

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 September 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 - ABSENT
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: ALEX PELTZER – District Counsel

1. BOARD ADMINISTRATION

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

The minutes of the August 9, 2011 Regular meeting were distributed for review. On motion by Director COSTA, second by Director BARCELLOS and unanimously approved with one minor correction, the Board accepted the minutes and ordered them placed on file.

Business Manager LIMAS updated the Board on the 2010 CVP Financial Reconciliations. Based on projections provided by the Bureau of Reclamation, the District will be receiving a refund of approximately \$1.1 million dollars on overpayment for the 2010 federal fiscal year. The majority of the overpayment is a result of the collection of capital repayment in 2010 and paid to the Bureau. The District converted the contracts in 2010 selling bond to repay the capital and making a lump sum payment to the Bureau in the fall of 2010. The 2010 collection of capital by the Bureau was anticipated to be refunded through the conversion of the contracts to 9d form of contract.

General Manager VINK reported that he and Business Manager LIMAS will look at options for the use of the capital refund and provide them to the Board at a subsequent meeting.

At approximately 9:30am the Board convened into a Board of Equalization hearing pursuant to California Water Code. The purpose of the Equalization hearing was to determine the assessed values as prepared by the Assessor for Fiscal Year 2012. The Board reviewed the assessed values noting one change from 2011 to 2012.

After some review of the Resolution, on motion by Director BARCELLOS, second by Director ROELOFFS and unanimously approved, the Board adopted Resolution 2011-9-1, setting the 2012 assessment rate. The Board of Equalization hearing was then closed. A copy of Resolution 2011-9-1 is attached as **EXHIBIT "A"**.

2. WATER RESOURCES

The Board reviewed a variety of water resources related activities.

General Manager VINK updated the Board on the 2011 operations and the projected run. The District water run is projected to continue through the month of October with additional water being available for recharge and delivery in February.

The District has also purchased 4,000 a/f feet of water from Lindsay / Strathmore Irrigation District to be able to extend the run and provide for additional water for pre-irrigation.

The Board considered a transfer of the Mole Ditch water to Saucelito Irrigation District. Saucelito Irrigation District has indicated it does not need it's 2011 Mole Ditch water out of the Poplar Ditch account and has offered to sell the water to the District at \$25.00 a/f. After discussion and considerable review, the Board requested that General Manager Vink offer to the Saucelito Irrigation District that Lower Tule River Irrigation District would recharge the Mole Ditch water in a basin within Lower Tule River ID with close proximity to Saucelito Irrigation District and the Board is not interested in purchasing the Mole Ditch water from Saucelito in 2011.

Groundwater

The Board convened into Executive Session to discuss groundwater pumping and groundwater monitoring within District boundaries and recent meetings with Angiola Water District Representatives. Upon coming out of Executive Session it was reported that no reportable action was taken.

3. DISTRICT OPERATIONS

Construction and Operation activities

The Board reviewed a variety of Operation and Maintenance activities related to the Tule River Inter-tie canal.

The 2009 ARRA has been extended through the month of December to allow the District to finish the liners on the Inter-tie and enjoined canals related to the project. District crews will also begin work on the upper end of the project. That phase is being funded through a Watersmart Grant also from the Bureau of Reclamation.

The Board considered equipment purchases pursuant to the 2011 budget and long-term equipment replacement plan. Items included in discussion for purchase was a new spray truck and a water truck. After considerable review, considering the bids received from GIBBS INTERNATIONAL, on motion by Director BARCELLOS, second by Director COSTA and unanimously approved, the Board authorized purchase of a spray truck from GIBBS INTERNATIONAL in the amount \$45,896.00. On motion by Director BARCELLOS second by Director ROELOFFS and unanimously approved the Board authorized purchase of a water truck from GIBBS INTERNATIONAL in the amount of \$125,886.00.

General Manager VINK then reviewed the termination of employee SERGIO ESPINOSA. No action was taken.

District Counsel ALEX PELTZER then reviewed with the Board various San Joaquin River Settlement activities. President SIMONICH convened the meeting to Executive Session to discuss with Counsel on the matter in more detail. Upon coming out of Executive Session it was reported that no action was taken.

Administrative Activities

General Manager VINK and Business Manager LIMAS reviewed a variety of Administrative activities with the Board including:

- An update on the Strategic Plan, which will be reviewed and considered for approval at the October meeting.
- A recent Bureau of Reclamation Reform Act audit of District RRA files that was completed by the Bureau of Reclamation and;
- The 2012 Draft Budgets that will be distributed to the Board prior to the October meeting.

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

4. CROSS VALLEY CANAL

General Manager VINK reported on several Cross Valley Canal activities including the finalization of the WAPA/PWRPA agreement and the on-going contract renewal discussions. No action was taken.

5. TULE RIVER ASSOCIATION

The Board reviewed the August 17, 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 also discussed the Success Dam mitigation project and recent letters to the Porterville Recorder Newspaper and articles related thereto and on-going efforts with potential trips to Washington D.C. later in the fall to discuss the matter further with representatives in Washington D.C.

General Manager VINK provided the Board a recent memo provided by staff related to the Success Power Project and the need of generator repairs. No action was taken.

6. FRIANT WATER AUTHORITY

The Board reviewed the August 25, 2011 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 it's meeting on the 16th day of September.

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