MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TULARE IRRIGATION DISTRICT HELD AT 6826 AVENUE 240, TULARE, CALIFORNIA 93274 AND VIA ZOOM TELECONFERENCE ON THE 9TH DAY OF JANUARY, 2024 AT THE HOUR OF 9:00 A.M.

Call to Order and Roll Call:

Directors present at the meeting held at the date and time above designated were President David Bixler, Director Rick Borges, Dave Martin, Scott Rogers, Mike Thomas. Staff present at the meeting were Aaron Fukuda, General Manager; Kathi Artis, Controller; Marco Crenshaw, Watermaster; Wayne Fox, Superintendent; James Fisher, Water Resources Engineer; Diana Zegarra, Assistant Water Resources Engineer; Jorge Munoz, Assistant Engineer; and Teresa Ortiz, Senior Accountant. Present via Zoom teleconference roll call was Don Wright with Waterwrights. 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:

Mr. Fukuda brought to the Board's attention that there was a new staff member, Teresa Ortiz that started with the District. Mr. Fukuda introduced Ms. Ortiz to the Board and the Board welcomed her to the District.

Approval of Minutes:

Director Bixler then noted that the minutes of the Adjourned Regular Meeting of December 12, 2023 were distributed and asked if any errors or omissions were noted therein. By the motion of Director Rogers and seconded by Director Martin, unanimously carried by all Directors present, the minutes of the Adjourned Regular Meeting of December 12, 2023 were thereupon approved.

Watermaster Report:

Lake Kaweah Storage and Operations - Mr. Crenshaw reported on Lake Kaweah Storage and Operations/Water Supply Outlook - Mr. Crenshaw reported the Terminus Reservoir total inflow as of January 8, 2023, was 165 CFS, and the storage at Terminus Reservoir for the previous day was 23,604 AF. He then reported that the daily release from Terminus was 2 CFS; Three-Rivers: 160 CFS; and Dry Creek: 7 CFS.

Next, Mr. Crenshaw reported on Millerton Lake reporting total inflow as of January 8, 2023, was 1,825 CFS; Millerton Release - Madera Canal: 0 CFS; San Joaquin River: 426 CFS; and Millerton Storage: 245,395 AF.

Water Supply Outlook: Mr. Crenshaw continued his report by indicating that the TID's current water supply stood at 6,640 AF. The January to December 2023 cumulative diversions to TID were 419,988 AF. The 2023 CVP Supply Contract totaled: 4,802 AF.

Mr. Crenshaw continued with his report by indicating that TID's diversions for December at 3,733 AF. The December 2023 spill from TID was 0 AF. Recharge for Exchange with the City of Visalia: 0 AF; Water Delivered to Farm Turnouts: 260 AF; District Groundwater Recharge: 3,473 AF. He also indicated that 1% of the diversions were delivered to farm turnouts, diversions spilled was 0.0% and diversions delivered to other districts was 0%. Kaweah Snow Sensor water contact is at 20% of January 8th and 10% of April 1st average.

Lastly, Mr. Crenshaw cited precipitation amounts to date at the

District yard totaling 2.79" as of January 9, 2024.

Water Management Activities and Issues:

Mr. Fukuda presented for Board discussion the reservoir storage across California. Mr. Fukuda reported that Shasta reservoir was above average. Then, Mr. Fukuda reported on the 6-Day Forecast Precipitation for California. Mr. Fukuda reported on Tulare Basin Precipitation: 6-Station Index, January 8, 2024, indicating that the watershed was behind.

O&M Superintendent Report:

Routine Work - Mr. Fox reported on the maintenance activities undertaken during the past months of October, November, and December. Mr. Fox indicated that the staff continues to conduct District Safety meetings to keep employees mindful. Mr. Fox then discussed the following maintenance projects: District staff graded the District canals/basins for weed removal and wash-ins, mowing, dewatering the Kaweah siphon for FEMA inspection, dredging of the silt that had accumulated at the Cordeniz Basin, and the replacement of the corrugated metal pipe at the head of the Cate Ditch. The Vehicle Maintenance Crew continues to maintain and repair equipment in the field, yard equipment repairs, any repairs for the Fleet trucks and 90-day DOT inspections.

Treasurer Reports:

Approval of Financial Statements - Ms. Artis presented the financial statements for December 2023 for the Board's review and consideration. She addressed first the revenue and expense statement, indicating that the total revenue for January-December 2023 was $9,598,313 which was approximately 101.23% of the revised budget. The Non-Operating Revenue was $5,764,520 which adds up to 2023 Total Revenue of $15,362,833. Ms. Artis next presented the expenses, highlighting several items and reporting expenses totaling $11,023,054 which was approximately 90.77% of the revised budget. She then went on with presenting the total Net Income for the year is $4,339,779. Ms. Artis then went on to present the statements of cash flows and net assets, stating that the current cash standing was at $10,788,527 Based on the Statement of Net Assets, Ms. Artis reported that Total Liabilities and Deferred Inflows were at $12,561,371 and the Total Equity in the District stood at $36,699,860. Total Assets $49,261,231. She thereupon cited investment return for the district's several holding accounts, those being 3.23% with the Tulare County Pooled Investment Fund, 3.843 for 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 Thomas and unanimously carried by all Directors present, accepted the financial statements and, by said motion, check nos. 55436 through 55511 totaling $672,378.10 were all either ratified or approved as paid, exclusive of any voided or withheld checks.

Assessors Report:

Status of First Installment Receipts - Mr. Fukuda presented the 2024 Assessment components: General and administration, Surface Water Supply and Capital Improvement Projects. Mr. Fukuda presented the Assessor's Board report and noted that 94% of the 1st installments had been collected and 35% of the 2nd installment had been collected. Thereupon, Mr. Fukuda reported the December 20th, 1st Installment 10% Penalties totaled $47,832.

Lastly, Mr. Fukuda reported that Delinquent Tax Sales Liens 2018-2023 totaled $66,892.79; and Delinquent Tax Sales moved to Tulare County 2008-2017 totaled $5,176.

Engineer Report:

Update on Engineering Activities - Mr. Fukuda began his report by indicating that the Paige Ave.99 Logistics Center at Main Canal Project was completed and released back to TID on December 22, 2023. He then reported that the Visser Property Pipeline was completed. Thereupon, Mr. Fukuda provided a report on the area Area 21 (DR Horton) design plans, indicating that they were almost completed. Lastly, Mr. Fukuda updated the Board on the Hillman Pipeline project noting that District staff was working with the engineer to design a pipeline to reestablish irrigation services to the Hillman Property.

Mr. Fukuda then reported that he would like to establish a Standard Operating Procedure for plan reviews and designs coordinated with City of Tulare. Mr. Fukuda would like an encroachment, Design, and Design Review Fee Structure when requests are submitted.

Management Staff Report:

Sustainable Groundwater Management ACT (SGMA) Matters - Mr. Fukuda gave a report on recent activities concerning the Kaweah Subbasin. Mr. Fukuda provided an update on SGMA implementation and indicated Kaweah Subbasin Hearing is scheduled for November 2024. A schedule was not provided. Kaweah Subbasin Technical Teams had completed the analysis on upper aquifer SMCs and are providing recommendations to GSA Advisory Committees and Boards. Kaweah Subbasin Technical Teams are moving subsidence analysis along and anticipate recommendations in February. Kaweah Subbasin GSAs coordinating with Self Help Enterprises to provide administrative services for well mitigation.

Mid-Kaweah Groundwater Sustainability Agency (MKGSA) - Mr. Fukuda presented an update on the MKGSA. Mr. Fukuda reported there's a meeting scheduled for today to review the Kaweah Subbasin Technical team analysis on groundwater level SMCs. The MKGSA Board meeting was moved to January 17th to accommodate recommendations on groundwater-level SMCs from the Advisory Committee. Mr. Fukuda shared that the City of Visalia has appointed Liz Wynn to replace Emmanuel Soto Hernandez.

Friant Matters - Mr. Fukuda provided the Board with an update on Friant Activities. Mr. Fukuda on the following: 1) all dewatering maintenance efforts are progressing at or ahead of schedule with no delay in reopening the canal; 2) Mid Pacific Water Users Conference is scheduled for January 24-26 and staff would be attending; 3) Mr. Fukuda and Mr. Borges will be joining the FWA Team to Washington DC (February 4-8); and 4) There's a USBR Regional Director Change- Karl Stock, who is a longtime USBR employee, will be taking over for Ernest Conant in January.

McKay Point Reservoir/Seaborn Reservoir - Mr. Fukuda provided the Board with an update on McKay Point Reservoir/Seaboard Reservoir. Mr. Fukuda reporting on the following: 1) Communication with the County on the Reclamation plan. Staff had submitted the Reclamation plan for review; 2) Project met in January in preparation for releasing the EIR in February 2024; 3) Schedule of public meetings, workshops, and other dates will be set in January; (4) Reclamation Plan submitted to State - approval not yet provided by State.

Mr. Fukuda then reported on the Seaborn Project noting that the County had provided approval of the Reclamation Plan. Mr. Fukuda then reported that the District was coordinating with Santa Fe Aggregates.

Legislation – Mr. Fukuda stated no update on legislation.

General Manager Report:

General Manager Fukuda reported on the following upcoming events: 1) USBR Water Users Conference - January 24th - 26th, 2023; 2) Planning and Conservation League conference - Panel on Irrigation District Conjunctive Use on January 27th; 3) Friant DC Trip on February 4th - 7th; 4) World Ag Expo SGMA discussion on February 13th; and 5) California Irrigation Institute Conference on February 26th - 27th.

Matters for Consideration of Board Action:

Resolution No. 24-01 - 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. The Board of Directors noted a change with Beth Holmes retiring, recommending that Ms. Artis will be appointed as the District Assessor/Collector. Next, the Board of Directors recommended James Fisher as the alternate for the Mid-Kaweah Groundwater Sustainability Agency. By the motion of Director Thomas, seconded by Director Rogers, and unanimously carried by all Directors present, Resolution No. 24-01 was approved as presented, with the incorporated recommendations from the Board of Directors.

Resolution No. 24-02 - USBR Section 215 Contract. Mr. Fukuda recommended and presented Resolution No. 24-02 Execution of Contract with the U.S. Bureau of Reclamation for the purchase of 215 Water. By the motion of Director Borges, seconded by Director Martin, and unanimously carried by all Directors present, Resolution No. 24-02 was approved as presented.

Resolution No. 24-03 - DWR Flood Diversion and Recharge Enhancement Grant. Mr. Fukuda recommended and presented Resolution No. 24-03. Mr. Fukuda reported that under the grant, TID receives grant funds to purchase of permanent pumps; installation of farm field recharge basin; installation of flood systems in fields and rip & chip funding for removal of tree crops. DWR has approached TID to continue and expand the program. Mr. Fukuda would like to get funding by Spring 2024 and have two years to expend the funds. By the motion of Director Martin, seconded by Director Thomas, and unanimously carried by all Directors present, Resolution No. 24-03 was approved as presented.

2024 Preliminary Budget – Mr. Fukuda reviewed the District 2024 Preliminary Budget for Board consideration and approval. He stated his numbers were built on an above-average year reporting on Water Assumptions, Assessment Assumptions, and Expense Assumptions. He cited project revenue income of $11.7 million, O&M expenses of $10.8 million, and Capital costs of $3.2 million, the combination of which should leave the district in the range of approximately $8.4 million in cash reserves at year's end. By the motion of Director Borges, seconded by Director Rogers, and unanimously carried by all Directors present, the Preliminary 2024 budget was approved as presented.

Sustainable Conservation Support Letter – Mr. Fukuda presented pursuing a CDFA Special Crop Grant and studying the impacts of Winter Irrigation (On Farm Recharge) on water quality and impacts to Pistachios. By the motion of Director Martin, seconded by Director Borges, and unanimously carried by all Directors present, letters of support as presented was approved.

Board Member Reports of Meetings:

Director Bixler asked if any of the Directors had reports on meetings they attended or wished to discuss at this time.

Director Bixler then moved the meeting to Closed Session.

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, Mr. Bixler reported that the Board of Directors had made the following staffing changes and merit adjustments:

- James Fisher has been promoted to Assistant General Manager with a merit adjustment of 10%
- Superintendent: 12.4% (Bonus)
- Watermaster: 10% w/ 4.8% (Bonus)
- Controller: 5%
- Assistant Water Resources Engineer: 2.5%
- Assistant Engineer 2.5%

There being no other items to come before the Board of Directors, the meeting was then adjourned to the next regular board meeting reported to be on February 20, 2024.

Secretary

David G Bixler

President