



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 13th day of July 2004, at 9:00 a.m. at the District office in Tipton, California. The meeting was called to order by President BEN SERAFIN. It was determined the following Directors were in attendance:

Director	Div. 2	2005	BENJAMIN SERAFIN
Director	Div. 3	2007	DONALD MACMILLAN
Director	Div. 4	2007	GARY FERNANDES
Director	Div. 1	2005	TONY SIMONICH
Director	Div. 5	2005	ROBERT F. BOWMAN

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

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 8, 2004 regular meeting were distributed via mail. After thorough review, on motion by Director MACMILLAN, second by Director SIMONICH and unanimously approved the minutes of the June 8, 2004 regular meeting were approved as mailed and ordered placed on file.

The financial statement for the month of June 2004 was reviewed. On motion by Director SIMONICH, second by Director BOWMAN and unanimously approved, the Board accepted the June 2004 financial statement and ordered it placed on file. In addition to the financial statement the Board reviewed the State Auditors report and the assessment recap for 2004.

General Manager VINK and Controller LIMAS submitted to the Board a revised investment policy, which will be reviewed at a subsequent meeting.

The Board reviewed the actions of the finance committee in the payment of the May bills following the June meeting. On motion by Director MACMILLAN, second by Director BOWMAN and unanimously approved the Board ratified the actions of the



finance committee in paying the May bills. The bills for the month of June will be reviewed following the July meeting. The financial statements for the month of June are attached as **Exhibit “A”**.

2. WATER CONDITIONS

Current water conditions were reviewed. The declaration from the Friant division remains at 100% Class 1 and 5% Class 2.

The Board reviewed a variety of water supply and use issues including the 2004 irrigation run. To date, use by District growers has been much higher than anticipated and as a result the August water run will be shorter than expected. Adjustments to the water run and the water rate were deferred to an adjourned regular meeting later in the month.

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

- The 2004 Cross Valley deliveries
- The proposed assignment of Friant supply from Ivanhoe Irrigation District to the Kaweah Delta Conservation District and;
- A change in the water billing cycle in order to accommodate internal accounting issues.

3. DISTRICT OPERATIONS

Operations and Construction

The Board reviewed a variety of construction and maintenance activities, including a report from O & M Superintendent BATTLES on ongoing maintenance operations.

The Board spent considerable time discussing the diversion of Tule River water at Wood Central and the improvements necessary to that facility. On motion by Director FERNANDES, second by Director BOWMAN and unanimously approved the Board authorized proceeding with engineering and design to upgrade the facilities.

Personnel and Resources

The Board reviewed a variety of personnel issues including the vacancy of the Administrative Assistant position and a long term staffing issues. Controller LIMAS

reported that the District's 2005 health insurance rates would increase by approximately 2% across the Board.

Administration

General Manager VINK updated the Board on a variety of other ancillary matters including:

- State Board fee issue
- The meeting held with Department of Water Resources Director LESTER SNOW
- The Governors proposed reorganization of the State governance structure
- A meeting held with Landowners along with Cooper Ditch to try to resolve water supply disputes amongst them

At approximately 11:00 a.m. consulting Engineer DENNIS KELLER entered the meeting to review with the Board and staff the long-term fiscal issues. The discussion focused in particular on those issues associated with any Prop 218 election, which would be required to adjust the Districts assessment rates. Considerable discussion was held regarding the long-term obligations of the District and the appropriate methodology to cover those long-term issues. On motion by Director FERNANDES, second by Director MACMILLAN and unanimously approved the Board directed staff to prepare various options and report back at a subsequent meeting.

At 12:30 p.m. the District went into closed session to discuss real property interest within the District. Upon coming out of closed session it was reported that one action was taken.

The District then reentered into closed session to discuss pending litigation matters with District Counsel DAN DOOLEY. Upon coming out of closed session it was reported that no action was taken.

4. CROSS VALLEY CANAL

The Board reviewed a variety of Cross Valley Canal activities. No action was taken.

5. TULE RIVER ASSOCIATION

The Board reviewed the June 2004 meeting of the Tule River Association Board of Directors. Considerable time at that meeting was spent discussing Success Reservoir Enlargement and Success Power Project activities.

General Manager VINK reported on a variety of issues associated with the Enlargement Project including meetings held with Congressman DEVIN NUNES to review the seismic issues and federal funding associated with the Enlargement. The minutes of the TRIJPA are submitted to the Board and as such are not repeated here.

The Board also reviewed Success Power Project issues. The repair work has been completed and the plant is back online. In order to cover the deficits incurred on behalf of the partnership during the repair work, on motion by Director MACMILLAN, second by Director SIMONICH and unanimously approved the Board authorized a \$200,000 call for funds which would be an advance of funds that would be repaid once generation revenue credited to the partners was enough to pay back the deficit.

6. FRIANT WATER USERS' AUTHORITY

The Board reviewed the June meeting of the Friant Water Users Authority and the June special meeting of the FWUA wherein the transfer of the operations and maintenance was completed with the Friant Water Authority assuming control of the operations and maintenance.

The Board has received a call for funds from the Friant Water Users Authority in the amount of \$43,000. It is expected that that call for funds will fund the Authority through the balance of the fiscal year, which ends September 30, 2004. On motion by Director MACMILLAN, second by Director SIMONICH and unanimously approved the Board authorized payment of the call for funds. The minutes of the FWUA Board of Directors have been distributed to the Board and are not repeated here.

8. MISCELLANEOUS AUTHORITY/AGENCY

A. Mid-Valley Water Authority.

B. Deer Creek & Tule River Authority. General Manger VINK reported that the District has received a grant from the State of California in the amount of \$221,000 to cover groundwater management issues and in particular the updating of the Authorities groundwater management plan. The Board

reviewed the June meeting of the DCTRA. The minutes of the DCTRA have been distributed to the Board and are not repeated here.

9. U.S DEPARTMENT OF THE INTERIOR

Nothing new to report.

10. MEETINGS, HEARINGS & NOTICES

Nothing new to report.

11. 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. The District has also received a request from the Family Water Alliance a contribution for 2004. On motion by Director BOWMAN, second by Director FERNANDES and unanimously approved the Board authorized payment of \$100 to the Family Water Alliance for 2004.

There being no further business to be brought to the Boards attention the regular meeting of the Board of Directors of the Lower Tule River Irrigation District was adjourned to July 21, 2004 at 9:00 a.m. wherein the District will review the available water supply for 2004.

On July 21, 2004 at 9:00 a.m. the Lower Tule River Irrigation District regular meeting was reconvened and called to order by President BENJAMIN SERAFIN. It was determined the following Directors were in attendance:

Director	Div. 2	2005	BENJAMIN SERAFIN
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Director	Div. 3	2007	DONALD MACMILLAN
Director	Div. 4	2007	GARY FERNANDES
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Director	Div. 5	2005	ROBERT F. BOWMAN

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

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

The Board spent considerable discussing the August water run, focusing in particular on methodologies for extending the run. After thorough review and discussion, on motion by Director BOWMAN, second by Director MACMILLAN and unanimously approved the Board established the August water rate \$75 an acre-foot. The increase in the water rate was in an effort to extend the water run and encourage people to use groundwater pumping when appropriate.

There being no further business to be brought to the Boards attention the meeting was adjourned at 10:50 a.m.

Respectfully Submitted,

Daniel G. Vink