

Manteca, California
April 26, 2005

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: DEGROOT KAMPER ROOS SCHULZ KUIL

Also present were Secretary/Manager Stroud, District Counsel Emrick, District Engineer Gilton, Engineering Department Supervisor Bologna, Utility Systems Director Shields and Water Treatment System Manager Hubkey,

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

Gerald Gibson of Escalon, addressed the Board relative to the District entering the retail power business. He said he thinks it is a mistake. He would rather see improvements to the irrigation system, like pressurization, which was promised. When asked if he would be willing to pay the cost of pressurization of the lines, he said no, use the money you are using for power and forget power.

Mike Silva, Mitchell Engineering, addressed the Board. He asked the Board to release \$360,000. District Counsel Emrick told Mr. Silva that he has to work with Black & Veatch.

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

CONSENT CALENDAR

- A. SSJID Warrants of \$1,032,841.42.
- B. SSJID Regular Board Meeting Minutes of April 12, 2005.

Motion by Kuil, seconded by Schulz, to approve the Consent Calendar Items as presented.

PASSED AND ADOPTED this 26th day of April 2005 by the following roll call vote:

Ayes:	DeGroot	Kamper	Roos	Schulz	Kuil
Noes:	None				

Consider approving plans for connection to Lateral "Ya", and authorize signature of Interim Drainage Agreement with the City of Manteca. Bologna recommended approval. Director DeGroot suggested that we not approve it until the City signs a new Drainage Agreement, and let the developers put pressure on the City. Stroud said the Agreement is on his desk, and he will work on getting it to the City shortly. After discussion it was moved by DeGroot, seconded by Kuil, to approve the plans and authorize execution of an Interim Drainage Agreement with the City of Manteca. Motion Carried, 4 Ayes, 1 No, with Director Schulz voting No.

Discussion and possible action concerning liability and property insurance for the Water Treatment System. Dave Ward of Inter West Insurance Services, the District's liability and property insurance broker addressed the Board. He said that although the Cities had indicated they wanted \$100,000,000 in excess liability coverage he had been unable to obtain quotes, however he is still looking. He indicated per instruction of the Operating Committee, there is no coverage for property damage to the pipelines. He said the coverage is as follows:

Add to existing RSDI Program

\$28,000,000 Treatment Plant includes machinery breakdown. \$ 42,000

\$1,000,000 Primary Liability	\$ 19,000
Auto Liability (\$1,500 per unit) estimated 6	\$ 9,000
\$10,000,000 excess liability	\$ 10,000
Sub Total	<u>\$ 80,000</u>
Optional Coverage	
Property	
Treatment Plant, \$5,000,000 Flood & Quake	\$ 30,000
Excess	
\$10,000,000 Excess Coverage	\$ 31,718
\$29,000,000 Excess Coverage	\$ 43,500
Total Liability Coverage \$50,000,000	
Sub Total	<u>\$105,218</u>
	=====
Total	\$185,218

The cost per vehicle, for liability seemed high. Mr. Ward agreed and said he would look into that. Stroud recommended that the Board approve the coverage and premiums with an effective date to be determined by the General Manager and authorize execution of necessary documents. After discussion the following action was taken: Motion by Kamper, seconded by Schulz, to approve the coverage and premiums, authorize the effective date to be set by the General Manager, and authorize execution of necessary documents. Motion Carried, 4 Ayes, 1 No, with Director Roos voting No.

Consider Contract Change Orders #10, and # 14 with Ranger Pipeline for SCWSP Pipeline. Grant Kreinberg, told the Board #10 was for flagging, \$135,450, and additional pavement replacement of \$47,250 for a total of \$182,700. #14 was \$79,550 for flagging and \$27,750 for additional paving, for a total of 107,300. Black & Veatch and Nolte Engineering recommend approving the change orders. Motion by Kamper, seconded by DeGroot, and unanimously carried, to approve the change orders as recommended. Change Order # 10 \$182,700; and Change Order #14 at \$107,300. Total of the two change order is \$290,000.

Discussion and possible action concerning alternative aquatic vegetation control. Stroud said that there are no satisfactory alternatives to Magnacide. However, at this time because of the growing threat to water deliveries, we have no choice but to look at other aquatic weed control scenarios in case the District is unable to use Magnacide. He recommended the Board authorize staff to implement alternate control methods when needed to maintain canal capacity. Control efforts will begin as soon as possible and mechanical cleaning will also be considered as a last resort if Magnacide is not approved for use in time. He said the cost would be high and the results marginal at best, especially when compared to Magnacide. It was the consensus of the Board to authorize the use of alternative aquatic vegetation control as recommend by the General Manager.

Management reports:

Stroud reported:

We are changing janitorial service, effective May 1st. We wanted janitorial service twice a week, got bids and actually received a bid for less than we were paying for once a week. Also, we changed pest control company's, the new company's bid was less than the current provider with a higher level of service.

When Rub Isozaki retired, we put the landscaping and maintenance out to bid. C & W Landscaping of Escalon was the low bidder. Included in his bid were some changes to the Main Office landscaping, which will soon be performed.

Concerning increased security. A lock is being installed on the closet where the items that were stolen were stored. Cost for an automatic gate will run approximately \$25,000. Cost for the extension of the counter, in the front office, will be approximately \$5,700. Bids will soon be brought to the Board for consideration.

Reported that on Lateral V just east of Ripon Road, the Developer replaced the open ditch with a pipe. The job was done incorrectly, and we had to put in a weir to restore the original water surface elevation for sprinkler use and had to install a return to the canal because of excessive pressure in the vent. Slide gates were installed, but they are nearly impossible to use due to water pressure, even under low flow conditions. When the next section of the lateral is piped, the transition will need to be reworked significantly and Waterman gates installed. Even with the late start to irrigation water deliveries, the District has had to make emergency corrections because the contractor took so long.

San Joaquin AG Water Coalition will be sending out annual bills for \$1.00 per acre, minimum of \$20 shortly.

Meetings:

GW Committee is tomorrow. Kamper said he will not be able to attend. Stroud said he would make sure it was covered.

April 28th is the Tri-Dam Meeting in Oakdale.

April 29th is the River Group Commission meeting at TID.

May 3rd through the 6th is the ACWA Conference in San Jose. Directors Schulz, Roos, and Kuil, and staff Emrick and Stroud are attending.

Shields reported:

Shields met with the County Environmental people to discuss environmental review of the District's proposed acquisition of the PG&E electric system.

Did a presentation last week for the Ripon Lion's Club.

PUC Commissioner Peavey will be holding a meeting on the accident our employee had as a result of a downed PG&E power pole.

PG&E was here last week for 3 days copying documents.

PG&E's Phase II rate increase of 12% will go to settlement meetings so the increase will be delayed.

Hubkey reported:

Testing should start at the plant around the middle of May. New carpet has been installed in the offices. Phones are not in, and asphalt will probably not be laid until June.

Director's reports:

Kamper say the new V line has boxes with no cover, asked that this be looked at and reported as to why.

Kuil said he needs to postpone the Education meeting scheduled for tomorrow.

Roos said Reese of Escalon is having paper work problems. Gilton said Reese has not faxed the Agreement back as he said he would. Roos said he felt it was unfair to require Reese to put a box in. Kamper said that is what he agreed to at a previous Board meeting where it was discussed and approved by the Board on a 4 - 1 vote.

President Roos called for closed session relative to litigation matters. General Counsel Emrick reported the Board will discuss items a. through e.

- a. Conference with legal counsel, existing litigation, Gov. Code, S. 54956.9. Delta Keeper vs. SSJID. Case No 04CS002238.
- b. Conference with legal counsel, anticipated litigation, initiation of litigation, Gov. Code, S. 54956.9 (c). 2. Cases
- c. Conference with legal counsel, anticipated litigation, significant exposure to litigation. Gov. Code, S. 54956.9. 1 Case.
- d. Conference with real property negotiator. Negotiating parties: District and Lloyd Prothers, as Trustee. Property: Stanislaus County APN's 002-210-048, 002-009-008, and 002-021-048. Agency Negotiators, Steve Long, and Steve Emrick. Under negotiation, price.
- e. Conference with real property negotiator. Negotiating parties: District and current owners. Property: San Joaquin County APN's 208-060-11 and 203-060-13. Agency negotiators: Jeff Shields, John Stein, and Steve Emrick. Under negotiation, price.

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

There being no further business to come before the Board, it was moved by Schulz, seconded by Kuil, and unanimously carried, to adjourn to May 10, 2005 at 9:00 a.m.

ATTEST:

John Stein, Assistant Secretary