

**MINUTES** of a special Meeting of the Board of Directors of the Root Creek Water District (RCWD) held at 2:00 p.m., Wednesday, June 18, 2003, at the office of the District located at 39639 Avenue 10, Madera, California.

**DIRECTORS PRESENT:** Philip R. Pierre – President  
Richard Bascou  
Jeffrey D. Coulthard  
Rodger B. Jensen

**DIRECTORS ABSENT:** Dave Cobb

**OTHERS PRESENT:** Dave Holland - Attorney  
Deborah Messer - Secretary  
Jim Provost, Manager- Engineer

### MINUTES

President Pierre asked if there were any corrections to the May 15, 2003 meeting Minutes. Director Jensen noted that the time of adjournment is incorrect, the correct time of adjournment was 3:40 PM. Director Jensen moved that the Minutes be accepted with corrections. Motion was seconded by Director Coulthard. Motion carried.

### TREASURER'S REPORT / PAYMENT OF BILLS

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

<u>Wells Fargo Bank – Checking Account</u>	
Balance as of May 15, 2003	\$18,183.32
<u>Disbursements (Operating expenses)</u>	<u>(3,246.16)</u>
Balance as of May 15, 2003	\$14,937.16
<u>Accounts Payable</u>	
Provost & Pritchard	109,532.49

The Secretary reported that she just received a bill in the amount of \$35.00 from the San Joaquin Valley Agricultural Water Committee for 2003 Membership Dues. This amount is to be added to the Accounts Payable, making the total Accounts Payable \$109,567.49.

Upon motion by Director Coulthard, seconded by Director Jensen, the Board approved the Treasurer's Report and placed it on file.

The Secretary, on behalf of the Treasurer, submitted the following expenses paid between May 15 and June 18, 2003 and the need for their ratification:

<u>Disbursements</u>	<u>Description</u>	<u>Amount</u>
Baker Manock & Jensen	Legal services	1,909.60
Provost & Pritchard	Mgmt services	786.56
	<u>Total Disbursements</u>	<u>\$2,696.16</u>

The secretary also presented the following expenses to be paid:

Ag Water Committee	2003 Membership Dues	\$35.00
Provost & Pritchard	AB 303	\$18,894.86

Upon motion by Director Bascou, seconded by Director Jensen, the Board ratified the expenses paid totaling \$2,696.16 and approved payment of the expenses to be paid totaling \$18,929.86, with the AB303 expenses to be paid upon receipt of AB303 grant reimbursement.

### 2003-2004 BUDGET

Mr. Provost distributed the proposed 2003-2004 Fiscal Year Budget. Although there was some discussion, no adjustments were made. Mr. Provost stated that a special assessment could be levied to raise the sum specified in the annual estimate of operational expenses. The Secretary reported that there would also be a carryover of approximately \$14,000. Upon motion by Director Jensen, seconded by Director Coulthard, the Board unanimously approved the 2003-

2004 Fiscal Year Budget of \$27,664. A copy of the approved budget is attached to and made a part of these Minutes.

### **2003-2004 SPECIAL ASSESSMENTS**

Mr. Provost presented to the Board the proposed 2003-2004 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 2003-2004 Fiscal Year Budget and that this could be accomplished with a \$3.00 per acre special assessment. Upon motion by Director Jensen, seconded by Director Bascou, the Board unanimously adopted

**Resolution 2003-02**, which is attached to and made a part of these Minutes, to: 1) accept the 2003-2004 Assessment Book; 2) set the 2003-2004 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**

President Pierre reported on the Prop. 13 and AB 303 Grants and groundwater recharge. He showed us two volumes that stand 10' tall, stating that these were submitted for RCWD's Proposition 13 Construction Grant. The binders are divided to provide adequate background for each section, highlighting the District's agreement with the Friant Water Users Authority, et.al. in the environmental section. This agreement will give the District additional rating points that will in turn give the District a better chance at receiving the grant. President Pierre also reported that Castle & Cooke, being the developer of the Village of Gateway, funded the application for this grant. Since RCWD is a small district, it may have a better chance at receiving the grant as distribution of grant funds is determined by regions and the grantors would like to see funds well distributed. If the grant is awarded to RCWD, it will fund 50% of the \$4.3 million cost of the in-lieu recharge system. The preliminary cut is in September 2003. This is a long process, however, forecasts indicate that the construction grant timing is fairly parallel with the Bureau's approval and implementation of the Agreement. The cost to benefit ratio is 2:1.

### **TATHAM EASEMENT**

President Pierre reported that he met with the Tathams to discuss the pipeline easement. They originally wanted to annex into Madera Irrigation District, then, when they are zoned for other than agriculture, to be annexed into the Root Creek Water District. After researching the costs involved, however, they decided they do not want to be annexed into MID, but they do want to be annexed into RCWD at the time their land is zoned for municipal and industrial use. President Pierre reported that Tathams will grant the easement at no cost to RCWD provided such annexation is successfully accomplished. They, however, expressed some concerns with the possibility of the annexation not being successful or if RCWD fails to develop municipal services, they need a fall back position. There was discussion regarding the agreement caveat having a time element, and President Pierre stated the trigger would have to be by a defined timeline. Pierre also stated that we need to have such easement agreement senior to any liens on the Tatham property and negotiate a fee that is not exorbitant for purchase of the easement in the event the fall back position is triggered. Tathams do see benefits to an agreement with the District and are encouraged. The Board concurred that President Pierre is to continue working with the Tathams to negotiate a reasonable deal that is to be ratified by the Board at a later date.

### **WATER SUBJECTS**

Counsel updated the Board on the Butte Water District and Bureau of Reclamation work as to obtaining water. Butte Water District is going back and forth on the option agreement. Dave Holland drafted an agreement whereby the District would purchase 15,000 acre feet every three years. This would require a \$150,000 deposit each year, which would be applied against future purchases. The water delivery point would be Millerton Lake. The price would be fixed at \$100 per acre-foot per year, with an escalator of \$3.00 per year for 25 years. At the end of 25 years, the rate would be renegotiated.

### **VILLAGE OF GATEWAY**

The Board went into closed session for this portion of the meeting due to litigation issues to be discussed. Upon return to open session, Board president Pierre reported that no action was taken during closed session.

**ADJOURNMENT**

There being no further business to come before the Board, President Pierre adjourned the meeting at 3:00 p.m.

Respectfully submitted,



Deborah C. Messer, Secretary

Approved:



Philip R. Pierre, President

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

June 18, 2003

**OPERATING FUNDS:**

Checking Account Balance - 05/15/2003 \$ 18,183.32

**ASSESSMENTS RECEIVED:**

**OTHER OPERATING INCOME:**

TOTAL FUNDS AVAILABLE 18,183.32

**DISBURSEMENTS:**

Baker Manock & Jensen 1,909.60  
Provost & Pritchard 786.56  
San Joaquin River Resource Mgmt Coalition 500.00  
San Joaquin River Resource Mgmt Coalition 50.00

TOTAL DISBURSEMENTS 3,246.16

CHECKING ACCOUNT BALANCE ON JUNE 18, 2003 \$ 14,937.16

**ACCOUNTS PAYABLE -**

Provost & Pritchard - AB-303 Study (see attached) 70,246.71  
Provost & Pritchard - Prop. 13 Study (see attached) 39,285.78  
\$ 109,532.49

ROOT CREEK WATER DISTRICT  
WELLS FARGO BANK

DATE	CK NO	ACCT NO	PAYOR / PAYEE	INV NO	AMT	FOR	(CK)/DEP	BALANCE
07/01/2002-06/30/2003			BEGINNING BALANCE					1,113.87
07/23/2002		715-00	Wells Fargo Bank		(12.00)	Monthly service fee	(12.00)	1,101.87
08/13/2002	1092	714-00	S & J Ranch	27335	(377.00)	Administrative services 04/01-06/25/2002	(377.00)	724.87
08/22/2002		715-00	Wells Fargo Bank		(12.00)	Monthly service fee	(12.00)	712.87
08/26/2002	Dep 865	111-02	Dole Food Company		27,660.48	2002-03 Special Assessment	27,660.48	28,373.35
09/04/2002	Dep 863	630-03	State of CA Dept of Water Resources		25,735.95	AB 303 study grant	25,735.95	54,109.30
09/05/2002	1093	711-01	Baker Manock & Jensen	12023	(2,351.00)	District usual course of business legal services	(2,351.00)	51,758.30
09/05/2002	1094	712-01	Provost & Pritchard	3744	(398.11)	Preparation of resolution for assessment	(398.11)	51,360.19
09/05/2002	1095	712-03	Provost & Pritchard	1249	(3,711.15)	AB 303 study		51,360.19
09/05/2002	1095	712-03	Provost & Pritchard	1250	(22,024.80)	AB 303 study	(25,735.95)	25,624.24
09/18/2002	1096	715-00	Saint Agnes Cardiac Care Unit		(100.00)	In Memory of William Louis Howard	(100.00)	25,524.24
10/14/2002	1097	711-01	Baker Manock & Jensen	12023	(561.29)	Services thru 08/31/2002	(561.29)	24,962.95
10/14/2002	1098	714-00	S & J Ranch	28148	(370.74)	Administrative services 07/01-09/30/2002	(370.74)	24,592.21
10/14/2002	1099	712-01	Provost & Pritchard	4044	(358.93)	Services thru 08/31/2002	(358.93)	24,233.28
10/14/2002	1100	711-05	Michael B. Cuttone, CPA		(1,300.00)	Financial audit & State Controller's Report	(1,300.00)	22,933.28
11/04/2002	1101	711-01	Baker Manock & Jensen	12023	(19.40)	Services thru 09/30/2002	(19.40)	22,913.88
11/04/2002	1102	715-00	Madera Pumps, Inc.	42477	(657.00)	Sound 19 wells	(657.00)	22,256.88
11/04/2002	1103	713-00	Associatio of CA Water Agencies		(695.00)	2003 Agency Dues	(695.00)	21,561.88
11/07/2002	1104	711-01	Baker Manock & Jensen	12023	(1,113.29)	Services thru 04/30/2002		21,561.88
11/07/2002	1104	711-01	Baker Manock & Jensen	12023	(284.99)	Services thru 05/31/2002		21,561.88
11/07/2002	1104	711-01	Baker Manock & Jensen	12023	(486.40)	Services thru 06/30/2002	(1,884.68)	19,677.20
11/07/2002	Dep 864	711-01	Baker Manock & Jensen	12023	1,884.68	Reimbursement for legal services	1884.68	21,561.88
11/18/2002	1105		Automated Technical Services, Inc.		(1,000.00)	Reimbursement for Madera County flood plain study	(1,000.00)	20,561.88
01/08/2003	1106	711-01	Baker Manock & Jensen	12023	(811.42)	Services thru 11/30/2002	(811.42)	19,750.46
01/08/2003	1107	712-01	Provost & Pritchard	4464	(723.14)	Services thru 11/30/2002	(723.14)	19,027.32
01/24/2003	Dep 866	630-03	State of CA Dept of Water Resources		42,157.36	AB 303 study grant	42,157.36	61,184.68
01/23/2003	1108	712-03	Provost & Pritchard		(42,157.36)	AB 303 study	(42,157.36)	19,027.32
02/12/2003	Dep 867		Dole Food Company		100,000.00	MID Agreement for Conveyance and Sale of Water	100,000.00	119,027.32
02/12/2003	1109		Madera Irrigation District		(100,000.00)		(100,000.00)	19,027.32
02/28/2003	1110	715-00	Madera Pumps, Inc.	42633	(547.50)	Sound wells	(547.50)	18,479.82
05/15/2003	1111	712-01	Provost & Pritchard	5088	(296.50)	Services thru 03/31/2003	(296.50)	18,183.32
05/20/2003	1112	715-00	San Joaquin River Resource Mgmt Coalitior		(500.00)	Voluntary Contribution		18,183.32
05/20/2003	1112	713-00	San Joaquin River Resource Mgmt Coalitior		(50.00)	Director Fees (Coulthard & Pierre)	(550.00)	17,633.32
06/17/2003	1113	712-01	Provost & Pritchard	5302	(786.56)	Services thru 05/31/2003	(786.56)	16,846.76
06/17/2003	1114	711-01	Baker Manock & Jensen	12023	(1,909.60)	Services thru 05/31/2003	(1,909.60)	14,937.16

ROOT CREEK WATER DISTRICT  
WELLS FARGO BANK

DATE	CK NO	ACCT NO	PAYOR / PAYEE	INV NO	AMT	FOR	(CK)/DEP	BALANCE
EXPENSES PENDING PAYMENT:						GL Account Number	712-03	712-04
						P&P Project Number	1249-01-03	1249-02-03
						Grant Study	AB 303	PROP 13
712-03			Provost & Pritchard	1249	(4,123.50)	Services thru 03/31/2002	a 4,123.50	
712-03			Provost & Pritchard	1250	(24,472.00)	Services thru 04/30/2002	a 24,472.00	
712-03			Provost & Pritchard		25,735.95	Paid ck #1095 09/05/2002	a (25,735.95)	
712-03			Provost & Pritchard	3595	(31,076.26)	Services thru 05/31/2002	b 31,076.26	
712-03			Provost & Pritchard	3760	(5,627.96)	Services thru 06/30/2002	b 5,627.96	
712-03			Provost & Pritchard	3907	(10,137.30)	Services thru 08/02/2002	b 10,137.30	
712-03			Provost & Pritchard		42,157.36	Paid ck #1108 01/23/2003	b (42,157.36)	
712-04			Provost & Pritchard	3761	(2,494.00)	Services thru 06/30/2002		2,494.00
712-04			Provost & Pritchard	3908	(6,660.60)	Services thru 08/02/2002		6,660.60
712-03			Provost & Pritchard	4021	(8,119.50)	Services thru 08/31/2002	8,119.50	
712-04			Provost & Pritchard	4022	(9,869.93)	Services thru 08/31/2002		9,869.93
712-03			Provost & Pritchard	4340	(4,757.00)	Services thru 10/31/2002	4,757.00	
712-04			Provost & Pritchard	4341	(8,010.50)	Services thru 10/31/2002		8,010.50
712-03			Provost & Pritchard	4524	(1,455.00)	Services thru 11/30/2002	1,455.00	
712-04			Provost & Pritchard	4541	(2,634.75)	Services thru 11/30/2002		2,634.75
712-03			Provost & Pritchard	4609	(1,698.00)	Services thru 12/31/2002	1,698.00	
712-03			Provost & Pritchard	4746	(6,558.69)	Services thru 01/31/2003	6,558.69	
712-04			Provost & Pritchard	4811	(3,812.50)	Services thru 01/31/2003		3,812.50
712-03			Provost & Pritchard	4836	(5,050.15)	Services thru 02/28/2003	5,050.15	
712-04			Provost & Pritchard	4863	(5,803.50)	Services thru 02/28/2003		5,803.50
712-03			Provost & Pritchard	5020	(16,169.80)	Services thru 03/31/2003	16,169.80	
712-03			Provost & Pritchard	5214	(18,894.86)	Services thru 03/31/2003	18,894.86	
						(109,532.49)	70,246.71	39,285.78

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

2003 Investment Report  
for  
Period Ending June 18, 2003

DATE: June 18, 2003  
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  
2003-2004 Fiscal Year Budget**

**Board Meetings**

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

**District Management**

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

**Clerical and Expenses**

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

**Groundwater Investigation**

Grant Applications	\$ -
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**Contingency**

\$ 19,364

**Total Budget**

\$ 27,664



**RESOLUTION NO. 2003-02**

**ROOT CREEK WATER DISTRICT  
2003-04 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 2003-04 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 2003-04 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

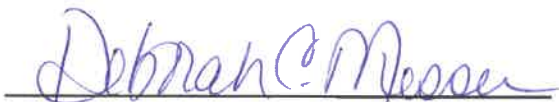
4. This Board hereby assesses the lands within Root Creek Water District which have escaped assessment in prior years in the amounts set forth in the 2003-04 Special Assessment Book.

**ADOPTED, SIGNED AND APPROVED** this 18th day of June, 2003.



Phillip R. Pierre, President  
Root Creek Water District

**ATTEST**



Deborah Messer, 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 Wednesday, June 18, 2003 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 18th day of June, 2003.

(DISTRICT  
SEAL)



Deborah Messer, Secretary

BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF MADERA, STATE OF CALIFORNIA

In the Matter of

ROOT CREEK WATER DISTRICT )  
A California Water District )

TO: The Clerk of the Board of Supervisors of Madera County.

Pursuant to the provisions of Sections 36552 and 36553 of the Water Code of the State of California, the undersigned, the duly appointed Secretary of the Board of Directors of Root Creek Water District, a California water district, acting pursuant to and by order of the Board of Directors of Root Creek Water District, does hereby for and on behalf of the Board of Directors of Root Creek Water District present to you, for filing, the estimate of said Board of Directors of the sum required by the District to discharge all of its obligations that are unpaid and matured at the date hereof, that will mature during the next year, and that it is probable will be incurred and mature during the fiscal year 2003.

Said estimate is as follows:

Estimate of sum required to discharge all obligations unpaid and matured as of this date, that will mature during the next year, and that it is probable will be incurred and mature during the next year.	\$ <u>27,664</u>
Estimated funds available and to become available other than assessments and water sales.	\$ <u>-0-</u>
Amount anticipated to be available during next year from water sales and to be available to discharge obligations.	\$ <u>-0-</u>
Amount necessary to be raised by assessments.	\$ <u>27,664</u>

The undersigned further states, for and on behalf of the Board of Directors and pursuant to their order and direction, that the portion of the aforesaid sum so estimated which is estimated to be required for the payment of bonds is \$ -0- and of the interest on bonds is \$ -0-.

Debrah C. Messer  
Secretary of the Board of Directors  
Root Creek Water District

(DISTRICT  
SEAL)

APPROVED for ROOT CREEK WATER DISTRICT

[Signature]  
President

Dated: June 18, 2003

Debrah C. Messer  
Secretary