

**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 December 2012 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 - ABSENT
Director	Div. 3	2015	TOM BARCELLOS - ABSENT
Director	Div. 4	2015	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

1. BOARD ADMINISTRATION

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

The minutes of the November 13th Regular meeting were distributed for review prior to the meeting. On motion by Director FERNANDES, second by Director ROELOFFS and unanimously approved, the Board accepted the minutes of the November 11th Regular meeting and ordered them placed on file.

The Board reviewed the current slate of officers considering the need for Board elections per the water code requirement, which states that the Board must hold annual officer elections in December. After a brief discussion, on motion by Director FERNANDES, second by Director ROELOFFS and unanimously approved the Board re-adopted the current slate of officers and appointments for 2013.

2. WATER RESOURCES

General Manager VINK reviewed with the Board a variety of water resource related activities including the Declaration from the Friant Division, which remains at 57% Class I. That number will not likely change given that the Friant-Kern canal is down for dewatering and maintenance activities through at least mid-February.

The Board reviewed a variety of other water supply related activities including a final reconciliation on Cross Valley deliveries for 2012. Once completed, the District was able to net \$1,333,000.00 on sales of Cross Valley water to Westlands Water District in 2012. In addition, the District was able to prepay all of its O & M costs on the Cross Valley canal. That money will be used for purchase of water from the Friant and Tule supplies.

General Manager VINK reported on the November 20th meeting with the landowners to review a variety of groundwater related conditions. The landowner group meeting is part of an ongoing process wherein a small group of landowners have been meeting with District staff to review options for groundwater protection and groundwater overdraft as well as possible solutions going forward. The process will include a larger landowner meeting in late winter or early spring.

At approximately 10:00am the meeting was convened into Closed Session, with District Counsel ALEX PELTZER conferenced in via telephone to discuss pending litigation in accordance with Government Code 54956. Upon coming out of Closed Session, it was reported that no action was taken.

3. DISTRICT OPERATIONS

Construction and Operation activities

The Board reviewed a variety of Operation and Maintenance activities including an update from staff on the Pixley Avenue 116 project. That project is in the right-of-way acquisition phase and preliminary engineering and design.

Administrative Activities

The Board reviewed a variety of Administrative activities including a proposed 2% Cost of Living adjustment for all regular non-exempt employees for 2013. On motion by Director ROELOFFS, second by Director FERNANDES and unanimously approved, the Board accepted

the recommendation for the 2% Cost of Living increase, which was also considered as part of the 2013 budget adopted in October.

General Manager VINK briefed the Board on a variety of other water policy related activities including San Joaquin River settlement matters. No action was taken.

The Board reviewed the 2013 Investment Policy. After considerable discussion, on motion by Director FERNANDES, second by Director ROELOFFS and unanimously approved the Board adopted the Investment Policy for 2013. There were no changes from the 2012 version.

The Board reviewed the Financial Statements for the month of November 2012. On motion by Director ROELOFFS, second by Director FERNANDES 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 November 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 November bills.

At approximately 10:30am the meeting was adjourned to the annual Finance Corporation meeting. After a brief Finance Corporation meeting the Regular Board meeting was reconvened.

4. CROSS VALLEY CANAL

General Manager VINK reported on recent meetings with the Bureau of Reclamation at the ACWA conference in San Diego to review the long-term contract renewal process. The long-term contract execution is still planned to be effective in contract year 2014.

5. TULE RIVER ASSOCIATION

There was no Tule River Association meeting in November 2012.

Success Power Project

The Board reviewed a draft budget for 2013 for the power project. On motion by Director FERNANDES, second by Director ROELOFFS and unanimously approved the Board accepted the 2013 budget.

6. FRIANT WATER AUTHORITY

The Friant Board of Directors will be meeting on the 14th of December 2012.

7. MISCELLANEOUS AGENCIES/AUTHORITIES

Deer Creek & Tule River Authority

The Board reviewed the December 16th minutes 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 - Nothing new to report
- B. California Farm Water Coalition - Nothing new to report
- C. Family Farm Alliance – Nothing new to report
- D. 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