

Manteca, California
February 8, 2005

The Board of Directors of the South San Joaquin Irrigation District met in regular session in their chambers at the hour of 9:00 a.m.

Upon roll call the following members were noted present:

DIRECTORS: DEGROOT KAMPER ROOS SCHULZ KUIL

Also present were Secretary/Manager Stroud, General Counsel Emrick, Utility Department Director Shields, District Engineer Gilton, Engineering Department Supervisor Bologna, and Water Treatment System Manager Hubkey.

President Roos asked for public comment. Mike Silva, Mitchell Engineering addressed the Board. He said he was working on a settlement offer. President Roos thanked him and asked the Board to consider approving the consent calendar items as presented.

CONSENT CALENDAR

- A. SSJID warrants of \$908,848.64 and payrolls of \$147,338.64.
- B. Regular Board Meeting Minutes of January 25, 2005.
- C. Accept and file Notice of Completion for work on the FCOC Crossing.
- D. Adopt Resolution 05-02-Q, authorizing the disposition of property no longer necessary for District purposes.

SOUTH SAN JOAQUIN IRRIGATION DISTRICT RESOLUTION 05-02-Q AUTHORIZING THE DISPOSITION OF PROPERTY NO LONGER NECESSARY FOR DISTRICT PURPOSES

WHEREAS, the District may dispose of equipment it finds no longer necessary for District purposes; and

WHEREAS, the Reed 1.5" gunite machine identified as T-38 has been replaced and is no longer adequate for District operations; and

WHEREAS, District records indicate that the pump does not have a book value; and

WHEREAS, it has been determined that the machine has a fair resale value of approximately \$800.00.

THEREFORE, BE IT RESOLVED that the District finds the equipment surplus and authorizes staff to properly dispose of the equipment by selling it for the quoted resale value of \$800.00.

PASSED AND ADOPTED this 8th day of February, 2005 .

Motion by Director DeGroot, seconded by Director Kamper, to approve the Consent Calendar items as presented.

PASSED AND ADOPTED this 8th day of February 1005 by the following roll call vote:

Ayes: DeGroot Kamper Roos Schulz Kuיל
Noes: None

President Roos asked for staff reports.

Utility Department Director Jeff Shields addressed the Board. Shields said the maps were back on the inventory of PG&E's system. The database we received will go to the appraiser. He attended a CPUC hearing and testified on behalf of the District. He also informed the Board that he is looking at putting ads in some of the local newspapers to counter information coming from PG&E.

Water Treatment System Manager Hubkey addressed the Board. Hubkey said Ed Erisman, a Grade 3 Operator started work on Monday, and Rich Hartman, a Grade 5 Operator will start on February 14, 2005. He said the Treatment Plant is wired for power, but until the office building itself is complete, we may have to look into renting a trailer for temporary office space. Stroud reported that according to Rodney Hunt, rep from the manufacturer of the sluice gate for Woodward Reservoir, the gate will be shipped the 28th of February.

Review and consider approving revised District Purchasing Policy. Stroud said the revised policy reflects changes in personnel and associated responsibilities. He said if the District moves forward in the retail power business, we will have to revise the policy again, and in addition, adopt a new chart of accounts and upgrade our software. Bologna asked the Board why his name was removed from the list of supervisors authorized to make purchases. Bologna said he felt he should not have been removed. Gilton agreed and said both he and Sam do the purchasing. In addition, Director DeGroot said the amount not requiring three quotes should be raised from \$350 to \$500. After discussion the following action was taken. Motion by Kuil, seconded by Roos, and unanimously carried, to approve the Purchasing Policy as submitted with the following two changes:

- 1) Under item 2, A, 4. Increase \$350 to \$500.
- 2) Under item C, add Engineering Department Supervisor.

Consider approving Contract Change Order 13 and 14 with Mountain Cascade and authorize the General Manager to execute the necessary documents. Grant Kreinberg addressed the Board. He explained that Change Order # 13 is for work that was originally scheduled to be done by the City of Manteca, at a cost of \$176,452.25. The City decided not to do it, so we had to get Mountain Cascade to do it. As for Contract Change Order 14, originally the City Engineer of Lathrop agreed to 3 inches of asphalt. However, the City now has a new City Engineer who is requiring 10 1/2 inches. Cost for the difference is \$105,550. Total cost for the two Change Orders is \$282,002.25. Kreinberg recommended approving both change orders. Motion by Kuil, seconded by Schulz, and unanimously carried, to approve Mountain Cascade Change Order #13, at \$176,452.25, and Change Order #14 at \$105,550.00.

Consider awarding bid to Tri-West Tractor for a Kobelco 290LC Excavator. Staff received three proposals: Tri-West Tractor at \$179,512.90, Holt of California at \$192,489.55, and Nortrax at \$199,017.00. All bids include sales tax, and a trade-in of our John Deere. Stroud recommended awarding the bid to Tri-West Tractor for the Kobelco 290LC Excavator. Motion by Kamper, seconded by DeGroot, and unanimously carried, to approve the purchase of the Kobelco 290LC from Tri West Tractor at a price not to exceed \$179,512.90.

Discussion and possible action relative to the District's Encroachment Policy. Stroud said that at the request of Director Kamper we put this on the agenda. We looked at the "R" lateral, where it crosses Louise Road, just east of Austin Road. The trees on the east are encroaching on our easement. This makes driving the District easement impossible without hitting tree branches. Also, there are potholes because of all the squirrels. He recommended we write the landowner a letter stating "due to the condition of the road and our inability to maintain the road" the trees will need to be removed. It was the consensus of the Board to send the letter as recommended by Stroud.

President Roos called for Manager's report:

Stroud told the Board that the cost to have N&S perform the preventative maintenance on the 15 pumps we are not performing the efficiency tests on is \$66.00 each. It was the consensus of the Board to have N & S perform preventative maintenance on all the 15 pumps.

Stroud and Jeff Shields will be going to Oregon to look at operations that are similar to ours. We will be looking at the chart of accounts, staffing levels, and operating costs.

February 17, 2005 is the Tri-Dam meeting at OID.

Four employees from the Water Treatment Plant will be attending a Zenon training course in Collingwood, Ontario during the week of February 28.

ACWA Legislation workshop will be held on March 29th, see Cheryl to sign up.

IRS Mileage reimbursement rate for 2005 is 40.5 cents per mile.

Reported vandalism at the Northwest SIDE Project. Vandals removed screens and posts. Approximate cost to repair \$2,500 - \$3,000.

Directors' reports:

Schulz asked about the wages in the Water Department. Said he thought it would be on the agenda. Stroud said he would like to meet with the personnel committee on this. No date was set.

DeGroot asked about the request of Charlie Harris. Stroud said they are still working on it and will report back to the Board within 30 days with a recommendation.

Roos asked that two parcels on the "Bd" lateral, relative to being required to install a single cell box as a requirement to the termination of Service Abandonment Agreements # 217, be put back on the agenda.

President Roos asked for closed session relative to litigation matters. District Counsel Emrick said we will discuss items b) through d) in closed session.

b) Conference with legal counsel, anticipated litigation, initiation of litigation, Gov. Code S. 54956.9 (c). One case.

c) Conference with legal counsel, anticipated litigation, significant exposure to litigation, Gov. Code, S. 54956.9 Two Cases.

d) Conference with real property negotiators:

Property: APN 208-06-11. Agency Negotiator: District Counsel. Negotiating Parties: District and current property owner. Under Negotiation: Price and Terms of Payment.

Property: Water Treatment Plant Site-Dodd's Road, Stanislaus County. Negotiating parties: SSJID General Manager and General Counsel. For Lessee-Steve Kistler. Under negotiations: Price and Terms of proposed lease.

Upon returning from closed session General Counsel Emrick reported that there was no reportable action taken in closed session.

There being no further business to come before the Board it was moved by Kuil, seconded by Kamper, and unanimously carried, to adjourn to February 22, 2005 at 9:00 a.m.

ATTEST:

John Stein, Assistant Secretary