

Manteca, California
September 8, 2015

The Board of Directors of the South San Joaquin Irrigation District met in regular session in their chambers at 9:00 a.m. President Holmes called the meeting to order and Director Roos led the flag salute. Upon roll call the following members were noted present:

DIRECTORS: HOLBROOK HOLMES KAMPER KUIL ROOS
ABSENT: NONE

Also present were General Manager Jeff Shields, General Counsel Steve Emrick, Engineering Department Manager Sam Bologna, and Executive Secretary Betty Garcia.

Public Comment - None

CONSENT CALENDAR

- A. Approval of Warrants in the amount of \$248,851.77; A/P wires in the amount of \$204,329.36; payroll dated September 4 in the amount of \$194,735.96.
- B. Approval of the regular Board meeting minutes of August 25, 2015.
- C. Consider an additional extension of a license agreement with Pilkington North America, Inc. (PNA), formerly Libbey-Owens Ford Company.

A motion was made by Director Kuil and seconded by Director Holbrook to accept the Consent Calendar as submitted and passed 5 to 0 by the following roll call vote:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

ACTION CALENDAR

Item #1 – 2015 Water Supply Forecasts

Mr. Jeff Shields, General Manager, stated that New Melones had dropped 13.5 feet and lost 46,511 AF from storage. He anticipates New Melones will be at 250,000 AF on September 30. Oakdale Irrigation District and SSJID will share 200,000 AF. He said the forecast for the next few days will be 100+ degrees and staying in the high 90's for the next 10 days. These high temperatures make it difficult to keep river temperatures below Goodwin below the 67 degree threshold set by SWB. Water will be pulled from Tulloch starting this morning. The reservoir will drop from 510 feet to 504 feet by next Monday. Tri-Dam generators are operating strong and the Bureau shows generation this morning at New Melones. All of the big reservoirs across

the State will be pulled down aggressively during the next two weeks with Folsom being the exception. Folsom is being backed off a bit to reserve as much storage as possible in order to meet urban water needs across the Sacramento metropolitan area. SSJID water reports show our distribution system has used 117,690 AF year-to-date, compared to 163,061 AF in 2013. OID spilled 4,492 AF compared to 11,950 AF in 2013. Irrigation demand is down 28% over 2013.

Item #2 – Consider setting date of end of water season

Mr. Joe Catanzarite, Operations and Water Superintendent, informed the board that farmers are asking if the end of water season will go until September 30 or longer. Director Kuil suggested continuing the irrigation season until October. The board discussed this issue and agreed that water season could end in October.

A motion was made by Director Holbrook and seconded by Director Kamper to set the date for the water season to end on October 10. Motion passed 5 to 0 as follows:

AYES:	HOLBROOK HOLMES KAMPER KUIL ROOS
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	NONE

Item #3 – Consider disposition of surplus equipment and adopt Resolution #15-06-Q which documents that action

Mr. Michael O’Leary, IT Systems Administrator, informed the board that the District has five office chairs to dispose of.

**RESOLUTION 15-06-Q
AUTHORIZING THE SALE OF EQUIPMENT
NO LONGER NECESSARY FOR DISTRICT PURPOSES**

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

WHEREAS, the Board of Directors, General Manager, District Attorney, Assistant General Manager, IT Systems Administrator, and Finance Supervisor are not eligible to purchase or acquire surplus equipment; and

WHEREAS, a quantity of five “Manager” Desk Chairs will be declared surplus;

THEREFORE, BE IT RESOLVED that the District authorizes staff to dispose of said surplus equipment.

A motion was made by Director Holbrook and seconded by Director Kuil to approve Resolution #15-06-Q authorizing the disposition of surplus equipment.

Motion passed by roll call vote 5 to 0 as follows:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

Item #4 – Consider sale of vehicles no longer necessary for District purposes and adopt Resolution #15-07-V which documents that action

Mr. Catanzarite informed the board that the District has three pickups ready to be sold. Director Roos asked if the vehicles were priced using the Kelly Blue Book. He said yes.

**RESOLUTION NO. 15-07-V
AUTHORIZING THE SALE OF PROPERTY NO
LONGER NECESSARY FOR DISTRICT PURPOSES**

WHEREAS, the District may sell for valuable consideration, any property of the District, which it finds to be no longer necessary for District purposes;

WHEREAS, the Board of Directors of the South San Joaquin Irrigation District, finds the following for sale, as listed below:

<u>DISTRICT I.D. NO.</u>	<u>VEHICLE TYPE</u>	<u>VIN NUMBER</u>
276-05	Chevrolet 1500	1GCEC14X05Z229131
298-10	Chevrolet 1500	1GCPCPE07AZ166245
310-09	Chevrolet 1500	1GCEC24J69Z194764

Is no longer necessary for District purposes and that it is in the best interest of the district to sell said property for the price listed below:

<u>DISTRICT I.D. NO.</u>	<u>PROPOSED PRICE</u>
276-05	\$4,521.00
298-10	\$8,261.00
310-09	\$9,311.00

NOW, THEREFORE BE IT RESOLVED AND ORDERED that the Assistant General Manager of the District is authorized to display said property for sale for a period of ten days, and thereafter may reduce the advertised price by \$500.00 every ten days until the vehicle is sold.

BE IT FURTHER RESOLVED AND ORDERED that the Assistant General Manager is authorized and directed to take all necessary steps and execute all documents necessary to transfer title to said property.

A motion was made by Director Kuil and seconded by Director Roos to approve Resolution #15-07-V authorizing the sale of vehicles no longer necessary for District purposes. Motion passed by roll call vote 5 to 0 as follows:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

Item #5 – Consider approval of records retention schedule and adopt Resolution #15-04-Y which documents that action

Mr. Shields informed the board that this item came before them at the last meeting but it had been pulled because there was an issue with the resolution. Director Roos expressed concerns about destroying records with historical value. Mr. Shields assured him that the District has no intention of destroying records related to the District’s formation. Director Holbrook pointed out that the retention schedule clearly states how documents will be stored and for what period of time.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 15-04-Y**

**A RESOLUTION ADOPTING A RECORDS RETENTION SCHEDULE AND
AUTHORIZING DESTRUCTION OF CERTAIN DISTRICT RECORDS**

WHEREAS, the maintenance of numerous records is expensive, slows document retrieval, and is not necessary after a certain period of time for the effective and efficient operation of the government of the South San Joaquin Irrigation District; and

WHEREAS, Section 60200 of the Government Code of the State of California provides that the legislative body of a special district may authorize at any time the destruction or disposition of any duplicate record, paper, or document, the original or a permanent photographic record of which is in the files of any officer or department of the district; and

WHEREAS, Section 60201 of the Government Code of the State of California is amended effective January 1, 2005 to provide that district records which have served their purpose, which are not expressly required by law to be filed and persevered, and which will not adversely affect any interest of the district or public may be destroyed;

WHEREAS, the District will follow a procedure to maintain a list of the types of records destroyed or disposed of that reasonably identifies the information contained in the records in each category;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SOUTH SAN JOAQUIN IRRIGATION DISTRICT DOES RESOLVE AS FOLLOWS:

Section 1. The Board of Directors finds that the destruction or disposition of the records series that have exceeded the retention periods as set forth in the Records Retention Schedule

Exhibit A will not adversely affect any interest of the District or the public.

Section 2. The records of the South San Joaquin Irrigation District, as set forth in the Records Retention Schedule Exhibit A, attached hereto and incorporated herein by this reference, are hereby authorized to be destroyed as provided by Section 60201 et seq. of the Government Code of the State of California and in accordance with the provision of said schedule in accordance with District policies and procedures, and with the approval of the Department Heads, Board Secretary, and District Counsel. Department Heads are employees who report directly to the General Manager or the Board of Directors.

Section 3. Future updates to the Records Retention Schedule will be made by resolutions adopted by the Board of Directors.

Section 4. The term “records” as used herein shall include documents, instructions, books, microforms, electronic files, magnetic media, optical media, or papers or any other public records, as defined by the California Public Records Act.

Section 5. The Clerk of the Board of Directors shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

Section 6. This resolution shall become effective immediately upon its passage and adoption.

A motion was made by Director Holbrook and seconded by Director Kamper to approve the records retention schedule and adopt Resolution #15-04-Y. Motion passed by roll call vote, 5 to 0 as follows:

AYES:	HOLBROOK HOLMES KAMPER KUIL ROOS
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	NONE

Item #6 – Consider approval of renewal rates for Health, Dental, and Vision insurance plans

Mr. Donald Thornburg, HR Analyst, explained that ACWA provides a “member advocate” who is a direct link to the insurance company and assists members with questions and issues they may be experiencing. He said one of the biggest advantages of being in this pool is that ACWA establishes reserves which they have contributed towards the HMO rates.

A motion was made by Director Roos and seconded by Director Kamper to approve the 2016 renewal rates for health, dental, and vision insurance plans. Motion passed 5 to 0 as follows:

AYES:	HOLBROOK HOLMES KAMPER KUIL ROOS
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	NONE

Item #7 – Consider approval of contracts with Davids Engineering to provide technical support services related to Sustainable Groundwater Management Act (SGMA); also consider contract with Valerie Kincaid at O’Laughlin and Paris to provide legal services related to SGMA

Mr. Shields said the first step in the formation of a Groundwater Sustainability Agency (GSA) is to process the necessary legal and technical service in order to navigate through the evolving regulations for implementation of this new law as well as developing data related to the Eastern San Joaquin Groundwater Basin.

A motion was made by Director Holbrook and seconded by Director Kuil to authorize the General Manager to sign the agreements and to approve the cost for two agreements; one with Davids Engineering in the amount of \$89,900 and the other with O’Laughlin and Paris in the amount of \$63,625 for a total not-to-exceed \$153,525. Of this amount, he asks that \$90,000 be included in the 2015 budget and include the balance plus any carry over from 2015 if applicable in the 2016 budget. Motion passed 4 to 1 as follows:

AYES:	HOLBROOK HOLMES KUIL ROOS
NOES:	KAMPER
ABSTAIN:	NONE
ABSENT:	NONE

Item #8 – Presentation by Stantec and Davids Engineering concerning the Economic and Financial Feasibility analysis of a District wide pressurized system

Mr. Sam Bologna, Engineering Manager, stated this presentation is a follow up from the April 7 board meeting that outlined several different alternatives regarding the feasibility of providing pressurized water service to the District customers. He indicated that a workshop was held on August 19 to refine the economic and financial evaluation of Alternative 4.

Mr. Jeff Shaw, with Stantec, addressed the board, stating they are not looking for actions today as much as feedback from the board. He gave a brief overview of the power point presentation that was going to be discussed. The key questions were: How much is District-wide pressurized service going to cost? Is the project economically and financially feasible? Milestone 1 addressed development of project needs and objectives. Milestone 2 addressed technical evaluations, such as agricultural lands and water demands, water balance, and on-farm economics.

Mr. Bryan Thoreson, with Davids Engineering, discussed the SSJID water balance which included the projected conserved water and net groundwater recharge, both with and without the project. Questions in this area were, do the benefits of the project outweigh the costs, and does the project pay for itself?

Mr. Duncan MacEwan discussed the financial feasibility assuming that the project is financed with a 30 year bond at 3.8%. The annual debt service on \$327 million is \$18.5 million. The annual operating costs are approximately \$8 million. He noted the project is financially feasible if the net water transfer revenue is greater than \$350 per acre-foot.

Director Kuil stated that he liked the plan but he has concerns about how the District will pay for the plan. His main question is where is the District going to get the water? Director Holbrook believes the agencies that will become part of the GSA would be able to purchase water from our District.

General Counsel, Steve Emrick, suggested that in-house staff review the financial feasibility of the plan. Once they have reviewed it, a meeting with Stantec and Davids Engineering could be set up to discuss their findings before bringing it back to the full board. The Board concurred with the suggestion.

Director Holmes announced that item #13 would be heard out of order.

Item #13 – Discussion of encroachment on District’s lateral “Rr – 20dd” on Don Ney’s property, APN 245-130-48; continued from the board meeting on August 11

Mr. Bologna announced that this item was carried over from the previous board meeting on August 11. Mr. James Morris, attorney for Mr. Ney, said in consideration of Mr. Ney not having to take any immediate action with respect to the District’s pipeline easement, he will agree, should repairs or replacement to the pipeline be required in the future, that he will remove such trees and irrigation equipment as are necessary to allow SSJID or its contractors access to the pipeline for such purposes. Mr. Ney stated if he removes his trees, he will experience an estimated loss in revenue of \$200,000 over the next 20 years. Director Holbrook said that is revenue that Mr. Ney had no right to since the trees were planted on the District’s easement. Director Roos indicated he had no problem with the trees being planted there because the pipeline is not being used.

The board agreed to allow Mr. Ney an extension of time until the board meeting of October 27 in order to resolve these issues and present an agreement to the District.

At this time, it was announced that item #12 would be discussed in Closed Session.

Upon their return from Closed Session, the following action was reported.

Item #12 – Consider approval of Common Use Agreement with San Joaquin County regarding real property on Rossier Road

A motion was made by Director Holbrook and seconded by Director Roos and approved authorizing the General Manager to sign a Common Use Agreement with San Joaquin County in the form presented with such nonmaterial changes as the General Manager finds are necessary. Motion passed 5 to 0 as follows:

AYES:	HOLBROOK HOLMES KAMPER KUIL ROOS
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	NONE

At this time, it was announced that items 15a, b, c, and d would be discussed in Closed Session.

Item #15 – Closed Session

- a. Conference with Legal Counsel – Anticipated Litigation
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9
- 1 case

- b. Conference with Legal Counsel – Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9
- 2 cases

- c. Conference with Legal Counsel – Existing Litigation
Paragraph (1) of subdivision (d) of Government Code Section 54956.9
- 2 cases

Case Name: Martha Bonde vs. South San Joaquin Irrigation District
Superior Court for San Joaquin County
Case No. 39-2013-00300234-CU-MC-STK

Case Name: Pacific Gas & Electric vs San Joaquin LAFCo
Superior Court for San Joaquin County
Case No. 39-2015-00321743-CU-JR-STK

Upon their return from Closed Session, it was announced that no reportable action had been taken.

Item #9 – Consider approval of encroachment agreement with Central Valley Independent Network (CVIN) to install fiber optic facilities within District easement

Mr. Bologna stated that CVIN is proposing to cross several District laterals located along Escalon Bellota Road with fiber optic cables. The plans call for them to bore underneath our facilities and to provide us with a minimum three foot clearance below our facilities at each location. Director Holbrook said that item #10 of the encroachment agreement should read “Conditions to District’s obligation to perform”

A motion was made by Director Kuil and seconded by Director Kamper to authorize signature and recording of the encroachment agreement with CVIN and the issuance of a temporary construction permit for the project, subject to the modification of the language in item 10 of the encroachment agreement. Motion passed 5 to 0 as follows:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

Item #10 – Consider approval of encroachment agreement with Allen Sipma to install a 2 inch gas line under Lateral “We”

Mr. Bologna stated that Mr. Sipma is in the process of planning for the installation of a gas line from his existing gas service outlet to provide gas service to his pump. The proposed gas line would cross the District’s Lateral “We” pipeline. The District has concerns about having a private company rather than PG&E perform the work. As such, staff has reviewed the request and specified the following as conditions of approval:

1. Pipeline to be buried a minimum of 24” clearance below the bottom of the District’s pipe.
2. Specify the type of pipe material being used.
3. Caution dig tape shall be placed in the trench 12” above the top of the gas line.
4. Above ground markers shall be installed that represent the alignment of the underground pipe throughout the District’s easement. Markers shall clearly identify the gas pipeline and should serve as a permanent warning to the District that a gas line exists in this location.
5. Providing a steel casing for the pipe throughout SSJID’s 30’ easement and backfill with sand slurry 12” above the pipeline.
6. Pump District pipeline dry and provide support for pipeline during crossing of pipeline.
7. Provide documentation from PG&E that this is an approved new service.
8. All aspects of construction should meet PG&E standard requirements for gas line construction and shall be inspected by District during installation
9. Secure the services of a qualified license contractor with experience in gas line construction if the above stated conditions cannot be satisfied.

A motion was made by Director Kuil and seconded by Director Kamper to authorize signature and recording of the encroachment agreement with Sipma subject to the conditions specified above. Motion passed 4 to 1 as follows:

AYES:	HOLMES KAMPER KUIL ROOS
NOES:	HOLBROOK
ABSTAIN:	NONE
ABSENT:	NONE

Item #11 – Consider approval of encroachment agreement with Gary Alldrin Sonora LLC to plant trees within an existing flood easement

Mr. Bologna noted that the Board approved a request by Gary Alldrin at their October 9, 2013 meeting to allow trees to be planted within an area designated as a flood easement. At the time, Mr. Alldrin was in the process of purchasing the property from Marilyn Boatwright and wanted to be able to plant within a portion of the property that is encumbered by the easement prior to completing the transaction. The encroachment agreement was never signed and did not get recorded. Mr. Alldrin has agreed to comply with all conditions outlined in the compliance letter and encroachment agreement.

A motion was made by Director Kamper and seconded by Director Kuil to authorize signature and recording of the encroachment agreement subject to verification that there are no trees planted within the cross hatched area show on Exhibit “B” of the agreement. Motion passed 5 to 0 as follows:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

Item #14 – COMMUNICATIONS

Jeff Shields, General Manager

- AB935 – Friant recaptured restoration flows on the San Joaquin River and those flows need to count toward the Vernalis flows.
- All of the Tributaries authority will oppose SB 226. Started out as groundwater adjudication legislation and has transformed into a water rights bill that will allow SWB rights to intervene in all water rights matters (groundwater or surface). This is the final four days of legislature in session.
- District is tracking groundwater in 8 of our wells – there has been a 4 foot drop since January to August 1.
- City of Manteca is proposing to sell reclaimed water to federal water contractors via the DMC.
- A letter was received by Steve Knell in regards to the “Save the Stan” campaign and unauthorized use of a photo of almond trees which is copyrighted by Tracy Barbutes. She is requesting \$7,500 for unauthorized use of her work in a billboard near the intersection of South Yosemite Avenue and Wakefield Drive in Oakdale.
- The District received a letter from Lake Tulloch RV Campground & Marina, LLC praising the Districts for holding Tulloch up for recreation through the summer.

Sam Bologna, Engineering Manager

- He said that staff has been surveying upstream of Woodward Reservoir and have found major problems with McPhee encroaching on District property. Continued research is planned and will come back to the board with a full report.
- The well driller on the east basin is waiting to receive sand material before they can continue with well drilling operation.

Item #16 – ADJOURNMENT

There being no further business to come before the Board, it was moved by Director Kamper and seconded by Director Roos to adjourn the meeting at 2:32 p.m.

Motion passed 5 to 0 as follows:

AYES:	HOLBROOK HOLMES KAMPER KUIL ROOS
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	NONE

ATTEST: _____
Betty Garcia, Executive Secretary