



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 October 2005, at 9:00 am at the District office in Tipton, California. The meeting was called to order by President 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 - ABSENT

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

1. BOARD ADMINISTRATION

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

The minutes of the September 13th, 2005 regular meeting were reviewed. On motion by Director SIMONICH, second by Director FERNANDES and unanimously approved, the minutes of the September 13th regular meeting were accepted and ordered placed on file.

The financial statements for the month of September were reviewed and on motion by Director FERNANDES, second by Director MACMILLAN and unanimously approved the financial statements for the month of September were accepted and ordered placed on file.

The Board reviewed the recommendation from staff which would place \$828,000.00 of the District's long-term investments into the restricted account for CVP capital repayment. The recommendation came after thorough analysis of the District's capital repayment for 2004. The \$ 828,000.00 is the remaining long-term investment

and is currently unrestricted. On motion by Director FERNANDES, second by Director MACMILLAN and unanimously approved the Board accepted staff's recommendation and authorized a restriction on the remaining long-term investment for capital repayment for the Central Valley Project.

Staff had previously submitted an investment policy for review and approval. On motion by Director SIMONICH, second by Director FERNANDES and unanimously approved the Board adopted the investment policy and ordered it placed on file. There were no changes in the investment policy from the prior year.

Controller LIMAS submitted to the Board an investment authorization for investing District funds with Wachovia Securities. On motion by Director MACMILLAN, second by Director SIMONICH and unanimously approved the Board authorized investment through Wachovia Securities.

The Board reviewed the actions of the Finance Committee in paying the August bills following the September meeting. After thorough review and discussion, on motion by Director FERNANDES, second by Director MACMILLAN and unanimously approved, the Board ratified the actions of the finance committee in payment of the August bills.

2. WATER RESOURCES

General Manager VINK reviewed a variety of water resource issues, including the September delivery report and the final delivery of water to turnouts in the District. The District's 2005 water run terminated on or about September 15th.

The Board also reviewed the non-project exchanges and other ancillary 2005 water supply issues. No action was taken.

3. DISTRICT OPERATIONS

Construction and Operation activities

The Board reviewed a variety of construction and maintenance activities including the Westside inter-tie project. General Manager VINK reported that he has negotiated right-of-way purchases with the landowners for right-of-way necessary for expansion of existing facilities. The purchase price has been purposed at \$11,000.00 per acre, which is consistent with the existing sales of property in that area. On motion by Director FERNANDES, second by Director SIMONICH with Director MACMILLAN abstaining, for conflict purposes the Board authorized purchase of the right-of-way necessary at of a rate of \$11,000.00 per acre.

The Board considered various related matters including competitive bid requirements for the District. That matter was deferred until the November meeting wherein staff will prepare a policy for review.

O&M Superintendent BATTLES reviewed with the Board a variety of other maintenance and construction activities including the Tule River Inter-tie and the Poplar Ditch relocation project.

Administrative Activities

The Board reviewed a variety of administrative activities including

- Update on the website upgrade project
- Canal break -Tony George claim, which has now been resolved
- 404 permitting process
- Sacramento legislative representation and the potential to engage through either the AG water committee or Friant Water Users Authority
- A status report on the AG water quality monitoring program

No action was taken on any of these matters.

At 12:00pm Porterville Irrigation District representative Dave Hoffman, Frank Borba and Guido Lombardi entered the meeting to have lunch with the Board and discuss potential joint operations between Lower Tule River Irrigation District and Porterville Irrigation District. A lengthily discussion ensued, no action was taken.

The Board reviewed the 2005 Budget and cash flow as prepare by staff. After thorough review and discussion, on motion by Director FERNANDES, second by Director SIMONICH and unanimously approved the Board adopted the proposed Budget. A copy is attached as **Exhibit "A"**.

Controller LIMAS presented two contracts for consideration: A contract with Panagrah and a contract with Rippe & Kingston Systems, Inc. Both contracts will allow the District to complete it's website upgrade in conjunction with the water conservation grant from the Bureau of Reclamation. After thorough review and discussion, on motion by Director SIMONICH, second by Director MACMILLAN and unanimously approved the Board authorized execution of the contracts.

4. CROSS VALLEY CANAL

The Board reviewed a variety of Cross Valley Canal activities including the inter-tie construction and various PERPA activities. No action was taken.

6. TULE RIVER ASSOCIATION

The Board reviewed the September 2005 meeting of the Tule River Association. The minutes of the Tule River Association Board of Directors have been distributed to the Board and are not repeated here.

Success Power Project

Nothing new to report.

Success Reservoir Enlargement

No action was taken.

Success Dam

General Manager VINK reported on a variety of activities including recent Corp of Engineers findings on the stability of the foundation and it's applicability for a roller compactive concrete dam. At present the Corp has decided to go with an earthen dam.

General Manager Vink also updated the Board on meetings recently held in Washington D.C with local representatives, congressional delegates and the Corp of Engineers. General Manager VINK attended those meetings to represent the District.

7. FRIANT WATER USERS' AUTHORITY

The Board reviewed the September 22nd meeting of the Friant Water Users Authority. The minutes of the FWUA Board of Directors have been distributed to the Board and are not repeated here.

The District has received a dues request in the amount of \$107,000.00 from the Friant Water Users' Authority for the first quarter of the fiscal year 2006. On motion by Director MACMILLAN, second by Director FERNANDES and unanimously approved the dues request was approved.

8. The Friant Water Authority

The Board reviewed the September 22nd meeting of the Friant Water Authority. The minutes of the FWA Board of Directors have been distributed to the Board and are not repeated here.

The District has received a dues request from the Friant Water Authority in the amount of \$ 31,843.00 for the first quarter of 2006. On motion by Director SIMONICH, second by Director FERNANDES and unanimously approved the Board authorized payment of the Friant Water Authority dues.

9. MISCELLANEOUS AUTHORITY/AGENCY

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

- b. Deer Creek & Tule River Authority.
Nothing new to report

10. U.S DEPARTMENT OF THE INTERIOR

Nothing new to report.

11. MEETINGS, HEARINGS & NOTICES

Nothing new to report.

12. MISCELLANEOUS MATTERS

Nothing new to report.

- 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 to the 3rd of November at 10:30 a.m wherein the Board will meet jointly with the Pixley Irrigation District.

The Board of Directors of the Lower Tule River Irrigation District met in an adjourned regular meeting on the 3rd day of November 2005, at 10:30 am at the District office in Tipton, California. The meeting was reconvened by President 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 - ABSENT
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

ADMINISTRATION

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

President SERAFFIN adjourned the meeting in to close session to discuss personnel matters. Upon coming out of closed session it was reported that on motion by Director



Lower Tule River

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BOWMAN, second by Director SIMONICH and unanimously approved, the following actions were taken:

1. General Manager Vink's performance and compensation were reviewed.
2. All non-exempt employees were granted a cost of living raise of 3% effective January 1st 2006.
3. Staff's recommendation to implement of Performance Award of 1.5% of the annual salary for employees who reach the top step and grade in their classification was implemented. The award will be a one-time payment and will only be received upon completion of a positive performance review. A copy of the Performance Award Policy is attached for clarification.

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

Respectfully Submitted,

Daniel G. Vink