

MINUTES of a special Meeting of the Board of Directors of the Root Creek Water District (RCWD) held at 2:00 p.m., Tuesday, July 2, 2002 at the office of the District located at 39639 Avenue 10, Madera, California

DIRECTORS PRESENT: Philip R. Pierre - President
 Jeffrey D. Coulthard
 Rodger B. Jensen
 Dave Cobb

DIRECTORS ABSENT: Al Bates - Secretary

OTHERS PRESENT: Chris Campbell - Attorney
 Deborah Messer - Assistant Secretary
 Jim Provost, Manager- Engineer

MINUTES

President Pierre asked if there were any corrections to the March 12, 2002 meeting minutes. There being no corrections, upon motion by Director Jensen, seconded by Director Coulthard, the minutes were approved as submitted.

TREASURER'S REPORT / PAYMENT OF BILLS

On behalf of the Treasurer, the Assistant Secretary submitted the Treasurer's Report showing the following:

<u>Wells Fargo Bank – Checking Account</u>	
Balance as of March 11, 2002	\$ 6,716.96
Other Operating Income received	5,000.00
Disbursements (Operating expenses)	(10,603.09)
<hr/>	
Balance as of March 11, 2002	\$1,113.87
 <u>Accounts Payable</u>	
Baker Manock & Jensen	3,261.78
Provost & Pritchard	56,876.96
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Total	60,138.74
 <u>Grand Funding Approved</u>	
AB-303 Grant Groundwater Storage Feasibility Study	162,300.00
Prop. 13 Grant Groundwater Recharge Feasibility Study	68,000.00
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Total	230,300.00

Upon motion by Director Cobb, seconded by Director Coulthard, the Treasurer's Report was approved and placed on file.

The Assistant Secretary submitted the following bills paid between March 11, 2002 and June 30, 2002 and the need for their ratification:

Disbursements	Description	Amount
Baker Manock & Jensen	Legal services	3,851.44
Butte Water District	Good faith payment	5,000.00
Provost & Pritchard	Management services	1,116.65
S & J Ranch	Administrative services	611.00
Wells Fargo Bank	Monthly service charge	24.00
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	Total Disbursements	\$10,603.09

Upon motion by Director Coulthard, seconded by Director Jensen, the Board ratified the bills totaling \$10,603.09.

The Assistant Secretary also submitted the following bills to be approved for payment:

Payable To	Description	Amount
Baker Manock & Jensen	Legal services	3,261.78
Provost & Pritchard	AB-303 Feasibility Study	56,876.96
	<hr/>	
	Total Disbursements	\$60,138.74

Upon motion by Director Coulthard, seconded by Director Cobb, the Board approved payment of the bill payable to Provost & Pritchard, subject to reimbursement by our AB-303 grant.

Upon motion by Director Coulthard, seconded by Director Jensen, the Board also approved payment of the bill payable to Baker Manock & Jensen, subject to the expenses related to the proposed legislation being reimbursed by the proponents of the Village of Gateway.

2002-2003 BUDGET

Mr. Provost distributed the proposed 2002-2003 Fiscal Year Budget. After some discussion, adjustments were made to the Clerical and Expenses and Contingency categories to better reflect anticipated expenses. Mr. Provost stated that a special assessment of \$3.00 per acre of land within the District could be levied to raise the sum specified in the annual estimate of operational expenses. There was some discussion about possibly applying for a grant for construction/installation of facilities to bring water from Lateral 6-2 to the North end of the District. Upon motion by Director Cobb, seconded by Director Coulthard, the Board unanimously approved the 2002-2003 Fiscal Year Budget of \$27,664 as amended. A copy of the approved budget is attached to and made a part of these minutes.

2002-2003 SPECIAL ASSESSMENTS

Mr. Provost presented to the Board the proposed 2002-2003 Assessment Book which lists all lands and each separate parcel thereof within the District. He stated that the District needs to raise \$27,664 to fund its operational expenses as estimated in the 2002-2003 Fiscal Year Budget and that this could be accomplished with a \$3.00 per acre special assessment. Upon motion by Director Cobb, seconded by Director Jensen, the Board unanimously adopted Resolution 2002-10, which is attached to and made a part of these minutes, to: 1) accept the 2002-2003 Assessment Book; 2) set the 2002-2003 Special Assessment rate at \$3.00 upon each acre of land within the District and levee the assessment; and 3) notify the Clerk of the Board of Supervisors that the District is going to collect its own assessments.

PROPOSITION 13 AND AB-303 GRANTS AND GROUNDWATER RECHARGE

Mr. Provost reported on the status of work authorized under the AB-303 study grant. Information has been gathered, his office has met with Department of Water Resources representative and they have obtained aerial photos. They are developing mapping, tabulating data and determining data gaps. On July 13, 2002, a Budget and Expenditure Summary form was submitted to the DWR for reimbursement of expenses totaling \$28,668.90 incurred from March 1 through May 31, 2002.

DISTRICT/FRIANT WATER AGREEMENT

Counsel reported on the process and activities with the Bureau of Reclamation and MID to implement the District/Friant water agreement. Counsel stated that the Bureau has initiated the environmental review process that's required.

DISTRICT PROPOSED LEGISLATION

Counsel reported that proposed energy legislation, SB1871, was introduced by Senator Monteith on February 22, 2002. The intent of this legislation is to grant RCWD the authority to provide other urban services. The proposed Bill was amended and re-referred to committee. Senator Monteith, however, cancelled the hearing as he is not available to "retool" the Bill at this time. It is believed that the Bill is dead because it is off schedule and it will be too hard to get it back on schedule until next year.

VILLAGE OF GATEWAY

Counsel updated the Board regarding the status of the Village of Gateway project. Counsel reported that the Board of Supervisors has yet to adopt the Findings of Fact that is required before formally accepting the Environmental Impact Report. Once that process is complete, they will take action on the General Plan Amendment.

RESOURCE MANAGEMENT COALITION

President Pierre informed the Board that we have been asked to appoint a representative and alternate to the Resource Management Coalition. The Coalition was formed to provide San Joaquin River stakeholders a voice in the decision making process of governmental agencies with jurisdictions affecting the San Joaquin River. The appointee must be a landowner (deriving 40% or more income from farming) or have fiduciary responsibility in the management of at least 21 acres of land within RMC boundaries. After some discussion, the Board concluded that it would be prudent to appoint a representative and an alternate. Director Coulthard

volunteered to be the appointee and Director Pierre volunteered to serve as the alternate. Upon motion by Director Cobb, seconded by Director Jensen, the motion was carried.

ADJOURNMENT

There being no further business to come before the Board, President Pierre adjourned the meeting at 3:20 p.m.

Respectfully submitted,


Deborah C. Messer, Asst. Secretary

Approved:


Philip R. Pierre, President

ROOT CREEK WATER DISTRICT
2002-2003 Fiscal Year Budget

Board Meetings

Manager-Engineer	\$ 1,200
Attorney	1,800
Subtotal	\$ <u>3,000</u>

District Management

Manager-Engineer Miscellaneous (GW Mapping)	\$ 1,000
ACWA Membership	800
Other Memberships	200
Audit	300
Subtotal	\$ <u>2,300</u>

Clerical and Expenses

Clerical	\$ 2,800
Advertising and Bank charges	200
Subtotal	\$ <u>3,000</u>

Groundwater Investigation

Grant Applications	\$ 9,600
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Contingency

\$ 9,764

Total Budget

\$ 27,664

RESOLUTION NO. 2002-

**ROOT CREEK WATER DISTRICT
2002-03 SPECIAL ASSESSMENT**

WHEREAS, this Board of Directors has received a petition, signed by each of the landholders of the District, to adopt a special assessment to fund the District's operational expenses; and

WHEREAS, this Board of Directors has estimated the District's operational expenses, to be incurred for the general benefit of all of the lands in the District, to be approximately \$27,664.00 per year; and


WHEREAS, the Assessor of said District has listed in the 2002-03 Special Assessment Book, all lands and each separate parcel thereof within the District, the name of head holder of title to each separate parcel of land within the District, and if unknown, that fact is stated, a description of each separate parcel of land within the District sufficient to identify it; and

WHEREAS, the total of said lands within the District is 9,221.45 acres.

NOW, THEREFORE, BE IT, AND IT IS HEREBY, RESOLVED, as follows:


1. The special assessments set forth in the Root Creek Water District 2002-03 Special Assessment Book are equal, fair and just and represent the landholders acreage; and
2. The rate of special assessment of \$3.00 upon each acre of the land within Root Creek Water District, which rate is sufficient to raise the sum specified in the annual estimate of operational expenses, and the same is hereby, fixed, ordered, and levied; and
3. The minimum assessment on any one parcel shall be rounded up to \$3.00 if the actual calculations is greater than \$1.50 and rounded to \$0.00 if the actual calculation is less than \$1.50; and
4. This Board hereby assesses the lands within Root Creek Water District which have escaped assessment in prior years in the amounts set forth in the 2002-03 Special Assessment Book.

ADOPTED, SIGNED AND APPROVED this 2nd day of July, 2002.



Phil Pierre, President
Root Creek Water District

ATTEST



Deborah Messer, Assistant Secretary
Root Creek Water District

CERTIFICATE OF SECRETARY

I hereby certify that I am the Assistant Secretary of Root Creek Water District and that the foregoing Resolution was duly adopted by the Board of Directors of said District at the Special Meeting duly held in Madera, California on Tuesday, July 2, 2002 at which meeting a quorum of said Board of Directors was at all times present and acting.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said District this 2nd day of July, 2002.

(DISTRICT
SEAL)



Deborah Messer, Assistant Secretary

ROOT CREEK WATER DISTRICT
 WORKING TRIAL BALANCE
 AS OF 06/30/2002

ACCT #	DESCRIPTION	ENDING 06/30/2001	Debits	Credits	ENDING 06/30/2002
ASSETS					
100-00	CASH	3,811.83	1 27,660.48 9 5,000.00	2 (11,226.94) 3 (95.00) 4 (11,595.36) 5 (5,000.00) 6 (695.00) 7 (1,085.50) 8 (660.64) 10 (5,000.00)	1,113.87
100-01	DEPOSITS ACCOUNT	0.00			0.00
110-00	ACCOUNTS RECEIVABLE	0.00			0.00
111-01	A / R ASSESSMENT - PRIOR YEAR	0.00			0.00
111-02	A / R ASSESSMENT - CURR YEAR	0.00			0.00
111-03	A / R AB-303 GRANT	0.00	14 162,300.00		162,300.00
111-04	A / R PROP. 13 GRANT	0.00	15 68,000.00		68,000.00
112-00	INTEREST RECEIVABLE	0.00			0.00
120-00	PREPAID EXPENSES	0.00			0.00
120-01	PREPAID TAXES	0.00			0.00
TOTAL ASSETS		<u>3,811.83</u>			<u>231,413.87</u>

ROOT CREEK WATER DISTRICT
 WORKING TRIAL BALANCE
 AS OF 06/30/2002

ACCT #	DESCRIPTION	ENDING 06/30/2001	Debits	Credits	ENDING 06/30/2002
LIABILITIES					
310-00	ACCOUNTS PAYABLE	0.00		11 (60,138.74)	(60,138.74)
311-01	ACCRUED EXPENSES	0.00		12 (377.00)	(377.00)
312-01	INTEREST PAYABLE	0.00			0.00
320-00	NOTES PAYABLE	0.00			0.00
320-01	NOTES PAYABLE - S & J RANCH	0.00			0.00
321-01	ACCRUED INTEREST	0.00			0.00
TOTAL LIABILITIES		0.00			(60,515.74)
CAPITAL					
400-00	CAPITAL	1,512.49		13 (5,324.32)	(3,811.83)
450-00	WITHDRAWALS	0.00			0.00
500-00	CURRENT EARNINGS	0.00			(167,086.30)
600-00	PRIOR EARNINGS	(5,324.32)	13 5,324.32		0.00
TOTAL CAPITAL		(3,811.83)			(170,898.13)
TOTAL LIABILITIES AND CAPITAL		(3,811.83)			(231,413.87)
	check - should be zero	0.00			0.00

ROOT CREEK WATER DISTRICT
 WORKING TRIAL BALANCE
 AS OF 06/30/2002

ACCT #	DESCRIPTION	ENDING 06/30/2001		Debits	Credits	ENDING 06/30/2002
REVENUE						
610-01	ASSESSMENTS - PRIOR YEAR	0.00				0.00
620-01	ASSESSMENTS - CURR YEAR	0.00			1 (27,660.48)	(27,660.48)
630-01	OTHER OPERATING INCOME	0.00			9 (5,000.00)	(5,000.00)
630-03	OTHER OP INC - AB-303 GRANT	0.00			14 (162,300.00)	(162,300.00)
630-04	OTHER OP INC - PROP. 13 GRANT	0.00			15 (68,000.00)	(68,000.00)
640-01	INVESTMENT INCOME	<u>0.00</u>				<u>0.00</u>
TOTAL REVENUES		<u>0.00</u>				<u>(262,960.48)</u>
EXPENSES						
711-01	LEGAL	0.00	2	11,226.94		14,488.72
			11	3,261.78		
711-02	LOBBYIST	0.00				0.00
711-05	ACCOUNTING	0.00	3	95.00		95.00
712-01	CONSULTANT - ENGINEER	0.00	4	11,595.36		11,595.36
712-03	CONSULT - ENG - AB-303 STUDY	0.00	11	56,876.96		56,876.96
712-04	CONSULT - ENG - PROP. 13 STUDY	0.00				0.00
712-05	CONSULTANT - SPECIAL	0.00	5	5,000.00		5,000.00
713-00	DUES & SUBSCRIPTIONS	0.00	6	695.00		695.00
714-00	ADMINISTRATIVE COSTS	0.00	7	1,085.50		1,462.50
			12	377.00		
715-00	MISCELLANEOUS	0.00	8	660.64		5,660.64
			10	5,000.00		
716-00	INTEREST	0.00				0.00
TOTAL EXPENSES		<u>0.00</u>				<u>95,874.18</u>
NET (INCOME) / LOSS		<u>0.00</u>				<u>(167,086.30)</u>

ROOT CREEK WATER DISTRICT
 WELLS FARGO BANK
 ACCT #0407-645662

DATE	CK NO	ACCT NO	PAYOR / PAYEE	INV NO	AMT	FOR
07/20/2001	Dep 861	111-02	S & J Ranch (on behalf of Dole Food Co.)		27,660.48	2001 Special Assessment
05/28/2002	Dep 862	630-01	Dole Food Company		5,000.00	Good faith payment for Bufile Water District
04/25/2002	1090	711-01	Baker Manock & Jensen	12023	(2,164.90)	Services thru 03/31/2002
03/27/2002	1086	711-01	Baker Manock & Jensen	12023	(1,686.54)	Services thru 02/28/2002
02/22/2002	1084	711-01	Baker Manock & Jensen	12023	(3,371.20)	Services thru 01/31/2002
01/31/2002	1082	711-01	Baker Manock & Jensen	12023	(747.50)	Services thru 12/31/2001
01/03/2002	1079	711-01	Baker Manock & Jensen	12023	(491.40)	Services thru 11/30/2001
11/19/2001	1077	711-01	Baker Manock & Jensen	12023	(913.65)	Services thru 10/31/2001
10/26/2001	1074	711-01	Baker Manock & Jensen	12023	(712.25)	Services thru 07/20/2001
08/28/2001	1073	711-01	Baker Manock & Jensen	12023	(335.50)	Services thru 07/20/2001
08/02/2001	1070	711-01	Baker Manock & Jensen	12023	(725.00)	Services thru 07/20/2001
07/02/2001	1067	711-01	Baker Manock & Jensen	12023	(79.00)	Services thru 06/20/2001
		711-01	Baker Manock & Jensen	12023	(2,976.79)	Services thru 04/30/2002
		711-01	Baker Manock & Jensen	12023	(284.99)	Services thru 05/31/2002
12/10/2001	1078	711-05	Michael B. Cuffone, CPA	1139	(95.00)	Preparation of State Controller's Report
04/15/2002	1089	712-01	Provost & Pritchard	3134	(709.75)	Services thru 03/31/2002
03/27/2002	1087	712-01	Provost & Pritchard	2774	(406.90)	Services thru 02/28/2002
03/01/2002	1085	712-01	Provost & Pritchard	2774	(1,182.66)	Services thru 01/31/2002
11/19/2001	1076	712-01	Provost & Pritchard	2233	(172.22)	General administrative work
07/20/2001	1068	712-01	Provost & Pritchard	1591	(8,180.98)	Prepare grant applications for groundwater studies
07/20/2001	1069	712-01	Provost & Pritchard	1571	(942.85)	Prepare for and attend Board Meeting and general District work
		712-03	Provost & Pritchard	1250	(24,545.40)	Services thru 04/30/2002
		712-03	Provost & Pritchard	3595	(31,076.56)	Services thru 05/31/2002
		712-03	Provost & Pritchard	1249	(1,255.00)	Services thru 03/31/2002
02/13/2002	1083	712-05	US Dept of the Interior Bureau of Reclamation		(5,000.00)	Deposit LOA Contract #02-WC-20-2083
10/26/2001	1075	713-00	ACWA		(695.00)	Annual Dues
04/11/2002	1088	714-00	S & J Ranch	26694	(611.00)	Administrative services 01/01-03/31/2002
01/03/2002	1080	714-00	S & J Ranch	26218	(130.00)	Administrative services 07/01-12/31/2001
08/17/2001	1071	714-00	S & J Ranch	24955	(344.50)	Administrative services
06/22/2002		715-00	Wells Fargo Bank		(12.00)	Monthly service fee
05/22/2002		715-00	Wells Fargo Bank		(12.00)	Monthly service fee
05/20/2002	1091	715-00	Butte Water District		(5,000.00)	Good faith payment
01/31/2002	1081	715-00	Madera Pumps	41496	(620.50)	Pump tests
01/03/2002	1080	715-00	S & J Ranch	26217	(16.14)	Postage 06/01-12/31/2001

ACCRUED 04/01-06/26/2002 S & J RANCH (377.00) ADMINISTRATIVE SERVICES

**ROOT CREEK WATER DISTRICT
TREASURER'S REPORT**

2002 Investment Report
for
Period Ending June 30, 2002

DATE: June 30, 2002
TO: Board of Directors
FROM: James M. Burkhart, Treasurer

In accordance with Government Code Section 53646 and the Root Creek Water District Investment Policy, the following shall constitute the quarterly report of investments on behalf of the Root Creek Water District:

1. As of the date of the report, the remaining District funds are deposited in Federal Deposit Insurance Corporation (FDIC) insured accounts at Wells Fargo Bank. Therefore, as provided by Government Code Section 53646 (e), attached is the most recent statement received by the District.
2. The portfolio of the District is in compliance with the District's Statement of Investment Policy.
3. It is expected the District will be able to meet its expenditure requirements for the next six months based on current account balances and projected revenue from benefit assessments.

ROOT CREEK WATER DISTRICT
TREASURER'S REPORT
June 30, 2002

OPERATING FUNDS:

Checking Account Balance - 03/11/2002 \$ 6,716.96

ASSESSMENTS RECEIVED:

0.00

OTHER OPERATING INCOME:

5,000.00

TOTAL FUNDS AVAILABLE 11,716.96

DISBURSEMENTS:

Baker Manock & Jensen 3,851.44

Butte Water District 5,000.00

Provost & Prichard 1,116.65

S & J Ranch 611.00

Wells Fargo Bank 24.00

TOTAL DISBURSEMENTS 10,603.09

CHECKING ACCOUNT BALANCE ON JUNE 30, 2002 \$ 1,113.87

BILLS TO BE APPROVED:

Baker Manock & Jensen 3,261.78

Provost & Pritchard 56,876.96

\$ 60,138.74

GRANT FUNDING APPROVED

AB-303 Grant \$ 162,300.00

Proposition 13 Grant 68,000.00

\$ 230,300.00

ROOT CREEK WATER DISTRICT
WELLS FARGO BANK
ACCT #0407-645662

DATE	CK NO	ACCT NO	PAYOR / PAYEE	INV NO	AMT	FOR	(C)/DEP	BALANCE
07/01/2001-06/30/2002			BEGINNING BALANCE					3,811.83
07/02/2001	1067	711-01	Baker Manock & Jensen	12023	(79.00)	Services thru 06/20/2001	(79.00)	3,732.83
07/20/2001	Dep 861	111-02	S & J Ranch (on behalf of Dole Food Co.)		27,660.48	2001 Special Assessment	27,660.48	31,393.31
07/20/2001	1068	712-01	Provost & Pritchard	1591	(8,180.98)	Prepare grant applications for groundwater studies	(8,180.98)	23,212.33
07/20/2001	1069	712-01	Provost & Pritchard	1571	(942.85)	Prepare for and attend Board Meeting and general District work	(942.85)	22,269.48
08/02/2001	1070	711-01	Baker Manock & Jensen	12023	(725.00)	Services thru 07/20/2001	(725.00)	21,544.48
08/17/2001	1071	714-00	S & J Ranch	24955	(344.50)	Administrative services	(344.50)	21,199.98
	1072		VOID					21,199.98
08/28/2001	1073	711-01	Baker Manock & Jensen	12023	(335.50)	Services thru 07/20/2001	(335.50)	20,864.48
10/26/2001	1074	711-01	Baker Manock & Jensen	12023	(712.25)	Services thru 07/20/2001	(712.25)	20,152.23
10/26/2001	1075	713-00	ACWA		(695.00)	Annual Dues	(695.00)	19,457.23
11/19/2001	1076	712-01	Provost & Pritchard	2233	(172.22)	General administrative work	(172.22)	19,285.01
11/19/2001	1077	711-01	Baker Manock & Jensen	12023	(913.65)	Services thru 10/31/2001	(913.65)	18,371.36
12/10/2001	1078	711-05	Michael B. Cufftone, CPA	1139	(95.00)	Preparation of State Controller's Report	(95.00)	18,276.36
01/03/2002	1079	711-01	Baker Manock & Jensen	12023	(491.40)	Services thru 11/30/2001	(491.40)	17,784.96
01/03/2002	1080	715-00	S & J Ranch	26217	(16.14)	Postage 06/01-12/31/2001		17,784.96
01/03/2002	1080	714-00	S & J Ranch	26218	(130.00)	Administrative services 07/01-12/31/2001		17,638.82
01/31/2002	1081	715-00	Madera Pumps	41496	(620.50)	Pump tests		17,018.32
01/31/2002	1082	711-01	Baker Manock & Jensen	12023	(747.50)	Services thru 12/31/2001		16,270.82
02/13/2002	1083	712-05	US Dept of the Interior Bureau of Reclamati		(5,000.00)	Deposit LOA Contract #02-WC-20-2083		11,270.82
02/22/2002	1084	711-01	Baker Manock & Jensen	12023	(3,371.20)	Services thru 01/31/2002		7,899.62
03/01/2002	1085	712-01	Provost & Pritchard	2774	(1,182.66)	Services thru 01/31/2002		6,716.96
03/27/2002	1086	711-01	Baker Manock & Jensen	12023	(1,686.54)	Services thru 02/28/2002		5,030.42
03/27/2002	1087	712-01	Provost & Pritchard	2774	(406.90)	Services thru 02/28/2002		4,623.52
04/11/2002	1088	714-00	S & J Ranch	26694	(611.00)	Administrative services 01/01-03/31/2002		4,012.52
04/15/2002	1089	712-01	Provost & Pritchard	3134	(709.75)	Services thru 03/31/2002		3,302.77
04/25/2002	1090	711-01	Baker Manock & Jensen	12023	(2,164.90)	Services thru 03/31/2002		1,137.87
05/22/2002		715-00	Wells Fargo Bank		(12.00)	Monthly service fee		1,125.87
05/28/2002	Dep 862	630-01	Dole Food Company		5,000.00	Good faith payment for Butte Water District		6,125.87
05/20/2002	1091	715-00	Butte Water District		(5,000.00)	Good faith payment		1,125.87
06/22/2002		715-00	Wells Fargo Bank		(12.00)	Monthly service fee		1,113.87
EXPENSES PENDING PAYMENT:								
		711-01	Baker Manock & Jensen	12023	(2,976.79)	Services thru 04/30/2002	(2,976.79)	
		711-01	Baker Manock & Jensen	12023	(284.99)	Services thru 05/31/2002	(284.99)	
		712-03	Provost & Pritchard	1249	(1,255.00)	Services thru 03/31/2002	(1,255.00)	
		712-03	Provost & Pritchard	1250	(24,545.40)	Services thru 04/30/2002	(24,545.40)	
		712-03	Provost & Pritchard	3595	(31,076.56)	Services thru 05/31/2002	(31,076.56)	
								(60,138.74)