

Manteca, California
July 13, 2010

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 KUIL KAMPER SCHULZ ROOS

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

President Kamper called the meeting to order and asked for public comment. There being no public comment President Kamper asked the Board to consider the Consent Calendar Items.

CONSENT CALENDAR

- A. Warrants of \$536,928.82
- B. Regular Board Meeting Minutes of June 29, 2010.
- C. Authorize staff to set date for approval of resolution to annex Voortman property (APN 206-050-19 & 20) and give 21 days notice as required by law.

Director Roos asked why the annexation fees for the Voortman property were at the old rates. Emrick stated that they had made their application for annexation before the new rates were applied.

Director Holbrook asked the “per acre” be added to the fee section of the application for Voortman and to make sure the attachments are added before it is filed.

Director Holbrook pointed out that there were two motions in the June 29, 2010 minutes under the consent calendar. Emrick said the first motion would be stricken.

Motion by Director Holbrook, seconded by Director Roos to accept the Consent Calendar with a correction on the minutes from June 29, 2010.

PASSED AND ADOPTED this 13th day of July 2010 by the following roll call vote:

Ayes:	Holbrook	Kuil	Kamper	Schulz	Roos
Noes:	None				

Item #1. General Manager Shields indicated that the re-classification of Office Specialist position at Water Treatment Plant was necessary since the position has changed over the years and the person that held that position has retired. Don Thornburg, Human Resources Specialist, handed out the new description which will now be called

Administrative Assistant. He said that he contacted other agencies to come up with the salary range and recommends paying \$16.31/hr with the position starting at 90% of the wage with 2.5% increases over the first year per the MOU. Director Kuil asked why they would automatically get the increase. Thornburg stated that the MOU is set up that way. Director Schulz asked if this would be a full time position. Thornburg said yes. Motion by Director Holbrook, seconded by Director Schulz to approve the re-classification to Administrative Assistant with new salary range. Motion carried unanimously.

Item #2, General Manager Shields thanked Sam Bologna, Stantec and Waterford Irrigation for working with the growers and scheduling the work for the Division 9 Pressurized System so that it will not disrupt farming. Bologna introduced Mike Persak from Stantec and Ron Nydam from Waterford Irrigation. They proceeded to give a brief presentation regarding the specifics of the Division 9 Project. Minard Roorda was concerned about frost protection; Ron Nydam responded that they would need to keep their current system in operation for frost protection due to the fact that this would be impossible within this pressurized system. Don Schaapman wanted to know where the “dirty water” was going to go or “spill to”. Ron responded that they would be dealing with this and are in the process of working the details out. Nydam indicated that the filter in the takeouts was designed to take out the “frogs and logs” and they would each individually have to modify their system to suit their fields’ unique needs with filters, etc. It is the farmers’ responsibility to connect to the new takeout to get to their own fields. Minard Roorda questioned what initiated the Division 9 Project. Director Kamper indicated increased crop production, modernizing the system, using Districts’ water more efficiently, doing better for customers. Shields added salinity level concerns, farmers input, improved air emissions, increase pumping costs, and advance to needs of growers. Bologna responded that the ditchtenders just could not get around quickly enough in this division. Herman Drost commented that this project will lessen water spillage and help ensure our water rights for the future. Director Kuil responded with better water quality, better use of our water, and the need to progress. Holbrook responded with accounting for all water due to new laws, wisely conserving, working together to address future issues. Rodney Roorda was concerned about having only one choice – flood or pressurized line; he was assured by Director Holbrook, Bologna, and Director Kuil, he could still utilize both systems. Bologna indicated no written protest responses were received. Nydam indicated that the rate for pressurized system was to pay for operating electricity costs. Drost felt less power would be used due to more efficient pumps, a money saving plus for growers. Director Roos was concerned about electricity shut offs, Nydam said in this case the water would go into the ponds and there is more than enough capacity between the two of them. Nydam also indicated that they are still working out the details to the moisture sensing component. Minard Roorda questioned the economic advantage. Shields indicated they would try to make a deal with MID because of the District’s public entity status. Roos said he now pays \$200/acre for electricity now and knows there will be cost savings with this system. Emrick commented that the District has lost 15,000 acres to ground water users and this will be an incentive to get them back to using District water. Emrick moved to open “Public Hearing” and reviewed charges as follows – 1. a one time \$2,500 per parcel charge to connect to system through turn out and 2. in addition to the existing per acre water charge, a new, ongoing \$30/acre foot

charge for first 3 acre feet per acre and \$40/acre foot for amounts in excess of the 3 acre feet per acre. Art Sipma questioned why pay now when Bologna indicates the project will not be up and running until Spring, 2012. Emrick indicated the reasoning behind the connection charge was to gauge interest in the project before the Board commits to constructing the project and to cover some of the costs of the equipment to build turnouts in the original construction contract. Bologna indicated that \$2,500 is far less than the actual cost and will be much more costly at a later time and we also need to have turnouts shown on plans when we go out to bid. Nydam indicated that cost would be at least double to hook into the system in the future. Henry Winters wanted to clarify that it was the grower's responsibility to take it from the turnout to their own orchards. Director Kamper indicated that yes, the District responsibility ends at the turnout and that all farmers will connect to turnouts differently. Winters stated that as a sprinkler user he has no option but to hook in and all agreed. Matt Visser expressed interest in a "T" rather than an additional takeout for the property adjacent to his; all agreed to come up with the cost of a "T" and if feasible would be approved for those interested. Dave Schaapman asked about future plans for a project of this nature for the remaining divisions; Shields and Director Kamper concurred that this is only step 1, this is our education and plan to use this experience to move forward. Matt Visser thanked the Board and all involved and for their commitment to this project and for looking to the future for their customers benefit. Director Roos thanked the audience and asked for patience as we work out all of the "bugs" of the system once up and running. Upon finding that no formal protests were received, the Public Hearing was closed. Motion by Director Kuil, seconded by Director Holbrook to approve new water charges for the Division 9 Pressurized Pipeline Project. Motion carried unanimously.

Item #3, Engineering Department Manager Bologna, presented plans from Stanislaus County for the replacement of the Heron Point Boat Launching Facility. Stanislaus County received funding for upgrades and they plan to replace the boat ramp, have two lanes, add restrooms and landscaping. Bologna said the plans look good and are consistent with our License Agreement with them. Director Kamper asked if the elevation of the boat ramp was correct. Bologna said Stanislaus County contacted Frank Avila for the numbers. Director Holbrook asked if there will be boat inspections at this facility for the Quagga Mussel. Bologna said there is a procedure in place, but not at this site. Director Holbrook said that if the boats aren't inspected prior to this site it should be addressed before this project is approved. General Manager Shields said we will get in touch with Stanislaus County and find out what they have in place and what the law requires. Motion by Director Schulz, seconded by Director Kuil to conditionally approve signing plans for the Heron Point Boat Launching Facility once the inspection practices are addressed. Motion passed 4 ayes; Director Roos was absent at the time of vote.

Item #4, Robin Giuntoli presented the Board with a request to move forward with a new lease for a color copier, indicating the need for new equipment due to heavy usage. On average we are using 9000 color copies and 3000 black and white copies per month. Director Kuil asked if we were currently being charged for going over the allowed number of copies; Robin said we were charged but we rarely go over the allotted amount allowed. Troylene Sayler expressed concern that she was not able to review the machine

due to her department's heavy use as well as disappointment in Mo-Cal's current service. Robin indicated she had met at length with each vendor and was satisfied with Mo-Cal's new technology and the service they had to offer. Director Holbrook questioned if we could terminate the contract if the service was unsatisfactory. Emrick indicated that we would have to have some hard numbers to negotiate any sort of "out of the ordinary" contract. Saylor again requested she have the opportunity to review the machine before any decisions were made. Shields asked the Board to authorize him to handle the situation. Director Holbrook motioned to allow Shields to work out details with staff and approve agreement with one of the three vendors mentioned, seconded by Director Kuil, vote being 4-0 ayes; Roos was absent at time of vote.

President Kamper asked for the Water Treatment System Manager's Report.
Bill Hubkey addressed the Board.

- The caulking of the sludge bed project was finished as of July 12th.
- The painting of the tanks would be complete within three weeks.

Shields asked about the V-3 modules, Hubkey explained he had run into a "road block" and has asked Steve Emrick to review the contract for costs changes, etc.

President asked for Directors reports.

Director Schulz:

- Expressed concern over a letter sent to Division Managers from Joey Catanzarite regarding locking of valves. He said he has received several complaints from farmers. He didn't think it would be possible for ditchtenders to get around quick enough to open and close gates for everyone. Director Kamper also indicated it would be easier for farmers to continue to take care of the gates on their own. Emrick said it was part of the ditchtender job description. Director Kamper moved to have the Ag Water Committee discuss the issue further. All agreed.

Director Holbrook:

- Attended the Escalon Park Fete on Friday, July 9. He indicated that due to the heat there were not many in attendance.

General Manager Report:

- Ripon Chamber Dinner this Thursday. Directors Roos and Holbrook will be attending.
- Body was recovered at Frankenheimer after an accident 11 days prior.
- Woman with baby in vehicle drove into the Main Canal at River Road and McBride in Escalon. Both were rescued by a passer-by and his girlfriend. Two tow trucks were unable to get the vehicle out of the canal at the time of the incident so today they are dropping the water level to try to get the car out of the canal.
- Flood incident caused by an obstruction that kept a valve from closing. Director Kamper, Finance Manager Lindley and ditchtender handled the situation while Shields was out of town and thanked Kamper and Lindley for doing so. Shields indicated that our internal inspection failed to detect installation problems and

expressed a potential need for additional repairs to that particular pipe. Bologna indicated that the pipe was installed approximately 10 years ago prior to changes in our quality control improvements to pipe installations. Director Kamper thanked all involved in the incident for making him “look so good.”

- He will be attending the San Joaquin River Group Authority meeting Friday, July 30 along with Director Roos.
- Tri-Dam Committee met yesterday regarding Tulloch Third Unit Status. A booklet was handed out and many questions need to be addressed at a future meeting. Currently they concluded to walk through processes with MWH, to prepare completion schedule, monthly cost report and construction schedule.
- He will attend the San Joaquin Farm Bureau Water Committee meeting.
- Incident on Division 8 involving landowners not getting along and accusing the other of stealing water. Ditchtender was there trying to remedy the situation.
- Shields handed out Tri-Dam Water Usage report for review.
- San Joaquin River Group Authority Project Administrator’s Report was handed out. They applied for \$3 Million grant to implement predator suppression zone; this will be done by blocking ends of zone and eliminating predators in between.
- As requested by Director Kuil, Shields obtained Proposition 16 vote information in SSJID territory – 59% no, 41% yes. If more detailed information is wanted, such as by District vote, a map can be purchased.
- He will be testifying in case on Friday, July 16.
- Indicated a CSDA conference John Holbrook attended in the past will be September 20-23 this year if anyone is interested.
- A full-time, temporary person has been hired for four weeks at the WTP to assist Bill. Permanent receptionist position, approved today, will now be advertised.

President Kamper called for closed session. General Counsel Emrick stated the Board will discuss the following items in closed session.

- 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 LEGAL COUNSEL-
Anticipated Litigation
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9
Various water quality proceedings before State Water Resources Control Board—Delta Flow Criteria, San Joaquin River Flow Objectives
- c. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
California Government Code Section 54656.8
Property: APN 208-070-36
Agency Negotiator: General Manager
Negotiating Parties: City of Manteca
Under Negotiation: Price and Terms of Payment

- d. CONFERENCE WITH LEGAL COUNSEL-Existing litigation
Subdivision (a) of Government Code Section 54956.9
- PG&E General Rate Case 2011- CPUC A.09-12-020
 - OID & SSJID v. US Department of Commerce US District Court Case
No. 1:09-cv-2452.

Upon returning from closed session, General Counsel, Emrick said there was no reportable action taken.

There being no further business to come before the Board it was moved by Director Roos, seconded by Director Schulz and unanimously carried to adjourn to July 27, 2010 at 9:00 a.m.

ATTEST:

Dawn Driesen, Interim Executive Secretary