

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 12th day of September 2000, at 9:00 a.m. at the District office in Woodville, California. In the absence of Chairman BOWMAN the meeting was called to order by Vice President BEN SERAFIN. It was determined the following Directors were in attendance:

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

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

1. BOARD ADMINISTRATION

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

The minutes of the August 8th, 2000 regular meeting were not available. On motion by Director FERNANDES, second by Director MACMILLAN and unanimously approved the minutes of the August 8th regular meeting were temporarily dispensed with and will be taken up with at a subsequent meeting.

The financial statement for the month of August 2000 was reviewed and on motion by Director MACMILLAN, second by Director FERNANDES and unanimously approved the financial statement for the month of August was ordered placed on file. A copy of the August financial statement is attached as (Exhibit "A").

- The Local Agency Investment Fund earned an effective yield of 5.225% for August, 1999 compared to 6.505% for August 2000.
- The 30 day water delinquencies totaled \$281,143.

District Auditor RAY JOANCOLTZ entered the meeting to review with the Board the 1999 audited financial statement and auditor's report of Lower Tule River Irrigation District. After thorough review and discussion on motion by Director FERNANDES, second by Director SIMONICH and unanimously approved the independent auditors report as presented by RAY JONCOALTZ was accepted as presented. A copy of the audited 1999 financial statement is attached as (Exhibit "B").

The Board reviewed the actions of the Finance Committee in paying the July and August bills. On motion by Director MACMILLAN, second by Director FERNANDES and unanimously approved the Board ratified the actions of the Finance Committee in paying the July and August bills.

2. WATER CONDITIONS

Current water conditions were reviewed. The forecast for the Friant Kern Canal has been modified to 100% Class 1 and 17% Class 2. General Manager VINK reported that a combination of extra water at the end of the season along with additional Class 2 water leaves the District with approximately 8,000 acre feet of water that either be used for water banking opportunities or for carry over to the 2001 water year.

General Manager VINK reported on a variety of water activities including Cross Valley Canal Westside activities and the potential sale of water to the environmental water to the Bureau of Reclamation and the delivery of the Cross Valley water.

The Board considered seriously the actions of the Westlands Water District and the water that is currently being transferred by the District under contract to growers within Westlands. After thorough review on motion by Director SIMONICH, second by Director FERNANDES and unanimously approved the Board by unanimous action triggered the clause in the MIKE DRESSIK contract that would reduce the DRESSIK contract to be reduced by an additional 20% pursuant to the Boards position on dealings with Westlands Water District.

The Board reviewed the final summary of water deliveries for the 2000 water year. For the year the District took delivery of 175,000 acre feet of Friant Kern water and 53,000 acre feet of Lower Tule River water sales to growers totaled 155,000 acre feet.

3. DISTRICT OPERATIONS

General Manager VINK reviewed a variety of construction and maintenance activities scheduled for the fall including the rehabilitation of the Creighton Ranch facilities and some structure work on District facilities.

General Manager VINK reviewed several personnel issues with the Board including the resignation of Canal Maintenance worker COY FARNSWORTH.

General Manager VINK presented a letter from State Fund the Districts Workers Comp carrier notifying the District of a deposition held by State Fund in reference to the MIKE RIDENOUR issue and a claim of kidney damage as a result of work done by Mike while employed by the District. Vice President SERAFIN moved the meeting into closed session to discuss the matter further upon bringing the meeting out of closed session Vice President SERAFIN reported no action had been taken.

At 10:00 am on motion by Director FERNANDES, second by Director MACMILLAN and unanimously approved the Board of Directors opened the Board of Equalization session. General Manager VINK reviewed with the Board the proposed assessment rolls for 2001. No one entered the meeting to discuss the assessment rates. After thorough review and discussion on motion by Director SIMONICH, second by Director MACMILLAN and unanimously approved the Board adopted Resolution 2000-9-1 setting the Districts assessment rate at .08% for 2001. Vice President SERAFIN then closed the Board of Equalization hearing. A copy of Resolution 2000-9-1 is attached as (Exhibit "C").

The 2001 budget was to the Board for review. The Districts 2001 proposed budget including water is \$9,257,843.00. After thorough review and discussion on projected income and proposed expenditures for 2001, on motion by Director MACMILLAN, second by Director SIMONICH and unanimously approved the proposed 2001 budget was adopted as presented. A copy of the 2001 Budget is attached as (Exhibit "D").

The Board reviewed the proposed memorandum of understanding with Pajaro Valley Water Agency on the assignment of Cross Valley water to Pajaro. After thorough review and discussion it was determined that the best course of action would be to defer the decision to a subsequent meeting to resolve some of the issues surrounding the MOU.

General Manager VINK presented for information on the Districts preliminary crop survey report for 2000. The Board reviewed the crop survey and took no action.

The Board spent considerable time reviewing House Resolution 3007. That Resolution is a Resolution introduced by Congressman CAL DOOLEY as written would have significant negative impact on the District in so far as the Districts position on wheeling in the State facilities is concerned. SARAH WOLFE, representative of Congressman DOOLEY, entered the meeting to discuss the matter further and review the problems surrounding the Lemoore Naval Air Station, which was the primary target of the Congressman's bill. After thorough review of the matter amongst the local legislators, including conversations between General Manager VINK and Congressman DOOLEY, it appears as though an amended version of the bill will be introduced in the Senate. That amended version of the bill should help solve the Districts issues with HR 3007.

The Board reviewed the joint Board meeting held with Pixley Irrigation District earlier in the month to review proposed joint operations between the Districts.

The District has received a letter from the JPIA on a follow up of a visit that the JPIA had with District staff. The letter is most commendable insofar as the District's safety program is concerned.

General Manager VINK reviewed the contract renewal process including meetings being held with the Bureau of Reclamation to try and solve water allocation issues on the Westside including Cross Valley Canal activities. A September 14th session has been scheduled to pursue the matter further.

The Board spent considerable time reviewing the Wetlands Water District application for San Joaquin River water including meetings held with Congressman CAL DOOLEY and State Senator JIM COSTA to try to find an amicable solution for the problem. A considerable amount of work is going to have to be done on both the legal and the public policy side of the matter before any conclusions are come to.

4. CROSS VALLEY CANAL

The Board reviewed a variety of Cross Valley Canal activities, including the Kern Fan Power Project and negotiations with the Kern County Water Agency to resolve the management issues.

General Manager VINK reported on meetings held with KCWA representatives to discuss the Agencies involvement in the Districts space and water supply on the Westside.

5. TULE RIVER ASSOCIATION

The Board reviewed the August 16th Tule River Association Board of Directors meeting. The Board will also meet on the 20th of September in Porterville. Considerable time at those meetings was and will be spent discussing the Success Reservoir Enlargement and the administration of the Tule River Association.

General Manager VINK reviewed a variety of SRE and SPP activities including the sale of the Mountain Energy to KMS Energy from Chicago and the 2000 generation report.

6. FRIANT WATER USERS' AUTHORITY

The Board reviewed the August 24th FWUA Board meeting. Considerable time at that meeting was spent discussing Friant staffing and Friant budget concerns along with the MWD discussions. 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 activities of the Authority in the construction of the Deer Creek Basins. That project is now complete and will begin taking water later in the month. The Deer Creek & Tule River Authority will be holding its bi-monthly Board meeting on the 22nd of September.
- C.

8. MEETINGS, HEARINGS AND NOTICES

ACWA and ACWA/JPIA conference will be held in 2nd of November in Anaheim. General Manager VINK will attend to represent the District.

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