

Manteca, California
March 11, 2008

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 KAMPER KUIL SCHULZ ROOS

Also present were Secretary/Manager Shields, District Counsel Emrick, WTP Manager Hubkey, Engineering Department Supervisor Bologna, and Communications Coordinator Saylor

President Kuil called for public comment. There being none he asked the Board to consider approving the Consent Calendar Items as presented.

- A. SSJID warrants of \$413,539.30 and payrolls of \$401,082.09.
- B. Board Meeting Minutes of February 26, 2008.
- C. Accept and file Notice of Completion for work on the parking lot seal coat and repairs project.

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

PASSED AND ADOPTED this 11th day of March 2008 by the following roll call vote:

Ayes: Holbrook Kamper Kuil Schulz Roos
Noes: None

Discussion concerning water quality for urban run off for developments in the south area of the City of Manteca. Bologna said the City is asking to use Drains 10 and 11 for the growth area. Bologna introduced Mack Walker of Larry Walker & Associates, Davis, California. Mr. Walker gave a short power point presentation on the Manteca Storm Drain Master Plan. Walker said the City will be coming back to the District requesting an amendment to the Master Drainage Agreement (Agreement). Emrick asked if they ran temperature tests. Walker said no. Kamper asked about the requirement to purchase Agricultural Land, and how the City could designate land near the Walthal Slough as Agricultural Land? Phil Govea, Deputy Director of Public Works for Manteca said he was unsure of the answer to that question. Don Milan said that land would be considered more of a wild life habitat than agricultural reserve. It will be intended as an area to treat storm runoff. Director Schulz asked if this property is outside the District boundaries. Don Milan, Associate Engineer said not all, but approximately 1,200 acres are. No action was taken.

Consider adopting Resolution 08-05-O, Resolution in Opposition to Proposition 98. Shields said this initiative will make our effort to go into the retail power business much harder, and considerably more expensive. He recommended approval. Motion by Director Kamper, seconded by Director Holbrook, to adopt the Resolution 08-05-O as presented.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 08-05-O**

RESOLUTION IN OPPOSITION TO PROPOSITION 98

WHEREAS, California's water and energy systems are facing significant challenges as the infrastructure ages and new technology is needed to maximize the efficient distribution of water and power; and

WHEREAS, the provision of essential public services, including water and power, are fundamental rights of local communities; and

WHEREAS, in order to assure that local communities continue to enjoy local decision making and Home Rule over the provision of electricity and water; and

WHEREAS, Proposition 98, an initiative on the June 2008 ballot, could make it more expensive, or prohibit the right of local communities, to acquire the land or facilities that are necessary to provide the essential public service of water and power; and

WHEREAS, examples of threatened projects include the acquisition of electric distribution facilities, substations and rights-of-way, by a local community; water surface storage facilities, rights-of-way for pipelines and canals to deliver water to homes, business and farms; and

WHEREAS, the initiative conflicts with several policy principles adopted by the Association of California Water Agencies (ACWA) Board of Directors (an organization in which SSJID hold membership), and those principles call for ACWA to oppose any proposal that limits a water agency's right to make use of property acquired by eminent domain or adds to the costs or burdens imposed on water agencies in the eminent domain process; and

WHEREAS, the South San Joaquin Irrigation District is responsible for providing irrigation service to some 4000 farm customers and domestic water to four cities serving some 200,000 citizens and businesses, and is also responsible for generation of hydro-electricity from six electric generation facilities;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTH SAN JOAQUIN IRRIGATION DISTRICT that the District hereby OPPOSES Proposition 98.

PASSED AND ADOPTED this 11th day of March 2008 by the following roll call vote:

Ayes:	Holbrook	Kamper	Kuil	Schulz	Roos
Noes:	None				

Consider approving modification to the existing HVAC system at the WTP. Hubkey told the Board that the equipment room is too hot with the current system. Modification can be made to correct it at a cost of \$8,000. He said he will ask the Operating Committee at the next meeting for their approval. Once he gets the Operating Committee's approval he will get bids. He is asking that the Board to approve the modification subject to the Operating Committee's approval. Motion by Director Roos, seconded by Director Schulz, and unanimously carried to conditionally approve per Hubkey's recommendation at a not to exceed price of \$8,000.

Consider approving purchase of a six station "Dissolved Air Flotation (DAF) system for the WTP. Hubkey said this equipment is used for testing and it should last for 10 to 15 years. He recommends approval subject to approval by the Operating Committee at a cost not to exceed \$10,850. Motion by Director Kamper, seconded by Director Holbrook, and unanimously carried to approve the purchase of the testing system at a not to exceed price of \$10,850 as recommended subject to approval of the Operating Committee.

President Kuil asked Hubkey to give his managers report:

Hubkey reported:

On March 10th we flushed the upper inlet line in preparation of switching to the upper intake.

PG&E had no power failures during February. Also, PG&E is trying to have the auto read meters installed the month of March.

February rains have impacted the sludge drying process. We may need to hire a contractor.

DHS made their annual inspection of the plant. No discrepancies were found.

GE-Zenon is going to send a field rep in March to evaluate the thinner side shrouds that were installed.

No response yet from GE-Zenon on why fiber breakage is so high.

Manteca is requesting to change their operation from a flow mode to a pressure mode. City staff, District Staff and TESCO are working to achieve this.

Acid cleans start in March to clean the fibers. In the past this has resulted in increased fiber breaks.

The positions of one laborer and one Operator in Training were posted in-house yesterday.

President Kuil said we have an emergency problem that just came to his attention and we need to go into closed session. Motion by Director Holbrook, seconded by Director Schulz, and unanimously carried to add to the agenda, a closed session item for conference with legal counsel to discuss anticipated litigation as requested. Motion Carried, Ayes 5, Noes 0.

Emrick announced closed session under Gov. Code, S. 54957.

Upon returning from closed session Emrick announced no reportable action was taken.

Consider approving renewal for Wonderware-Intouch software programs. Shields said these licenses are for the District and the Water Treatment Plant, total cost is \$14,877.26, the WTP portion is \$8,678.36, balance of \$6,198.90 is for the District. Motion by Director Schulz, seconded by Director Holbrook, and unanimously carried, to approve the renewal at a cost not to exceed \$14,877.26.

Authorize the General Manager to execute agreement with Hayes and Company, Inc. for the recovery of funds in the amount of \$53,000. Stein reported that we received a call from Robert Hayes of Hayes and Company telling us that for 10% (\$5,300) he will collect the \$53,000 and we will have to pay him out of that amount. A copy of the agreement is enclosed, and District Counsel Emrick has reviewed it and made changes which are underlined. After discussion that the District should not be liable for collection expenses, it was moved by Director Schulz, seconded by Director Roos, and unanimously carried, to approve the agreement with the exception of Paragraph Number 4. Expenses (Remove item 4) and authorize the General Manager to execute the agreement.

Consider approving revised/updated job descriptions. Shields said the job descriptions were prepared as a result of the Johnson Study, they have been reviewed by employees, their supervisors, and I recommend approval. Motion by Director Holbrook, seconded by Director Kamper, and unanimously carried to approve the job descriptions as submitted.

Consider authorizing actions to complete upper Main Canal fencing. Emrick said the bypass channel was originally not required to be fenced. However, DHS has changed their mind and now want it fenced. As a result of this we agreed to install an additional well for the Borba property, which will also require some fencing around the pump. Staff proposed that the District offer to pay the owner \$10,000 for the assumption of all responsibility for the wells. Those negotiations have not resulted in signed agreement. In recent negotiations the owners have asked that the District permit them to pump water from the canal for the cattle during times solar wells are down and require repair. The consensus of the Board was the following: 1. The \$10,000 for the owner assuming responsibility; 2. A fourth well with solar panels; and double fencing/razor wire and barbed wire around the well. However, the Board is opposed to the landowners request to pump out of our canal. No action was taken.

President Kuil asked for General Manager's report.

Shields reported:

Water season is now scheduled to start Wednesday, March 12, 2008. Kamper asked if the City of Ripon had been notified about water starting tomorrow. He said we should call them regarding work on the V line where they are removing the bank.

Attended a PUC workshop last week on demand response services.

Met with Phippen and Travaille regarding Solar power. They wanted to know if we could participate with them in building a solar power system. We will attempt to work with them.

Ripon Record had an article regarding working with the schools in Ripon to give them water. Bologna organized a meeting between Ripon Unified, Ripon Christian, the City of Ripon and a couple of District Directors. The meeting was well received by all and will meet again soon to continue the discussion.

Reported that the Manteca Visitors Bureau is having a street faire April 5 and 6.

Directors Reports:

Kamper said he thinks we need to change our policies regarding plastic pipe. He said maybe we need to establish Assessment Districts, but we need to do something to reduce the high cost of concrete pipe for small lines that could use plastic pipe.

Holbrook reported on his trip to Washington D. C. with ACWA.

Tuesday, February 26

Water and Power Congressional Reception. Unable to attend due to plane equipment failure upon leaving Denver Airport.

Wednesday, February 27

8:30 AM – 9:30 AM Keynote Speaker: Honorable Ben Grumbles, EPA
Assistant Administrator for Water.

1. Security Sustainability Bond has 2.5 billion dollars for various water programs including Homeland Water Chemical Security Act that provides for contaminant warning programs and chemical safeguarding.
2. Using 3 R's approach to awarding grants.
 - a. Reducing water waste and inefficiency by using appliances that reduce water use.
 - b. Reusing storm water and desalination processes.
 - c. Restoring watersheds, protecting wetlands and reducing nutrient loading.
3. EPA developing list of contaminants and trying to set limits for contaminants.

9:30 AM – 10:30 AM Washington Insiders Speakers Panel – John Greshman,
Daryl Owen, Gary Ellsworth, Moderator: David Renolds.

1. Discussed various political possibilities in the upcoming presidential election.
2. Appropriation Bill may not be passed until February 2009.
3. Climate issue will take much Congressional time.
4. 20-30 Republican House members are retiring. New people will not have knowledge to make intelligent decision.

10:30 AM – 11:50 AM Bush Administration speakers Assistant Secretary of the
Army for Civil Works, Paul Woodley; Associate Director
of Water, USGS, Dr. Robert M. Hirsch.

1. The Water Resources Act of 2007 and Budgeting discussed. One needs Authorization and Appropriation of monies to accomplish or achieve an end.
2. It is important to have independent project reviews at the beginning of a project at full federal expense.
3. Developing updated principle for Federal Water Projects to guide Army Corps for Civil Works.
4. Safety of Life and health are major factors in ranking projects to be funded.
5. Funding for USGS is falling more to states and special districts.

Noon – 1:30 PM House Speech Program. Speakers: Representatives, Laura Richardson, Grace Napolitano, Kevin McCarthy, Hilda Solis, Ken Calvert and Jim Costa.

Items discussed:

1. Life as a new member in Congress
2. 2008 Political Outlook
3. Contacting your Representatives on issues concerning your agency
4. Need to assist your Representatives to inform your constituents of the issues
5. Do not expect financial help from Congress
6. We need to contact our Representatives and Senators to oppose HR2421 and S1870. These bills would allow regulators and federal agencies to take control of all water including underground water. The term Navigable Water would be removed from past legislation.
7. We must invest in infrastructure to meet the growing demand for water – conservation is not enough. California has 37 million people and is expected to grow by another 17 million in the next 10-15 years

Thursday, February 28

8:30 AM – 10:00 AM Closing speaker, Representative Earl Blumenauer, (D – Oregon) Going Green – Water Infrastructure Financing

1. There are 78,000 miles of water infrastructure over 80 years old
2. The public for the most part are unaware of the value of water and their need for it.
3. We need to pass legislation creating a National Plan to improve water infrastructure.
4. He will draft legislation to create a Water Trust Fund this session to facilitate his National Plan. He proposes to finance his plan by taxing the people, penalizing industrial discharges, taxing corporations and taxing agricultural chemicals. He hopes to raise 10 billion a year through additional taxes.
5. Not once did he ever mention cutting spending on anything!

Kamper asked about the 249-4600 number. He stated when he received a call from any of the many lines here it always shows up on his phone as 249-4600. Asked if it can be changed. Stein said he would check.

Roos asked about turning over Drains 10 and 11 to the City and have them take care of them. Emrick said probably not a good idea since we have differing responsibilities, but we will look into it.

Kuil asked for report from Utility Systems Director Don Battles

Reported he met with PG&E's Engineer regarding the solar plant hookup. Peter Harris of SunTechnics is meeting with General Electric to do drawings. Should have the technical problems done shortly and have it connected by April.

Shields said that relative to OID using our water and the Bureau not paying us. It looks like they may pay the \$600,000. Emrick and I plan to meet with O'Laughlin and Knell shortly.

Kuil called for Closed Session. Emrick reported we will discuss the following in closed session.

Conference with legal counsel, existing litigation, Gov. Code, S. 54956. SSJID v LAFCo, Superior Court – San Joaquin County, Case No. CV 0302559.

Conference with legal counsel, anticipated litigation, initiation of litigation, Gov. Code, S. 54956.9. 2 Cases.

Conference with Real Property Negotiator: Negotiating parties: District and City of Stockton. District' Negotiators: General Manager and General Counsel. Under negotiation. Price and Terms of Payment for sale of water.

Upon returning from closed session District Counsel Emrick announced there was no reportable action taken in closed session.

There being no further business to come before the Board it was moved by Director Schulz, seconded by Director Roos, and unanimously carried to adjourn to March 25, 2008 at 9:00 a.m.

ATTEST:

Assistant Secretary, John Stein