

Minutes of the Regular Meeting of the Board of Directors of the Kings River Conservation District held April 13, 2010.

President McKean called the meeting to order at 1:40 P.M.

DIRECTORS PRESENT

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

DIRECTORS ABSENT

Ceil Howe Jr.

OTHERS PRESENT

KRCD Staff & Consultants:

David Cone
Clifton Lollar, KRWA
Randy McFarland
John Moore
David Orth
Donna Pepper
Randy Shilling
Steve Stadler
Brian Trevarrow
Cristel Tufenkjian
David Yorty, 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 March 9, 2010 Regular Board meeting be approved, as presented.

WATER CONDITIONS

Clifton Lollar, KRWA, summarized a report on water conditions stating storage in the Pine Flat Reservoir (Reservoir) as of 2400 hours on April 12, 2010 was 604,526 acre-feet of storage with vacant space of 614,143 acre-feet. On that date, the calculated natural inflow to the Reservoir was 3,251 C.F.S.

Mr. Lollar reported on the eight (8) Kings River snow sensors currently operational, with readings as of April 12, 2010 as follows:

SENSOR	ELEV	WATER CONTENT (INCHES)	APRIL 1 AVERAGE (INCHES)	PERCENT APRIL 1 AVERAGE
Big Meadows	7600	32.6	25.9	125.9%
West Woodchuck	8800	39.7	32.8	121.0%
Upper Burnt	9700	39.4	34.6	113.9%
Mitchell Meadow	9900	N/R		
State Lakes	10300	36.2	29.0	124.8%
Black Cap Basin	10300	42.6	34.3	124.2%
Charlotte Lakes	10400	29.0	27.5	105.5%
Bishop Pass	11200	36.6	34.0	107.6%
Snow Sensor Average		36.6	31.2	117

DIRECTORS' REPORTS

Director Cehrs distributed an article entitled "Hydrologic Response and Watershed Sensitivity to Climate Warming in California's Sierra Nevada".

GENERAL MANAGER'S REPORT

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

Water Quality: Mr. Orth reported the Southern San Joaquin Valley Water Quality Coalition held its monthly Steering Committee meeting on March 3rd. Mr. Orth further reported the committee discussed, among other things, a response to the draft conditions of approval of the Coalition Monitoring and Reporting Program (MRP) provided by the Regional Water Quality Control Board (Regional Board) staff in late February. Mr. Orth stated Coalition representatives met with Regional Board staff on March 22nd to discuss these conditions. The Coalition and Regional Board staff agreed to develop additional language to address each of the four remaining conditions. Mr. Orth expects final approval of the MRP in the near future.

Mr. Orth also participating in discussions among a broader group of Ag Coalition representatives regarding proposed increases in fees for the Irrigated Lands Regulatory Program (ILRP). The State Water Resources State Board (SWRCB) staff has proposed increasing the ILRP

fees from 12 cents an acre to 42 cents an acre, primarily due to a loss of State General Fund support. The Ag Coalition has initiated several meetings with State Administrative and Legislative Representatives to discuss our concerns with this proposed fee increase. The SWRCB will act in September to adopt fees for the 2010-11 fiscal year.

Power Resources: Mr. Orth reported discussions with the ad hoc Power Committee for developing a proposal to submit to California Department of Water Resources (CDWR) to perform self operation and maintenance at the Malaga Peaking Plant upon expiration of the current O&M agreement with CDWR. Mr. Orth further reported initiating a process to solicit proposals that would support the renewal of a Long Term Service Agreement which also expires later this year. Mr. Orth noted the committee will present any recommendations to the Board in June 2010 relative to these issues. Mr. Orth also reported the Power Purchase Agreement will expire in five years and examination of potential counter parties to succeed CDWR in that agreement should begin soon.

LEGISLATION

Mr. Orth reported on the following legislative issues discussed by the Kings River Legislative Committee:

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. This bill has been completely re-written and the Kings River Legislative Committee recommended a "Not In Favor" position with a letter.

AB 2595 (Huffman) Irrigated agriculture: pesticides use: Mr. Orth reported this bill would require that persons receiving operator identification numbers for the purpose of buying or using pesticides must demonstrate compliance with waste water discharge requirements. Mr. Orth will check with the broader water coalitions regarding their position on the bill. Committee recommended a "Not In Favor" position with a letter.

SB 1070 (Cogdill) Land use: Tulare Lake basin: Mr. Orth reported the Planning and Zoning Law defines various terms for its purposes. This bill would define the term "Tulare Lake basin" as meaning the Tulare Lake Hydrologic Region as defined by the map in Figure 37 of Bulletin 118-2003 prepared by the Department of Water Resources. The committee recommended a "Support Position".

PUBLIC INFORMATION

There was no report.

CORRESPONDENCE, MEETINGS AND CONFERENCES

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

STAFF STATUS REPORTS AND PRESENTATIONS

Power Resources: Mr. John Moore, Deputy General Manager, Power Operations, presented a status report on the operations at the Jeff L. Taylor Pine Flat Power Plant (Plant) reporting the Plant generation season began on March 15th. The total generation for the month was 11,577 MWh producing total revenue of \$90,303.72 for March. Mr. Moore further reported total turbine discharge for the month was 42,883 acre-feet (AF) and discharge through the Turbine Bypass system was 3,118 AF. The flow from Mill and Hughes Creeks was 6,851 AF and spill from the dam totaled 1,006 AF.

Mr. Moore also presented an overview of operations at the Malaga Peaking Plant (Peaking Plant) Unit No. 1 engine is currently in the depot for hot-section repairs and the work is on schedule. The repaired engine should return to the Plant site by the end of April or the beginning of May. Unit No. 2 had ten fired starts and 15.1 fired engine hours for the month.

Weather Modification Program: Mr. David Yorty, North American Weather Consultants (NAWC) provided an overview of operations of the Precipitation Augmentation Program for the month of March. Mr. Yorty reported storm systems for the month resulted in 4.32 hours of flight time performing a total of 2.91 hours of cloud seeding generation, along with ground-based Cloud Nucleation Generation seeding totaling 176 hours in March.

RESOLUTION NO. 10-04

The Board was requested to adopt Resolution No. 10-04, appointing Mark C. McKean, President, Brent L. Graham, Vice President, and Randy Shilling, Deputy General Manager, Finances and Administrative Services as Trustees of the Kings River Conservation District Pension Plan.

It was moved by Director Cehrs, seconded by Director Nonini and unanimously carried, adopting Resolution No. 10-04 appointing Mark C. McKean, President, Brent L. Graham, Vice President, and Randy Shilling, Deputy General Manager, Finances and Administrative Services as Trustees of the Kings River Conservation District Pension Plan.

RESOLUTION NO. 10-05

The Board was requested to adopt Resolution No. 10-05, authorizing the General Manager/Trustee to execute the amendment to the District's Pension Plan with ING.

It was moved by Vice President Graham, seconded by Director Cehrs and unanimously carried, to authorize the General Manager /Trustee to execute the amendment to the District's Pension Plan with ING.

FINANCE AND ADMINISTRATION

Mr. Shilling presented an expenditure to budget comparison report for the period ending March 31, 2010.

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

RESOLUTION NO. 10-04

DISRICT PENSION PLAN TRUSTEES

BE IT RESOLVED, that David L. Orth be relieved of his duties as Trustee of the Kings River Conservation District Pension Plan, and

BE IT FURTHER RESOLVED, that Mark C. McKean, President, Brent L. Graham, Vice President, and Randy Shilling, Deputy General Manager, Finance and Administrative Services be hereby named and appointed Trustees of the Kings River Conservation District Pension Plan; and

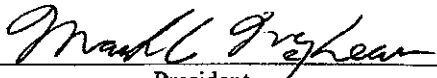
BE IT FURTHER RESOLVED, that Resolution No. 07-06 of the Board of Directors of the Kings River Conservation District, dated January 9, 2007, is revoked effective April 13, 2010.

THE FOREGOING RESOLUTION was passed and adopted by the Board of Directors of the Kings River Conservation District this 13th day of April 2010, by the following vote:

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

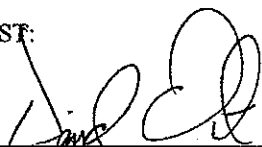
NOES: None

ABSENT: Directors Howe



President

ATTEST:



Secretary

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

RESOLUTION NO. 10-05

RESTATING THE DISTRICT'S MONEY PURCHASE PLAN

WHEREAS, the Kings River Conservation District (District) has a Money Purchase Plan (Pension Plan) with ING, and;

WHEREAS, the District has determined the need to amend and restate the Pension Plan to conform with the recent legislative and regulatory changes and to maintain the qualified status of the Plan, and;

WHEREAS, this Amendment and Restatement of the Kings River Conservation District Pension Plan is effective July 1, 2002;

NOW THEREFORE BE IT RESOLVED, the Kings River Conservation District's Pension Plan is hereby amended and restated to conform with current legislation and regulations, and;

BE IT FURTHER RESOLVED, the amendment presented as Exhibit A is hereby approved and adopted and that the Deputy General Manager, Finance and Administrative Services/Trustee is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Amendment, and;

BE IT FURTHER RESOLVED, that the proper officers of the District shall act as soon as possible to notify employees of the District of the adoption of this Amendment to the Kings River Conservation District Pension Plan by delivering to each employee a copy of the Summary Plan Description of the changes to the Pension Plan as presented to this meeting, which form is hereby approved, and;

BE IT FURTHER RESOLVED, that attached hereto as Exhibit A and Exhibit B respectively, are true copies of this Amendment to the Kings River Conservation District Pension Plan and Summary Plan Description approved and adopted in the foregoing resolutions, and;

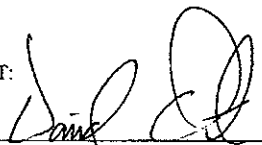
THE FOREGOING RESOLUTION was passed and adopted by the Board of Directors at the Regular Meeting of the Board of Directors of the Kings River Conservation District on this 13th day of April 2010, by the following vote:

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

NOES: None

ABSENT: Directors Howe

ATTEST:



Secretary



President

KINGS RIVER CONSERVATION DISTRICT
 Schedule of Disbursements and Current Accounts Payable
 Presented April 13, 2010
 (For Expenditures in the Month Ending March 31, 2010)

Employee Payroll	03/03/10	75,854.43	
Employee Payroll	03/11/10	91.25	
Employee Payroll	03/17/10	74,904.64	
Employee Payroll	03/31/10	80,872.92	
			231,723.24
Accounts Payable (KRCD)		1,286,219.54	1,286,219.54
	Sub-Total		1,517,942.78
Ready-Tax Electronic Funds Transfers:			
Employee Tax Deposits	03/10/10		30,302.64
Employee Tax Deposits	03/17/10		16.40
Employee Tax Deposits	03/24/10		29,444.74
	TOTAL		<u>1,577,706.56</u>