

Manteca, California
July 11, 2006

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 SCHULZ KUIL

 ABSENT: DEGROOT ROOS

Also present were Secretary/Manager Stroud, District Counsel Emrick, and Utility Systems Director Shields.

Vice President Kuil called the meeting to order and asked if there were any public comment. John Chin, PG&E representative introduced himself and told the Board PG&E wants to work with the District. Shields stated that the District has no problem talking with PG&E. However, as the Board has asked in the past, that PG&E communicate through staff, not with the Board. Shields said the Board wants staff to review any PG&E proposals or plans prior to the Board seeing them. Kuil concurred with Shields, that the Board prefers that PG&E go through District staff and not directly to the Board.

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

CONSENT CALENDAR

- A. SSJID Warrants of \$376,765.47 and Payrolls of \$251,616.86.
- B. SSJID Regular Adjourned Board Meeting Minutes of June 27, 2006.
- C. Irrigation Service Abandonment Agreement # 1510, .6 acres, APN 208-200-06, Owner; Galena, Dave & Janet.

Motion by Director Schulz, seconded by Director Kamper, to approve the Consent Calendar items as presented.

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

Ayes: Kamper Schulz Kuil
Noes: None
Absent: DeGroot Roos

Consider request to change District Uniform Policy. Stroud told the Board that Morrow had done a survey of 38 employees in his department. Results are: Twenty-six are satisfied with it the way it is; seven of the 26 would like to be able to wear tee shirts and/or their own jeans as an option to the regular uniforms; and seven others having problems with either jeans or shirts. Stroud recommended the Board allow those working predominantly outdoors be allowed to wear SSJID logo polo/tee shirts and their own jeans at their expense. If they are not acceptable to supervisors employee will be sent home to change at his or her expense. After discussion, the following motion was made; Motion by Director Kamper, seconded by Director Kuil, to authorize employees to wear their own jeans at least the quality of the manufacturers at their own expense. Motion failed by the following vote:

Ayes: Kamper Kuil
Noes: Schulz
Absent: DeGroot Roos

Discussion and possible action on District membership in local Chambers of Commerce. Shields reported we have no solicitation of dues from Escalon. Recommended that we stay in the Ripon Chamber. Recommended not renewing our membership in the Manteca Chamber. After discussion, the following action was taken. Motion by Director Kamper, seconded by Director Kuil, to drop membership in the Manteca Chamber of Commerce.

Director DeGroot arrived at 9:45 a.m. and was given a brief description of the current motion. After discussion, the motion carried as follows:

| | | | |
|---------|---------|--------|------|
| Ayes: | Kamper | Schulz | Kuil |
| Noes: | DeGroot | | |
| Absent: | Roos | | |

Motion by Director Schulz to drop membership in Escalon and Ripon Chambers of Commerce. Motion died for lack of second.

Vice President Kuil asked for the General Manager report:

Stroud reported the following:

Reported on the Compensation Study being conducted by Johnson & Assoc.:

Employee questionnaires have been reviewed; interviews scheduled for July 18 and 19; researching agencies to survey, should have a list by end of July. Kuil asked Stroud to have Mr. Johnson call him.

Currently have two openings in the Water Department.

Cal OSHA now requires truck crane (boom truck) operators be Certified. Jim Atherstone is looking for places to send our employees for training. We hope to get an existing employee certified as a trainer to ease future training needs in this area.

Tri-Dam meeting is the 20th. Directors Roos and Kamper will be out of town, Directors DeGroot, Schulz and Kuil said they would attend.

City of Ripon has not taken any water this year due to high river levels resulting in high ground water levels. However, they will still have to pay for the water under the “take or pay” contract.

We have used Magnacide three times this year with no problems.

Nick C. DeGroot Water Treatment Facility report:

42-day test started yesterday and failed. Currently Overaa has approximately \$1,800,000 in their retention account, about \$600,000 of that is Zenon’s subject to completion of the 42-day test.

Plant is currently running around 20 – 21 million gallons per day through the plant. Stroud says if the authorized number of employees is on board, we will be able to produce 40 MGD and may be able to produce 60 MGD with the same number of employees. The current authorized employee compliment should be sufficient to manage the three additional turnout sites and the additional raw water pump station.

Reported that the cost per acre-foot of water to the cities is based on two factors. Variable Costs and Fixed Costs. Variable costs are Plant Chemicals, Raw Water, and Plant Power. Fixed are all other costs. Currently Manteca’s cost is \$255.00 per acre-foot. Tracy’s is \$225.00 per acre-foot. Lathrop’s is \$584 per acre-foot.

One Grade III Operator resigned at the WTP, now have three vacancies for Grade III Operators with an open recruitment process.

Vice President Kuil asked for Directors reports: There was none.

Vice President Kuil asked Tom Wilson of the Manteca Mural Society to give his presentation. Mr. Wilson introduced John Pugh (muralist). Mr. Pugh gave a slide presentation. He indicated he is looking at two sites, Maple & Yosemite and Manteca Bulletin's building. Mr. Pugh told the Board it would cost approximately \$6,000 for him to create a design. Vice President Kuil thanked Mr. Pugh and Mr. Wilson. No action was taken.

Vice President Kuil called for closed session relative to litigation and personnel matters. General Counsel Emrick reported we would discuss all five items on the agenda. Attorney Don Geiger joined the closed session discussion.

Conference with legal counsel, anticipated litigation, initiation of litigation. Gov. Code, S. 54956.9 (c). Two cases.

Conference with legal counsel, anticipated litigation, significant exposure to litigation. Gov. Code, S. 54956.9. One case.

Conference with legal counsel, existing litigation. Gov. Code, S. 54956.9. Delta Keeper vs. SSJID.

Conference with labor negotiators. Agency designated representative: John Stein. Employee organization, IBEW, local 245.

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

Don Geiger left the meeting. Board adjourned for lunch.

Board returned from lunch and Vice President Kuil asked them to return to closed session. Director DeGroot left at 3:00 p.m.

Upon returning from closed session, General Counsel announced that on a motion by director Kamper, seconded by Director DeGroot, and unanimously carried, the Board assigned Attorney Don Geiger to prepare a letter to LAFCO for Mr. Kuil's signature as the Board's Vice President, seeking clarification of its June 16, 2006 decision to deny the District's application to provide retail electric service and further directed Mr. Geiger to explore legal options.

Compensation review and possible action on General Manager and General Counsel. Motion by Director Kamper, seconded by Director Schulz, to continue review to August 8, 2006 Board meeting and to make any future action taken on the above retroactive to today. Motion Carried as follows:

| | | | |
|---------|---------|--------|------|
| Ayes: | Kamper | Schulz | Kuil |
| Noes: | None | | |
| Absent: | DeGroot | Roos | |

There being no further business to come before the Board it was moved by Director Schulz, seconded by Director Kamper, and unanimously carried, to adjourn to July 25, 2006 at 9:00 a.m. in the Boards chambers.

ATTEST:

John Stein, Assistant Secretary