

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 February 2007, at 9:00 am at the District office in Tipton, California. The meeting was called to order by President MACMILLAN. It was determined the following Directors were in attendance:

Director	Div. 2	2009	JIM COSTA
Director	Div. 3	2007	DONALD MACMILLAN
Director	Div. 4	2007	GARY FERNANDES
Director	Div. 1	2009	TONY SIMONICH
Director	Div. 5	2009	JOHN ROELOFFS

District Staff Present: DANIEL G. VINK – General Manager
MIKE BATTLES – Operations Manager
ERIC LIMAS – Business Manager

1. BOARD ADMINISTRATION

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

The minutes of the January 9th, 2007 regular meeting were distributed prior to the meeting. On motion by Director ROELOFFS, second by Director SIMONICH and unanimously approved the Board accepted the minutes of the January 9th regular meeting and ordered them placed on file.

The Board reviewed the financial statements for the month of January 2007. On motion by Director FERNANDES, second by Director COSTA and unanimously approved, the Board accepted the financial statements for the month of January 2007 and ordered them placed on file.

The LIMAS presented a proposed plan amendment to the District's 457 plan. The amendment is specific to compliance with current IRS regulations. On motion by Director SIMONICH, second by Director COSTA and unanimously approved the Board

authorized update of the Districts 457 plan. The District holds the 457 plans in trust for the employees.

The Board reviewed the actions of the Finance Committee in paying the December bills following the January meeting. On motion by Director ROELOFFS, second by Director COSTA and unanimously approved the Board ratified the actions of the Finance Committee in paying of the December bills.

2. WATER RESOURCES

The Board reviewed a variety of water resources activities including the current declaration and water supply update from General manager VINK. The present declaration from the Friant Division is 50% Class I. Fifty percent Class I would be an extremely dry year in which the District would have only a few weeks of summer water available.

The Board spent considerable time discussing various water supply issues including a request from the Delano-Earimart Irrigation District to transfer to DIED some of the Districts remaining 2006 water (approximately 2500 a/f). It was the unanimous consensus of the Board, keeping in the spirit of cooperation, to do so.

The Board received an update from General Manager VINK on:

- The upcoming Riparian meeting
- 2007 Cross Valley water deliveries.
- The Districts groundwater contour maps
- The installation of the software by TRUEPOINT for the District's water accounting program.

The Board then turned its attention to the 2007 water rates. Considerable discussion ensued, considering the need for revenue collection versus the rolling five-year average that the District has been working with for rate stabilization. After thorough review and discussion, it was the consensus of the Board to delay implementation of the 2007 water rates until the March or April meeting, in light of the variable water supply at this point.

3. DISTRICT OPERATIONS

Construction and Operation activities

The Board reviewed a variety of construction and maintenance activities including updates from Operations Manager BATTLES on the Westside Inter-tie and Poplar Relocation Project – Phase I. Considerable work is being done on both those projects and they are both scheduled for completion in March and April of this year respectively.

The Board spent considerable time discussing the Tule River Inter-tie canal and a recent joint meeting with Porterville Irrigation District and the Poplar Ditch Company Boards. At that meeting, it was proposed that the District considered an alternative alignment. After thorough review and discussion, on motion by Director ROELOFFS, second, by Director COSTA and unanimously approved the Board authorized an engineering analysis of the proposed alternative alignment at a cost of approximately \$4000.00. The Board further directed General Manager VINK to discuss the matter with the Poplar landowners requesting the reconsideration with consideration being given to the District's work and the need for the landowners to begin discussions on Right-of-Way once the work is completed.

General Manager VINK presented for consideration a purposed vehicle allowance for Business Manager LIMAS. Business Manager LIMAS is currently operating under a mile reimbursement program wherein the District is spending approximately \$200.00 – 250.00 a month for mileage for Business Manager LIMAS. After thorough review and discussion, considering his exempt position and the amount of travel he does for the District, on motion by Director FERNANDES, second by Director ROELOFFS and unanimously approved the Board authorized the vehicle allowance for Business Manager LIMAS in the amount of \$400.00 per month.

The Board then spent time reviewing the NRDC v ROGERS litigation and the San Joaquin River settlement discussions including the net impact to the District and the potential need to do further modeling to get more accurate results.

Administrative Activities

General Manager VINK updated the Board on a variety of activities including the State Water Resources Control Board fees and a recent court ruling, wherein the court

mandated the fees back to the State Board ruling that the methodology for collection of the fees was unconstitutional. It is unclear how the Board will reallocate the fees.

The Board also reviewed the recent newsletter that went out to the landowners.

At approximately 10:45am President MacMillan called the meeting into closed session to discuss Real Property negotiations. 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 including the Inter-tie and Cross Valley expansion project and deliveries of the Districts 2007 Cross Valley water. Under current declarations the District will deliver a portion of the water to Del Puerto under the 3-year agreement with Del Puerto and the balance of the water is projected to go to Westland's Water District.

5. TULE RIVER ASSOCIATION

The Board reviewed the January 17th meeting of the Tule River Association Board. The minutes of the Tule River Authority Board of Directors have been distributed to the Board and are not repeated here.

General Manager VINK updated the Board on the Success Reservoir Enlargement project and the projected need for 2008 funding. There was no money in the President's 2008 Budget for the SREP project and as a result, any money will have to be obtained through a Congressional ad; a difficult process at this point.

Success Power Project

Nothing new to report.

Dam Safety Project

General Manager VINK updated the Board on the Dam Safety Project and the 2007 funding, which is being done through Continuing Federal Resolution through the balance of federal fiscal year 2007, the 2008 allocations given in the President budget of \$18,000,000.00, and local meetings with the Corp of Engineers representatives.

6. FRIANT WATER USERS' AUTHORITY

The Board reviewed the Friant Water Users Authority January 25th meeting. The minutes of the FWUA Board of Directors have been distributed to the Board and are not repeated here.

7. The Friant Water Authority

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8. MISCELLANEOUS AUTHORITY/AGENCY

Deer Creek & Tule River Authority.

The Board reviewed the January minutes of the DCTRA meeting. Director FERNANDES attended that meeting to represent the District.

Mid-Valley Water Authority.

Nothing new to report

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.
- J. California Farm Bureau

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

Respectfully Submitted,

Daniel G. Vink