

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 14th day of June 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

Others Present: District Counsel – ALEX PELTZER

1. BOARD ADMINISTRATION

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

The minutes of the May 9, 2011 Regular meeting and the June 1, 2011 Special Meeting minutes were distributed for review. On motion by Director COSTA, second by Director BARCELLOS and unanimously approved, the Board accepted the minutes and ordered them placed on file.

Miscellaneous Administration

The Board reviewed the recent State Water Resources Control Board fee ruling handed down by the State Supreme Court. The Board considered continuing the litigation related to fees charged by the SWRCB. On motion by Director ROELOFFS, second by Director COSTA and unanimously approved, the Board decided to withdraw from direct participation in the case, via Somach Simons and Dunn as legal representation, and not pursue the matter on appeal. The

District will instead substitute District Counsel ALEX PELTZER to monitor the case in a more indirect manner.

The Board briefly discussed 2012 health insurance options and received an update from staff. No action was taken.

2. WATER RESOURCES

General Manager VINK reviewed with the Board a variety of water resources activities including the current declaration and water supply update. The current water supply declaration remains in an uncontrolled season status and it is anticipated to continue and such into July. The District has Recovered Water Account water available of approximately 75,000 A/F. In addition, the District has been able to purchase approximately 25,000 A/F of additional RWA water from other sources to split between Lower Tule River and Pixley Irrigation Districts. The additional RWA water was purchased at \$15 per acre-foot.

The Board briefly reviewed a projected water run and cash flow. At present, the District should run well into September and have a positive cash flow on water for the year. The timing and amounts remain very approximate given the time of the year.

General Manager VINK updated the Board on a number of other issues including discussions with Porterville Irrigation District on an extension on the Tule River agreement. No response has been received from Porterville on the letter sent by the District in February 2011.

General Manager VINK also reported that staff is working on a chain of title process relative to Riparian lands that no longer appear to be adjacent to the Tule River. More information will be available at an upcoming meeting.

The Board then reviewed the 2011 water rates. The water rate has been set at \$55.00 an acre foot for the month of June. On motion by Director BARCELLOS, second by Director ROELOFFS and unanimously approved the Board left the water rate at \$55.00 an acre foot until further notice.

At approximately 10:30 am the Board entered into closed session with District Counsel ALEX PELTZER to discuss the threatened or pending litigation in accordance with Government Code Section 54956.

3. DISTRICT OPERATIONS

Construction and Operation activities

The Board reviewed a variety of operation and maintenance activities including an update from Operations Manager BATTLES on a variety of projects including the removal of the pond weed

in the District's system. The pond weed removal and treatment is expected to cost the Districts an additional \$50,000 in 2011.

Administrative Activities

The Board then reviewed a variety of Administrative Activities including a review of the Strategic Planning document by General Manager VINK. The document is in draft form. Staff will have the document finalized in August or September 2011.

The Financial Statements for the month of May 2011 were reviewed by the Board. On motion by Director ROELOFFS, second by Director COSTA 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 May bills. On motion by Director ROELOFFS, second by Director FERNANDES and unanimously approved the Board ratified the Actions of the Finance Committee in the payment of the May bills.

4. CROSS VALLEY CANAL

Business Manager LIMAS reviewed with the Board an alternate arrangement for the use of the District's base resource allocation through WAPA, more particularly the transfer to Cawello Water District of the base resource. On motion by Director BARCELLOS, second by Director ROELOFFS and unanimously approved the Board authorized execution of the agreement with Cawello Water District. The agreement with Cawello Water District will limit the Districts exposure to cost swings associated with power purchases.

Contract Renewal Negotiations

General Manager VINK updated the Board on contract renewal discussions and recent meetings held in Washington D.C. No action was taken.

5. TULE RIVER ASSOCIATION

The Board reviewed the May 18, 2011 minutes of the meeting of the Tule River Association. The minutes of the meeting have been distributed and as such are not repeated here.

The Board then briefly discussed long-term Success Dam litigation and various activities of the Success Power Project. No action was taken.

6. FRIANT WATER AUTHORITY

The Board reviewed the May 26, 2011 meeting of the Friant Water Authority. Considerable time at that meeting was spent discussing HR 1837.

The minutes of the meeting have been distributed and as such are not repeated here.

7. MISCELLANEOUS AGENCIES/AUTHORITIES

Deer Creek & Tule River Authority

The Board reviewed the May 20, 2011 meeting of the Deer Creek and Tule River Authority. The minutes of the meeting have been distributed and as such are not repeated here.

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
- 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
- M. Tulare County Farm Bureau

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

Respectfully Submitted,

Daniel G. Vink
General Manager