

MINUTES OF THE SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF
PLEASANT VALLEY WATER DISTRICT

August 28, 2014

The Board of Directors of the Pleasant Valley Water District held a special board meeting on Thursday August 28, 2014 at 20959 West Dorris Avenue, Huron, California. A quorum was established and the meeting was called to order by President Rod Stiefvater at approximately 10:10 a.m. Directors attending the meeting were Ken Kreyenhagen, Tom Lovelace, William J. Mouren and Rod Stiefvater. Others also in attendance were Melanie Aldridge, PVWD Attorney, Jim Anderson, PVWD Secretary/Treasurer, Brad Gleason, Craig Finster, Sarah Woolf, Sarge Green, Ron d'Artenay, Don Devine, Eric Robbins, Steven Vierhus, Rex Buchanan, Dick Hewitson and Donna Wilt, bookkeeper.

APPROVAL OF MINUTES. The minutes of the Special Board Meeting on April 10, 2014 were addressed. Director Lovelace moved to have the minutes approved which was seconded by Director Kreyenhagen. The minutes were approved by unanimous vote by the attending Directors.

TREASURER'S REPORT. The Treasurer's Report was given by Donna Wilt. As of July 31, 2014 the Citibank General Account Bank Statement balance was \$17,206.14 and the General Ledger balance was \$15,661.14 on August 28, 2014. As of July 31, 2014 the Stormwater Coalition Account bank statement balance was \$35,197.74 and the General Ledger balance was \$37,197.71 on August 28, 2014. Director Kreyenhagen motioned for the approval of paid invoices which was seconded by Director Lovelace. It was unanimously approved by the attending Directors.

EXPANSION OF BOARD. The Board discussed expanding the Board of Directors from five to seven directors. President Stiefvater and Directors Kreyenhagen and Lovelace all spoke in favor of expanding the Board. General Counsel Aldridge submitted a Resolution to expand the Board from five to seven directors. Director Kreyenhagen moved to expand the Board, which was seconded by Director Lovelace and unanimously approved by the attending Directors. After discussion about the two new director positions to fill, Director Lovelace moved to appoint Donald Devine to a four year term, and Brad Gleason to a two year term, which motion was seconded by Director Kreyenhagen, and unanimously approved by the attending Directors.

AMENDMENT OF BYLAWS. General Counsel Aldridge will amend the Bylaws to reflect the expansion of the Board from five to seven. The Board also discussed amending the Bylaws to reflect the current District Office where the meetings are held. Director Kreyenhagen motioned to reflect in the Bylaws that 20959 W. Dorris Avenue, Huron, California 93234 as the District's office/address for Board Meetings, which

motion was seconded by Director Devine. The motion was unanimously approved by the attending Directors.

IRRIGATED LANDS PROGRAM; LANDOWNER TERMINATION AGREEMENTS.

President Stiefvater updated the Board on the progress of the landowners who have agreed to transfer Coalition funds to the District's general fund and the landowners who have failed to sign their Landowner Termination Agreements. General Counsel Aldridge reported that many Landowner Termination Agreements are still outstanding, including some agreements sent to Director Devine's office. General Counsel Aldridge will coordinate with President Stiefvater and Secretary Anderson on getting the remaining Landowner Termination Agreements signed and notarized.

STORMWATER RECHARGE; RESOURCE CONSERVATION DISTRICT. Sarge Green of Westside Resource Conservation District reported to the Board that he had hired Kathy Wood to help apply for a grant to fund the water recharge and conservation projects of benefit to both RCD and the District. The grant application was not successful. Mr. Green reported that to win a grant the applicant needs to be more organized and needs more diverse groups involved. Director Gleason discussed the future of the District and how it is going to proceed over the years. Director Kreyenhagen suggested an ad hoc committee to explore groundwater options for the District. The Board appointed Rod Stiefvater, Brad Gleason, Jim Anderson and Don Devine as members of the ad hoc groundwater committee.

GROUNDWATER. The Board discussed current concerns related to groundwater within the District. The ad hoc groundwater committee will meet before the next Board Meeting and present the Board with a list of priorities of groundwater projects the Board should consider pursuing on behalf of the District.

PLEASANT VALLEY PIPELINE. Jim Anderson updated the Board on the status of a private landowner group's pipeline project. Anderson reported that he has received back the signed easements from the Dessel family and from the members of the landowner group. According to Anderson, there were a few items on the easements that needed to be corrected. The pipeline is projected to be installed by the summer of 2015. Anderson asked Provost & Pritchard Engineering Group to obtain confirmation from the Bureau of Reclamation and Westlands Water District about the scope of the District's rights for the pipeline area.

ASSESSMENTS. The Board conducted a discussion about the need to increase the District's funds through voluntary or mandatory landowner assessments. General Counsel Aldridge informed the Board that Prop 218 limits the amount you can assess to the highest amount per acre assessed prior to passage of Prop. 218. There was a general discussion about the location of the District's old files to verify the highest past assessment figure. Prior to imposing any assessments or seeking voluntary contributions, Director Kreyenhagen would like to inform the landowners about the intended use of the assessments.

ADJOURNMENT. Director Kreyenhagen moved to have the meeting adjourned and Director Lovelace seconded, which the Directors unanimously approved. The meeting was adjourned at approximately 11:48 am with the next meeting scheduled for December 18, 2014.

Respectfully submitted,

James S. Anderson, Secretary