

Manteca, California
April 24, 2007

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: KAMPER KUIL ROOS
 ABSENT: SCHULZ

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

President Kuil called the meeting to order and recognized Director Nick C. DeGroot, who passed away on April 14, 2007. He asked for a moment of silence in Nick's memory.

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

CONSENT CALENDAR

- A. SSJID Warrants of \$569,608.40.
- B. Regular Board Meeting Minutes of April 10, 2007.
- C. Irrigation Service Abandonment Agreements as follows

Agreement #	Acreage	APN	Owner
1542	15.53	245-190-14	Evelyn Peinado
1543	1.00	226-180-01	Melvin Luiz
1544	13.21	204-140-26	Silva Lazy Acres

D. Adopt and file Notice of Completion for work on the Lateral "R" Long Crested Weirs Project (SSJ-2006-5).

E. Adopt and file a Notice of Completion for the portion of the Yosemite Business Park Project (Ergonis) on West Yosemite Avenue involving replacement of a portion of Lateral "Za".

Attorney Emrick asked that item F. be voted on separately.

Motion by Director Roos, seconded by Director Kamper, to approve Consent Calendar items A. through E.

PASSED AND ADOPTED this 24th day of April 2007 by the following roll call vote:

Ayes: Kamper Kuil Roos
 Noes: None
 Absent: Schulz

F. Adopt Resolution 07-04-P, Authorizing the Conveyance by Quitclaim of Property Owned by the District.

Motion by Director Roos, seconded by Director Kamper to adopt Resolution # 07-04-P.

SOUTH SAN JOAQUIN IRRIGATION DISTRICT RESOLUTION NO. 07-04-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 Book "A" of Deed, Vol. 121, Page 425, San Joaquin County Records on April 25, 1902, and Book "A" of Deeds Vol. 126, Page 133, recorded in the San Joaquin County Records on November 3, 1902, hereinafter referred to as ■Subject Property• located within a portion of Section 3, Township 2 South, Range 8 East, Mount Diablo Base and Meridian, and being more particularly described in the attached Exhibit "A",

WHEREAS, the Subject Property lies adjacent to property located at 19143 S. Carrolton Rd., Ripon (245-070-32) owned by Elsie C. Alfieri Trust UAD 12/5/89, hereinafter referred to as ■Buyer•, and

WHEREAS, Buyer wishes to purchase Subject Property from District pursuant to the terms approved by the District's Board of Directors at the March 27, 2007 Board meeting; and

WHEREAS, the District's fee interest is surplus to its needs and the retained easement interest and new conveyance 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 Subject Property be transferred to Buyer on the terms as outlined by Board action of March 27, 2007 as follows:

1. Buyer's payment of the purchase price of \$15,384.00 for approximately 1.07 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.
5. Owner shall comply with conditions set forth in County referral response letter dated March 14, 2007, including conveyance of private easements.
6. Owner shall sign a Transfer Agreement and take over ownership of the Lateral "Kab".

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 authorize the President and Secretary 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.

PASSED AND ADOPTED this 24th day of April 2007 by the following roll call vote:

Ayes:	Kamper	Kuil	Roos
Noes:	None		
Absent:	Schulz		

Consider approving cancellation of Service Abandonment Agreement No. 1025 for Robert J. & Zulema E. Martin. This parcel is 16.7 acres and the only condition is that the sump be replaced prior to the start of the 2008 irrigation season. Motion by Director Kamper, seconded by Director Roos, and unanimously carried, to approve the cancellation conditioned upon the replacement of the sump per District standards by the beginning of the 2008 irrigation season.

Discussion and possible action concerning conditional approval of Boyce annexation request to service approximately 49.59 acres of land west of Airport Way near Nile Avenue, Manteca, annexation fee is \$8,034.36 and water charge is \$1,166.16. Bologna's request for conditional approval is based on the fact that the District cannot guarantee to supply water on a regular rotation basis. Mr. Boyce understands this and has agreed to it in the agreement he signed. He will need LAFCo approval before he can take water, but must have our approval prior to going to LAFCo. Director Roos asked about him not signing up all his land. Bologna said Boyce only wanted to sign up 48.59 acre parcel. Roos then asked how we know he is only putting water on the 48.59 acres. Bologna said he cannot take a full head, so he is putting in a sump and pond to take water and hold it until he is ready to irrigate. With his proposed system, it should not be a problem. Boyce has the well he used in the past, so he has a way to supplement if he doesn't get enough water from the District. Bologna recommended to the Board to approve the annexation agreement presented to the Board. The annexation requires approval of LAFCo. After discussion it was moved by Director Kamper, seconded by Director Kuil to adopt Resolution No. 07-05-A Approving Annexation of APN 241-330-17 subject to all of the terms and conditions set forth in the proposed agreement presented to the Board.

SOUTH SAN JOAQUIN IRRIGATION DISTRICT

RESOLUTION NO. 07-05-A

APPROVING ANNEXATION OF APN: 241-330-17

WHEREAS, Boyce Resource Development Co. ("Landowner") has requested that its real property described as San Joaquin County Assessor's Parcel Number 241-330-17 ("Subject Property") be annexed to the District; and

WHEREAS, the Subject Property is currently within the boundaries of RD 2094 which does not provide irrigation service; and

WHEREAS, the Landowner wishes to petition to LAFCO for annexation of the Subject Property to the District, subject to the District entering into a service agreement with the Landowner; and

WHEREAS, the subject Landowner is willing to receive irrigation service from District on the terms in the Annexation Agreement, a copy of which is attached to this Resolution as Exhibit A; and

WHEREAS, the District's annexation policy establishes a fee for annexation of land to the District which is currently \$165.35 per acre; and

WHEREAS, the District's annexation policy requires that the Landowner pay for the District's costs to annex the Subject Property, including any District facilities or interests in land necessary that must be constructed to deliver District water to the Subject Property; and

WHEREAS, District's irrigation facilities do not service the Subject Property and can only irrigate the Subject Property through a private pipeline in conjunction with surrounding lands belonging to the Landowner, and Landowner has agreed to install additional District or private facilities at Landowner's expense to provide full service to the Subject Property if District determines at any time that improvements are necessary to prevent hardship to District or to other users; and

WHEREAS, LAFCO has determined that the District's annexation of the Subject Property is categorically exempt under Category 19 of the CEQA (California Environmental Quality Act, Public Resources Code Sections 21000-21178.1) Guidelines; and

WHEREAS, the District entered into a Water Supply Development Agreement dated October 1, 1995, with the cities of Escalon, Manteca, Lathrop and Tracy, and a separate agreement with the City of Ripon which provide that the five Cities have a priority over land annexed to the District after the Water Supply Agreement, and

WHEREAS, the subject land will be part of the "second class" established by the District's annexation policy which will have a lesser priority to water when the District's water supply is inadequate than the existing class of Landowners in the District as of October 1, 1995, and the District's delivery obligations to the five Cities; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the SOUTH SAN JOAQUIN IRRIGATION DISTRICT takes the following actions:

1. Determines that the facts recited above are true.
2. Concurs with LAFCO that annexation of the Subject Property is categorically exempt under Category 19 of the CEQA Guidelines.
3. Approves the annexation of, and agrees that the District shall provide irrigation service to, San Joaquin County Assessor's Parcel Number 241-330-17 on the terms set forth in this Resolution and in the Annexation Agreement.
4. Authorizes the President and Secretary to execute the Annexation Agreement.
5. Directs the General Manager to have the Annexation Agreement recorded with the San Joaquin County Recorder.
6. Directs the General Manager to provide a copy of this resolution to LAFCO.

PASSED AND ADOPTED this 24th day of April 2007 by the following roll call vote:

Ayes:	Kamper	Kuil	Roos
Noes:	None		
Absent:	Schulz		

Consider approving transfer agreement with the City of Manteca for the transfer of Lateral "Tb". Bologna reported that this line is not used by the District from Powers to the other side of town. The City uses it for a drain. We originally agreed to work with the city on removal of the vents on the line, and I would like for the District to honor that commitment. Motion by Director Roos, seconded by Director Kamper, and unanimously carried, to approve the transfer agreement and to authorize staff to work with the city on removing the vents.

Consider approval of improvement plans for the DeGroot development in Ripon affecting Lateral "U" and establish a value for the property owned in fee by the District. Developer will replace approximately 463 feet of 48" pipe, out cost for reimbursement will be approximately \$16,899.50. Developer wants approval of all necessary documents. Bologna recommends the Board set a value of \$150,000 for the District's interests and approve the transaction subject to the following:

Property Interest Transfer Request:

This proposed parcel transfer is consistent with the stipulations specified in Category I of the policy. The pipeline will be replaced with RGRCP and an easement will be reserved from the transfer. In accordance with the administrative guidelines it is recommended that the District consider selling its fee interest to the Developer for \$150,000, and conceptual approval of owners request subject to the following conditions:

1. District shall reserve a 20.46 foot wide easement from the sale which provides standard restrictions as specified in our standard grant of easement form.
2. Owner shall sign an Encroachment Agreement to cover all proposed encroachments to be located within the easement.
3. Owner shall submit improvement plans that are in compliance with District standards to the Engineering Department staff which call for the replacement of the 48" pipeline with new RGRCP in a location acceptable to District.
4. Property transfer shall be subject to all other terms and conditions as specified in the Developer's Agreement to be executed prior to development.
5. Offer to transfer District shall be valid until December 31, 2007, after which the Board may reconsider its decision to sell and/or may re-evaluate property values and adjust the sale price. A resolution for sale of land will be adopted upon satisfactory compliance of the specified conditions.
6. District to make the following findings:

- a) Subject to the terms and conditions outlined in the Developer's Agreement, the conveyance of the District property will not hinder District operations.
- b) The retained easement interest is adequate for all reasonable District purposes.
- c) The payment of \$150,000 execution of required documents and payment of all costs relative to transfer is valuable and adequate consideration for the conveyance.
- d) It is in the best interest for the District to transfer property in exchange for the new easement and the established consideration.
- e) The property to be conveyed is not "surplus land" within the Government Code section 54221 (b) since the parcel is not capable of park and recreational development.
- f) The proposed conveyance is categorically exempt under the Environmental Quality Act as a class 12 project pursuant to 14 Cal Adm. Code sections 15112 since the surplus government property does not have significant values for wildlife habitat or environmental purposes and the property is of such size and shape that it is incapable of independent development or use.

Special conditions and requirements (Exhibit "C" of Developers Agreement):

- a) Developer shall insure that work involving District facilities shall be in accordance with District requirements and shall provide all supplemental plans and secure all required permits necessary to complete the project. Bonds shall be supplied as required to assure that the District is made whole and that the project will be constructed per approved plans without delay to water deliveries.
- b) Developer shall not build or develop on lots adjacent to District easement until the replacement of the District's pipeline has occurred in accordance with approved plans.
- c) Developer shall convey new easements and enter into an Encroachment Agreement with the District for all proposed encroachments. An easement of equal width shall be reserved from transfer of fee interest.
- d) Developer shall notify District at least 48 hours prior to commencement of work. Work shall be complete and pipeline operational prior to deadlines established by District. The work must commence such that it can be completed by the next February 15th. A daily damage charge applies thereafter until the work is accepted.
- e) Developer shall comply with requirements pertaining to acquisition of property owned by the District.

Motion by Director Roos, seconded by Director Kamper, and unanimously carried, to conditionally approve the plans, and authorize signature of all documents subject to conditions and requirements referenced above:

Consider awarding bid to Central Wholesale Electrical Distributors (Central) for electrical materials for WTP sludge bed lighting. Hubkey said the bid, \$20,386.22 including tax, is for materials, our crews will do the installation work. Motion by Director Kamper, seconded by Director Roos, and unanimously carried, to approve the low bid to Central as recommended.

President Kuil asked Hubkey to give his report:

Hubkey reported:

Zenon requires cleaning membranes quarterly. A new process which will save us time and money is being studied by Zenon.

Black & Veatch are at the plant inspecting Overaa's work.

Getting ready to send out RFP's for annual purchase of chemicals.

Should be starting to dry sludge beds shortly, still looking for the most cost effective disposal site.

President Kuil asked the Board to consider approving a job description for an Equipment Service Worker position and to set an appropriate pay scale and authorize staff to fill the position. Simons told the Board that he needs more help in the Shop and the position will also work for the Maintenance Department in the tool room at the beginning of the day. Simons recommended approving the job description as submitted and setting a pay rate of \$22.33 per hour. When asked the hourly wage of the mechanic at the WTP Simons did not know, but actually the job is a plumber, not a mechanic. Motion by Director Roos, seconded by Director Kamper, and unanimously carried to approve the Job Description as submitted for Equipment Service Worker, hourly rate was set at \$22.33 per hour, and staff was instructed to fill the position.

Discussion and possible action concerning water conservation options. Stroud told the Board that the USBR has told us we will get our full allocation of 300,000 acre feet this year. Based on prior years and on estimates we will use 212,518 (five year average ranged as high as 250,000 acre feet). Urban demand 22,800 AF. SEWD obligation is 15,000 AF. VAMP obligation 7,300 AF. He said staff came up with some ideas for aggressive water conservation actions, they are as follows:

1. Strict enforcement of rotations.
2. Grouping during rotations.
3. Cut off delivery when water waste occurs.
4. Maximize use of pumps.
5. Rent private wells.
6. Construct new wells.

Consensus of the Board was to enforce all rules, to particularly pay close attention to number 2 and 3 above, but to look at all options that could help conserve water. Director Roos noted holding water in our reservoirs, Donnells and Beardsley, and releasing after October 1, would help us get a full allocation next year. No action was taken.

Discussion and possible action on filling vacant director's position. Emrick said we need to notify the County Election Office of a vacancy; post the vacancy in three places in the District. The Board has 60 days to make an appointment or call for a special election. After discussion, the consensus of the Board was to appoint someone to fill the position. Emrick recommended the President appoint an ad-hoc committee to review applicants and make a recommendation. Director Kamper said we should put an ad in the paper, post it and require resumes from applicants. Kuil instructed staff to take care of all arrangements, and indicated he would appoint an ad-hoc committee at the next meeting. No action was taken.

Review variances between actual and budget items on the December 31, 2006 financials. Stein said in the packets a list of variances and comments were enclosed as prepared by General Manager Stroud. He answered questions and the Board said they liked the packet as submitted but suggested we do this quarterly instead of annually. Stein and Stroud agreed and said they would submit this quarterly in the future. No action was taken.

President Kuil asked for Manager's reports:

Stroud reported the following:

River Group Commission meeting is cancelled.

Daniel Holtz, the student selected for the \$5,000 Clair A. Hill Scholarship will be here on Friday. He hopes that at least one of the Board members can be here to present the check to Mr. Holtz.

San Joaquin Farm Bureau annual meeting is set for May 17, 2007.

USBR estimates 621,000 acre feet of inflow into New Melones, down from the average of 1,100,000 acre feet.

Lone Tree Creek was boarded up by some adjacent landowners and this caused flooding over last weekend when the rains hit.

Rural Special Districts, our insurer, is working with the County Sheriff to recover money spent to repair damage from copper thieves.

SEWD sent a letter requesting we change the flow schedule. District & OID will meet soon to discuss this issue and then get back with SEWD.

Spoke with Stanislaus County Parks about the District taking over some of the area that they are responsible for such as fire breaks, etc. We have landowners who will plant and thus keep the fire breaks and also keep the weeds down. The County will let us know whether they wish to take on the fire prevention role or relinquish some of the recreation area in their Woodward License Agreement.

Have received a request from the City of Manteca to purchase a portion of M-2 site.

Shields reported the following:

Three men between the ages of 18 to 20 were caught by the Sheriff's Department. When arrested they had a receipt for \$15,000 worth of copper they had sold. Legislation is pending to increase rules against those purchasing copper.

We received calls from customers who said PG&E told them we don't answer requests for permits and that is why they have not performed requested services. Due to provisions in the Master Encroachment Agreement with PG&E, there is no District induced delay in such permitting.

PG&E went to legislature and complained about aggregation, which they asked us to do rather than take over their facilities, because Fresno and San Francisco applied to do aggregation.

Received 7 invoices last week for exit fees for sites we changed over to MID. The information was incorrect on the invoices, and in many ways it was somewhat hard to believe, for example PG&E sent us a bill for 19 cents, postage alone was 63 cents for each of the seven bills they sent us.

Traveled to Sacramento on Monday relative to AB1517 which addresses PG&E collecting taxes in rates and using the funds for things other than paying taxes.

President Kuil called for Directors comments:

Kuil asked about the Wilma Road overpass and if we had spoken to the Ripon Unified School District. Stroud said he had spoken to Superintendent of Schools, Leo Zuber and will keep the Board apprised of any developments. Emrick sent a letter to the City of Ripon requesting notification of any CEQA related action on the Frontage Road that is contemplated by the City.

There being no further business to come before the Board it was moved by Director Kamper, seconded by Director Roos, and unanimously carried, to adjourn to lunch with staff in celebration of Administrative Assistants Day.

ATTEST:

John Stein, Assistant Secretary