

MINUTES of a Meeting of the Board of Directors of the Root Creek Water District (RCWD) held at 2:00 p.m., Tuesday, June 29, 2004, at the office of the District located at 39639 Avenue 10, Madera, California.

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

DIRECTORS ABSENT: None

OTHERS PRESENT: Chris Campbell - Attorney
Deborah Messer - Secretary
Jim Provost, Manager- Engineer
Marc Carpenter
Kevin Olsen

MINUTES

President Pierre asked if there were any corrections to the June 18, 2003 meeting Minutes. Director Jensen noted that page 2 of the Minutes, Proposition 13 and AB 303 Grants and Groundwater Recharge, "...volumes that stand 10' tall,..." needs to be corrected to "...volumes that stand 10" tall,..." Director Jensen moved that the Minutes be accepted with corrections. After a second by Director Bascou, the motion was unanimously 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 June 18, 2003	\$14,937.16
Assessments received	27,660.48
Other operating income received	287,477.15
<u>Disbursements (Operating expenses)</u>	<u>(306,593.10)</u>
Balance as of June 18, 2004	\$23,481.69
<u>Accounts Payable</u>	
Association of California Water Agencies (ACWA)	\$1,370.00
Baker Manock & Jensen	2,381.10
Provost & Pritchard	96.00
<u>Resource Management Coalition (RMC)</u>	<u>100.00</u>
	\$3,947.10

The Secretary reported that ACWA calculated the District's 2004 dues based upon total operating expenses that include funds received and paid for under the AB 303 study grant. As these expenses are not part of the District's usual operating expenses, an appeal was submitted requesting that the dues amount be adjusted to \$695. As of today, no response to the appeal has been received. The dues will not be paid until a final ruling on the appeal has been made.

The Secretary also reported that the RMC dues should be adjusted to \$2,400. In 2003 the District made a voluntary contribution of \$500, plus paid \$50 for Directors' fees, to be a member of the coalition. The current year's dues, however, are based upon the total acres within the District. Thus, the District's 2004 dues total \$2,400.

President Pierre presented a bill from the Bureau of Reclamation for expenses incurred in April and May 2004.

The Secretary also informed the Board that the District has incurred approximately \$1,200 for administrative services provided by S & J Ranch. An invoice will be generated within the next few days.

The current accounts payable, plus the adjustment to the RMC dues, and addition of expenses incurred with the Bureau of Reclamation and S & J Ranch, brings the total Accounts Payable to approximately \$7,685.55.

Upon motion by Director Bascou, seconded by Director Coulthard, 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 June 18, 2003 and June 18, 2004 and the need for their ratification:

<u>Disbursements</u>	<u>Amount</u>
Baker Manock & Jensen	\$11,295.86
Kinko's	121.84
Madera Irrigation District	125,000.00
Madera Pumps	1,453.50
Michael B. Cuttone, CPA	125.00
Provost & Pritchard	164,577.03
S & J Ranch	743.95
San Joaquin Valley Ag Water Committee	35.00
US Dept. of Interior Bureau of Reclamation	3,240.92
Total Disbursements	\$306,593.10

The secretary also presented the following expenses to be paid:

Association of California Water Districts (ACWA)	\$1,370.00
Baker Manock & Jensen	2,381.10
Provost & Pritchard	96.00
Resource Management Coalition	2,400.00
S & J Ranch (approximate)	1,200.00
US Dept. of Interior Bureau of Reclamation	238.45
Total Disbursements	\$7,685.55

Upon motion by Director Cobb, seconded by Director Bascou, the Board ratified the expenses paid totaling \$306,593.10 and approved payment of the accounts payable totaling \$7,685.55.

2004-2005 BUDGET

Mr. Provost distributed the proposed 2004-2005 Fiscal Year Budget. After some discussion and comparison to the current fiscal year expenses, 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 possibly also be a carryover of approximately \$15,000. Upon motion by Director Jensen, seconded by Director Coulthard, the Board unanimously approved the 2004-2005 Fiscal Year Budget of \$27,664. A copy of the approved budget is attached to and made a part of these Minutes.

2004-2005 SPECIAL ASSESSMENTS

Mr. Provost presented to the Board the proposed 2004-2005 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 2004-2005 Fiscal Year Budget and that this could be accomplished with a \$3.00 per acre special assessment. Upon motion by Director Bascou, seconded by Director Cobb, the Board unanimously adopted

Resolution 2004-01, which is attached to and made a part of these Minutes, to: (1) accept the 2004-2005 Assessment Book; (2) set the 2004-2005 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.

REAPPOINTMENT OF DIRECTORS

The terms of Directors Cobb and Pierre are scheduled to expire on August 30, 2004, followed by the terms of Directors Bascou, Coulthard and Jensen in November 2004. At the time the District was formed, the Board established a policy to stagger terms to avoid a complete turnover in the Board at once. The District, however, missed having an election in 1998, and Directors Cobb and Pierre were elected to four-year terms in 2000.

In order to restore the staggered election calendar, General Counsel recommended that the Board conduct one election for all five seats. The seats of Directors Cobb and Pierre would serve two-year terms and return to four-year terms in 2006. The seats of Directors Bascou, Coulthard and Jensen will serve a four-year term. (See attached Memorandum regarding Item No. 6 – Reappointment of Directors.)

Upon motion by Director Jensen, seconded by Director Coulthard, the Board unanimously adopted

Resolution 2004-02, which is attached to and made a part of these Minutes, to: (1) conduct one election as soon as possible consistent with the requirements of the Water and Election Codes. The Seats of Directors Cobb and Pierre will initially be two-year terms and will return to four-year terms in 2006. The seats of Directors Bascou, Coulthard and Jensen will be four-year terms. (2) In order to comply with the District's By-laws and the state requirement that no term be longer than four years, the seats of Directors Cobb and Pierre will be treated as vacant beginning on August 30, 2004 and two directors will be elected to fill the two seats during the same regularly scheduled election that will elect the other three seats.

PROPOSITION 13 AND AB 303 GRANTS AND GROUNDWATER RECHARGE

President Pierre reported that the studies under the Prop. 13 and AB 303 Grants have been completed. He also reported that the District did not "make the cut" for the Proposition 13 Construction Grant. RCWD application ranked just shy of the cutoff point for funding due to limited funds available and projects with greater environmental benefits received highest priority.

REGIONAL WATER QUALITY CONTROL BOARD (RWQCB) AG WAIVER PROGRAM

Marc Carpenter from Provost & Pritchard presented a history regarding the ag waiver program.

- ❖ 1969 - The Clean Water Act requires agriculture to apply for Waste Discharge Requirements (WDRs)
- ❖ 1982 - The Regional Board adopts a resolution granting agriculture a waiver exempting it from this requirement
- ❖ 1999 - California Senate Bill 390
 1. Requires waivers in place as of January 1, 2000 to sunset on January 1, 2003
 2. Mandates that newly issued waivers be in effect no more than five years
 3. Mandates agriculture to apply for WDRs, unless the Regional Board adopts another waiver
- ❖ 2002 - The Regional Board adopts a resolution to conditionally waive WDRs for agriculture
- ❖ 2003 - This waiver is rescinded due to protests from the environmental community
 1. A conditional waiver, including more stringent components, is adopted
 - a. ID all individuals participating in water quality coalitions
 - b. Landowners within the watershed must commit to participate in the coalition
 - c. All ag and storm water drainage must be monitored for potential water quality impacts
 2. The ag community appeals the ID requirement to the State Board
- ❖ 2004 The State Board upholds the Regional Board's requirement of individual ID and gives the water quality coalitions six months to comply
Source: http://krwd.org/water/water_quality/ag_discharge.html

Mr. Carpenter stated that the Chowchilla Water District joined the Eastside coalition and that the Madera Irrigation District was working to form a coalition for its landowners.

He further stated that he has been working with General Counsel and President Pierre, on behalf of Root Creek Water District, to facilitate the formation of a coalition for landowners within the Root Creek Watershed area. The District has submitted a Notice of Intent to form the Coalition to comply with the monitoring requirements. It appears the documents meet the current guidelines, however, this is a new process, which is still evolving.

The proposed coalition could include District lands only, with the RCWD Board acting as the coalition. Mr. Carpenter, however, proposes that the coalition include land outside District boundaries. The District would continue facilitating formation of the Coalition to ensure the most efficient and cost effective way to comply with the requirements. Once formed, the Coalition would elect its own governing body.

Since the goal is to have a large number of acreage participate within the Coalition in order to reduce costs, a letter was sent to landowners within the watershed area informing them of the new regulations and the proposed coalition. He has received a number of applications for membership in the Coalition.

Upon motion by Director Coulthard, seconded by Director Bascou, the Board unanimously agreed to support formation of the Coalition and to act as the Coalition facilitator until such time that the Coalition has been formalized.

TATHAM EASEMENT

Counsel reported that he and President Pierre have continued negotiating with Tathams for a pipeline easement. Tathams have agreed to grant the easement to the District at no cost,

provided that their property is annexed into the District at the time that their land is zoned for municipal and industrial use. Counsel reported that Tatham proposed a fee of \$1 million for purchase of the easement if such annexation is not successfully accomplished or if RCWD fails to develop municipal services. Castle & Cooke, the developer of the Village of Gateway, said this amount was ridiculous and no agreement has been reached. A new draft agreement was to be provided by Michael Tatham, however, neither Counsel nor President Pierre have received such draft agreement to date.

VILLAGE OF GATEWAY

Counsel reported that the Environmental Impact Report for the Village of Gateway was approved in March 2002. This approval, however, received a legal challenge, which was later dismissed. The plaintiff has filed an appeal, and the appeal is scheduled to be heard in August 2004. The County is proceeding and has engaged ESA to proceed with the specific plan EIR. Public hearings should be completed by this time next year.

BUTTE WATER DISTRICT TRANSFER

Counsel updated the Board on the status of the District's Letter of Intent with the Butte Water District. Per the LOI, RCWD would have the option to acquire up to 15,000 acre feet of firm water supply each year. Butte proposed that they would re-market the water not taken by RCWD. The Department of Water Resources, however is opposed to Butte transferring water it is not using unless it is transferred to a state contractor. As a result the District, is reviewing proposals from other districts or parties to provide the additional water necessary to meet the District's needs.

SURFACE WATER CONTRACTS

Various proposals presented include: 1) Semi-Tropic - to bank water and to have it available when needed. 2) Orange Cove Irrigation District - 7,000 acre feet; however, their water may not be not available all years and they are requesting \$2.5 million upfront. 3) Westside Mutual - their water is pricey but the supply can fit the District's needs. Counsel is working on a fixed annual option amount, which is applied to any water coming in, and exploring the most economic method to meet the Village of Gateway needs. Prior to the implementation of any surface water contracts, an environmental review is required.

See the attached Memorandum regarding Item No. 12 - Environmental Review of Surface Water Imports.

Upon motion by Director Bascou, seconded by Director Coulthard, the Board unanimously adopted

Resolution 2004-03, which is attached to and made a part of these Minutes, authorizing President Pierre, General Manager Provost, and General Counsel Campbell to: (1) do all things necessary to commence the environmental review pursuant to the California Environmental Quality Act (CEQA); (2) do all actions and pay all sums specified in the District's budget to complete the environmental analysis of the District's actions under the National Environmental Policy Act (NEPA) with the Bureau of Reclamation as lead agency; and, (3) enter into an agreement with Westside Mutual or other party for additional surface water to be delivered to the District subject to the CEQA and NEPA review and Board approval following such review.

ADJOURNMENT

There being no further business to come before the Board, President Pierre adjourned the meeting at 4:00 p.m.

Respectfully submitted,


Deborah C. Messer, Secretary

Approved:


Philip R. Pierre, President

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

2004 Investment Report
for
Period Ending June 18, 2004

DATE: June 18, 2004
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 18, 2004**

OPERATING FUNDS:		6/18/2003	6/30/2003	9/30/2003	12/31/2003	3/31/2004
Beginning Checking Account Balance	\$	14,937.16	14,925.97	36,502.09	30,654.85	28,122.27

ASSESSMENTS RECEIVED:

2003/2004 Fiscal Year			27,660.48			
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OTHER OPERATING INCOME:

Bolen Fransen & Russell LLP				43.50		
Department of Water Resources (AB 303 Study Grant)		94,406.69				
Dole Food Company					125,000.00	
Luce Forward Hamilton & Scripps LLP				27.00		
Department of Water Resources (Prop. 13 Study Grant)					67,999.96	
TOTAL FUNDS AVAILABLE	\$	109,343.85	42,586.45	36,572.59	223,654.81	28,122.27

DISBURSEMENTS:

Baker Manock & Jensen	\$		1,160.60	4,384.71	1,457.55	4,293.00
Kinko's					121.84	
Madera Irrigation District (Conveyance and Sale of Water Agreement)					125,000.00	
Madera Pumps				693.50	760.00	
Michael B. Cuttone, CPA					125.00	
Provost & Pritchard		94,417.88	1,533.00	300.50	68.19	257.50
Provost & Pritchard (Prop. 13 Study Grant)					67,999.96	
S & J Ranch			584.80	159.15		
San Joaquin Valley Ag Water Committee			35.00			
US Department of Interior Bureau of Reclamation			2,770.96	379.88		90.08
TOTAL DISBURSEMENTS	\$	94,417.88	6,084.36	5,917.74	195,532.54	4,640.58

ENDING CHECKING ACCOUNT BALANCE	\$	14,925.97	36,502.09	30,654.85	28,122.27	23,481.69
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ACCOUNTS PAYABLE -

ACWA	\$				1,370.00	1,370.00
Baker Manock & Jensen		86.10				2,381.10
Provost & Pritchard		1,470.00		68.19		96.00
Provost & Pritchard (Prop. 13 Study Grant)		39,285.78	39,285.78	39,285.78		
Resource Management Coalition						100.00
S & J Ranch		584.80				
San Joaquin Valley Ag Water Committee		35.00				
TOTAL ACCOUNTS PAYABLE	\$	41,461.68	39,285.78	39,353.97	1,370.00	3,947.10

ROOT CREEK WATER DISTRICT
WELLS FARGO BANK

DATE	CK NO	ACCT NO	PAYOR / PAYEE	INV NO	AMT	FOR	(CK)/DEP	BALANCE
07/01/2003-06/30/2004			BEGINNING BALANCE					14,925.97
07/08/2003	1116	713-00	San Joaquin Valley Ag Water Committee		(35.00)	2003 Membership dues	(35.00)	14,890.97
07/30/2003	1117	711-01	Baker Manock & Jensen		(86.10)	Services thru 06/30/2003	(86.10)	14,804.87
07/30/2003	1118	712-01	Provost & Pritchard Engineering Group	5561	(1,470.00)	Services thru 06/30/2003	(1,470.00)	13,334.87
07/30/2003	1119	714-00	S & J Ranch	30160	(584.80)	Administrative services	(584.80)	12,750.07
08/22/2003	1120	711-01	Baker Manock & Jensen		(1,074.50)	Services thru 07/31/2003	(1,074.50)	11,675.57
08/22/2003	1121	712-01	Provost & Pritchard Engineering Group	5677	(63.00)	Services thru 07/31/2003	(63.00)	11,612.57
08/22/2003	1122	712-05	US Dept of Interior Bureau of Reclamation		(2,770.96)	LOA #02-WC-20-2083	(2,770.96)	8,841.61
08/25/2003	Dep 869	111-02	Dole Food Company		27,660.48	2003/04 Special Assessment	27,660.48	36,502.09
10/20/2003	1123	711-01	Baker Manock & Jensen		(2,886.70)	Services thru 09/30/2003	(2,886.70)	33,615.39
10/21/2003	1124	712-01	Provost & Pritchard Engineering Group	5987	(300.50)	Services thru 09/30/2003	(300.50)	33,314.89
10/31/2003	1125	714-00	S & J Ranch	30659	(149.50)	Administrative services		33,314.89
10/31/2003	1125	715-00	S & J Ranch	30659	(9.65)	Postage	(159.15)	33,155.74
11/10/2003	Dep 870	630-01	Bolen Fransen & Russell LLP		43.50	Administrative services	43.50	33,199.24
12/04/2003	1126	711-01	Baker Manock & Jensen		(935.76)	Services thru 10/31/2003	(935.76)	32,263.48
12/04/2003	1127	715-00	Madera Pumps, Inc.	43493	(693.50)	Sound 17 wells	(693.50)	31,569.98
12/04/2003	1128	712-05	US Dept of Interior Bureau of Reclamation		(379.88)	LOA #02-WC-20-2083	(379.88)	31,190.10
12/04/2003	Dep 871	630-01	Luce Forward Hamilton & Scripps LLP	102403	27.00	Administrative services	27.00	31,217.10
12/15/2003	1129	711-01	Baker Manock & Jensen		(562.25)	Services thru 11/30/2003	(562.25)	30,654.85
01/16/2004	1130	712-01	Provost & Pritchard	6477	(68.19)	Services thru 12/31/2003	(68.19)	30,586.66
02/02/2004	1131	711-01	Baker Manock & Jensen		(311.00)	Services thru 12/30/2003	(311.00)	30,275.66
02/09/2004	Dep 872	712-04	State of California		61,199.96	Prop. 13 study	61,199.96	91,475.62
02/09/2004	1132	712-04	Provost & Pritchard		(61,199.96)	Prop. 13 study	(61,199.96)	30,275.66
02/09/2004	1133	717-00	Madera Irrigation District		(125,000.00)	MID Agreement for Conveyance and Sale of Water	(125,000.00)	(94,724.34)
02/11/2004	1134	715-00	Madera Pumps, Inc.	43657	(511.00)	Sound 17 wells	(511.00)	(95,235.34)
02/11/2004	1135	711-05	Michael B Cuttone CPA	1139	(125.00)	State Controller's Report	(125.00)	(95,360.34)
03/03/2004	Dep 873	712-04	State of California		6,800.00	Prop. 13 study	6,800.00	(88,560.34)
03/04/2004	1136	712-04	Provost & Pritchard		(6,800.00)	Prop. 13 study	(6,800.00)	(95,360.34)
03/04/2004	1137	711-01	Baker Manock & Jensen	12023	(986.15)	Services thru 01/31/2004	(986.15)	(96,346.49)
03/12/2004	1138	711-01	Baker Manock & Jensen	12023	(160.40)	Services thru 02/28/2004	(160.40)	(96,506.89)
03/30/2004	1139	715-00	Madera Pumps, Inc.	43727	(249.00)	Labor to check SWL on 6 wells	(249.00)	(96,755.89)
03/30/2004	1140	715-00	Kinko's		(121.84)	Maps	(121.84)	(96,877.73)
03/30/2004	Dep 874	630-01	Dole Food Company		125,000.00	MID Agreement for Conveyance and Sale of Water	125,000.00	28,122.27
05/03/2004	1141	712-05	US Dept of Interior Bureau of Reclamation		(90.08)	LOA #02-WC-20-2083	(90.08)	28,032.19
06/01/2004	1442	712-01	Provost & Pritchard	7346	(257.50)	Services through 04/30/2004	(257.50)	27,774.69
06/01/2004	1443	711-01	Baker Manock & Jensen	12023	(4,293.00)	Services through 04/30/2004	(4,293.00)	23,481.69

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 2004.

Said estimate is as follows:

Table with 2 columns: Description of estimate item and Amount. Items include: 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. (\$ 27,664); Estimated funds available and to become available other than assessments and water sales. (\$ -0-); Amount anticipated to be available during next year from water sales and to be available to discharge obligations. (\$ -0-); Amount necessary to be raised by assessments. (\$ 27,664)

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. Moore
Secretary of the Board of Directors
Root Creek Water District

(DISTRICT SEAL)

APPROVED for ROOT CREEK WATER DISTRICT

Signature of President
President

Dated: June 29, 2004

Debrah C. Moore
Secretary

Root Creek Water District
2004-2005 Fiscal Year Budget

Board Meetings

Manager – Engineer	\$ 1,200
Legal	<u>12,000</u>
Subtotal	\$ 13,200

District Management

Manager – Engineer Miscellaneous (GW Mapping)	\$ 1,000
ACWA Membership	1,370
RMC Membership	2,400
Other Memberships	200
Audit	<u>300</u>
Subtotal	\$ 5,270

Clerical and Expenses

Clerical	\$ 1,500
Advertising and Bank Charges	<u>200</u>
Subtotal	\$ 1,700

Bureau of Reclamation

Environmental Review	\$ 5,000
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Contingency

\$ 2,494

Total Budget

\$ 27,664

RESOLUTION NO. 2004-01

**ROOT CREEK WATER DISTRICT
2004-05 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 2004-05 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 9,218.56 acres.

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


1. The special assessments set forth in the Root Creek Water District 2004-05 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 2004-05 Special Assessment Book.

ADOPTED, SIGNED AND APPROVED this 29th day of June, 2004.


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 29, 2004 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 29th day of June, 2004.

(DISTRICT
SEAL)


Deborah Messer, Secretary

MEMORANDUM

TO: Root Creek Water District Board of Directors
FROM: Christopher L. Campbell
DATE: June 29, 2004
RE: Item No. 6 – Reappointment of Directors

BACKGROUND:

The terms of Directors Cobb and Pierre are scheduled to expire on August 30, 2004.

In 1996, when the Root Creek Water District (the “District”) was created, the Board voted to stagger the terms of the directors. Normally, each director serves a four-year term. However, in order to stagger the terms of office, the seats of Directors Cobb and Pierre were to each serve an initial two-year term, expiring in 1998. Then all directors would subsequently serve four-year terms, with two expiring in 2002, three expiring in 2004 and so on. Unfortunately, the District did not conduct an election in 1998 for the positions held by Directors Cobb and Pierre. Rather, the Directors were elected to a four-year term in 2000. Now, the terms of Directors Cobb and Pierre will expire in August, 2004, and the terms of Directors Bascou, Coulthard, and Jensen will expire in November, 2004. Therefore, to be consistent with the Board’s policy to maintain staggered terms of office so the entire Board does not change at once, the Board must take the appropriate steps to restore a staggered election calendar.

RECOMMENDED ACTION:

I recommend that the Board conduct one election as soon as possible consistent with the requirements of the Water and Elections Codes. The seats of Directors Cobb and Pierre will serve two-year terms, and then, in 2006, will return to four-year seats. The seats of Directors Bascou, Coulthard, and Jensen will serve a four-year term.

In order to comply with the District’s Bylaws and the state requirement that no term be longer than four years, the seats of Directors Cobb and Pierre shall be treated as vacant beginning on August 30, 2004. Consistent with the Bylaws, two directors shall be elected to fill the two seats during the same regularly scheduled election that shall elect the other three seats.

ROOT CREEK WATER DISTRICT
RESOLUTION NO. 2004-02

WHEREAS, the Root Creek Water District ("RCWD") has a policy of staggering the terms of its directors.

WHEREAS, each director normally serves a four-year seat.

WHEREAS, in order to stagger the terms of office, the seats of Directors Cobb and Pierre were to each serve initial two-year terms, expiring in 1998. Then all directors were to subsequently serve four-year terms, with two expiring in 2002, three expiring in 2004, and so on.

WHEREAS, the District did not conduct an election in 1998 for the positions held by Directors Cobb and Pierre. Rather, all the Directors were elected to four-year terms in 2000.

WHEREAS, the terms of Directors Cobb and Pierre will expire in August, 2004, and the terms of Directors Bascou, Coulthard, and Jensen will expire in November, 2004.

WHEREAS, to be consistent with the Board's policy to maintain staggered terms of office so the entire Board does not change at once, the Board must take the appropriate steps to restore a staggered election calendar.

NOW, THEREFORE, BE IT RESOLVED that:

1. The District will conduct one election as soon as possible consistent with the requirements of the Water and Election Codes. The Seats of Directors Cobb and Pierre will initially be two-year terms, and then, in 2006, will return to four-year seats. The seats of Directors Bascou, Coulthard, and Jensen will be four-year terms.

2. In order to comply with the District's Bylaws and the state requirement that no term be longer than four years, the seats of Directors Cobb and Pierre shall be treated as

vacant beginning on August 30, 2004. Consistent with the Bylaws, two directors shall be elected to fill the two seats during the same regularly scheduled election that shall elect the other three seats.

ADOPTED, this 29th day of June, 2004.

<u>Vote</u>	<u>Yes</u>	<u>No</u>
Philip R. Pierre, President	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Richard L. Bascou	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Dave Cobb	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jeffrey D. Coulthard	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rodger B. Jensen	<input checked="" type="checkbox"/>	<input type="checkbox"/>

MEMORANDUM

TO: Root Creek Water District Board of Directors

FROM: Christopher L. Campbell

DATE: June 29, 2004

RE: Item No. 12 – Environmental Review of Surface Water Imports

BACKGROUND:

The District has an adopted groundwater management plan that indicates a persistent overdraft. Therefore the District has been aggressively seeking to obtain the right to import surface water for both direct and in lieu recharge of the groundwater. On December 30, 1999 the District entered into a contract with the Friant Water Users Authority, Madera Irrigation District and Chowchilla Water District to facilitate importing surface water from the Friant system into the District. On March 13, 2002 the District entered into a contract with Madera Irrigation District to provide conveyance and a right for the District to purchase water that is surplus to the current needs of MID. The District is also seeking to enter into contracts with other districts or parties (in particular, Westside Mutual) to provide additional back up water supplies to ensure that the District has adequate supplies to serve all the water needs within the District while ensuring that water use within the District has a positive impact on the regional groundwater overdraft condition. Finally, the District intends to construct a distribution system from the Federally owned Madera Lateral 6.2.

Because both the District and, in most instances, the sellers of surface water are California public agencies, contracts must undergo environmental review pursuant to the California Environmental Quality Act (“CEQA”) prior to their implementation. In addition, because the Federal Friant system is administered by the Bureau of Reclamation the Bureau must conduct an environmental review under the National Environmental Policy Act (“NEPA”). Both the CEQA and NEPA reviews will also include the potential impacts of the distribution system construction.

RECOMMENDED ACTION:

The District should be the lead agency for the CEQA review while the Bureau of Reclamation needs to be the lead agency for the NEPA review. At this point, the Board needs to authorize the President, the General Manager and the General Counsel of the District to proceed with the review. In addition, the Board needs to authorize the reimbursement of the Bureau costs. We have attached a proposed resolution for this purpose.

The environmental review will produce a report or reports that will be brought back to the Board for review, and possibly a public hearing. Only at that time with the full benefit of the information generated by the environmental review will the Board be asked to make substantive decisions on the proposed projects.

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ROOT CREEK WATER DISTRICT
RESOLUTION NO. 2004-03

WHEREAS, the Root Creek Water District (“RCWD”) entered into that certain Agreement Concerning Agricultural, Municipal and Industrial Water Use Within Root Creek Water District (the “Water Agreement”) with Madera Irrigation District (“MID”), Chowchilla Water District, and the Friant Water Users Authority on December 30, 1999; and

WHEREAS, RCWD has approved the March 12, 2002 Agreement Between Madera Irrigation District and Root Creek Water District for the Conveyance and Sale of Water with MID to implement the Water Agreement.

WHEREAS, RCWD plans to construct a pipeline to provide surface water from Lateral 6.2 to RCWD and additional facilities to distribute water with RCWD.

WHEREAS, environmental review is required prior to implementing these proposed actions.

WHEREAS, RCWD intends to enter into further contracts to acquire surface water for direct and in lieu recharge.

NOW, THEREFORE, BE IT RESOLVED that:

1. President Philip R. Pierre, General Manager, Jim Provost and General Counsel, Chris Campbell are hereby authorized to do all things necessary to commence the environmental review pursuant to California Environmental Quality Act (“CEQA”) of all proposed actions necessary to acquire and bring surface water to RCWD.

2. President Philip R. Pierre, General Manager, Jim Provost and General Counsel, Chris Campbell are hereby authorized to do all actions and pay all sums specified in the adopted RCWD budget to complete the environmental analysis of proposed RCWD

actions under the National Environmental Policy Act (“NEPA”) with the Bureau of Reclamation as lead agency.

3. President Philip R. Pierre, General Manager, Jim Provost and General Counsel, Chris Campbell are hereby authorized to enter into a memorandum of understanding or other agreement with Westside Mutual or other Kern County or Friant division party for additional surface water to be delivered to RCWD subject to the CEQA and NEPA review specified above and Board approval following such review.

ADOPTED this 29th day of June, 2004.

<u>Vote</u>	<u>Yes</u>	<u>No</u>
Philip R. Pierre, President	<u>X</u>	_____
Richard L. Bascou	<u>X</u>	_____
Dave Cobb	<u>X</u>	_____
Jeffrey D. Coulthard	<u>X</u>	_____
Rodger B. Jensen	<u>X</u>	_____