

Minutes of the Regular Meeting of the Board of Directors of the Kings River Conservation District held March 9, 2010.

President McKean called the meeting to order at 1:33 P.M.

DIRECTORS PRESENT

Mark C. McKean, President
Brent L. Graham, Vice President
David Cehrs, PhD
Ceil Howe Jr.
Gildo Nonini
Norman B. Waldner
Mike Yoshimoto

DIRECTORS ABSENT

None

OTHERS PRESENT

KRCD Staff & Consultants:
David Cone
Ed Dittenbir, KRWA
John Moore
David Orth
Donna Pepper
Randy Shilling
Steve Stadler
Brian Trevarrow
Cristel Tufenkjian
Todd Flanagan, North American Weather Consultants

ADDITIONS TO OR DELETIONS FROM THE AGENDA

There were no additions to or deletions from the Agenda.

PUBLIC PRESENTATIONS

None

APPROVAL OF MINUTES

It was moved by Director Howe, seconded by Director Waldner and unanimously carried that the Minutes of the February 9, 2010 Regular Board meeting be approved, as presented.

WATER CONDITIONS

Ed Dittenbir, KRWA, summarized a report on water conditions stating storage in the Pine Flat Reservoir (Reservoir) as of 2400 hours on March 8, 2010 was 541,883 acre-feet of storage with vacant space of 652,117 acre-feet. On that date, the calculated natural inflow to the Reservoir was 1,602 C.F.S.

Mr. Dittenbir reported on the eight (8) Kings River snow sensors currently operational, with readings as of March 8, 2010 as follows:

SENSOR	ELEV	WATER CONTENT (INCHES)	APRIL 1 AVERAGE (INCHES)	PERCENT APRIL 1 AVERAGE
Big Meadows	7600	31.1	25.9	120.1%
West Woodchuck	8800	32.9	32.8	100.3%
Upper Burnt	9700	34.2	34.6	98.8%
Mitchell Meadow	9900	N/R	32.9	
State Lakes	10300	28.1	29.0	96.9%
Black Cap Basin	10300	36.1	34.3	105.2%
Charlotte Lakes	10400	26.0	27.5	94.5%
Bishop Pass	11200	30.9	34.0	90.9%
Snow Sensor Average		31.3	31.4	99.9%

DIRECTORS' REPORTS

Director Cehrs reported on his attendance at the Association of California Water Agencies (ACWA) Water Management Committee meeting on February 18th held in Sacramento. President McKean reported receiving recognition on behalf of the District from the Fresno Compact, an Outstanding Business School Partnership Award, nominated by the Buchanan High School Energy Academy. President McKean further reported the District has sponsored an annual Solar Car Race, donated kits for building toy solar cars, and taught students about solar technology through participation in the Energy Academy for the last two years.

GENERAL MANAGER'S REPORT

David Orth, General Manager, directed the Board to the General Manager's monthly status report for the month of January 2010 and highlighted the following:

Power Resources: Mr. Orth reported the District has retained Scott Blaising, Braun & Blaising, P.C., to review the Pine Flat Power Purchase Agreement and provide counsel regarding the methodology currently used to determine the annual power benefit charge. The District has advised the Department of Water Resources (DWR) some years ago that the information used to determine the initial power benefit charge is no longer available and thus a substitute index is needed. DWR has agreed to meet and discuss this issue further.

Mr. Orth reported discussions regarding potential development to expand hydro generation at the Jeff L. Taylor Pine Flat Power Plant. The proposed Unit #4 would generate approximately 5 megawatts by capturing Turbine Bypass flows in the late season. Mr. Orth further reported as staff continues to assemble information the Ad Hoc Public Power Committee will meet and ultimately present the results and issues to the Board.

Mr. Orth also reported discussions continue with Cleantech America regarding options/alternatives to move forward with the proposed 80MW solar project.

Water Resources: Mr. Orth reported working with staff on the implementation of the agricultural water management planning component SBx77 of the Comprehensive Water Package, and the Groundwater Elevation Monitoring requirements encompassed in SBx76. Mr. Orth indicated there may be opportunities for the District to become a regional participant in the preparation of an ag water management, and also perform monitoring of groundwater elevations should the requirements be achievable.

LEGISLATION

Mr. Orth reported, the deadline for state bill introductions was February 19, 2010, noting there were not any filings specifically focused on flood control and levy maintenance issues that relate to District efforts.

AB 2049, (Arambula) State Water Resources Development System: water delivery. Mr. Orth reported AB 2049 would prohibit the Director of Water Resources, to the extent permitted by law, from approving a transfer or assignment, for more than 10 years, of any contractual right to the delivery of a water supply from the State Water Resources Development System that is held by a contractor for agricultural use to another contractor for municipal use. The Kings River Legislative Committee will monitor the activity of this bill.

Mr. Orth also summarized extensive discussion with KRWA members regarding a State Water Resources Control Board (SWRCB) policy. The SWRCB has issued letters to other districts in the State questioning the ability to use their licensed and permitted water for ground water recharge and ground water banking. Mr. Orth further reported in the Kings River Legislative Committee has drafted language for a legislative fix. Mr. Orth further reported outreach efforts will be necessary for other districts to understand and support possible legislation for 2011.

PUBLIC INFORMATION

Cristel Tufenkjian, Manager of Community and Public Relations, presented a video clip that was shown at the awards ceremony for the Outstanding Business-School Partnership Award received by the District. Ms. Tufenkjian also noted the District received recognition for the award from Congressman Jim Costa and a mention in the newspaper.

CORRESPONDENCE, MEETINGS AND CONFERENCES

There were no correspondences, meetings, or conferences to report.

STAFF STATUS REPORTS AND PRESENTATIONS

Weather Modification Program: Mr. Todd Flanagan, North American Weather Consultants (NAWC) provided an overview of operations of the Precipitation Augmentation Program by NAWC in the month of February. Mr. Flanagan reported storm systems for the month resulted in 11.75 hours of flight time performing a total of 9.07 hours of cloud seeding generation, along with ground-based Cloud Nucleation Generation seeding totaling 361.25 hours in February.

Power Resources: Mr. John Moore, Manager of Power Generation, presented a status report on the operations at the Jeff L. Taylor Pine Flat Power Plant (Plant) reporting the Pine Flat Reservoir began the month of February at an elevation of 829.07 feet (ft.) and storage was 416,042 acre-feet (AF). As of March 1, 2010 the reservoir elevation was 851.89 ft and storage was 504,862 AF. There was no turbine discharge for the month of February and discharge from the Turbine Bypass system was 5,790 AF. The flow from Mill and Hughes Creeks was 7,551 AF and spill from the dam totaled 607 AF. There was no generation from the Plant for February due to seasonal shutdown.

Mr. Moore presented an overview of operations at the Malaga Peaking Plant (Peaking Plant) reporting for February 2010, the Peaking Plant had four fired starts and 11.98 fired engine hours for Unit #1, and six fired starts and 27.2 fired engine hours for Unit #2 with a generation total of 1,292 MWh for the month of February.

Mr. Moore offered a slide presentation of the Peaking Plant Unit #1 LM-6000 turbine engine in the process of being prepared for transport to the Trans-Canada Turbines (TCT) service depot in Alberta Canada for repairs from February 21 through May 6, 2010. Mr. Moore reported he will travel to the repair depot to observe some of the repairs on March 10, 2010.

Finance and Administration: Randy Shilling, Deputy General Manager of Finance and Administrative Services directed the Board to his report of District Office Employee Training in FY 2009-2010. Mr. Shilling noted after the budget reductions in 2009 the Board expressed concern and encouraged Management to find formal training opportunities for employees. Mr. Shilling explained that his written report was an update on the progress of training so far year-to-date and invited the Board to review it later if they had not already done so.

RESOLUTION NO. 10-03

Cristel Tufenkjian requested the Board consider adopting Resolution No. 10-03 congratulating the Association of California Water Agencies (ACWA) on its centennial anniversary in May 2010.

It was moved by Vice President Graham, seconded by Director Nonini and unanimously carried, adopting Resolution No. 10-03 recognizing and congratulating the Association of California Water Agencies on its centennial anniversary in May 2010.

BUDGET AUGMENTATION

Mr. Shilling presented for Board consideration certain adjustments and augmentations to the Fiscal Year (FY) 2009-2010 Budget recommended by the Budget and Audit Committee.

It was moved by Director Nonini, seconded by Director Waldner and unanimously carried, to authorize the General Manager to execute an augmentation/adjustment to the FY 2009-2010 Budget.

FINANCE AND ADMINISTRATION

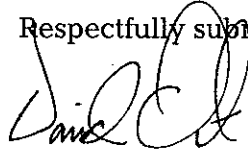
Mr. Shilling presented an expenditure to budget comparison report for the period ending February 28, 2010.

It was moved by Director Cehrs, seconded by Director Nonini and unanimously carried, bills in the amount of \$2,022,941.88 as presented in the schedule of Disbursements and Current Accounts Payable, were approved and ordered paid.

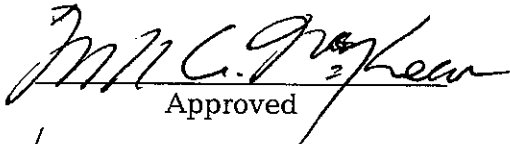
ADJOURNMENT

There being no further business, President McKean adjourned the meeting at 3:31 P.M.

Respectfully submitted,



David Orth
Secretary



Approved

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BEFORE THE BOARD OF DIRECTORS
OF THE KINGS RIVER CONSERVATION DISTRICT
FRESNO, CALIFORNIA

RESOLUTION NO. 10-03

**CONGRATULATING THE
ASSOCIATION OF CALIFORNIA WATER AGENCIES
ON ITS 100th ANNIVERSARY**

WHEREAS, the Association of California Water Agencies (ACWA) is celebrating its centennial anniversary in May 2010; and

WHEREAS, the theme for this 100th anniversary celebration is "A Century of Leadership, Vision for the Future"; and

WHEREAS, ACWA was formed in 1910 when a group of five irrigation districts came together to create one voice and lay the groundwork for developing California's water supply and delivery system; and

WHEREAS, ACWA today is the largest coalition of public water agencies in the country and is a leader on California water issues and a respected voice for its members in the legislative and regulatory arenas in both Sacramento and Washington, D.C.; and

WHEREAS, ACWA was established to assist its members in promoting the development, management and reasonable beneficial use of good quality water at the lowest practical cost in an environmentally balanced manner; and

WHEREAS, to achieve this goal, ACWA represents the interests of its public water agency members at the state and federal levels and keeps its members and other key audiences informed on water issues of interest to them; and

WHEREAS, for a century ACWA has been a guiding force in California water policy and continues to help shape the laws, policy and regulations that affect the state's urban and agricultural water users.

WHEREAS, ACWA and its public agency members will continue to seek a vision for California's water future.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Kings River Conservation District hereby recognizes and commends the Association of California Water Agencies for a century of leadership on California water issues and for its role in developing the policies and regulations that have helped shape the state's growth and development; and

BE IT FURTHER RESOLVED, that the Kings River Conservation District Board congratulates the Association of California Water Agencies on its 100th anniversary.

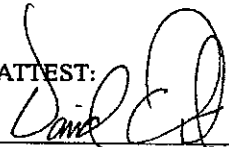
THE FOREGOING RESOLUTION was passed and adopted at a Regular Meeting of the Board of Directors of the Kings River Conservation District on the 9th day of March, 2010, by the following vote:

AYES: President McKean, Vice President Graham, Directors Cehrs, Howe, Yoshimoto, Nonini, and Waldner.

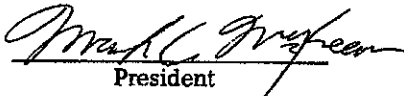
NOES:

ABSENT:

ATTEST:



Secretary



President

KINGS RIVER CONSERVATION DISTRICT
 Schedule of Disbursements and Current Accounts Payable
 Presented March 9, 2010
 (For Expenditures in the Month Ending February 28, 2010)

Employee Payroll	02/03/10	78,849.47	
Employee Payroll	02/12/10	45.62	
Employee Payroll	02/17/10	77,508.42	
			156,403.51
Accounts Payable (KRCD)		2,022,941.88	2,022,941.88
	Sub-Total		2,179,345.39
Ready-Tax Electronic Funds Transfers:			
Employee Tax Deposits	02/10/10		32,545.20
Employee Tax Deposits	02/17/10		16.40
Employee Tax Deposits	02/24/10		31,102.82
	TOTAL		<u>2,243,009.91</u>