

Manteca, California  
February 28, 2006

The Board of Directors of the South San Joaquin Irrigation District met in regular adjourned 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, and Engineering Department Supervisor Bologna.

Director Kuil made a Motion, seconded by DeGroot, and unanimously carried, to add an item for closed session relative to personnel.

President Roos asked for public comment. There being none he asked the Board to consider approving the Consent Calendar as submitted.

#### CONSENT CALENDAR

A.     South San Joaquin Irrigation District warrants of \$839,436.85

B.     Regular Board Meeting Minutes of February 14, 2006.

Motion by Schulz, seconded by Kuil, to approve the Consent Calendar with the following changes in the minutes. Under the area where the new and old annual salaries were listed at the bottom of page 1, WTO II under old annual salary showed \$57,745, should be \$57,475.

PASSED AND ADOPTED this 28<sup>th</sup> day of February 2006 by the following roll call vote:

Ayes:	DeGroot	Kamper	Roos	Schulz	Kuil
Noes:	None				

Discussion and possible action concerning Lutz Parcel Map and request to purchase property interests of the District. Bologna said Mr. Lutz has 40 acres he is going to split into four 10 acre parcels. There are two road crossings, one 60 and one 40 feet, Bologna said the Board should apply the District's pipeline replacement policy to this land, and he recommends requiring the replacement of approximately 500 feet of pipeline and the two road crossings. He said Mr. Lutz also wants to purchase 2.18 acres and give us an easement. To do so, the Board would have to find that the 2.18 acres is surplus to the District's needs. Under the District's policy, Mr. Lutz would be required to replace about 1,600 feet of Lateral "A" located within the property to be sold and to pay a percentage of the value of the property, which we calculate to be \$53,654 after taking into consideration the pipeline replacement and the District's reservation of a 30 foot easement. A question was raised by Director Kamper that if the entire property interest was not really surplus whether the District should only sell the portion of the property that does not contain the pipeline. Emrick said the entire parcel would have to be sold as a unit, and to do otherwise, we would be required to do a lot line adjustment subject to San Joaquin County approval.. Director Schulz made a motion to sell the 2.18 acres at \$53,654 if Mr. Lutz replaces the two road crossings. Since there was no second the motion died. President Roos recommended that Mr. Lutz meet with Director Schulz and staff and work out a solution to be brought back to the Board later. No action was taken.

Consider approving agreements with the Galas family and the Verdegaal family to use District's Frankenheimer mini-hydro access road. Emrick said we worked out an agreement that meets the needs and interests of the District and TID. If acceptable, the Board will need to give authorization to the General Manager to take actions required to complete the legal descriptions and to sign the agreements when all of the owners have signed the agreements. Motion by Kuil, seconded by Schulz, and unanimously carried, to approve as recommended by General Counsel Emrick.

Consider cancellation of Service Abandonment Agreement # 1431, Fox River Paper Company APN 259-340-09. Motion by Kuil, seconded by DeGroot, to deny request to cancel the Agreement. Motion carried, Ayes 4, Noes 1, with Director Roos voting No.

Consider approving new Office Assistant job description and hiring to fill the position included in the 2006 budget. Stroud said we are asking for a permanent part time position. He said the General Unit MOU states part time employees are not eligible for benefits, not even PERS. Since this conflicts with PERS requirements that we pay into retirement system when an employee works for the District more that a certain number of hours, it is necessary to update the MOU. The General Unit representative agreed to amend the MOU, provided it is fair to both existing and new employees. They have asked that we give certain benefits to the permanent, part time employee when they work and average of 20 hours or more based on a quarterly average. Health insurance premiums would be paid 50% by the employee and 50% by the employer when average weekly hours are 20 hours or greater and 100% by the employer when average weekly hours are 30 or greater. Vision, Dental & Group Life Insurance benefit costs to the part time employee will be the same as full time employees. Standard vacation and sick leave accrual would be prorated according to hours worked, adjusted on a quarterly basis. Holiday benefits would not be paid unless the employee was assigned to work on a holiday. Director Kuil suggested we hire from a labor agency, e.g. Labor Ready, and if the person works out we can hire her/him. Recommended pay for this position is \$18.50 per hour. Motion by Kamper, seconded by DeGroot, to approve the Job Description, and authorize hiring a part time employee at \$18.50 per hour. Motion carried, Ayes 3, Noes 2, with Directors Schulz and Kuil voting No.

Review start of 2006 Irrigation Season. Motion by DeGroot, seconded by Kuil, to start water on March 8<sup>th</sup> unless the Water Committee decides to delay the start. Motion Carried, Ayes 3, Noes 1, Abstain 1, with Roos voting no and Schulz abstaining.

Consider approving Notice of Completion for Ranger Pipelines, Section 1 Contract. Project is complete; recommend signing and recording a Notice of Completion. Motion by Kuil, seconded by Kamper, and unanimously carried, to approve the Notice of Completion for Ranger Pipelines, Section 1 Contract.

President Roos asked for Manager's reports:

Stroud reported the following:

Have a copy of the draft newsletter we will be sending out later this week. Please read and let Cheryl Burke know if you have any comments or questions.

Reported we received an Honorable Mention in the Infrastructure Category from San Joaquin Council of Governments' Regional Excellence Award Program relative to the Nick DeGroot Water Treatment Plant and the South County Water Supply Program.

Submitted application for the Claire Hill award given by ACWA for excellence in water.

APPA Conference is in Chicago this year, June 9 thru 14. We need to know who will be attending. Please let Cheryl know if you plan to attend so she can make the necessary reservations.

ACWA Ethics training sessions will be held Tuesday, Wednesday, and Thursday at the ACWA Conference in Monterey. Other opportunities to meet AB 1234 requirements will occur later in the year, including at the ACWA Fall Conference.

Relative to the annual pump preventative maintenance program, we have been unable to obtain any other quotes, so we will be signing a contract with N&S.

Work on Lateral "Wc" is complete. We will continue pipe crawling and patching until we fill the system for water deliveries.

USBR reported SEWD will be given full allotment this year. SEWD may try to sell the water we sell them since they can buy water from the USBR for a lot less than they pay SSJID and OID. We will be looking for detail, especially for deviation from the existing contract and for adverse affects on electric generation.

As required, AG Waiver Annual Report and NPDES Annual Report are being submitted to the State today. Copies are available if you wish to read them.

The proposed amendment to the Water Supply Development Agreement approved by the Operating Committee so that Tracy can purchase Escalon's allotment is going to Lathrop City Council on March 7<sup>th</sup>, and Tracy City Council on March 21<sup>st</sup>. After it has been approved by all the Cities, it will come to the SSJID Board for approval.

Relative to recruitment at the WTP , two more Grade III Operator positions have been filled. We will continue to actively seek to fill all the approved positions. Also the Instrument Control Tech Position has been offered and accepted. All are subject to satisfactorily completing a physical exam and drug and alcohol test.

The lease agreement on undeveloped portion of the M-2 site was recently signed by the City of Manteca. They will be cleaning up the portion they are leasing.

Zenon is still looking at resolving their problems at the WTP.

President Roos asked for Directors reports:

Roos asked about the Calla/Nile Farm Center Dinner. Director DeGroot said he would attend; both Roos and Kamper indicated interest and were told to let Stroud know if they wished to attend.

Shields reported the following:

The Manteca Chamber of Commerce Board of Director's voted to oppose the use of eminent domain to condemn a private business for the same use, which was directed at SSJID's proposed action against PG&E. No notice was given that they were planning to consider the matter. He is working to change their minds because it is inconsistent with the needs of the Chamber's membership.

The CPUC indicated it will institute an investigation to determine if the investor owned utilities are harmed by expanding municipal utilities.

The FBI investigation of PG&E's involvement in the theft of files from the District is ongoing.

Draft EIR is in the County review phase and should be completed in March with action in April.

President Roos called for closed session relative to litigation and personnel matters. General Counsel Emrick indicated the Board will discuss three items as follows:

Conference with legal counsel relative to anticipated litigation, initiation of litigation, Gov. Code, S. 54956.9. One case.

Conference with legal counsel relative to anticipated litigation, significant exposure to litigation, Gov. Code, S. 54596.9. One case.

Personnel discussion.

Upon returning from closed session it was reported that it accepted the recommendation of the Personnel Committee to contract with a consultant to hold a workshop with the Board relative to salary and benefit surveys. No other action was taken in closed session.

There being no further business to come before the Board it was moved by Kuil,  
seconded by Schulz, and unanimously carried, to adjourn to March 14, 2006 at 9:00 a.m.

ATTEST:

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John Stein, Assistant Secretary