



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 9th day of November 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:

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|----------|--------|------|----------------|
| 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: ALEX PELTZER – District Counsel
ROBERT PORR – Consultant (10am via phone)

1. BOARD ADMINISTRATION

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

The minutes of the October 12th Regular meeting were distributed for review prior to the meeting. On motion by Director FERNANDES, second by Director COSTA and unanimously approved the minutes of October 12th Regular meeting were accepted and ordered placed on file.

The Financial Statements for the month of October 2010 were reviewed. On motion by Director ROELOFFS, second by Director FERNANDES and unanimously approved the Board accepted the Financial Statements and ordered them placed on file.

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The Board reviewed the actions of the Finance Committee in the payment of the October bills following the November and the pending payment of the November bills. After considerable discussion, 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 October bills.

2. WATER RESOURCES

General Manager VINK reviewed a variety of water resources activities and reported that the Cross Valley exchange with Tule Lake Basin for the balance of the Districts 2010 Cross Valley water has been fully approved and the water will be delivered in November and December 2010. That water will be returned back to Lower Tule & Pixley via an exchange of Tule River water in a subsequent year.

The Board discussed several other water related issues. No action was taken.

3. DISTRICT OPERATIONS

Construction and Operation activities

The Board reviewed a number of District Operations and Administrative activities including an update from General Manager VINK and Operations Manager BATTLES on the Tule River Inter-tie canal. The District has received the permit from CAL TRANS for the Hwy 190 crossing and expects to begin work on the Hwy 190 Crossing within the week. The project is moving along on schedule and on budget. The District has received positive reports from the Bureau of Reclamation on the processing of the grant application funding.

Operations Manager BATTLES discussed the equipment replacement plan that will be prepared and presented to the Board at a subsequent meeting. The modified equipment replacement plan is necessary in light of recent changes to the San Joaquin Air Quality Control Board rules.

General Manager Vink reviewed with the Board a sick leave donation policy. The policy will be voluntary nature and allow employees to donate unused sick leave to other employees in catastrophic situations. The sick leave donations will have parameters around it to protect both the District and the employee. On motion by Director BARCELLOS, second by Director FERNANDES and unanimously approved the Board adopted the sick leave donation policy as

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prepared by staff. A General Manager VINK presented for presentation a sick leave donation policy. A copy is attached as **EXHIBIT “A”**.

The Board then went into considerable discussion on the San Joaquin River Settlement and the 9d conversion. District Counsel ALEX PELTZER entered the meeting to view various matters with the Board including comments from the Hoopa Tribe and the processing of the 9d contract.

The contract is scheduled to be executed on the 17th of November 2010 with the bond closing on the 19th of November 2010.

At 10:00am Consultant ROBERT PORR from Fieldman, Rolapp & Associates, Inc. participated in the meeting via phone and briefed the Board on the recent sale of District bonds. After considerable negotiation with Wells Fargo on the balance of the remaining bonds, the District has received an all in interest rate including all cost associated with the financing at 4.96%. The Board reviewed a variety of other options available to the District and concurred that the 30 year financing was the most appropriate methodology for funding the 9d contracts.

4. CROSS VALLEY CANAL

The Board reviewed a variety of Cross Valley activities including contract renewal negotiations and ongoing discussion relative to alternate arrangements to the Districts base resource WAPA allocation. No action was taken.

5. TULE RIVER ASSOCIATION

The Board reviewed the October 20, 2010 meeting of the Tule River Association. The minutes of the meeting have been distributed and as such are not repeated here.

General Manager VINK updated the Board on the Success Power Project activities including the continual discussions with Edison on a new Power Purchase agreement.

General Manager VINK then presented for review an SPP operating agreement. The operating agreement updates the existing operating agreement wherein Lower Tule River Irrigation District operates and administers the Success Power Project. The agreement had been distributed to the Board for review prior to the meeting. After considerable discussion, on motion by Director FERNANDES, second by Director

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COSTA an unanimously approved the Board authorized execution of the updated SPP operating agreement.

6. FRIANT WATER AUTHORITY

The Board reviewed the minutes of the October 28th regular meeting of the Friant Water Authority. 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 Deer Creek and Tule River Authority will be holding its meeting on the 19th day of November 2010.

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 – The District has received a dues request in the amount of \$9,251.00. On motion by Director FERNANDES, second by Director ROELOFFS and unanimously approved the Board authorized payment of the ACWA dues.

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

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- 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.

Respectfully Submitted,

Daniel G. Vink
General Manager