

Manteca, California  
March 25, 2015

The Board of Directors of the South San Joaquin Irrigation District met in special session in their chambers at 9:00 a.m. President Holmes called the meeting to order and Director Holbrook led the flag salute. Upon roll call the following members were noted present:

DIRECTORS: HOLBROOK HOLMES KAMPER  
ABSENT: KUIL ROOS

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

**Public Comment** - None

**CONSENT CALENDAR**

- A. Approval of Warrants in the amount of \$437,337.57; A/P wires in the amount of \$514,703.64; payroll dated March 20, 2015 in the amount of \$200,653.86.
- B. Approval of the regular Board meeting minutes of March 10, 2015.
- C. Approval of consent to SSJID's entry of property to read and to maintain flow meter for W & L Harris Ranches, LLC, APN 245-150-17.

Ms. Garcia stated on item B, on page 2, the word "wuppy" should be "supply." Director Kamper also noted on the same page, "Before the drought in 1977, "New Melones" had fallen below one million acre feet"; New Melones should be changed to the Stanislaus River cumulative flow because New Melones did not exist at that time.

A motion was made by Director Holbrook and seconded by Director Kamper to accept the Consent Calendar, with the above noted corrections and passed 3 to 0 by the following roll call vote:

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

**ACTION CALENDAR**

**Item #1 – Water Supply Forecast**

Mr. Shields distributed information to the board and discussed the reservoir conditions. He said that New Melones is at 24% of capacity. He informed the board that the District is currently in negotiations with legislators, the Bureau of Reclamation, and the State Water Resources Control Board because the National Fisheries Services wants to increase pulse flows. The District will

not agree if it does not receive a guarantee that we will have a total of 450,000 AF of water to share equally with Oakdale Irrigation District. The District will not take less than 450K AF of water and will go to litigation, if necessary. He indicated the District has received and responded to a demand from the SWRCB to release information on all of its diversions from last year. The goal of the District is to work with the growers and the cities to curtail water.

Mr. Shields will be attending a public meeting at Lake Tulloch on Saturday, March 28 along with Congressman McClintock to discuss the government trying to take our water. It is the Water Crisis Forum and will feature various topics such as New Melones, water storage and droughts, coping with growth, water rights, fish flows and other issues. Director Holbrook stated that every meeting the District attends these same issues are being discussed and he noted that other Districts have even less water than SSJID. Mr. Shields explained the reason for conserving water this year is to try and ensure the District has water for next year.

Director Holmes thanked the growers who attended the meeting for cooperating with the District to conserve water. Director Holbrook asked the public to contact the District offices if they have questions and encouraged them to attend the board meetings.

One of the growers expressed concerns about measuring the amount of water that he is using. Mr. Lindley, the District's manager of finance and administration, explained the process to meet with the drought task force which has been formed by two employees whose job is to assist them. An individual must complete an application and the District will contact them within 48 hours to schedule an appointment to measure the water flow onto their property. Mr. Catanzarite indicated the task force will set appointments with the growers to meet them regardless of the time they are to take water.

#### **Item #2 – Update on master pooling accounts for water allotments and possible action**

Mr. Lindley explained that the 36 inch allotment could reduce water consumption by 39,000 acre-feet if no transfers among irrigators are allowed, and that allotment transfers could reduce the savings to 25,000 acre-feet. He said the District is trying to conserve water this year to help us with next year's water supply. He reported that several customers and directors have suggested a couple of changes to the District's allotment program and he presented them to the board for discussion and possible action. One suggestion is a master account which pools the allotments of a group of land parcels. Tracking of usage against the 36 inch allotment is done at the level of the pooled master account rather than by using individual parcels. The board would need to define which parcels are eligible to become members of a master account. Another request relates to parcels that have not been taking water, or less than the allotment. Current rules provide that when they are under common ownership, parcels are allowed to transfer out the full allotment. The suggestion is to allow the same exception for parcels under common management, not just common ownership. For both of the suggestions, the District would require a landowner-tenant agreement executed and on file.

Mr. Lindley asked Truepoint about the feasibility, cost, and schedule for the software changes that would be needed to create master accounts to the billing system. Truepoint software already has some general provisions for the master account feature. Some custom programming would

be needed to accommodate SSJID specifically. Truepoint responded that the programming cost would be \$1,000, but we have not yet received a schedule estimate.

A motion was made by Director Holbrook and seconded by Director Kamper to approve the staff proposal for the use of master allotment accounts, provided that master account parcel groups shall consist of parcels under common management which means parcels with a common owner, tenant, or manager. Motion passed 3 to 0 as follows:

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

**Item #3 – Discussion on process to consider increases to Division 9 rates**

Mr. Lindley said the ratepayers’ disapproval of the pressurization rate increase to \$55 per acre-foot leaves the board with the question of what to do next. Some of the rate design options are to do nothing; propose a smaller increase; propose an increase phased over several years; or propose a rate based on only some of the operating costs, perhaps only the cost of electricity. He suggested a plan to form a ratepayer advisory group of volunteers to work with staff and the finance committee of the board to discuss the rate increase. Director Holbrook stated that rates need to be reviewed every five years. Director Holmes suggested holding a Proposition 218 hearing in September along with the public hearing to consider a tiered volumetric rate.

No action was taken, however, the board gave direction to staff to get growers involved with the District to form a committee to discuss options regarding rate increases for Division 9.

**Item 4 – February 2015 Financial Statements**

Mr. Lindley stated that he had no formal report for both the Financial Statements and Investment Reports but that a more detailed report would be presented with his quarterly report. This item was for information only and no action was taken.

**Item #5 – February 2015 Investment Reports**

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

**Item #6 – COMMUNICATIONS**

Director Kamper said the Agricultural Water Committee met on March 23 to discuss the 2015 water season including water theft, water transfers, use of personal pumps and pump spills, irrigation task force and enforcement procedures.

Director Holbrook attended the SDRMA conference on March 24. One of the items covered was when a grower uses the District’s facilities, they must assume some of the risks. They also discussed property liability insurance rates, and cyber crime coverage. He said a law was passed in July 2014 that requires the District to pay prevailing wages for any work that cost \$1,000 or more. The job must also go out to bid. He attended the Advisory Water Commission meeting where they discussed the sustainable groundwater act.

Director Holmes thanked Director Holbrook for attending the SDRMA conference. He suggested that Valerie Kincaid make a presentation to the board regarding groundwater.

Ed Erisman, Water Treatment Plant Operations Manager

- SWRCB performed their annual inspection on Tuesday, March 24 and it went well with no deficiencies being noted.
- Staff will flush the upper intake piping and switch to that intake this afternoon.
- Staff is performing the quarterly recovery cleans on the fibers and should be finished this month. The last train will be completed by Friday, March 27.

Troylene Vallow, Communications Coordinator

- Manteca Street Faire will be held on April 11 – 12 and the District will share a booth with the SAFE group.
- Escalon Wine Stroll will be held on April 24.
- School AG Days are coming up on April 30 and May 1.
- Boys & Girls Club Hall of Fame is on May 9.
- Escalon Chamber Coffee will be held on May 19 at 8:00 a.m.
- Not Forgotten Memorial Day will be on May 24 at Woodward Park in Manteca.

Sam Bologna, Engineering Department Manager

- Engineering staff are working with consumption auditors. Julie and Dawn have played a huge role in helping out.
- Keith Sausedo completed the maps for the new division boundaries and will work with Troylene to put them on the District website.
- PG&E exploded one of their domestic wells to abandon it in accordance with county health department standards. They plan to connect county well located east of the District yard.
- George Te Velde completed his structure facilities and is getting water today.
- Tour of Division 9 with the California Almond board will be held on Thursday, March 26.
- Pressurized Study Workshop with the Board and Davids Engineering will be on April 7.
- He will meet with local developers along with Jeff and Steve on Thursday, March 26 concerning the proposed Zone 39 annexation.

Jeff Shields, General Manager

- Valerie Kincaid met with Davids Engineering and gave an update on the Agricultural Water Management Plan. Davids did an update on the water balance.
- Reminder to the Board of the Pressurized Study workshop on April 7 with Stantec and Davids Engineering.
- The next board meeting will be held on Monday, April 13.

It was announced that item 7a would be discussed in Closed Session.

**Item #7 – Closed Session**

- a. Conference with Legal Counsel – Anticipated Litigation  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of  
Section 54956.9  
- 1 case

Upon their return from closed session, it was reported that no reportable action was taken.

**ITEM #8 – ADJOURNMENT**

There being no further business to come before the Board, it was moved by Director Holbrook and seconded by Director Kamper to adjourn the meeting at 12:08 p.m. Motion passed 3 to 0 as follows:

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

ATTEST: \_\_\_\_\_  
          Betty Garcia, Executive Secretary