MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TULARE IRRIGATION DISTRICT HELD VIA ZOOM TELECONFERENCE ON THE 8TH DAY OF JUNE 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 or District Staff. 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, and Mike Thomas. Director Scott Rogers was absent. Staff present at the meeting were Aaron Fukuda, General Manager; Kathi Artis, Controller and Treasurer; James Fisher, Water Resources Engineer; Wayne Fox, O&M Superintendent; Marco Crenshaw, Watermaster; and Jeremy Barroll, Assistant Engineer. Also present via Zoom teleconference roll call; Doug DeFlitch, Friant Water Authority (FWA); Joel Kimmelshue, Land IQ; Don Wright, Water Wrights; Matt Klinchuch, Provost & Pritchard Consulting 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 were none. The meeting was thereupon called to order by President Bixler.

Public Comments:

Doug DeFlitch, FWA's Chief Operating Officer, updated the Board on Phase 1 of the FWA Middle Reach Canal Capacity Correction Project beginning with an update on contractor bidding process, right-of-way utility relocation progress, pump station designs, and Governor Newsom's $200 Million Budget slated for the Friant Kern Canal, San Luis Delta-Mendota Canal, and the California Aqueduct capacity issues. Next, Mr. DeFlitch provided an update onSenator Melissa Hurtado's SB 559.

Mr. DeFlitch reported on FWA water operations mentioning the FWA allocation is 20% of Class 1 contract supply and that FWA continues to monitor statwide water supply issues.

Mr. Fukuda welcomed and introduced TID's newest full-time employee Debbie Burgos to the Board of Directors.

Approval of Minutes:

Director Bixler then noted that the minutes of the regular meeting of May 11, 2021, was 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 May 11, 2021 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 205 CFS, and the storage at Terminus Reservoir for the previous day was 63,655 AF. He then reported that the daily release from Terminus Reservoir was 73 CFS.

Thereupon Mr. Crenshaw mentioned that the Millerton Lake total inflow was 672 CFS and that the entire storage at Millerton Lake was 259,638 AF. He reported that the total daily release from Millerton was 1,001 CFS.

Mr. Crenshaw presented an October - May Kaweah Runoff chart representing data from 1904-2021. Mr. Crenshaw highlighted 2021 is the lowest on record for Kaweah River October-May runoff.

Mr. Crenshaw continued with his report by indicating that the District's current water supply stood at 1,838 AF. The projected January 2021 to June 2021 cumulative diversions to TID was estimated to be 10,790 AF. Mr. Crenshaw reported that the district diverted 950 AF in May (City of Visalia Tertiary Water) with 57% recharged in District basins, 7% recharged in District canals, and 36% diverted to farm turnouts.

Management Activities and Issues:

Fukuda reported on California water supply issues noting that the Northern reservoirs continue to be well below average and the State Water Project/Central Valley Project (SWP/CVP)- Temporary Urgency Change Petition (TCUP) was approved by State Water Resources Control Board (SWRCB). He then noted that Friant Water Contractors continue to retain a 20% Class 1.

O&M Superintendent Report:

Routine Work - Mr. Fox provided an update on operations and maintenance activities during the past month. Mr. Fox noted ongoing work mentioning the following: Packwood Canal improvements; Tagus Basin improvements; Reinhart Ditch Crossing (Avenue 268 and Rd. 60); bar-gate repairs; homeless issues; trash removal, pre-emergent herbicide applications, and cooper sulfate treatments throughout the district.

Mr. Fox provided a 2020/2021 Maintenance Project List noting order of priority, project start date, project end date, and estimated time needed to complete each project.

Lastly, Mr. Fox reported three (3) outside employees are working for Kaweah Delta Water Conservation District on the Hannah South Project.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis presented the financial statements for May 2021 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for May 2021 was $405,309, which was approximately 4.83% of the revised budget. Ms. Artis next presented the expenses, highlighting several items and reporting expenses from May totaling $2,747,203, which was approximately 32.83% 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 $11,734,387. Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities were at $13,004,025, and the Total Equity in the District stood at $34,643,915. She lastly cited investment return for the District's several holding accounts, those being 1.640% with the Tulare County Pooled Investment Fund, 0.339% 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. Ms. Artis highlighted payment to Will Tiesiera Ford-Mercury in the amount of $34,944.53 for a new 2021 Ford F150. Also, Ms. Artis mentioned a payment to Actuarial Retirement Consulting in the amount of $500.00 for the GASB 75 Disclosure Report. Mr. Fukuda brought to the Board attention a Friant Water Authority payment in the amount of $83,256.57 for a Water Year 2018 Adjustment. After scrutiny of particular bills, the Board, by the motion of Director Martin, seconded by Director Thomas and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 52929 through 52980 totaling $421,560.35 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Long-Range Financial Plan - Update:

Mr. Fukuda reported working with Fieldman Rolapp & Associates on a Long-Range Financial Plan Model of TID's finances.

Engineering Report:

Update on Engineering Activities - Mr. Barroll provided an update on engineering activities within the District. Mr. Barroll reported Ttem was tested and deployed in field using a UTV rental. The Ttem was tested in the following three (3) locations: remote foothill, TID almond grove, and Martin Basin.

Next, Mr. Barroll provided an update on the Kaweah Subbasin Water Marketing Strategy Committee (KSWMSC) meeting, and reported that the KSWMSC interviewed three excellent consulting teams in May and a contract will come back to TID Board for discussion and consideration.

Management Staff Reports:

Land IQ Evapotranspiration, Precipitation, and Crop Type at the Field Level. Mr. Fukuda welcomed and introduced, Joel Kimmelshue, owner and Land Base Agricultural Scientist with Land IQ.

Mr. Kimmelshue provided a detailed LAND IQ presentation. Land IQ specializes in providing solutions to challenging agricultural and environmental problems using satellite and ground truthing. Mr. Kimmelshue covered the following topic: Land IQ Spatial Mapping: Land Use, ET and Precipitation.

Mr. Fukuda reiterated Land IQ can provide TID with customized monthly field by field estimate of actual evapotranspiration (ET) occurring within the district; field-by-field precipitation data; and a twice-yearly field-by-field crop mapping report.

COV1D-19 District Plan - Update - Mr. Fukuda stated TID Regular Board of Directors meetings will continue to be in-person for Board Members only. Public access to the Board meetings via Zoom. He indicated no change to TID COVID-19 policy at this time.

Mr. Fukuda commented there are more than one set of rules dealing with the reopening of the State. Mentioning guideline differences between Cal OHSA, Center for Disease Control (CDC); and Governor Gavin Newsom. Mr. Fukuda highlighted TID's Human Resource Attorney recommends TID comply with Cal OSHA.

SGMA Matters - Kaweah Subbasin Update - Mr. Fukuda presented for discussion an update on the Kaweah Subbasin. Mr. Fukuda reported on Proposition 68 Implementation Grant and Groundwater Allocation. Mr. Fukuda stated the goal is to have a sense of the groundwater allocation in Fall 2021.

SGMA Matters - Mid-Kaweah GSA - Mr. Fukuda provided the Board with an MKGSA Update, reporting on the following: FY 2021-22 Budget; Monitoring Network being evaluation competed by Montgomery & Associates (M&A); Developing a dynamic Projects and Management Actions list; DWR released assessments of four (4) GSPs; and M&A and P&P will be working on a Technical Memo to identify any issues related to the 4 reviews that pertain to the MKGSA GSP.

Friant Matters - Mr. Fukuda presented an update on the Friant Matters reporting on the following: FWA approved a new Project Accountant; FWA Middle Reach Contractor Bid Solicitation has been announced; large amount of Friant Staff time is being devoted to water operations to ensure we can keep our 20% Class 1 allocation.

Legislation - Mr. Fukuda provided for discussion California Governor Newsom's $5.1 Billion Water Infrastructure Plan.

California Infrastructure Spending Plan budget:
$1.3 billion for Drinking Water/Wastewater infrastructure; $150 million for Groundwater Cleanup and water recycling; $300 million for SGMA Implementation; $200 million for Water Conveyance; $500 million for Multi-Benefit Land Repurposing; $230 million for Wildlife corridor and fish passage projects; $200 million for Habitat Restoration; $91 million for Critical Data Collection; $60 million for State Water Efficiency and Enhancement Program grants; $33 million for fisheries and wildlife support; and $27 million for emergency and permanent solutions to drinking water.

Lastly, Mr. Fukuda presented and recommended changes to Assembly Members Robert Rivas and Salas legislation ASSEMBLY BILL No. 252. AB 252 would require the Department of Conservation to develop and administer the Multi benefit Land Repurposing Incentive Program.

General Manager Report:

Mr. Fukuda reported holding three (3) TID Grower Outreach meetings in May. Mr. Fukuda noted that approximately 12 TID Growers attended each session. The topic addressed at the meeting included: an update on our inability to have a Summer 2021 irrigation run due to the current dry conditions; an update on the activities of the MKGSA and the path towards groundwater sustainability; and the future of the District and upcoming actions the district is contemplating on behalf of the growers. Mr. Fukuda presented the Board with a list of main grower concerns.

Then Mr. Fukuda moved on to next steps, which included Fall 2021 Grower Meetings covering Groundwater Allocation and Prop 218 and an Annual Grower Meeting set for January 2022.

Matters for Consideration of Board Action

Revised 2021 Budget: Mr. Fukuda proceeded to provide a discussion of the Revised 2021 Budget noting several critical components of the report. Mr. Fukuda reported revised revenue of approximately $5.01 million, of which, with the current dry water year, the district expected revenue from water operations to be roughly $577,000. Next, Mr. Fukuda noted that expenses were anticipated to be approximately $10.53 million, with operations and administration being $8.39 million and capital outlay being $2.13 million. Mr. Fukuda noted that cash reserves at the end of the year would stand at approximately $9.36 million. After the report, it was moved by Director Martin, seconded by Director Thomas and unanimously approved by the Board members present, that the Revised 2021 Budget be approved as presented.

Land IQ - Client Services Agreement - Mr. Fukuda then presented for Board review and consideration Land IQ - Client Services Agreement, reporting on the scope of work, deliverables, schedule, and total cost and payment terms. By motion of Director Martin, seconded by Director Borges, an unanimously approved by all Board members present, the Land IQ Client Services Agreement was approved.

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.

First, Mr. Borges updated the Board on the Kaweah Water Foundation, reporting on the following: Early Action Plan Conditional State Approval; Dischargers include: Packing Houses and the City of Visalia; and mentioning No feedback from the City of Tulare.

Next, Director Borges reported attending the Kaweah Basin Water Quality Association (KBWQA) Board of Directors meeting held on June 3, 2021, reporting the following: Bottled water delivery going out to only four (4) households; Landowner/Grower's Membership Reinstatements; Reinstatement late penalty; May 2021 Farmersville Kiosk average dispensed

was 207 gallons a day; May 2021 Okieville Kiosk average dispensed 18 gallons a day; and KBWQA Board Member elections.

Lastly, Director Borges reported on the Kaweah and St. Johns River Association (KSJRA) Board of Directors meeting held June 3, 2021, reporting the main topic at the meeting was the Water Report and Board authorizing Dennis Keller to work with Water Companies regarding Habitual One-To-One Exchange (Cash-Back) Agreements. Also, Mr. Borges reported on the following: Price per AF is $1,700; 20% Allocation; Without Call on Water the possibility of losing 4%-5% of Allocation.

Director Thomas mentioned attending the Wutchumna Water Company (WWC) Board meeting on May 11, 2021, reporting the recent assessment was set at $300 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 to the Regular TID Board Meeting scheduled for July 13, 2021.

Secretary

David G Butler
President