

Manteca, California
March 12, 2013

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. President Roos called the meeting to order and led the flag salute. Upon roll call the following members were noted present:

DIRECTORS: HOLBROOK HOLMES KAMPER KUIL ROOS
ABSENT: NONE

Also present were General Manager Shields, General Counsel Emrick, Engineering Department Manager Sam Bologna, and Betty Garcia, Executive Secretary.

Director Roos asked for public comment and there was no public comment.

The Board was asked to consider the following Consent Calendar Items.

CONSENT CALENDAR

- A. Approval of Warrants the amount of \$502,520.33; A/P Wires in the amount of \$200,799.64; and February payroll in the amount of \$336,270.25.
- B. Approval of Board Meeting Minutes of February 26, 2013.
- C. Approval of Consent to SSJID's entry of property to read and owner's agreement to maintain flow meter, Robert and Ronald Barenchi, APN 177-500-14.
- D. Approval of the following Irrigation Service Abandonment Agreements:

David J. Dinsdale, APN 208-060-20, 1.47 acres
City of Manteca, APN 224-040-53, 2.93 acres

- E. Consider approval of Resolution #13-04-P authorizing sale of strip of land to Raymus Homes.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 13-04-P
RESOLUTION AUTHORIZING THE CONVEYANCE BY QUITCLAIM
OF PROPERTY OWNED BY THE DISTRICT**

WHEREAS, the SOUTH SAN JOAQUIN IRRIGATION DISTRICT, hereinafter referred to as "District", is the title holder of a portion of property acquired by virtue of deed recorded in the Book of Official Records Vol. 725, Page 123, San Joaquin County "Subject Property" located

within a portion of Section 7, Township 2 South, Range 7 East, Mount Diablo Base and Meridian,

WHEREAS, the Subject Property lies adjacent to the property located at 1912 Oleander, Manteca (226-180-18) within a future development by Raymus Homes, Inc., hereinafter referred to as "Buyer", and

WHEREAS, Buyer wishes to purchase the westerly 20 feet of the Subject Property, and more particularly shown on the attached Exhibit "A", from District pursuant to the terms approved by the District's Board of Directors at the February 26, 2013 Board meeting; and

WHEREAS, the District's fee interest is surplus to its needs and the existing adjacent easement interest that remains is adequate for all reasonable District purposes, and

WHEREAS, it is in the best interest of the District to transfer property in exchange for the established consideration, and

WHEREAS, it is in the best interest of the South San Joaquin Irrigation District that the westerly 20 feet of Subject Property be transferred to Buyer on the terms as outlined by Board action of February 26, 2013 as follows:

1. Buyer's payment of the purchase price of \$26,275.00 for approximately 0.41 acres.
2. District's title to be conveyed by Quitclaim Deed.
3. Buyer will pay all costs related to transfer, including but not limited to, closing costs, title fees, brokerage fees, survey costs, recording fees and administration costs.
4. Buyer shall assume all liabilities for property associated with acquisition.

WHEREAS, the District's Board of Directors finds as follows:

1. The consideration for the transfer of the Subject Property is fair value, and
2. The District's interest in the Subject Property proposed to be quitclaim deeded is no longer necessary for District purposes, and
3. The proposed disposition of the Subject Property is categorically exempt under California Environmental Quality Act as Class 12 Project pursuant to 14 CA Adm. Code of Regulations 15112 since the surplus government property does not have significant value for wildlife habitat or other environmental purposes and the property is of such size and shape that it is incapable of independent development or use.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the South San Joaquin Irrigation District hereby authorized the President and Secretary to execute on behalf of the District a quitclaim deed to the Buyer disposing of the District's interest in the Subject Property on the terms described above.

F. Accept and File Notice of Completion for the MDC Shotcrete Project.

G. Accept and File Notice of Completion for the cleanup and repairs to Joint Canal from rockslide below Goodwin Dam.

It was noted on item #G, that check #22913 would be voided and re-issued withholding 5% retention monies until 30 days after the Notice of Completion is recorded.

A motion was made by Director Holmes and seconded by Director Holbrook to adopt the foregoing Consent Calendar items and Resolution by the following roll call vote:

AYES: HOLBROOK, HOLMES, KAMPER, KUIL, ROOS
NOES: NONE
ABSENT: NONE

Motion passed unanimously.

ACTION CALENDAR

Item #1 - Update on District's Division 9 Project

Mr. Jeff Shaw said that 2800 acres of farmland are connected to the pressurized system and that 10,000 gallons per minute (GPM) of water was being distributed by the second day of irrigation. The new turnout on Lyons Avenue near Austin Road is going well. With regards to the punch list and warranty items, he stated only two of the seventy-six flow meters are experiencing noise issues on the cables and will be replaced. He said 95% of the moisture sensors are trending properly, however, there are four locations that are not working. Mr. Shaw noted that motor 115 which is a 250hp motor, has failed but it is covered under the warranty. The manufacturer is performing tests to find out the reason for the failure. Director Holmes suggests the District stock an extra 250hp motor. Mr. Shaw stated there was a three time failure at turnout #85.

This item was for discussion only and no action was taken.

Item #2 – Consider approval of Water Treatment Plant budget for Fiscal Year ending June 30, 2014

Mr. Lindley said there has been a modest increase to the raw water costs which is entirely driven by the increased water volume to be treated and delivered to the cities. If the budgeted increase in water demand does not materialize then overall operating costs will not increase. He said if raw water and power costs are taken out of the budget, and we compare only the remaining items with prior year amounts, then the remaining budget drops by 3.4%. He stated no adjustments to wages have been included because the labor agreements expired December 31, 2012 and have not yet been renegotiated.

Mr. Hubkey noted that both the Cities of Manteca and Tracy want to take more water. The River Islands project will also be taking water. He said it is easier for the City of Manteca to build a tank to hold their water rather than use suction pumps. Currently, the City of Manteca proposed

to install a 150 to 200 HP booster pump at the M1 site. Director Holbrook said the cities should not design suction pumps that could create problems with our water system.

A motion was made by Director Holbrook and seconded by Director Kuil to approve the proposed budget. Motion passed unanimously.

Item #3 – Review SSJID’s proportionate share of the Delta Coalition Business Plan and approve payment of three (3) installments of \$3000

Mr. Shields said the Delta Coalition looks at water issues in the area and he was able to get the coalition to agree to protect SSJID’s water rights. The Delta Coalition is a lobbying group and is composed of members from SEWD, BIA, SJCOG, SJC Public Works, City of Stockton, SJFB, SJC Board of Supervisors, Restore the Delta, and CSPA.

A motion was made by Director Kamper and seconded by Director Holmes to pay \$9000 to the Delta Coalition for our membership and any further payments must be brought back to the Board for consideration. Motion passed unanimously.

Item #4 – Consider approval of Amendment to Irrigation Service Abandonment Agreement for De Jong Trust, APN 257-260-49

Mr. Bologna said this is a straight forward agreement and the land has not taken District water since 2000. Staff recommendations are outlined as follows:

- Owner shall obtain a new structure permit and adhere to District’s standards for any proposed new connections to the gravity systems, should owner decide to install valves for flood irrigation.
- Owner shall be responsible for providing necessary improvements to irrigate adjoining parcel to the north (also belonging to De Jong) from the existing turnout.
- Conditions state above will need to be satisfied prior to processing the amended agreement.

A motion was made by Director Kamper and seconded by Director Kuil to approve the amendment to Irrigation Service Abandonment agreement for De Jong Trust, APN 257-260-49 with staff recommendations. Motion passed unanimously.

Item #5 – Discussion and possible action concerning the 2013 Storm Drain Master Plan for the City of Manteca

Mr. Bologna said the City of Manteca recently completed their 2013 Storm Drain Master Plan update of their existing plan and their proposal of increased use of SSJID facilities. Staff has reviewed the plan and made numerous recommendations for changes that will need to be addressed and incorporated into the final draft. He said the District needs to ensure that any conflicts be addressed in an amended agreement with the City and they need to be consistent with the current agreement between Manteca and the District. Director Holbrook agrees that the City of Manteca must align up with the District’s standards. Director Kamper asked if there was

a “hold harmless” clause included in the agreement. Mr. Bologna said there was a section that stated the City retains all responsibilities for all storm water it discharges to the District conveyance facilities and the District at no time assumes any responsibility for the City’s storm water. Mr. Emrick added that there is also an indemnity section.

This item was for discussion only and no action was taken.

Item #6 – Consider continued suspension of Tier 2 of Division 9 pressurization rates

Mr. Lindley stated that last year the Board suspended tier 2 of the pressurization rates for 2012 only for a variety of reasons. It was the District’s plan during the 2012 irrigation season to collect information regarding the sufficiency of pressurized revenue and before deciding whether to make the suspension of tier 2 permanent. However, during the last irrigation season, we were unable to collect sufficient data to evaluate revenues because last year utilization of the system was impaired by late completion of construction of the Division 9 project and the turnouts came online throughout the season. Director Holbrook said perhaps Tier 2 rates could be changed to a cost per inch. Director Holmes suggested the rates are backwards and perhaps the higher rate could be charged at the beginning of the season.

A motion was made by Director Holmes and seconded by Director Holbrook to extend the suspension of tier 2 through the 2013 water season and then, after the 2013 season, to re-evaluate how to revise the Division 9 pressurized rates for future water seasons. Motion passed 3 to 2 with Directors Kamper and Kuil casting no votes.

Item #7 – Consider District support of a floodplain restoration project on the Stanislaus River

Mr. Shields distributed information regarding partnering with Bay-Delta and Central Valley Flood Management on a Grant Application to USACE for floodplain restoration on the Stanislaus River. He said the United States Army Corp of Engineers is offering a \$330,000 grant for a restoration project in the San Joaquin Basin. Mr. Shields stated that no action is required by the Board and the District is only reviewing the proposal.

Item #8 - Communications

Director Holbrook

- He attended the First Aid, CPR class that was being offered at the Water Treatment Plant and said the class was very educational and professionally administered. He said all District staff should know where the First Aid boxes in their offices are located and they should also know the telephone numbers to the US Poison Control and California Poison Control offices. He stated the MSDS data sheets are being replaced by the Global Harmonized System effective December 2013.
- He noted the SDRMA Safety/Claims Education Day will be held on Thursday, March 28, in Sacramento. He wanted to know if the discount to the District would be more for each Board member that attended. As it turns out, the District receives a certain discount on membership regardless of how many Board members attend the training.

Director Kuil

- He asked who the new Ditchtender on Division 8 is. He was told it is Greg Wallace.

Director Kamper

- He said he would like a meeting of the AG Water Committee prior to the next Board meeting.

Director Holmes

- He attended the First Aid class and learned a lot.
- He said the Water Season is off to a good start but he is still hoping for more snow.
- He attended the Tru Care dinner at Tri Dam on Saturday night in Tuolumne. Also in attendance were Directors Holbrook, Kamper, and Kuil.

Director Roos

- He attended the San Joaquin Tributary Association meeting last week and said a new treasurer has been hired.
- Informed the Board to turn in their Form 700 reports to Robin.
- He also asked for the evaluation forms for Dan Pope.
- The next Tri Dam meeting is on Thursday, March 21.

President Roos asked for Managers Reports.

Bill Hubkey, Water Treatment Plant Manager

- The WTP staff are planning to flush the raw water lines on Monday, March 18 and start using the upper intake that day or early the next morning. When the switch is made, a letter lifting the “No Bodily Contact” will be given to Stanislaus County.
- Plant and District staff met with Caltrans yesterday. There is still hope to get some type of change to the main transmission line before June of this year. Another meeting will be held on Monday, March 18, to try and resolve this matter.
- Plant staff have been working with the City of Manteca to get the M1 and M4 sites operational before summer.
- Plant staff are working to finish the report for the Regional Water Quality Control Board to seek approval to let the citric acid from the plant cleans to stay on site and evaporate. There would be significant trucking savings if approved.
- Plant staff have started the quarterly citric acid cleans on the fibers. This is a routine maintenance item required by Zenon to maintain the warranties.

Bere Lindley, Finance & Administration Manager

- He met with Joe Catanzarite, Julie Vrieling, Robin Giuntoli, and three division managers (Keith Obrochta, Michael Donahue, and Josh Wirstlin) on Friday, March 1 to discuss the volumetric billing process. They helped to identify situations which could be problematic and are comfortable with the issues they could be facing with the volumetric billing. On Wednesday March 6 he met with the entire water department to discuss the

same issues and was very pleased with their willingness to take on the new challenges associated with their central role in the volumetric billing process.

- Joe Catanzarite held a half day meeting with his staff to kickoff the water season. Lindley said he was very pleased with the positive response received from the ditchtenders who realize their role is critical in water measuring. Staff is grateful to the Board for allowing the District to issue volumetric bills for one season without collecting the fees.

Troylene Saylor, Communications

- She announced the Spring Newsletter will be coming out soon.

Sam Bologna, Engineering

- Conservation Program has received 71 applications; \$713,375 committed and no new applications have been received for meter or sprinkler systems in response to letter.

Jeff Shields, General Manager

- National Wildlife Service Refuge Expansion-San Joaquin County. He said there is a meeting on March 21, at 9:00 a.m. at the SJ Farm Bureau offices. He stated this proposal is a multi-year proposition that proposes voluntary acquisition of land to establish the expanded San Joaquin National Wildlife Refuge. The Farm Bureau is opposed as is the City of Ripon, San Joaquin County, and many others. Much of the land is currently protected by a system of levies. It is unclear how the land can be flooded without impacting a lot of other land or without the cost of a major new levy system.
- BDCP will be released in three stages starting with Chapters 1-4 on Thursday, March 14 and a public hearing on March 20. Stage 2 will then be released on Wednesday, March 27 with Chapters 5-7 and the public hearing on April 4. Finally Stage 3 will be released on Monday, April 22 and will cover Chapters 9-12 with a public hearing on April 29.
- SED (Substitute Environmental Document): San Joaquin Tributary Association will present their issues on March 21, from 9 a.m. until noon. SSJID, OID, and SEWD will have about 45 minutes of that time to present issues related to the Stanislaus and New Melones. The key issues will be that the Stanislaus is already meeting the 35% through the biological opinion and even that isn't helping the fish it is intended to help. New Melones will be drained 18% of the time and cold water pool will be lost 45% of the time. The Water Treatment Plant serves 180,000 people with increasing need for expansion to meet Ripon and Tracy as ground water impacts grow.
- Distributed the TriDam morning report.
- TriDam meeting and OID Chamber luncheon on Thursday, March 21. He asked which Board members were planning to attend the luncheon to be held at the Jean Bianchi Community Center at 11:30 in Oakdale.

A motion was made by Director Holmes and seconded by Director Holbrook to add to the agenda today, the TriDam meeting of March 21, and to suggest that meeting be held in Oakdale, rather than at SSJID. Motion passed unanimously.

General Counsel announced the Board would be discussing items 9 a, b & c under Closed Session:

ITEM #9 – CLOSED SESSION

- 9. 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 LABOR NEGOTIATOR
California Government Code Section 54957.6
Agency Negotiator: General Manager and Lee Clark
Employee Organizations: IBEW’s 1245 and Management Group

- c. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
California Government Code Section 54956.8
Property: Water
Negotiating Parties: SSJID, Oakdale Irrigation District, Westlands Water District
District Negotiator: General Manager
Under Negotiation: Price and Terms of Payment

Upon returning from closed session, the following action was taken on item #9A.

A motion was made by Director Holbrook and seconded by Director Kamper to return Bonde tort claim for failure to adequately specify the date of occurrence. Motion passed unanimously.

ITEM #10 - ADJOURNMENT

There being no further business to come before the Board, it was moved by Director Holbrook and seconded by Director Kuil to adjourn the meeting at 12:18 p.m. Motion passed unanimously.

ATTEST: _____
Betty Garcia, Executive Secretary