



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 March 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
ALEX PELTZER – District Counsel (By phone)

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 February 9th, 2010 Regular Meeting were distributed for review prior to the meeting. Director SIMONICH requested the minutes include language reflecting comments made by District Counsel ALEX PELTZER at the meeting. After considerable discussion, on motion by Director BARCELLOS, second by Director COSTA the minutes were accepted and ordered them placed on file with Director SIMONICH voting no.

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The Board also reviewed the March 2, 2010 Special meeting minutes. On motion by Director FERNANDES, second by Director BARCELLOS and unanimously approved the March 2, 2010 Special meeting minutes were approved and ordered them placed on file.

The Financial Statements for the month of February 2010 were reviewed. On motion by Director FERNANDES, 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 January bills following the February meeting.

The District also reviewed the audit engagement letter with ADAIR, EVANS & WHITE et al. 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 January bills following the February meeting and authorized execution of the engagement letter.

WATER RESOURCES

General Manager VINK reviewed a variety of Success Reservoir and Tule River operations. The current Tule River water run is expected to continue through the middle of March.

The current plan is to create space in the Success Reservoir for a projected 85% April / July runoff. The Tule River water then will then be able to be stored in Success Reservoir up to the elevation 630 that will allow the District to take any San Joaquin River flood release water that may made available.

The Board reviewed a variety of water supply issues. The District has received a second revenue distribution under the agreement with the CITY OF ORANGE COVE. On motion by Director BARCELLOS, second by Director COSTA and unanimously

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approved the Board directed that the funds used on the option payment be used for the Tule River Inter-tie project.

The Board reviewed the Poplar Ditch allocation and considered setting the Poplar Ditch allocation. On motion by Director BARCELLOS, second by Director FERNANDES and unanimously approved the Board set the 2010 preliminary allocation at 55 acre feet per share, plus an a additional 20 acre feet of prior year make up water.

The Board reviewed the 2010 water rates. No action was taken. The current rate of \$45.00 an acre foot will remain in place until the next Board meeting, which will be held on April 13, 2010.

The District has received a Section 215 contract for 2010 from the Bureau of Reclamation. That contract will allow access to the 215 water if it is made available. On motion by Director FERNANDES, second by Director COSTA and unanimously approved the Board authorized execution of the Section 215 contract with the Bureau of Reclamation. Resolution 2010-3-1 authorizing the execution of the Section 215 contract is attached as **EXHIBIT "A"**.

At approximately 10:30am District Counsel ALEX PELTZER entered the meeting to discuss with the Board the Angiola Water District pumping issue.

President SIMONICH convened the meeting into executive session. Upon coming out of closed session it was reported that no action was taken.

2. DISTRICT OPERATIONS

Construction and Operation activities

General Manager VINK and Operation Manager BATTLES and consulting Engineer DENNIS MILLS reviewed with the Board the construction of the Tule River Inter-tie project and ongoing construction.

The District had bid opening for the Earthwork canal and the Avenue 152 Jack and Bored project. MILLS presented the bids as submitted for the Earthwork canal

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portion of the project. After thorough review and discussion, on motion by Director COSTA, second by Director FERNANDES and unanimously approved the Board authorized award of the Earthwork canal portion of the project to DAWSON & MAULDIN and authorized the execution of the contract pending final review by staff and consultants. DAWSON & MAULDIN was the apparent low bidder on the project.

The Board then turned it's attention to the Avenue 152 Jack & Bored project. District Counsel ALEX PELTZER engaged by phone. After review of the bids it was noted that there were some bid irregularities, which led to concern about the award to the lowest bidder. After considerable discussion and recommendations from staff and Counsel on motion by Director BARCELLOS, second by Director COSTA and unanimously approved the Board rejected all the bids for the Avenue 152 Jack & Bored project and directed that the project be rebid.

Operations Manager BATTLES then provided an update on the construction work. The District crews are working diligently to prepare right of way and to complete the turnout from the #3 canal.

General Manager VINK and Operations Manager BATTLES reviewed with the Board an issue wherein landowner CHARLIE PITIGLIANO has planted some pistachio trees on a portion of the Districts property close to the County basins. The planting was an oversight on Mr. PITIGLIANO'S part based in part on inconclusive property line alignments. After thorough review and discussion, the Board directed staff to respond to Mr. PITIGLIANO that the District would accept a 3-year rolling lease on the property with the condition that Mr. PITIGLIANO will indemnify the District and pay \$500.00 per year for the lease. The lease would run continuously on a 3-year run rolling tern as long as the current trees were on the property.

Legal Matters

The Board reviewed variety of other District operations matters including the San Joaquin River Settlement, the 9d conversion at which that point District Counsel PELTZER entered the meeting by conference call to update the Board on the contract

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negotiations and the financing issue. General Manager VINK also reviewed other miscellaneous District operations activities. No action was taken.

3. CROSS VALLEY CANAL

The Board reviewed a variety of Cross Valley canal activities including an update from Business Manager LIMAS on matters related to the PWRPA.

4. TULE RIVER ASSOCIATION

The Board reviewed the February 18, 2010 Tule River Association Board. Considerable time at that meeting was spent discussing the Del Oro pumping issue and the Reservoir Management Software.

Success Power Project

General Manager VINK updated the Board on a brief trip he took to Washington D.C to meet with legislative officials and Corp of Engineers staff to discuss the Dam Safety project. By all appearances the Corp has defunded the project for 2011. Considerable time at the Washington session was spent discussing how to reprogram money for 2010 and property purchases and the ongoing status of the project.

5. FRIANT WATER USERS' AUTHORITY

The Board reviewed the minutes of the February 25th regular meeting of the Friant Water Users Authority. The minutes of the meeting have been distributed and as such are not repeated here.

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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 March 2010.

It is anticipated that the Deer Creek and Tule River Authority Board will be reviewing requests for proposals to study a banking program at the Deer Creek site.

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

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- 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.

Respectfully Submitted,

Daniel G. Vink
General Manager