

Manteca, California
April 26, 2011

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 HOLMES ROOS

ABSENT: KUIL

Also present were General Manager Shields, District Counsel Emrick and Engineering Department Manager Bologna.

President Holbrook called the meeting to order and asked for public comment. There being no public comment President Holbrook asked the Board to consider the Consent Calendar Items.

CONSENT CALENDAR

- A. Warrants of \$651,052.53
- B. Regular Board Meeting Minutes of April 12, 2011.
- C. Adopt Resolution #11-04-P, Abandonment of Lateral "RGC 40 dd" in connection with Union Ranch Development, Units 5-9.

SOUTH SAN JOAQUIN IRRIGATION DISTRICT RESOLUTION NO. 11-04-P RESOLUTION AUTHORIZING THE CONVEYANCE BY QUITCLAIM OF EASEMENT BY THE DISTRICT

WHEREAS, the SOUTH SAN JOAQUIN IRRIGATION DISTRICT, hereinafter referred to as "District", is the title holder of an easement for Lateral "Rgc 40 dd" by virtue of easement recorded March 28, 1946 in Book 985 of Official Records at Page 115, San Joaquin County Records, hereinafter referred to as "Subject Property", and further described in the attached Exhibit "A", and

WHEREAS, owner of property encumbered by said easement belongs to Pulte Homes Corporation, a Michigan corporation, hereinafter referred to as "Owner", and

WHEREAS, Owner has compensated adjacent property owner for their abandonment of service from said lateral, and

WHEREAS, the District's easement interest is surplus to its needs, and

WHEREAS, it is in the best interest of the District to abandon said easement and facilities, and

WHEREAS, the relinquishment of easement and removal of pipeline will coincide with improvements related to the relocation of District facilities in conjunction with the Union Ranch, Units 5-9 Development project, and

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

1. The foregoing findings are true
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 District's Easement in 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.

- D. Adopt Resolution #11-05-P, Abandonment of Lateral "RGC" in connection with Union Ranch Development, Units 5-9.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 11-05-P
RESOLUTION AUTHORIZING THE CONVEYANCE BY QUITCLAIM
OF EASEMENT BY THE DISTRICT**

WHEREAS, the SOUTH SAN JOAQUIN IRRIGATION DISTRICT, hereinafter referred to as "District", is the title holder of an easement for Lateral "Rgc" by virtue of easement recorded March 6, 1948 in Book 1123 of Official Records at Page 121, San Joaquin County Records, and easement recorded March 28, 1946 in Book 985 of Official Records at Page 115, San Joaquin County Records hereinafter referred to as "Subject Property", and further described in the attached Exhibit "A", and

WHEREAS, owner of property encumbered by said easement belongs to Pulte Homes Corporation, a Michigan corporation, hereinafter referred to as "Owner", and

WHEREAS, Owner has relocated Lateral "Rgc" in accordance with District specifications, and

WHEREAS, the District's easement interest is surplus to its needs, and

WHEREAS, it is in the best interest of the District to abandon said easement and facilities, and

WHEREAS, the relinquishment of easement and removal of pipeline will coincide with improvements related to the relocation of District facilities in conjunction with the Union Ranch, Units 5-9 Development project, and

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

1. The foregoing findings are true
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 District's Easement in 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.

- E. Adopt Resolution #11-06-P, Abandonment of Lateral "RG" in connection with Union Ranch East, Unit 3.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 11-06-P
RESOLUTION AUTHORIZING THE CONVEYANCE BY QUITCLAIM
OF EASEMENT BY THE DISTRICT**

WHEREAS, the SOUTH SAN JOAQUIN IRRIGATION DISTRICT, hereinafter referred to as "District", is the title holder of an easement for Lateral "Rg" by virtue of easement recorded at Book 2370 Official Records at Page 15, San Joaquin County Records, and easement recorded in Book 2806 of Official Records at Page 73, San Joaquin County Records hereinafter referred to as "Subject Property", and further described in the attached Exhibit "A", and

WHEREAS, owner of property encumbered by said easement belongs to Union Ranch Partners, Inc., hereinafter referred to as "Owner", and

WHEREAS, Owner has relocated Lateral "Rg" in accordance with District specifications, and

WHEREAS, the District's easement interest is surplus to its needs, and

WHEREAS, it is in the best interest of the District to abandon said easement and facilities, and

WHEREAS, the relinquishment of easement and removal of pipeline will coincide with improvements related to the relocation of District facilities in conjunction with the Union Ranch East Unit #3 Development project, and

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

1. The foregoing findings are true
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 District's Easement in 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.

Director Roos asked about the gates that were approved last year but just now showing up on the warrants. Water Superintendent Joe Catanzarite explained that it took some time to get them here from Canada and that they hope to install one gate this spring and the other during the winter maintenance season.

Motion by Director Roos, seconded by Director Kamper to accept the Consent Calendar.

PASSED AND ADOPTED this 26th day of April 2011 by the following roll call vote:

Ayes:	Holbrook	Kamper	Holmes	Roos
Absent:	Kuil			

Item #1. Approval of bids for Telecommunications Site Expansion. Telemetry Systems Supervisor Frank Avila presented bids for the Telecommunications Site Expansion Project (SSJ-2011-01-R1). General Manager Jeff Shields explained that this is the second time bids have come to the Board for this project. The first bids were rejected and the project was re-bid. Avila said all four of the new bids were conforming and, with the exception of one high bidder, very close in price. Avila recommended going with the lowest bidder, Ray's Radio Shop. Motion by Director Kuil, seconded by Director Holbrook to enter into contract with Ray's Radio for the Telecommunications Site Expansion Project. Motion carried unanimously.

Item #2, . Approval of bids for the Towers and Infrastructure Project. Telemetry Systems Supervisor Frank Avila presented bids for the Towers and Infrastructure Project (SSJ-2011-02-R1). District received a total of four bids. Avila recommended going with the lowest bidder, Ray's Radio Shop. Director Holbrook asked if the District has worked with Ray's Radio in the past. Avila said yes, several times. Motion by Director Kamper, seconded by Director Holmes to go with the lowest bidder, Ray's Radio, for the Towers and Infrastructure Project. Motion carried unanimously.

Item #3, Accept quote from Koffler Electrical to rebuild one of the permeate motors at the Water Treatment Plant. Water Treatment Plant Manager Hubkey presented quotes from three companies to rebuild the permeate motor. Hubkey explained that the Treatment Plant has eight permeate pumps that pull water from a permeate header on each train that in turn pulls water from each cassette. These motors are 125hp and have been in continuous use since early 2006. Three companies went to the Plant to inspect the motor and all agree that the bearings are going out. Director Holmes asked if the Plant should have a spare motor. Hubkey said that downtime was not an issue and the turnaround time is quick for the repair. Hubkey recommended going with second lowest bidder because the lowest bidder did not include cost of removing old motor. Motion by

Kamper, seconded by Holmes to go with second lowest bidder Koffler, for a cost of \$3,875. Motion carried unanimously.

Item #4, Request from City of Manteca to amend Master Storm Drainage Agreement. Manager Shields they have been working with City Attorney Don Lupul. The City's Master Plan includes several District laterals and the District would like to make sure all laterals are covered from the beginning. Shields asked that the matter be pulled from the agenda and brought back in two weeks after they have met with the City.

Item #5, Approval of the City of Lathrop Sanitary Sewer Line Extension Project. Engineering Department Manager Bologna said the City of Lathrop has been dealing with a Notice of Violation from 2004. They had plans in 2007 to fix the issue with a parallel line, but the plans fell through. Bologna is requesting authorization to work with the City of Lathrop to come up with an Agreement and to review the plans again. An Encroachment Agreement will also be required. Bologna said that if the Encroachment wording is outside something the Board hasn't previously approved, he would bring it back for approval. Director Roos asked if the City had a sewage spill in the FCOC, would the District be responsible. District Counsel Emrick said that is the reason for the Agreement. Bologna recommended conditional approval of Lathrop's Sanitary Sewer Extension Plans subject to satisfactory revision of plans and signature of required easements. Motion by Holmes, seconded by Roos, and unanimously carried, to approve as recommended.

President asked for Directors reports:

Director Holbrook:

- He reported that he attended the Advisory Water Commission meeting. Bruce Blodgett of the San Joaquin Farm Bureau said that pump wire theft is on the rise. The police suggest farmers install hunting cameras.
- Said he would be attending the opening on April 27 for the new water treatment plant in Stockton.
- San Joaquin County Farm Bureau Federation -- meeting on May 20. Please respond to Troylene as soon as possible if you plan on attending.

The President asked for Managers Reports:

WTP Manager Hubkey reported as follows:

- The fence is done around the reservoir except for 400 ft by the base of the dam.
- Ventura Zenon plant adapted inductors. There are no moving parts and he plans on looking into inductors for the District's plant.

Utility Systems Director, Don Battles:

- The solar farm inverter 7 was out of service for several days last week. This problem was a little more damaging than the previous issues with this inverter.

The internal computer board had failed. It has been replaced and is now working fine.

- About a month ago Michael O’Leary was working with FatSpanial to set up an alarm system when something goes down at the solar farm. FatSpanial said it was not feasible so Hubkey’s staff is working with Conergy to set up an alarm system.

Director Holbrook asked if someone is monitoring the solar farm so we know when something happens like the inverter going out. Battles said that he checks it daily. Shields said that it is under a maintenance agreement and warranty. Battles said that even with the problems it is still producing above what was expected.

Finance/Administration Department Manager, Bere Lindley:

- Handed out a Budget Variance Report to the Board.

General Manager Report:

- Last week, Peter Darbee, PG&E Chairman, Chief Executive and President, abruptly announced his retirement effective Friday, April 29th. Immediately following the announcement, word came that PG&E’s Board authorized a \$35 million release payment. After several legislators and the Governor raised concern that ratepayers not be tapped for this \$35 million payment, the Board of Directors for PG&E voted to amend Darbee’s retirement package to say that shareholders, and not ratepayers, would be responsible for the entire \$35 million.
- The APPA membership dues are due again. SSJID is classified as an “Associate Member-Government” and the dues continue at the \$1,000 annual rate.
- Handout – Report on One Voice Washington DC trip with SJCOG.
- Handout – Tri-Dam Daily Report and SSJID 7 Day Water Usage Report.
- Division 9 update – Met yesterday with Stantec (Rocklin) office and reviewed final plan drawings. The bid documents are being posted on the Stockton Blue web-site on Monday (600 pages of specifications and over 200 pages of plan drawings). Bid date is June 1st with bid awarded on June 14th. Substantial completion is February 1, 2012 with commercial operation March 1, 2012. We are seeing some influence from the Japanese nuclear plant failure and earthquake as resins and pipeline materials are being diverted to Japan for emergency power and water facility development. Fuel costs are also putting upward pressure on some aspects of the project, but major contractors continue to struggle with lack of work.
- Tri-Dam’s first quarter power generation revenues are up significantly over last year and were \$1.5 million above the five year running average for the first quarter. This increase is largely due to increased production and the Renewable Energy Credit value assigned to Beardsley and Tulloch. The wholesale power markets continue to be depressed with day-ahead values in the \$33/MWH range.
- San Joaquin Basin Water Management meeting with Pablo Arroyave and the Bureau of Reclamation team this afternoon at 1:00 at MID.
- We currently have two ditchtender openings, one a result of an employee not successfully completing probation period and a second opening resulting from the retirement of Alvin Nunes.

- Handout – Invitation to the San Joaquin Farm Bureau Federation 97th Annual meeting on Friday, May 20th at Cabral Center in Stockton. SSJID is a sponsor. We have 15 seats.
- The ACWA Region 4 tour of Stockton Delta Water Supply Project is tomorrow from 10:00 to 2:00.

President Holbrook called for closed session. General Counsel, Emrick stated the Board will discuss the following items in closed session.

- 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 LEGAL COUNSEL-
Anticipated Litigation
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9
Various water quality proceedings before State Water Resources Control Board—Delta Flow Criteria, San Joaquin River Flow Objectives
- c. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
California Government Code Section 54656.8
Property: Water
Agency Negotiator: General Manager
Negotiating Parties: District and Homer, LLC
Under Negotiation: Price and Terms of Payment

Upon returning from closed session, General Counsel, Emrick reported that the following action was taken:

Motion by Kamper, seconded by Holmes to accept the Term Sheet of Homer, LLC.
Motion carried unanimously.

There being no further business to come before the Board it was moved by Director Kamper, seconded by Director Holmes and unanimously carried to adjourn to May 10, 2011 at 9:00 a.m.

ATTEST:

Dawn Driesen, Interim Executive Secretary