

MERCED IRRIGATION DISTRICT
APPROVED MINUTES
May 21, 2013

The Board of Directors of the Merced Irrigation District met on the above date, pursuant to notice, at 10:00 A.M. in the City Council Chambers.

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>
Kevin Gonzalves	<i>Division 4</i>
Billy Pimentel	<i>Division 5</i>

The following Director was absent (excused):

Dave Long	<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 Supply/Rights	Hicham Eltal
Deputy General Manager, Water Resources	Bryan Kelly
Deputy General Manager, Energy Resources	Don Ouchley
Director of Administrative Services	Jennifer Carter
Director of Parks and Recreation	James Mills
Public and Government Relations Officer	Mike Jensen
Manager of Water Operations	John Wiersma
Manager of Information Technology	Jesse Kilgore
Executive Assistant to General Manager	Crystal Guintini

CORRECTIONS OR ADDITIONS TO THE AGENDA

General Manager Sweigard asked President Pellissier for flexibility with the agenda as staff expects the FERC update and draft strawman flow proposal discussion is likely to be the most lengthy item, and appropriate to be taken as the last item of the open session.

PUBLIC COMMENT

None

CONSENT CALENDAR

1. Board Meeting Minutes	May 7, 2013
2. Cash Transaction Report	March 2013
3. Treasurers Report	March 2013
4. Out of State Travel Request	2013-03

On a motion by Director Koehn, seconded by Director Gonzalves, the Board unanimously approved the consent calendar items.

ACTION/DISCUSSION ITEMS

Public and Government Relations Officer Jensen requested the Board of Directors approve Resolution No. 2013-15 declaring the District's support for May as National Water Safety Month in conjunction with the District's efforts to educate youth about the dangers of playing in or near canals. Mr. Jensen presented the Board with information that has been created for local grade school curriculum. After a short discussion and on a motion by Director Koehn to approve Resolution No 2013-15, seconded by Director Pimentel, the Board unanimously approved Resolution No. 2013-15 declaring

May as National Water Safety Month. General Counsel McMurray indicated that there was a typographical error on the resolution that should be corrected before it is signed.

General Manager Sweigard provided a brief update from the spring Merced Irrigation District Advisory Committee ("MIDAC") meeting. Mr. Sweigard indicated that after reviewing the MIDAC bylaws, the group engaged in broad discussions regarding the types of projects and issues that it expects to provide the Board with input and recommendations. Because of the critical issues facing the District, the MIDAC group initially expects to meet monthly and gradually reduce the number of meetings thereafter once the group settles into a regular meeting routine.

Mr. Sweigard informed the Board that there was broad consensus within the MIDAC group that the chairman and vice chairman position will be very important positions, and that close cooperation and input with the General Manager will be needed to ensure the success of MIDAC. Mr. Sweigard indicated that MID staff provided the MIDAC with the same presentation provided to the Board regarding the status of District finances, as well as the short and long term budget challenges facing the District. MIDAC members engaged in a broad discussion of the different methods of dealing with budget challenges, including additional expense reductions, water rate and/or standby fee increases, and water transfers. There was no recommendation made to the Board from the last meeting, but the MIDAC group anticipates meeting again before the next MID Board meeting to continue the discussion, and potentially provide the Board with appropriate recommendation(s).

Deputy General Manager Water Rights/Supply Eltal provided the Board with an update on the current status of New Exchequer reservoir, and his expectations for falling water levels as the water season progresses. Mr. Eltal stated the current elevation of New Exchequer is at 789.15 feet and storage at 575,199 acre feet ("AF") and that inflow took almost a 30,000 acre-foot boost thanks to the storm we received in the first week of May according to the Department of Water Resources Bulletin 120 as updated on May 14, 2013.

Manager of Water Operations Wiersma presented the Water Resources Report. The District has diverted a cumulative to date total of 113,750 AF from the Merced River, and made total deliveries of 37,972 AF. Mr. Wiersma reviewed several graphs explaining the District's groundwater pumping plans, as well as the number of order and types of orders staff has received.

Deputy General Manager Water Resources Kelly provided an update on the status of the New Exchequer FERC relicensing process and introduced a draft "Strawman" Merced River Flow Proposal that has been developed in anticipation of filing an amended FERC license application. Mr. Kelly stated the purpose of the draft flow proposal is to provide information and generate discussion regarding the District's goal of contributing to the overall recovery of Fall-Run Chinook Salmon in the Merced River through enhanced management of the Merced River from the Crocker-Huffman Diversion Dam to its confluence with the San Joaquin River.

The draft flow proposal includes eleven (11) components, including flood control operations; ramping rates; Lake McClure Minimum Pool; wildlife refuge water supplies; Merced River target flow and minimum flow proposals; an annual block flow, management committee and water sale/habitat funding concept; Chinook Salmon and water temperature monitoring efforts; and funding plans for the California Department of Fish and Wildlife ("CDFW") Merced River fish hatchery. After a thorough discussion period, and after staff answered a variety of questions from both the Board and the public, Director Koehn commended Mr. Kelly, staff and District consultants for the hard work that went into developing the supporting science and information used to prepare such a comprehensive, progressive and protective, and supportable proposal.

DIRECTOR REPORT

None

CLOSED SESSIONS

At 11:25am, President Pellissier announced that the Board would adjourn to closed session. General Counsel McMurray reported that the Board would meet with counsel to discuss one (1) matter of anticipated litigation as described on the agenda pursuant to Government Code §54956.9(d)(2). There was no public comment on any item listed on the closed session agenda.

At 11:30am, President Pellissier convened the closed session with Board members Gonzalves, Koehn, Pellissier and Pimentel present. At 12:35pm, the Board returned to open session. Mr. McMurray reported that the Board met with counsel in closed session, received information and provided staff with direction, but no action was taken in closed session.

ADJOURNMENT

President Pellissier adjourned the meeting at 12:37 P.M.

The next scheduled Board of Directors meeting is Tuesday, June 4, 2013 at 10:00 A.M.



Dave Long, Vice President

APPROVED:



Tim Pellissier, President