

Manteca, California
January 10, 2012

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: KAMPER HOLMES KUIL HOLBROOK ROOS

Also present were General Manager Shields, General Counsel Emrick and Engineering Department Manager Bologna.

Director Holbrook called the meeting to order and Director Roos led the salute to the flag.

Holbrook asked for public comment. There being no public comment, the Board was asked to consider the following Consent Calendar Items.

CONSENT CALENDAR

- A. Warrants of \$3,080,360.81 and Payroll of \$532,280.11.
- B. Regular Board Meeting Minutes of December 13, 2011.
- C. Authorize approval of an encroachment agreement request from OID to cross a portion of District easement for the MSC siphon with a 24" PVC pipeline for a proposed extension of their Wills Lateral installation project.
- D. Authorize approval of an encroachment agreement request from Dave Van Elderen to plant shallow rooted trees within easement for Lateral "V" and new pressured line along Hutchinson Road.
- E. Authorize approval of an encroachment agreement request from Dave Verdegaal to cross a portion of the District's Main Supply Canal Penstock near the Frankenheimer Power Plant with a 12" PVC pipeline.
- F. Authorize the recording of a Notice of Completion and acceptance for the Union Ranch East Unit #3 Project related to the replacement of a portion of Lateral "Rg".

President Holbrook asked for a correction to the minutes from December 13. He noted that it was he and not Tri-dam that asked if the District wanted to appoint the President and Vice-President as the Tri-Dam Authority Committee members. Also, he noted a labeling discrepancy under the closed session portion of the board minutes. General Counsel Emrick cleared up the labeling discrepancy and noted that the correct item was listed.

Sam Bologna addressed the Board and gave a brief explanation of Items C., D., E., and F.

Motion by Kamper, seconded by Kuil to approve the Consent Items with the above noted corrections to the December 13 minutes.

PASSED AND ADOPTED on this 10th day of January, 2012, by the following roll call vote:

Ayes: Kamper Holbrook Holmes Kuil Roos

ACTION CALENDAR

General Manager, Shields asked that Item 5 be addressed out of order. President Holbrook approved the request.

Item #5, Discussion concerning a proposed property exchange with McManis Family Vineyards involving the District's River Road property and the Ripon Spill. Shields acknowledged that Ron McManis was in attendance. A brief description of McManis' proposal was given. Shields told the Board that staff is asking for direction as to whether or not to pursue this proposal. After a brief discussion it was the consensus of the Board to obtain an appraisal on the properties and do a CEQA study. Mr. McManis was in agreement with the Board's conclusion.

Item #1, Division 9 Update. Todd Kotey, Project Manager and Jeff Shaw, Field Manager from Stantec addressed the Board. The Project Update for December was handed out. Todd reviewed the project progression report noting that the project is at 71.50 % of the contract billed. Todd told the Board that the pipeline is almost complete and that things are going well. Jeff Shaw addressed the Board. He noted that MID has brought in some of the electrical. Pressure testing continues, the slab for the control building has been poured, the east basin clay liner will be complete next week and three separate crews are working on the turnouts, with 30 complete to date. Jeff told the Board that a lot of progress is being made and because of time restraints the crews will be working on Saturdays. At this point Shields interjected that he is requesting that when working on Saturdays, crews access from the back thus minimizing the inconvenience to local landowners. Holbrook thanked Todd and Jeff for the report.

A brief discussion ensued concerning the possibility of a winter run to be decided later in the meeting. A question was asked of Randy from Knife River if water could be impounded in the basin. Randy told the Board that the clay liner will be complete by the 20th and water could be impounded at that point.

Item #2, Discussion concerning reapportionment options, conduct public hearing regarding the issue and adoption of Resolution 12-01-D, Resolution Adopting Reapportionment Plan. Shields gave a brief description of the three scenarios being considered. He told the Board that it is staff's recommendation that Scenario A1 be adopted. Director Roos noted that he thinks it should be acreage not population that determines Director Division lines. Holbrook agreed but said that we must abide by the law. President Holbrook announced that the Public Hearing was open and asked for any comments. No comments were offered and the Public Hearing was closed. A motion was made by Kamper to go with staff recommendation scenario A1 and adopt Resolution 12-01-D, Resolution Adopting Reapportionment Plan. The motion was seconded by Kuil.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 12-01-D
RESOLUTION ADOPTING REAPPORTIONMENT PLAN**

WHEREAS, South San Joaquin Irrigation District provides irrigation and drainage services within its existing boundaries, and

WHEREAS, the District contains five divisions as required by Water Code section 21550, and

WHEREAS, each Director is elected by the division the Director represents as required by Water Code section 21551, and

WHEREAS, the Board of Directors is required by Water Code section 21605 to adjust the boundaries of the divisions pursuant to Elections Code section 22000, and

WHEREAS, the Board of Directors is required by section 22000 of the Elections Code to adjust division boundaries by resolution after the 2010 federal census, and

WHEREAS, the Board of Directors is to use the 2010 census as a basis and adjust the boundaries of any divisions so that the divisions are, as far as practicable, equal in population and in compliance with Section 1973 of Title 42 of the United States Code, as amended.

WHEREAS, the Board of Directors in adjusting the boundaries of the District, may give consideration to the following factors: (1) topography, (2) geography, (3) cohesiveness, contiguity, integrity, and compactness of territory, and (4) community of interests of the District, and

WHEREAS, two plans for reapportionment of the District's five Director divisions prepared by Merced Data Special Services (MDSS) dated December 6, 2011, labeled Scenario A and Scenario B, as well as a third plan, labeled Scenario A-1, have been presented to the Board of Directors, and

WHEREAS, the Board of Directors finds that any of the reapportionment plans would satisfy the requirements of Section 22000 of the Elections Code and California case law,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the SOUTH SAN JOAQUIN IRRIGATION DISTRICT hereby takes the following actions:

1. The foregoing recitals are approved.
2. The plan for reapportionment of the District's five Director Divisions labeled Scenario A-1 is approved.

The foregoing Resolution was duly adopted at a meeting of the Board of Directors of South San Joaquin Irrigation District held on the 10th day of January, 2012, on the motion of Director Kamper, seconded by Director Kuil the following roll call vote:

Ayes: Kamper Kuil Holbrook Holmes Roos

Noes: None

Item #3, Review and accept bids of Knife River Construction to construct the Solar Farm Water Retention Basin. Jim Atherstone presented this request before the Board. Jim told the Board that to comply with current laws concerning stormwater runoff we are required to construct a retention basin at the Solar Farm that prevents runoff into our MDC. Because Knife River has removed a substantial amount of soil from the site to be used at the Division 9 East Basin, it was considered prudent to ask them for a bid to complete the Solar Farm Water Retention Basin Project. Atherstone said that our Maintenance crews should be able to do a portion of the work thus bringing the total cost down. Knife River's bid for completion of the basin excavation work is \$41,771.00. The second part of the bid is for \$30,150.00 which will be reduced if our crews do the additional work. Jim also made mention that we have outstanding bills with MCR for the completion of the plans and as-builts. Dan Eavenson, MCR, addressed the Board and stated that the basin plans include a 10 year storm projection with 2 day percolation and a 100 year storm projection. Atherstone is asking that the Board approve the project at a cost not to exceed \$90,000 with the understanding that District Maintenance Department staff will participate wherever savings can be accomplished. Motion by Holmes to approve the project, accept Knife River's bids with the understanding that District staff will work to accomplish savings wherever possible and including a 1% bond. Motion was seconded by Kuil. Motion passed 4-1 with Roos voting no.

Item #4, Approve bid for Federal OSHA compliant mobile crane training for District crane operators. Jim Atherstone told the Board that in June of last year, Federal OSHA laws changed to include requiring the certification of the rigger and signal person. After a brief discussion it was agreed that this is money well spent. Motion by Kamper, seconded by Holmes and unanimously approved to accept the bid by "A Better Crane Training and Testing" at a cost of \$21,410.00.

Item #6, Authorize conditional approval of plans for the relocation of a portion of Lateral "C" 25 DD by Gold River Orchards. Bologna explained that we received a request from the owners of Gold River Orchards, Barton Landholding, LLC to relocate a portion of "C" 25 DD that runs diagonally across their property (APN 229-190-10). They would like to relocate the lateral to run along Hwy 120 and Enterprise. Due to the fact that the landowners have plans to build a walnut processing facility on the property, the request is being handled as a standard development along with documents such as encroachment agreements and quitclaim deed as required. Bologna asked the Board for direction as to whether the District would contribute toward the replacement. After a brief discussion it was moved by Holmes to conditionally approve the Gold River Orchards Project. No decision was made on District contribution. Kamper seconded the motion, which passed unanimously.

Item #7, Consider increase in contract amount for Mintier Harnish, L.P. General Counsel, Emrick addressed the Board. He told the Board that we retained Mintier Harnish in 2008 to prepare the sphere of influence and municipal service review for LAFCo. Mintier Harnish will be making the main presentation at the LAFCo workshop on January 20th. Additionally Mintier will make a presentation at the upcoming LAFCo meeting later this year at which LAFCo will consider approving the final EIR and MSR. Due to the fact that there is less than \$1,000 remaining in Mintier's current budget, they

have submitted a proposed scope of work and budget for additional work. The estimated remaining cost is \$20,000 with a \$5,000 contingency. Motion by Kuil, seconded by Holmes to authorize Mintier to continue its work on the MSR review and increase the contract ceiling by \$25,000. Motion passed unanimously.

Item #8, Consider purchase of one new 2 ton flatbed dump truck. Due to Ray Simons' impending retirement, Joe Catanzarite introduced Items 8 & 9 to the Board. He told that the Board that the 2 ton flatbed being requested will replace the District's current 1983 C 60 Chevrolet Flatbed dump truck. He said he believes this to be the fleet's oldest truck. Interstate International Truck Center came in at the lowest bid of \$57,186.69. Motion by Kamper, seconded by Kuil to purchase a 2 ton flatbed truck from Interstate International Truck Center at a cost of \$57,186.69.

Item #9, Consider purchase of 4 half-ton two wheel drive pickups, a 4-wheel drive extended cab and a Chevy Tahoe. Catanzarite told the Board that the four ½ ton two wheel drive pickups will replace those driven by Divisions 5, 6, 7 and 9 whose current trucks meet or exceed the 125,000 mile limit set by the Board. The four wheel drive extended cab will be used by the District's Facility Inspector and the Chevy Tahoe will replace the Telemetry Systems Supervisor's current Tahoe. Motion by Kamper, seconded by Roos to purchase four ½ ton pickups from Steve's Chevrolet at a total cost of \$84,472.22, the 4x4 extended cab and the Chevy Tahoe from American Chevrolet at a total cost of \$61,563.69. The motion passed unanimously.

Item #10, Review Board Committee Appointments. President Holbrook reviewed the current committee appointments and stated that they would remain the same for 2012.

Item #11, Discussion and possible action concerning a winter run. GM Shields introduced the issue of offering a winter run. Julie Vrieling reviewed the moisture data that has been accumulated in various locations throughout the District. The data showed no surprises, we have had no rain, so we have less than normal soil moisture. Bologna brought up the issue of second tier properties which are properties that have Amended Service Abandonment Agreements or recent annexations. According to the agreements, if the District is short of water due to drought, these properties may not receive water. The other issue Bologna brought up was the issue of imposing time limits. Director Kuil said he has been asked, if time limits are imposed, would landowners be able to combine "use time" from one property on another. Bologna said that in the past this has been allowed. General Counsel, Emrick reviewed the District's water outlook as it currently stands. He said that if we get no substantial rains we may only be in a position to offer 4-5 runs of water this season. If we offer a winter run that would count as one. Shields told the Board that the weather forecast is saying there may be rain coming later this month. Director Holmes said that row crop farmers are in serious need of water on their crops. Director Kamper said that although trees need the water, it is not as crucial for them at this time. After a lengthy discussion the Board came to the following conclusion. We will call in 300 CFS from Goodwin today. We will begin filling Woodward and charging the system ASAP. Division Managers will begin notifying farmers on Thursday. The winter run will begin on Sunday, January 15. This is a one-time run, landowners will have one chance to take the water, Division Managers will not go back, once passed, that's it. Written notice will be handed to landowners by the Division Managers stating that if this ends up being a critically short water year with only a limited number of runs available, the Board may decide that this winter run will count against the total available.

Letters may also be sent in the mail as well as a possible news release stating the same. Second tier landowners and annexed lands will have water available to them this run, with the understanding that this may not be the case for future runs. Joe Catanzarite asked that the Board be supportive of staff as they enforce the rules and restrictions the Board has outlined above.

Item #12, Consider compensation adjustment for General Manager. President Holbrook announced that Item 12 would be considered after closed session.

Holbrook asked for Directors Reports:

Roos stated that he would like to attend the Cal Nile Farm Bureau dinner on February 2. Holbrook and Kuil also said they would like to be signed up for the dinner. Roos also reported that he would be attending the SJ River Group Meeting on January 30.

Holmes said he received a call from our auditors Richardson Co. He said they were very professional and asked good questions. He felt it was a good start to the process.

Kuil reported on the Tri-Dam Advisory Meeting. He told the Board that they will be asked for their input on scoping issues on the proposed business plan. He also reported that labor negotiations at Tri-Dam are to begin later this month.

Kuil asked that an encroachment agreement for Van Elderen that was turned down by staff be brought before the Board for re-consideration.

Holbrook reminded the Board that a Manteca Chamber Mixer was being held in the Board room on Wednesday from 8 a.m. – 9 a.m.

Holbrook called for Managers Reports:

Bill Hubkey WTP Manager reported the following:

- The City of Tracy has renewed their ground water recharge program. They are pumping about 2 mgd a day back into the aquifer.
- Plant staff flushed the lower intake in preparation for switching from the upper intake to the lower intake.
- Ed Erisman has provided Forsgren & Associates with all the information requested to complete the main transmission line modeling program.
- All Plant and distribution line water meters were reset on January 1.
- Bret Beaudreau has resigned as WTP Maintenance Supervisor to become the lead operator at the new Stockton Plant.

Bere Lindley, Finance/Admin Manager reported that the auditors were here last week to do interim field work and will be back in February to finalize it. He told the Board to feel free to contact the auditors with any questions or concerns.

Sam Bologna, Engineering Department Manager

- 2012 Water Conservation Program update:
 - We have received 60 applications to date with additional applications in the review process.

- \$630,000 is already committed.
- Presentation by David's Engineering next Board Meeting.
- Forrest Killingsworth has been hired as the District's Associate Civil Engineer. He will be starting on January 16.

General Manager Jeff Shields reported the following:

- San Joaquin Farm Bureau Calla Nile Farm Bureau dinner will be held on February 2 at Isadores. Shields said he will be the guest speaker at the dinner.
- Escalon Farm Center Annual meeting will be held on February 23rd at the Sportsman Club. He will be the guest speaker at this dinner.
- Ray Simons has announced his retirement, effective April 17. He is using vacation time until that date. Ron Gee will serve as interim Shop Supervisor until the position is filled on a permanent basis.
- The Microwave Tower Project has been completed ahead of schedule. Our FCC license is in hand and eight towers are now in place and fully operational. Data is being transmitted as far west as the Tracy Booster Station and east to Woodward Reservoir. We will close out this project and provide a final project report including accounting within 30 days.
- SJRGA Commissioners meeting is scheduled for 10 a.m. on Monday, January 30 at TID.
- The IRS has announced that the mileage reimbursement rate for 2012 is 55.5 cents per mile.
- SSJID, CMUA, WAPA, PG&E, SMUE and SJTA are working together to develop a response to the SWRCB's Delta Flow Criteria.
- LAFCo workshop will be held on January 20th from 10 a.m. – 12. Bob Holmes and John Holbrook plan to attend.

General Counsel announced the Board would be discussing Items 12 a. d. & e. under Closed Session.

- a. CONFERENCE WITH LEGAL COUNSEL-Anticipated Litigation
Initiation of litigation pursuant to subdivision (c) of Government Code Section 54956.9- 2 cases

- d. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
California Government Code Section 54656.8
Property: Portions of FCOC and District's Drain 3
Agency Negotiator: General Manager and Engineering Department Manager
Under Negotiation: Price and terms of payment

Property: Water
Agency Negotiator: General Manager
Negotiating Parties: District and Westlands Water District
Under Negotiation: Price and terms of payment

- e. Public Employment Performance Evaluation – California Gov. Code Section 54957

--General Manager

Upon returning, General Counsel announced that no reportable action was taken in Closed Session.

President Holbrook said that open session would resume with Item 12, Consider compensation adjustment for General Manager. A motion by Roos, seconded by Kuil to authorize a one-time compensation adjustment of \$12,000.00 to the General Manager. The motion passed unanimously.

There being no further business to come before the Board it was moved by Kamper, seconded by Roos to adjourn to the next scheduled meeting to be held Tuesday, January 24, 2012. Motion carried unanimously.

ATTEST: _____
Cheryl Burke, Executive Secretary