

Manteca, California
June 28, 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: KAMPER KUIL HOLBROOK HOLMES ROOS

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

President Holbrook called the meeting to order and led the salute to the flag.

Holbrook asked for public comment. There being no public comment the Board was asked to consider the following Consent Calendar Items.

CONSENT CALENDAR

- A. Warrants of \$638,225.50.
- B. Regular Board Meeting Minutes of June 14, 2011.
- C. Approve signature of the following Consent to Entry of Property Agreements and Certificate of Acceptance. These properties are participating in the District's On-Farm Water Conservation Program.

Richard & Lori Van Vliet	APN 205-060-38
Windens Farms	APN 245-230-35
Windens Farms	APN 245-220-10
Steve & Jackie Fredriks	APN 226-140-15
Fondse Bros.	APN 245-220-02
Van Till/Kamps	APN 226-130-30

- D. Approve the following Service Abandonments:

Director	Agr #	Owner	APN	Acreage
Holmes	1621	Escalon Cemetery	247-220-22	8.88
Kuil	1622	Sixto Davalos	226-020-25	4.43
Holbrook	1623	Gary & Lori Mouldenhauer	197-070-04	.55

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

PASSED AND ADOPTED on this 28th day of June, 2011 by the following roll call vote:

Ayes: Kamper Kuil Holbrook Holmes Roos
Noes: None

General Counsel, Steve Emrick announced that an item was being added to the action calendar. The item to be added is a request to authorize the City of Manteca to activate the M-1 site on a temporary basis. Emrick further explained that the City has advised us that they need the site to meet their fire suppression needs. Shields said that the item listed on the agenda, *Consider adopting cooperation agreement for NRCS Grants in Division 9, was being tabled.* Kamper made a motion to add as an emergency item, under Item #6, the City of Manteca's request to activate the M-1 site. The motion was seconded by Holmes and unanimously approved.

Item #1, Discussion and possible action concerning switching internet, cell phone and office system phone providers. Michael O' Leary & Frank Avila addressed the Board. The District currently uses three different companies for its communication needs. Velociter is our internet provider. TelePacific is our provider for the office telephone system and Nextel is our cell phone provider. Michael told the Board that he and Frank Avila have explored the different options available to meet the District's needs. They found that AT&T has good service coverage for the cell phones and they offer hard wired internet connection with a 99.9% "uptime" guarantee. Also if the District switches all three services to AT&T as a bundle there will be a significant cost savings. Directors Kuil and Roos both voiced concerns about AT&T's coverage area, saying they were aware of dead spots by Tullock and dropped calls with AT&T. Director Kamper said he personally uses AT&T and is well satisfied. Frank also added that when they compared all the data in the local area, AT&T proved to be superior to the other cell phone providers available. Director Holbrook asked about the contract length with AT&T. Michael replied that the cell phone will have a 2 year contract and the landline and internet will be a 3 year contract. Director Holmes asked if our contracts were up with our current providers and if not would there be any penalties. Michael answered that AT&T would cover any applicable penalties. Holmes said although he personally is happy with Verizon, he thinks changing to AT&T and bundling our services is a great idea and will result in a significant cost savings to the District. Director Kamper made a motion to approve contracting with AT&T for the District's cell phone, internet service and land line needs per staff recommendation. Director Holmes seconded the motion. Motion passed 3-2 with Kuil and Roos voting no.

Item #2, Consider purchase & installation of Card Master II on the WTP fuel dispensing system. Bill Hubkey, Plant Manager told the Board that currently, Plant staff document fuel use on the honor system using a sheet of paper and padlock. The Card Master II would have a keypad authorization system with individual codes which would help ensure accurate recordkeeping. Shields asked if the information gathered in the Card Master II system could be shared by way of SCADA with Ray Simons, since he keeps track of District fuel and maintenance on vehicles. Michael & Frank both replied in the affirmative. Director Holmes made a motion to authorize the purchase and installation of a Card Master II system from Donlee Pump Company at a cost of \$6,668.13. The motion was seconded by Kuil and unanimously approved.

Item #3, Authorize the rebuilding of seven 125 horsepower permeate motors at the WT”P. Hubkey reminded the Board that in April the Board approved the rebuilding of the P-3500-2 permeate motor. Hubkey said that there are a total of eight permeate motors in the Zenon building. He said that the remaining seven pumps each have over 35,000 operating hours and that the manufacturer recommends rebuilding at 25,000 hours. Quotes for rebuilding the pumps were sought and received from three vendors. Industrial Electric came in with a low bid of \$14,809.69 to rebuild the remaining seven pumps. Industrial Electric also offered the option of an epoxy coating and dip for an additional \$485.11 per unit. Hubkey said the epoxy option would only be done on an as needed basis. Director Holmes commented that the Plant needs to create a maintenance program for the pumps. Hubkey agreed that a maintenance program is needed and will be set up. Kamper made a motion to accept the bid from Industrial Electric of \$14,809.69 to rebuild 7 permeate pumps and include the cost of \$485.11 per unit for epoxy coating as needed. Kuil seconded the motion. The motion passed unanimously.

Item #4, Approve Amendments to Irrigation Service Abandonment Agreements for five parcels.

Mark Fisher	APN 257-240-23	Agr #262	9.05 acres
Susan Lenz (Fisher)	APN 257-290-28	Agr # 1391	17.22 acres
Jerry Fisher	APN 257-230-02	Agr # 1404	50.0 acres
Jerry Fisher	APN 257-240-22	Agr # 1389	29.0 acres
Jerry Fisher	APN 257-240-30	Agr # 1406	20.0 acres

Motion by Kamper, seconded by Roos to approve Amendments to Service Abandonment Agreements, 262, 1391, 1404, 1389 & 1406. Motion passed unanimously.

Item #5, Adopt Resolution 11-08-P Authorizing the Conveyance by Quitclaim of Easement by the District and authorize signing of Agreement to Transfer Irrigation Facilities and Quitclaim Easement. Sam Bologna reminded the Board that on April 12, 2011 the Board authorized the transfer of Lateral “W 137 dd” to Steve & Jacqueline Fredriks subject to the execution of an agreement that would include an obligation by Fredriks to maintain the pipeline for future service to the adjoining property belonging to Van Laar. The Agreement to Transfer addresses the above mentioned conditions. Motion by Kamper, seconded by Holmes to Adopt Resolution 11-08-P and authorize signing of appurtenant documents. Motion passed 5-0.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 11-08-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 “W 137 dd” by virtue of easement recorded July 28, 1955 in Book 1774 of Official Records at Page 256,

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 Steve and Jacqueline Fredriks, hereinafter referred to as "Owner", 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, Owner has signed a Transfer Agreement which, among other things, obligates Owner to maintain pipeline to service neighboring property to the west, 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.

PASSED AND ADOPTED this 14th day of June 2011 by the following roll call vote:

Ayes: Kamper Kuil Holbrook Holmes Roos

Noes: None

Item #6, *Original item--Consider adopting cooperation agreement for NRCS Grants in Division 9 was tabled.* Approve the City of Manteca's request to activate the M-1 Site until the permanent site on the corner of Lathrop Road and Austin Road can be built. Steve Emrick, General Counsel, stated that this issue is to be considered under emergency action because of the City's need for fire suppression using this facility. Hubkey told the Board that the City is asking permission to serve water to a temporary M-1 site located off Louise Avenue, until 8:00 a.m., December 31, 2011. The site has been inspected and Plant staff has verified that it does have an active meter, telemetry and will soon have an automated shutdown valve. This temporary agreement will allow the City time to build a permanent site on the corner of Lathrop Road and Austin Road. Director Kamper made the following motion. The District will authorize service to the temporary M-1 Site. The City will be given 45 days to approve and sign the agreement. The temporary agreement will be in effect until December 31st, at which time the

permanent site needs to be completed. Motion was seconded by Roos and unanimously approved.

Item #7, Sam Bologna gave a brief update on the Division 9 Construction Agreement. The District has received the schedule of values, but is still negotiating with Knife River on this issue. Holbrook asked if there was a tentative date for resolution of this issue. Bologna said he is working to have this resolved by this Friday. Sam also asked the Board if their past ruling still holds to landowners who are late in requesting participation in this project. Earlier ruling by the Board indicated late applicants would be responsible for at least 50% of the actual cost. The Board indicated that past rulings still applied. Jeff Shields announced that Knife River would be hosting a Growers meeting on July 7 at the District offices. This meeting will be held to discuss and clarify what they can expect when construction begins. No action was taken.

Item #8, Consider compensation adjustment for General Manager and General Counsel to be discussed after Closed Session.

President Holbrook called for Directors Reports.

Director Roos gave a brief report on the 2011 National APPA Conference held in Washington DC. Roos commented that the APPA conferences are always well organized and very professional. He reported on several of the sessions that he attended including an overview of the Utility industry on Saturday and an update on Federal legislature as it applies to the utility industry on Tuesday.

Director Holmes commented that things seem to be moving in the right direction as far as the contract with Knife River for the Division 9 Project. Director Holmes suggested that there be an Ag Committee meeting on July 7 before the growers meeting. Director Kuil said he was interested in attending the growers meeting as well. Emrick said that a Special Meeting would be noticed for July 7 to accommodate the Directors who would like to attend the Growers meeting.

Director Kamper reported that he just returned from a vacation in which he drove through a lot of desert land. He said it made him feel very thankful for the water sources that we enjoy here in the area.

President Holbrook gave a brief report on the SJ Flood Control Advisory Committee Meeting he attended. He also said he worked at the Day of Giving sponsored by APPA. Volunteers worked at three different project sites: a therapeutic riding program facility, Habitat for Humanity and From the Ground Up, an organization that supplies free low cost vegetables to the needy. He said one session he attended discussed the issue of Maintenance requirements of wind generators. He also agreed with the comments of Director Roos on the value of attending the APPA meeting.

President Holbrook called for Managers Reports.

Bill Hubkey, WTP Manager, reported the following:

- Howk Systems removed the No. 3 DAF Recycle pump for repairs
- Matt Gonzales and Jason McCulloch passed the CDPH Grade 4 tests.

- Underwater Resources will finish re-sectioning the log booms this week.
- District staff have begun potholing and soil testing at the Microwave tower sites.
- Hach Company will no longer be able to support our 1720 D meters.

Don Battles, Utility Systems Director said he was pleased to tell the Board that the tracker bearings are on site at the solar farm and being installed. He said it would take approximately four weeks to complete.

Jeff Shields, General Manager reported the following:

- Bureau of Reclamation is set to release their Plan of Operations for New Melones today.
- Reported that he was able to have constructive conversations with representatives from Western Area Power Administration at the APPA Conference in Washington DC last week.
- With the Division 9 contracts being finalized and construction soon to follow, a website is being set up to provide daily information to anyone that is interested in the construction progress.
- 2010 Audit is complete and will be presented to the Board at the July 12 Board Meeting.
- The Stop the Power Grab/common Sense campaign headquarters in Manteca has been closed.
- Tri-dam operations Daily Report dated June 27 and SSJID 7 Day Water Usage Report for the week of June 12-18 were handed out.
- Approved the following Structure Permits:
 - Donald Wendland, APN 229-030-05&06 to install a sump with appurtenant sprinkler pump/flow meter on Lateral "Bf" @ Sta 12+/-

Director Holbrook called for a short break before Closed Session.

General Counsel announced the Board would be discussing Items 9 a. d. & e. under Closed Session.

- a. CONFERENCE WITH LEGAL COUNSEL-Anticipated Litigation
Initiation of litigation pursuant to subdivision (c) of Government Code Section 54956.9- 2 cases

 - d. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
California Government Code Section 54656.8
Property: Portion of APN 198-030-08, 15
Agency Negotiator: General Manager
Negotiating Parties: District and Union Pacific Railroad
Under Negotiation: Price and terms of payment

 - e. Public Employment Performance Evaluation. Gov. Code S. 54957. -----General Counsel.
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Upon returning from Closed Session President Holbrook stated no action was taken in closed session and that open session would resume at Item #8.

Item #8, Consider compensation adjustment for General Manager and General Counsel. Holbrook stated that the issue of compensation adjustment for the General Counsel would be deferred to the July 12th meeting. Emrick asked for clarification as to the start date of any compensation adjustment. It was agreed that any compensation adjustment would be retroactive to June 1 for the General Manager and July 1 for the General Counsel. Director Roos made a motion to approve a 5% salary increase for the General Manager, retroactive to June 1, 2011. Director Kuil seconded the motion, which passed unanimously.

There being no further business to come before the Board it was moved by Director Holmes seconded by Director Holbrook to adjourn to the next regularly scheduled meeting to be held Tuesday, July 12, 2011. Motion carried unanimously.

ATTEST: _____
Cheryl Burke, Executive Secretary