



Approved

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 January 2011 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	2013	JIM COSTA
Director	Div. 3	2011	TOM BARCELLOS
Director	Div. 4	2011	GARY FERNANDES
Director	Div. 1	2013	TONY SIMONICH
Director	Div. 5	2013	JOHN ROELOFFS

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

Guests Present: None

1. BOARD ADMINISTRATION

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

The minutes of the December 14th Regular meeting were distributed for review prior to the meeting. On motion by Director ROELOFFS, second by Director COSTA and unanimously approved the minutes of the December 14th Regular meeting were accepted and ordered placed on file.

The Financial Statements for the month of December 2010, along with 2010 closing statements and year end budget reports were presented by Business Manager LIMAS were reviewed by the Board. On motion by Director FERNANDES, second by Director ROELOFFS and unanimously approved the Board accepted the Financial Statements and ordered them placed on file.

The Board reviewed the actions of the Finance Committee in the payment of the December pending bills following the January meeting. On motion by Director ROELOFFS, second by Director

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COSTA and unanimously approved the Board ratified the actions of the Finance Committee in the payment of the December bills.

The District has received an audit engagement letter from Auditor ADAIR, EVANS & WHITE to perform the District's 2010 audit. In addition to performing the regular audit, the District will need to perform an audit in conjunction with the ARRA funding that the District has received from the Bureau of Reclamation. The audit amount for the District's regular audit is \$15,750.00 along with \$8,750.00 to prepare the ARRA audit. On motion by Director BARCELLOS, second by Director COSTA and unanimously approved the Board authorized execution of the engagement letter with ADAIR, EVANS & WHITE.

2. WATER RESOURCES

General Manager VINK reviewed a variety of water resources activities. The considerable and record setting rains in December have resulted in flood release operations within the District. It is anticipated that flood releases from Success and Millerton Reservoir will continue into February.

The Board reviewed the current water rate. The water rate was set at \$25.00 a/f in December. However given the extremely wet conditions and the need to use water to assist in flood control operations, on motion by Director ROELOFFS, second by Director COSTA and unanimously approved the Board set the water rate to "no charge" for the month of January with the return to \$25.00 a/f as of February 1, 2011 provided that conditions warrant an increase. If it remains wet, the Board will revisit the rate via a special meeting.

General Manager VINK reviewed the Cross Valley exchange with Tulare Lake Basin Water Storage District and a recent letter from Porterville Irrigation District to Pixley Irrigation District cancelling the long-term transfer between Porterville and Pixley.

General Manager VINK also reported on recent meetings with Angiola Water District representatives. General Manager VINK will be meeting with District Counsel ALEX PELTZER and presenting options to the Board in February.

3. DISTRICT OPERATIONS

Construction and Operation activities

The Board reviewed a variety of operational activities including an update from Operations Manager Battles and General Manager VINK on construction of the Tule River Inter-tie canal project. The project is continuing on schedule and under budget and is expected to be completed and fully operational in the spring of 2011.

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The Board reviewed several activities associated with the San Joaquin River Settlement including the 9d conversion and a summary of Friant contracts recently converted. No action was taken.

General Manager VINK then reviewed the Strength Weaknesses Opportunities and Threats (S.W.O.T) analysis that was completed by staff as part of an ongoing strategic planning process. The Board reviewed the S.W.O.T analysis and concurred with its findings. The staff will begin an organizational assessment as part of the next step.

General Manager VINK presented for consideration an initial study prepared in conjunction with the CEQA requirements associated with the Fish and Game 1602 permit. Lower Tule is acting as the lead agency for the TRI-JPA members. After thorough review, on motion by Director ROELOFFS, second by Director Barcellos and unanimously approved, the Board accepted the initial study and authorized the filing with the State Clearing House.

PERSONNEL MATTERS

The Board convened into Executive Session to discuss various personnel matters. Upon coming out of closed session it was reported that several actions were taken. Those actions are reported in the Executive minutes, which are attached for filing but not for public review.

General Manager VINK presented for consideration an amendment to the 125+ policy. The District currently has a 125+ policy that allows for deductions for anticipated medical, dental and other related expenses. General Manager VINK recommended a policy wherein the limit for deductions would be increased from \$2000.00 annually to \$2500.00 annually. Employees could also request for additional withholdings provided they were willing to collateralize sick leave for any amount above \$2500.00. On motion by Director BARCELLOS, second by Director COSTA and unanimously approved the Board authorized those amendments to the policy. General Manager VINK will develop a more formal policy for distribution to the staff.

4. CROSS VALLEY CANAL

The Board reviewed a variety of Cross Valley canal activities including ongoing discussions with PWRPA and PWRPA members on the reallocation of the District base resource. No action was taken.

General Manager VINK also updated the Board on the contract renewal negotiations and several matters that are being reviewed with Reclamation including whether or not Reclamation can sign long-term contracts.

Furthermore the District is in a position where it needs to proceed with environmental documentation for the NEPA/CEQA process. Real concern remains on proceeding with

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environmental documentation estimated to cost upwards of \$300,000 if the contracts are ultimately not going to be executed by Reclamation. General Manager VINK will be meeting with District Counsel ALEX PELTZER and other Cross Valley contractors in January to put together a plan of action related to the long-term contract renewal and the related environmental documentation.

5. TULE RIVER ASSOCIATION

The Board reviewed the December 15, 2010 minutes of the meeting of the Tule River Association. The minutes of the meeting have been distributed and as such are not repeated here.

Considerable time was spent discussing the Rosedale pumping. General Manager VINK will be meeting with Watermaster R.L SCHAFER and Rosedale Counsel ERNEST CONNANT to review the matter further and try to develop a settlement of the matter.

6. FRIANT WATER AUTHORITY

The Friant Water Authority Board has not met since the last regular meeting of the Lower Tule Board as such, no action was taken.

7. MISCELLANEOUS AGENCIES/AUTHORITIES

Deer Creek & Tule River Authority

Deer Creek and Tule River Authority will be having its meeting on the 21st of January.

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

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G. Water Education Foundation

H. California Farm Water Coalition – The District has received a requested for support in the amount of \$14,385.00. The Board is a long time member in support of the CFWC and there efforts to educate the State of California on food and Ag water issues. On motion by Director BARCELLOS, second by Director COSTA and unanimously approved the Board authorized payment in the amount of \$14,385.00.

I. Family Farm Alliance

J. California Farm Bureau

K. California Special Districts Association

L. Ag Leadership

M. Tulare County Farm Bureau – The Board also considered support for TCFB scholarship program in the amount of \$500.00. On motion by Director BARCELLOS, second by Director COSTA and unanimously approved the Board authorized payment in the amount of \$500.00.

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

Respectfully Submitted,

Daniel G. Vink
General Manager