

MINUTES OF A MEETING OF THE  
BOARD OF DIRECTORS OF THE  
LOWER TULE RIVER IRRIGATION DISTRICT

The Board of Directors of the Lower Tule River Irrigation District met at a Regular Meeting on the 8<sup>th</sup> day of August 2000, at 9:00 a.m. at the District office in Woodville, California. The meeting was called to order by President ROBERT F. BOWMAN. It was determined the following Directors were in attendance:

Director	Div. 5	2001	ROBERT F. BOWMAN
Director	Div. 3	2003	DONALD MACMILLAN
Director	Div. 2	2001	BENJAMIN SERAFIN
Director	Div. 4	2003	GARY FERNANDES-Absent
Director	Div. 1	2001	TONY SIMONICH

Also present was DANIEL G. VINK, General Manager for the District.

**1. BOARD ADMINISTRATION**

On motion by Director MACMILLAN, second by Director SERAFIN and unanimously approved, the agenda was approved as presented.

The minutes of the July 11, 2000 regular meeting were presented for review. After thorough review and discussion on motion by Director SERAFIN, second by Director SIMONICH and unanimously approved, the minutes of the July 11, 2000 regular meeting were approved as presented.

The financial statement for the month of July 2000 was reviewed and on motion by Director SERAFIN, second by Director SIMONICH and unanimously approved the financial statement for the month of July was ordered placed on file.

The Local Agency Investment Fund earned an effective yield of 5.178% for July, 1999 compared to 6.443% for July 2000.

● General Manager VINK reported on water delinquencies and second quarter interest earnings from LAIF. Total 30 day water delinquencies are approximately \$200,000.

● After thorough review and discussion the financial statement on motion by Director SERAFIN, second by Director SIMONICH and unanimously approved the financial statement for the month of July 2000 was ordered placed on file.

The Board reviewed the actions of the finance committee in making payment of the June bills. On motion by Director SERAFIN, second by Director MACMILLAN and unanimously approved the Board ratified the actions of the finance committee in approving the June bills for payment. A copy of the financial statement is attached as (Exhibit "A").

**2. WATER CONDITIONS**

Current water conditions were reviewed. The forecast for the Friant Kern Canal remains at 100% Class 1 and 15% Class 2. General Manager VINK reviewed with the Board the available water supply and how that correlates to a scheduled run for the District for August. As it currently stands the District will have enough water to run until about the 15<sup>th</sup> or 20<sup>th</sup> of August. General Manager VINK reported on a negotiated deal with Orange Cove Irrigation District whereby Lower Tule would bank water for Orange Cove Irrigation District on a 2 for 1 return basis. After thorough review and discussion on motion by Director MACMILLAN, second by Director SIMONICH and unanimously approved the concurred with the actions of General Manager VINK in negotiating the banking program with OCID.

General Manager VINK updated the Board on a variety of water conditions and water supply activity including the declaration of the Cross Valley Canal Westside supply and the possibility for some Tule River purchases and or banking opportunities on the Tule River pursuant to prior year programs.

The Board also reviewed the 1999 net revenue position for the District on Westside sales of the Districts Cross Valley Canal water given some prior year obligations. The Districts 1999 net revenue is estimated to be about 250,000.

### **3. DISTRICT OPERATIONS**

The Board reviewed a variety of construction and maintenance activities including the construction of the Deer Creek Tule River Authority ponds being done by District staff using District equipment.

The Board spent time discussing the merits of the joint District operations program pursuant to discussions at the July meeting. It was concurred by all present that a meeting should be held with Pixley Irrigation District Board to review the matter more in detail.

General Manager VINK reported on variety of District administrative activities including the deregulation of the electrical market and the impact on statewide electric facilities and pricing.

The switch to the Nextel system was reviewed. General Manager VINK reported that the switch has gone well and staff is pleased with the new system.

The District is considering some staff training at the management level with particular programs designed to make management employees more effective in dealing with personnel issues.

The Board reviewed a variety of regulatory concerns including dust control proposals by the San Joaquin Valley Air Pollution Control District and proposed restrictions on diesel engines by the Air Pollution Control District that could have significant negative impact on both Irrigation District and on its landowners.

The District has received notice that its PERS employee contribution rate for the period July 2000-July 2001 will continue to be at 0%.

The Board reviewed a variety of contract renewal items. General Manager VINK reported

on meetings that have been held in Sacramento and in Visalia to review the contracting process with the Bureau. In addition the District has received notice from the Bureau that the 3 month CVC interims will be rolled over verbatim per the existing 9 month interim contract. It appears that the key issues remaining yet to be resolved include:

- ground water
- tiered pricing,
- right to renew
- yield replacement and
- shortages

The time frame for successful contract renewals is running short. Significant concessions will have to be given by both sides of the table in order to get a contract place prior to the end of the contract year.

The District has received notice from our ACWA/JPIA that the liability premium for the 2000-2001 is due. On motion by Director SERAFIN, second by Director SIMONICH and unanimously approved the Board authorized renewal of the Districts liability insurance through the JPIA and authorized payment of \$31,646 accordingly.

Chairman BOWMAN then called the meeting into closed session to discuss the Westlands Water District area of origin application on the San Joaquin River. District Counsel DAN DOOLEY joined the meeting via conference call. Given a potential conflict of interest Director SIMONICH recused himself from the discussion process. The closed session was designed to review Westlands area of origin application and to discuss legal and strategic matters thereto. Upon bringing the meeting out closed session Chairman BOWMAN reported that on motion by Director MACMILLAN, second by Director SERAFIN and unanimously approved by all voting member, the Board adopted Resolution 2000-8-1 condemning the actions of the Westlands Water District and outlining steps whereby the District would cease to do business with the Westlands Water District. The Board furthered directed that Resolution be distributed the Westlands Water District Board of Directors and to any other pertinent water interests in the State of California. A copy of Resolution 2000-8-1 is attached as (Exhibit "B").

#### **4. WATER OPERATIONS**

The Board reviewed a variety of Cross Valley Canal activities. Including the status of the Cross Valley Canal management agreements and the actions of the Kern County Water Agency Board of Directors to move that agreement along further.

The District has also received notice from the Western Area Power Administration that a base resources contract is available in order that the District receive power beyond the 2004 marketing plan. On motion by Director MACMILLAN, second by Director SIMONICH and unanimously approved after thorough review and discussion the Board authorized signature to the base resource contract upon appropriate review by staff and consultants. A copy of Resolution

2000-8-2 authorizing signature to the WAPA contract is attached as (Exhibit "C").

**5. TULE RIVER ASSOCIATION**

The Board reviewed the July 19, 2000 Tule River Association Board of Directors meeting. Considerable time at that meeting was spent discussing the Success Reservoir Enlargement and standard association administrative activities. General Manager VINK reported on the generation of the Success Reservoir Power project it appears that average payment by Southern California Edison is around .10 to .12 cents a kilowatt hour for generation during the months of June and July. In addition the District has received notice that Mountain Energy has sold its interest in the Power Project to KMS Energy of Chicago. It was reported by Mountain Energy that there would be no change in operations or personnel.

The Board reviewed an August 7<sup>th</sup> Technical meeting of the Tule River Improvement Joint Powers Agreement group. Considerable time at that session was spent discussing the PED agreements and related items to the Success Reservoir Enlargement Project.

**6. FRIANT WATER USERS' AUTHORITY**

The Board reviewed the July 27<sup>th</sup> FWUA Board meeting. Considerable time at that meeting was spent discussing the developments on the Westlands application for San Joaquin River along with the MWD and San Joaquin River programs. The minutes of the FWUA are distributed to the Board and subsequently are not repeated here.

**7. MISCELLANEOUS AUTHORITY/AGENCY**

A. Mid-Valley Water Authority.

B. Deer Creek & Tule River Authority. The Board reviewed the July 21<sup>st</sup> Board of Director meeting and the Authority. Considerable at that meeting was spent discussing and reviewing in person a tour of the Deer Creek Basin project. An intricate part of that project is the TBID land use agreement whereby the Authority uses approximately 160 acres of Terra Bella property in exchange for back stopping Terra Bella's dry year water supply needs. After thorough review and discussion on motion by Director MACMILLAN, second by Director SERAFIN and unanimously approved the Board authorized signature to the Terra Bella land use agreement.

**8. MEETINGS, HEARINGS AND NOTICES**

Nothing new to report.

**9. MISCELLANEOUS MATTERS**

C. Association of California Water Agencies

D. Central Valley Project Water Association

- E. California Water Resources Association
- F. National Water Resources Association
- G. State Chamber of Commerce
- H. Ag Water Committee
- I. Water Education Foundation
- J. California Farm Water Coalition

There being no further business to be brought to the Board's attention, the meeting was adjourned.

Respectfully Submitted,

Daniel G. Vink  
General Manager