

**Merquin County Water District**

**Minutes of the Regular Meeting  
Of the Board of Directors  
Tuesday, October 10, 2023**

The Meeting of the Board of Directors of the Merquin County Water District called to order in regular session at 19684 Second Ave., Stevinson, California 6:00 p.m.

Present were, President Adam Azevedo, Vice President Freddy Oliveira, Director Danny Drumonde, Director Rick Jones, Director Phil Does.

5:00 p.m.

**Closed Session pursuant to  
Conference with Legal Council  
Government code Section 54956.9(d)(4)-Anticipated Litigation**

Call to order open session at 6:00 p.m.

**MOTION APPROVING MINUTES of September 27, 2023**

Moved by Director Rick Jones, seconded by Director Freddy Oliveira approving minutes of September 27, 2023.

Motion Carried Unanimously

**MOTION APPROVING LIST OF WARRANTS**

Moved by Director Phil Does, seconded by Director Freddy Oliveira approving the list of warrants \$124,978.81.

Motion Carried Unanimously

**MOTION APPROVING CHECKING ACCOUNT EXPENDITURE**

There was \$3,000 reported for well #10 and no action was taken on it.

**Correspondence**

None

**Civil Engineer Eric Swenson:**

- 1. Discussion/Action:** Well 10R status update. MSGSA has issued a letter stating a Consistency Determination with the new proposed well. The drilling permit from Merced County likely will be issued October 11, 2023.
- 2. Discussion/Action:** Well 7R Status electrical service update. Opportunity for Board members to share electrical quotations for this project. No additional cost proposals have been obtained. Director Freddy Oliveira stated he will get quotes.

**5. Discussion:** MCWD District Boundary Reorganization, reduction in MCWD Sphere of Influence.

2023/2024 Capital Construction Project: Eastside Canal Crossing. SWD is looking to MCWD to draft a Revocable License Agreement for this crossing for them to review. SWD has stated the following items should be included:

- o MCWD shall be responsible for any necessary permitting.
- o MCWD will be responsible for supervision of construction to ensure the pipeline is installed following generally accepted construction standards for excavation, pipe bedding and placement, joint construction, and other activities.
- o SWD/ESCC will retain access to the site during construction and operation of the pipeline.
- o in the event of an emergency where repair of the canal embankment or crossing requires disturbance or removal of portions of the pipeline, SWD/ESCC shall notify MCWD of the need for emergency action but shall require no approval from MCWD for performance of the activity. SWD/ESCC shall assume no liability for damages to the pipeline that result from such emergency activity. Should such activities become necessary, SWD/ESCC shall attempt to minimize damage to the pipeline when performing the action.
- o The licensing agreement will have a 7-year term with an option to renew and extend.
- o The agreement will include standard indemnification language.
- o The agreement will have an attachment with the drawings MCWD has provided that show details of the pipeline alignment and construction.
- o MCWD will preserve and protect the work and maintain a safe workplace and will assume full responsibility for the condition of the workplace and completion of the work.
- o MCWD will be liable for any loss or damage SWD/ESCC experiences during the course of construction or as a result of operation of the pipeline. Any such damage will be immediately repaired by MCWD. Upon failure to do so, SWD/ESCC may perform the necessary repairs and charge MCWD for the cost of the repair. SWD/ESCC will have the right to inspect the work to confirm that it corresponds to the agreed design and to approve the work upon its completion. This right does not confer upon SWD/ESCC any responsibility for direction or supervision of construction.

The Board directed the District Engineer to work with the District's legal consultant to draft a non-exclusive license agreement including the above listed items.

**6. Discussion/Action:** DRAFT Water Rates for new 218. Newly revised budgets and DRAFT water rates have been prepared:

DRAFT - Proposed 2024-2028 Water Rate			
	Maximum \$/AF		Maximum \$/AF
Water Season Year	0-2 AF/acre	2+ AF/acre	Average for 3 AF/acre
2024	\$44.95	\$66.13	\$52.01
2025	\$44.98	\$70.55	\$53.50
2026	\$52.14	\$81.65	\$61.98
2027	\$53.26	\$82.18	\$62.90
2028	\$56.89	\$84.82	\$66.20

**MCWD DRAFT**

**Budgeted Revenues and Expenses:**

**Oct. 4, 2023**

Object	Description	FY 2024 Requested	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
0100	Property Taxes Current Secured	190,439	178,309	168,439	210,319	236,278
0101	Property Taxes Prior Secured	0	0	0	0	0
0102	Property Taxes Current Unsec	10,082	10,082	10,082	10,082	10,082
0103	Prop. Taxes Delinquent Secured	33	0	0	0	0
0104	Property Taxes Prior Unsecured	271	0	0	0	0
0105	Prop. Taxes Transfer From Other	0	0	0	0	0
0107	Prop. Tax SBC's Supplemental	-3,017	3,617	3,617	3,617	3,617
0200	Interest	10,000	10,000	10,000	10,000	10,000
0300	State Homeowners Prop Tax Ref	1,000	1,000	1,000	1,000	1,000
0301	Special Assessments	10,000	10,000	10,000	10,000	10,000
0302	Other Sales	0	0	0	0	0
0303	Other Sales Water	1,177,635	1,177,635	1,177,635	1,177,635	1,177,635
0304	Other Revenues	123,000	123,000	123,000	123,000	123,000
0305	Other Revenues Sales Dead Wat.	4,551	4,551	4,551	4,551	4,551
0400	Revenue	1,433,000	1,433,000	1,433,000	1,433,000	1,433,000

Maintenance

Jimmy presented the October water report from Mario of SWD.

Pumping out pipelines, started with pump #4, Nelander fixing leaks, Will begin the Sprole on River Rock.

Jimmy presented a list of maintenance items for the winter season.

**MOTION TO ADJOURN TO CLOSED SESSION PURSUANT TO  
CONFERENCE WITH LEGAL COUNSEL  
GOVERNMENT CODE SECTION 54956.9(D)(4)-ANTICIPATED LITIGATIONS**

Moved by Director Rick Jones, seconded by Director Phil Dores to Adjourn.

Motion Carried Unanimously

**MOTION TO RETURN TO OPEN SESSION**

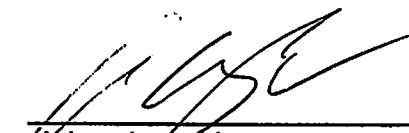
Moved by Director Rick Jones, seconded by Director Phil Dores to Adjourn.

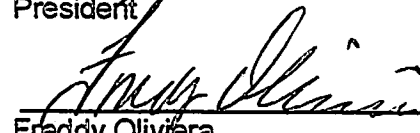
Motion Carried Unanimously

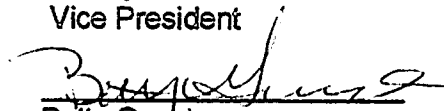
**MOTION TO ADJOURN**

Moved by Director Rick Jones, seconded by Director Phil Dores to Adjourn.

Motion Carried Unanimously

  
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Adam Azevedo  
President

  
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Freddy Olivera  
Vice President

  
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Betty Guest  
Secretary