

Manteca, California
January 24, 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 \$4,354,674.09
- B. Regular Board Meeting Minutes of January 10, 2012.
- C. Request to enter into a contract agreement to continue using the engineering services from Northern Digital, Inc. Frank Avila brought this request before the Board. He reviewed the District's history with Northern Digital. Frank said that due to the number of projects planned for 2012 there will be a lot of programming work to do. Northern Digital knows our system and is a valuable resource to the District. The contract agreement for consulting service with NDI is at a cost not to exceed \$13,100. This is an approved budget item but because it is over \$10,000 the request is being brought before the Board.
- D. Authorize an additional \$72,243.00 to the District's 2012 Budget to complete the Solar Farm Retention Basin. The project was budgeted for in 2011 but only a portion of the \$90,000 budget was spent in 2011. The project will be completed in 2012 and the remainder of the original budget request will be rolled over to 2012 budget.
- E. Approval of the following Irrigation Service Abandonment Agreements:

| Agr. # | Directors Division | Owner Name | APN | Acreage |
|--------|--------------------|---------------------|------------|---------|
| 1630 | Holmes | Bellino, Nick | 245-250-15 | 10.00 |
| 1631 | Holmes | Lee, William | 247-030-13 | 9.49 |
| 1632 | Holmes | Petrucci, Josephine | 249-110-66 | 10.00 |
| 1633 | Kuil | Mohler, Anne | 228-170-36 | 1.08 |
| 1634 | Holmes | Van Vliet, John | 229-160-31 | 1.84 |
| 1635 | Holmes | Barber, Judith | 247-300-06 | 9.00 |
| 1636 | Holmes | Stonum, William | 197-120-29 | 1.03 |
| 1637 | Holbrook | Pulte Home Corp. | 204-100-27 | 92.90 |
| 1638 | Holbrook | Pulte Home Corp. | 204-100-47 | 55.70 |

F. Approve Encroachment Agreement for Mike Ballatore and Anna Smartt to install pipeline across District's Lateral "R" canal in two places east of its intersection with Carrolton Road and to install underground pipeline in District's easement for about 550 feet in-between the two crossings. Holbrook voiced his concerns over this encroachment request. After a brief discussion it was decided on conditional approval of the Encroachment Agreement dependent on staff's recommendations.

Motion by Kamper, seconded by Kuil to approve the Consent Items with the above noted comments and conditions.

PASSED AND ADOPTED on this 24th day of January, 2012, by the following roll call vote:

Ayes: Kamper Holmes Kuil Roos
Noes: Holbrook

ACTION CALENDAR

Item #1, Division 9 Update. Jeff Shaw, Field Manager from Stantec addressed the Board. He noted that work slowed down last week due to the rains, but will pick back up this week with dry weather forecasted. Work will continue on the metal work, mechanical connections, as well as the control building and electrical. Jeff said that the next 4 weeks will be very busy. He assured the Board that Knife River still has February 15 as their target date for completing this project with the exception of some of the pumps. Director Kuil commented that everyone should go out and take a look at the progress. In his words, "it looks sharp".

Item #2, Presentation on SSJID's Flow Measurement Plan by Bryan Thoreson, Davids Engineering Inc. Bryan gave a power point presentation. His presentation included a review of SBx7-7 requirements, the 2011 flow measurement results and the flow measurement plan for 2012. Bryan said that after careful review of the data collected last year, the recommendation for delivery measurement is the use of doppler meters at strategic locations for orifice gates as well as multiple valve delivery locations and magnetic flow meters for pumps. In 2012, we will be installing doppler meters and magnetic flow meters at strategic locations on Lateral Qk. This will provide us with the data needed to prove (or disprove) the concept and help provide us with good direction as we develop the District's Master Plan.

Item #3, Consider purchase of Cisco Routers for the District's Microwave Network. Michael O'Leary told the Board that, with the completion of the new microwave network, we will need to purchase hardware to make it possible to transfer data between locations. Michael told the Board that Cisco has a proven track record with the reliability of their equipment. He sought and received three quotes from vendors for Cisco Routers. CDW-G Solutions came in with a low bid of \$37,462.37. Michael said that the installation and programming will be done in-house. Motion by Director Kamper, seconded by Director Kuil to approve the purchase of Cisco Routers for the Microwave Network from CDW-G at a total cost of \$37,462.37. Motion passed unanimously.

Item #4, Consider purchase of three Flex Logic PLC's to replace current programmable logic controllers (PLC's) at the WTP. Bill Hubkey told the Board that the PLC's, slated to be replaced, have been running 24 hours a day, seven days a week for seven years. He said that two quotes have been obtained but staff is still working to get a lower quote. Hubkey told the Board that he is asking that they give staff authorization to purchase three Flex Logic PLC's from the lowest bidder. Currently Rexel Supplies is the low bidder, at a cost of \$10,687.55 for three PLC's. Staff will continue seeking a lower bid until 3:00 p.m. on January 25, 2012, but will accept Rexel's bid in the event a lower quote is not received. Motion by Holmes, seconded by Kamper to accept staff recommendation and purchase three Flex Logic PLC's at the lowest bidder as of January 25. Motion passed unanimously.

Item #5, Discussion concerning water conservation and possible drought year provisions. Shields told the Board that this item will be held until the February 14 board meeting, but asked the Board to give some thought to the issue. Kamper noted that farmers are already asking what kinds of rules or procedures the District may implement in the event of a short water year. Emrick asked Holbrook if an ad hoc committee should be appointed to address these questions. Holbrook noted that these issues should be funneled to the Ag Water Committee (Kamper and Holmes).

Item #6, The Board was provided a report by the Water Department Supervisor on the winter run. Frank Avila, was present to go over the details of the report. Frank reported the following:

- To date, we have put 8,000 AF into Woodward
- The winter run went well
- A number of new leaks were reported throughout the District, which will be repaired after water is taken out
- Woodward is at 197.66 elevation.
- To date 7,900 AF has been delivered
- Divisions 2, 4, 7 & 8 have completed their runs with the rest of the divisions to be done no later than Thursday the 26th.
- Approximately 90% of the growers took water.
- Van Groningen Reservoir will remain full so that we can use the water to fill the east basin in division 9.

Item #7, Consider request by Dave Van Elderen to encroach upon District easement with a row of almond trees. Bologna gave the background to this issue. He explained that when Division 9 was in the planning stages it was discovered that a row of trees and a well/sump owned by Mr. Van Elderen were located within the District's easement. These unauthorized encroachments were located where the Division 9 new G Line was to be installed. The trees were removed and the pressurized line was installed near the westerly boundary of the easement to accommodate the more permanent encroachments. Bologna pointed out on the plans where the District's concrete pipe and new pressurized lines are located. He noted that on the southern end there is no room for trees between the concrete pipe and the pressurized line. On the northern end of the line there is less than 18 feet between the two pipelines. District staff has reviewed the request and denied it based on the District's encroachment policy. Mr. Van Elderen came forward and addressed the Board. He said he is requesting that the Board approve his request to plant trees between the concrete pipeline and the new pressurized line. He said that he feels there should be consistency on the part of the District when enforcing easement rights. He also suggested that when the District plans projects such as this, they should send one

person out to meet with the landowners individually, before the construction begins, to explain exactly what to expect. He said he had no idea of the magnitude of the project and how it would impact him. Mr. Van Elderen asked the Board to approve his request to plant trees in the District's easement. Emrick asked the Board if we should obtain the right to use the current road from the neighboring landowner before approving or as a condition of approving the encroachment. The consensus was no, obtaining a right of way from the neighboring landowner, should not be a condition of approval. After more discussion it was agreed that District staff would meet with Mr. Van Elderen and come to an understanding as where and how many trees can be planted. Motion by Kuil to conditionally approve the Encroachment Agreement to specify the existing well w/ appurtenant equipment and a row of trees to encroach upon District easement subject to staff approval of trees' location and final action by the Board. The motion was seconded by Kamper and unanimously approved.

Item #8, Consider adoption of San Joaquin County's "Resolution On Land Use, Water and Other Delta Related Issues". Shields said the Board is being asked to sign a Joint Resolution of Cities, the County and other San Joaquin Count Stakeholders. He said that after a thorough review of the resolution, General Counsel, Emrick had some concerns in regards to wording in the document. Shields said that he talked to the City of Stockton, which is the agency spearheading the resolution, and asked if a provision could be added to the resolution to clarify our position. The City was in agreement to an additional provision. Holbrook added that we need to work with the other agencies around us to keep our water. Holmes made a motion to approve the Resolution on "Land Use, Water and Other Delta Related Issues" with the addition of a provision #7 stating, "All actions are to be consistent with the principles of California law governing water rights." Roos seconded the motion, which passed unanimously.

Item #9, Authorize execution of contracts for consulting services for retail electric application. Emrick presented this request. The San Joaquin Local Agency Formation Commission has received comments on the draft Environmental Impact Report and Sphere of Influence / Municipal Service Review. We will need to respond to these comments. He said he is seeking Board approval to engage two consulting firms to assist us in this task. Both firms have different expertise. Stradling Yocca Carlson and Rauth would be assisting us with legal matters related to public financing. The other firm, which will go unnamed at this point, would be helping us in the review of feasibility issues raised in the public comments as well as preparing for the future LAFCo hearing. Straddling Yocca Carlson and Rauth's hourly rate is \$475. The other firm's proposal is for time and materials at rates ranging from \$100 - \$250 per hour with an estimated cost of \$150,000. Motion by Roos, seconded by Holmes to authorize District Counsel to engage the two firms on the terms described above. Motion passed unanimously.

Item #10, Compensation adjustment for Utility Systems Director to be considered after closed session.

President Holbrook asked for Directors Reports:

Director Holmes said he wished to thank the Water Department for all their good work delivering a winter run.

Holbrook reported the following:

- He, Kuil, Holmes and Roos will be attending the Water Users Conference in Reno.

- At the Flood Control Advisory meeting, Dr. Lytle gave a report on weather patterns and described how they may affect us.

Holbrook then called for Managers Reports:

Bill Hubkey WTP Manager reported the following:

- Mike O’Leary and Plant Staff are starting the upgrades on the SCADA system.
- Staff is working on the “fiscal” budget for the Cities.
- On January 16, the Plant experienced a power failure due to a truck that hit a power pole on Dodds Rd. The generator did not start but many systems in the Plant had to be restarted. Because PG&E had a crew working nearby, the problem was fixed quickly.
- Plant staff have completed the quarterly fiber acid cleans.

Holbrook thanked the PG&E rep in attendance for the help at the WTP.

Don Battles, Utility Systems Manager

- Handed out Conergy’s Maintenance Reports on Phase 1 & 2 of the Solar Farm. He noted that on the Phase 2 report that they reported there are seven broken modules. Under the maintenance contract we have with Conergy all repairs will be covered.
- The bushing replacement program continues. Phase 1 is almost complete. Phase 2 replacement has not begun.

Bere Lindley, Finance/Admin Manager told the Board that he will make the financial reports available to them later this week.

Troylene Sayler, Communications Coordinator:

- Thanked Stantec for supporting the Boys and Girls Club crab feed.
- Employee Dinner is scheduled for February 10 at the River Mill
- Almond Blossom Festival in Ripon to be held February 24-26.

Sam Bologna, Engineering Department Manager

- 2012 Water Conservation Program update:
 - We have received 69 applications to date.
 - \$713,000 is already committed.
- Introduced Forrest Killingsworth the District’s new Associate Civil Engineer.

The following Structure Permit was approved:

- Jieun Hsu/Mike Sonke to install a sump with appurtenant sprinkler pump on Lateral “Q” 508 dd @ Sta. 14+/-.

General Counsel announced the Board would be discussing Items 13 a. b. 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

- b. CONFERENCE WITH LEGAL COUNSEL- Anticipated Litigation
 Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9
 Various water quality proceedings before State Water Resources Control Board—Delta Flow Criteria, San Joaquin River Flow Objectives
- 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
 Negotiating Parties: District and Union Pacific
 Under Negotiation: Price and terms of payment
- Property: APN 229-200-01
 Negotiating Parties: District and parties under contract to purchase the property
 Under Negotiation: Price and terms of payment
 Agency Negotiators: General Manager
- e. Public Employment Performance Evaluation – California Gov. Code Section 54957
 – Utility Systems Director

Upon returning from Closed Session, it was announced that the District staff is to enter into a contract to acquire subject property, APN 229-200-01.

President Holbrook said that Open Session would resume with Item 10, Consider compensation adjustment for Utility Systems Director. A motion by Kuil, seconded by Roos to increase to the Utility System Director's compensation by 4%. The motion passed unanimously.

There being no further business to come before the Board it was moved to adjourn to the next scheduled meeting to be held Tuesday, February 14, 2012.

ATTEST: _____
 Cheryl Burke, Executive Secretary