

**MERCED IRRIGATION DISTRICT**  
**APPROVED MINUTES**  
**May 20, 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:

<b>Tim Pellissier</b>	<i>President – Division 1</i>
<b>Scott Koehn</b>	<i>Division 2</i>
<b>Kevin Gonzalves</b>	<i>Division 4</i>
<b>Billy Pimentel</b>	<i>Division 5</i>

Roll call showed the following Board member absent:

Directors:

<b>Dave Long</b>	<i>Vice President – Division 3</i>
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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 Administrative Services	Jennifer Carter
Richard Dragonajtys	Senior Engineer
Information Technology Specialist	Michael Howells
Executive Assistant to General Manager	Crystal Guintini

**CORRECTIONS OR ADDITIONS TO THE AGENDA**

None

**PUBLIC COMMENT**

Mr. Bob Weimer addressed the Board regarding a potential out of basin water sale of up to 92,000 AF of groundwater from the 4-S Ranch and SHS Ranch to Del Puerto Water District. Mr. Weimer stated he understands that the sale does not directly affect the District but it does have an effect on the Merced Groundwater Basin which underlines the MID. Mr. Weimer encourages the District to write a letter to United States Bureau of Reclamation ("USBR") to request an extension of the NEPA public review and comment period.

Mr. Dennis Chu addressed the Board on behalf of the Houseboater Owners Association. He informed the Board that the Association wants to be proactive in the drought planning and movement of the houseboats. The Association has come up with several ideas that they would like to share with staff. Furthermore, Mr. Chu thanked MID and TLMC staff for all of their hard work and dedication.

Mr. Gary Tessier addressed the Board regarding new crop insurance requirements for almond growers which requires an after harvest irrigation. Mr. Tessier stated with late harvest varieties an August 10<sup>th</sup> end of season would make it impossible to meet the crop insurance requirement of an after harvest irrigation with District surface water. He would like to know if the irrigation season could be extended or if the District would be willing to work with almond growers.

Mr. Dave Carlucci addressed the Board regarding the current drought and mooring plans at Lake McClure. Mr. Carlucci stated houseboats need to be pulled from the lake, in addition to installing new mooring lines to accommodate vessels. A company needs to be hired to come in and install cables, pull houseboats and assess the situation; which needs to happen quickly.

**CONSENT CALENDAR**

- |                                 |                                   |
|---------------------------------|-----------------------------------|
| 1. Board Minutes                | April 15, 2014 and April 18, 2014 |
| 2. Cash Transaction Report      | March 2014                        |
| 3. Treasurer's Report           | March 2014                        |
| 4. Written Disbursement Request | No. 66 and 67                     |
| 5. Withdrawal Request           | No. 831                           |

On a motion by Director Koehn seconded by Director Pimentel; the Board unanimously accepted the Consent Calendar.

**ACTION/DISCUSSION ITEMS**

Deputy General Manager Energy Resources Ouchley requested the Board review and consider attestation of the veracity and submission of the District's 2013 Annual Report to the California Energy Commission. After further discussion, Director Koehn moved to accept the veracity of the District 2013 Annual Report and submit to the CEC, seconded by Director Pimentel; the Board unanimously approved the motion.

Deputy General Manager Water Rights/Supply Eltal addressed the Board regarding the District Water Supply update and State Water Resources Control Board curtailment notices. Mr. Eltal explained the differences between Pre and Post-1914 curtailment notices. After a review of information Mr. Eltal stated it is staff's recommendation to increase the surface water availability from 0.70 AF/AC to 0.90 AF/AC for Class I users and 0.35 AF/AC to 0.45 AF/AC for Class II users based off the 90% exceedance of 135,000 AF. After further discussion Director Koehn made the recommendation to increase Class I users to 0.90 AF/AC and Class II users to 0.45 AF/AC knowing the allotment could increase in the future with further development, seconded by Director Gonzalves; the Board unanimously approved the motion.

**REPORT ITEMS**

Deputy General Manager Water Resources Kelly provided a brief Water Resources Report. Mr. Kelly answered several questions from the audience regarding the total allotment of surface and supplemental water.

**DIRECTOR REPORT**

Director Koehn addressed the Board regarding the current out of basin groundwater sale that Mr. Bob Weimer discussed about during public comment period. Director Koehn stated it's a big concern when growers outside of the groundwater basin are taking away from District growers. There are areas of the District that rely heavily on conjunctive use. Director Koehn stated he would like to see some type of communication on behalf of the District regarding potential impacts and what the District has done over the years to positively address groundwater in the basin.

General Manager Sweigard stated he emailed a representative of the Bureau of Reclamation stating a letter from MID will be submitted by the end of day to request extension of the public comment period by 30 days.

**CLOSED SESSION**

At 10:50am, President Pellissier announced that the Board would adjourn to closed session. General Counsel McMurray reported that the Board would meet with counsel to discuss 2 matters of anticipated litigation pursuant to Government Code section 54956.9(d)(2), and 1 matter concerning a real property negotiation with the Board's real property negotiators involving real property owned by Pacific Gas & Electric pursuant to Government Code section 54956.8, each of these as described on the agenda. There was no public comment on any item listed on the closed session agenda.

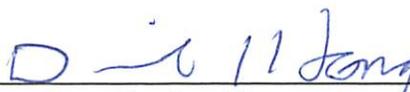
At 11:00am, President Pellissier convened the closed session with Board members Koehn, Gonzalves, Pellissier and Pimentel present. At 12:00pm, the Board returned to open session. General Counsel McMurray reported that the Board discussed 2 items of anticipated litigation with counsel as well as 1 item of real property negotiations with its real property negotiators, each as described on the agenda. The Board received information and provided staff with direction but took no action in closed session.

ADJOURNMENT

President Pellissier adjourned the meeting at 10:58 A.M.

The next scheduled Board of Directors meeting is ~~Friday, April 18, 2014~~ at 10:00am.

June 3, 2014

  
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Dave Long, Vice President

APPROVED:

  
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Tim Pellissier, President