

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 August 2009, at 9:00 am at the District office in Tipton, California. The meeting was called to order by President SIMONICH. It was determined the following Directors were in attendance:

Director	Div. 2	2009	JIM COSTA
Director	Div. 3	2011	TOM BARCELLOS
Director	Div. 4	2011	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 ROELOFFS, second by Director COSTA and unanimously approved, the agenda was approved as presented.

The minutes of the July 16th, 2009 Regular Meeting were distributed for review prior to the meeting. On motion by Director BARCELLOS, second by Director COSTA and unanimously approved, with some minor corrections, the Board accepted the July 16th, 2009 Regular Meeting minutes and ordered them placed on file.

The Board reviewed the Financial Statements for the month of July 2009. On motion by Director ROELOFFS, second by Director COSTA and unanimously approved the Board accepted the Financial Statements for the month of July and ordered them placed on file.

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

Business Manager LIMAS reviewed with the Board the line of credit with VALLEY BUSINESS BANK and the conversion of the District's current line of credit to a term loan. At present the line of credit would be converted to a loan at 60% of prime with a floor of 3%. Given that the Prime Rate is well below 1 ½ % now, 3% would be the interest rate on the current term loan for equipment purchases. The line of credit would then be cleared and renewed for an additional year. On motion by Director BARCELLOS, second by Director COSTA and unanimously approved the Board authorized conversion of the loan, extension of the line and execution of the related documents.

2. WATER RESOURCES

General Manager VINK reviewed variety of water resources activities. Considerable discussion was held as to the available water supply. The Bureau has allocated an additional 5% Class II, which should allow for the District to run for a few more longer and approximately 10 days beyond the original shut off date of the 5th of August.

The Board spent considerable time reviewing groundwater and groundwater activities within the District and provided General Manager VINK with guidance in the discussions to be held with Angiola Water District representatives.

Considerable discussion was also held as to the future of groundwater management and the role that the District should be playing in that groundwater management. No action was taken. General Manager Vink reported that the DCTRA group is pursuing a more deliberate role and will be communicating directly with the local landowners on groundwater issues and conditions.

Managers Report

General Manager Vink reported on the upcoming distribution of the Riparian operational guidelines and recent meetings with Consulting Engineer MR. RICHARD SCHAFER to review the related documents.

General Manager Vink also reported on Yokohl Valley Water Management programs and the recent completion of the Cross Valley deliveries to the Del Puerto Water District.

3. DISTRICT OPERATIONS

The Board reviewed a variety of District Operations activities.

General Manager VINK updated the Board on the status of the Tule River Inter-tie canal project including the Right of Way acquisition discussions with landowners BURNS and THOMPSON.

The Board then reviewed the timeline for construction and recognized that the work will need to begin this fall on the project.

General Manager VINK reported that the District received notice from the Bureau of Reclamation on funding of \$300,000.00 under the Bureaus Challenge Grant for work to be done on the upper end of the project. The District is still waiting on notice of the ARRA Stimulus funding program wherein the District applied for a grant in the amount of \$2.1 million dollars. Contract negotiations will begin on the Challenge grant award.

Construction and Operation activities

General Manager VINK and Operations Manager BATTLES reviewed with the Board the purchase of light duty trucks. The District is trying to take advantage of the Federal Governments Cash for Clunkers program to replace one of the vehicles in the fleet. On motion by Director FERNANDES, second by Director ROELOFS and unanimously approved the Board authorized purchase of a new light duty truck under the terms outlined by operations Manager BATTLES.

The Board was given an update on a variety of other maintenance activities. No action was taken.

Legal Matters

The Board reviewed the San Joaquin River Settlement and River Restoration Implementation. No action was taken.

General Manager VINK and Business Manager LIMAS spent considerable time reviewing potential changes to the current assessment structure with consideration as to how to possibly proceed under a potential 218 action. The review was in response to questions the Board had at the July meeting. The Board directed that staff review the matter further with financial consultants and legal staff looking at various options and potential costing scenarios and report back at a subsequent meeting.

Administrative Matters

The District has received the 2009-2010 liability insurance renewal forms in the amount of \$60,994.00. On motion by Director COSTA, second by Director BARCELLOS

and unanimously approved the Board authorized the renewal of the insurance program and payment of the related costs

4. CROSS VALLEY CANAL

General Manager VINK and Business Manager LIMAS reviewed a variety of Cross Valley canal activities with the Board including an update on recent PWPR activities.

General Manager VINK then went through a final review of the agreements with North-Kern Storage District, Kern County Water Agency and Improvement District #4 for the Cooperation and Sharing of the respective Cross Valley Canal Capacities. After thorough review and discussion, on motion by Director BARCELLOS, second by Director ROELOFFS and unanimously approved the Board authorized execution of the agreements.

5. TULE RIVER ASSOCIATION

The Board did not review any recent meeting of the Tule River Association. Because of the shift in the Districts meeting date, the July Tule River Association meeting was held before the Lower Tule River's July meeting.

General Manager VINK updated the Board on the Reservoir management software and the river automation program. No action was taken.

6. FRIANT WATER USERS' AUTHORITY

The Board reviewed the minutes of the July 23rd regular meeting of the Friant Water Users Authority. The minutes of the meeting have been distributed and as such are not repeated here.

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8. MISCELLANEOUS AGENCIES/AUTHORITIES

Deer Creek & Tule River Authority.

Deer Creek & Tule River Authority had its meeting on the 17th day of July. The minutes of the meeting have been distributed and as such 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 – The Board considered the support for Director BARCELLOS and his appointment to the ACWA Region 7 Board. After thorough review and discussing, on motion by Director COSTA, second by Director ROELOFFS and unanimously approved the Board adopted Resolution 2009-7-1 supporting the nomination of Director BARCELLO'S as a member of the ACWA agencies Region 7 Board. A copy of Resolution 2009-7-1 is attached as Exhibit "A".

- 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 Farm Alliance
- J. California Farm Bureau
- K. California Special Districts Association
- L. Ag Leadership

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

Respectfully Submitted,



APPROVED

Daniel G. Vink
General Manager