



MINUTES OF A REGULAR 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 in a regular Meeting on the 11th day of June 2002, at 9:00 a.m. at the District office in Woodville, California. The meeting was called to order by President BENJAMIN R. SERAFIN. It was determined the following Directors were in attendance:

Director	Div. 2	2005	BENJAMIN SERAFIN
Director	Div. 3	2003	DONALD MACMILLAN
Director	Div. 4	2003	GARY FERNANDES
Director	Div. 1	2005	TONY SIMONICH
Director	Div. 5	2005	DIANE BOWMAN-FRIEND

District Staff Present: DANIEL G. VINK – General Manager
FRANCIA MENDOZA-REYES – Controller

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 May 14th regular meeting were not available and were deferred to a subsequent meeting.

The Board reviewed the Financial Statement for the month of May 2002:

- Local Agency Investment Fund earned an effective yield of 2.854%.
- General Manager VINK reported accounts receivable on water for the water run in May totaled approximately \$270,000
- Interest earned during the second quarter of 2002 from LAIF was not reported.

After thorough review and discussion, on motion by Director BOWMAN-FRIEND, second by Director MACMILLAN and unanimously approved the financial statement for the month of May was ordered placed on file.



The Board reviewed the actions of the finance committee in their meeting to pay the April bills following the May Board meeting. After thorough review and discussion, on motion by Director BOWMAN-FRIEND, second by Director MACMILLAN and unanimously approved the Board ratified the actions of the finance committee in paying the April bills.

2. WATER CONDITIONS

Current water conditions were reviewed. The declaration for the Friant Division remains at 100% Class 1. There is a chance that some Class 2 will be made available later in the summer depending on the San Joaquin River run-off for April through July. The Board spent considerable time reviewing the balance of the summer water run. General Manager VINK reviewed with the Board a schedule that will allow for 3 separate runs with the current runs:

1. Current Run: Through June 15
2. Second Run: June 25/26 through July 10
3. Third Run: July 25/26 through August 7 (balance of water supply)

The Board reviewed the 2001 final reconciliation from the Bureau of Reclamation including the CFO audit done by the Bureau of Reclamation in order to obtain an unqualified audit. The District obligation under the CFO audit totals \$886,000. That obligation can be covered through O & M surplus for the 2001 fiscal year. After thorough review of the matter it was the consensus of the Board to apply the District's financial obligation as, a result of the CFO audit, to the 2001 reconciliation rather than carry an O&M deficit in subsequent years.

The Board reviewed a variety of other water related activities including Westside CVC water and the use of Cross Valley Canal in the experimental program 2002 San Joaquin River restoration project.

3. DISTRICT OPERATIONS

The Board reviewed a variety of construction activities including the completion of the Westside Inter-tie and the Poplar Ditch Project. No action was taken.

General Manager VINK presented for review the salary and position of Controller FRANCIA MENDOZA-REYES. General Manager VINK reported that MENODZA-REYES has been an excellent addition to the staff providing integrity and competency in

the financial areas and in the management of the office staff. After thorough review and discussion on motion by Director MACMILLAN, second by Director SIMONICH and unanimously approved, MENDOZA-REYES' salary was given a salary increase effective June 1st 2002 which included a promotion to the Management Premium Package whereby the District will compensate MENDOZA-REYES for retirement and medical expenses.

General Manager VINK reported that interviews have been scheduled for the District Engineer position.

The Board reviewed a variety of administrative activities including the Districts Workers Compensation Policy. The District has received notice from the State Fund Insurance that the Workers Comp cost is going to be going up considerably in 2003. Accordingly District staff has concluded a review of the workers comp proposals and has received other proposals for workers comp coverage. After thorough review and discussion on motion by Director FERNANDES, second by Director BOWMAN-FRIEND and unanimously approved the Board authorized the cancellation of the Districts existing Workers Compensation Policy with State Fund and authorized the retention of Tollman and Wilker Insurance Agency to provide the District workers comp policy. A quote from Tollman and Wilker is attached as Exhibit A.

General Manager VINK reviewed the office construction project including:

- The extension of the bid date from the 14th of June to the 28th of June
- The zone change hearing scheduled for later in the month and;
- Progress on the water and sewer installation

Controller MENDOZA-REYES and Systems Analyst RAUL PEREZ gave a staff presentation to the Board relative to the update of the Districts management information system. The Board spent considerable time reviewing the various options available to the District and the total projected cost of the complete systems upgrade. After thorough review and discussion President SERAFIN appointed Director SIMONICH and Director BOWMAN-FRIEND to an ADHOC committee to review the proposals as presented by staff along with the different financing options. A report will be made at the July Board meeting.

The District has been engaged in the settlement discussions on the San Joaquin River relative to the NRDC lawsuit; at present the Districts are coordinating their legal representation through Dooley & Herr. A memorandum of understanding regarding joint representation and cost sharing for Dooley's services amongst his Friant Division clients

was presented for review. After thorough review and discussion on motion by Director MACMILLAN, second by Director SIMONICH and unanimously approved the Board authorized execution to the MOU for the cost sharing of Dan Dooley's services related to the NRDC settlement discussions.

4. CROSS VALLEY CANAL

The Board reviewed the ownership and management discussions and the revised participation agreement. That process has been stalled as a result of Cawelo Water District withdrawing their support from the agreement.

5. TULE RIVER ASSOCIATION

The Board reviewed the May 15th, 2002 meeting of the Tule River Association. The minutes of the TRA Board of Directors have been distributed to the Board and are not repeated here.

General Manager VINK also reported on a variety of activities associated with the Success Reservoir Enlargement and Success Power Project activities.

6. FRIANT WATER USERS' AUTHORITY

The Board reviewed the May 23rd meeting of the FWUA and the May 21st special meeting of the FWUA. The minutes of the FWUA Board of Directors have been distributed to the Board and are not repeated here. Considerable time at both meetings was spent discussing the San Joaquin River settlement discussions and related matters.

7. MISCELLANEOUS AUTHORITY/AGENCY

A. Mid-Valley Water Authority. Nothing new to report.

B. Deer Creek & Tule River Authority. The Board reviewed the May 16th Deer Creek and Tule River Authority meeting. The minutes of the Deer Creek & Tule River Authority have been distributed to the Board and are not repeated here.

8. U.S DEPARTMENT OF THE INTERIOR

Nothing new to report.

9. MEETINGS, HEARINGS & NOTICES

The District has received notice from the Tulare County Farm Bureau that a special water committee is being formed and a meeting will be held on the 13th of June at the Tulare County Farm Bureau office in Visalia. Director BOWMAN-FRIEND will attend to represent the District.

10. MISCELLANEOUS MATTERS

- A. Association of California Water Agencies
- B. Central Valley Project Water Association
- C. California Water Resources Association
- D. National Water Resources Association
- E. California Chamber of Commerce.
- F. Ag Water Committee
- G. Water Education Foundation
- H. California Farm Water Coalition.
- I. Family Water Alliance.

There being no further business to brought to the Boards attention the meeting was adjourned.

Respectfully Submitted,

Daniel G. Vink