

Manteca, California
May 8, 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	SCHULZ
ABSENT:	ROOS		

Also present were Secretary/Manager Stroud, General Counsel Emrick, Water Treatment Plant Manager Hubkey, and Engineering Department Supervisor Bologna.

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

Matt Macedo, Shop Steward for the IBEW asked the Board what the status of the Johnson Study was. President Kuil said that they were having a hard time getting together with Mr. Johnson.

President Kuil asked the Board to consider approving Consent Calendar Items A and B as follows, and to take item C as a separate item:

CONSENT CALENDAR

- A. SSJID Warrants of \$439,728.79 and Payroll of \$277,308.93.
- B. Regular Adjourned Board Meeting Minutes of April 24, 2007.

Motion by Director Kamper, seconded by Director Schulz, to approve the above items.

PASSED AND ADOPTED this 8th day of May 2007 by the following roll call vote:

Ayes:	Kamper	Kuil	Schulz
Noes:	None		
Absent:	Roos		

Consider adopting Resolution 07-06-H, in Memoriam of Nick C. DeGroot. The resolution will be formally presented to his family at the May 22, 2007 Board meeting. Motion by Director Kamper, seconded by Director Schulz, to adopt Resolution No. 07-06-H.

RESOLUTION NO. 07-06-H OF THE SOUTH SAN JOAQUIN IRRIGATION DISTRICT IN MEMORIAM OF NICK C. DEGROOT

WHEREAS, Nick C. DeGroot served 23 years on the Board of Directors from 1984 until his death; and

WHEREAS, the directors of South San Joaquin Irrigation District wish to express their sadness at the death of their fellow director, colleague and friend; and

WHEREAS, Nick DeGroot had a great appreciation for the vision of the founders of the District from which all its customers continue to benefit, and was dedicated to planning for the District's future; and

WHEREAS, as part of his vision for the future of the District, he strongly advocated for a plan that met both local Agricultural and Municipal water needs, and led the effort to build and operate a domestic water treatment plant to serve the communities of Manteca, Escalon, Lathrop and Tracy; and

WHEREAS, Nick DeGroot was a guiding force behind the South County Water Supply Program and was instrumental in the successful opening in 2005 of SSJID's Water Treatment Plant that has been named in his honor; and

WHEREAS, he was an effective leader at District Board meetings and will be remembered for his ability to develop consensus among Board members, his concern for the proper management of public funds and his vision and commitment to all residents of the South County area; and

WHEREAS, Nick's friendship, energy and love of life will be greatly missed,

NOW, THEREFORE BE IT RESOLVED that the District wishes to express to his wife, Trudy DeGroot, its appreciation for all that Nick did for South San Joaquin Irrigation District. The District also wishes to extend to Trudy, their sons Bill, Nick, Rob, Rich and to all the other members of his family, our sincere sympathy and heartfelt condolences.

PASSED AND ADOPTED on this 8th day of May 2007 by the following roll call vote:

Ayes:	Kamper	Kuil	Schulz
Noes:	None		
Absent:	Roos		

Consider approving Allied Waste Services proposal and authorize the General Manager to sign a contract to provide a contingency plan for sludge disposal at the WTP. Hubkey said this contract will give us an option to get rid of the sludge. He said we are still trying to find better options, but need this in the interim in case we are unable to find other options. Motion by Director Kamper, seconded by Director Schulz and unanimously carried to approve the contract with Allied Waste Services and authorize signature of same.

Consider approving and authorizing the General Manager to implement the POP Loan Program Procedure through an agreement with each of the three Cities. Stroud reminded the Board that POP was the result of things we learned after the plant was built, the estimated cost to complete these things is \$1,500,000. These expenditures will be spread over the next five years. The Cities, particularly the City of Manteca has asked that we loan them the money to complete these projects. Stroud recommendation is that we loan the Cities the money and charge them an interest rate based on the monthly rate of return at LAIF, which is currently 5.214%. Director Kuil asked was this budgeted for originally. Stroud said it is budgeted as Capital currently. After discussion the following action was taken. Motion by Director Schulz, seconded by Director Kamper, to authorize the General Manager to implement the POP Loan Program. Motion failed on vote of:

Ayes:	Kamper	Schulz
Noes:	Kuil	
Absent:	Roos	

Approve entering into a contract with Industrial Electric for a maximum of \$300 per site to install a separate ground for each of the District's deep well pump panels. Stroud said as a result of the copper thefts we learned the panels at the pumps should be checked to be sure they are properly grounded. Total cost to check and install necessary grounding for all remaining wells is approximately \$6,000. Industrial Electric was the low bidder. Stroud recommends approval. Motion by Director Kamper, seconded by Director Schulz, and unanimously carried, to approve entering into an agreement with Industrial Electric to install a ground at each panel for a not to exceed \$300 per panel.

Consider approving Resolution No. 07-07-P, Authorizing the Sale of District Property, and authorize the General Manager to file necessary documents to carry out the transfer. Stroud reported that this property was originally to be 1.9 acres. The City of Manteca asked we purchase a total of 4.55 acres. They are currently using the additional 2.65 acres under a license agreement. Their purchase of the land will eliminate unnecessary changes in that agreement whenever the City changes its use. Stroud recommends

adopting Resolution No. 07-07-0P. Motion by Director Kamper, seconded by Director Schulz, to adopt Resolution No. 07-07-P.

RESOLUTION NO 07-07-P

AUTHORIZING THE SALE OF DISTRICT PROPERTY

WHEREAS, South San Joaquin Irrigation District may, for valuable consideration, dispose of any property of the District which it finds to be no longer necessary for District purposes;

WHEREAS, the District acquired a fee interest in a 4.55 acre parcel of land (“Property”) described in Exhibit A attached to this Resolution at the request of the City of Manteca in order to store water transported by pipeline from the District’s Nick C. DeGroot Water Treatment Plant, for delivery to the City of Manteca;

WHEREAS, the westerly 272.75 feet of the Property consisting of 1.88 acres is required for the District’s purposes to deliver water from the Plant to Manteca;

WHEREAS, the District purchased the Property with Manteca’s funds and agreed to convey the surplus portion to the City at its request;

WHEREAS, the balance of the Property, consisting of the easterly 2.67 acres as shown on Exhibit A (“Easterly Portion”), is surplus to the District’s purposes;

WHEREAS, the Board of Directors further finds that Manteca’s previous payment of all costs to acquire the Property and its payment for all costs to transfer title to the Easterly Portion, is valuable and adequate consideration for the conveyance;

WHEREAS, it is in the best interest for the District to transfer the Easterly Portion to Manteca;

WHEREAS, the District’s fee interest to the Easterly Portion having been acquired for Manteca, is not “surplus land” within the Government Code section 54221 (b);

WHEREAS, 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;

NOW, THEREFORE BE IT RESOLVED AND ORDERED that:

1. The foregoing findings are true.
2. The President and Secretary of the District are authorized to execute a quitclaim deed conveying the District’s fee interest in the Easterly Portion to the City of Manteca.

BE IT FURTHER RESOLVED AND ORDERED that the General Manager is authorized and directed to take all actions and execute such documents as may be necessary to accomplish the foregoing..

PASSED AND ADOPTED on this 8th day of May 2007 by the following roll call vote:

Ayes:	Kamper	Kuil	Schulz
Noes:	None		
Absent:	Roos		

Selection of an Ad Hoc Committee to recommend replacement of Director DeGroot, Director’s Division No. 5. President Kuil appointed Directors Roos and Schulz to the committee.

Consider adopting a plan to pay an annual premium to employees holding special certifications. Kuil said he talked to Joe Catanzarite about the recent certification of six employees to operate the boom truck. Joe felt it would be appropriate to compensate these employees for taking and passing the exam as requested by the District. Also, we have been asked to look at Class A drivers. After discussion it was moved by Director Kamper, seconded by Director Schulz, and unanimously carried, to give Class "A" Drivers an annual bonus beginning in December 2007 of \$500, for those who are licensed to operate the Boom Truck, they will receive an additional \$500 each year, beginning in December 2007.

Review the status of the "Demand Response/Automated Meter Reading Demonstration Project" that the Board authorized at their January 9, 2007 meeting. The project is in cooperation with BPL Global. Shields said the Board originally approved \$4,000 for this project. To date, we have used about \$700. This is driven by customer preference. The customers set the parameters. BPL is working with us on this. Heidi Caroline of BPL said the CPUC is making changes and the ISO is waiting to see those changes. Shields said we will continue to pursue this project unless the Board asks that we stop. The Board consensus was to move ahead. No action was taken.

President Kuil asked for Manager's reports:

Hubkey reported:

The new Instrument Tech started Monday, May 7, 2007.

The ozone cleaning process is still being evaluated.

Currently the WTP is delivering 17 MGD to the Cities.

Stroud reported:

The Board President had asked for more frequent newsletters, and for newsletters to be customized for each Board division. Also, it was suggested we have each Board member write an article for the newsletter for their respective divisions. Troylene Sayler, Communications Coordinator will be primary on the newsletters, which Cheryl has handled in the past.

State legislators are looking at tightening emission controls on off-road equipment.

Joe Smith received his Operator III license.

New position, Equipment Service Worker, was filled from within by Troy Thrasher. Recruitment is underway to fill Troy's old position.

An Offer of Employment has been made to an individual for the SCADA Tech position.

Radial Gate, water is still leaking in the by-pass at Frankenheimer Hydro Plant. We will continue monitoring and looking for possible remedies.

Elevation is 209.3 at Woodward Reservoir, currently diverting 400 cfs from Woodward.

Water Quality is being tightened on dairies. This may give them an opportunity to join the water quality coalition, reducing their monitoring and compliance costs.

Director's reports:

Director Kamper reported that he, Director Roos and Steve Stroud presented the \$5,000 check to Daniel Holtz, the recipient of the Clair A Hill Scholarship.

Kamper asked about the District's web site. He would like to see it improved and updated more regularly. Stroud said we are looking at having Troylene take over the

responsibility of the Web site. Some options will be brought to the Board in the near future.

Kuil reported that he and Jeff Shields met with the Farm Bureau. He said some of members of the Farm Bureau said they had concerns about the District putting more focus on domestic power than agricultural irrigation. Shields explained to the farmers that none of the irrigation employees spend any time on retail electric. He said the District has doubled its irrigation maintenance budget and that the District is at the limits of what we can accomplish given the constraints of the water season. That is, we have to scale back maintenance when we fill the canals and our crews shift from maintenance to delivering irrigation water to farmers.

Shields said that PG&E staff has reported to farmers that the reason they cannot get power to their not-so-newly installed pumps is because South San Joaquin Irrigation District is not signing encroachment permit applications. In other words we are the holdup. Bologna said this is odd because PG&E has a blanket encroachment permit with the District and the only one he received from PG&E in a long time was last Thursday, and he got it signed and mailed it back on Friday.

President Kuil called for closed session. District Counsel Emrick said we will discuss the following:

Conference with Legal Counsel, existing litigation, Gov. Code, S. 54956.9 (a)
SSJID v. LAFCo, Superior Court, San Joaquin County, Case No. CV 030255.
SSJID v. Meridian Pacific, et.al., Superior Court, San Joaquin County, Case No. CV 030855.

Upon returning from closed session it was reported by District Counsel Emrick that there was no reportable action taken in closed session.

There being no further business to come before the Board it was moved by Director Kamper, seconded by Director Schulz, and unanimously carried, to adjourn to May 22, 2007 at 9:00 a.m.

ATTEST:

John Stein, Assistant Secretary