

Manteca, California
July 8, 2003

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: DEGROOT KAMPER SCHULZ ROOS KUIL

Also present were Secretary/Manager Stroud, District Counsel Emrick and District Engineer Gilton.

President Schulz called the meeting to order and asked for Public Comment.

John Baker addressed the Board. He said he owns 40 acres adjacent to the Main Supply Canal near Knights Ferry. He planted cherry trees on the land. He asked the Board if the District could supply water to his land. He said he has 25 acres of trees and would need 75 acre feet per year. He said he asked OID and they said to ask us. The Board asked Stroud to check with OID and Emrick to look at the Boatwright Agreement and to put the item on the agenda for the next meeting to consider temporary water sale for this year.

President Schulz asked the Board to consider awarding bid for Lateral AC@ pipeline. Motion by Kamper, seconded by DeGroot, to award the bid for repairing 14 leaking valves on the C line to Central Valley Septic at a cost not to exceed \$3,979.00.

Motion carried, 4 Ayes, 1 No, with Director Roos voting no.

President Schulz asked the Board to consider approving the Consent Calendar as presented:

CONSENT CALENDAR

- A. SSJID Warrants of \$539,786.99 and Payrolls of \$148,650.98.
- B. Regular Adjourned Board Meeting Minutes of June 24, 2003.
- C. Adopt Resolution 03-13-P, authorizing the conveyance by Quitclaim of Easement.

SOUTH SAN JOAQUIN IRRIGATION DISTRICT RESOLUTION NO. 03-13-P

RESOLUTION AUTHORIZING THE CONVEYANCE BY QUITCLAIM OF DISTRICT EASEMENT

WHEREAS, the SOUTH SAN JOAQUIN IRRIGATION DISTRICT, hereinafter referred to as **■District●**, is the holder of an easement as for Lateral **■Re●** recorded on July 17, 2000 by instrument No. 00079693 in San Joaquin County Records which burdens a portion of Section 34, Township 1 South, Range 7 East, Mount Diablo Base and Meridian, situated within the City of Manteca, County of San Joaquin, State of California, (**■Easement●**) and

WHEREAS, the Easement specifically burdens in part the following-described real property (**■Subject Property●**):

Lot 50, as shown upon Map of Tract #2436, Spring Meadows Unit #2, filed for record on August 1, 2000 in Book 35 of Maps, Page 30 San Joaquin County Records.

WHEREAS, the easement is no longer utilized for irrigation and drainage purposes, and the pipelines formerly in the easement has been removed and

WHEREAS, it is in the best interest of the District that the portion of the Easement burdening the Subject Property be quitclaim deeded to the current owners of the underlying property, and

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

1. The pipeline has been removed from the Subject Property and relocated within a new easement as part of the development requirements for Spring meadows Unit #2, and
2. The District's interest in the Subject Property proposed to be quitclaim deeded is no longer necessary for District purposes, and
3. The property to be quitclaim deeded is exempt surplus land within the meaning of Government Code 54221 (e) (2), and,
4. 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 authorizes the President and Secretary to execute on behalf of the District a Transfer Agreement and a Quitclaim Deed to the current owners of the underlying property disposing of the District's Easement interest in the Subject Property.

D. Adopt Resolution 03-14-P, authorizing the conveyance by Quitclaim of Easement.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 03-14-P**

**RESOLUTION AUTHORIZING THE CONVEYANCE BY
QUITCLAIM OF DISTRICT EASEMENT**

WHEREAS, the SOUTH SAN JOAQUIN IRRIGATION DISTRICT, hereinafter referred to as ■District●, is the holder of an easement as for Lateral ■AA● recorded in Book 1847 at Page 158 in found on San Joaquin County Records which burdens, a portion of Section 31, Township 1 South, Range 7 East, Mount Diablo Base and Meridian, situated within the City of Manteca, County of San Joaquin, State of California, (■Easement●) and

WHEREAS, the Easement specifically burdens in part the following-described real property (■Subject Property●):

Parcel "C" of Parcel Maps recorded in Book 11 of Parcel Maps at Page 144 of San Joaquin County Records.

WHEREAS, the easement is no longer utilized for irrigation and drainage purposes, and the pipelines located within the easement shall be removed and transferred to the underlying property owner in accordance with the provisions of the quitclaim acceptance document signed by owner, and

WHEREAS, it is in the best interest of the District that the portion of the Easement burdening the Subject Property be quitclaim deeded to the current owners of the underlying property, and

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

1. Portions of the pipelines located within subject property shall be removed in accordance with the stipulations of the quitclaim agreed between the owner and District, and

2. The District's interest in the Subject Property proposed to be quitclaim deeded is no longer necessary for District purposes, and
3. The property to be quitclaim deeded is exempt surplus land within the meaning of Government Code 54221 (e) (2), and,
4. 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 to execute on behalf of the District a transfer agreement and a quitclaim deed to the current owners of the underlying property disposing of the District's Easement interest in the Subject Property.

- E. Authorize Notice of Completion for Northwest Pipeline.
- F. Adopt Resolution 03-15-F, Authorizing Investment of Monies in LAIF.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 03-15-F
AUTHORIZING INVESTMENT OF MONIES
IN THE LOCAL AGENCY INVESTMENT FUND (LAIF)**

WHEREAS, Pursuant to chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Board of directors does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the best interests of the South San Joaquin Irrigation District.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors does hereby authorize the deposit and withdrawal of South San Joaquin Irrigation District monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

BE IT FURTHER RESOLVED, that the following South San Joaquin Irrigation District officers or their successors in office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund:

John Stein	Robin Giuntoli	Stevan Stroud
Asst. G M/Treasurer	Finance Supervisor	General Manager/Secretary

PASSED AND ADOPTED, by the Board of Directors of South San Joaquin Irrigation District, in San Joaquin County, State of California on July 8, 2003.

Motion by Roos, seconded by Kuil, and unanimously carried to approve the Consent Calendar Items as presented.

PASSED AND ADOPTED this 8th day of July 2003 by the following roll call vote:

Ayes:	DeGroot	Kamper	Schulz	Roos	Kuil
Noes:	None				

Review and approve investment strategy for Water Treatment Plant monies and authorize

opening an account for deposit of those funds. Ken Martin, Public Finance Resources, who was retained to recommend an investment program for the funds addressed the Board. Mr. Martin said, after reviewing the various proposals, he determined that the District should do its own investments with a broker, primarily since the investments will be structured to meet cash flow requirements of the construction schedule. Having the District do the investments direct will save over \$80,000 in fees that would be charged by money managers.

Motion by Kuil, seconded by DeGroot, and unanimously carried, to direct staff to invest the funds directly with a broker. The investments should be consistent with the District's Investment Policy with the limitation that the District funds be solely invested in LAIF, authorize opening and execution of document to open the account for deposit of funds received from the Cities. Signature requirements and responsibilities are to be the same for the Water Treatment Plant Funds as for other District Funds. Additionally, to make changes, as necessary, to the District's Investment Policy and bring it back to the Board for approval.

Consider approving replacement of fuel dispenser key locks. Stroud said this is a budgeted item. He said we need more locks, because of the increased the number of vehicles. Additionally, the current locks have had failures and are not recording use. He said we looked at a computerized system, but the higher cost is not warranted at this time.

He recommended the Board approve purchasing the new locks from the low bidder, Donlee Pump Company.

Motion by Kuil, seconded by Kamper, and unanimously carried, to accept the low bid from Donlee Pump Company of \$7,717.99.

President Schulz asked for Manager's reports:

Stroud reported the following:

Relative to uniforms provided for employees. District employees have requested that we provide denim pants instead of the polyester/cotton pants. The reason they want to change is the polyester pants are hot in the summer and cold in the winter, and the size varies with each pair of polyester pants. The cost to the District would be approximately \$98.00 more per month (total). Stroud said unless the Board would like the matter listed on the next agenda for Board consideration, he will look at other suppliers, and based on price and service, will change to denim pants.

Relative to workers compensation insurance, the estimate from State Fund was about \$350,000 and the original bid from AIG was \$337,888. Since that time AIG added a 3% mandatory increase for terrorism coverage, bringing the total to \$348,500. When challenged by Cutler-Segerstrom, our broker, AIG came back with a quote of \$328,000. State Comp provided a pre-quote of \$299,177, with the possibility of an increase in January 2004. Stroud said once the new information has been clarified, the Insurance Committee will make a decision. However, if the Board has any suggestions, the committee will take that into consideration.

Relative to staffing, Bob Geer, Sr. returned to work last night. Mario Queirolo returned to work last week. Steve Mullins turned in his retirement papers yesterday. We will start looking to fill his position immediately.

Relative to retail power, Stroud said he met with Alan Short the General Manager at Modesto Irrigation District last week and came away feeling confident that MID will work with us.

Met yesterday with representative of the City of Manteca relative to aggregation. Will continue working with them.

Has the following meetings:

7/9, meeting with WAPA, and with Representative Dave Cogdill relative to retail power.

7/15, mediation relative to the water treatment plant project.

7/16, San Joaquin Water Advisory Committee meeting.

7/23, Groundbreaking for the treatment plant at 9:00 a.m.

7/25, River Group Commission meeting.

Reported the ARb@ gate was installed and tested last week. Result of test was that very little water made its way through the pipe.

Reported that Saturday, July 5th, the lining on Lateral AV@ broke. We took the water out and completed repairs in around three hours.

Reported the following Structure Permit was approved:

The Wine Group, APN's 245-060-01 and 22, to install two metal gates on Lateral Q Stations 170 & 205 +/-.

Directors reports:

Kamper asked about Public Works Permits for the Water Treatment Plant Project. Stroud said we are getting close.

President Schulz called a recess for lunch.

Upon returning from lunch, President Schulz called the meeting to order and asked the Board to go into Closed Session relative to litigation matters, personnel matters, and labor update as follows:

District Counsel Emrick announced that items a) through e) will be discussed in Closed Session.

- a) Conference with legal counsel, existing litigation, Gov. Code, S. 54956.9. 9 Cases.
 1. Delta Keeper v OID.
 2. SSJID v Laro Coal and Iron-California Co., Inc.
 3. Sierra Club et.al., v SSJID.
 4. SSJID v Animus Covenant Trust.
 5. SSJID v John M. Azevedo.
 6. SSJID v Januario Meneses.
 7. SSJID v Ronald Leachman.
 8. David Celli, et.al.
 9. Rulemaking Proceeding No. 02-01-011 before the CPUC.
- b) Conference with legal counsel, anticipated litigation, significant exposure to litigation. Gov. Code, S. 54956.9. 1 Case.
- c) Conference with legal counsel, anticipated litigation, initiation of litigation. Gov. Code, S. 94956.9. 1 Case.
- d) Public Employment: Gov. Code, S. 54957: Utility Systems Development Coordinator.
- e) Employee Performance Evaluation: General Manager & District Counsel. Gov. Code, S. 54957.

Upon returning from Closed Session, District Counsel Emrick reported there was no reportable action taken.

There being no further business to come before the Board it was moved by Roos, seconded by Kuil, and unanimously carried, to adjourn to July 22, 2003 at 9:00 a.m.

ATTEST:

John Stein, Assistant Secretary