

MERCED IRRIGATION DISTRICT
APPROVED MINUTES
January 7, 2014

The Board of Directors of the Merced Irrigation District met on the above date, pursuant to notice, at 10:00 A.M. in the Chamber Room at Merced Civic Center.

PLEDGE OF ALLEGIANCE

Roll call showed the following Board members present:

Directors:

Tim Pellissier	<i>President – Division 1</i>
Scott Koehn	<i>Division 2</i>
Dave Long	<i>Vice President – Division 3</i>
Kevin Gonzalves	<i>Division 4</i>
Billy Pimentel	<i>Division 5</i>

The following MID Employees were also present:

General Manager	John Sweigard
General Counsel	Phillip McMurray
Deputy General Manager, Water Resources	Bryan Kelly
Deputy General Manager, Water Rights/Supply	Hicham Eltal
Deputy General Manager, Energy Resources	Don Ouchley
Director of Finance	Brian Stubbert
Director of Administrative Services	Jennifer Carter
Director of Parks and Recreation	James Mills
Controller	Kandi Ramos
Information Technology Manager	Jesse Kilgore
Executive Assistant to the General Manager	Crystal Guintini

CORRECTIONS OR ADDITIONS TO THE AGENDA

None

PUBLIC COMMENT

Mr. Anthony Roggero addressed the Board of Directors regarding his concerns with the District's draft FERC flow proposal. Mr. Roggero indicated his concern that the proposal is final and there will be no further opportunity to comment.

CONSENT CALENDAR

- | | |
|---------------------------------|-------------------|
| 1. Board Meeting Minutes | December 12, 2013 |
| 2. Cash Transaction Report | November 2013 |
| 3. Treasurers Report | November 2013 |
| 4. Written Disbursement Request | No. 62 |
| 5. Withdrawal Request | No. 827 and 828 |

On a motion by Vice President Long to accept the Consent Calendar as presented, seconded by Director Pimentel; the Board approved the Consent Calendar. The vote on the motion was as follows:

Ayes:	Long, Koehn, Pellissier, Pimentel, Gonzalves
Noes:	None
Abstain:	None
Absent:	None

ACTION/DISCUSSION ITEMS

General Counsel McMurray stated per District policies the Board of Directors will elect Board officers and confirm Committee appointments.

Director Koehn made a motion to nominate Director Pellissier for President, seconded by Director Long; the motion was approved. The vote on the motion was as follows:

Ayes: Long, Koehn, Pellissier, Gonzalves
 Noes: Pimentel
 Abstain: None
 Absent: None

Director Pimentel made a motion to nominate Director Gonzalves for Vice President/Secretary. The motion failed due to the lack of second.

Director Koehn made a motion to nominate Director Long for Vice President/Secretary, seconded by Director Pellissier; the motion was approved. The vote on the motion was as follows.

Ayes: Long, Koehn, Pellissier
 Noes: Gonzalves, Pimentel
 Abstain: None
 Absent: None

Director Gonzalves made a motion to leave all Committee appointments as previously selected, seconded by Director Pimentel; the Board unanimously approved the motion. The vote on the motion was as follows.

Ayes: Long, Koehn, Pellissier, Pimentel, Gonzalves
 Noes: None
 Abstain: None
 Absent: None

Deputy General Manager, Energy Resources, Don Ouchley requested the Board of Directors consider and adopt Resolution No. 2014-01 amending the lease agreement with AT&T/New Cingular Wireless PCS, LLC for communications facilities on MID's communication tower at Exchequer Village. Mr. Ouchley explained that New Cingular/AT&T has been leasing space on the District's tower since 1998, and since that time there have been two modifications to the lease. The proposed third amendment before the Board will allow AT&T to attach additional items to the tower and adjust the quarterly rent accordingly. Mr. Ouchley stated it is staff's recommendation to approve Resolution No. 2014-01. After further discussion and on a motion by Director Koehn to adopt Resolution No. 2014-01, seconded by Director Pimentel; the Board unanimously approved the motion.

REPORT ITEMS

Deputy General Manager, Water Resources, Bryan Kelly addressed Mr. Roggero's concerns regarding the District's draft FERC flow proposal. Mr. Kelly confirmed that the flow proposal is still draft, and has not yet been made final.

Mr. Kelly presented the Board with the Water Resources Report. Mr. Kelly provided the Board with a variety of possible water runoff and irrigation season allocation scenarios based on current conditions. Mr. Joe Scoto inquired if the State declares a drought, could the District's in-stream diversions could be cut? Mr. Kelly responded that staff is currently looking into that question, as well as a number of other options and alternatives to save water in storage, and provide District customers with the most water possible this coming year. Mr. Kelly indicated that additional information will be developed and presented at future Board meetings. General Manager, John Sweigard added that MID staff is working hard with state officials to gain the most flexibility with water this year as possible, and is working with other folks such as the CAD group as well to conserve and save as much water as possible.

Mr. Ouchley presented the Board with the November Energy Resources Report. All indicators were positive for the District in November. Henry Hub Natural Gas price is \$3.64 which is a good thing; and Mr. Ouchley added that in his opinion, anything below \$4.00 is very good. The District's actual retail states is at 35,374 mwh, which is higher than budgeted. The system peaked at 78.3 MW during the last period.

DIRECTOR REPORT

None

CLOSED SESSIONS

At 10:37am, President Pellissier announced that the Board would adjourn to closed session. General Counsel McMurray reported that the Board would meet with Counsel to discuss 1 matter of anticipated litigation involving the District's relicensing of its Merced River Hydroelectric Project pursuant to Government Code section 54956.9(b), as well as to discuss three (3) matters of existing litigation; two (2) matters involving the Gallo Cattle Company v. MID, et al., and one (1) matter involving MID v. County of Mariposa, each case as described on the agenda pursuant to Government Code section 54956(a). There was no public comment on any item listed on the closed session agenda.

At 10:45am, President Pellissier convened the closed session with all Board members present. At 11:50am, the Board returned to open session. General Counsel McMurray reported that the Board received information and advice from Counsel on items listed on the closed session agenda as described and provided staff with direction, but took no action in closed session.

ADJOURNMENT

President Pellissier adjourned the meeting at 11:50am.

The next scheduled Board of Directors meeting is Tuesday, February 4, 2014 at 10:00am.



Dave Long, Vice President

APPROVED:



Tim Pellissier, President