

March 10, 2021

The Board of Directors of the Terra Bella Irrigation District met this day in regular session, the meeting was conducted by teleconference, from the District Office located at 24790 Avenue 95, Terra Bella, California.

CALL TO ORDER

President Wheaton called the meeting to order at 9:00 a.m.

ATTENDANCE

DIRECTORS PRESENT: Wheaton, Fowler, Doyel, Galloway, Martinez

DIRECTORS ABSENT: None

OTHERS PRESENT: Sean Geivet, General Manager
Albert Smith, District Operations Superintendent
Ann Nelms, District Secretary-Treasurer
Aubrey Mauritson, Legal Counsel
Rhett Anderson
Matt Hendricks

AGENDA – CONSIDER CHANGES OR ADDITIONS TO THE AGENDA

No changes were made to the posted agenda.

The Board agreed to move to Agenda Item Number 11.

PUBLIC INPUT

President Wheaton asked for public input. Rhett Anderson inquired about the ETGSA Assessment invoice.

PUBLIC HEARING – Members of the public may directly address the Board of Directors on the proposed wheeling agreement with the Larry Wilkinson, Alfredo Gonzalez, & Bee Sweet Citrus, Inc.

President Wheaton asked for public input on the Larry Wilkinson, Alfredo Gonzalez, & Bee Sweet Citrus, Inc. wheeling agreement, there was no public input on the Larry Wilkinson, Alfredo Gonzalez, & Bee Sweet Citrus, Inc. wheeling agreement.

APPROVAL OF MINUTES

M/S/U, Fowler, Doyel to approve the minutes of the February 10, 2021 regular meeting as presented.

AUTHORIZATION TO PAY BILLS Review and discuss outstanding bills.

M/S/U Doyel, Galloway to authorize the Treasurer to pay all outstanding bills against the District as presented.

MONTHLY REPORTS

Treasurer Nelms reviewed with the Board the financial status of the District, including TBID Investment Policy Review in Compliance with SB 564 and SB 866. Included in the review; monthly statements from California Bank & Trust and Local Agency Investment Fund. Friant Power Authority revenues and expenditure summary worksheet. Delinquent water account report was reviewed and discussed.

TBID balance sheet as of January 31, 2021 as well as Income Statements for the same period, including a year-to-date statement were reviewed and discussed.

Albert Smith, Operations Superintendent, presented his monthly operating activities report for February 2021. Mr. Smith report no employee matters and no accidents or injuries for the month. Discussed replacing pipeline from upper wells to Station 3.

Equipment maintenance and repairs report included all pumps and motors greased at station #7, #8, and #4. Replaced the positive battery cable on the 580D backhoe. Car #1 replaced the windshield. Station #9 pump motors #7 and #3 back in and running. Operations maintenance and repair report included weeding and cleaned up at stations #7, #8, and #4. Started pumping out of the canal on February 16th, turned off station #3 on February 17th. Turned off wells #86 and #87 on February 25th.

WTP average flow through the plant is around 325 GPM.

1 mainline leak on the west side of road 256, 200 yards south of Avenue 95.

The total precipitation is 3.09 inches. USA locates: 21. Back flow's Tested: 28

Manager Geivet presented his monthly report. Mr. Geivet reported the Bureau allocation is at 20% currently. Discussion followed on need to conserve water but allocation is not needed at this time. Manager Geivet stated with current allocation and transfers from LTRID we should have water for the whole 2021 water year and will not need to turn on the wells.

Friant Power Authority: Included in the Board packet FPA Revenue Distribution Projections for 2021 calendar year

Status of Authorities; ESPA, DCTRA, FWA, ACWA & AECA: FWA CEO report is keeping everyone update by emails.

Eastern Tule GSA: ETGSA is working on developing the accounting program to manage the safe yield and consumption reporting. Discussion followed on the ETGSA billing area.

LARRY WILKINSON, ALFREDO GONZALEZ, BEE SWEET CITRUS INC., WHEELING AGREEMENT
Review and consider executing a Wheeling Agreement with the following customers Larry Wilkinson, Alfredo Gonzalez, Bee Sweet Citrus Inc.

Upon motion by Director Doyel, seconded by Director Fowler, to approve the Wheeling Agreement with Larry Wilkinson, Alfredo Gonzalez, & Bee Sweet Citrus, Inc.;

Ayes: Directors Doyel, Galloway, Wheaton, Martinez

Noes: None

Absent: None

Abstain: None

AGRICULTURAL ENERGY CONSUMERS ASSOCIATION – Consider authorizing membership in the AECA and paying the \$1000 annual membership dues.

M/S/C, Doyel, Galloway to approve membership in the Agricultural Energy Consumers Association and to authorize payment of the annual dues in the amount of \$1,000.00.

INVESTMENT POLICY – Review and consider affirming the TBID Guidelines for Local Agency Investments.

Mr. Geivet explained the Board is required to annually adopt “Guidelines for Local Agency Investments”. The current policy was reviewed.

M/S/U, Galloway, Martinez to adopt the “Guidelines for Local Agency Investments” as follows:

TERRA BELLA IRRIGATION DISTRICT
GUIDELINES FOR LOCAL AGENCY INVESTMENTS
ADOPTED MARCH 10, 2021

I. PURPOSE AND GOALS

This statement is intended to outline the policies for maximizing the efficiency of the District's Cash Management System, for prudent investment of the District's funds, and to provide guidelines for suitable investments.

The ultimate goal is to enhance the economic status of the District while protecting its funds.

The District's Cash Management System is designed to accurately monitor and forecast expenditures and revenues, thus enabling the District to invest funds to the fullest extent possible. The District shall attempt to obtain the highest yield, provided that all investments meet the criteria established for safety and liquidity.

The investment policies and practices of the District are based upon Federal, State and Local law and prudent money management. The primary goals of these policies are:

1. To assure compliance with all Federal, State and Local laws governing the investment of monies under the control of the District's Treasurer or chief financial officer.
2. To protect the principal monies entrusted to this office.
3. To generate the maximum amount of investment income within the parameters of this Statement of Investment Policy and the guidelines for suitable investments.

II. SCOPE

All monies entrusted to the District will be pooled in an actively managed portfolio. The Investment Pool or "Portfolio" will be referred to as the "Fund" throughout the remainder of this document.

III. OBJECTIVES

A. Safety of Principal

Safety of principal is the foremost objective of the District. Each investment transaction shall seek to preserve the principal of the portfolio, whether from institutional default, broker-dealer default or erosion of market value of securities. The District shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

Investments shall be undertaken in a manner which first seeks to ensure the preservation of principal in the Fund. The Treasurer or chief financial officer shall evaluate or cause to have evaluated each potential investment, seeking both quality in issuer and in underlying security or collateral and shall diversify the portfolio to reduce exposure to loss.

1. Credit Risk

Credit risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by investing in only very safe institutions and by diversifying the Fund so that the failure of any one issuer would not unduly harm the District's cash flow.

2. Market Risk

The risk of market value fluctuations due to overall changes in the general level of interest rates shall be mitigated by limiting the weighted average maturity of the District's Fund to five years or less. It is explicitly recognized herein, however, that in a diversified portfolio, occasional measured losses are inevitable, and must be considered within the context of the overall investment return.

B. Liquidity

Liquidity is the second most important objective. Investments shall be made whose maturity date is compatible with cash flow requirements and which can be easily and rapidly converted into cash without substantial loss of value.

C. Return on Investment

Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity.

IV. PROHIBITED INVESTMENTS

Government Code 53601, as amended in 1995 by SB 866, Chapter 784 of the 1995 Statutes, prohibits a local agency from investing in any of the following:

"Inverse floaters, range notes, or interest only strips." Note: These are not defined in the Code.

Securities that could result in zero interest accrual if held to maturity. However, this limitation does not apply to shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1).

V. REPORTING REQUIREMENTS (Government Code Sec. 53646 as amended by SB 564, Chp. 783 of 1995 statutes)

If the District has placed all of its investments in the Local Agency Investment Fund, created by Section 16429.1 through 16429.3 of the Government Code, or in Federal Deposit Insurance Corporation-insured accounts in a bank or savings and loan association, or any combination of these, the Treasurer or chief fiscal officer will comply with Government Code Section 53646 by supplying to the governing body, chief executive officer and the auditor of the District the most recent statement or statements received by the District. For any other combination of investments, the requirements below apply.

- The report must be given quarterly, within 30 days after quarter end. However, the governing body of the District may elect to require the report specified in Sec. 53646 to be made on a monthly basis instead of quarterly.
- Contents of the report must include type, issuer, maturity date, par and dollar amount invested in all securities, market value weighted average, investments and monies held by the District. This includes any funds, investments or programs, including loans, that are under the management of contracted parties. The report must also state compliance of the Fund with the statement of investment policy, or the manner in which the Fund is not in compliance.
- Include a statement denoting the ability of the District to meet its expenditure requirements for the next six months or an explanation as to why sufficient money will not or may not be available. A subsidiary ledger of investments may be used in accordance with accepted accounting practices.
- The Treasurer or chief financial officer shall report whatever additional information or data may be required by the governing body of the District.

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.

No closed session was required.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION [Government Code Section 54956.9] (1 Case)

Adjourned into closed session at 9:00 a.m.

The Board of Directors met while in closed session pursuant to Government Code Section 54956.9(d)(1) to discuss the above-entitled action. Report Action Taken in Closed Session Required by Government Code Section 54957.1

The Board adjourned from closed session at 9:18 a.m.

President Wheaton reconvened the regular meeting at 9:18 a.m. and stated there was no reportable action taken during closed session.

Board returned to Agenda Item 3

Others rejoining the meeting by person and teleconference: Karen, Rhett Anderson, Matt Hendricks

ITEMS TO BE DISCUSSED PURSUANT TO GOVERNMENT CODE SECTION 54954.2 (Relating to items not appearing on the agenda)

None to report.

ADJOURNMENT

There being no further business before the Board of Directors, the meeting was adjourned at 10:34 a.m. by President Wheaton.

Ann Nelms, Secretary