



OFFICERS

JOHN A. ARNOLD
President

DAVID DEPAOLI
Vice-President

MARV ROWE
Assessor-Collector

P.O. Box 908 / 315 E. Lindmore Avenue
Lindsay, CA 93247

MICHAEL D. HAGMAN
General Manager

DIRECTORS

Division 1 – Mike Brownfield
Division 2 – Scott Reynolds
Division 3 – Ed Milanesio
Division 4 – David DePaoli
Division 5 – John Arnold

NOTICE AND AGENDA OF THE LINDMORE IRRIGATION DISTRICT

BOARD OF DIRECTORS MEETING

**Tuesday – November 12, 2019 - 3:00 p.m. (Please NOTE time change)
315 East Lindmore Avenue Lindsay, CA 93247**

Public Participation –Members of the Public may directly address the Board of Directors on any item of interest to the public within the Board's subject matter jurisdiction before or during the Board's consideration of the item. Request to keep comments to a maximum of five minutes. (If assistance is required—please contact the office prior to the meeting so that arrangements can be made.)

A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request the District provide a disability- related modification or accommodation in order to participate in any public meeting of the District. Such assistance includes appropriate alternate formats for the agendas and agenda packets used for any public meetings of the District. Requests for such assistance and for agendas and agenda packets shall be made in person, by telephone, facsimile, or written correspondence to the Lindmore Irrigation District office at least 48 hours before a public District meeting.

AGENDA

1. Roll Call and acknowledgement of visitors
2. Approval of the Agenda
3. Public Comment
4. Minutes –Review and consider adoption of the October 8, 2019 Board Meeting minutes.
5. Prior/New Action Items

A. Address Pending/Standing Board actions/discussions/directions:

- Report: Operation and Maintenance Report – Action may be taken to address the policy needs of O&M including additional purchases, labor, or service contracts, etc.
- Water Supply Report – Action may be taken to modify allocation, discuss water purchases, water transfers, in district water management/development opportunities, and any other matter relative to water supply needs in the District
- District Improvement Projects (generally a report, however action may be taken to approve contracts, expend dollars and add to the project efforts)
- Status of WaterSMART Grant submittal and Update on 93.2E Modernization
- Water Recharge 2019 – Report
- Recharge Basin Development – Update and Direction
- Personnel Policies and Employment Agreement (Berglund/Mauritson)
- Job Descriptions – Board to review developed job descriptions
- Lindmore ID Year End Maintenance and March 1 Start Up Date.
- Recharge Basin Re-naming
- Status of Assessment Collection transfer to County

B. New Action Items

- Rate Survey (Kathy to follow up with Board information request – Informational)
- Fall Well Measurements
- Winter Extra-Ordinary Maintenance Projects
- Discussion and direction on Staffing (Engineer and Analyst)
- Approve the EKGSA – LID Interagency Management Agreement
- Refinance 2010 Bonds – Discussion and Direction
- Consider Letter Loan to EKGSA for FY2020 Operations
- Miscellaneous Administrative Items (Action to give direction to staff may occur)

C. Review of Accounts Payable Listing - consider ratifying payments made to pay the bills since prior Board action on payments.

D. Financial Reports and Issues

- Treasurer's Cash Report – October 2019
- Investment Analysis/Report of Investments
- Affidavit of Reconciliation – October 2019
- Financial reports for the months ending October 31, 2019

6. Report and Discussion on Meetings Attended or other Water Related Business Report

- Friant Water Authority Report (Brownfield, Hagman)
- Friant Power Authority Report (Arnold, Hagman)
- East Kaweah GSA Report (Milanesio, Hagman)
- Temperance Flat MOU (Hagman)
- Reports on Other Meetings Attended
- Review upcoming Meetings Calendar (Arnold)

7. 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 – POTENTIAL LITIGATION:

[Government Code Section 54956.9 (d) (2)] - Number of Potential Cases: One

CONFERENCE WITH LABOR NEGOTIATOR

Rachele Berglund – International Brotherhood of Electrical Workers (AFL-CIO) [Government Code Section 54957.6]

RETURN TO OPEN SESSION – REPORTABLE ACTION

8. Correspondence

- Miscellaneous pertinent information

10. Other items to be discussed pursuant to Government Code Section 54954.2 (Relating to items not appearing on posted agenda - no action to be taken)

11. Adjournment

LINDMORE IRRIGATION DISTRICT

WATER REPORT

Board Meeting - November 12, 2019

Water Delivery Report October 2019

Available Water and Allocation			
Declared Class 1 =	100.00%	33,000	33,000
Declared Class 2 =	0.00%	22,000	-
Millerton Carryover =	100.00%	725	725
Uncontrolled Class 2 =	100.00%	19,762	19,762
Pumped (Wells)	0.00%	-	60
URF Tier 1	100.00%	4,816	4,816
URF Tier 2	100.00%	61	61
Recaptured Water (SLR)	100.00%	-	-
Exchange (SLR to Millerton)	100.00%	-	-
Trans In (C2/C1 Exchange)	100.00%	2,750	2,750
Trans Out (C2/C1 Exchange)	100.00%	(5,500)	(5,500)
Available Supply			55,674
		Assessed Acres	25,160
		Allocation Available per acre	2.21
		Board Allocation	1.30 + UcS
		Recommendation	1.30 + UcS

2019 Season (Re-cap)

Month	U.S.B.R.	Pumped	Sub Total	Deliv. Per Dist Meters	Quantity Variance	Percent Variance
March	1,157	60	1,217	868	(349)	-28.64%
April	3,763	-	3,763	3,325	(438)	-11.64%
May	4,254	-	4,254	4,273	19	0.45%
June	8,271	-	8,271	8,361	90	1.09%
July	9,474	-	9,474	8,664	(810)	-8.55%
August	9,103	-	9,103	9,372	269	2.96%
September	6,690	-	6,690	6,618	(72)	-1.08%
October	4,962	-	4,962	4,803	(159)	-3.20%
November	-	-	-	-	-	-
Total	47,674	60	47,734	46,285	(1,449)	-3.04%

Total Contract Water Available	55,614
Less USBR Metered	(47,674)
Total Water Remaining	7,940

Available till end of year: **0.305**

Transfers:

Trans Out - C2 LSID Apr	(1,603)
Trans Out - C2 LSID May	(1,829)
Trans Out - C2 LSID June	(1,600)
Trans Out - C1 LSID July	(468)
Trans In - C1 LSID	2,750
	-
Net Transfer In/(Out)	(2,750)

Year to Date Variance Analysis	
Diff to date	1,449
System Charge	(88)
Mitigating Ponds	(581)
Well Recharge	(80)
In Transit	(103)
Op Losses =	597
OP Variance	1.25%

Metered Recharge (Ireton)

Prior Months	2232.36
Current Month	356.20
Year to Date	2588.56

LINDMORE IRRIGATION DISTRICT

2019 RECHARGE PROGRAM

SCHEDULE OF DELIVERIES

November 7, 2019

				Total	Logged
SUNP	135050 R	88.4-3.3N-3.0N	1 - 1st	399.19	359.27
FLSENT	144800 R	88.4-4.8S-0.5E	1 - 1st	10.66	9.59
GOOD	150700 R	88.4-5.3S-0.2W	1 - 1st	15.57	14.01
MABS	301300 R	90.4-0.8SE-0.7N 4"	3 - 5th	-	-
BRAM	321700 R	90.4-2.3N-1.15S	3 - 5th	3.00	2.70
RESC	321700 R	90.4-2.3N-1.15S	3 - 5th	3.00	2.70
MAURIT	335300 R	90.4-3.8S-1.3N	3 - 5th	129.95	116.96
AGRIP	511100 R	93.2W-1.4N-0.2W	5 - 10th W	9.41	8.47
OWEN	857800 R	93.2E-0.1S-1.6S-0.3E-0.15S	8-10th E	2.40	2.16
				573.18	515.86

Friant Service Area Rate Sheet (Ag)

November 1, 2019

	Assessment (Ac)	Stand-By (Ac)	Total Assessments	Water Rate (AF)	Power	Other Rate	Notes
Delano Earlimart ID	135.86		135.86	125.00	7.96-39.24		Water Rate with lift from \$132.96 - \$164.24
Exeter ID	57.38	30.00	87.38	75.00			
Ivanhoe ID	32.19		32.19	85.00			
Kern Tulare WD	125.00	27.00	152.00	157.42			Water Rate is an average per acre foot (lift charges vary)
Lindmore ID	97.89	-	97.89	55.00	10.00		Two water rates depending on lift: \$55, \$65
Lindsay Strathmore ID	36.48	15.00	51.48	112.50	3.00 - 27.00		There are three water rates depending on lift: \$112.50, 115.50 and 139.50
Lower Tule River ID	35.00	-	35.00	81.00			Assessment is an average rate; Water is an average rate
Orange Cove ID	86.00		86.00	65.00	Avg. 28.00		Water rate is \$25 per af if over 1 af used,, Power is an average (\$12 - \$60 per af with average of \$28 per af)
Pixley ID	14.00		14.00	134.00			Assessment is an average rate; Water is an average rate
Porterville ID	100.00	-	100.00	55.00			Ag Parcels assessed \$100/acre for improved, irrigated acreage
Saucelito ID	89.56	10.00	99.56	68.00			
Shafter Wasco ID	66.81	20.00	86.81	95.00			Assessment collected in tax roll
Southern San Joaquin MUD	-	95.63	95.63	130.00	.25 - 67.00		Water Rate with lift from \$130.25 - \$197.00
Stone Corral ID	73.20	8.00	81.20	137.00			Water Rate was \$25 per af March - May 31st.
Tea Pot Dome WD	133.07	-	133.07	127.50			Water rate is an average
Terra Bella ID		40.00	40.00	32.25	91.75 - 156.37		Water rates with lift vary from \$124.00 - \$188.62 per acre foot
Tulare ID	32.00		32.00	49.00			Water Rate was \$10 per af in March

Ground-Water Measurements Lindmore Irrigation District Lindsay, California

FALL 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Deep Well	198'	210'	216'	241'	270'
Shallow Well	74'	79'	78'	96'	85'
# Wells	145	144	144	145	145
Avg. Depth	135.34	148.10	138.25	157.91	152.15
Gain	12.76	-9.85	19.66	-5.76	-23.56

MP	WS	# Wells
1 3780	1 3522	1 22
2 3826	2 3437	2 22
3 2980	3 2625	3 19
4 3646	4 3412	4 21
5 2620	5 2203	5 21
6 2949	6 2648	6 22
7 1988	7 1778	7 18
21789	19625	145
2018	2019	
Average	Average	Gain
148.10	135.34	12.76


 Signature

11/6/19
 Date

Agreement for Management and Administrative Services

This Agreement for Management Services (**Agreement**) is made and entered into effective as of the 1st day of January 2020, by and between East Kaweah Groundwater Sustainability Agency, a Joint Powers Authority created pursuant to California Government Code sections 6500, *et seq.*, (**EKGSA**), and Lindmore Irrigation District, an Irrigation District created pursuant to California Water Code sections 20500, *et seq.*, (**LID**), (each individually a “Party” and, collectively, the “Parties”).

RECITALS

THIS AGREEMENT is entered into with reference to the following facts and circumstances:

- A. EKGSA has elected to become a Groundwater Sustainability Agency (**GSA**) for a portion of the Kaweah Subbasin, pursuant to the Sustainable Groundwater Management Act (**SGMA**);
 - B. Pursuant to SGMA, EKGSA must develop Groundwater Sustainability Plan by January 31, 2020,
 - C. EKGSA desires to comply with the intent of SGMA by carrying out the plan and as such will implement the submitted GSP;
 - D. Successful preparation and implementation of a GSP will require dedicated and competent management and other resources;
 - E. LID and its general manager, Michael D. Hagman (**Hagman**), were instrumental in forming and providing initial leadership to EKGSA;
 - F. Hagman, through an agreement between EKGSA and LID, has served as EKGSA’s interim Executive Director since EKGSA’s inception;
 - G. EKGSA and LID desire to formalize a relationship for the provision of management, administrative, and engineering services by LID to EKGSA pursuant to which Hagman will serve as EKGSA’s Executive Director pursuant to the terms outlined in this Agreement;
 - H. This Agreement is limited to executive, administrative, management and engineering services only. Neither LID, nor Hagman, have the authority, ability or obligation to make any policy decisions related to the EKGSA. LID and Hagman pursuant to the terms of this Agreement, agree only provide the services of managing and implementing the GSP and providing Governance support of the EKGSA at the direction of the EKGSA board;
 - I. LID, in order to meet the obligations of this agreement, will hire certain staff to cover day-to-day tasks for LID that would, generally, otherwise be covered by Hagman; and
 - J. LID, will hire additional staff needed to fulfill the needs of plan implementation and Board governance’
-

- K. In order to hire such staff, LID requires at least a two-year commitment from the EKGSA, subject to the termination provisions provided for in Section 3.

TERMS AND CONDITIONS

NOW THEREFORE, in consideration of the promises and covenants provided for in this Agreement, the Parties agree as follows:

Section 1. Services. LID shall provide to EKGSA those services set forth in the attached **Exhibit A (the Services)**, which is incorporated by this reference and made a part of this Agreement as though it were fully set forth herein.

- 1.1 Standard of Performance.** LID shall perform all Services in the manner and according to the standards observed by a competent practitioner of the types of services that LID agrees to provide in the geographical area in which EKGSA operates.
- 1.2 Executive Director.** LID shall assign Hagman to perform, or delegate, all Services as EKGSA's Executive Director. Hagman shall be made reasonably available to EKGSA to perform such Services. LID shall notify EKGSA of any periods during which Hagman will be unavailable.
- 1.3 Time.** LID shall devote such time to the performance of the Services as may be reasonably necessary to meet the standard of performance described above.
- 1.4 EKGSA Costs.** EKGSA will be responsible for any costs associated with its role as a GSA and governmental agency, including but not limited to, legal costs, engineering costs, state fees, audits, and liability insurance.
- 1.5 Assets.** All assets attained with funds of the EKGSA, including but not limited to furniture, equipment, websites, shall be the sole property of the EKGSA.
- 1.6 Conflicts of Interest.** Neither Hagman nor any persons assigned by LID may engage in any activity that would constitute a conflict of interest with respect to EKGSA and/or violate Government Code sections 87100, *et seq.* LID shall require any persons assigned to EKGSA to disclose any potential conflicts to the EKGSA Board of Directors.

Section 2. Term of Agreement and Termination. The term of this Agreement is January 1, 2020 through December 31, 2021. Following December 31, 2021, this Agreement will continue in force and effect on a month-to-month basis, at the monthly rate described in Section 4 for the second year of this Agreement, until terminated by either party, which termination must be preceded by a 30-day notice to the other party. The Parties may renegotiate any term of this Agreement at any time, including but not limited to compensation for services rendered by LID.

- Section 3. Termination.** Notwithstanding any other terms of this Agreement, this Agreement may be terminated immediately by either party for cause within sixty (60) days written notice.
- Section 4. Compensation.** EKGSA shall pay LID \$350,000 annually by making quarterly payments \$87,500.00 for the first year of this agreement, and \$360,000 annually by making quarterly payments of \$90,000.00 for the second year of this Agreement. Prior to the end of the second year of this Agreement, in December 2021, the Parties shall negotiate the compensation for continued services and either continue services at the rate outlined herein or agree on a different value, which shall be agreed to in writing and considered an addendum of this Agreement. Compensation paid by the EKGSA to LID shall be for the services borne by LID to provide services as outlined in the attached Exhibit A. The compensation does not include services for third party consultants such as engineering firms to prepare a GSP, or legal services.
- Section 5. Relationship of Parties—LID’s Management of EKGSA.** EKGSA agrees to contract for administrative and management services from LID for EKGSA. Neither LID, nor any of its employees, are employees of EKGSA. LID will provide management services to the EKGSA at the direction of the EKGSA board. LID as a separate agency, shall not make any independent policy decisions regarding the EKGSA.
- Section 6. Coordination.**
- 6.1 Inter-Agency Ad Hoc Review Team** LID shall both appoint two members of its Board and EKGSA will appoint at least two members, but not more than three from its Board to a Team that will meet at least annually. The purpose of this Team will be to meet and discuss the service performance of this agreement from the perspectives of each Agency. This group shall develop a method of measuring the performance of the agreement and make reports back to their respective Boards of how the agreement performance is doing. The Team will review documentation provided by Agreement’s management lead defining the equity of the relationship. In particular, this report will identify the amount of staffing used to perform the duties of each agency.
- Section 7. Indemnification.**
- EKGSA shall reimburse, indemnify, and hold LID and its officers, directors, employees, and successors, and each of them, free and harmless from and against any claims, demands, liabilities, or causes of action by third parties, including attorney’s fees and expert fees, resulting from LID’s provision of the Services, except to the extent such claims, demands, liabilities, or causes of action are the result of LID’s negligence or willful misconduct.
- Section 8. Legal Requirements.**
- 8.1 Compliance with Applicable Laws.** LID shall comply with all laws
-

applicable to the performance of the Services.

8.2 Nondiscrimination and Equal Opportunity. LID shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided under this Agreement. LID shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement.

Section 9. Keeping and Status of Records.

9.1 Records Created as Part of LID's Performance. All final versions of reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that LID prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of EKGSA. LID hereby agrees to deliver those documents to EKGSA upon termination of the Agreement, if requested. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for EKGSA and are not necessarily suitable for any future or other use.

9.2 Confidential Information. LID shall hold any confidential information received from EKGSA in the course of performing this Agreement in trust and confidence and will not reveal such confidential information to any person or entity, either during the term of the Agreement or at any time thereafter. Upon expiration of this Agreement, or termination as provided herein, LID shall return materials which contain any confidential information to EKGSA. For purposes of this paragraph, confidential information is defined as all information disclosed to LID that relates to EKGSA past, present, and future activities, as well as activities under this Agreement, to the extent such information is not otherwise of public record under California law.

Section 10. Non-assignment. This Agreement is not assignable either in whole or in part without the written consent of the other party.

Section 11. Amendments. This Agreement may be amended or modified only by written Agreement signed by both Parties.

Section 12. Validity. The invalidity, in whole or in part, of any provisions of this Agreement shall not void or affect the validity of any other provisions of this Agreement.

Section 13. Governing Law. This Agreement shall be governed by the laws of the State of California and any suit or action initiated by either party shall be brought in Tulare County, California.

Section 14. Mediation. Should any dispute arise out of this Agreement, the Parties shall

meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. Neither Party shall be permitted to file legal action without first meeting in mediation and making a good faith attempt to reach a mediated resolution. The costs of the mediator, if any, shall be paid equally by the Parties.

Section 15. Entire Agreement. This Agreement, including the Exhibits, comprises the entire Agreement.

Section 16. Notices. All notices required by this Agreement shall be given to EKGSA and LID in writing, by first class mail, postage prepaid, or by email transmission addressed as follows:

For LID or EKGSA:

Michael D. Hagman
General Manager
P.O. Box 908
Lindsay, CA 93247
mhagman@lidmoreid.com

With copy to:

For LID:

Ruddell Cochran Stanton & Bixler
C/O Aubrey A. Mauritsen
1102 N. Chinowth Street
Visalia, CA 93291
amauritsen@visalialaw.com

For EKGSA:

Klein DeNatale Goldner
C/O Joseph Hughes
4550 California Avenue, Second Floor
Bakersfield, CA 93309

Notice by email transmission shall be deemed given upon verification of receipt if received before 5:00 p.m. on a regular business day or else on the next business day.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the date first written by their respective officers duly authorized on their behalf.

[Signatures on following page]

DATED: _____, 2019

**EAST KAWEAH GROUNDWATER
SUSTAINABILITY AGENCY**

By: _____
Joseph E. Ferrara, Vice Chair

DATED: _____, 2019

LINDMORE IRRIGATION DISTRICT

By: _____
John Arnold, President

APPROVED AS TO FORM:

**KLEIN, DENATALE, GOLDNER, COOPER,
ROSENLIEB, KIMBALL, LLP**

DATED: _____, 2019

By: _____
Joseph Hughes, Attorney for EKGSA

**RUDELL COCHRAN
STANTON & BIXLER, LLP**

DATED: _____, 2019

By: _____
Aubrey A. Mauritson, Attorney for LID

Exhibit A

Scope of Services

LID shall assign an LID employee or employees to perform the functions as described below, or delegate such functions as appropriate:

- (1) **Administrative Services:** Provide all administrative services necessary and relevant to functions of EKGSA as a Groundwater Sustainability Agency, including but not limited to, office space, office materials, utilities, accounting, billing, reporting, office machines, and website maintenance.
- (2) **Plan Implementation Resource:** Provide all necessary staffing to meet the needs of the EKGSA plan implementation. This includes engineers, analysts, and associated support staff (not related to approved consulting) and their needed resources including but not limited to, office space, office materials, utilities, accounting, billing, reporting, office machines, and website maintenance.
- (3) **Executive Leadership and Basin Coordination:** Provide all necessary executive leadership services and costs related to Coordination of Plan efforts with the Kaweah Sub-basin and bordering groundwater agencies.
- (4) **Board of Directors Meetings:** Prepare agendas for meetings and any committees, attend such meetings, and prepare minutes of those meetings.
- (5) **Consultant Management:** Coordinate and oversee other consultants retained by EKGSA, including legal counsel and firms preparing reports or providing services to implement the GSP.
- (6) **Financial Information:** Oversee EKGSA's finances and provide financial information to the Board of Directors.
- (7) **Financial Records:** LID will maintain financial records on Sage 50 Accounting (or its future version). The software will remain the asset of LID, while the accounting reports and electronic files are the sole property of EKGSA
- (8) **Secure Other Services as Needed:** Secure any other services needed for the continued operation of EKGSA including, for example, insurance. Such costs will be at the expense of the EKGSA.
- (9) **Basin Outreach:** To communicate with residents and landowners within the Kaweah Subbasin, and other interested parties, as the principle point of contact for EKGSA, and to provide for communications to such residents and landowners as directed by the Board of Directors.

- (10) **Other Tasks Required to Comply with SGMA and Implement the GSP:** Any other administrative or executive actions necessary for EKGSA to comply with the various requirements of SGMA or necessary to EKGSA's implementation of a GSP for achieving sustainability.

SAVINGS

LINDMORE IRRIGATION DISTRICT
2020 Revenue Refunding COP
Forward Refunding of Series 2010A COP (6 months)
PRELIMINARY PRIVATE PLACEMENT NUMBERS

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 05/03/2020 @ 2.9005299%
08/01/2020	411,462.50	390,093.27	21,369.23	21,219.33
08/01/2021	506,900.00	418,429.00	88,471.00	85,898.66
08/01/2022	509,712.50	421,323.00	88,389.50	83,362.97
08/01/2023	511,112.50	422,869.00	88,243.50	80,836.24
08/01/2024	506,912.50	418,096.00	88,816.50	79,020.27
08/01/2025	506,400.00	417,178.00	89,222.00	77,090.95
08/01/2026	510,250.00	420,999.00	89,251.00	74,890.68
08/01/2027	510,250.00	421,414.00	88,836.00	72,372.54
08/01/2028	509,250.00	420,510.00	88,740.00	70,184.70
08/01/2029	507,250.00	418,316.00	88,934.00	68,281.03
08/01/2030	509,250.00	420,861.00	88,389.00	65,874.69
	5,498,750.00	4,590,088.27	908,661.73	779,032.07

Savings Summary

PV of savings from cash flow	779,032.07
Less: Prior funds on hand	(512,332.00)
Plus: Refunding funds on hand	370.68
Net PV Savings	267,070.75

BOND PRICING

**LINDMORE IRRIGATION DISTRICT
2020 Revenue Refunding COP
Forward Refunding of Series 2010A COP (6 months)
Generic Insured (BBB underlying) Scale
PRELIMINARY PUBLIC OFFERING NUMBERS**

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)
Serial Bonds:						
	08/01/2020	345,000	3.000%	1.130%	100.453	1,562.85
	08/01/2021	250,000	4.000%	1.180%	103.472	8,680.00
	08/01/2022	265,000	4.000%	1.290%	105.974	15,831.10
	08/01/2023	275,000	4.000%	1.340%	108.416	23,144.00
	08/01/2024	285,000	4.000%	1.380%	110.763	30,674.55
	08/01/2025	295,000	5.000%	1.430%	117.973	53,020.35
	08/01/2026	315,000	5.000%	1.480%	120.919	65,894.85
	08/01/2027	330,000	5.000%	1.560%	123.475	77,467.50
	08/01/2028	345,000	5.000%	1.650%	125.721	88,737.45
	08/01/2029	360,000	5.000%	1.760%	127.528	99,100.80
	08/01/2030	380,000	5.000%	1.850%	129.270	111,226.00
		3,445,000				575,339.45

Dated Date	05/03/2020	
Delivery Date	05/03/2020	
First Coupon	08/01/2020	
Par Amount	3,445,000.00	
Premium	575,339.45	
Production	4,020,339.45	116.700710%
Underwriter's Discount	(25,837.50)	(0.750000%)
Purchase Price	3,994,501.95	115.950710%
Accrued Interest		
Net Proceeds	3,994,501.95	

LOAN AGREEMENT

\$1,250,000 Principal

December 1, 2019

1. Parties

This Loan Agreement is made between:

EAST KAWEAH GROUNDWATER SUSTAINABILITY AGENCY of 315 EAST LINDMORE STREET, LINDSAY CA 93247, ("the Borrower"),

and

LINDMORE IRRIGATION DISTRICT of 315 EAST LINDMORE STREET, LINDSAY CA 93247("the Lender"), together known as the "Parties".

2. Date of Agreement:

This Agreement is effective JANUARY 1, 2020.

3. Period of Loan:

This loan shall endure for a period of five (5) years calculated from the Date of Agreement

4. Loan Amount:

The Borrower promises to pay to the Lender \$1,250,000 and Interest as well as other charges outlined below.

5. Interest:

The Borrower shall be obliged to pay interest at the rate of 3.5 percent (%) per annum, the "Interest", such interest to be paid together with the principal sum of the loan in five (5) equal annual installments terminating with a final payment on June 30, 2025.

6. Prepayment:

The Borrower is not entitled to prepayment.

7. Late Charge:

Any payment not remunerated within 10 days of its due date shall be subject to a "Late Charge" of 5% of the payment.

8. Default:

If the Borrower has not paid the full amount of the loan (principal and interest) when the final payment is due, the Lender will charge the Borrower interest on the unpaid balance in the amount of 18% per year

9. Collection Fees:

If this note is placed with a legal representative for collection, then Borrower agrees to pay an

attorney's fee of ten percent (10%) of the unpaid balance. This fee will be added to the unpaid balance of the loan.

10. Insolvency:

The full balance of the capital and interest shall become payable immediately if the Borrower becomes Insolvent

11. Severance.

Any provision of this Deed that is invalid or unenforceable will be read down where possible so as to be valid and enforceable, or, if that is not possible, will be severed from this Agreement to the extent of its invalidity of unenforceability, without affecting the remaining provisions, which will remain binding on the Parties.

12. Dispute Resolution.

Where any dispute arises among the Parties as to the performance or interpretation of this loan agreement, the Parties will resolve the dispute in the following manner:

1. First, the Party raising the dispute must notify immediately the other Party of the dispute, providing a reasonable amount of information about the nature of the dispute.
2. Second, the Parties will meet as soon as possible, in person or by video conferencing, and attempt to resolve the dispute by discussion.
3. Third, if such negotiation fails, the Parties will refer the dispute to a mutually acceptable mediator, as soon as possible, to be resolved in accordance with an accepted code of mediation practice.
4. Fourth, except for urgent injunctions, only after steps (1) to (3) have been followed may a Party resort to litigation.

13. Currency:

Any reference to "dollars" or "\$" is a reference to the lawful currency of the United States of America (USD), unless otherwise specified.

14. Costs:

The Borrower shall be liable for the costs, if any, in respect of the drafting and execution of this agreement.

15. Payments:

All payments due from the Borrower to the Lender under this Agreement shall be made with banks checks of "the Borrower" made on a bank incorporated within the United States of America.

16. Call for Funds:

If a call for funds is required to pay this loan, such funds call for funds will not be attributable to the Lender

17. Entire Agreement:

The parties confirm that this contract contains the full terms of their agreement and that no addition to or variation of the contract shall be of any force and effect unless done in writing and signed by both parties.

Execution

Executed by both Parties on XXXXX ##, 2019

John A. Arnold, President
Lindmore Irrigation District

Joseph Ferrara, Vice President
East Kaweah Groundwater Sustainability Agency

Lindmore Irrigation District

Treasurer's Cash Report October 31, 2019

November 4, 2019

Beginning Cash * *September 30, 2019* **5,144,290.94**

Deposits

Bank of the Sierra Checking	577,992.27	
Wells Fargo Bond Res.	53.28	
LAIF	1,196.02	
NFS (Cantella)	3,742.07	
Total Deposits		582,983.64

Withdrawals

Bank of the Sierra Checking	(392,819.70)	
Wells Fargo Bond Reserve	-	
LAIF	-	
NFS (Cantella)	-	
Total Withdrawals		(392,819.70)

Net Increase/(reduction) **190,163.94**

Ending Cash Balance *October 31, 2019* **5,334,454.88**

Balance by Account:

Bof Sierra General Checking	1,265,038.16	
Wells Fargo Bond Reserve	538,094.13	
LAIF	195,445.45	
NFS (Cantella at Face Value)	3,335,327.14	
Petty Cash	550.00	
Ending Cash Balance <i>October 31, 2019</i>		<u>5,334,454.88</u>

* Beginning cash may be adjusted compared to prior Board meeting report

FOR MANAGEMENT PURPOSES ONLY

Lindmore Irrigation District

Investment Comparative Analysis LID vs LAIF

November 4, 2019

		Managed LID	LAIF
0-6 mos.	839,205.69	20.13%	65.80%
6 m. > 1 yr	-	0.00%	18.50%
1 yr > 2 yr	305,000.00	7.32%	13.30%
2 yr > 3 yr	625,000.00	14.99%	2.40%
3 yr > 4 yr	1,520,000.00	36.46%	0.00%
4 yr > 5 yr	<u>880,000.00</u>	<u>21.11%</u>	<u>0.00%</u>
Total	4,169,205.69	100.00%	100.00%
LAIF		2.160%	
Daily Yield LID Invested		3.392%	
Difference		1.232%	

Benchmark Comparison

LAIF vs District

LID Managed

Investments	\$ 4,169,205.69
Daily Yield Investments	3.392%
Est Investment Payments	\$141,405

LAIF

Investments	\$ 4,169,205.69
Annualized Rate of Return	2.160%
Est Investment Payments	\$90,055

Annualized difference: \$51,351

PORTFOLIO STATISTICS

Investment Type	Dollars	%age	State Code Limit	Annualized ROR:
Agency (Back by Govt Agency)	\$ -	0.00%	None	ROR All Cash 2.392%
Corporate (Not Insured)	2,600,000.00	47.60%	None	ROR Invested Assets 3.392%
Certificates of Deposit (FDIC Insured)	730,000.00	13.36%	None	ROR LAIF 2.160%
Money (NFS - Not Insured)	133,320.24	2.44%	None	Days to Maturity
LAIF (Mostly Insured or Backed)	195,445.45	3.58%	None	LID Managed 764.49
Banks (FDIC Insured)	510,440.00	9.34%	None	LAIF Managed 183.00
Operating Cash (Banks FDIC)	<u>1,293,242.29</u>	<u>23.68%</u>	None	
Total	5,462,447.98	100.00%		

Investment Portfolio & Analysis
November 4, 201922

LINDMORE IRRIGATION DISTRICT

MEMORANDUM TO THE BOARD

TO: Board of Directors
FROM: Kathryn Bennett
DATE: November 4, 2019
SUBJECT: Affidavit of Reconciliation

I inspected and reconciled the cash accounts of the Lindmore Irrigation District. The Lindmore Irrigation District maintains five cash/investment accounts. For the month of **October 2019**, the district had the following accounts open and with balances:

Working Accounts –

- General Checking (Bank of the Sierra)
- LAIF Investments
- National Financial Services (Cantella – Securities)
- Wells Fargo Bond Accounts

During my reconciliation, I have found the following:

Working Accounts –

- No Variances.

After my reconciliation and inspection of the books, it is my opinion that the cash registers reflect the cash activity of the Lindmore Irrigation District. Lindmore staff allowed me full access to the cash registers and ledgers of the District. The actual reconciling documents are stored in the District vault and can be viewed or copied upon request.



Kathryn Bennett

Lindmore Irrigation District
Income Statement
Compared with Budget
For the Ten Months Ending October 31, 2019

	Current Month Actual	Year to Date Actual	Annual Budget	% of Annual Budget
Revenues				
Water Sales - Irrigation	\$ 248,934.08	\$ 1,971,018.28	\$ 1,795,889.00	109.75%
Water Sales-Out of District	0.00	0.00	0.00	0.00%
Penalties on Delinquent Accts	327.02	2,448.63	5,000.00	48.97%
Em Call Outs/Fines Charge	0.00	401.74	500.00	80.35%
Stand-By Charge Revenues	0.00	2,462,901.67	2,469,638.00	99.73%
Stand-By Chg Penalty Revenue	0.00	5,859.52	4,000.00	146.49%
2018 WaterSmart Grant	0.00	0.00	75,000.00	0.00%
Interest Revenue - NFS	9,576.04	94,829.15	100,000.00	94.83%
Recognize adj to FMV	3,771.75	120,534.01	0.00	0.00%
Interest Revenue - Misc	1,249.30	26,206.61	5,500.00	476.48%
Adjustment to FMV Bond Reserve	0.00	0.00	0.00	0.00%
Interest on Unpaid Lien	0.00	0.00	5,000.00	0.00%
Other Misc Revenue	291.72	6,132.55	100,000.00	6.13%
Misc Rentals	0.00	0.00	0.00	0.00%
Gain or Loss on Fix Assets	0.00	0.00	0.00	0.00%
Reimburse - EKGSA	12,916.67	129,166.70	157,500.00	82.01%
FPA Power Revenue	210,817.85	1,900,292.65	775,000.00	245.20%
Total Revenues	487,884.43	6,719,791.51	5,493,027.00	122.33%
Cost of Sales				
Irrigation Water	107,129.58	711,865.49	1,044,000.00	68.19%
T.P.U.D. Charges (Water)	1,982.10	14,356.10	9,840.00	145.90%
Full Cost 205(a)(3)	0.00	0.00	0.00	0.00%
M&I Water Used	0.00	0.00	2,001.00	0.00%
CVPIA Restoration Fee	54,135.42	485,553.97	370,946.00	130.90%
Transfer In Water Expense	0.00	193,757.49	0.00	0.00%
Friant Surcharge	34,734.00	318,829.00	229,593.00	138.87%
FWA O&M Costs	71,113.00	340,798.00	375,000.00	90.88%
Exch Cont O&M Cost	18,442.70	521,326.96	550,000.00	94.79%
SWRCB Fees	0.00	0.00	47,500.00	0.00%
Water Quality Monitoring	0.00	0.00	1,000.00	0.00%
Water Legal	0.00	10,170.03	50,000.00	20.34%
Water FWA - Gen Member	31,488.03	163,263.36	200,000.00	81.63%
Water Mgmt Plan	0.00	0.00	1,000.00	0.00%
USBR Penalties/Other Charges	0.00	7,677.75	0.00	0.00%
Debt Service 2010A Bond	0.00	118,321.88	210,000.00	56.34%
Water-Engineering	0.00	0.00	5,000.00	0.00%
Total Cost of Sales	319,024.83	2,885,920.03	3,095,880.00	93.22%
Gross Profit	168,859.60	3,833,871.48	2,397,147.00	159.93%
Expenses				
FPA Legal Fees	0.00	0.00	0.00	0.00
Pumping-Power	12,050.23	63,129.47	60,000.00	105.22%
Pumping-Tele/Communic	0.00	0.00	27,500.00	0.00%
Pumping - Maint/Struct/Impr	15,925.67	165,040.50	240,000.00	68.77%
O&M Salary Costs	29,375.29	264,604.48	308,748.00	85.70%

**Lindmore Irrigation District
Income Statement
Compared with Budget
For the Ten Months Ending October 31, 2019**

	Current Month	Year to Date	Annual	% of Annual
	Actual	Actual	Budget	Budget
O&M OT/PT Labor Cost	4,058.77	31,185.49	25,000.00	124.74%
Trans/Dist of Mat/Supply	0.00	0.00	12,500.00	0.00%
Trans Electronic Techn	176.71	15,349.92	2,500.00	614.00%
Stenciling	0.00	0.00	500.00	0.00%
Power (non-pumping)	313.01	3,285.58	7,500.00	43.81%
Meter Rep Supply/Services	0.00	20,721.62	7,500.00	276.29% TechnoFlo Systems
Valve Rep - Supply/Service	354.92	9,898.45	12,500.00	79.19%
Moss Screen - Repair Sup/Serv	0.00	0.00	2,500.00	0.00%
Pipe Line Repair - Sup/Serv	66.72	142,360.22	47,500.00	299.71% Vollmer
Above Surf Repair - Sup/Serv	0.00	17,674.46	5,000.00	353.49% Sanli Eng-5th Ave JB
Reservoir Repair - Sup/Serv	0.00	29.58	2,500.00	1.18%
Misc - Sup/Serv	0.00	0.00	0.00	0.00%
Admin/General Salary Costs	13,450.28	160,533.84	180,014.00	89.18%
Admin OT/PT Labor Cost	0.00	0.00	10,000.00	0.00%
General Manager (Lindmore)	16,283.92	162,839.20	196,170.00	83.01%
General Manager (GSA)	3,587.50	35,875.00	43,218.00	83.01%
Director Per Diem	0.00	3,800.00	7,500.00	50.67%
Travel Expense	38.66	1,942.00	2,500.00	77.68%
Legal Exp - General	1,250.00	9,987.50	18,000.00	55.49%
Auditing Costs	0.00	0.00	11,750.00	0.00%
Communication	322.91	7,086.67	8,000.00	88.58%
Utilities - Office	797.04	5,889.27	8,000.00	73.62%
Supplies - Office	10.00	9,985.55	9,500.00	105.11%
Pstge/Pinting - Office	642.53	9,408.45	8,500.00	110.69%
Dues/Subscriptions/Contr	7,077.00	20,989.78	12,500.00	167.92%
Legal Advertisement	66.68	510.33	400.00	127.58%
Record Assessment Expense	0.00	176.00	500.00	35.20%
Misc Office Expense	0.00	2,967.29	0.00	0.00%
Payroll Service Expense	106.40	1,288.25	1,500.00	85.88%
Computer Supplies/Services	1,519.95	21,497.90	14,000.00	153.56% VOIP phones/laptop
Bank Charges	0.00	124.10	500.00	24.82%
Bond Costs	0.00	0.00	0.00	0.00%
Prop/Liab Insurance	0.00	34,346.00	37,500.00	91.59%
Workers' Comp Insurance Exp	0.00	22,588.85	27,500.00	82.14%
Fidelity Bonds	0.00	0.00	0.00	0.00%
Social Security Expense	3,930.57	46,630.09	50,687.00	92.00%
Health Insurance Exp	7,520.36	77,577.08	92,899.00	83.51%
Retirement Contribution Exp	4,607.24	45,340.70	60,166.00	75.36%
Dental Insurance Exp	377.20	3,837.05	5,500.00	69.76%
Vision Insurance Exp	72.10	733.61	1,200.00	61.13%
Life Insurance Expense	164.97	1,821.88	2,400.00	75.91%
Office Building Maintenance	0.00	183.06	7,500.00	2.44%
Grounds	0.00	0.00	2,500.00	0.00%
Office Furniture Exp	0.00	0.00	2,500.00	0.00%
Auto Maintenance Exp	4,641.12	19,838.70	18,000.00	110.22%
Radio Exp	0.00	0.00	0.00	0.00%
Small Tool Exp	0.00	2,452.77	3,500.00	70.08%
Shop & Maint Equip Rep Exp	19.54	2,838.64	5,000.00	56.77%
Misc Exp	0.00	25.36	0.00	0.00%
Shop Bldg Maint	0.00	7,452.93	3,500.00	212.94% Vollmer-old office slab
Fuel and Oil	4,522.85	37,133.37	30,000.00	123.78%

Lindmore Irrigation District
Income Statement
Compared with Budget
For the Ten Months Ending October 31, 2019

	Current Month	Year to Date	Annual	% of Annual
	Actual	Actual	Budget	Budget
Backhoe & Diesel	0.00	2,528.17	2,750.00	91.93%
Misc Shop Exp	0.00	0.00	0.00	0.00%
Engineering - General	0.00	200.15	5,000.00	4.00%
Engineering - System	0.00	15,000.13	5,000.00	300.00% P&P JB
Engineering - Groundwater	0.00	5,035.59	0.00	0.00%
Engineering- w/City of Lindsay	0.00	0.00	0.00	0.00%
Engineering - Prop 218	0.00	0.00	0.00	0.00%
Engineering - Temp Flat Study	0.00	0.00	0.00	0.00%
Recharge - Ireton Pond	0.00	2,127.65	0.00	0.00%
Recharge - Drywell	0.00	0.00	0.00	0.00%
SGMA - Governance	8,142.85	31,714.27	30,000.00	105.71%
SGMA - Plan	0.00	37,635.03	75,000.00	50.18%
SGMA - Implementation	0.00	0.00	0.00	0.00%
Safety Compliance	0.00	3,165.32	15,000.00	21.10%
Well Measurement Supplies	0.00	0.00	500.00	0.00%
Crop Report	0.00	0.00	250.00	0.00%
Easement	630.56	5,290.06	750.00	705.34% chemicals/mowing
Depreciation Expense - System	0.00	0.00	155,000.00	0.00%
Depreciation Expense - Other	0.00	0.00	68,500.00	0.00%
Office Building Construction	0.00	0.00	0.00	0.00%
Capital Purchase - FPA QLPP	0.00	0.00	0.00	0.00%
93.2E Modernization (Grant)	0.00	0.00	97,000.00	0.00%
Uncollectable Lien Expense	0.00	2,281.00	0.00	0.00%
Total Expenses	142,103.55	1,595,958.36	2,099,402.00	76.02%
Net Income	\$ 26,756.05	\$ 2,237,913.12	\$ 297,745.00	751.62%

Lindmore Irrigation District
Balance Sheet
October 31, 2019

ASSETS

Current Assets

Sierra Checking #0302190470	\$ 1,265,038.16
Wells Fargo Bank Bond Reserve	538,094.13
Petty Cash	550.00
LAIF 90-54-016 (02010)	195,445.45
Securities - NFS A7T-514144	3,335,327.14
Adjustment to FMV	127,993.10
Bond Res. Capital Appreciation	(8,694.40)
H2O Sales Receivable	245,064.75
Misc Accts Receivable	12,916.67
Liens - Amount Sold	59,178.20
Liens - Accumulated Int Due	3,728.17
Pre-Paid Water - USBR	37,782.50
Pre-Paid Ins & Misc	24,963.80
Interest Accrued - NFS	31,040.28
Interest Accrued-Bond Res	<u>4,416.90</u>

Total Current Assets **5,872,844.85**

Property and Equipment

Property/Land/Easements	463,003.40
Distribution System	7,177,406.31
Furniture/Fixtures/Computers	184,123.59
Equipment	188,400.12
Vehicles/Trailers/Other	318,423.43
Buildings/Grounds	470,093.97
Accumulated Depreciation	<u>(6,054,297.96)</u>

Total Property and Equipment **2,747,152.86**

Other Assets

Perpetual Right to Water	7,076,835.00
Inv in Friant Power Authority	5,128,876.02
Inv in USJRWPA	<u>29,108.18</u>

Total Other Assets **12,234,819.20**

Total Assets **\$ 20,854,816.91**

**Lindmore Irrigation District
Balance Sheet
October 31, 2019**

LIABILITIES AND CAPITAL

Current Liabilities

Accounts Payable	\$ 138,571.27
Account Due - Keller	43,883.57
Employee Accruals Payable	84,312.41
Customer Project	18,850.20
Emp Health Ins Deductions	<u>84.66</u>

Total Current Liabilities **285,702.11**

Long-Term Liabilities

Series 2010A Bond	<u>4,285,000.00</u>
-------------------	---------------------

Total Long-Term Liabilities **4,285,000.00**

Total Liabilities **4,570,702.11**

Capital

Inv In Utility Plant	2,810,231.81
Inv in Property	159,368.43
FB - Unappropriated	3,116,315.39
FB -Operating	1,053,334.42
FB -Water Purchases	1,500,000.00
FB -EOM&R Dist System	3,881,712.01
FB - Unemp Res	25,000.00
FB - Multi Lia Ins (Deduct.)	50,000.00
FB - Power Dev Reserve	800,000.00
FB - Reserve for SLDMWA/FWA	500,000.00
FB - Vehicle Replacement Reser	150,239.62
Net Income	<u>2,237,913.12</u>

Total Capital **16,284,114.80**

Total Liabilities & Capital **\$ 20,854,816.91**
