

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 8th day of May 2001, at 9:00 a.m. at the District office in Woodville, California. The meeting was called to order by Vice President BENJAMIN 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 MACMILLAN, second by Director FERNANDES and unanimously approved, the agenda was approved as presented.

The minutes of the April 10, 2001 regular meeting were distributed and reviewed. After thorough review and discussion, on motion by Director SIMONICH, second by Director MACMILLAN and unanimously approved the minutes of April 10, 2001 regular meeting were approved as presented.

The Board reviewed the Financial Statement for the month of April 2001:

- Ø The interest earned at Local Agency Investment Fund for the first quarter of 2001 totaled \$68,836.00.
- Ø The Board reviewed a cash flow projection for the balance of the 2001 calendar year and fiscal year. The cash flow projection shows that the District should end up the year in a favorable cash position although the water purchases vs. water revenues will fall far short on balancing out and as such the District will need to rely on other revenue sources such as Success Power Project and Westside water sales.

After thorough review and discussion on motion by Director SIMONICH, second by Director FERNANDES and unanimously approved the financial statement was approved as presented. The Financial Statement is attached as (Exhibit "A").

The Finance Committee has not yet met to review the April bills as such no action relative to the Finance Committee and accounts payable was taken.

The District has received notice from the County of Tulare that the county general elections are scheduled for November. After thorough review and discussion on motion by Director FERNANDES,

second by Director MACMILLAN and unanimously approved the Board adopted Resolution 2001-05-01 authorizing that an election be held within the District on the 6th day of November 2001 for the purpose of electing members to the Board of Directors. In November of 2001 Director SIMONICH, Director SERAFIN and Director BOWMAN will be eligible for re-election. A copy of Resolution 2001-05-01 is attached as (Exhibit "B").

2. WATER CONDITIONS

General Manager VINK reviewed current water conditions. The forecast for the Friant Division has been increased from 85% Class 1 to 100% Class 1 with the possibility that some Class 2 water may be made available later in June. The Board reviewed a variety of other water related activities including the increase of the Westside declaration from 40-45% and the transfers to Westlands Water District and JG Boswell that are pending for the 2001 water year. In addition the Board reviewed the Poplar Ditch allocation, no changes were made and as such the Poplar Ditch allocation remains at 30 acre feet per share for the 2001 water year.

Given the water supply information available the Board reviewed possible schedules for the 2001 water run. After thorough review and discussion it was determined that the water run for 2001 would begin on the 16th day of May with a filling of the system at that time with deliveries shortly thereafter. The Board discussed the need for a potential on and off again schedule for the balance of the summer but determined that, if necessary, that would not take place until the completion of the 3rd full week in June in order to get a sizable irrigation schedule for the first part of the summer run. In addition after thorough review and discussion on motion by Director MACMILLAN, second by Director FERNANDES and unanimously approved the Board set the water rate for the 2001 water year at \$35.00 per acre-foot.

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3. DISTRICT OPERATIONS

The Board reviewed a variety of construction activities pertaining to the District including the ID 6 Main Canal and the meeting held with Engineer JIM WEGLEY and District staff earlier in the month to review the project. That project remains on schedule although it was noted that the size and complexity of the project will mean that it will take some time to complete. In addition the Board reviewed some construction work done for the Pixley Irrigation District in conjunction with Lower Tule staff and the completion of the shop remodel project at the Lower Tule River Irrigation District facilities. The Board then toured the new shop facilities and commended staff on the work done. With the exception of the HVAC, the entire project was completed using district personnel.

The Board reviewed a variety of personnel activities including General Manager VINK's report on the interviews for the Controller position. While extensive interviews have been conducted no final decision has yet been made.

General Manager VINK presented for consideration the appointment of BETH GROTE-LEWIS, the Districts accounting assistant, to the position of assessor. The position of assessor was vacated by the resignation of GARY PEREZ. After thorough review and discussion, upon recommendation by General

Manager VINK, on motion by Director FERNANDES, second by Director SIMONICH and unanimously approved BETH GROTE-LEWIS was appointed to the position of assessor for the Lower Tule River Irrigation District.

The Board reviewed a variety of administrative matters pertinent to the District, including the meeting of the AD-HOC committee to review the joint District operations with Pixley Irrigation District. The AD-HOC committee consisting of President BOWMAN, Director MACMILLAN and Director SERAFIN, have met on a regular basis over the past 6 weeks to review some findings relative the use of office space and staffing potential. A joint meeting and workshop will be held with Pixley Irrigation District later in the month to review the matter in greater detail.

The Board reviewed a variety of other activities including the rate case proposed by the Southern California Edison and the Talent Irrigation District lawsuit that has an extensive impact on the District and its use of copper sulfate in the District's distribution system.

The District has received notice from the California Department of Fish and Game that the Districts 1601 permit has been extended through September of 2001. During that time District staff and council and Fish & Game staff will begin the process of preparing a long term 1601 agreement.

General Manager VINK presented for review an agreement between Lower Tule River Irrigation District, representing Poplar Ditch Company, and Cal-Trans for the work to be done on the pipelining of the Poplar Ditch canal where it parallels the Highway 190. After thorough review and discussion of the agreement, on motion by Director SIMONICH, second by Director FERNANDES and unanimously approved the Board authorized execution of the agreement with Cal-Trans pending a final meeting with District staff and CalTrans. That utility agreement outlines the scope of the work and potential cost and liabilities associated with the project.

General Manager VINK updated the Board on the Cross Valley Canal contracts and activities associated with the Cross Valley Canal contracts. At present, language is being negotiated with the NRDC that will hopefully placate the concerns of NRDC and mitigate the chance that they might litigate over the contracts.

General Manager VINK reported on the Ground Water Study and the activities of the Ground Water Study. The study is being revisited on a more regional level with work to be done by consulting Engineer DENNIS KELLER and existing District staff.

4. CROSS VALLEY CANAL

The Board reviewed a variety of Cross Valley Canal activities including:

- Ø The April 23rd Cross Valley Canal meeting.
- Ø The raising of the pool one liner issues
- Ø The distribution of 3rd party power overages and WAPA reconciliations for 1999.

5. TULE RIVER ASSOCIATION

The Board reviewed the April 18th TRA Board meeting. Considerable time at that meeting was spent discussing a variety of Success Power Project and the Success Reservoir Enlargement

activities.

The Board reviewed Success Power Project activities and the review of the District SO4 contract as done by District staff and District council. At present it appears that SCE has no intent of defaulting on the contract despite its current financial situation. The Board reviewed memorandum from District council and correspondence from SCE that will be placed on file as a point of record in the matter.

The Board reviewed Success Reservoir Enlargement issues. General Manager VINK updated the Board on the discussions being held amongst the Success Reservoir Enlargement executive committee relative to the need for staffing on the project once the project takes on a larger scope. The Board concurred that it is appropriate to have someone in addition to current consulting Engineer RICHARD SCHAFFER to staff the project given the complexity and the timing of the project. No action was taken.

6. FRIANT WATER USERS' AUTHORITY

The Board reviewed the April 28th Friant Water Users' Board of Directors meeting. Considerable time at that meeting was spent discussing and reacting to the resignation of DICK MOSS as General Manager of FWUA. In addition the Board reviewed the Central Green Tolling decision and the action of the Madera Irrigation District to try and reengage Friant and involve them in the Central Green lawsuit.

The District has received a call for funds from Friant in the amount of \$40,437. On motion Director MACMILLAN, second by Director SIMONICH and unanimously approved the Board approved the call for funds from FWUA.

7. MISCELLANEOUS AUTHORITY/AGENCY

- A. Mid-Valley Water Authority. The Board reviewed the April 20th meeting of the Mid-Valley Water Authority. At that meeting the MVWA Board rejected the Districts request to withdraw and receive its share of the unspent funds. The matter of the Authority and its viability will continue to be discussed at the December annual meeting
- B. Deer Creek & Tule River Authority. The May meeting of the Deer Creek and Tule River Authority to be held on the 18th of May at the Lower Tule District office.
- C. Upper San Joaquin River Water and Power Authority. The Upper San Joaquin River Water and Power Authority will be holding a special meeting on the 22nd of May 2001 at 11:00 am at the FWUA offices to review the Granite Jackass Project and the feasibility of that project in light of the current energy situation.

8. U.S DEPARTMENT OF THE INTERIOR

Nothing new to report.

9. MEETINGS, HEARINGS & NOTICES

AWCA and AWCA/JPIA will be held later in the week in Tahoe. General Manager VINK will

attend to represent the District.

10. MISCELLANEOUS MATTERS

- A. Association of California Water Agencies.
- B. Central Valley Project Water Association
- D. California Water Resources Association
- E. National Water Resources Association
- F. State Chamber of Commerce

The Board has received a request from the Chamber of Commerce of support for 2001. After thorough review and discussion on motion by Director FERNANDES, second by Director MACMILLAN and unanimously approved the Board authorized support for the Chamber of Commerce for 2001 in the amount of \$700.

- G. Ag Water Committee
- H. Water Education Foundation
- I. California Farm Water Coalition
- J. Family Farm Alliance.

There being no further business to be brought to the Board's attention the meeting was adjourned to a workshop to be held later in the month of May with the Pixley Irrigation District to discuss joint district operations.

On May 23rd the Board of Directors of the Lower Tule River Irrigation District reconvened their regular May meeting in a workshop scheduled with the Pixley Irrigation District Board of Directors.

Considerable time was spent at that meeting discussing how the Districts might become more efficient in their various operations, specifically the administrative, water operations, and maintenance and construction activities. The Boards entered into a lengthy dialogue with each other and with the Pixley Irrigation District Board and District staff. At the close of the meeting it was the consensus of the group, and the direction to staff, to begin discussions with an architect in the preparation of a preliminary design and cost estimate of a project that would then be brought back to the Board for further review. Review at that time would be focused on feasibility. In addition, the Board directed General Manager Vink to obtain an appraisal of the Districts current office building.

There being no further business to be brought to the Board's attention the workshop and the May regular meeting were adjourned.

Respectfully Submitted,

Daniel G. Vink