



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 10th day of June 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- ABSENT

District Staff Present: DANIEL G. VINK – General Manager
ERIC LIMAS - Controller
MIKE BATTLES – O&M Superintendent

1. BOARD ADMINISTRATION

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

The minutes of the May 13th, 2003 regular and May 21st adjourned regular meeting were presented for review, after thorough review and discussion, with one minor correction, on motion by Director MACMILLAN, second by Director FERNANDES and unanimously approved the minutes of the May 13th, 2003 regular and May 21st adjourned regular meeting were approved as presented.

The financial statement for the month of May was reviewed and along with the financial statement, a 2003 water cost to revenue accounting report was presented. After thorough review and discussion on motion by Director FERNANDES, second by Director SIMONICH and unanimously approved the Board accepted the financial statement for the month of May and ordered it placed on file.

The Board spent considerable time reviewing the Districts delinquent account policy. At present only delinquent work orders and water bills are assessed a penalty of 1 ½% monthly. Other individuals, districts and entities that owe the District for reimbursement of legal bills, health insurance etc. are not being charged penalties.



After thorough review and discussion on motion by Director SIMONICH, second by Director MACMILLAN and unanimously approved the Board adopted a policy of assessing a delinquent penalty to all accounts.

The Board reviewed the modified investment policy. The modifications to the investment policy were precipitated by the District taking money from the LAIF account and moving that money into other accounts. After thorough review and discussion of the investment policy and guidelines, on motion by Director MACMILLAN, second by Director SIMONICH and unanimously approved the District adopted the modified Investment Policy and Guidelines. A copy is attached as **Exhibit "A"**.

Controller LIMAS and General Manager VINK then presented a proposed investment structure to the Board. The proposal invests the District's money in several different areas including a locally managed CD account, Prudential Securities and a Money Market Account with Stockman's Bank. The investment of all District accounts will be in accordance with the District's investment policy. After thorough review and discussion on motion by Director FERNANDES, second by Director MACMILLAN and unanimously approved the Board adopted the investment recommendations per the staff report. A copy of the investment recommendation is attached as **Exhibit "B"**.

The Board reviewed the actions of the finance committee in paying the April bills following the May meeting. On motion by Director MACMILLAN, second by Director FERNANDES 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. District staff spent considerable time reviewing the 2003 summer water run, water accounting and potential deliveries of Cross Valley water for 2003. At present it appears as though the summer water run will last sometime into August without any need for interruption. Projections on water accounting and deliveries for the year are indicating that the District may not need to borrow from reserves to cover water payments.

The Board reviewed various Bureau policy issues including letters from the Madera Irrigation District to the Bureau of Reclamation. Madera ID is contending that the way the Bureau operates the uncontrolled season is detrimental to Madera ID. The Board discussed in detail and no action was taken. The Board also reviewed potential water exchanges with Metropolitan Water District in keeping with Metropolitan's desire to exchange state water project water for water quality purposes with eastside water



contractors. Meetings have been held with the Metropolitan Water District to review potential exchanges including a possible pilot program for 2003. There was a consensus of the Board to continue those discussions and participation with MWD.

3. DISTRICT OPERATIONS

O&M Superintendent BATTLES reviewed a variety of construction and maintenance activities including issues on Poplar Ditch associated with the CalTrans project and the Home Depot construction. BATTLES also updated the Board on the completion of the Districts office building. Some miscellaneous matters had been waiting for cooperative weather. Those matters have now been completed.

District staff presented a project concept to the Board for potential project to better balance the Districts Tule and Friant supply. The project would call for an inter-tie canal between Woods Central and #1 canal. After thorough review and discussion, on motion by director MACMILLAN, second by Director FERNANDES and unanimously approved the Board authorized a feasibility study with Provost & Pritchard Engineering to review the project and various alternatives. It was estimated that the feasibility study would not exceed \$25,000.

The Board then spent considerable time discussing the preparation of a promotional video, Pat Summerall Productions out of Dallas Texas has indicated they would like to feature the District as a Champion of Industry and for \$19,000 prepare a promotional video that the District could use to educate others about the activities within the District and the importance of agriculture. In addition a small portion of the video would air on a national network news program. After thorough review and discussion on motion by Director FERNANDES, second by Director MACMILLAN and unanimously approved the Board authorized expenditures of \$19,000 to prepare the video with Pat Summerall Productions.

General Manager VINK and Controller LIMAS presented to the Board different alternatives that the District has available to it for Workers Compensation coverage for 2003-2004. It appears as though the best option would be to go with the Special District Risk Management Authority a self-funded pool program. The Special District Risk Management Authority requires a three-year commitment, but the cost savings as opposed to the State Fund or other potential carriers is significant. After thorough review and discussion on motion by Director SIMONICH, second by Director FERNANDES and unanimously approved the Board authorized participation in the Special District Risk Management Authority for Workers Compensation coverage.

4. CROSS VALLEY CANAL

General Manager VINK updated the Board on a variety of Cross Valley Canal activities.

5. TULE RIVER ASSOCIATION

The Board reviewed the May 2003 Tule River Association board meeting. The minutes of the TRA Board of Directors have been distributed to the Board and are not repeated here.

General Manager VINK reported to the Board on the status of the Success Power Project in terms of generation and also the partnership status. At present it is unclear as to the status of the partnership except to know that the partners are in bankruptcy. General Manager VINK has retained retired Engineer-Manager ROBB to prepare an analysis for the District. The analysis would include a potential cost to buy out the partners.

The Board also reviewed a variety of Success Reservoir Enlargement activities including the execution of the local project agreement and the local project cooperation agreement.

6. FRIANT WATER USERS' AUTHORITY

The Board reviewed the May 29th regular meeting of the FWUA Board of Directors. The minutes of the FWUA have been distributed to the Board and are not repeated here.

Considerable time has been spent at Friant discussing the need for facilitated process to bring more harmony to the Friant Water Users Authority.

7. MISCELLANEOUS AUTHORITY/AGENCY

A. Mid-Valley Water Authority.

B. Deer Creek & Tule River Authority. The Board reviewed the May meeting of the Board of Directors. 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