



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 13th day of July 2010, 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 -

District Counsel Alex Peltzer entered the meeting at approximately 9:30am.

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 June 8th Regular and June 10th Adjourned Regular meeting were distributed for review prior to the meeting. On motion by Director COSTA, second by Director BARCELLOS and unanimously approved the minutes of the June 8th Regular meeting and June 10th Adjourned Regular meeting were accepted and ordered placed on file.

The Financial Statements for the month of June 2010 were reviewed. On motion by Director BARCELLOS, 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 following the June meeting. On motion by Director COSTA, second by Director BARCELLOS and unanimously approved the Board ratified the actions of the Finance Committee in the payment of the May bills.

At approximately 9:30am District Auditor ERIC WHITE entered the meeting to review with the Board the audited 2009 Financial Statements as prepared by the WHITE. After considerable discussion and review, on motion by Director COSTA, second by Director ROELOFFS and unanimously approved, the Board accepted the 2009 Audited Financial Statements and ordered them placed on file.

2. WATER RESOURCES

General Manager VINK reviewed a variety of water related activities including the current declaration from the Friant Division and the remaining water supply from the Tule River.

It is projected that the District's summer water run, which resumed again on the 6th of July, will continue uninterrupted through approximately the middle of August and possibly longer depending on supply and demand.

The Board received a report on the use of the District's recovered water account water which totaled 14,001 acre-feet. The RWA water is a result of District water supply impacts from the San Joaquin River Restoration program for 2009-2010.

General Manager VINK reported on recent sale of the Districts Cross Valley water to growers within Westlands Water District. The Board reviewed the proposed sale, and on motion by Director COSTA; second by Director FERNANDES and unanimously approved the Board ratified the sale of water. The 2010 Cross Valley water will be sold, although the market conditions have softened considerably on the Westside.

At approximately 10:00am, the Board went into closed session to review groundwater and water supply related activities. Upon coming out of closed session it was reported that no action was taken.

The Board reviewed the 2010 water budget. After considerable discussion reviewing actual conditions and forecasts, on motion by Director COSTA, second by Director ROELOFFS and unanimously approved the Board accepted the revised 2010

water budget and authorized modification to the District's 2010 Regular Budget accordingly.

General Manager VINK reported that the final agreement with FRESNO COUNTY WATER WORKS DISTRICT # 18 / FRIANT RANCH will be ready for review at the August meeting.

The Board will also meet in an Adjourned meeting on the 14th day of July with R.L SCHAFER to review the District's proposed Operational Guidelines for the Riparian's.

3. DISTRICT OPERATIONS

Construction and Operation activities

General Manager VINK and Operations Manager BATLLES reviewed with the Board a variety of Construction and Maintenance activities and reports. Operations Manager BATTLES updated the Board on the Tule River Inter-tie project and the expenditure of the RRA grant funding.

The Board also spent time reviewing the Ave. 152 crossing, the HWY 190 crossing, completion of the MAULDIN contract and the Engineering budget.

The Engineering budget needs to be increased. District staff is recommending an increase of \$ 108,000.00 in the Engineering budget to complete the project. On motion by Director BARCELLOS, second by Director ROELOFFS and unanimously approved the Board authorized increasing expenditures for Engineering on the project up to an additional \$108,000.00. The total expenditures for engineering are still estimated to be consistent with engineering practices and typical engineering budgets for a project of this magnitude.

LEGAL MATTERS

The Board then reviewed a variety of legal activities including the 9d contract conversion.

The Board turned its attention to the 9d contract financing and the need for an election consistent with Proposition 218 to increase the assessments. District Consulting Engineer DENNIS MILLS entered the meeting to review with the Board the 218 Engineer's report, which was prepared by PROVOST & PRITCHARD.

Considerable time was spent discussing equity issues related to the assessments versus water tolls for the payment of the 9d contract Bond financing. After considerable discussion, on motion by Director BARCELLOS, second by Director ROELOFFS with Director SIMONICH voting in opposition citing the Engineer's Report and his opinion that the Report did not adequately address the surface water rights held by District landowners that are separate and apart from the CVP water supply, the Board adopted Resolution 2010-7-1, accepting the engineers report, scheduling the Election date and authorizing mailings of ballots for a 218 election to be held in September. A copy of Resolution 2010-7-1 accepting an Engineers report, scheduling an Election date and authorizing mailings of ballots for a 218 election is attached as **Exhibit "A"**.

General Manager VINK then presented for consideration the environmental assessment to cover the CEQA work for Channel Clearing and a 1602 permit with Fish and Game on the Tule River as prepared by the Tule River Joint Powers Agreement. Lower Tule River will act as the lead agency on the project. On motion by Director BARCELLOS, second by Director FERNANDES and unanimously approved the Board authorized preparation of the environmental assessment related to the Channel Clearing activity.

4. CROSS VALLEY CANAL

The Board reviewed a variety of Cross Valley Canal activities including a recent completion of an agreement with PWPRA to modify the methodology by which the District's PWPRA load is allocated. The agreement will be presented for final consideration at the August meeting.

5. TULE RIVER ASSOCIATION

The Board reviewed the minutes of the June 16, 2010 Tule River Association Board. The minutes of the meeting have been distributed and as such are not repeated here.

The District is in the final stages of completing the conversion to the new Reservoir Management Software including in that conversion will be a modification to

the operation guidelines dealing with the District's storage account. That issue will be addressed by the Tule River Association at the July or August meeting.

The District is also working on completing the Power Purchase agreement negotiations for a new contract with SOUTHERN CALIFORNIA EDISON at the Success Power Project facility.

6. FRIANT WATER USERS' AUTHORITY

The Board reviewed the minutes of the June 24th regular meeting of the Friant Water Users Authority. The minutes of the meeting have been distributed and as such are not repeated here.

The Board then considered a call for funds from the Friant Water Users Authority for the amount of \$24,698.00. On motion by Director BARCELLOS, second by Director COSTA and unanimously approved the Board authorized the payment for the call for funds from the Friant Water Users Authority.

7. FRIANT WATER AUTHORITY

The Board reviewed the minutes of the June 24th regular meeting of the Friant Water Authority. The minutes of the meeting have been distributed and as such are not repeated here.

The Board then considered a call for funds from the Friant Water Authority for the amount of \$21,426.00. On motion by Director BARCELLOS, second by Director COSTA and unanimously approved the Board authorized the payment for the call for funds from the Friant Water Users Authority.

8. MISCELLANEOUS AGENCIES/AUTHORITIES

Deer Creek & Tule River Authority.

The Deer Creek and Tule River Authority will be having its meeting on the 16th day of July 2010..

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 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 the meeting was adjourned to the 14th of July 2010.

Respectfully Submitted,

Daniel G. Vink
General Manager

MINUTES OF A REGULAR ADJOURNED MEETING OF THE
BOARD OF DIRECTORS OF THE
LOWER TULE RIVER IRRIGATION DISTRICT

On the 14th day of July, 2010 the Districts July Regular meeting was reconvened at the District office at 10:00am. The meeting was called to order by Vice President FERNANDES. It was determined that 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

Director SIMONICH and Director COSTA were present for the meeting but recused themselves as Lower Tule River Irrigation District Board members in order to represent Riparian interest and avoid conflict of interest issues with the Lower Tule River Irrigation District.

Also present was District Counsel ALEX PELTZER and Consulting Engineer R.L. SCHAFFER and DAVID DE GROOT.

Vice President FERNANDES called the meeting into closed session to discuss the proposed Operational Guidelines for the Riparianist.

Upon coming out of closed session it was reported that no action was taken. Considerable discussion ensued with the Riparian's including Riparianist JOEY MENDONSA. After considerable discussion on motion by Director ROELOFFS, second by Director BARCELLOS and unanimously approved the Lower Tule Board accepted the Operational Guidelines as prepared by staff and ordered the implementation on the

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guidelines effective of the 2011 water year. A copy of the final Riparian Operational Guidelines is attached as **Exhibit A**.

The Board then thanked the Riparian's for the cooperation in the matter and offered to meet with the Riparian's at any future date deemed necessary.

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

Respectfully Submitted,

Daniel G. Vink
General Manager