

Manteca, California
May 11, 2010

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 KUIL KAMPER SCHULZ ROOS

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

President Kamper called the meeting to order and asked for public comment. There being none he asked the Board to consider approving the Consent Calendar Items as presented:

CONSENT CALENDAR

- A. Warrants of \$637,353.87 and Payroll \$328,330.07
- B. Regular Board Meeting Minutes of April 27, 2010.

Holbrook noted that there was a typo on page 5 of the Minutes of April 27, 2010.

Director Kamper asked if the WTP bills could be tagged on the bank reconciliation reports. Bere Lindley said he would look into that.

- C. Consider adopting Resolution No. 10-6-V, Authorizing the sale of the following:
Four Chevrolet pickups, no longer necessary for District purposes.

**RESOLUTION NO. 10-06-V
AUTHORIZING SALE OF PROPERTY NO
LONGER NECESSARY FOR DISTRICT PURPOSES**

WHEREAS, the District may sell for valuable consideration, any property of the District, which it finds to be no longer necessary for District purposes;

WHEREAS, the Board of Directors of the South San Joaquin Irrigation District, finds the following four Chevrolet Silverado 1500 pickups for sale listed below:

<u>DISTRICT I.D. NO.</u>	<u>SERIAL NUMBER</u>
287-07	588636
298-08	242019
301-08	242219
302-08	Z24193

Are no longer necessary for District purposes and that it is in the best interest of the District to sell said property; and

DISTRICT I.D. NO.

FAIR MARKET VALUE

287-07	\$10,800
298-08	\$13,200
301-08	\$13,700
302-08	\$13,700

NOW, THEREFORE BE IT RESOLVED AND ORDERED that the Finance and Administration Department Manager of the District is authorized to display said property for sale for a period of ten days, thereafter, directed to sell said property to whoever presents the highest cash offer, provided that the offer is equal to or exceeds the following:

DISTRICT I.D. NO.

MINIMUM PRICE

287-07	\$ 9,000
298-08	\$11,000
301-08	\$11,500
302-08	\$11,500

BE IT FURTHER RESOLVED AND ORDERED that the Finance and Administration Department Manager is authorized and directed to take all necessary steps and execute all documents necessary to transfer title to said property.

PASSED AND ADOPTED this 11th of May 2010

- D. Authorize filing a Notice of Completion and acceptance of work performed by Ross F. Carroll on Plant Optimization Project – Mechanical Phase I.
- E. Authorize filing a Notice of Completion and acceptance of work performed by Clyde Wheeler Pipelines on Lateral “R” Piping Project.
- F. Authorize filing a Notice of Completion and acceptance of work performed by Johnson Western Gunitite on Lateral “R” Shotcrete Project, (SSJ-2009-07).
- G. Authorize filing a Notice of Completion and acceptance of work performed by Allen A. Waggoner Construction on Lateral “UFA” Pipeline Replacement Project, (SSJ-2009-04).

Director Kuil made a motion to accept the Consent Calendar with the above mentioned corrections. The motion was seconded by Roos.

PASSED AND ADOPTED this 11th day of May 2010 by the following roll call vote:

Ayes:	Holbrook	Kuil	Kamper	Schulz	Roos
Noes:	None				

Item #1, Consider approval of Resolution 10-07-W, entitled “Approving Initial Study and Negative Declaration for 2010 Water Transfer to San Luis & Delta Mendota Water Authority.” General Counsel, Emrick told the Board that we only received one comment on the Initial Study / Negative Declaration. The comment came from the Department of Water Resources. The DWR comments were minor and will be incorporated in the record for the Initial Study/Negative Declaration. Emrick also pointed out that on page 19 of the Initial Study under 3.2.2 Environmental Consequences, in the last paragraph, the first and second sentences, 42,500 AF should be 42,750 AF. General Manager, Shields asked the Board if they would like to go to Executive Session to discuss the price and terms of payment after it took up the draft resolution. The consensus was in the positive. Emrick called for the public to comment on the NOD. There being none, Holbrook moved that the Board approve the corrected Initial Study, include the public comment and response in the record and adopt Resolution 10-07-W. Kamper seconded the motion.

SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 10-07-W
APPROVING INITIAL STUDY AND NEGATIVE DECLARATION
FOR 2010 WATER TRANSFER TO
SAN LUIS & DELTA MENDOTA WATER AUTHORITY

WHEREAS, South San Joaquin Irrigation District (“District”) in conjunction with Oakdale Irrigation District proposes to transfer to San Luis & Delta Mendota Water Authority up to a combined 50,000 acre-feet of water from OID’s and SSJID’s pre-1914 water rights during the 2010 Water Year which ends September 30, 2010 (“Project”); and

WHEREAS, the District caused to be prepared an Initial Study and Negative Declaration for the Project dated April 2010 which demonstrates that there is no substantial evidence that the Project could have any significant effects on the environment and states that the District shall adopt a negative declaration; and

WHEREAS, the District provided notice of the opportunity for the public to review the Initial Study and Negative Declaration and the date and time at which the District intends to approve the Initial Study and the Negative Declaration, in the manner required by law, by publication in a newspaper of general circulation in the project area, and posting for at least 20 days with the County Clerk for San Joaquin County; and

WHEREAS, the District provided notice and an opportunity for review of the Initial Study and Negative Declaration to State agencies to by providing copies to the State Clearinghouse; and

WHEREAS, the District’s Board of Directors has considered whatever public and agency comments have been received; and

WHEREAS, the District’s Board of Directors has considered the Initial Study and Negative Declaration (“Negative Declaration”); and

WHEREAS, on the basis of the whole record before it, the District’s Board of Directors finds that there is no substantial evidence that the Project could have any significant effects on the environment; and

WHEREAS, the Initial Study and Negative Declaration have been completed in compliance with the California Environmental Quality Act (Public Resources Code §21000 et seq.; ■CEQA●); and

WHEREAS, the Initial Study and Negative Declaration reflect the independent judgment and analysis of the District's Board of Directors; and

WHEREAS, the District's Board of Directors makes as part of its findings, all of the analysis and findings in the Initial Study and Negative Declaration,

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

1. Makes the findings set forth above, each of which is found to be true.
2. Approves the Initial Study and Negative Declaration for the Project.
3. Incorporates all of the findings in the Initial Study and Negative Declaration into the record of its adoption of the Negative Declaration and its decision to carry out the Project.
4. Finds that the Project will not cause any significant environmental impacts.
5. Directs the General Manager to execute a Notice of Determination as to the actions set forth above and to file the Notice of Determination for posting for a thirty day period in accordance with CEQA in the counties affected by the Project.
6. Directs that any required fees for filing the Notice of Determination, including the fee due the California Department of Fish and Game, be paid.
7. Directs that the documents and other materials that constitute the record of the proceedings regarding the Initial Study and Negative Declaration for the Project adopted by South San Joaquin Irrigation District be made available at 11011 E. Highway 120, Manteca, California.
8. Finds that the water to be transferred by this Project is made available from the District's conservation efforts and is surplus to its needs and elects to carry out the Project.

The foregoing Resolution was duly adopted at a meeting of the Board of Directors of South San Joaquin Irrigation District held on the 11th day of May 2010, on the following roll call vote:

Ayes: Holbrook Kuil Kamper Schulz Roos
Noes: None

President Kamper announced that Executive Session would be held in the Board Conference Room to discuss Closed Session Item 7 C. The Board returned at 9:49 A.M., and the General Counsel announced that there was no reportable action taken.

Item #2, Authorize Board President and Secretary to sign an acceptance of a Grant Deed and Grant of Easement from Circle JM Properties, LLC, a California Limited Liability Company & Circle JM Dairy, LP a California Limited Partnership. The District is in the process of purchasing 7 acres to be used for the west basin on the proposed Division 9 Pressurized System Project. The closing documents for the sale include an acceptance of a Grant Deed to the property and a separate Grant of Easement for irrigation facilities and access to the property. Motion by Holbrook, seconded by Schulz to authorize the Board President and Secretary to sign the above referenced Grant Deed and Grant of Easement. Motion passed unanimously.

Item #3, Agreement To Dedicate Pipeline From Lathrop Road Interconnection To M1 Site By The City Of Manteca And South San Joaquin Irrigation District. Bologna addressed the Board. He outlined the situation that resulted in the proposed agreement. He explained that because the City is putting a meter at the M1 site and not at the connection point on Lathrop Road, the City is dedicating the portion of pipe running from the tap to the M1 site on Louise Avenue. The agreement spells out the terms and conditions of this arrangement. Holbrook said that agreement did not make clear the delineation of ownership and responsibility. Bologna suggested that an exhibit be added to the Agreement, which would consist of a map showing the two pipelines on Louise Avenue, clearly differentiating who owns what. Kamper said that he was concerned about the workmanship of the roadway, where the pipeline had been put in. Shields said that the County would have issued an encroachment to the City, which will make the City liable for the workmanship. After a brief discussion, Director Holbrook made a motion to authorize the General Manager to sign the Agreement with the condition that a revised map be attached as an exhibit to the agreement and also that we are assured that the City was issued an encroachment permit and that the permit be re-assigned to the District. Roos seconded the motion. The motion passed 4 to 1, with Kuil opposing.

Item #4, Proposal for Water Management Program Priority Tasks and related on-call services. Shields explained that this proposal is a follow up to the water balance study that David's Engineering did for the District in 2009. The proposal outlines ways in which David's Engineering would help the District implement the recommendations made in the initial water balance report. Bologna said these efforts would include moving forward with our water conservation programs as well as our incentive programs. Shields said he was concerned that there was no timeline for the work. Bologna agreed that a timeline should be included. The consensus of the Board was that the District needs to be proactive in finding ways to more accurately measure water usage as well as in implementing conservation efforts. Director Roos said we will need to fine tune this effort over time. Shields said he wanted the Board to be aware that this proposal would

not take the place of the integrated water management plan which we are required to have in place by 2012. Motion by Holbrook and seconded by Kuil to authorize the GM to proceed with the proposal but to include a timeline for the work. Motion passed 3 to 2, with Schulz and Roos voting no.

Item #5, Directors reports on the Spring ACWA Conference held in Monterey, May 4-7

President Kamper asked Director Roos to report. Roos said that at breakfast on Wednesday morning the Founding Agencies of ACWA were given special recognition. The District was presented a plaque recognizing it as one of the five Founding Members and commemorating ACWA's Centennial Celebration. He said he also attended an ethics class and a session called "How to survive 2010". On Thursday he attended a session about the State wide bond measure and the Region 4 meeting. He also spoke with Donald Glaser, the Mid Pacific Director of the Bureau of Reclamation. Mr. Glaser said he would be willing to come and speak to the Board concerning water issues.

Director Shulz said he attended a solar presentation which was interesting. He also commented that after listening to the different presentations and speaking to other attendees, it is his opinion that even agencies located in the southern part of the State are divided concerning the bond issue.

Holbrook said he attended the Golf Tournament on Tuesday, which provided a good opportunity to socialize with various firms the District does business with. On Tuesday night the Welcoming Reception gave the conference attendees a chance to meet the vendors. On Thursday, Senator Dave Cogdill received the 2009 State Legislative Leadership Award. He also attended "The Sierra Nevada's Water Resources: the Vital Role in California Water Sustainability" and the Region 4 Meeting. At the Region 4 Meeting it was suggested that we send someone to the "Toward Sustainable Groundwater in Agriculture" on June 15-17 @ the Hyatt Regency, S.F. Airport. The Hans Doe Forum Breakfast on Friday was titled, "California's Water History: A Congressman's View". The speaker was Congressman Jim Costa.

Kamper reported that the ethics class that he attended was very good, but he feels that there should be less audience participation to allow more time for the class leaders to cover the material. He said although the topics can be a bit frustrating, the conference is valuable because it allows the different agencies a chance to communicate with and learn from each other.

President then asked for the Water Treatment Managers report.

Bill Hubkey reported on the following:

1. The log booms located in Woodward Reservoir have once again been damaged due to high winds. The main support cable has broken and the booms are separated. Stanislaus Parks staff and the Sheriff's Department are working to keep people away from the area. Divers will be surveying the damage and making temporary repairs. They will also submit a report with an estimate for long term repairs.

2. The process of charging the main water supply line to the M-1 turnout has begun. Chlorination and flushing the line will need to be completed before the City can receive water through that line to the M-1.
3. The delivery date for the New Holland TV 6070 with the Brown Bear attachment from Garton Tractor has been postponed until August.
4. The Plant has received the results of the CDPH inspection in March. There were five minor issues noted in the report. Plant Staff will send our response back to CDPH, in a letter.

Don Battles, Utility Systems Manager reported that solar production is coming in at 13,000 Kw a day, which is excellent.

President Kamper said he wanted to thank Troylene Saylor & Alan Vallow for their participation in setting up and manning the booth at the exhibit hall at ACWA. He complimented them on the good job they did.

General Managers Report:

- 1). Reported he attended a debate on Water bond issues at ACWA. He said the Sierra Club is against the bond because it has too much “pork”.
- 2). Handed out Tri-Dam Operation’s Daily Report May 8, 2010. Donnell’s is up and running again. Reservoirs are filling up.
- 3). Handed out SSJID 7 Day Water Usage Reports. No surprise water usage is down from last year at this time, due to the Spring rains.
- 4). Cities of Ripon and Lathrop are discussing Lathrop’s selling a portion of its domestic water to Ripon.
- 5). We have received a request by Stanislaus County for a two year extension on completion date for improvements they are to make at Woodward Reservoir.
- 6). Asked the Board if they would be interested in the District hosting a forum to educate the public on the State water bond issue.
- 7). Approved the following Encroachment Agreement:
--Sergio & Michelle Ghahramani (APN 202-360-17) to encroach upon a portion of District Lateral “T” easement with a storage shed.

President Kamper 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 - 1 case
Various water quality proceedings before State Water Resources Control Board—Delta Flow Criteria, San Joaquin River Flow Objectives
- c. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: APN 208-070-35
Agency Negotiator: General Manager
Negotiating Parties: District and current property owner
Under Negotiation: Price and Terms of Payment

Property: APN 198-030-08, 15
Agency Negotiator: General Manager
Negotiating Parties: District and Union Pacific Railroad
Under Negotiation: Price and Terms of Payment

- d. CONFERENCE WITH LEGAL COUNSEL-Existing litigation
Subdivision (a) of Government Code Section 54956.9
-PG&E General Rate Case 2011- CPUC A.09-12-020
 - OID & SSJID v. US Department of Commerce US District Court Case
No. 1:09-cv-2452.

Upon returning from closed session, General Counsel, Emrick said there was no reportable action taken.

There being no further business to come before the Board it was moved by Director Kuil, seconded by Director Roos, and unanimously carried to adjourn to May 25, 2010 at 9:00 a.m.

ATTEST:

Cheryl Burke, Executive Secretary