

LINDMORE IRRIGATION DISTRICT and LINDMORE IRRIGATION DISTRICT FINANCING CORPORATION JOINT MEETING

MINUTES OF THE BOARD

January 9, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.

Directors Present: Adam, Brownfield, DePaoli, Milanesio

Directors Absent: Arnold

Others present: Hagman (GM), Mauritson (Counsel)

Approval of the Agenda

The agenda for the Joint meeting was presented and the following action was taken:

Motion: To approve the agenda for January 9, 2018 as provided with the addition of adding the consideration of moving the February 13, 2018 meeting to accommodate the Farm Show in the Item 5B.

1st Brownfield and 2nd Adam - Motion passed by unanimous vote of those present

Public Comment

Members of the Public were invited to comment; no public and no comment was provided.

Minutes

The minutes were presented for the December 12, 2017 Regular Board meeting and the December 13, 2016 Finance Corporation meeting and the following action was taken:

Motion: To approve the minutes of the December 12, 2017 Regular Board meeting and the December 13, 2016 Finance Corporation meeting as presented
1st Milanesio and 2nd Brownfield - Motion passed by unanimous vote of those present

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: GM Hagman reported on staff operations and maintenance efforts.

Water Supply Report: GM Hagman reported on water supply issues in the District.

District Recharge Efforts: GM Hagman provided an update on the final basin deliveries.

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Basin Work, City of Lindsay Exchanges and JB Rehabilitation projects).

Engineering Bill: GM Hagman reported on the status of the impending \$75,000 multi-year engineering bill from Keller/Wegley Engineering. He has yet to receive the bill.

Lindmore's Executive Management of EKGSA: GM Hagman reported that all signatures had been obtained and the agreement is in effect.

Temperance Flat MOU: GM Hagman reported that the agreement with Kern-Tulare Irrigation District on the Temperance Flat study is signed and in effect.

B. New Action Items

Updates and Ratify action taken by the Finance Corporation buy the Executive Director: Executive Director Hagman reported that he had taken all necessary actions to comply with the 2010A Bond covenants. The Board listened to the details of the report and took the following action:

Motion: To ratify actions taken by the Executive Director to comply with the bond covenants

1st Adam and 2nd Brownfield - Motion passed by unanimous vote of those present

The Board closed the Finance Corporation meeting 2:20 PM

Miscellaneous administrative items: GM Hagman noted no accidents and no loss time injuries/illnesses at the District this past month.

Consider moving the next Board meeting: The February 13, 2018 Regular Board meeting is on the first day of the International Ag Show. GM Hagman asked if the Board would like to move it to Monday February 12, 2018 to accommodate that day. After a brief discussion the following action was taken:

Motion: To hold the next regular Board meeting on February 12, 2018

1st Brownfield and 2nd Adam - Motion passed by unanimous vote of those present

C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (numbers 12732 – 12780) for December 13, 2017 to January 9, 2018 in the amount of \$198,444.48, and payroll for December 2017 in the amount of \$60,133.71 for a total disbursement of \$258,578.19.

1st Adam and 2nd Brownfield - Motion passed by unanimous vote of those present

D. Financial Reports

GM Hagman noted that due to year end and down a staff member, the reports are not available. He noted however that the District has about \$3.5 million invested and the daily yield is about 2.50% and LAIF is currently at 1.26%. So, the District is earning roughly twice the amount if they were invested in LAIF.

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director DePaoli and GM Hagman reported open session items of the FWA.

Friant Power Authority (FPA) – President Arnold, Director Brownfield and GM Hagman reported on FPA activities. It was reported that this year’s net revenue payments from FPA to Lindmore will be about \$2,000,000.

East Kaweah Groundwater Sustainability Agency (EKGSA) – Directors Milanesio and Brownfield and GM Hagman reported on EKGSA activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: GM Hagman reminded the Board of its meetings they had between today and the next Board meeting.

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L

The Board went into closed session at 2:22 PM and came out at 2:40 PM. Vice-President DePaoli reported that no reportable action taken in closed session.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, Vice-President DePaoli asked for a motion to adjourn: Motion to adjourn (Adam/Brownfield) carried by unanimous vote of those present. Meeting was adjourned at 2:50 pm.

SIGNATURE ON FILE

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

February 12, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.

Directors Present: Adam, Arnold, Brownfield, DePaoli, Milanesio

Directors Absent:

Others present: Hagman (GM), Bennett (Analyst)

Approval of the Agenda

The agenda for the Joint meeting was presented and the following action was taken:

**Motion: To approve the agenda for February 12, 2018 as provided
1st Milanesio and 2nd Brownfield - Motion passed by unanimous vote of those
present**

Public Comment

Members of the Public were invited to comment; no public and no comment was provided.

Minutes

The minutes were presented for the January 9, 2018 Regular Board meeting and the following action was taken:

**Motion: To approve the minutes of the January 9, 2018 Regular Board
meeting as presented
1st DePaoli and 2nd Milanesio - Motion passed by unanimous vote of those
present**

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: GM Hagman reported on staff operations and maintenance efforts.

Water Supply Report: GM Hagman reported on water supply issues in the District.

District Recharge Efforts: GM Hagman provided an update on the final basin deliveries.

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Basin Work, City of Lindsay Exchanges and JB Rehabilitation projects).

Engineering Bill: GM Hagman reported on the status of the impending \$75,000 multi-year engineering bill from Keller/Wegley Engineering. He has yet to receive the bill.

B. New Action Items

Resolution 2018-01: Authorizing the District to Agree to the Terms of and Signing of a Contract with the USBR for Unreleased Restoration Flow Water: GM Hagman explained that the San Joaquin River Restoration Program (SJRRP) may or may not be able to deliver all of its supply down the river. Restrictions occur as a result of seepage into farm land next to the river bed being inundated as the river flows through it. Due to this and other similar operational constraints, the SJRRP may have water they can't deliver (unreleased) in Millerton. This water is sold to willing Friant Long Term Contractors. It is not likely to occur at this time (due to the dry winter we are experiencing), but it could occur late in the year or early next year and the USBR is not going to reissue these contracts. GM Hagman recommended adopting the resolution and signing the contract. After some discussion, following action was taken:

Motion: To adopt Resolution 2018-01

1st DePaoli and 2nd Brownfield - Motion passed by unanimous vote of those present

Friant Water Authority By-Laws: GM Hagman and Vice President DePaoli, reported that at the last FWA meeting the by-laws were discussed. Though these are not required to be adopted by member agencies, FWA Counsel suggested member agencies take a look at them and offer suggestions. Hagman/DePaoli suggested that we strengthen the use of all the committees not just the Executive Committee. In other words, suggest to FWA that they not centralize all committee work into the Executive Committee and not eliminate participation in HR, O&M and Finance committees by other FWA Board members or staff. After some discussion GM Hagman was directed to make sure those committees are not eliminated.

Miscellaneous administrative items: GM Hagman noted no accidents and no loss time injuries/illnesses at the District this past month.

C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (numbers 12781 – 12825, 12795 Void) for January 10, 2018 to February 12, 2018 in the amount of \$110,304.57, and payroll for January 2018 in the amount of \$68,534.95 for a total disbursement of \$178,839.52.

1st Adam and 2nd Brownfield - Motion passed by unanimous vote of those present

D. Financial Reports

GM Hagman reviewed the financial reports and investments with the Board. Discussion ensued regarding the net income for FY2017. Hagman reported that staff has not yet closed the year, but he expected about \$1.75 million net income. Largely a function of the nearly \$2 million in Friant Power Authority revenues.

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director DePaoli and GM Hagman reported open session items of the FWA. Vice President DePaoli reported that he had commitments that will likely conflict with future FWA meetings. He asked that the Board consider a replacement for him. Director Brownfield indicated he would be willing to take on the meeting in the short term and the Board could discuss it at the next meeting.

Friant Power Authority (FPA) – President Arnold, Director Brownfield and GM Hagman reported on FPA activities.

East Kaweah Groundwater Sustainability Agency (EKGSa) – Director Milanesio and GM Hagman reported on EKGSa activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: GM Hagman reminded the Board of the meetings they have between today and the next Board meeting.

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L
- Employee Evaluation – General Manager (Government Code Section 549579)

The Board went into closed session at 3:40 PM and came out at 4:30 PM. President Arnold reported that there was no reportable action taken in closed session.

Contract Action

After some discussion and a positive evaluation, the Board modified the terms of the current employment agreement with GM Hagman. The agreement will be changed to reflect the following:

1. Cost of living allowance effective January 1, 2018 and annually on his current and future salary in the amount equivalent to the October over October Consumer Price Index All Cities All Items.
2. The use of a District vehicle for all business and commute for work and incidental personal use (associated with traveling for the District).

3. A stipend of \$3,500 per month as compensation for managing the East Kaweah GSA on behalf of the District effective January 1, 2018.
4. Terms to be for five years (2018, 2019, 2020, 2021, and 2022)
5. If the arrangement with the East Kaweah GSA changes within the contract period, the Board will re-evaluate the agreement.
6. GM Hagman to continue all previous contract terms not affected by these changes.
7. GM Hagman to provide updated agreement document with new terms at the next Board meeting.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (Adam/Brownfield) carried by unanimous vote of those present. Meeting was adjourned at 4:45 pm.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE SPECIAL BOARD MEETING

February 15, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order at 4:00 PM

Present: Adam, Arnold, Brownfield, DePaoli, and Milanesio

Absent:

Others present: GM Hagman

Approve Agenda

Motion: To approve the agenda as presented

1st Brownfield and 2nd Adam - Motion passed by unanimous vote of those present

Public Comment

None provided

Closed Session: Employee Evaluation [General Manager – Government Code Section 549579]

President Arnold called the meeting to closed session at 4:02 PM and out of closed session at 4:45 PM and stated that the Board took no reportable action while in closed session.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (Brownfield/Adam) carried by unanimous vote of those present. Meeting was adjourned at 4:48 PM.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

March 13, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.

Directors Present: Adam, Arnold, Brownfield, DePaoli, Milanesio

Directors Absent:

Others present: Hagman (GM), Bennett (Analyst), Mauritsen (Counsel), Dustin Swall (Landowner)

Approval of the Agenda

The agenda for the Joint meeting was presented and the following action was taken:

**Motion: To approve the agenda for March 13, 2018 as provided
1st Milanesio and 2nd Brownfield - Motion passed by unanimous vote of those
present**

Public Comment

Members of the Public were invited to comment; no comment was provided.

Minutes

The minutes were presented for the February 12, 2018 Regular Board meeting and the following action was taken:

**Motion: To approve the minutes of the February 12, 2018 Regular Board
meeting as presented
1st Adam and 2nd Milanesio - Motion passed by unanimous vote of those
present**

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: GM Hagman reported on staff operations and maintenance efforts.

Water Supply Report: GM Hagman reported on water supply issues in the District.

District Recharge Efforts: GM Hagman provided an update on the final basin deliveries.

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Basin Work, City of Lindsay Exchanges and JB Rehabilitation projects). GM Hagman requested the Board consider spending up to \$30,000 on a “Micro Basin – Well” study site. After considerable discussion the Board decided that GM Hagman should pursue developing a Micro-Basin at the Ireton Pond site using the old 6” Meter. The project should be built in such a way that it does not affect the Ireton Recharge Basin, minimizes silt infiltration or has a way to remove silt, and that he can spend up to \$15,000 of the current budget. This action is within Hagman’s budget authority and no additional budget was approved at this time. Therefore, no formal action was taken. The minutes will reflect the intent of the Board.

Engineering Bill: GM Hagman provided a bill from Keller/Wegley for just over \$100,000. At a previous meeting, the Board authorized payment of the “impending” bill in five installments. However, GM Hagman said he would pay for the Proposition 218 effort provided by Keller’s office last year (as this was a bid item for 2017) and then pay the balance of the bill in five installments as follows: the first installment will be in the next accounts payable run (and will go out with the Prop 218 payment noted above) and the next four installments will be made in January at the January Board meeting over the next four years.

B. New Action Items

Water Allocation and Rate: GM Hagman explained that the USBR recently allocated 30% Class 1. He noted that this allocation does not include what is currently occurring in the San Joaquin Watershed. Heavy rains and snow will likely increase the District allocation. However, the current leadership in the USBR takes a real conservative approach to allocating supply. A source at the USBR and nearly everyone with interest in the SJR Watershed, clearly believes there is already 50% to 75% Class 1 that will be available. He noted that along with this allocation, the District has also carried over 8,101 AF of Class 1 contract supply. Given that we can make an initial allocation of .85 AF per acre.

For setting the rate, since we expect to have additional increases from the USBR (which would raise our allotment to the grower and therefore our sales of water) GM Hagman suggested we set a rate that assumes the lower deliveries and use of reserves. If the higher allocations come, we will simply use less reserves. Cost of water from the USBR is currently set at \$46 per acre foot. Given that, GM Hagman suggested we set the rate at \$60 AF. Each AF will add \$14 to offset costs. If we do not get increases (above 45%) we will use about \$80,000 in reserves. If we deliver a little over 5,000 more AF (15% more allocation from the USBR) we will cover the difference. In addition, the amount of revenue generated by the FPA plants will also increase. The Districts current approved rate (May 2016) is \$200.00 per acre foot. A temporary reduction to the rate does not require any action from the District rate payers. Setting the rate lower than the approved rate will just require Board action.

In summary, GM Hagman asked the Board to consider setting the grower allotment at 0.85 AF per acre and the District base water rate at \$60.00 AF. He noted that there are additional charges on some water due to pumping or water use types. He is not recommending any changes to those rates from the past. After substantial discussion, the following action was taken:

Motion: To set the initial grower allotment at 0.85 AF per acre at a base cost of \$60.00 per acre foot of water plus \$10.00 per AF for pumped water.

1st DePaoli and 2nd Adam - Motion passed by unanimous vote of those present

Friant Water Authority Agreement for Recirculated Water: GM Hagman explained that the FWA has established conveyance agreement with the Banta-Carbona and Patterson Irrigation District's for use of their San Joaquin River facilities to capture flows released from Friant Dam, and not required for flow requirements, and to move those recaptured supplies into San Luis Reservoir. The agreement we are making commits us to pay FWA the costs of the conveyance of this recaptured water to San Luis Reservoir.

With the water in SLR, we would then need to make additional deals to get the water over here to be used in the District. There will be additional costs to get that water here. GM Hagman said he does not have a particular deal for getting it over here, but the water could be used as a revenue generator. He believes there will be South of Delta buyers that will pay more for the water than we have paid to get it to SLR. GM Hagman recommended that the authorize the agreement and authorize him to sign the agreement. After some discussion the following action was taken:

Motion: To approve the form of agreement with FWA for the payment of recaptured water and to authorize GM Hagman to sign the agreement and develop actions to take care of the water asset.

1st Milanesio and 2nd Brownfield - Motion passed by unanimous vote of those present

Miscellaneous administrative items: GM Hagman noted no accidents and no loss time injuries/illnesses at the District this past month.

- C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (numbers 12826 – 12858) for February 13, 2018 to March 13, 2018 in the amount of \$298,241.34, and payroll for February 2018 in the amount of \$71,603.87 for a total disbursement of \$369,845.21.

1st Adam and 2nd DePaoli - Motion passed by unanimous vote of those present

D. Financial Reports

Analyst Bennett reviewed the financial reports and investments with the Board.

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director DePaoli and GM Hagman reported open session items of the FWA. Vice President DePaoli reported that he had commitments that will likely conflict with future FWA meetings. He asked that the Board consider a replacement for him. Director Brownfield indicated he would be willing to take on the meeting in the short term and the Board could discuss it at the next meeting.

Friant Power Authority (FPA) – President Arnold, Director Brownfield and GM Hagman reported on FPA activities.

East Kaweah Groundwater Sustainability Agency (EKGSA) – Director Milanesio and GM Hagman reported on EKGSA activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: GM Hagman reminded the Board of the meetings they have between today and the next Board meeting.

Board Assignments: GM Hagman reported that the Board should consider who is assigned to other outside meetings. The FWA Board representative is taxing and Director DePaoli has been doing it for several years now. After considerable discussion the following assignments were made by President Arnold:

FWA Board – Director Brownfield (Alternate All)
FPA Board – President Arnold (Alternate All)
FWA Finance Committee – Director Adam (Alternate DePaoli)
FWA HR Committee – Director DePaoli (Alternate Milanesio)
FWA O&M Committee – Director DePaoli (Alternate Adam)
EKGSA Board – Director Milanesio (Alternate Brownfield)

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L
- Employee Evaluation – General Manager (Government Code Section 549579)

The Board went into closed session at 3:22 PM and came out at 3:48 PM. President Arnold reported that there was no reportable action taken in closed session.

Contract Action

Board reviewed the draft employment agreement provided by GM Hagman. GM Hagman noted the changes from the prior agreement that were approved at the February meeting. The Board asked Counsel Mauritson if the agreement was legally appropriate. She said it was. After some discussion the following action was taken:

Motion: To enter into the five-year employment agreement as provided with Michael D. Hagman an effective date of January 1, 2018 through December 31, 2022 to be signed by all directors and Hagman and placed in Hagman's personnel file and a copy sent to Legal Counsel for District file.

1st Brownfield and 2nd Adam – Motion passed by unanimous vote of those present

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (Adam/Brownfield) carried by unanimous vote of those present. Meeting was adjourned at 4:05 pm.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

April 10, 2018

Roll Call and Acknowledgement of Visitors

Vice-President DePaoli called the meeting to order @ 2:00 p.m.

Directors Present: Adam, Brownfield, DePaoli, Milanesio

Directors Absent: Arnold

Others present: Hagman (GM), Bennett (Analyst), and two landowners: Dustin Swall and Scott Reynolds

Approval of the Agenda

The agenda for the meeting was presented and the following action was taken:

Motion: To approve the agenda for April 10, 2018 as provided

1st Milanesio and 2nd Brownfield - Motion passed by unanimous vote of those present

Public Comment

Members of the Public were invited to comment; no comment was provided. The District participated in the USBR Water Conference Call (about one hour).

Minutes

The minutes were presented for the March 13, 2018 Regular Board meeting and the following action was taken:

Motion: To approve the minutes of the March 13, 2018 Regular Board meeting as presented

1st Milanesio and 2nd Adam - Motion passed by unanimous vote of those present

Audit

Dennis Hylton (District Auditor) presented the Fiscal Year 2017 Audited Financial Statements and reported no exceptions and a clean audit. He thanked the Board and Staff. GM Hagman asked the Board to consider accepting the audit. After some discussion the following action was taken:

Motion: To accept the Fiscal Year 2017 Audited Financial Statements as provided by District Auditor, Dennis Hylton

1st Brownfield and 2nd Adam - Motion passed by unanimous vote of those present

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: GM Hagman reported on staff operations and maintenance efforts.

Water Supply Report: Given the USBR water call at the beginning of the meeting, GM Hagman explained that the USBR has called an uncontrolled Class 2 season effective April 6 and ending mid-May. They have allocated 135,000 AF of UcS Class 2. That would give Lindmore ID 2,119 AF to use before the end of the UcS. In addition to that Class 2, the District has 597 AF of URF and 8,101 AF of Class 1 Carryover that must be used by the end of UcS. Therefore, Lindmore ID will need to move 10,817 AF in the next 40 days.

Given those parameters, GM Hagman suggested that the Board temporarily lower the water rate from \$200.00 (Approved in May 2016 by Proposition 218 petition vote) an acre foot down to \$30.00 AF through May 31 and allow growers to take as much water as they want without regard to allocation. After some discussion the following action was taken:

Motion: To temporarily lower the approved base rate from \$200.00 AF to \$30.00 AF with a grower allocation of unlimited water through May 31 and such water will not apply towards their final allocation of supply.

1st Brownfield and 2nd Adam - Motion passed by unanimous vote of those present

GM Hagman stated that the USBR residual Class 1 allocation will likely be 90%. That would give the District 29,700 AF to allocate after the unlimited supply is finished on May 31. That gives us cushion against what might be taken after the USBR UcS (likely May 15th) and the end of May when the water that will be used will be all Class 1 residual. Therefore, he recommended that the Board, effective June 1, 2018, set the allocation at 0.85 AF per acre and a rate of \$55.00 per acre foot. After some discussion the following action was taken:

Motion: To set the allocation after May 31, 2018 at 0.85 AF per acre and temporarily lower the approved base rate from \$200.00 AF to \$55.00 AF.

1st Brownfield and 2nd Adam - Motion passed by unanimous vote of those present

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Basin Work, City of Lindsay Exchanges and JB Rehabilitation projects).

Micro Basin Installment Effort

GM Hagman reported that a suitable site has not yet been determined. There is some concern on placing it at the existing Ireton Recharge Basin. There is also some concern on the method of filtering. GM Hagman and Calvin Monreal will be meeting this week to discuss options for filtering.

B. New Action Items

Well Measurement Results: GM Hagman reported that the well measurements show an increase of 2.42 feet from Spring 2017.

Set meeting for potential grant approval: GM Hagman reported that staff will be working on two efficiency grants from the USBR. One is a \$75,000 grant (50% match, \$150,000 project) and the other is a \$150,000 grant (50% match, \$300,000 project). The \$75k is due by July 31, 2018 and the \$150k is due by May 10, 2018. The latter is pushing it but there is a chance. The other we will certainly have the necessary time to generate a grant proposal. In the event that staff is able to get the larger grant put together in time, the Board will need to pass a resolution adopting the grant and accepting their share of the project costs. No action was taken.

District Board Seats

Board members in Divisions 1, 2, and 4 were informed their seat was up for election and they needed to submit the required documents in order to stay on the seat. No action was taken.

Miscellaneous administrative items: GM Hagman noted no accidents and no loss time injuries/illnesses at the District this past month.

- C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (numbers 12859 – 12907) for March 14, 2018 to April 10, 2018 in the amount of \$330,797.64, and payroll for March 2018 in the amount of \$70,649.61 for a total disbursement of \$401,447.25.

1st Adam and 2nd Milanesio - Motion passed by unanimous vote of those present

D. Financial Reports

Analyst Bennett asked the Board if there were any questions on the financial documents provided. None were asked.

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director Brownfield and GM Hagman reported open session items of the FWA.

Friant Power Authority (FPA) –Director Brownfield and GM Hagman reported on FPA activities.

East Kaweah Groundwater Sustainability Agency (EKGSA) – Director Milanesio and GM Hagman reported on EKGSA activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: GM Hagman reminded the Board of the meetings they have between today and the next Board meeting.

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L

The Board went into closed session at 3:52 PM and came out at 4:00 PM. President Arnold reported that there was no reportable action taken in closed session.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, Vice-President DePaoli asked for a motion to adjourn: Motion to adjourn (Brownfield/Milanesio) carried by unanimous vote of those present. Meeting was adjourned at 4:05 pm.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

May 8, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.

Directors Present: Adam, Arnold Brownfield, DePaoli, Milanesio

Directors Absent:

Others present: Hagman (GM), Bennett (Analyst), Mauritsen (Counsel)

Approval of the Agenda

The agenda for the meeting was presented and the following action was taken:

**Motion: To approve the agenda for May 8, 2018 as provided
1st Milanesio and 2nd Brownfield - Motion passed by unanimous vote of those
present**

Public Comment

Members of the Public were invited to comment; no comment was provided.

Minutes

The minutes were presented for the April 10, 2018 Regular Board meeting and the following action was taken:

**Motion: To approve the minutes of the April 10, 2018 Regular Board meeting
as presented
1st DePaoli and 2nd Milanesio - Motion passed by unanimous vote of those
present**

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: GM Hagman reported on staff operations and maintenance efforts.

Water Supply Report: GM Hagman reported that the USBR has allocated water to the District to be used by May 10. He noted that it is highly unlikely that District demand will consume all 8,101 AF of carryover plus the URF (597 AF) and UcS (2,041 AF). This total supply (10,739 AF) has to be used between April 6 and May 10. Therefore, he will analyze District demand and sell water to other districts to ensure all the water is moved.

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Basin Work, City of Lindsay Exchanges and JB Rehabilitation projects).

Micro Basin Installment Effort

GM Hagman reported that two private well sites have been identified and that he is working with Counsel to develop some arrangement to operate and maintain the sites. He reported that Director Brownfield has helped to arrange a driller and that the driller and the District's consulting engineer (Monreal) will work through the details and there is a good chance they will be done before the next Board meeting.

B. New Action Items

Potential grant approval: GM Hagman reported that staff could not develop a sufficient grant proposal for the first \$300,000 grant program. As such, they will work on the smaller grant proposal for improving the pumping plant. GM Hagman reported that he developed a grant proposal for this same project in 2014 but the Board didn't feel it was prudent given the drought situation at the time. The pumping plant is way out of compliance with today's safety standards. These upgrades will be about \$150k-\$200k and the grant award will be up to \$75,000. We are not required to accept the award when we submit the grant, so there isn't any harm applying. This should be ready by the July Board meeting.

District Landowner Requesting Removal from the District assessment roll: A landowner in the District called and told us he is not going to pay his assessment and to take his ground off the rolls of the District. The landowner has about six acres and claims he doesn't take water (although the ground used to). This is not an isolated request. We have received in the range of about 10-15 of them this year. This is likely due to the increased rate.

GM Hagman reported that Counsel explained this item does not come before the Board at this time. This item will come to the Board when you convene a "Board of Equalization". You convene this as a public meeting when you approve the assessment rate (usually October).

Miscellaneous administrative items: GM Hagman noted no accidents and no loss time injuries/illnesses at the District this past month.

- C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (numbers 12908 – 12948) for April 11, 2018 to May 8, 2018 in the amount of \$680,018.07, and payroll for April 2018 in the amount of \$70,916.60 for a total disbursement of \$750,934.67.

1st Milanesio and 2nd Brownfield - Motion passed by unanimous vote of those present

D. Financial Reports

Analyst Bennett presented the financial statements and reports and asked the Board if there were any questions on the financial documents provided. None were asked.

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director Brownfield and GM Hagman reported open session items of the FWA.

Friant Power Authority (FPA) –Director Brownfield and GM Hagman reported on FPA activities.

East Kaweah Groundwater Sustainability Agency (EKGSA) – Director Milanesio and GM Hagman reported on EKGSA activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: GM Hagman reminded the Board of the meetings they have between today and the next Board meeting.

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L

The Board went into closed session at 3:00 PM and came out at 3:19 PM. President Arnold reported that there was no reportable action taken in closed session.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (Brownfield/DePaoli) carried by unanimous vote of those present. Meeting was adjourned at 3:30 pm.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

June 12, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.

Directors Present: Adam, Arnold, Brownfield, DePaoli, Milanesio

Directors Absent:

Others present: Hagman (GM), Bennett (Senior Analyst), Mauritsen (Counsel)

Approval of the Agenda

The agenda for the meeting was presented and the following action was taken:

**Motion: To approve the agenda for June 12, 2018 as provided
1st Milanesio and 2nd Brownfield - Motion passed by unanimous vote of those
present**

Public Comment

Members of the Board, Staff and the Public were invited to comment; no comment was provided.

Minutes

The minutes were presented for the May 8, 2018 Regular Board meeting and the following action was taken:

**Motion: To approve the minutes of the May 8, 2018 Regular Board meeting as
presented
1st DePaoli and 2nd Brownfield - Motion passed by unanimous vote of those
present**

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: GM Hagman reported on staff operations and maintenance efforts.

Water Supply Report: GM Hagman reported on the USBR actions since the prior meeting of the Board. He explained that due to the speed of the snow melt runoff in the San Joaquin Watershed, uncontrolled season (UcS) was called on April 6, 2018 and it was to end on May 10, 2018. He explained that when uncontrolled season ended all remaining URF and Carryover water would be lost to the river. GM Hagman stated that

he moved all the water out of Millerton that was allocated to the District prior to the end of UcS. In-District demand was higher than a typical May, but demand within the District was not enough to move the water into Lindmore ID boundaries. Frustration was expressed by Board members that we had growers using groundwater instead of taking surface supply. Because the water had to be moved or lost, GM Hagman sold it to other districts. Total income from the sales was about \$340,000.

GM Hagman stated that when the UcS ended, the USBR lowered the allocation to 85% of Class 1. In the month of May, the District delivered some of its current year C1 supply and now has 24,110 AF available for delivery to growers from June 1 to the end of the irrigation season. Assuming a loss of 3% of the 24,110 AF, the District has 23,387 AF to deliver to 25,250 acres or .92 AF per acre. Since there is a chance that the USBR will raise the allocation to 90% C1, GM Hagman recommends staying at .85 AF per acre grower allotment. His thinking was that if the USBR doesn't move to 90% C1, we can move it to .90 AF per acre and if the USBR does raise the C1 supply to 90%, we can raise the grower allocation to 1.00 AF per acre. In this way we avoid making two changes.

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Basin Work, City of Lindsay Exchanges and JB Rehabilitation projects).

Micro Basin Installment Effort: GM Hagman reported that one of the two private well sites have been installed and results are dismal. We are expecting to install the other one in the next week or two. We hope it will be better.

B. New Action Items

Grant purpose review: GM Hagman reported that staff will be developing a grant with Necmi Sanli doing the technical piece. The stated purpose of the grant we will apply for is developing efficiency in water or power use. Staff will be developing a grant on a project that will cost something less than \$200,000 and the grant will fund up to \$75,000. The District will be financially responsible for the balance of the costs (\$125,000). It was explained that the grant could be submitted and if the Board did not want to proceed with the project once funding was awarded they could decline the award. The Board asked staff to proceed.

Resolution 2018-02 – Resolution Ordering Even-Year Board of Director Elections, Consolidation of elections, and Specification of the Election Order: Adoption of this resolution sets Board Seat elections in November, directs the County to consolidate our elections with the County, and sets the order of the elections. After some discussion the following action was taken:

Motion: To adopt Resolution 2018-02

1st DePaoli and 2nd Milanesio - Motion passed by unanimous vote of those present

Miscellaneous administrative items: GM Hagman noted no accidents and no loss time injuries/illnesses at the District this past month.

- C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (numbers 12949 – 12966, {12967-12989 VOIDED}, 12990-13032) for May 09, 2018 to June 12, 2018 in the amount of \$523,769.86, and payroll for May 2018 in the amount of \$75,669.57 for a total disbursement of \$599,433.43.

1st Adam and 2nd Brownfield - Motion passed by unanimous vote of those present

D. Financial Reports

Senior Analyst Bennett presented the financial statements and reports and asked the Board if there were any questions on the financial documents provided. She answered the questions that were asked.

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director Brownfield and GM Hagman reported open session items of the FWA.

Friant Power Authority (FPA) – President Arnold and GM Hagman reported on FPA activities.

East Kaweah Groundwater Sustainability Agency (EKGSA) – Director Milanesio and GM Hagman reported on EKGSA activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: GM Hagman reminded the Board of the meetings they have between today and the next Board meeting.

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L

The Board went into closed session at 3:05 PM and came out at 3:17 PM. President Arnold noted that there was no reportable action taken in closed session.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (DePaoli/Milanesio) carried by unanimous vote of those present. Meeting was adjourned at 3:20 pm.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

July 10, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.

Directors Present: Adam, Arnold, Brownfield, DePaoli, Milanesio

Directors Absent:

Others present: Hagman (GM), Bennett (Senior Analyst), public members

Approval of the Agenda

The agenda for the meeting was presented and the following action was taken:

Motion: To approve the agenda for July 10, 2018 as provided

1st DePaoli and 2nd Brownfield - Motion passed by unanimous vote of those present

Public Comment

Members of the Board, Staff and the Public were invited to comment; no comment was provided.

Minutes

The minutes were presented for the June 12, 2018 Regular Board meeting and the following action was taken:

Motion: To approve the minutes of the June 12, 2018 Regular Board meeting as presented

1st Brownfield and 2nd Milanesio - Motion passed by unanimous vote of those present

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: GM Hagman reported on staff operations and maintenance efforts.

Water Supply Report: GM Hagman reported on the USBR actions since the prior meeting of the Board. It was explained that the USBR will be meeting the Friday after today's meeting (7/13/2018) to consider its water allocation options. By most measurements, he doesn't expect any change in the USBR's contract allocation. As such, GM Hagman stated he was comfortable recommending to the Board to set the

final grower allocation at 1.00 acre foot per acre. There is some concern for this allocation because he noted that this is the exact amount of contract supply remaining. To offset that, GM Hagman expects about 500 AF to be put back into the District Pool and typically there are people who don't use their water. He also explained that the District expects to pick up some water in San Luis Reservoir from recovered SJRRP releases. This will be an asset we can negotiate with for future supply in SLR, we might be able to convert it into Millerton supply, or we can get dollars for it.

Motion: Set the grower allocation to 1.00 Acre Foot per acre of land that pays assessment.

1st Brownfield and 2nd Adam - Motion passed by unanimous vote of those present

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Recharge, City of Lindsay Exchanges and JB Rehabilitation projects).

Micro Basin Installment Effort: GM Hagman reported that both test wells had been installed and their production was very underwhelming. GM Hagman has visited with Tim Nicely (GSI – Hydrologist). Nicely said he would expect a recharge rate of 40-500 gallons per minute (GPM). Current measurements on the recharge wells indicates we are recharging about 10 GPM per site. GM Hagman reminded the Board that they authorized \$15,000 for this effort and that he expected these two wells to cost about \$7,000 total (because the driller drilled the wells and only charged materials cost). Hagman explained that he will likely use the balance of the dollars to hire Nicely to do some technical work to help the District better understand the construction parameters and provide recommendations for improving recharge capacity.

B. New Action Items

Grant purpose review: GM Hagman reported that the staff will be submitting a grant on the “93.2E Pumping Plant Modernization” project at the end of this month (July 31). The pumping plant was built in 1951 based on design criteria of that day. The District has done a very good job of maintaining the plant over the years. However, there are substantial risk exposure issues at the plant that need to be addressed. Hagman states we are not in compliance with OSHA entrance standards and face substantial exposure to injury due to the motor control box design and connection types. Most of the work done at the site is done by outside providers, so they have the risk on them, but obviously since they are recommending the changes, we likely would face some risk as well. In addition, the plant has antiquated motor control systems. Substantial changes in SCE's pricing has exposed us to large “demand” charges. This occurs because the pump that needs to come on is hard started (pump immediately starts at full power). This draws huge amounts of amperage and with that amperage demand, SCE charges demand charges. Substantial savings are likely to occur by modernizing motor controls to soft starts and to operate two of the pumps with variable flow devices. GM Hagman noted that he believes District and a part of this project would be a great candidate for the “WaterSMART Grant: Small Project”. If awarded, this grant would offset the project costs by \$75,000. The total project's current estimated costs (provided by our electrical engineering consultant) is \$360,000 for total modernization of the plant. There are two parts to the project: “Boxes Upgrade” and “MCC Modernization”. About \$160,000 of

the total project costs are associated with the “Boxes Upgrade”. This effort will address the OSHA exposure issues by installing new boxes, correct high voltage connections, and all the required signage and gear for high voltage exposure. This project is labor intensive and requires the complete removal of the plant shed and all of the boxes. The “MCC Modernization” project will install motor control and SCADA (remote operation control) program at a total cost of about \$195,000. The “MCC Modernization” aligns very well with the objective of the Water SMART grant. Therefore, staff will submit a grant proposal to the USBR for this part of the total project. If awarded, the total cost of the “MCC Modernization” will cost the District \$125,000.

It was explained that one of the challenges of this project is the technical level of expertise required in the labor and the risk exposure of the work. Much of the work is beyond current staff capabilities so the project labor must be outsourced. As such, the project’s estimated cost includes external labor paid at the prevailing wage rate required by law. GM Hagman is working with the consultants to see if they would be willing to be employed by the District as opposed to consultants. If they accept, GM Hagman would hire them as “Temporary Employees” at rates acceptable to them and at rate for less than the estimated project rate. This would save quite a bit of costs (possibly as much as \$50,000). We will also expect to see lower power bills due to the soft start and VFD install. This will reduce the “hard start” amperage costs. We expect operation to save us costs and have a payback in about six years. GM Hagman noted that the projects make the most sense to do together. He noted that we are not obligated to do this project if we are awarded the grant. He asked if they Board had any problems with applying for the grant. None were expressed.

Miscellaneous administrative items: GM Hagman noted no accidents and no loss time injuries/illnesses at the District this past month.

- C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (numbers 12033 – 13073) for June 13 to July 10, 2018 in the amount of \$700,075.91, and payroll for June 2018 in the amount of \$74,243.54 for a total disbursement of \$774,739.45.

1st Adam and 2nd DePaoli - Motion passed by unanimous vote of those present

D. Financial Reports

Senior Analyst Bennett presented the financial statements and reports and asked the Board if there were any questions on the financial documents provided. She answered the questions that were asked.

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director Brownfield and GM Hagman reported open session items of the FWA.

Friant Power Authority (FPA) – President Arnold and GM Hagman reported on FPA activities.

East Kaweah Groundwater Sustainability Agency (EKGSA) – Director Milanesio and GM Hagman reported on EKGSA activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: GM Hagman reminded the Board of the meetings they have between today and the next Board meeting. Director Adam asked for a volunteer to take on his meetings for the next little while, Vice-President DePaoli agreed to take care of it until further notice.

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L

The Board went into closed session to review legal counsel's memorandum at 3:20 PM and came out at 3:25 PM. President Arnold noted that there was no reportable action taken in closed session.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (Brownfield/Adam) carried by unanimous vote of those present. Meeting was adjourned at 3:30 pm.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

August 14, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.

Directors Present: Adam, Arnold, Brownfield, DePaoli, Milanesio

Directors Absent: None

Others present: Hagman (GM), Bennett (Senior Analyst)

Approval of the Agenda

The agenda for the meeting was presented and the following action was taken:

**Motion: To approve the agenda for August 14, 2018 as provided
1st Adam and 2nd Brownfield - Motion passed by unanimous vote of those present**

Public Comment

Members of the Board, Staff and the Public were invited to comment; no comment was provided.

Minutes

The minutes were presented for the July 10, 2018 Regular Board meeting and the following action was taken:

**Motion: To approve the minutes of the July 10, 2018 Regular Board meeting as presented
1st DePaoli and 2nd Milanesio - Motion passed by unanimous vote of those present**

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: Hagman reported on staff operations and maintenance efforts. In particular the 88.4-3.3 North Lateral is down for about a week.

Water Supply Report: GM Hagman reported that the District will be receiving about 1,750 AF of recirculation water into San Luis Reservoir. All other water remains the same. Hagman stated he does not believe we need to change the allocation from 1.00 AF per acre at the price of \$55.00 per acre foot.

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Recharge, City of Lindsay Exchanges and JB Rehabilitation projects).

Micro Basin Installment Effort: GM Hagman reported that the wells recharge rates are improving. The smaller well is taking more water (35 GPM) than the larger well (15 GPM). But each has improved from the less than 10 GPM originally tested. This means we are putting about 72,000 gallons a day into the ground.

B. New Action Items

Resolution 2018-03: Authorizing the District to Enter into a Funding Agreement with the United States Government for the WaterSMART Grants: Small-Scale Water Efficiency Projects, to Authorize a District Signatory, and to Agree to the Terms of the Grant – Hagman described the \$350,000, 93.2E Pumping Plant Project to correct electric shock hazard exposure at the pumping plant and the need to install soft starts and variable flow devices on the pumps to reduce operational costs. Director Brownfield asked how old the pumping plant was and Hagman said 68 years old. Hagman noted that the resolution needs to be approved now because staff has submitted the grant to the USBR and in order to have a grant award this resolution needs to be at the USBR office in Denver before August 31. Hagman noted that this action will not commit the Board to do the project, it simply gives us the choice if a grant award is offered. Vice-President DePaoli noted the project must be done anyway and the grant is there to help us offset the cost of the control improvements. DePaoli considered a motion to authorize the project and the resolution. Hagman noted the agenda does not currently say the Board would be considering adding budget authority or the project. DePaoli said to put the project on the next agenda so the Board can consider it at that time. After some other the discussion, the following motion was made:

Motion: To adopt Resolution 2018-03 – 1st DePaoli and 2nd Brownfield - Motion passed by unanimous vote of those present

Miscellaneous administrative items: GM Hagman noted no accidents and no loss time injuries/illnesses at the District this past month. He noted to administrative items to the Board: 1. There will be a \$599 charge on the District credit card for a service to help the District get a SAM number which is required for the grant, 2. Hagman hired Supreme Cleaning Services to clean the building twice a month, noting the building is not staying clean due to staff availability to clean it, the first cleaning was \$650 and the subsequent twice a month cleaning will be \$225 each visit (\$450 a month).

- C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (numbers 13056 Voided, 13074 – 13122) for July 11 to August 14, 2018 in the amount of \$389,485.60, and payroll for July 2018 in the amount of \$76,422.05 for a total disbursement of \$465,927.65.

1st Adam and 2nd Milanesio - Motion passed by unanimous vote of those present

D. Financial Reports

Senior Analyst Bennett presented the financial statements and reports and asked the Board if there were any questions on the financial documents provided. She answered the questions that were asked.

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director Brownfield and GM Hagman reported open session items of the FWA.

Friant Power Authority (FPA) – President Arnold and GM Hagman reported on FPA activities.

East Kaweah Groundwater Sustainability Agency (EKGSA) – Director Milanesio and GM Hagman reported on EKGSA activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: GM Hagman reminded the Board of the meetings they have between today and the next Board meeting. Hagman noted that FWA appointed Vice-President DePaoli to their Finance Committee and Human Resource Committee at the prior meeting. Director Adam remains on the committees but now VP DePaoli is an official member of the committee.

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L

The Board went into closed session to review legal counsel’s memorandum at 3:46 PM and came out at 4:14 PM. President Arnold noted that there was no reportable action taken in closed session.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (Brownfield/Adam) carried by unanimous vote of those present. Meeting was adjourned at 4:19 pm.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

September 11, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.

Directors Present: Arnold, Brownfield, DePaoli, Milanese

Directors Absent: Adam

Others present: Hagman (GM), Bennett (Senior Analyst), Mauritsen (Counsel)

Approval of the Agenda

The agenda for the meeting was presented and the following action was taken:

Motion: To approve the agenda for September 11, 2018 as provided

1st Milanese and 2nd DePaoli - Motion passed by unanimous vote of those present

Public Comment

Members of the Board, Staff and the Public were invited to comment; no comment was provided.

Minutes

The minutes were presented for the August 14, 2018 Regular Board meeting and the following action was taken:

Motion: To approve the minutes of the August 14, 2018 Regular Board meeting as presented

1st DePaoli and 2nd Brownfield - Motion passed by unanimous vote of those present

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: Hagman reported on staff operations and maintenance efforts. He noted that the 88.4-4.8S lateral will be down for about a week due to a split pipe. Staff has kept most lines being down to a minimum, but in a recent staff meeting the maintenance crew noted this year's leaks seem to be much more than usual.

Water Supply Report: GM Hagman reported that the District 889 AF of recaptured water in San Luis Reservoir and he is working on plans to manage that supply.

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Recharge, City of Lindsay Exchanges and JB Rehabilitation projects).

Micro Basin Installment Effort: GM Hagman reported that the wells recharge rates are improving. The smaller well is taking more water (35 GPM) than the larger well (15 GPM).

But each has improved from the less than 10 GPM originally tested. This means we are putting about 72,000 gallons a day into the ground.

B. New Action Items

Draft FY2019 District Budget: GM Hagman provided the budget to the Board. The Board and Hagman developed ideas and recommendations to consider for bringing the budget back next month as proposed. In particular, the Board wanted the pumping plant modernization and GSA impacts in the budget. The Board also asked Hagman to develop a multiyear capital plan for the Board to consider as well. Hagman noted he would do his best in getting that in the proposed budget for the Board to review next month. Hagman also asked the Board to take action and set a Budget Hearing for October 9, 2018. After some discussion the following action was taken:

Motion: To set October 9, 2018 as a budget hearing to coincide with the regular Board meeting

1st DePaoli and 2nd Milanesio - Motion passed by unanimous vote of those present

Set Board of Equalization (BOE) Date: GM Hagman noted that the Board needs to set the FY2019 assessment rate and to do that they need to hold a BOE. He asked the Board to consider setting the BOE in conjunction with the next regularly scheduled Board of Directors meeting on October 9, 2018. After discussion with Hagman and Counsel, the following action was taken:

Motion: To set October 9, 2018 for the Board to meet as a Board of Equalization to consider the Assessment Rate. This BOE will coincide with the regular Board meeting in October.

1st DePaoli and 2nd Milanesio - Motion passed by unanimous vote of those present

Set Hearing Date for Unpaid Bills: The Assessor/Collector provided the Board with a list of properties delinquent in their Assessments. Hagman asked the Board to set a hearing for the public to address the Board on these delinquencies. He proposed holding the hearing in conjunction with the next regularly scheduled Board of Directors meeting on October 9, 2018. After discussion with Hagman and Counsel, the following action was taken:

Motion: To set October 9, 2018 for the Board to meet as a Board of Equalization to consider the Assessment Rate. This BOE will coincide with the regular Board meeting in October.

1st Brownfield and 2nd Milanesio - Motion passed by unanimous vote of those present

District Assessment and Water bill due dates: Hagman reported that some growers have taken excess advantage of the District's rule allowing a postmark coinciding with a due date to be on time. Staff has received bills 30 days after the due date with a postmark on it that was on the due date. Staff is recommending that the Board move the due dates for all bills to the last day of the month and that only payments made and received in the office by that date will be considered on time. After some further discussion, the following motion was made:

Motion: Effective December 2018 Staff is directed to move all due dates to the last day of the month and that only payments received into the office by close of business that day will be considered on time – 1st DePaoli and 2nd Brownfield - Motion passed by unanimous vote of those present

Miscellaneous administrative items: GM Hagman noted no accidents and no loss time injuries/illnesses at the District this past month.

- C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (#13119 Voided, 13123 – 13164) for August 15, 2018 to September 11, 2018 in the amount of \$300,730.13, and payroll for August 2018 in the amount of \$76,118.96 for a total disbursement of \$376,849.09.

1st Brownfield and 2nd Milanesio - Motion passed by unanimous vote of those present

D. Financial Reports

Senior Analyst Bennett presented the financial statements and reports and asked the Board if there were any questions on the financial documents provided. She answered the questions that were asked.

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director Brownfield and GM Hagman reported open session items of the FWA.

Friant Power Authority (FPA) – President Arnold and GM Hagman reported on FPA activities.

East Kaweah Groundwater Sustainability Agency (EKGSa) – Director Milanesio and GM Hagman reported on EKGSa activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: GM Hagman reminded the Board of the meetings they have between today and the next Board meeting.

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L
- CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
[Government Code Section 54956.9(d)(2)] 2 Potential Matters

The Board went into closed session to review at 3:40 PM and came out at 4:25 PM. President Arnold noted that there was no reportable action taken in closed session.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (Brownfield/DePaoli) carried by unanimous vote of those present. Meeting was adjourned at 4:25 pm.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

October 9, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.

Directors Present: Adam. Arnold, Brownfield, DePaoli, Milanesio

Directors Absent:

Others present: Hagman (GM), Bennett (Senior Analyst), Mauritsen (Counsel)

Approval of the Agenda

The agenda for the meeting was presented and the following action was taken:

**Motion: To approve the agenda for October 9, 2018 as provided
1st Brownfield and 2nd DePaoli - Motion passed by unanimous vote of those present**

Public Comment

Members of the Board, Staff and the Public were invited to comment; no comment was provided.

Minutes

The minutes were presented for the September 11, 2018 Regular Board meeting and the following action was taken:

**Motion: To approve the minutes of the September 11, 2018 Regular Board meeting as presented
1st DePaoli and 2nd Brownfield - Motion passed by unanimous vote of those present**

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: Hagman reported on staff operations and maintenance efforts. He noted that the 93.2E 01S Line was down and will be up by the end of the week (October 12) to repair a substantial leak. Staff is keeping on top of all other problems.

Water Supply Report: GM Hagman reported that the USBR has added 3% Class 1 declaration. This adds 990 AF to the District supply. There is also 889 AF of recaptured water in San Luis Reservoir (SLR) and noted that he has not found takers on a trade in SLR for water in Millerton. Therefore, he informed the Board that we can carry it over in SLR or sell it. Hagman noted that this carryover would be the very first to go once SLR's federal space is full, which can happen even if SLR is not full and it likely will be full this year. The other option was to sell it. Hagman has a taker at \$100 premium over the cost of the supply. The Board did not want to leave it in SLR, so Hagman will sell it.

Hagman estimated that the District will carry over about 1,250 AF of supply in Millerton this year.

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Recharge, City of Lindsay Exchanges and JB Rehabilitation projects).

Micro Basin Installment Effort: GM Hagman reported that the wells' recharge rates are improving. The two wells are taking 50 GPM of water an improvement of about 35 GM since the start of the wells.

Status of SmartWATER grant: No further communication from the USBR on the grant. We hope to hear something by the end of November.

***ITEMS B, C AND D WERE NOT TAKEN UNTIL THE ARRIVAL OF COUNSEL
(Counsel arrived at 2:35 pm)***

B. HEARING: Unpaid 2018 Assessments and 2017 Water bills

The Board held a hearing to take public input regarding the unpaid bills. No public participated. After some questions and clarifications, the following action was taken:

Motion: To direct the Assessor/Collector to place liens on property with unpaid Calendar Year 2018 Assessments and/or Calendar Year 2017 Water Bills still unpaid.

1st Brownfield and 2nd Adam - Motion passed by unanimous vote of those present

C. HEARING: General Manager Proposed Fiscal Year 2019 Annual Budget and Multi-Year Capital Plan

The Board held a hearing to take public input on the proposed budget. No public participated. After several questions on budget items, the following action was taken:

Motion: To Adopt the General Manager's Proposed FY2019 Annual Budget as provided but not the proposed Multi-Year Capital Plan.

1st DePaoli and 2nd Milanesio - Motion passed by unanimous vote of those present

D. BOARD OF EQUALIZATION

President Arnold opened the Board of Equalization at 2.45 PM to consider setting the FY2019 land-based assessment rate. President Arnold made the Board available for public comment. No public was present. Hagman presented to the Board the budgeted line items approved in the Proposition 218 vote approved by the district members in a ballot and ratified by the Board in November 2018. The dollar basis was associated with the budget that the Board just approved. The maximum approved rate was \$97.89 per assessable acre in the District. Hagman noted that it was about 25,225 acres and that the assessment will generate \$2,469,638. He recommended the Board adopt that rate and that they direct staff to bill all owners of assessable acreage making the assessment due and payable in two equal installments on December 31, 2018 and June 30, 2019. After some discussion and clarification, President Arnold closed the Board of Equalization at 2:50 pm. After some other conversation the following action was taken:

Motion: To Adopt the General Manager's Proposed FY2019 Annual Budget as provided but not the proposed Multi-Year Capital Plan.

1st DePaoli and 2nd Milanesio - Motion passed by unanimous vote of those present

***ITEMS E THROUGH G WERE TAKEN PRIOR TO ARRIVAL OF COUNSEL AND BEFORE
ITEMS B, C, AND D***

E. New Action Items

Miscellaneous administrative items: GM Hagman noted there was an accident in a District vehicle (2017 Chevrolet Silverado) but there were no reported injuries to the either driver. The accident occurred as the employee was headed home sick. It appears the driver of the private vehicle ran a stop light and hit the side of the bed and axle the District truck.

- F. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (#13165 – 13199) for September 12, 2018 to October 9, 2018 in the amount of \$342,107.38, and payroll for September 2018 in the amount of \$72,487.80 for a total disbursement of \$414,595.18.

1st Brownfield and 2nd Milanesio - Motion passed by unanimous vote of those present

G. Financial Reports

Senior Analyst Bennett presented the financial statements and reports and asked the Board if there were any questions on the financial documents provided. She answered the questions that were asked.

***ALL REPORTS WERE HELD TILL AFTER CLOSED SESSION TO ACCOMMODATE
COUNSEL***

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director Brownfield and GM Hagman reported open session items of the FWA.

Friant Power Authority (FPA) – President Arnold and GM Hagman reported on FPA activities.

East Kaweah Groundwater Sustainability Agency (EKGSA) – Director Milanesio and GM Hagman reported on EKGSA activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: President Arnold asked Director Brownfield to take the October 23, 2018 FPA meeting and Director Brownfield agreed.

CLOSED SESSION WAS TAKEN AFTER ITEM B, C, AND D AND BEFORE REPORTS

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L
- CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
[Government Code Section 54956.9(d)(2)] 2 Potential Matters

The Board went into closed session to review at 2:52 PM and came out at 3:05 PM. President Arnold noted that there was no reportable action taken in closed session.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (Brownfield/DePaoli) carried by unanimous vote of those present. Meeting was adjourned at 3:55 pm.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

November 13, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.

Directors Present: Arnold, Brownfield, DePaoli, Milanesio

Directors Absent: Adam

Others present: Hagman (GM), Bennett (Senior Analyst), Mauritsen (Counsel)

Approval of the Agenda

The agenda for the meeting was presented and the following action was taken:

Motion: To approve the agenda for November 13, 2018 as provided

1st Milanesio and 2nd Brownfield - Motion passed by unanimous vote of those present

Public Comment

Members of the Board, Staff and the Public were invited to comment; no comment was provided.

Minutes

The minutes were presented for the October 9, 2018 Regular Board meeting and the following action was taken:

Motion: To approve the minutes of the October 9, 2018 Regular Board meeting as presented

1st DePaoli and 2nd Milanesio - Motion passed by unanimous vote of those present

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: Hagman reported on staff operations and maintenance efforts.

Water Supply Report: GM Hagman provided the monthly report and verbally reported on the status of imported water supply in the District. Two major points: 1. There will be 1,336 AF of recaptured SJRRP water in San Luis Reservoir. GM Hagman has traded that SLR supply for 445 AF of Millerton Class 1 supply (Arvin Edison Water Storage District). Lindmore will pay all the costs associated with getting the 1,336 AF to SLR (about \$160,000) and AEWS D will pay for all the costs of getting the 445 AF to Lindmore (about \$20,000). This water cost the District about \$315 an AF. 2. With the reduction of 1,336 AF down to 445 AF, we will lose 891 AF of supply. This will in effect reduce what will be carried over into 2019. GM Hagman noted that carryover will likely be in the 300 AF range instead of the 1,000 AF range.

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Recharge, City of Lindsay Exchanges and JB Rehabilitation projects).

Micro Basin Installment Effort: GM Hagman reported that the wells' recharge rates are improving. The two wells are taking 50 GPM of water an improvement of about 35 GM since the start of the wells.

Status of SmartWATER grant: GM Hagman reported that the USBR has awarded the District \$75,000 toward the modernization of the 93.2E Pumping Plant.

B. New Action Items

Resolution 2018-04 – Resolution Authorizing the District to Agree to the Terms of and Signing a Contract With the USBR for Unreleased Restoration Flow water for 2019: GM Hagman noted the adoption of this resolution will allow the District to purchase URF water in 2019. The District can always choose not to purchase it, but if the District doesn't have a contract it won't have the option to purchase the supply. After some discussion the following action was taken:

**Motion: To adopt Resolution 2018-04
1st Brownfield and 2nd DePaoli - Motion passed by unanimous vote of those present**

Fall 2018 Well Measurements: GM Hagman reported that the groundwater, as measure by the District's well measurement program, has dropped nearly ten feet. Since Fall of 2016 the change is about five feet up. That means that in that time period we have actually under-drafted inflow by about 10,000 AF. We imported 105,522 AF over that time from the CVP for an average import of 35,000 AF (about 3,000 AF annually less than our current breakeven need of 38,000 AF). Two dry and one very wet year. We also transferred out 16,400 AF. If we had places to put that supply in the District, we would have met our breakeven and added 5,500 AF a year to the ground.

Winter Maintenance: GM Hagman noted that the projects for the winter will likely exceed the current level of staffing. We have the 93.2E Modernization, we have several lines that need attention, we also have several meter install requests by members of the District. GM Hagman noted there likely is some wiggle room, but the challenge always is the March 1 start date and the availability of recharge basins (10th and 5th Avenue lines).

January 8, 2019 Board meeting: GM Hagman reported that he will be unavailable for that meeting date as well as the prior week. He suggested the Board cancel the meeting. Vice-President DePaoli noted that if needed we could always call a special meeting. After a little more discussion President Arnold announced that there will not be a January 8, 2019 Board meeting and that if necessary, we can always add a special meeting later in the month.

February 12, 2019 Board meeting: The Board also discussed that the February 12, 2019 meeting will be moved to February 11, 2019 because of the conflict with the Farm Show.

Miscellaneous administrative items: Nothing was discussed

- C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (#13200 – 13246) for October 10, 2018 to November 13, 2018 in the amount of \$188,266.02, and payroll for October 2018 in the amount of \$75,570.98 for a total disbursement of \$263,837.00.

1st Brownfield and 2nd Milanesio - Motion passed by unanimous vote of those present

D. Financial Reports

Senior Analyst Bennett presented the financial statements and reports and asked the Board if there were any questions on the financial documents provided. She answered the questions that were asked. Bennett reported that the annualized variance between LAIF investments and Hagman investments far exceeds the \$12,000 threshold.

ALL REPORTS WERE HELD TILL AFTER CLOSED SESSION TO ACCOMMODATE COUNSEL

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director Brownfield and GM Hagman reported open session items of the FWA.

Friant Power Authority (FPA) – Director Brownfield and GM Hagman reported on FPA Board meeting.

East Kaweah Groundwater Sustainability Agency (EKGSA) – Director Milanesio and GM Hagman reported on EKGSA activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: Director Brownfield was asked to attend the FWA retreat.

CLOSED SESSION WAS TAKEN AFTER ITEM B, C, AND D AND BEFORE REPORTS

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L
- CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
[Government Code Section 54956.9(d)(2)] 2 Potential Matters

The Board went into closed session to review at 3:09 PM and came out at 3:28 PM. President Arnold noted that there was no reportable action taken in closed session.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (Milanesio/Brownfield) carried by unanimous vote of those present. Meeting was adjourned at 3:30 pm.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

December 11, 2018

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.

Directors Present: Adam, Arnold, Brownfield, DePaoli, Milanesio

Directors Absent: Adam left at 2:20 PM due to illness

Others present: Hagman (GM), Bennett (Senior Analyst), Mauritson (Counsel)

Approval of the Agenda

The agenda for the meeting was presented and the following action was taken:

Motion: To approve the agenda for December 11, 2018 as provided

1st Brownfield and 2nd DePaoli - Motion passed by unanimous vote of those present

Public Comment

Members of the Board, Staff and the Public were invited to comment; no comment was provided.

Minutes

The minutes were presented for the November 13, 2018 Regular Board meeting and the following action was taken:

Motion: To approve the minutes of the November 13, 2018 Regular Board meeting as presented

1st DePaoli and 2nd Milanesio - Motion passed by unanimous vote of those present

Nomination of Officers

Director Brownfield nominated the existing slate of officers of the Lindmore Financing Corporation and Lindmore Irrigation District for the next two years. No other nominations were offered. After minimal discussion the following action took place:

Motion: To appoint the current officers of the Lindmore Finance Corporation and the Lindmore Irrigation District to another two-year term.

1st DePaoli and 2nd Brownfield – Motion passed by a unanimous vote of those present

Oaths of Office

The Oaths of Office were conducted by Donna Olivas (Notary) for Ronnie D. Adam, Michael R. Brownfield, and David A. DePaoli

Ratification of Actions for Lindmore Financing Corporation

Financing Corporation Executive Director, Michael Hagman reported on the actions taken to comply with maintaining the status of the Corporation and compliance with bond financing. After some discussion, the following action was taken:

Motion: To ratify actions taken by the Executive Director to comply with maintaining the status of the Corporation and compliance with the terms of the Corporations debt.

1st Brownfield and 2nd Milanesio– Motion passed by a unanimous vote of those present

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: Hagman reported on staff operations and maintenance efforts. He noted that to accomplish all that needs to be accomplished over the winter break, he will need to hire a couple of labor employees. No objections were raised.

Water Supply Report: GM Hagman provided the monthly report.

District Improvement Projects: GM Hagman presented the status of the currently approved engineering activities in the District (Groundwater Recharge, City of Lindsay Exchanges and JB Rehabilitation projects).

Micro Basin Installment Effort: GM Hagman reported that the wells are off and no other report was given.

Status of SmartWATER grant: GM Hagman reported that Kathy is proceeding with all the necessary actions to effectuate the grant award.

B. New Action Items

Miscellaneous administrative items: Nothing was discussed

C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows:

A/P Checks (#13247 – 13282) for November 14, 2018 to December 11, 2018 in the amount of \$167,556.21, and payroll for November 2018 in the amount of \$74,261.69 for a total disbursement of \$241,817.90.

1st Brownfield and 2nd Milanesio - Motion passed by unanimous vote of those present

D. Financial Reports

Senior Analyst Bennett presented the financial statements and reports and asked the Board if there were any questions on the financial documents provided. She answered the

questions that were asked. Bennett reported that the annualized variance between LAIF investments and Hagman investments exceeds the \$12,000 threshold.

Reports and Discussion on meetings attend or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director Brownfield and GM Hagman reported open session items of the FWA.

Friant Power Authority (FPA) – President Arnold noted that there wasn't an FPA meeting since the last Board meeting and that there aren't any open session updates.

East Kaweah Groundwater Sustainability Agency (EKGSA) – Director Milanesio and GM Hagman reported on EKGSA activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: Directors Brownfield and DePaoli noted that FWA is going to use only FWA Board members on its committees.

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L
- CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
[Government Code Section 54956.9(d)(2)] 2 Potential Matters

The Board went into closed session to review at 3:05 PM and came out at 3:30 PM. President Arnold noted that there was no reportable action taken in closed session.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (DePaoli/Brownfield) carried by unanimous vote of those present. Meeting was adjourned at 3:34 pm.

Michael D. Hagman
District Secretary