

Manteca, California
May 14, 2013

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. President Roos called the meeting to order and led the flag salute. Upon roll call the following members were noted present:

DIRECTORS: HOLBROOK HOLMES KAMPER KUIL ROOS
ABSENT: NONE

Also present were General Manager Jeff Shields, General Counsel Steve Emrick, Engineering Department Manager Sam Bologna, and Executive Secretary Betty Garcia.

Director Roos asked for public comment and there was no public comment.

The Board was asked to consider the following Consent Calendar Items.

CONSENT CALENDAR

- A. Approval of Warrants the amount of \$410,811.57, A/P Wires in the amount of \$265,431.40, and April payroll in the amount of \$363,404.55.
- B. Approval of Board Meeting Minutes of April 23, 2013.
- C. Approval of Consent to SSJID's entry of property to read and owner's agreement to maintain flow meter, Lenox Etherington Investment, L.P., APN 205-060.41.
- D. Approval of Consent to SSJID's entry of property to read and owner's agreement to maintain flow meter, Loren & Karen Viss, APN 245-210-35.
- E. Approval of Consent to SSJID's entry of property to read and owner's agreement to maintain flow meter, Duane & Ellen Martin, APN 208-070-25.
- F. Approval of Consent to SSJID's entry of property to read and owner's agreement to maintain flow meter, Richard & Mark Hoogendoorn, APN 208-090-28 & 208-090-29.
- G. Approval of Consent to SSJID's entry of property to read and owner's agreement to maintain flow meter, G & E teVelde Orchards, Inc., APN 245-260-09.
- H. Accept and file Notice of Completion for Turnout #2 on Lyons Road for Van Till work performed by Fedco.

Mr. Emrick noted on page 7 of the minutes, the last sentence needs to be changed from health district to health department. Director Kamper noted on page 7 under his report that the State did not lend money to Metropolitan District but granted permission to them in regards to the tunnels. Director Roos noted on page 8 under Bere Lindley's report the Board had been invited to a

reception and not a dinner at ACWA. Mr. Emrick noted on page 8, the last sentence, that General Counsel needs to be changed to Counsel Don Geiger.

Director Holbrook noted that staff needs to ensure that signatures on agreements that need to be signed are updated. He also noted on item #G that Exhibit A should be corrected to include an accurate description of the property.

A motion was made by Director Holbrook and seconded by Director Kuil to adopt the Consent Calendar items with the changes listed above by the following roll call vote:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS
NOES: NONE
ABSENT: NONE

Motion passed unanimously.

Director Holbrook noted that today's agenda was numbered incorrectly.

ACTION CALENDAR

Item #1 – Randy Sims, Division 4, Concerns regarding water delivery

Mr. Sims addressed the Board stating that he was also representing George Freitas and other neighboring farmers. He was disappointed that delivery of his irrigation water had been changed from receiving water every other Saturday at 4:00 p.m. and that lately there has been no consistency on the days or times that he gets water. He said he had a verbal agreement with the District to have his water delivered on every other Saturday by 4:00 p.m.

Director Holbrook stated that going back to 1952, he does not recall having an exact time and date of water delivery. He said the Ditch Tender should never have made a promise to deliver water on a regular basis at specific times. He confirmed that the water is delivered when it gets there. Several board members stated if Mr. Sims was getting his water every 14 days at 4:00 p.m. then the Ditch Tender was doing a great job as rotations are on 10 or 20 day cycles, not 14.

Mr. Catanzarite distributed two reports to Mr. Sims and the Board members that indicated Mr. Sims had been in contact with the District on September 14, 2012, regarding his water delivery. He said the rotation of water delivery had been changed a number of times to accommodate Mr. Sims and neighboring farmers' schedule. Mr. Catanzarite also had a report that listed the dates and times that water has been delivered this season, and it indicated that Mr. Sims was receiving his water every 10 days at various times from 1:30 p.m. to 10:00 p.m. but also confirmed there was no way for him to get water at the same exact time at every delivery. It was noted that the Ditch Tender calls ahead to inform the farmers of an approximate time they can expect delivery of their water and it is up to them to plan accordingly.

The board agreed that as long as Mr. Sims was getting water delivered to his property every 10 days that he was doing well but in no way could the board promise an exact time of delivery. Mr. Sims thanked the board for their consideration.

Item #2 – Merlin & Tim Mohler, Division 9, Clarification and answers regarding hookups, turnout, and repair of District Boxes

The Mohler Brothers addressed the Board. Mr. Merlin Mohler distributed a letter to the Board members listing their concerns and issues. The primary concerns of the Mohlers is as follows:

- District’s leaking box and pipes near their well be replaced by the third week of January 2014.
- Clarity as to why flows of water have been flowing through the SSJID box near their well on a regular to semi-regular basis when staff members told them it was not necessary given the potential for damage to their private well.
- Concerns that leaking SSJID irrigation facilities located closely to their well could cause damage to recent repairs done to the well (such as sink holes, subsidence, erosion of soil into the well, or even well collapse).

Director Holmes asked if the Mohler’s well was within the District easement and if an encroachment agreement needs to be established. Director Holbrook suggested that the encroachment permit would protect the Mohlers and the District as well. Director Holmes asked if there were more repairs the District could make to minimize the leaks. Mr. Catanzarite agreed to go out and see what could be done to prevent leaks until the box is replaced. Mr. Bologna believed the damage to the box had been caused by the pipeline that the Mohlers had connected to the box.

Mr. Shields stated the District will replace the box next year.

Item #10 – Consider approval of SSJID Annual Financial Report for 2012

Mr. Brian Nash of Richardson & Company addressed the Board. He stated the report was a clean opinion and scope of the audit was consistent with the engagement letter. He said there were no difficulties encountered in performing the audit, no disagreements with management, no new major issues discussed with management prior to retention or management consultation with other auditors that we are aware of. He distributed a one page summary of the audit and explained each item in detail. Mr. Nash stated that Mr. Lindley prepares an extremely detailed Monthly Financial Report for the board and that in most governmental agencies these types of reports are prepared annually. The Board thanked the auditors.

A motion was made by Director Holbrook and seconded by Director Holmes to accept the SSJID Annual Financial Report for 2012. Motion passed unanimously.

Item #4 – Consider approval of chemical contract agreement at Water Treatment Plant

Mr. Justin Ashworth addressed the board stating that nine (9) vendors responded to the Request for Proposals that were sent out. He said there has been a decrease in chemical costs.

A motion was made by Director Kuil and seconded by Director Holbrook to approve the lowest conforming bidding vendor for each chemical for a three year contract. Motion passed unanimously.

Item #5 – Consider approval of Resolution #13-08-P authorizing the disposition of surplus items – log booms

Mr. Hubkey presented this item to the board. He said currently there is no buyer for the surplus booms, however Tri-Dam has purchased them in the past.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION #13-08-P
AUTHORIZING THE DISPOSITION OF PROPERTY
NO LONGER NECESSARY FOR DISTRICT PURPOSES**

WHEREAS, the District may dispose of equipment it finds no longer necessary for District purposes; and

WHEREAS, the following equipment and furniture is declared surplus:

<u>Qty</u>	<u>Description</u>
92	Log Booms

NOW, THEREFORE BE IT RESOLVED AND ORDERED that the District authorizes staff to sell all 92 Log listed above as surplus equipment.

PASSED AND ADOPTED this 14th day of May, 2013 by the following roll call vote:

AYES:	HOLBROOK HOLMES KAMPER KUIL ROOS
NOES:	NONE
ABSENT:	NONE

A motion was made by Director Holbrook and seconded by Director Kamper to approve Resolution #13-08-P authorizing the disposition of the surplus log booms to be sold to any interested party. Motion passed unanimously.

Mr. Hubkey gave his Manager’s report at this time.

- GE-Zenon is supposed to deliver a train of modules today or tomorrow and then every two weeks. A total of three trains (1500 modules) is being replaced with new V-4 units.
- The Highway 99 project is on schedule. The new transmission line is already laid under Highway 99 and both of the off ramps. The west side is approximately 75% completed. The contractor will start laying pipe on the long eastside strip today.
- Both vaults have been installed at the new M-1 site. The check valve, shut off valve, and flow meter are installed. The rebar cage will be installed today for the antenna mast. As of today, PG&E is behind schedule to have power installed at the site. This is the site

that will serve the City of Manteca during shutdown. They are also having installation problems with PG&E providing their three phase power to their pumps.

- Plant staff met with the City of Manteca to finalize a plan to operate the M-1, M-2, and M-3 sites. M1 will serve water from the plant and M-2 & M-3 will serve water from the City of Manteca's wells. The City of Manteca will put a Public Notice in the local newspaper at this time informing the residents of the potential increase in arsenic levels. CDPH has approved the plans from SSJID and the City of Manteca.

Item #6 – Consider approval of Union Ranch East Unit 5 Development Project

Mr. Bologna said the Union Ranch East Unit consists of 75 residential lots and is approximately 22 acres. He said lateral "Rff" and "Drain 3" will be impacted by this phase of development.

The following special conditions and requirements "Exhibit C" must be met:

- Owner/developer shall submit improvement plans and final maps for the entire Union Ranch East #5 development to the Engineering Department for approval and comply with all standard requirements concerning replacement of all facilities located within the development as specified in the Union Ranch tentative map conditions adopted for the project.
- Owner/developer shall not build or develop within District easement until the replacement of the District's facilities has occurred in accordance with approve plans.
- Owner/developer enters into an Encroachment Agreement with the District for all proposed encroachments.
- Owner/developer shall notify District at least 48 hours prior to commencement of work. Work shall be complete and pipeline operational as specified by District. The deadline for work is typically February 15th of any given year.
- Owner/developer acknowledges that acceptance of storm water for this project will be subject to the terms and conditions of the Storm Drainage Master Plan between the District and the City.

A motion was made by Director Holbrook and seconded by Director Kuil to approve the Union Ranch East Unit 5 Development Project based on staff's recommendations as stated above being met and the District will contribute \$8,544 based on the replacement of approximately 356 feet of pipeline. Motion passed unanimously.

Item #7 – Consider request from developer of Pillsbury Estates to perform construction during water season and utilize District conveyance system for dewatering.

Mr. Bologna said the Pillsbury Estates project is a planned residential development located at the south end of Pillsbury Road in Manteca. Due to the timing of the transfer of land and subsequent approvals by the City, the developer was unable to start construction of the pipeline work prior to the start to water season. Mr. Manny Silva of Pillsbury Estates – Meritage, and Mr. Phil Gianfortone of Mazingo Construction addressed the Board stating they would need to place 7 feet of fill because they will be crossing the District's pipelines. Director Kamper stated he was not comfortable with the construction company tearing up property during water season. Both

Directors Holmes and Kuil agreed that the District does not normally allow work to be done during water season because the farmers need to be protected.

A motion was made by Director Kamper and seconded by Director Kuil to confine the construction to the “xb” lateral and hold off on lateral X-66 dd until the end of water season. Motion failed with 3 to 2 votes. Director Kamper withdrew his motion.

Staff made recommendation to accept the project considering the following:

- Allow a construction window of time subject to ability to coordinate with the Water Department and satisfactorily mitigating concerns relative to potential delays in water delivery, including indemnification of District as specified in the Developer’s agreement.
- With regard to using our facilities for dewatering, it is recommended that the request be coordinated through the City and that they be required to follow all rules and regulations relative to State water quality regulations and permitting.
- Approval would also be subject to Water Department’s ability to manage water being discharged.

A motion was made by Director Kuil and seconded by Director Roos to approve the project based on staff’s recommendation, however, no tie in to the X-66 dd line can be made until the end of the water season. Motion passed 3 to 2 with Directors Kamper and Holmes casting no votes.

Item #8 – Consider amendment of Developer’s agreement for the Blossom Grove Development to allow for an emergency vehicle access along a District pipeline and to pay District money in lieu of requirement to install a replacement pump station to replace the Jensen pump #40 located adjacent to their development

Mr. Bologna stated the Blossom Grove development was approved in December which called for the replacement of a Jensen pump#40. In lieu of relocating the pump, they have requested that the District consider accepting the money allocated for the pump replacement which is an estimated \$80,448.

Staff made recommendation to accept the project considering the following:

- The terms of the pump transaction would specify that the money be paid in lieu of the requirement to replace the pump and that the District would assume responsibility for dealing with the pump at that time when the property at the pump site develops.
- Approval of the Emergency Vehicle Access request will need to be subject to approval from the underlying landowner, acceptance of liability for pipeline damage, removal of irrigation services valves, protection of pipeline as shown on the approved drawing, and indemnification of District for use of easement in the form of an Encroachment Agreement.

Director Holbrook expressed concerns with emergency vehicles driving over the District easement. Mr. Dan Eavenson with MCR Engineering stated they would protect the pipe with concrete.

A motion was made by Director Kamper and seconded by Director Holbrook to go with staff's recommendation as listed above, and to accept \$100,000 in lieu of relocating the pump. Use of the District's easement for emergency access is further subject to the following: Emergency access is only for this subdivision, only when access through the main entrance to the subdivision is blocked and only on the side of the road where there is no District pipeline. Motion passed 4 to 1, with Director Roos casting a no vote.

Item #9 – Consider request from Rien Doornenbal to acquire lateral B-487 “dd” from the District – Pulled from Agenda

Item #3 - District's Division 9 Project update

Mr. Shaw stated there are still noise issues on turnout #76 and #79. Cla-Valve has agreed to replace all remaining check valves. He said we are getting close to having all issues resolved.

Director Holmes asked if the District is keeping up with the water delivery schedules and Mr. Shaw stated the water has been bumped up to 15,000 gpm. He would like to raise the threshold to 18,000 gpm. He said the District staff is doing a good job at meeting water deliveries.

Item #11 – Discussion and action concerning Division 9 Project – Pulled from Agenda

Item #12 – Update on April – May Water Transfer – San Luis and Delta Mendota Water Authority

Mr. Shields stated the sale has been consummated and the water is in the river. The DWR is picking up 40,000 AF and San Luis is picking up 40,000 AF and the transfer should be complete by May 21. The District is to receive payment in July.

Item #13 – Directors Report from ACWA Conference

Director Roos

- SWRCB reported on their water quality plan. Mr. John Herrick said the State has been trying unsuccessfully to enhance the fish population for 20 years.
- Attended a class on Constitutional limits on water rights. A water right is a right to use it and if we don't use it we lose it.
- Judge is making a ruling on Santa Maria Groundwater use and ground water basins.

Director Holbrook

- Tuesday night welcome reception; met many people from other entities and discussed common issues: BDCP, Water Rights, and the push to pass 2014 billion dollar bond issue.
- Senator Darrell Steinberg pushed really hard for the BDCP which still provides no protection for Northern California.
- Water Storage and new strategies for a New Era: main theme is attempt to raise existing dams.

- Integrated Regional Water Management (IRWM) in the San Joaquin Valley is a collaborative effort among multiple agencies and stakeholders to arrive at mutually beneficial solutions to manage regional water resources. Many favor this approach to solving the State's water problems at a much lower cost and is more sustainable into the future than the tunnels.

Item #14 – General Managers report from One Voice/Bureau of Reclamation to Washington D.C.

- Steve Emrick and he coordinated with SEWD.
- Learned on our arrival from a news release from Federal accounting offices that State of California was awarded \$1.5 billion for the Clean Water Act and Drinking water projects. State has not yet allocated monies. Funds are prioritized to disadvantaged communities.
- Spent time with the National Marine Fisheries Service and Senator Boxer's office regarding the need to consider the Districts' proposed New Melones Operations Plan in the Biological Opinion remand process and the Districts' participation in the Stanislaus Operations Group.
- Steve Emrick also met on the same issues with Senator Feinstein's office, the Bureau of Reclamation and with Representatives Denham and McNerney.
- We also discussed our concerns with expansion of the San Joaquin wildlife refuge in Division 9.

Item #15 - Communications

Director Kuil

- TriDam committee meeting in Tulloch and they want to extend independent auditors to Richards & Company.
- Power sale agreement.
- Update on Beardsley Recreation all to be discussed on Friday at Strawberry.

Director Roos

- ACWA Joint Powers is similar to our JPIA.
- Played golf at the Girls & Boys Club Golf tournament with John Holbrook and two District employees.
- Attended San Joaquin Farm Bureau dinner
- Jerry Barton called to report he has 65 acres being impacted by high waters.

President Roos asked for Managers Reports.

Troylene Saylor, Communications

- Ripon Christian School appreciated the Salmon Funding Project and sent a letter of thanks to the District.
- Rina's Run Fund Raiser for the Ripon Athletic Stadium.
- Memorial Day – Not Forgotten Fund Raiser.
- Give Every Child a Chance – June 1 & 2, Del'Osso Farms.

Sam Bologna, Engineering

- Conservation program has received 101 applications. \$825,634 committed.

Jeff Shields, General Manager

- Central San Joaquin Water Conservation District is proposing and SJ LAFCo is recommending approval of an annexation of 10,591 acres. The land includes three areas known as Areas A (5,579 acres); B (3,966 acres); C (946 acres). This annexation had a competing application by SEWD although SEWD's application included land in SSJID's sphere of influence. The CSJWCD application does not include lands in SSJID's service area. The plan is to include this area for property taxation and a groundwater recharge fee but there are no new facilities proposed to serve the landowners. Hearing is scheduled for this Friday, May 17.
- Memorial Day Celebration at Woodward Park, Sunday, May 26, all day. SSJID is one of the sponsors. The event will be led by Pastor Mike Dillman.
- SJ Farm Bureau held the annual scholarship dinner on Friday, May 10. Next year they are planning a 100th Anniversary Celebration and are looking for photos, stories or any information that we might have in relation to their early years.
- Seniors Assisting Fire Effort (SAFE) is associated with the Manteca Fire Department and provides assistance to the fire department. They approached a couple of Board members asking if we might donate a truck like we did to STARS. The Board approved several vehicles for disposal/sale at the last Board meeting and the vehicles have been prepped for sale starting tomorrow. There is one truck in the lot that is valued at \$6,000 that could be dedicated to SAFE for community service if the Board is inclined to do so. If the Board would like to consider this, it will be brought back to the next Board meeting.
- ACWA Conference in Sacramento was May 7 – 9. He met with the Bureau and covered a host of issues related to New Melones operations, 1988 Stipulation Agreement, Inflow Methodology, and SOG. Kevin Kaufman met earlier and indicated that SEWD would agree to pre-meetings with SOG but not at the regular meetings. SEWD's attorney met with us and said no way to pre-meetings. Most of the conference was dedicated to BDCP and the proposed Water Bond. ACWA formed a Water Bond Committee and laid out the basis for an \$8.2 billion bond (down from \$11.4 billion). A rewrite of the Bond is being done by ACWA Committee.
- Received San Joaquin Elections invoice for \$15,500 for Director Kuil's election. Last election was \$26,225.
- TriDam daily report and SSJID's weekly report through Saturday, May 11. New Melones was at 1,379,689AF of storage. OID has taken 57,032AF and SSJID has taken 74,496AF. In addition, we have jointly transferred 80,000AF. The Districts will use another 354,000AF this year which will leave New Melones at 1 Million AF of storage minus whatever they use for contracts and outflow.

General Counsel announced the Board would be discussing items 16 a, b, c, and d under Closed Session.

ITEM #16 – CLOSED SESSION

- 16. 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 LABOR NEGOTIATOR
California Government Code Section 54957.6
Agency Negotiator: General Manager and Lee Clark
Employee Organizations: IBEW's 1245 and Management Group

- c. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
California Government Code Section 54956.8
Property: Water
Negotiating Parties: District and Westlands Water District
District Negotiator: General Manager
Under Negotiation: Price and Terms of Payment

- d. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Government Code Section 54956.8
Property: Water
Negotiating Parties: District and South Delta Water Agency
District Negotiator: General Manager
Under Negotiations: Price and Terms of Payment

Upon returning from closed session, the following action was noted on item #16D.

A motion was made by Director Kamper and seconded by Director Holbrook to accept the offer from South Delta Water Agency for the purchase of 310AF of water at \$85 a foot. Motion passed unanimously.

ITEM #17 - ADJOURNMENT

There being no further business to come before the Board, it was moved by Director Holbrook and seconded by Director Kamper to adjourn the meeting at 1:43 p.m. Motion passed unanimously.

ATTEST: _____
Betty Garcia, Executive Secretary