



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 6th day of August 2003, at 9:00 a.m. at the District office in Tipton, 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
ERIC LIMAS - Controller

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 June 10th, 2003 regular meeting were presented for review. Following a minor correction, on motion by Director BOWMAN-FRIEND, second by Director SIMONICH and unanimously approved the minutes of the June 10th, 2003 regular meeting were approved and ordered placed on file.

Controller LIMAS presented the financial statements for the month of June & July 2003. After thorough review and discussion, on motion by Director SIMONICH, second by Director FERNANDES and unanimously approved the financial statements for the months of June & July were accepted and ordered placed on file.

The Board reviewed the actions of the finance committee. The finance committee met following the June meeting to review the May bills and met in a separate session in July to review the June bills. On motion by Director BOWMAN-FRIEND, second by Director MACMILLAN and unanimously approved the Board ratified the actions of the finance committee in approving the May and June bills.

2. WATER CONDITIONS

The Board reviewed 2003 water supply issues. The current declaration for the Friant Division remains at 100% Class 1 and 5% Class 2. General Manager VINK reviewed a variety of summer water activities including the Districts 2003 summer water run projected to run through the 15th of August. The Board also reviewed 2003 water accounting. At present it appears as though the District will finish the year +/- \$200,000 in terms of water purchases versus water revenue. To date the District has delivered 95,000 acre-feet for sales.

The Board also reviewed a variety of water related activities including:

- The revisions of the Friant water policy,
- Potential water exchanges with MWD on pilot and long-term basis.
- A recap of the negotiations held in Napa between the State Water Project contractors and the Bureau of Reclamation for re-operations of the Delta and;
- The water accounting reconciliation for fiscal year 2002. For FY 2002, the District had an O & M surplus for Cross Valley water of \$116,897 which was applied to a capital obligation of \$134,804 leaving a net capital deficit of \$17,907. For Friant operations for fiscal year 2002 the District had an operation surplus of \$418,598 and a capital obligation of \$625,000 leaving a net capital deficit of \$207,369. Capital deficits are deferred to subsequent years.

General Manager VINK presented for consideration a Warren Act contract between the Bureau of Reclamation and the Lower Tule River Irrigation District for the wheeling of the Districts Tule River water in the Friant Kern Canal. On motion by Director SIMONICH, second by Director FERNANDES and unanimously approved the Board accepted the terms of the Warren Act contract and authorized signature by the appropriate representatives. While it is not expected that the District will need to wheel water under a Warren Act Contract in 2003 the appropriate NEPA documentation has been completed (covering a five year period) and a contract for 2003 allows for contract continuity in that regard.

3. DISTRICT OPERATIONS

The Board reviewed a variety of construction and maintenance activities within the District. O&M Superintendent BATTLES was on an annual vacation and as such no formal report from the operations and maintenance department was given.

General Manager VINK updated the Board on the preparation of the promotional video being prepared for the District by Pat Summerall productions. The field shot was done in the later part of July. General Manager VINK reported that interviews were held with several of the Board members along with District landowners.

The Board reviewed a variety of District operations issues including:

- The State budget issues in Sacramento.
- The filing of the appeal relative to the 404 permitting issues and;
- Health insurance premium increases for 2004. General Manager VINK and Controller LIMAS reviewed health insurance issues with the Board and reported that the District will begin the process of exploring possibilities for self-funding for fiscal year 2005.

The District has also received notice from ACWA/JPIA that the Districts auto and liability general program is scheduled for renewal. After thorough review and discussion, on motion by Director FERNANDES, second by Director MACMILLAN and unanimously approved the Board authorized renewal of the Districts 2003-2004 auto and general liability program in the amount of \$39,951.

4. CROSS VALLEY CANAL

The Board reviewed a variety of Cross Valley Canal activities including ongoing negotiations amongst the CVC participants for the expansion of the CVC and the inclusion of the Kern County Water Agency and Kern Delta Water District as participants. It was a consensus of the Board to proceed with those discussions.

5. TULE RIVER ASSOCIATION

The Board reviewed the June and July minutes of the Tule River Association Board meeting. The Board also discussed the need for representation on the TRA Board and on motion by Director FERNANDES, second by Director BOWMAN-FRIEND and unanimously approved the Board authorized ERIC LIMAS to serve as an alternate to the TRA Board.

General Manager VINK and ERIC LIMAS reported on a variety of Success Power Project activities including the generation report and the status of the partnership. Included in the partnership status was an analysis from former Engineer-Manager ROGER W. ROBB on the possible cost of a buyout of the now defunct KMS Energy.

The Board also reviewed Success Reservoir Enlargement activities including the groundbreaking to be held this Friday at the Success Reservoir Enlargement site and various Success Reservoir Enlargement meetings. The minutes of the TRA Board of Directors have been distributed to the Board and are not repeated here.

6. FRIANT WATER USERS' AUTHORITY

The Board reviewed the June and July meetings of the FWUA Board of Directors. Continual time is continued to be spent at the FWUA on the San Joaquin River issues and on the facilitation process that is designed to provide for a more cohesive FWUA.

The Board spent considerable time discussing the 2004 dues and budget process. It was the consensus of the Board that the District did not want to be obligated for 2004 dues and budget without a stronger sense of the outcome on the facilitation process. The Board directed staff to prepare an analysis of the issues and to report back at a subsequent meeting. The minutes of the FWUA have been distributed to the Board and are not repeated here.

7. MISCELLANEOUS AUTHORITY/AGENCY

A. Mid-Valley Water Authority.

B. Deer Creek & Tule River Authority. The minutes of the DCTRA 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

Nothing new to report.

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 be brought to the Boards attention the meeting was adjourned.

Respectfully Submitted,

Daniel G. Vink