

Manteca, California
July 8, 2008

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 KAMPER KUIL ROOS SCHULZ

Also present were Secretary/Manager Shields, General Counsel Emrick, Communications Coordinator Saylor, Shop Supervisor Simons, Water Treatment Plant Manager Hubkey, Utility Systems Director Battles, Engineering Department Manager Bologna, Rice WTP IT Technician, and Avila Technical Supervisor.

President Kuil called the meeting to order and asked for public comment. Stephen R. Qualls, from the League of California Cities, thanked the Board for supporting the League in its efforts to defeat Prop 98.

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

CONSENT CALENDAR

- A. SSJID Warrants of \$1,323,215.25, and payrolls of \$452,788.05.
- B. Regular Board Meeting Minutes of June 10, 2008.
- C. Adopt Resolution # 08-12-V, Authorizing Sale of Property No Longer Necessary for District Purposes.

RESOLUTION NO. 08-12-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 three ½ ton pickups for sale listed below:

DISTRICT I.D. NO.	SERIAL NUMBER
256-03	1GCEC14X23Z279753
267-04	1GCEC14X94Z275779
275-05	1GCEC14X95Z228608

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
256-03	\$5,500.00
267-04	\$6,500.00
275-05	\$6,300.00

NOW, THEREFORE BE IT RESOLVED AND ORDERED that the Assistant General 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
256-03	\$5,050.00
267-04	\$6,050.00
275-05	\$5,850.00

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

- D. Adopt Resolution # 08-13-V, Authorizing Sale of Property No Longer Necessary for District Purposes.

RESOLUTION NO. 08-13-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 1 ton flat bed with spray unit, 1 ton flat bed with welding unit, and the Bob Cat for sale listed below:

DISTRICT I.D. NO.	SERIAL NUMBER
202-96 Spray Truck	268396
045-86 Bob Cat	276446

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
202-96	\$ 6,900
045-86	\$ 4,500

NOW, THEREFORE BE IT RESOLVED AND ORDERED that the Assistant General 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
202-96	\$ 6,350
045-86	\$ 4,150

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

- E. Accept and file Notice of Completion for Great American Carwash on Airport in Manteca.
- F. Accept and file Notice of Completion for District Solar Farm.
- G. Approve Service Abandonment Agreement #1553 for Joseph Steigenga, 1.47 acres. APN 257-270-78.

Motion by Director Roos, seconded by Director Holbrook, to approve the consent calendar items as presented.

PASSED AND ADOPTED this 8th day of July 2008 by the following roll call vote:

Ayes:	Holbrook	Kamper	Kuil	Roos	Schulz
Noes:	None				

Presentation by Frank Avila and Lee Rice detailing communications upgrade and conceptual microwave design. The WTP needs more broadband to handle communications between existing pump stations. Additionally, the District must standardize and design a network that will incorporate all its sites, increase security, and in the case of a catastrophe our in-house network would continue working, and would not require us to look to outside services. We are asking for authority to move forward with

the design to develop a system with redundancy and bandwidth requirements for the next 20 to 30 years. Shields said this will give us the ability to monitor the pressurized system on Division 9 and other improvements to the irrigation system. Estimated total cost is \$1.1 million. Motion by Director Kamper, seconded by Director Kuil, and unanimously carried, to approve moving forward by sending out bids for design of the system.

Consider approving excavation contract for valve repair at WTP. Hubkey said the valve is located underground and a pit 20' X 20' X20' will be required to fix it. Hydro X Services bid is \$17,892 and Conco West is \$23,000. Hubkey recommends approving Hydro X Services. Motion by Director Kamper, seconded by Director Schulz, and unanimously carried to approve Hydro X Services at a cost not to exceed \$17,892.

Approve annual fire suppression system maintenance and repair contract for Manteca, Lathrop, and Tracy booster pump stations. We got three proposals: Protection One, Sacramento \$6,360; Advantage, Fresno \$3,420; and Jorgensen, Modesto \$1,200. Hubkey recommends Jorgensen. Motion by Director Kamper, seconded by Director Holbrook, and unanimously carried to authorize execution of an agreement with Jorgensen at \$1,200 per year.

Authorize General Manager to solicit bids for the Process Optimization Projects (POP) submitted for completion in 2008. Hubkey said the total estimated cost is \$305,114. We want to get proposals and are asking for authority to send out RFP's. Motion by Director Roos, seconded by Director Holbrook, and unanimously carried, to authorize the General Manager to solicit bids for the POP program.

Consider approving a new job description and salary range for an Administrative Communications Specialist and authorize filling the position. Shields said this position is full time but for only 10 months. The individual will work with Troylene Saylor on the 100th year anniversary, the community relations plan, the Division 9 outreach to farmers, and any other areas that need assistance. Shields said the pay is \$20 per hour, no benefits. He said he has an individual in mind, Alexa LaVere (a former summer intern), and is asking the Board approve the Job Description and the temporary position at the hourly rate above. Motion by Director Schulz, seconded by Director Holbrook, and unanimously carried, to approve the temporary position of Communications Specialist, the job description, and the hourly rate for same as recommended.

Authorize the General Manager to enter into an agreement for redesign of the District's website. Saylor told the Board we are going to do a complete redesign with the objective of creating a visually stimulating website, one that educates our constituents, offers convenient forms and documents and allows public interaction. We received two proposals which were essentially equal \$11,480 and \$11,430, from Mayaco Marketing & Internet, and DGT Internet. Saylor said she recommends Mayaco since she is familiar with them and they have done more work with public entities than DGT. Director Kamper asked if we could put the District and Tri-Dam videos on the internet. Saylor said probably portions, but the entire video may create frustration on behalf of those accessing our Web Site due to slow download. Motion by Director Kamper, seconded by Director Holbrook, and unanimously carried, to authorize the General Manager to execute an agreement with Mayaco Marketing & Internet for \$11,480.

Approve creation of ad hoc committee to approve community relations expenditures. Shields said the budget was approved to spend about \$745,000 for community relations. I would like to have an ad hoc committee appointed, two Board Members, to approve expenditures consistent with the budgeted amount. Motion by Director Schulz, seconded by Director Roos, to appoint Directors Kamper and Holbrook as ad hoc committee members for community relations.

Authorize General Manager to contract with McDonald Partners to review the Frankenheimer and Woodward small hydro contracts with TID. Shields said TID shows a net loss of \$2,000,000 on the two accounts and we are not totally aware of why. He recommends paying McDonald Partners not to exceed \$15,000 to audit the accounts. Motion by Director Schulz, seconded by Director Kamper, and unanimously carried, to

authorize General Manager to execute an agreement with McDonald Partners to audit TID's records for Frankenheimer and Woodward Mini Hydro accounts.

Consider approving purchase of four portable lift systems under the CMAS contract from Gray Manufacturing Company. Simons said this gives the mechanics the ability to put 2 and 3 axle trucks up to 64,000 pounds up high enough to walk under. He said it is electric over hydraulic. The low bid is \$43,572.79 under CMAS contract and he recommends authorizing the purchase at that price. Motion by Director Kamper, seconded by Director Holbrook, and unanimously carried, to approve the purchase as recommended at a cost not to exceed \$43,572.79.

Consider approving purchase of new Caterpillar 939C loader to replace the 1973 International 125C. Simons said he got two proposals: Holt of California for a Caterpillar 939C at \$106,197.89, and PAP'S Machinery, for a 605C John Deere at \$134,393.75. Simons said the Cat has the tier 3 motor, is less than the John Deere which has a tier 2. He recommends purchasing the Cat. Motion by Director Roos, seconded by Director Schulz, and unanimously carried, to authorize the purchase of the 939C from Holt of California at a price not to exceed \$106,197.89.

Consider approval of Vortman annexation request to service approximately 80 acres of land west of Austin Road. Bologna said this parcel is an island inside the district boundaries near French Camp Road and west of Austin Road. He will have to pay \$15,216.96 plus expenses. Bologna said he wants to have the Board approve in concept to move ahead with LAFCo. We will bring the matter back for the Board to adopt the annexation resolution for the LAFCo application when the agreement with the landowner is ready for Board action. Motion by Director Schulz, seconded by Director Holbrook, to go ahead with LAFCo as requested. The matter will be brought back for Board to adopt the annexation resolution for LAFCo application when the agreement with the landowner is ready for Board action. Board also asked staff to look into annexation fees to recommend possible changes. Motion carried, 4 ayes, 1 no, with Director Roos voting no.

Authorize the Engineering Department Manager to negotiate an agreement with the City of Manteca and a private developer (Villa Ticino-Rossi) relative to the District's replacement of the FCOC crossing at Louise Avenue to be reimbursed by the City of Manteca and the Developer. Bologna said this was to have been replaced earlier by the Developer, but due to the economy it has not. If we do the work we will recover our costs plus interest. The engineers estimated cost is \$621,000. Motion by Director Roos, seconded by Director Holbrook, and unanimously carried, to authorize staff to work out a cost share arrangement with the City and the Developer which will allow the District to take the lead role in replacement of the culvert and to be reimbursed for all costs associated with the new installation.

Authorize acceptance of proposal for engineering services for the design of various capital projects for this year's winter maintenance season. Bologna said he wants to negotiate with two of the bidding firms. He would like authority to approve change orders up to \$275,000 and to be able to negotiate with one or both. The agreement would include inspection services. He said there are 10 projects, two to be done by District crews and eight by contractors. Director Holbrook said you should have the engineers look at making changes to our specs. Bologna indicated they would, in fact we plan to revise the entire Standard Book since it has not been updated since 1992. Also, he said he will be looking at the possibility of leaving existing pipeline in the same location, such as the "Be" lateral and putting in new line adjacent to the old one. After discussion it was moved by Director Holbrook, seconded by Director Roos, and unanimously carried, to authorize the Engineering Department Manager to award the bid for the 10 projects in whole to one of the bidding engineering firms or to divide up the projects between the two firms.

Authorize acceptance of proposal for engineering services for the design and construction of the proposed Division 9 irrigation enhancement project. Bologna said engineers have said one thing we must do is engage the farming community. After reviewing the proposals we feel Stantec is the best qualified and as such are recommending approving

an agreement with them. John Mensonides of Stantec Consulting said will be bringing in Ron Nydam of Waterford irrigation Supply, Inc., to help him with the systems needed and to consult with farmers. Director Kuil asked about filtering. Mr. Nydam said he would recommend the District attempt to get out the larger materials and the farmer would be responsible for adding filtering particularly if he is using micro irrigation. However, the extent of filtration that the District provides is their decision. Bologna said he recommends giving Stantec a contract not to exceed \$250,000. Motion by Director Kamper, seconded by Director Roos, and unanimously carried; to authorize staff to negotiate an agreement with Stantec for engineering services on Division 9 pressurized system at a cost not to exceed \$250,000.

Authorize staff to solicit bids for the purchase of concrete pipe for this year's winter maintenance projects which includes 10 projects, 8 by contract and 2 by District staff. Bologna said we need to secure pipe as soon as possible or contractors may be unable find it in time to do the work this winter. Usually we only purchase pipe for our crews, however this year, due to time and potential savings Bologna said he would like to solicit bids for all 10 projects. Director Holbrook said we need to insure proper inspection of pipe by batch, by both the District and Contractors inspectors. It needs to be accepted by the contractor at delivery and once unloaded it is their responsibility if there is any damage or quality problems. Emrick indicated that the supplier must guarantee delivery by specific date and we include in the contract with the contractor that they inspect and are responsible. Bologna asked for permission to get proposals. Motion by Director Holbrook, seconded by Director Schulz, to authorize staff to obtain at least 3 proposals, for concrete pipe needed for the 10 projects. Motion Carried, Ayes 4, Noes 1, with Director Kamper voting No.

Authorize General Manager to hire temporary employees for the Engineering Department. Shields said with the departure of the District Engineer and with the work load placed on the Engineering Department this year we will need some help. We want to post and possibly fill the two positions in-house. The positions are, Facility Inspector and Auto CAD Drafter. Temporary help is already factored into the budget. Shields said he would like authority to fill the two positions temporarily at a wage to be established by him. Motion by Director Kamper, seconded by Director Roos, and unanimously carried to approve as recommended by the General Manager.

Consider Cancellation of Irrigation Service Abandonment Agreement for Weststeyn – Madsen Trust property. Director Roos abstained from participating on this item. Bologna said they have already irrigated three times this year. When asked why water was delivered to property that has an Irrigation Service Abandonment Agreement, Bologna said in this particular instance, several of the adjacent parcels were farmed by one farming operation until recently and so the ditch tender had difficulty determining what was signed off and what was not. After discussion it was moved by Director Holbrook, seconded by Director Kuil, to authorize the cancellation of the Irrigation Service Abandonment Agreement as requested. Motion Carried as follows:

Ayes:	Holbrook	Kuil	Schulz
Noes:	Kamper		
Abstain:	Roos		

Jim Atherstone, Environmental Compliance/Safety Officer gave an update to the Board. The San Joaquin County Water Quality Coalition's new Manager is John Brodie, their Technical Program Manager is Michael Johnson. The deadline to join the coalition was June 30, 2008. New applications will go to the Central Valley Water Coalition which has 5.1 million acres. Eventually the Regional Board wants the coalitions to monitor ground water. The State Board approved a new Construction Storm Water Plan for projects in excess of 5 acres. Relative to mussels, Stanislaus County is doing some monitoring at Woodward and Modesto Reservoirs. The monitoring involves asking where the boat has been rather than a physical inspection of the boat, mostly on a trust basis. Relative to the San Joaquin County Air Board we are currently in compliance. President Kuil thanked Mr. Atherstone for his report.

Directors reports on APPA Conference in New Orleans.

Holbrook attended a class on power and its regulations, how we are going away from coal and nuclear. Money is now going to solar and wind. However, there is a push toward nuclear to meet the nation's future energy needs.

Kamper said he attended a class on Fiscal Responsibility and Reserves. Also one on customer satisfaction.

Kuil said he found the one about Coal, Nuclear, Gas and Oil extremely interesting.

Schulz agreed on the seminar for best method of making power as Kuil alluded to.

Both Kamper and Holbrook participated in the Day of Giving on Saturday, sponsored by the APPA. They volunteered their time to help cleanup a neighborhood park in New Orleans. Both agreed that it was hard work but very satisfying especially when they were approached by locals and thanked for the work they did.

President Kuil asked for Manager's reports:

Battles said the Solar Farm is complete and producing power. He and Shields recently talked to Sun Technics about the second phase of the solar plant. We are currently working to see what we need to zero out the bill.

BPL Global is operating the Easy Green program this summer and intends to look at each unit they installed and give those who have them a report showing the status of the units and how they have impacted power usage. BPL Global representatives met with CAL ISO relative to Easy Green and asked them to help get SSJID compensated for the curtailed residential load so that SSJID has income to pay for the Easy Green system. CAL ISO is working on getting PG&E and Southern Cal Edison to pay for energy curtailment.

Shields reported:

We have received over 25 applications for the H.R. position.

Water Resources Control Board has scheduled a workshop on September 17, 2008 to begin a process that could affect our water rights. We will participate on this with the River Group and independently.

Dedication of the Solar Farm will be July 18, 2008 at 9:30 a.m.

Received a call from Kevin Martin about Crocker Securities who does our investments for us, and Pershing Bank who is the trustee and holds the securities and cash. Crocker had a rogue trader who was allegedly selling bonds fraudulently. Bonds were sold for \$41 million and were only worth \$31 million. Pershing is the victim in this at around \$10 million. There is an ongoing investigation. Our funds are safe; we will keep you informed of the investigation. We will be making a recommendation on changing our investment advisor firm.

President Kuil called for closed session. General Counsel Emrick announced the following items will be discussed in closed session:

Conference with legal counsel. Existing litigation. Gov. Code, S. 54956. SSJID v. LAFCo, Superior Court, San Joaquin County, Case No. CV0302559.

Conference with Real Property Negotiator. Negotiating parties: District and City of Ripon. District's negotiator; District staff. Under negotiation; terms for quitclaim of District's fee interest in Ripon's Frontage Road project.

Public Employment Performance Evaluation: Gov. Code, S. 54957. Positions: General Manager and General Counsel.

Upon retuning from closed session President Kuil announced the following action was taken, and unanimously carried to:

Increase the General Manager's pay to \$154,000 per year;
Increase the General Counsel's pay to \$148,000 per year;
Both are retroactive to June 10, 2009.

No other reportable action was taken in closed session.

There being no further business to come before the Board it was moved by Director Schulz, seconded by Director Kamper, to adjourn to July 22, 2008 at 9:00 a.m.

ATTEST:

John Stein, Assistant Secretary