MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TULARE IRRIGATION DISTRICT HELD VIA ZOOM TELECONFERENCE ON THE 11th DAY OF JANUARY, 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 virtually and 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 via Zoom teleconference roll call were Johnny Gailey, Delta View Water Association; Fergus Morrissey, General Manager Orange Cove Irrigation District; Rick McCombs, Bermad; and Molly Thurman. 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:
No Public Comments.

Approval of Minutes:

Director Bixler then noted that the minutes of the Regular Meeting of December 14, 2021 were distributed and asked if any errors or omissions were noted therein. By the motion of Director Rogers and seconded by Director Thomas, unanimously carried by all Directors present, the minutes of the Regular Meeting of December 14, 2021 were thereupon approved.

Watermaster Report:

Mr. Crenshaw stated TID is running water, bringing in about 480 CFS for approximately a 10-day water run ending, which is anticipated to end on January 21, 2022.

Lake Kaweah Storage and Operations/Water Supply Outlook - Mr. Crenshaw began his report by noting Terminus Reservoir total inflow for the day was 186 CFS, and the storage at Terminus Reservoir for the previous day was 24,647 AF. He then reported that the daily release from Terminus Reservoir was 282 CFS. Thereupon, Mr. Crenshaw mentioned that the Millerton Lake total inflow was 1,076 CFS and the entire storage at Millerton Lake was 320,626 AF. He reported that the total daily release from Millerton was 3,191 CFS.

Mr. Crenshaw presented for discussion the Average SST Anomalies for September 6, 2020 - January 8, 2022.

Mr. Crenshaw next indicated that the total annual rainfall stands at 134% of normal to date at the District's yard. He then discussed upcoming weather patterns and presented charts of snowpack data for the Kaweah and San Joaquin watersheds. Crenshaw reported that the snowfall to date in the Kaweah Watershed was at 148% of the January 10th average and 68% of the April 1st average.

Water Supply Outlook - Mr. Crenshaw continued with this report by indicating that the District's current water supply stood at 13,966 AF. The projected January 2021 to December 2021 cumulative diversions to TID was estimated to be 11,268 AF. Lastly, Mr. Crenshaw reported Daily Precipitation totaled 3.91 for the month of December 2021.

Water Management Activities and Issues - Mr. Fukuda presented the Board with a California Reservoir Operations report indicating that storms that came through in December largely tracked south of Shasta Lake Watershed. He then noted that the federal and state government had filed for an Interim Operation Plan with the Courts to operate the system for 2022 with challenges filed by water users and environmental NGOs.

Next, Mr. Fukuda opened for the discussion the need to set the water price for the current irrigation run, given the current water supply conditions. Mr. Fukuda recommended no change to the water sales rate keeping the water sales rate at $52.00 AF. After Board deliberations concerning the price of water the Board, by a motion of Director Martin, second by Director Borges, and unanimously carried by all Board Members present, the water sale price was set at $52.00 per AF.

Lastly, Mr. Fukuda presented Kaweah Delta Water Conservation District (KDWCD) Groundwater Report for discussion. The information provided 1970-2020 Fall historical average depth to groundwater measurements showing a progressive downward trend.

O&M Superintendent Report:

Mr. Fox presented the Board with the 2021 Fourth Quarter O&M Report, in which he highlighted activities conducted by staff in the field. Mr. Fox reported on the District's ongoing District safety program, maintenance operations, vehicle maintenance, and the herbicide application.

Routine Work and Construction Projects - Mr. Fox highlighted within this report the following work: replacement of rotted corrugated pipe on the Kaweah Ditch near Enterprise Street; hauling and placement of sand on ditch canal banks for dust control; repairs to area pipeline turnout gates across the District; fabrication of new board slots for District weir structure; repair of an Area 10 pipeline leak to avoid damage to trees; repairs and replacement of District turnouts as needed; mechanical weed removal on the District's right-of-way; mowing canal banks for weed control; and removal of homeless debris on District waterways.

Lastly, Mr. Fox mentioned receiving the new International Heavy Haul Truck.

Treasurer Report:

Approval of Financial Statements - Ms. Artis presented the financial statements for December 2022 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for December 2021 was $4,858,935, which was approximately 96.81% of the revised budget. Ms. Artis next presented the expenses, highlighting several items and reporting expenses from November totaling $7,231,704, which was approximately 92.25% 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 $10,410,600. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at $13,391,357, and the Total Equity in the District stood at $33,785,907. She lastly cited investment return for the District's several holding accounts, those being 1.150% with the Tulare County Pooled Investment Fund, 0.203% with the State LAIF, and 0.350% 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 Rogers, seconded by Director Borges and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 53534 through #53577 totaling $186,951.61 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Assessor-Collector Report:

Status of First Installment Receipts - Ms. Holmes presented the Assessor's Board report and noted that 97% of the 1st installment and Environmental Charge had been collected, and approximately 50% of the 2nd Installment and Environmental Charge had been collected.

Thereupon, Ms. Holmes reported the December 20th, 1st installment 10% Penalties totaled $13,235.97, highlighting postmarked payment penalty adjustments in the amount of $1,349.78. Ms. Holmes mentioned no issues with Covid-19 US Postal adjustment request to date.

Next, Ms. Holmes presented for Board discussion a 2017-2022 Assessment comparison report providing % paid and % due as of January 6th for each year.

Lastly, Ms. Holmes reported on Delinquent Tax Sales Liens 2016-2021 totaled $25,088.14; and Delinquent Tax Sales moved to Tulare County 2008-2015 totaled $3,268.00.

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 four projects: 1) Freitas Pipeline project near Avenue 264 and Mooney Blvd. (Electrical line placed under TID line); 2) New Project near Martin Pipeline North of Hillman's turnout to water Hillman's walnut trees; 3) New Project near TIC (Caldwell Avenue Widening Project) Road 256 and Lovers Lane; 4) New Project near TIC (Caldwell Avenue Widening Project) East of Pinkham Street and Lovers Lane.

Management Staff Reports:

Sustainable Groundwater Management Act (SGMA) Matters - Mr. Fukuda summarized recent activities concerning the Kaweah Subbasin. Mr. Fukuda first reported on Grants mentioning that DWR had allocated $7.6 million to each critically overdraft subbasin and the Kaweah Subbasin was working with Provost & Pritchard to develop a Spending Plan to submit to the California Department of Water Resources. Next Mr. Fukuda reported on the Department of Conservation - Multibenefit Land Repurposing Program Grant that will provide regions with an opportunity to create land repurposing programs and projects. Lastly, Mr. Fukuda gave an update on the Water DashBoard and reported that Kaweah Subbasin Managers have met with the Department of Water Resources (DWR) to discuss pending evaluation.

Mid-Kaweah Groundwater Sustainability Agency (MKGSA): Mr. Fukuda presented an update on the MKGSA. First, Mr. Fukuda updated the Board on MKGSA Emergency Ordinance noting that the Draft Emergency Ordinance had been completed and that the MKGSA would be considering opening a public comment period. Next, Mr. Fukuda reported that the TID/MKGSA Administration Agreement had increased the administrative payment by 3%.

Friant Matters - Mr. Fukuda began his report on Friant Matters reporting on activities of the Friant-Kern Canal Middle Reach project noting that the contractor had begun work and the project has received approximately $37 million in State funds and $11 million from the Pixley GSA. Next, Mr. Fukuda noted that FWA staff is working to save 5% over 5 years for a total saving of $15.8 million dollars. Director Borges added that January 25th is the date set for the FWA Middle Reach Groundbreaking.

McKay Point Reservoir/Seaborn Reservoir - Mr. Fukuda provided the Board with an update on the McKay Point Reservoir/Seaborn Reservoir Project. Mr. Fukuda reported that the Environmental Impact Report (EIR) was still being reviewed by Tulare County and more chapters of the EIR were being transmitted to the County for review.

Next, Mr. Fukuda presented a lengthy report on Drought & Flood Mitigation Project at McKay Point. Mr. Fukuda reported working on the FEMA application through December with a submission to CalOES at the end of the year. He noted that the application would be packaged with other projects in California and submitted to FEMA for consideration by January 28, 2022.

San Joaquin Valley Water Collaborative Action Program (CAP) - Phase 1 Action Plan Framework - Mr. Fukuda gave the Board a presentation on the activities of the CAP and the Phase 1 Action Plan Framework. By a motion of Director Martin, seconded by Director Borges and unanimously approved by all Board Members Present the Tulare Irrigation District Board of Directors supports the Phase 1 Action Plan Framework.

Legislation - Mr. Fukuda provided a summary of Governor Devin Newsome's Budget - $5.2 Billion over three years for water, providing financial aid to Drought resilience and response; Water Conservation Programs; Drought Relief; Fish and Wildlife Protection; Multibenefit Land Repurposing; Groundwater recharge; On Farm Water Conservation; Technical Assistance and Drought Relief for Small Farmers; Drought Contingency. Mr. Fukuda highlighted FWA has coordinated with DWR and within these funds is the $100 million for the Friant Kern Canal.

General Manager Report:

Mr. Fukuda reported on meeting with Sustainable Conservation to develop a recharge program to be included in the NRCS grant program. He then reported on providing the City of Tulare Council and City of Tulare Board of Public Utilities with a presentation on the history of the partnership between the District and the City of Tulare, SGMA, and groundwater conditions.

Matters for Consideration of Board Action:

2022 Preliminary Budget - Mr. Fukuda thereupon reviewed the District Budget Report as presented to the Board. He cited income of $8.6 million, O&M Expenses of $13.9 million, and capital costs of $2.4 million, the combination of which should leave the District in the range of -$5.4 million in cash reserves at year's end. By the motion of Director Borges, seconded by Director Martin and unanimously carried by all Board Members present, the 2022 Preliminary Budget was approved as presented.

Resolution 22-01 - Board Members Assignments and Proxies - Mr. Fukuda presented the subject resolution and associated listings of appointments, proxies, and representations to be identified among Board Members and staff. It was agreed that the current slate of such persons is again appropriate for the 2022 year. With no changes to Board Members, Assignments, and Proxies, Resolution No. 22-01 was adopted with the motion of Director Martin, seconded by Director Thomas, and duly put to a vote and unanimously carried by all Board Members present.

Resolution No. 22-02 - Mr. Fukuda presented and explained Resolution

No. 22-02 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 January 15, 2022 to February 14, 2022 Pursuant to Brown Act Provisions. This item would need to be brought back and reaffirmed every 30 days to allow for remote access. By a motion of Director Martin, seconded by Director Borges, and unanimously carried by all Directors present, Resolution No. 22-02 was approved.

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 & St. Johns River Association (KSJRA)Board meeting and Kaweah Basin Water Quality Association (KBWQA)Board meeting on January 6, 2022.

Director Martin also reported attending the KSJRA Board meeting on January 6th.

Director Thomas reported attending two Wutchumna Water Company meetings in December 2021.

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, it was reported that the following merit adjustments were made for salaried positions:

- Superintendent - 7.5%
- Controller - 10%
- Water Resources Engineer - 10%

Mr. Fukuda thereupon noted that due to the Tulare Farm Show, the February District Board meeting would be held on February 15, 2022.

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

Secretary

David G Bixler

President