

Manteca, California
February 10, 2009

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: HOLBROOK KUIL KAMPER SCHULZ ROOS

Also present were Secretary/Manager Shields, District Counsel Emrick, HR Analyst Thornburg, Finance Supervisor Giuntoli, WTP Assistant Manager Hartman, Engineering Department Manager Bologna, and Communications Assistant LaVere.

President Kamper called the meeting to order and asked for public comment. There being none he asked the Board to consider approving the Consent Calendar as presented.

CONSENT CALENDAR

- A. SSJID Warrants of \$2,828,297.10, Wires of \$118,431.66, and Payrolls of \$427,749.69.
- B. SSJID Board Minutes of January 27, 2009.
- C. Adopt Resolution No 09-02-L, Authorizing an Amendment to the contract with California Public Employees Retirement System (CalPERS).

SOUTH SAN JOAQUIN IRRIGATION DISTRICT RESOLUTION # 09-02-L AUTHORIZING AN AMENDMENT TO THE CONTRACT

WHEREAS, the Board of Administration of the California Public Employees' Retirement System and the Board of Directors of the South San Joaquin Irrigation District entered into a contract effective on March 1, 1975 providing for the participation of said public agency in the California Public Employees' Retirement System; and

WHEREAS, it is now desirable to take advantage of certain benefits provided under said Retirement System and not included in said contract;

NOW, THEREFORE, BE IT RESOLVED, that said governing body authorized, and it does hereby authorize, an amendment to said contract, a copy of said amendment attached hereto and by such reference made a part hereof as though herein set out in full; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the presiding officer of said governing body is hereby authorized, empowered and directed to execute said amendment for and on behalf of said public agency.

Motion by Director Holbrook, seconded by Director Roos, to approve the Consent Calendar as presented.

PASSED AND ADOPTED this 10th day of February 2009 by the following roll call vote:

Ayes: Holbrook Kuil Kamper Schulz Roos
Noes: None

Review Board Committee Appointments. Kamper said since he had no input from Directors he was going to leave it alone. No action was taken.

Discussion concerning drought contingency plan for 2009 water season. Shields told the Board that Tri-Dam Project Operations Superintendent Ed Kisling had estimated inflow of 265,000 acre feet. With the formula (Per the 1988 Agreement with the USBR) our share of that would be about 190,000 acre feet if there is no more snow from this point forward. Regarding contracts for water the Stockton East Water District, based on

reduced inflow, would have a right to 4,000 acre feet of the total contract amount of 15,000. The agreement with the cities calls for 32,000 acre feet, and if we reduce allocations to our farmers they would receive the same reduction. However, last year they only used approximately 18,000 so unless it was more than a 44% reduction assuming they use the same as last year they would not be impacted. We also have 11,000 acre foot obligation to VAMP. Stanislaus County would most likely be impacted if we do not fill Woodward Reservoir. At this point Shields said he is not asking for authority to enact any options available. Director Holbrook said we need to send notices to those who would be impacted such as those who have annexed land or cancelled irrigation abandonment agreements with terms making them ineligible for water in a water short year. Emrick said at some point we may need to look at time limits, when to start the season and extending rotations from 10 to 12 days or more. Director Schulz said we should hold regional meetings with farmers to get the word out. Shields said he would look at that and make sure we do a newsletter explaining the situation we are in. After discussion it was moved by Director Kuil, seconded by Director Schulz, and unanimously carried, to send notices to all parties who may face cuts such as SEWD, the cities of Escalon, Manteca, Ripon, Lathrop and Tracy, Tier two landowners, Stanislaus County and any others who staff may find necessary.

Consider request by Mr. & Mrs. Del Toro to modify previously approved conditions of approval for the transfer of a portion of District property to them. Bologna said their neighbor has not cooperated and that leaves, the only option he would recommend, to have the City of Manteca take over the section of this drain line which is impacted. He said he talked to the City and they are interested and looking at the option. Motion by Director Holbrook, seconded by Director Kuil, to allow staff to work with the City and landowner to resolve the problem. Motion Carried, Ayes 4, Noes 1, with Director Roos voting No.

Consider approving amendment to Service Abandonment Agreement #611, Daniel & Merisa Eavenson, APN 261-220-26. Bologna said this may be something they will wish to postpone for a year if they cannot receive water as a Tier 2 property. However, Bologna asked the Board for approval of the Agreement to Amend for Mr. & Mrs. Eavenson subject to approval of a structure permit by the District. He asked that staff be given authority to work with the landowners to determine the most appropriate turnout with limited impact to the District. Motion by Director Holbrook, seconded by Director Kuil, to approve as recommended by the Engineering Department and to make the land "Priority two" or Tier 2. Motion carried, Ayes 4, Noes 1, with Director Schulz voting No.

Consider approving amendment of Service Abandonment Agreement #976, for the Koolhaas Family, APN 245-130-44. Bologna asked the Board to approve subject to approval of a structure permit by the District. Authorize staff to work closely with the owner to determine the most appropriate type of turnout with limited impact to the canal. Motion by Director Roos, seconded by Director Kuil, to approve as recommended. Motion carried, Ayes 4, Noes 1, with Director Schulz voting No.

Consider approving Senior Accounting Technician position for the Finance and Accounting Department. Thornburg said we need someone who can back up the Department Supervisor, have the ability to do the Payroll, Accounts Receivable and Accounts Payable. Giuntoli said additionally the position will need to do Inventory Control, help maintain separation of duties and supervise employees in the department. Director Kuil asked about the pay rates. Thornburg said the pay rate is 10% above those in the department that the position will supervise and comparable to other positions in the District, such as Engineering and the Water Treatment Plant. After discussion it was moved by Director Schulz, seconded by Director Holbrook, to approve the Job Description and the salary range. Motion Carried, Ayes 4, Noes 1 with Director Kuil voting No.

President Kamper asked for Manager's reports:

Shields said he attended the Cal Nile dinner along with Directors Kuil, Roos and Holbrook.

On Friday Joe Catanzarite and Shields met with Merced Irrigation District personnel relative to lap top computers for the Division Manager's to keep records of deliveries etc. Merced contracted with True Point a company that offers software for data base for run sheets. We feel the system will improve the reliability of our run sheets and will be a more accurate record of our water deliveries. Shields told the Board he wants to keep Nick Fereria in Engineering through the water season to help track signed off parcels and help coordinate the records. He said he figures the cost for the new programs, a server and lap top computer for each division and the water department supervisors should be around \$75,000. He will bring the issue to the Board for approval when he has all the costs.

Shields thanked the Board on behalf of the employees and their respective others for the Employee Appreciation Dinner.

Shields said that Tri-Dam Project will have to do water temperature monitoring as a condition of their FERC License. Bologna and Dan Eavenson of MCR Engineering told the Board all the pipe is in the ground except on Drain 9 which is close to being completed, and all contracted shotcrete work is complete. District crews have installed half of the "Wc" Project; they anticipate being finished by March 1st. The box on Jack Tone should be finished soon unless delayed by rain.

Shields said the Ram Tunnel is complete and the work on Schell Road should be finished by February 20th.

Bologna said that the work on Lateral E, which was redone from last year, is finished.

Battles reported that the two sub contractors we hired are busy and should be ready soon. We have a meeting scheduled with PG&E today. PG&E has assured us we will get our SGIP Refund. Shields commented that we have enough documentation to insure we get the refund. Landscaping by the sign has been sent out to bid. Holbrook asked if we would do a dry climate landscape. Shields said basically, but there is only a very small area that we are landscaping. OID had a leak in their pipe near the solar farm. When we reported it to them they came out and repaired the same week.

Hartman reported the following:

Fouling of fibers at the Plant is stable.
Staff has completed 50% of the mechanical connections for the solar water line.
A new level indicator has been installed at M-3.
Staff completed cleaning the DAF's 3 & 4.
Staff has installed emergency UPS backup power for three pieces of lab equipment.
California Department of Health Services has completed their annual inspection of the plant and will issue a report in 90 days.

Directors' reports:

Holbrook reported that at the Cal Nile dinner we were told fees on septic systems will be \$350. Gave an East Bay Municipal District on keeping your constituents informed to Shields. Reminded staff that he and Troylene Saylor were going to D.C. on the 24th of this month and to make sure you have set up meetings with our elected officials.

Kuil asked about the FFA funding East Union High School. Shields said he would look into it.

Kamper said he and Stein (Director Roos met with them later) met with our financial advisors this morning and the consensus was to reinvest available funds in the asset classes that are currently in the portfolio; except we will not make any additional corporate bond investments at this time. Also, investments will remain in short term maturities, in or around 1 year, unless they feature a variable or step up rate.

Roos said our investments appear fairly safe based on what we are currently holding.

Roos said he attended a meeting where Leroy Ornellas spoke about San Joaquin County business. He said it was a very interesting speech.

President Kamper called for closed session. District Counsel Emrick said the Board will be discussing two items in closed session.

Conference with Real Property Negotiator: Negotiating: District, City of Stockton, Stockton East Water District and California Water Service Company. District's Negotiators: District Manager and Counsel. Under Negotiation: Price and Terms of payment for sale of water.

Public Employment Performance Evaluation. Gov. Code, S. 54957. Position: Utility Systems Director.

Upon returning from closed session the following action was taken: District Counsel Emrick reported there was no reportable action taken in closed session.

Consider compensation adjustment for Utility Systems Director. Motion by Director Schulz, seconded by Director Kuil, and unanimously carried to increase the salary of Utility Systems Director Battles by 5.0%, retroactive to February 4, 2009.

There being no further business to come before the Board it was moved by Director Kuil, seconded by Director Roos, and unanimously carried, to adjourn to February 24, 2009 at 9:00 a.m.

ATTEST:

John Stein, Assistant Secretary