

MINUTES of the first Organizational Meeting of the Board of Directors of the Root Creek Water District held at 3:30 pm, Monday, October 14, 1996 at the office of the District, located at 39639 Avenue 10, Madera, California.

DIRECTORS PRESENT: Benton Coulthard  
Dave Cobb  
Phil Pierre  
Rodger Jensen

DIRECTORS ABSENT: Bruce Freeman

OTHERS PRESENT: Al Bates, Dole  
Mr. & Mrs. Jaghlassian, Landowners  
Steve Krueger, Consultant  
Chris Campbell, Attorney  
Jim Cipolla, Attorney  
Lisa Travis, Attorney  
Jim Provost, Consulting Engineer

### ELECTION RESULTS

Attorney Chris Campbell announced that the District was officially formed on October 1, 1996 and that the election results were 13,014,810 yes and -0- no for formation. He noted that since only five individuals were on the ballot that all five were elected as directors. Mr. Campbell announced that Mr. Bruce Freeman has resigned from the Board. S & J Ranch recommended that Mr. Al Bates be appointed as its representative in place of Mr. Freeman. He went on to tell the Board that he would send a notice of vacancy to the District for posting in three places within the District no later than October 28th in order to fill the vacancy by November 11th.

### ELECTION OF OFFICERS

Attorney Campbell chaired the meeting and asked for nominations for President. Director Jensen asked Director Coulthard to serve as President. A general discussion pursued as to who might be willing to serve with Director Coulthard stating that he would rather not serve as President and Director Jensen should serve as President for a short time. Upon motion of Director Cobb, seconded by Director Pierre and unanimously passed that Director Jensen is nominated and elected as President and Director Coulthard is nominated and elected as Vice President.

### APPOINTMENT OF OFFICERS

President Jensen asked for nominations for Assessor/Tax Collector and Treasurer noting that it would be economical to the District and acceptable to S & J Ranch for the Ranch's Controller, Mr. Jim Burkhart to be appointed. Upon motion by Director Pierre, seconded by Coulthard, and unanimously passed that Jim Burkhart is appointed as Assessor/Tax Collector and Treasurer.

President Jensen asked for nominations for Secretary. Mr. Provost stated that this job does not require the writing of minutes but does require signing of such things as "resolutions". Upon motion of Director Coulthard, seconded by Director Pierre that Al Bates is nominated as Secretary and unanimously elected.

### APPOINTMENT OF ATTORNEY

President Jensen stated that he thought Chris Campbell had done a good job of getting the legal work done and would make a good attorney for the District. Upon motion of Director Pierre, seconded by Director Cobb and unanimously passed that Chris Campbell is appointed Attorney for the District.

## APPOINTMENT OF MANAGER

President Jensen stated that he knew that Mr. Provost would like to be the Manager-Engineer for the District and was qualified for the job. Upon motion of Director Cobb, seconded by Director Coulthard and unanimously passed that Jim Provost is appointed Manager-Engineer. Mr. Provost thanked the Board and recommended that the Board appoint Steve Krueger as Special Consultant especially for the enactment of the new legislation. A short discussion followed where in it was noted that District Legislation was an agenda item that Steve would be addressing. Upon motion of Director Coulthard, seconded by Director Pierre and unanimously passed that Steve Krueger is appointed Special Consultant to the District.

## OFFICER/EMPLOYEE BONDS

Attorney Campbell reported that the Board is required to consider requiring anyone responsible for money to post a fidelity bond. He noted that since the District has no money, no one needs to post a bond. He went on to observe that since the S & J Ranch Controller will be handling the future District funds then from a practical point of view no bonds may be required. Action on requiring bonds <sup>may be</sup> ~~was~~ deferral until the District begins receiving assessments from land owners.

## ADOPTION OF DISTRICT SEAL

Attorney Campbell reported that the law requires the Board to approve the form of the District seal. A short discussion followed. Upon motion of Director Pierre, seconded by Director Cobb and unanimously passed that District seal shall read "Root Creek Water District - Incorporated October 1, 1996, Madera County, California".

## ADOPTION OF BY-LAWS

Mr. Provost directed the board to the "draft" By-Laws prepared by Attorney Campbell's office. He noted that the Board needs to discuss the subject of Board compensation, and the time and day of the Regular Board Meetings. Attorney Campbell then gave a quick overview of the By-Laws noting that they are a basic statement of the Water Code requirements for operating a District. President Jensen stated that he thought that Director Cobb and Coulthard should receive compensation for attending the Board meetings. Both Directors declined at this time expressing their gratitude. Upon questioning Attorney Campbell stated that the By-Laws allow for compensation for up to \$100 per meeting but must take action by resolution from the Board for payment. By Board consensus, no action will be taken for the time being.

The manager reported that the Board must select a standing date, time and place for Board Meetings. Upon questioning he stated that the Board could cancel any meeting if there was no reason to meet. A short discussion followed. Upon motion by Director Coulthard, seconded by Director Pierre and unanimously passed that the District Regular Board Meetings will be held on the second Monday of every month at 2:00 p.m., and that the District office be located at 39~~39~~<sup>63</sup> Avenue 10, Madera, CA. It was noted that the next board meeting would be November 11, 1996. President Jensen asked the Manager to notice the meetings two weeks in advance. He asked that the By-Laws be placed upon next months agenda for adoption.

## DIRECTOR FUNCTIONS

The Manager distributed copies of the Index to Files for Root Creek Water District for the purpose of giving the Board an idea of the activities in which the District might be involved. The Manager went through the index with the Board.

## CONFLICT OF INTEREST CODE

Mr. Provost referred to the Conflict of Interest Code and the Resolution for adoption prepared by Attorney Campbell. Mr. Campbell reported that the only discretionary subject in the Code was who needs to file and who is the filing officer. Mr. Provost stated that the District Manager is normally the filing officer. He then distributed filing forms with instructions to each Board Member. Upon

questioning Mr. Provost stated that the completed statements are kept in the District files, which he will maintain, except he has to submit his statement to the Madera County Clerk. After a short discussion, the manager was instructed to place this item on the next months agenda for approval.

### **BROWN ACT**

Attorney Campbell distributed a manual of the Brown Act to each Board Member. He stated that the manual should be reviewed by all concerned. He stated that this is the law wherein it is prohibited for three Board Members to meet without noticing a public hearing. It is also the law that states how agendas are prepared and noticed, when items can be discussed and Board Action taken. A short discussion followed.

### **ADOPTION OF ACCOUNTING YEAR**

The manager stated that the Board is required to elect its accounting year. He stated that it makes more sense to operate on a calendar year but he has found in other Districts that it is much easier to operate on a fiscal year beginning July 1st, the same as the County and State. A short discussion followed. Upon motion of Director Coulthard, seconded by Director Cobb and unanimously passed that the Directors accounting year will begin each July 1st.

### **FISCAL AFFAIRS**

Attorney Campbell asked that this agenda item be held over to next months Board Meeting as he has not had a chance to meet with Mr. Provost.

### **DISTRICT LEGISLATION**

The manager reported that under the leadership of Mr. Krueger, the District is trying to obtain special legislation to expand District power to include the purchase, distribution and re-sale of electricity and also to maintain parks. He then asked Mr. Krueger to expand on the subject. Mr. Krueger reported that on a prior effort this year the special legislation failed because the Madera County Farm Bureau objected to the proposed bill alleging that the legislation would be growth inducing and a unanimous concurrence of the Board of Supervisors should be obtained. He reported that a second effort should now be made mainly to provide cheaper energy to the Ag wells within the District. He stated that once the legislation is passed then the District might need to sell Bonds to construct an electric sub-station and distribution system. President Jensen expressed concern to the idea as he did not want to see the District indebted landowner land other than these controlled by the S & J Ranch. Mr. Provost and Mr. Campbell stated that any bonds required to distribute electricity would be revenue bonds which would probably be insured. Therefore, there would be no debt on the land.

President Jensen then asked about what is being done about changing the Farm Bureau's opinion. A lengthy discussion followed resulting in Mr. Krueger being instructed to communicate with the Farm Bureau Board. Mr. Krueger went on to report that there will be a Madera County Board of Supervisors workshop on October 22nd to discuss the proposed legislation. He asked for the Board's approval for all of the District's consultants to continue to pursue special legislation without specific language. A short discussion followed. Upon motion of Director Coulthard, seconded by Director Cobb and unanimously passed the staff and consultants were instructed to pursue special legislation for this December and meet with the Farm Bureau, Supervisors, Senator Costa's office, Attorney Green and who ever else is appropriate. Mr. Krueger went on to recommend that the District retain Mr. Jack Gualco as it's lobbyist in this matter. A short discussion followed. Upon motion of Director Cobb, seconded by Director Pierre and unanimously passed that the District shall hire Jack Gualco to assist in obtaining the desired legislation.

### **ACWA MEMBERSHIP**

Attorney Campbell asked that this be held over to the next Board Meeting.

**ADJOURNMENT**

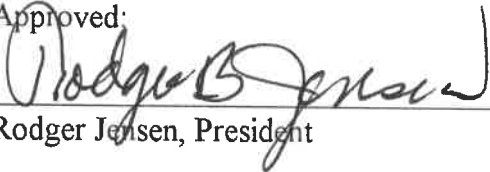
There being no further business to come before the Board, President Jensen adjourned the meeting at 5:52 p.m.

Respectfully Submitted



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Al Bates, Secretary

Approved:



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Rodger Jensen, President