

Manteca, California
March 9, 2004

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: DEGROOT KAMPER SCHULZ ROOS KUIL

Also present were Secretary/Manager Stroud, District Counsel Emrick, District Engineer Gilton, and Engineering Department Supervisor Bologna.

President Schulz called the meeting to order and asked for public comment.

Fred Paulos of Escalon addressed the Board. Mr. Paulos told the Board that he has been farming in the District since the 1940's. He has been impressed with the many accomplishments of the District. Projects such as, Tri-Dam in the 50's, the Piping Project in the 60's and the Water Treatment Plant which is currently being built. He said he fully supports the District and the Board, however, he is opposed to entering the retail power business. As to a letter he received from the District concerning the sump program, he said he does not feel he should have to spend the money to replace his sump. He said it works, and there has been little or no work done by the District on the pipeline he uses. Gilton said he would be contacting him in the near future to make sure there is a need.

President Schulz asked the Board to consider approving the Consent Calendar Items as presented.

CONSENT CALENDAR

- A. SSJID Warrants of \$1,261,993.09 and payrolls of \$133,455.62.
- B. Regular Adjourned Board Meeting Minutes of February 24, 2004. Director Kamper asked about the discussion on approving the request by Van Groningen and Brochinni to use District water. He said he thought the Board approved it, but the minutes say no action was taken. After discussion, it was the consensus of the Board to place the item on the agenda for the next meeting.

Motion by Roos, seconded by DeGroot, to approve the Consent Calendar.

PASSED AND ADOPTED this 9th day of March, by the following roll call vote:

Ayes:	DeGroot	Kamper	Schulz	Roos	Kuil
Noes:	None				

Consider authorizing a six month extension to Master Utility Encroachment Agreements. Bologna said we have seven Master Agreements. Five of them have expired. He said he needs time to make some changes to the Agreements and thus the request for the six month extension. After discussion the following action was taken. Motion by Roos, seconded by Kuil, and unanimously carried, to authorize staff to negotiate a six month extension of Master Utility Encroachment Agreements that have expired.

Consider awarding contract to low bidder for replacement of a dump truck. Interstate Truck Center offered the low bid of \$84,461.49 which is less than was budgeted for. Ray Simons, Shop Supervisor, is requesting that we keep #247 until the end of the 2004/2005 maintenance season and add a new 3 axle dump truck to the fleet in the 2005 budget. Motion by Kamper, seconded by Kuil, and unanimously carried, to authorize the purchase of the new dump truck from Interstate Truck Center at a price not to exceed \$84,461.49 and keep #247 until the end of the 2004/2005 maintenance season.

Approve entering into a Maintenance Agreement with Stanislaus County, and authorize execution of same. Motion by Kamper, seconded by DeGroot, and unanimously carried, to approve the agreement and authorize execution by the General Manager.

General Manager's report:

Frank Avila and John Stein have obtained bids for security at the District's yard, as requested by Director Kamper, they will be going over them with him in the near future.

Reported that relative to the state budget Assemblyman Aghazarian's staff told him that it appears the impact on the property taxes we receive will be a reduction of approximately \$103,000 per year. In 2003-2004, we paid \$429,478, which was from the ERAF funds taken from Special District by Governor Wilson in 1994. The Assemblyman's staff was unsure if this is a one time taking, or if it will continue like the last ERAF shift.

Reported the Legislature is not spending a lot of time working on the budget crisis. Instead, they are looking at Special District Reform. Some of the items of interest are Directors Fees and Expenses, consolidation of Special Districts, District's Reserves, and Bonding. Also, looking at increasing audit requirements for Special Districts.

Assemblyman Canciamilla, introduced a bill to reduce water rights fees. This is supported by irrigation districts, but not by the many that could lose additional funding if the burden on irrigation districts is lightened.

He said the environmentalists have filed a law suit against the District and the Regional Water Quality Control Board relative to the Ag Waiver. Oakdale, Modesto, Turlock, and Merced Irrigation Districts were also sued in separate suits.

Waterman Gate Company, which has been our supplier of gates for many years, is going out of business. We are working with Fresno Valve in hopes they can supply us with gates, valves and replacement parts.

Relative to the water treatment plant change orders are less than \$500,000, or 1/2 of 1%. Originally the City of Manteca is asked to have a portion of water transmission pipeline installed as part of a City of Manteca contract that would install sewer pipe at the same time. Since the City project has been delayed, they asked that we include that 1,000 foot segment in work under the District's pipeline contract. The work will be added back into our contract and a balancing change order executed later to correct for the actual quantities installed.

We started diverting 100 cfs from Goodwin Dam yesterday. We will keep the reservoir elevation at 180 feet until the work on the dam is complete, then it will be filled to 210 foot elevation. We will start delivering water to farmers on March 15th as approved by the Board.

Met with PG&E relative to aggregation, have another meeting scheduled on March 30th.

Relative to maintenance, we are completing work on Division 8 and on the I line, where we are bringing in 40 loads of dirt to complete the backfill.

Reported that relative to the District's News Letter, which was given to each Director at the beginning of the meeting, that he would like them to look at it, and let Cheryl know if there are any changes prior to the end of the workday. Director Kuil suggested two changes.

Director's reports:

Schulz asked if they are finished with the work in the reservoir, or will they have to drain it again next year? Stroud said Grant Kreinberg and Jay Hesby told him they have finished the work in the bottom of the reservoir and the reservoir should not have to be drained completely next year.

Kamper asked about the line to the Reece's property off North Ripon Road. Stroud said he will put it on the agenda for next meeting.

Roos asked about fish studies and counts. The traps were out of the water when he was down there. Stroud said he was not aware of this but would check.

President Schulz called for closed session relative to litigation matters, personnel matters, and labor update. General Counsel Emrick said the Board will be discussing item a. and c.

a. Conference with legal counsel, existing litigation, Gov. Code, S. 54956.9. Four Cases.

Chevron Texaco v. SSJID
SSJID v. Laro Coal & Iron-California, Inc.
SSJID v. John Azevedo
SSJID v. J. Meneses

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

Upon returning from closed session, General Counsel Emrick reported there was no reportable action taken in closed session.

There being no further business to come before the Board it was moved by Kamper, seconded by Kuil, and unanimously carried, to adjourn to March 23, 2004 at 9:00 a.m.

ATTEST:

John Stein, Assistant Secretary