

MERCED IRRIGATION DISTRICT
APPROVED MINUTES FOR SPECIAL BOARD MEETING AND PUBLIC HEARING
APRIL 18, 2014

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

PLEDGE OF ALLEGIANCE

Roll call at the beginning of the meeting/hearing showed the following Board members present:

Directors:

Dave Long	<i>Vice President – Division 3</i>
Kevin Gonzalves	<i>Division 4</i>

The following Board members were absent to begin the meeting:

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

The following MID employees were also present:

General Manager	John Sweigard
General Counsel	Phillip McMurray
Director of Finance	Brian Stubbert
Director of Administrative Services	Jennifer Carter
Executive Assistant to the General Manager	Crystal Guintini

CORRECTIONS OR ADDITIONS TO THE AGENDA

None

PUBLIC COMMENT

None

PUBLIC HEARING

Vice President Long opened the Public Hearing at 10:05am.

Mr. Anthony Roggero addressed the Board regarding the Proposition 218 process and read a section from the California Constitution.

Mr. Sohan Sahota addressed the Board regarding his request for storm drainage reimbursement and indicated his opposition to the Proposition 218 process regarding the stand-by fee increase.

Mr. John Borba addressed the Board, stating that everyone needs to join together to accomplish what is needed for the District to remain one of the best District's in California. Mr. Borba indicated that the Board and growers needs to look at the big picture to protect the District.

Mr. Bob Weimer stated that certain growers need to move forward and stop dwelling on the same issues that cause turmoil with the Board and District business.

Mr. Frenchee Meissonnier stated his family has been farming within the District since 1897. He stated the stand-by fee was created to develop and maintain an infrastructure, which he supports. Mr. Meissonnier stated it is a privilege to be in the District.

Mr. McMurray indicated that absent further comments, the Public Hearing would be closed, ending opportunity to submit written protests to the proposed water rate and standby fee increases. Without further public comment, President Long closed the Public Hearing at 10:22 A.M. Mr. Long indicated that the Board would recess its meeting until at least 2:00 P.M in order to allow sufficient time for ballot tabulation before possible Board action. Directors Long, Gonzalves and Pimentel were present during recess at various times to observe the ballot tabulations.

ACTION/DISCUSSION ITEMS

President Pellissier called the Special Board meeting back to order at 4:00pm with all Board members present. Mr. Grey Roberts presented the results of the tabulation of ballots for both the proposed agricultural in-season water rate and standby fee increases. Mr. Roberts indicated that with respect to the District's proposed agricultural in-season water rate increase, of the total 5,089 ballots there were 776 protest votes returned. Mr. Roberts indicated that the number of protest votes for the agricultural in-season water rate did not represent a majority protest. With respect to the District's proposed standby fee increase, Mr. Roberts said that the District received more protest votes than yes votes, indicating that he had counted 1,157,864 protest votes compared to 971,625 yes votes, with additional protest votes to count. Mr. Roberts indicated that a majority protest had been received to the proposed standby fee increase. The Board thanked Mr. Roberts and his staff for his work assisting the District with its Proposition 218 process.

After receiving the results information from Mr. Roberts, Director Koehn made a motion to adopt an agricultural in-season water rate for the 2014 season of \$100.67/AF, seconded by Director Long. The Board engaged in discussions about the rate increase and what options the Board might have to reduce the rate. The Board indicated that the rate adopted was for this year only and would be revisited for next year, if not sooner.

General Manager Sweigard provided the Board with information regarding how the District is covering the District's revenue shortfall this year. Mr. Sweigard described some of the financial tools the District was using this year, which include funds from the increased water rate, District reserves, as well as a number of significant cost cutting measures that had been made to the District's budget during development. The Board and Mr. Sweigard also discussed the possibility of revisiting the District's agricultural in-season water rate later on in the season if additional water comes into the lake, or if additional revenue is realized should the District's water management actions intended to provide District growers with emergency drought relief is fully approved by state and federal agencies. Mr. Sweigard confirmed that staff remains working diligently on the emergency management actions, but that the approvals had not yet been obtained and that staff had not been guaranteed anything yet.

After discussion, and after President Pellissier asked the Board for a vote on the motion, the Board approved the motion. The vote was as follows:

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

REPORT ITEMS

None

CLOSED SESSIONS

None

ADJOURNMENT

President Pellissier adjourned the meeting at 4:20 P.M.

The next meeting of the Board of Directors is tentatively scheduled for Thursday, May 1, 2014 at 2:00 P.M.


 Dave Long, Vice President

APPROVED:


 Tim Pellissier, President