

**MINUTES OF THE
BOARD MEETING
OF THE
BROWNS VALLEY IRRIGATION DISTRICT
DECEMBER 18, 2008**

President Winchester called the regular meeting of the Board of Directors of the Browns Valley Irrigation District to order. Other Directors present were Lowe, Bordsen, Wheeler, and Woods. Also in attendance were Manager Cotter and Attorney Horowitz. Clerk Powell was absent.

Minutes: The Minutes of the November 13, 2008 Regular Board Meeting were approved on a motion by Director Lowe, seconded by Director Bordsen, all ayes, motion passed.

Public Forum: None.

Finance Committee Report: Directors Wheeler & Winchester reported that they had reviewed the November financial records and found them to be in order. Director Wheeler, seconded by Director Woods, moved to approve the November financial records. All ayes, motion passed.

Collins Lake Drought Update: Manger Cotter reported the Lake was 56.5' below spill and that the light rains over the previous week only brought the Lake up by 0.1'. Rain is predicted for next week. No action taken.

East Side of Collins Dozer Road Update: Attorney Horowitz reported that he is nearing completion of the analysis of the titles, easements, chain of title report and maps and expects to bring to the Board a list of options by the end of January. East Side of Collins landowner Erik Johnson noted that his goal was to legitimize the existing dozer road so that he can build a loop road to and from Road 270 to access his property. No action taken.

Pipeline Committee Report: Directors Winchester and Bordsen reported that there were three possible locations that a permanent lift station could be built on Saddleback Ranch, but that only one had not only the shortest pipeline route, but also had the necessary easements in place. Director Winchester, seconded by Director Lowe moved to install the Saddleback Lift Station at the existing easement location and to explore the costs to bring power to that location. All ayes, motion passed.

Manager's Report:

Collins Lake:

Current elevation is 1,126.5 ft, which is 56.5 ft below spill. The Generator is off with releases of 1.0 cfs. Last year on this date the elevation was 1,128.0 ft, which is 55.0 ft below spill. The Generator was off with releases of 1.0 cfs.

We calculated the surface are of Collins Lake and found it to be right at 1,009 acres. This information allowed Collins Lake Recreation Area to argue for reinstatement of the Fish & Game fish planting program.

Mark Sayers has been meeting with the 16 holders the Collins Lake Emergency Action Plan (EAP) for the FERC required annual face-to-face meetings. These meetings are to insure the updating of the EAP and to establish a relationship with the plan holder.

Staff Activities:

Tony Ward held a safety meeting on the topic of dog bites on December 10th.

Carey Powell is recuperating from surgery on November 21st and is expected to return before the end of January.

The Union dues will increase on January 1st from the current rate of \$42.00 to \$44.00 per employee, monthly.

Financial Activities:

The CD for \$50,000 at Wright Express Financial Services matured on November 14, 2008 and was reinvested as follows:

\$20,000 at 3.25% for 18 months with Capital One Bank

\$39,000 at 2.20% for 12 months with GE Money Bank

The CD for \$111,600 at Butte Federal Credit Union matured on December 1, 2008 and I will be looking to reinvest those funds.

Equipment Purchases:

We took delivery of a new 2008 Chevrolet Trailblazer.

We also made the second half payment of \$74,200 for the Excavator purchased earlier this year.

Peoria Pipeline:

Phase 1A of this project is complete. We installed a total of 7,290' of pipe for this phase. The crew will be moving on with Phase 2 of this project that will include an 18" mainline running south along Peoria Road and tying into the Bald Mountain pipeline. This will give the District the ability to reduce the flow of water in the leaky Arnold ditch.

Water Transfers and the Delta:

The Request for Proposals for a ten year, long term transfer of the District's Conserved Water (3,100 acre feet) was sent to several interested agencies. We are expecting responses by the end of the year.

We have also provided draft agreement to Santa Clara Valley WD for a 2009 Conserved Water Transfer.

The 2009 Drought Water Bank has been thrown a curve in the form of an intent to sue over the Giant Garter Snake and land fallowing.

The Member Units have been asked by YCWA to bring a small group to renegotiate the Accord buyers agreement. We have a term sheet that will be presented to the buyers group.

The Delta Vision issue is becoming a looming problem for northern California water rights holders.

Meetings:

Past:

- 11-17-08 I met with Leslie Morgan and Ed Craddock to discuss a possible grant to fund the installation of a SCADA system at the Powerhouse.
- 11-18 & 19-08 I was out for Cataract surgery.
- 11-20-08 I attended the 2009 Drought Water Bank meeting in Sacramento.
- 11-24-08 Director Winchester and I attended the Member Unit meeting in Marysville.
- 11-25-08 I met with Gary Kienlen (MBK) to discuss Pre-1914 water rights reporting in Sacramento.
- 11-25-08 Director Winchester and I attended the NCWA Managers meeting concerning the 2009 Drought Water Bank in Willows.
- 11-03 through 05-08 Directors Wheeler Winchester and I attended the ACWA Fall conference in Long Beach.
- 12-10-08 I attended the Accord Buyers meeting in Sacramento.
- 12-11-08 I attended the 2009 Drought Water Bank meeting in Sacramento.
- 12-15-08 The Pipeline Committee (Directors Winchester and Bordsen) met to discuss the Saddleback Lift Station project.
- 12-16-08 Director Winchester and I attended the YCWA Member Unit meeting in Marysville.
- 12-16-08 Directors, Winchester and Wheeler and I attended the outgoing County Supervisor Don Schrader thank you dinner in Marysville.
- 12-17-08 Director Winchester (and I briefly) attended the NCWA Board meeting in Marysville.
- 12-18-08 The Finance Committee (Directors Wheeler and Winchester) met to review the November bills.

Future:

12-19-08 Accord Buyers meeting in Sacramento.

12-19-08 YCWA POD Committee meeting in Marysville.

01-09 through 23-09 I will be on vacation.

Projects:

Past:

1. Repaired a service on the Mahle pipeline.
2. Installed a new service on the McDrip pipeline.
3. Prepared the dump truck and trailer for the CHP B.I.T. inspection. We passed the CHP B.I.T. inspection.
4. Sprayed the Thousand Trails Ditch.
5. Switched out the large diesel pump at Saddleback Ranch for a smaller pump.
6. Replaced the radiator in the # 2 truck. It had an irreparable hole.
7. Repaired a break on the Fig Tree, Peoria Ridge, and Olive Hill pipelines.
8. Prepared and completed the annual drill of the Virginia Ranch Dam emergency action plan.
9. Cut trees from the upper end of the Thousand Trails ditch.

Future:

1. Remove the gauging station from lower Dry Creek.
2. Repack a section of the Pumpline Canal ditch bank.
3. Install the new decking at the Yuba River pumping station.
4. Straighten up the roads to the powerhouse and the Yuba River pump station.

Request to allow water from Cordua ID to be utilized on a District Parcel: Director Lowe, seconded by Director Woods, moved to permit Robert Matthews to use Cordua ID water on the Los Quintas Ranch parcel in 2009, subject to the following conditions: (1) Matthews pays the BVID administrative fee and purchases 10 acre-feet of water from BVID; (2) Matthews signs an agreement permitting him to buy water from Cordua ID on a year-to-year basis, conditioned on BVID's right to revoke the agreement effective the following irrigation season and Matthews' continued payment of the BVID administrative charge and purchase of a minimum of 10 acre-feet of water from BVID each year the agreement remains effective. All ayes, motion passed.

2009 Rate Schedule for Collins Lake: Director Wheeler, seconded by Director Lowe, moved to approve the 2009 Rate Schedule for Collins Lake as submitted. All ayes, motion passed.

January Regular Board meeting dates: Director Wheeler, seconded by Director Lowe, moved to cancel the 2009 January 22nd Regular Board Meetings and reschedule the

Regular Board Meeting to January 29th. Additionally, the 2009 January 8th Regular Board Meeting will be held as usual. All ayes, motion passed.

Correspondence:

- o Letter from Robert Mathews requesting water from Cordua ID for a parcel near Los Quintas.
- o Letter from Robert Winchester concerning standby charges for small electric pumps.
- o Letter by Mark Sayers concerning the surface area of Collins Lake.
- o Email from Lincoln Young concerning efforts to get Collins Lake off of the “no planting” list.
- o Letter to the YCWA “POD” Committee concerning BVID water transfer scheduling.
- o Letter from Operating Engineers #3 (union) concerning a dues rate change for 2009.
- o Letter from Bartkiewicz concerning a rate increase.

Closed Session: President Winchester announced that the meeting would go into Closed Session to have a conference call with legal counsel regarding existing litigation. Any action taken in Closed Session would be reported when the meeting reconvened into Open Session.

Open Session: President Winchester reconvened the meeting into Open Session and reported that no action was taken.

Adjournment: There being no further business before the Board, President Winchester adjourned the meeting