fukuda, General Manager; Kathi Artis, Controller and Treasurer; Beth Holmes, Senior Administrator and Assessor-Collector; James Fisher, Water Resources Engineer; Wayne Fox, Superintendent, Marco Crenshaw, Watermaster; Wayne Fox; Jeremy Barroll, Assistant Engineer; and Alex Peltzer, District Counsel. Also present via Zoom teleconference were Don Wright, Water Wrights; Austin Williams; and Johnny Gailey, Delta View Water Association. 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:

There was one public comment to come before the Board. Don Wright thanked Mr. Fukuda for being accessible for questions regarding water issues.

Approval of Minutes:

Director Bixler then noted that the minutes of the Regular Meeting of August 9, 2022 and Special Meeting of August 31, 2022 were both distributed and asked if any errors or omissions were noted therein. By the motion of Director Borges and seconded by Director Martin, unanimously carried by all Directors present, the minutes of the Regular Meeting of August 9, 2022 and Special Meeting of August 31, 2022 were both thereupon approved as presented.

Resolution No. 22-12 - Virtual Meeting Resolution. A Resolution of the Board of Directors to the Tulare Irrigation District proclaiming a local emergency, ratifying the proclamation of a State of Emergency by the California Governor's Executive Order N-15-21 and authorizing remote teleconference meetings of Tulare Irrigation District Board of Directors for the period September 13, 2022 to October 13, 2022 pursuant to Brown Act provisions. By the motion of Director Martin and seconded by Director Borges, unanimously carried by all Directors present, Resolution No. 22-12 was thereupon approved as presented.

Watermaster Report:

Lake Kaweah Storage and Operations: Mr. Crenshaw reported on Lake

Kaweah Storage and Operations/Water Supply Outlook - Mr. Crenshaw began his report by noting Terminus Reservoir total inflow as of September 9th was 20 CFS, and the storage at Terminus Reservoir for the previous day was 13,849 AF. He then reported that the daily release from Terminus Reservoir was 102 CFS.

Thereupon, Mr. Crenshaw mentioned that the Millerton Lake total inflow was 1,986 CFS and the entire storage at Millerton Lake was 262,903 AF. He reported that the total daily release from Millerton was 1,447 CFS.

Water Supply Outlook - Mr. Crenshaw continued his report by indicating that the district's current water supply stood at 5,187 AF. The January 2022 to August 2022 cumulative diversions to TID were 27,453 AF. 2022 CVP Supply Contract totaled: 5,000 AF.

Mr. Crenshaw thereupon reported that the district diverted 950 AF in August. He indicated that 53% of the diversions were delivered to farm turnouts; 35% recharged in District basins; and 12% recharged in District canals.

Water Management Activities and Issues - Mr. Fukuda updated the Board on California Reservoir Operations and Friant's allocations, which was 30% Class 1 and 0% Class 2. Mr. Fukuda reported Reservoir levels are still low, but higher than last year at this time. Lastly, Mr. Fukuda reported on the Farmer's Almanac 2022-2023 Winter Forecast.

O&M Superintendent Report:

Routine Work - Mr. Fox provided an update on operations and maintenance activities during the past month. Mr. Fox provided pictures and noted specific work activities within the district. Mr. Fox highlighted the following O&M activities: oak tree clean-up on Packwood Creek; placement of rock on Ravisconi Ditch; excavator work on Packwood Creek; and Delano-Earlimart Irrigation District (DEID) rebuilding embankments on recharge reservoirs.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis presented the financial statements for August 2022 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for August 2022 was \$6,705,044, which was approximately 77.24% of the revised budget. She next presented the expenses, highlighting several items and reporting expenses from August totaling \$7,263,786 which was approximately 66.80% 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 \$8,099,203. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at \$13,874,465, and the Total Equity in the District stood at 32,474,150. She lastly cited investment return for the district's several holding accounts, those being 1.33% with the Tulare County Pooled Investment Fund, 1.276% with the State LAIF, and 0.100% with Citizen's Money Market Fund.

Then, Ms. Artis reported on the following Designated Funds: Water Sale Rate Stabilization, Groundwater Replenishment, and CVP Environmental Charges.

Approval of Bill Payments - Ms. Artis presented the list of bills submitted for ratification and approval by the Board. After 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. 54136 through 54227 totaling \$1,709,069.60 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

2021 Audit Update - Ms. Artis indicated that the audit materials were 95% complete and the review process had begun.

Engineer Report:

Update on Engineering Activities: Mr. Barroll provided an update on engineering, highlighting several ongoing projects in the District that impacted District facilities. Mr. Barroll reported on the following four projects: Self-Help Enterprises Olema/West street development project; Liberty Hill Bardsley/West street development; two development projects at Hillman/Corvina street; and the Paige/I Street industrial development.

Management Staff Report:

Sustainable Groundwater Management ACT (SGMA) Matters - Mr. Fukuda summarized recent activities concerning the Kaweah Subbasin. First reporting Kaweah Subbasin GSA's are beginning to work on various items to prepare for GSP implementation and 2025 GSA Revisions reporting on the following: (1) Proposal for a Data Management System (DMS) is being considered; (2) Provost & Pritchard (P&P) is working on updates to the Water Budget and then subsequent updates to the Water Account Framework; (3) Montgomery & Associates (M&A) is preparing a proposal to update the Kaweah Subbasin Groundwater Model highlighting: (1) Stanford will be ultimately updating the model to a new version of MODFLOW and incorporate a subsidence package; (2) M&A will update the model with up-to-date data and then prepare the model for future runs ahead of the 2025 GSP updates; and (3) Model will also be updated with a new farm package to incorporate the use of ET data, the updated Water Budget and then export data according to the Water Accounting Framework.

Next, Mr. Fukuda gave the Board an update on Kaweah Subbasin GSA Allocation reporting: (1) MKGSA will be discussing renewing the Emergency Ordinance with a few policy revisions highlighting evaluating MKGSA's current cap of 2.5 AF/acre; (2) Eastern-Kaweah GSA is finalizing their Rules and Regulations and beginning a discussion of a groundwater allocation of 1.15 AF/Acre and a cap of 2.5 AF/acre; (3) Greater-Kaweah GSA on August 15, 2022 approved Rules and Regulations and has prepared a Tech Memo for basis of Allocation, highlighting Tech Memo recommends 2.5-2.67 AF/acre (Native Tier 1+Tier 2) and that GKGSA allocation planned to begin October 1, 2022.

Lastly, Mr. Fukuda reported GSAs have met and understood that the approach needs to evaluate what is currently in storage and MKGA/TID is emphasizing that the allocations need to follow the Water Accounting Framework agreed upon in the Coordination Agreement.

Mid-Kaweah Groundwater Sustainability Agency (MKGSA): Mr. Fukuda presented an update on the MKGSA Emergency Ordinance. Mr. Fukuda reported that two policies are being developed: (1) Dairy Policy - Utilize the 4 Creeks Dairy Model: Assign a consumption of 0.5 AF/Acre of ET to the Dairy Facility; and (2) Fallow Field - Zero out the ET as the average is showing that fallow uses precipitation.

Then, Mr. Fukuda gave an update on GSP Implementation reporting on Monitoring Wells, Okieville Recharge Basin, and Vadose Zone Injection Well Project.

Director Rogers expressed his desire to move the meeting to the Prop 218 update. Mr. Rogers needed to leave the meeting due to an issue on his farm.

Prop 218 - Update:

Mr. Fukuda gave the Board of Directors an update of the Prop 218 Election. Mr. Fukuda reported the following: His main focus for August was the Prop. 218 process. Mr. Fukuda reported that he met with 40 growers and talked with another 20 over the phone. He noted that many landowners voted on emotion and upon talking over the approach had a change of mind.

Thereupon, Mr. Fukuda reported on the major takeaways from his discussions with landowner noting: (1) TID has done a good job keeping costs down, but with recent hydrology, our water supplies and contracts do not match our demands: Need to secure more growers through purchasing quickly; (2) Keep the growers informed and unified - more outreach and grower tours; (3) Keep District efficient - growers want a team that works as hard as ag does; (4) Keep the District's door open - land values reflect the benefits of TID; (5) Almost all growers are concerned with SGMA and White Area pumping impacting TID, including TID growers that farm White Area ground; (6) We are seen sometimes as wasteful, but upon explanation, they understand better our approach. (7) Chase as many grants and creating funding as possible; (8) Quote from Ms. Coelho "this investment in Tulare ID is more about an investment in our community than anything else, and our family supports our ag community.

Resolution No. 22-15 - Certifying Ballot Proceeding on Proposed Maximum Assessment Increase. Mr. Fukuda presented for Board consideration Resolution No. 22-15 Certifying the Ballot Proceeding on Proposed Maximum Assessment Increase. Mr. Fukuda presented for the consideration and approval the results of the Prop 218 Election, which included the certified election results provided by Provost & Pritchard (P&P) and MK Elections LLC. The results of the certified ballot was reported as: Total Ballots: 453; Processed Ballots: 453; Yes Votes: 82.48%; No Votes: 17.52% Blank Ballots: 4; Invalid Ballots: 0. After a lengthy discussion. By the motion of Director Borges and seconded by Director Martin, unanimously carried by all Directors present, Resolution No. 22-15 was thereupon approved as presented.

Friant Matters: Mr. Fukuda provided the Board with an update on Friant Matters. Mr. Fukuda reported on the FKC Middle Reach Project reporting: (1) 48% complete with earthwork - 1.8 million cubic yards; (2) 33.2% of the contract is done and 26.5% of the schedule has elapsed (3) Friant Construction Report; (4) Friant-Kern Canal Subsidence chart. Mr. Fukuda highlighted FWA has subsided an additional 1.3 feet since 2018; (5) FY2023 General Membership Budget Approved \$2.484 Million. Mr. Fukuda noted reduction in several categories associated with outside consultants; Large increase in water policy/rights/defense.

McKay Point Reservoir/Seaborn Reservoir - Mr. Fukuda provided the Board with an update on the McKay Point Reservoir/Seaborn Reservoir Project. Mr. Fukuda first reported on the Seaborn Reservoir Project, reporting the following: Working with Santa Fe Aggregates to finalize reclamation; Santa Fe Aggregates has asked to extend the lease to December 31, 2022; Also leaving some materials for owner: office buildings, some overburden materials, power poles and lines; and Evaluating appeal to FEMA for BRIC grant and also resubmission in 2023.

Next, Mr. Fukuda reported on McKay Point Reservoir. Mr. Fukuda reported the following: Revisions were done on the chapters that County Reviewed; Revisions are being done on the Air Quality Chapter. Next Step will to meet with the County.

FEMA BRIC Grant Update: Mr. Fukuda gave the board an update on the FEMA BRIC Grant. Mr. Fukuda reported TID was not awarded the BRIC Grant and he is presently evaluating the need to appeal to FEMA for BRIC Grant and also resubmission in 2033.

Legislation - Mr. Fukuda provide a legislation update on Assembly Bill 2201 (Bennett D. The Board discussed the merits of the bill. Mr. Fukuda gave a summary mentioning: Small working group (Kassy Chauhan, Geoff Vanden Heuvel, Aaron Fukuda, and Ruth Dalquist (UC Cooperative Extension) met with Assembly Member Bennett. Mr. Fukuda highlighted the group met with staff to discuss amendments. Reporting it is clear that staff and Assembly Member were not going to consider amendments.

Began moving to opposition - main avenue was via ACWA and their staff (Kris Anderson). Mr. Fukuda reported AB2201 passed the Senate and due to opposition and potential veto by Governor, the bill was pulled on the last day of the legislative session.

Capitol Core: Next, Mr. Fukuda gave the board an update on Capitol Core. Mr. Fukuda reported the following: (1) Per prior discussions with Capitol Code and due to budget restraints TID is needing to stop working on Capitol Core lobbying efforts; Capitol Core recommends putting their contract in suspense which would allow staff to respond to questions from legislative members if they receive a call.

General Manager Report:

General Manager Fukuda reported the focus has been on the following: (1) TID's Prop 218 Election; (2) Participating in a small working group on Ag-MAR Recharge and Water Rights; (3) Will be speaking at the San Joaquin Valley Regional Association of California Counties (SJVRACC) on September 29th; (4) Will be speaking at the Nutrient 2022 Crop Consultant Conference in Visalia on September 28th; (5) Attended the ACWA Water Management, Groundwater, and Ag Committee meetings. ACWA Region 6&7 Tour would be taking place on October 13th; (6) TID will be hosting them at the Seaborn Property to discuss the project and the Okieville Basin Project; and (7) Hosting a group of UC Graduate students for a tour of the District on October 10th.

Matters for Consideration of Board Action:

Contract Documents and Specifications for the Okieville Basin Project. Mr. Fukuda indicated the need to move action until October 11th Regular Board Meeting.

Resolution No. 22-14 - Mr. Fukuda presented for Board consideration Resolution No. 22-14 adopting update on Conflict of Interest. Mr. Fukuda reported Agencies must review and revise their Conflict-of-Interest Code Biennially. Mr. Fukuda further reported Legal Counsel, Jim. K., reviewed TID's current Conflict of Interest Code and recommended the following revisions: Defines the positions that the Conflict of Interest applies to. By the motion of Director Martin and seconded by Director Borges, unanimously carried by all Directors present, Resolution No. 22-14 was thereupon approved as presented. Mr. Fukuda reported the new Conflict of Interest Code will be submitted to Tulare County Board of Supervisors for review and approval.

Resolution No. 22-16 - Resolution approving 2023 Assessment Rate. Mr. Fukuda indicated the need to move action until October 11th Regular Board Meeting.

Resolution No. 22-17 - Dissolution of Kaweah River Power Authority (KRPA). Mr. Fukuda presented for Board consideration TID Resolution No. 22-17 which authorizes the dissolution of the Kaweah River Power Authority (KRPA). Mr. Fukuda gave a detailed history mentioning in 1982 Kaweah Delta Water Conservation District (KDWCD) and TID formed the KRPA. On October 2020 KRPA sold the Terminus Power Project. By the motion of Director Borges and seconded by Director Martin, unanimously carried by all Directors present, Resolution No. 22-17 was thereupon approved approving the dissolution of the KRPA.

Agreement for Unforeseen Costs of KRPA Dissolution. Mr. Fukuda briefed the Board on the KRPA schedule. Mr. Fukuda reported the following: Will end the KRPA on September 30, 2022 and order and audit of the KRPA; and KRPA to meet upon completion of Audit and shall meet and carry out any last actions to terminate the KRPA. Requires an Agreement for Unforeseen Costs. Mr. Fukuda reported on the following: Prepaid Expense; Funds under \$5,000 beyond prepaid shall be split KDWCD 75%/TID 25%; Unforeseen expenses greater than \$5,000 shall be handled by KRPA; and Unused prepaid expenses shall be returned to

parties' pro-rata. By the motion of Director Martin and seconded by Director Borges, unanimously carried by all Directors present, approving the Agreement for Unforeseen Costs of Dissolution of the Kaweah River Power Authority (Ownership: KDWCD 75%/TID 25%).

LAFCO Case No. 1566-T-168 - Cordeniz Property - Detachment from Tulare Irrigation District. Mr. Fukuda reported the following: This is a resolution to detach from the district and annexation of land into the City of Tulare; TID staff has been working with the developer and City to protect Liberty Ditch. TID will reinforce in Letter the need to protect the easement and access to the Liberty Ditch; by the motion of Director Martin and seconded by Director Borges, unanimously carried by all Directors present, approving the detachment. Mr. Fukuda reporting the need for board action by Resolution at the October 11th Board meeting.

Board Member Reports 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 attending the Kaweah Basin Water Quality Association (KBWQA) Board meeting on September 8th. He also attended the Kaweah Water Foundation (KWF) meeting. Mr. Borges reported attending the Tulare Irrigation Company (TIC) Board meeting on August 9th.

Director Martin reported attending the Kaweah Basin Water Quality Association (KBWQA) Board meeting on September 8th. He also attended the Kaweah & St. Johns River Association (KSJRA) Board meeting on August 8th.

David Bixler reported attending the Evans Ditch Company on August 9, 2022. He also attended the Wutchumna Water Company Board meeting on August 11, 2022.

Closed Session:

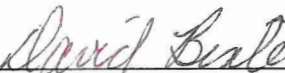
The Board thereupon adjourned into closed session under §54956.8, §54956.9(a), §54956.9(b), §54956.9(c), §54957.6, §54957, and §54956.95 of the Government Code.

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 to October 11, 2022 regular Board of Directors Meeting.



Secretary



President