MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TULARE IRRIGATION DISTRICT HELD VIA ZOOM TELECONFERENCE ON THE 14th DAY OF DECEMBER 2021 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 at the District Office (6826 Avenue 240, Tulare, CA 93274) 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, 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; James Fisher, Water Resources Engineer; Wayne Fox, O&M Superintendent; Marco Crenshaw, Watermaster; Jeremy Barroll, Assistant Engineer; and Anthony Sousa, Intern. Also present at the meeting was Joson Phillips, Friant Water Authority Chief Executive Office, Participating via Zoom teleconference were Johnny Gailey, Delta View Water Association; Doug Reynolds, Santa Fe Aggregates, Paul Gresemen, and Geoff Vanden Heuvel. Mr. Bixler thanked everyone for attending and announced that there was a full quorum of the Board of Directors present. The meeting was thereupon called to order by President Bixler.

President Bixler asked if there were any changes, additions, or deletions to the agenda, of which Mr. Fukuda reported one correction Agenda Item Number 7A. Resolution 21-15 should be 21-16.

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 November 9, 2021 were distributed and asked if any errors or omissions were noted therein. By the motion of Director Martin and seconded by Director Borges, unanimously carried by all Directors present, the minutes of the Regular Meeting of November 9, 2021 were thereupon approved.

Friant Matters:

Aaron Fukuda introduced Jason Phillips, Friant Water Authority (FWA) Chief Executive Officer. Mr. Phillips gave the Board an update on three items: Friant-Kern Canal Middle Reach Fix; FWA Board Retreat; FWA Operations.

Mr. Fukuda introduced Anthony Sousa, who was hired as an intern to assist with District and Mid-Kaweah Groundwater Sustainability (MKGSA) work. Mr. Sousa is a Fresno State Junior with a construction management major. Mr. Fukuda also mentioned a second newly hired intern Juan Pantoja. Unfortunately, Mr. Pantoja was not present. Mr. Fukuda stated the two interns alternate hours, and he is assessing the vacant Engineering Technician position.

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 30 CFS, and the storage at Terminus Reservoir for the previous day was 24,140 AF. He then reported that the daily release from Terminus Reservoir was 110 CFS. Thereupon, Mr. Crenshaw mentioned that the Millerton Lake total inflow was 910 CFS and the entire storage at Millerton Lake was 317,297 AF. He reported that the total daily release from Millerton was 776 CFS.

Next, Mr. Crenshaw reported that the snowfall to date in the Kaweah Watershed was at 41% of the December 8th average and 9% of the April 1st average. Mr. Crenshaw stated that the San Joaquin River Sensors Snow Water Content to date was at 32% of the December 13th average and 6% of the April 1st average

Mr. Crenshaw presented for discussion the Average SST Anomalies for September 6, 2020 - December 11, 2021.

Mr. Crenshaw continued with his report by indicating that the District's current water supply stood at 3,769 AF. The projected January 2021 to November 2021 cumulated diversions to TID was estimated to be 9,948 AF. Lastly, Mr. Crenshaw reported Daily Precipitation totaled 0.09 for November 2021.

Fall 2021 Groundwater Report - Thereupon, Mr. Fukuda and Mr. Crenshaw provided the Fall 2021 Depth to Groundwater Report presenting a Depth to Groundwater Contour map for Fall 2021. Mr. Crenshaw reported that the average depth to groundwater across the district was 172 feet, down 13 feet from the previous year. A lengthy discussion concerning TID wells, City of Tulare wells, pumping, subsidence, nitrates, city of Tulare wastewater treatment plant, water supply increased costs, and groundwater project history took place.

Water Management Activities and Issues - Mr. Fukuda indicated there was nothing to report.

O&M Superintendent Report:

Routine Work and Construction Projects - Mr. Fox reported on the maintenance activities undertaken during the past month. Mr. Fox highlighted the following work: Miot Ditch Pipeline; grading; dredging; tree trimming/removal, contact weed control; herbicide application; homeless camps (Highway 99 & Blackstone); and the daily service and repair on equipment and vehicles.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis presented the financial statements for November 2021 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for November 2021 was $4,629,401, which was approximately 92.24% of the revised budget. Ms. Artis next presented the expenses, highlighting several items and reporting expenses from October totaling $6,881.987, which was approximately 87.79% 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 $9,552,626. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at $13,362,257, and the Total Equity in the District stood at $33,906,091. She thereupon cited investment return for the district's several holding accounts, those being 1.13% with the Tulare County Pooled Investment Fund, 0.203% with the State LAIF, and 0.350% with Citizen's Money Market Fund. Lastly, Ms. Artis reported that the District had enough funds to cover six months of operating expenses.

Mrs. Artis presented for Board discussion the TID Citizens Business Bank Refinance of Bank of America Loan Amortization Schedule for the 10-year (2021-2030) term.

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 Rogers, seconded by Director Borges and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 53436 through 53533 totaling $588,929.09 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Lastly, Ms. Artis recommended Board consideration and approval for the Cuttone & Mastro Engagement letter. By the Motion of Director Martin, seconded by Director Thomas and unanimously carried by all Directors present, the Board agreed to hire Cuttone & Mastro for the 2021 audit.

Engineering Report:

Update on Engineering Activities: Mr. Barroll provided an update on engineering activities highlighting several ongoing projects in the district that impacted District facilities. Mr. Barroll reported on the following two projects: 1) Freitas Pipeline near Avenue 264 and Mooney Boulevard; 2) Sequoia Gateway Plan. Lastly, Mr. Barroll mentioned working with Mr. Fukuda on the Federal Emergency Management Agency (FEMA) Building Resilient Infrastructure in Communities (BRIC) Grant.

Management Staff Reports:

Sustainable Groundwater Management Act (SGMA) Matters - Mr. Fukuda summarized recent activities concerning the Kaweah Subbasin. Mr. Fukuda began his report by summarizing the implementation of groundwater pumping caps in the Greater Kaweah GSA, Mid-Kaweah GSA, and East Kaweah GSA. Next, Mr. Fukuda reported on Kaweah Subbasin Annual Report noting Provost and Pritchard Consulting Group is working on the data. Mr. Fukuda then reported on Grants highlighting two grants: 1) Department of Water Resources (DWR) will be awarding a $7.6 million grant to critically overdraft subbasins, and (2) Department of Conservation has $50 million grant - $10 million per regional applicant. Lastly, Mr. Fukuda reported that Sequoia Riverlands Trust is meeting with the Kaweah Subbasin GSAs to establish a memorandum of understanding to partner on local conservation projects.

Mid-Kaweah Groundwater Sustainability Agency (MKGSA): Mr. Fukuda presented an update on the MKGSA. First, Mr. Fukuda reported on the State Water Resources Control Board (SWRCB) Comment Letter noting that the letter was submitted to DWR on November 19, 2021.

Mr. Fukuda reported on the Department of Water Resources (DWR)Evaluation Pre-Letter, noting that DWR has substantially completed its review. Unfortunately, DWR had identified several deficiencies that would not allow DWR to approve the plan and that a subsequent detailed evaluation document would be forthcoming along with official notice by January 31, 2022.

Mr. Fisher next updated the Board on evapotranspiration data requests providing the Board with a chart that presented: Field ID, Crop Type, and Month-Year. Mr. Fisher also provided a Field-Scale ET Analysis map detailing: Field Analyzed; APN Areas not Analyzed, and MKGSA Field boundaries.

Mr. Fukuda then reported on the MKGSA Emergency Ordinance Update reporting that the District held several Grower Meetings and the Draft Emergency Ordinance was being developed. Then, Mr. Fukuda reported on future activities of the Draft Emergency ordinance with an anticipated first draft in January 2022 and ongoing outreach to growers.

Mr. Fukuda provided for discussion Emergency Policy Version 11. Mr. Fukuda highlighted the following: Groundwater Cap (inclusive of Native Yield) MGKSA can support 2.1-2.5 AF/Acre in groundwater per the WAF, Advisory Committee is recommending 2.5 AF/Acre in 2022; Measurement - will use Evapotranspiration (Land IQ) in 2022 and evaluate the pros/cons which will allow MKGSA to decide the future measurement method; Implementation - We will implement the 2022 Allocation and Cap when the Emergency Policy is passed in 2022; Penalties - We will create a Mitigation Tier (1 AF/acre above the Cap) that will be charged to replace the water used above the Cap, Above the Mitigation Tier the grower will in a Penalty Tier (pay $500 per AF and lose 1:1 in future allocation); Transferability - Requires more to not undermine the Water Marketing Strategy; and Durability - Emergency Policy is only approved for one year, allowing growers to move 100% into 2023 was recommended (evaluate the impact and adjust in 2023).

McKay Point Reservoir/Seaborn Reservoir - Mr. Fukuda provided the Board with an update on the McKay Point Reservoir/Seaborn Reservoir Project. Reporting that the McKay Point Reservoir Air Quality chapter was delivered to County for review and will begin establishing public workshops and announcements.

Mr. Fukuda reported that the District has developed the Drought Resiliency and Flood Mitigation Project at McKay Point which will be developed on the Seaborn Property. The project is a partnership between the District and Consolidated Peoples Ditch Company. The goal is to develop a reservoir to store Kaweah River water for reregulation and flood control and enhance local habitat potential by developing a Habitat Restoration Zone.

The District has applied for a Building Resilience in Communities (BRIC) Grant to accomplish the project. The Engineer's Estimate for the project is $22 million to develop the project by 2025, and the grant is requesting approximately $15 million.

Legislation - Mr. Fukuda provided a Summary of Water and Natural Resource Provisions in the Bipartisan Infrastructure Investment and Jobs Act of 2021. Reporting Congress Passed H.R. 2384, the bipartisan infrastructure Investment and Jobs Act on November 5, 2021.

General Manager Report - Mr. Fukuda reported hosting six Grower Workshops, with approximately 140 Growers attending via Zoom. Mr. Fukuda reported to the Board the general themes and concerns of the growers noting the following topics discussed: groundwater cutbacks, the Sustainable Groundwater Management Act; flexible emergency groundwater cutback ordinance; groundwater level trends; all parties (Growers, TID, MKGSA) need to work together; Pros/Cons of Land IQ data; Water DashBoard; Water Marketing Strategy; money collected should be to purchase more surface water; and concerns over the implementation of MKGSA in regard to EKGSA and GKGSA.

Mr. Fukuda then gave a report on the Collaborative Action Plan. He noted that the CAP is pursuing the identification of the overdraft problems facing the Central Valley and the development of solutions. He indicated that the solutions being pursued by the group are balanced between demand-side solutions (land retirement) and supply-side solutions (more wet year groundwater recharge).

Matters for Consideration of Board Action:

Resolution No. 21-16 - Mr. Fukuda presented Resolution No. 21-16 a Resolution of the Board of Directors of the Tulare Irrigation District (TID) 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 the TID Board of Directors for the Period December 15, 2021 to January 14, 2021 Pursuant to Brown Act Provisions. By a motion of Director Martin, seconded by Director Borges, and unanimously carried by all Directors

present, Resolution No. 21-16 was approved.

California Farm Water Coalition Membership - Mr. Fukuda presented the Board California Farm Water Coalition Membership request and provided background into the work and history of the CFWC. By a motion of Director Borges, seconded by Director Martin, and unanimously carried by all Directors present, the California Farm Water Coalition Membership was approved.

Tulare Irrigation District Personnel Policy No. 1232 - Leave Donation Policy. Mr. Fukuda presented to the Board TID Personnel Policy No. 1232 - Leave Donation Policy. Mr. Fukuda provided the resoning for the development of the policy and the benefits of such a policy. By a motion of Director Borges, seconded by Director Martin, and unanimously carried by all Directors present, TID Personnel Policy No. 1232 - Leave Donation Policy was adopted for a six-month trial period.

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.

Having no meetings reported, the Board moved to close session.

Closed Session:

Thereupon, Mr. Fukuda noted that the Board of Directors was going into 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, Director Bixler reported that no actions were taken.

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

Secretary

David G Bixler

President