

Manteca, California
July 26, 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, and District Counsel Emrick
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 \$617,945.12.
- B. Regular Board Meeting Minutes of July 12, 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. Donald & Esther Wendland, APN 229-030-06, Donald Wendland, APN 229-030-08, Catherine Palisi, APN 205-070-18 and David & Fanny Lam, APN 247-020-04.
- D. Approve Service abandonment Agreement # 1624, Alma McDonald, APN 204-100-23.

Director Roos noted that on page 2 under Item #6 of the July 12 Minutes, there needed to be clarification as to what the proposal amounts were. Also President Holbrook pointed out that on page 4 of the minutes, under the General Managers report, it should read, "the flows in the Stanislaus River will likely remain at 2000 CFS or higher through the remainder of the year."

Motion by Holmes, seconded by Kuil to approve the Consent Calendar with the above noted corrections.

PASSED AND ADOPTED on this 26th day of July, 2011 by the following roll call vote:

Ayes: Kamper Kuil Holbrook Holmes Roos
Noes: None

General Manager Shields told the Board that Sam Bologna, Engineering Department Manager would be delayed due to a family emergency. Shields asked the Board to consider postponing Item #4 until Bologna could be present. Holbrook announced that

Item #4, "Discussion and possible action concerning District Encroachment Policy" would be addressed after Item #10

Item #1, Discussion and possible action concerning retaining consultant for District reapportionment. Shields told the Board that every 10 years, the District is required to adjust the boundaries of its five director divisions to reflect shifts in populations within the District. Mike Quartaroli of Quartaroli & Associates was asked to provide a proposal to perform this task. The proposal submitted by Quartaroli included the following tasks: 1. Data collection, 2. Mapping boundary lines, 3. Evaluating population of director divisions, 4. Evaluating alternatives for boundary adjustments and producing a final map and project report. The estimated cost proposed by Quartaroli for these services is \$6,000. Motion by Kuil, seconded by Kamper and unanimously approved to accept the proposal by Quartaroli & Associates to perform reapportionment tasks at a time and materials, "not to exceed" cost of \$6,000.

Item #2, Consider request by Delicato Winery for abandonment of Lateral "Qn 12 dd". George Monty of Delicato winery was present to answer any questions the Board may have. The Winery is in the process of making improvements within a portion of their property located west of Hwy 99. The property is encumbered by a pipeline and District easement for Lateral "Qn 12 dd". They are requesting that the District abandon the lateral and quitclaim the easement so that it can be removed. President Holbrook asked how the property to the north and east of the pipeline gets water. Mr. Monty explained that the property is all owned by Delicato and the property to the east has a drip system that is fed from the winery's waste water system. Staff recommends approval of Delicato's request subject to the following conditions: Delicato shall be responsible for all costs related to quitclaim including removal of the pipeline and appurtenant connections to the main lateral and repair of main lateral as directed by District. The property to be conveyed is not "surplus land" within the Government Code section 54221 (b) since the parcel is not capable of park and recreational development. The proposed conveyance is categorically exempt under the Environmental Quality Act as a Class 12 project pursuant to 14 Cal. Adm. Code sections 15112 since the surplus government property does not have significant values for wildlife habitat or environmental purposes and the property is of such size and shape that it is incapable of independent development or use. Director Kuil made a motion to approve the request by Delicato Winery to abandon Lateral "Qn 12 dd" and quitclaim the easement in accordance with staff recommendation. The motion was seconded by Holmes and unanimously approved.

Item #3, Consider PG&E request to allow installation of a guy wire that would cross the FCOC. Shields explained that the anchor pole is necessary to help support a power pole on the north side of Louise Avenue and was installed to service a development on the north side of Louise Avenue. The District does not normally charge for Master Encroachment Agreement requests from PG&E but in this case it was necessary to use an outside service to assist in determining clearance and impact issues. The cost of those services amounts to \$510.00. After a brief discussion Roos made a motion to approve PG&E's encroachment request in accordance with the terms and conditions of the Master Encroachment Agreement and request reimbursement for outside services in the amount of \$510.00. The motion was seconded by Kamper and passed 4-1 with Holmes voting no.

Item #5, Approve bid for radio portion of the microwave tower system. Frank Avila, Telemetry Systems Supervisor, told the Board that the installation of the Microwave Radios and related equipment is the final item on the RFP for this project. Out of the six contractors that attended the pre-bid meeting only one company provided us with a quote. Aviat Networks provided a quote that was substantially lower than our engineers estimate and the company comes highly recommended. Macro engineers estimate for the radio system was \$484,600.00. Aviat Networks bid for the equipment and labor was \$403,766.00. After adding freight and taxes to the costs, it brings the bid total to \$430,675.00. Roos voiced his concern that we only received one bid. Shields said he was comfortable with the bid because it was under the engineers estimate. Kamper made a motion to go with staff recommendation and approve Aviat Networks to perform the installation of the radios, along with related equipment, configuration and staff training at a total cost of \$430,675.00 including tax and freight. The motion was seconded by Holmes and unanimously approved,

Item #6, Consider approval of additional shipping and custom fees for modules from GE Zenon and consider V-4 option. Ed Erisman addressed the Board. He said that GE miscalculated the cost of shipping our next train of V-3 modules. Along with the additional shipping fees they are adding U.S. custom fees. The total of these costs is \$23,947.38 over and above the \$453,541.40 we have already issued a P.O. for. Erisman told the Board that GE Zenon has offered us the option to purchase the new V-4 modules instead of the V-3's. The advantage to us is that the V-4's have a more robust wall thickness which should slow down fiber breakage. If we choose to change our order to V-4's we will have to get DHS approval and make some piping changes to accommodate the new modules. Motion by Kuil to give the General Manager authority to issue a P.O. to cover the additional shipping and custom fees and allow Plant staff to negotiate with DHS to receive the new V-4 modules. The motion was seconded by Roos and unanimously approved.

Item #7, Set date for public hearing for discussion and adoption of Urban Water Management Plan and authorize notice of hearing. General Counsel, Steve Emrick told the Board that this item was not ready for Board action. President Holbrook announced Item #7 would be tabled until a later date.

Item #8, Approve KSN Proposal to perform additional services to resolve boundary issues with San Joaquin County Voter Registrar. Emrick explained that Ray Hellstrom has been working with the voter registrar concerning map and legal description issues that need to be reconciled. If approved, KSN will be looking at the discrepancies and helping us correct them. KSN's proposal is broken down into 3 tasks. Task 1, examine the parcels submitted by SSJID that are bisected by the SSJID geographic description prepared by KSN. Determine cause of bisection for each parcel on the list and communicate this to the District's Engineering Department. Task 2, provide references for the purpose of confirming the meander lines in United States Public Land Survey System surveys. Task 3, prepare a revised geographic description based on the existing description and revisions required by the investigation in the Task 1. KSN's estimated costs for Tasks 1 & 2 is \$5,600.00, based on 40 hours of surveyor's time billed at \$140 per hour. An estimate for the time to complete Task 3 would be submitted after completion of Tasks 1 and 2. Director Holmes made a motion to authorize KSN to perform Tasks 1 and 2 at a cost not to exceed \$5,600 and authorize the General Manager

to exceed this amount as reasonably necessary to complete all three tasks. Director Kuil seconded the motion. Motion passed unanimously.

Item #9, Consider proposal by Insite Environmental to provide environmental review services to provide treated water to the City of Ripon. General Manager Shields told the Board that the proposal was not received in time for staff to review and asked that the item be deferred to August 9. President Holbrook ruled that the item be put on the August 9 agenda.

President Holbrook called for Directors Reports.

Director Roos:

- Asked Shields and Emrick about the meeting they had with the Bureau concerning the Warren Act.
- Noted that due to redistricting, Ken Vogel will now be representing the Manteca/Ripon area at the Board of Supervisors.
- Attended a meeting in Lodi hosted by San Joaquin County Farm Bureau. A good meeting that covered various water issues that affect our area.

Director Kuil:

- Commented on California Fresh Fruit Growers magazine article on the benefits of solar power.

President Holbrook called for Managers Reports.

Ed Erisman, WTP Operations Supervisor reported the following:

- WTP is producing 23-24 million gallons a day.
- Work on re-caulking the sludge beds is going well.
- The first of the seven 125 horsepower permeate motors being rebuilt are being delivered and installed today.

Don Battles, Utility Systems Director reported the following:

- Handed out a three year refund history for CSI Solar Project.
- The report shows the consistency of solar output of our system.
- Bushing replacement continues.
- Panel washing will begin soon.

Jeff Shields, General Manager reported the following:

- Handed out tri-dam operations daily report for July 25 and SSJID 7 day water usage report for the week of July 10-16.
- Due to the efforts of Don Battles the District now has an allocation of Federal power. Western Area Power Administration is working with us to get our Federal power allocation delivered through a distribution service arrangement. This is enough to cover 100% of the office energy needs and some of our pumping load.
- Troylene Saylor has been appointed the Board Secretary for the Boys and Girls Club.
- Introduced Jeff Shaw of Stantec. Jeff Shaw will be the project manager overseeing the construction for the Division 9 Project. Mr. Shaw will be

maintaining an office in the engineering department. Emphasized that Jeff Shaw will be the first line of defense with any issues arising during the construction phase of division 9.

- A 3 foot high & 20 foot long portion of the wall of the Main Supply Canal that failed, was repaired last week with no significant down time.
- The microwave system towers project is under construction. When completed, this will be an extremely valuable asset to the District.
- Attended the Ripon Chamber installation dinner on July 14 with John Holbrook and his wife.
- City of Ripon signed the Capacity Sale Agreement with Lathrop. Lathrop will seek approval from City Council on August 15.

Bere Lindley, Finance/Administration Department Manager

- Handed out three reports. Investments Report, Monthly Financial Statements and Budget Variance Reports all dated June 30, 2011.
- Reviewed the Investment Report in some detail.

With the arrival of Sam Bologna, President Holbrook stated that Item #4 would now be addressed.

Item #4, Discussion and possible action concerning District Encroachment Policy. Bologna gave a brief background to the encroachment issue. He told the Board that illegal encroachments to District easements are very costly. Bologna asked the Board for direction so that he can begin working on a comprehensive encroachment policy. At this point President Holbrook said he would like each board member to state their thoughts on this issue. Kamper said he didn't know why we were fooling around with landowners that plant trees in our easement. He said we should just remove the trees. Director Kuil said he thinks there should be some leeway. Director Holmes said he agrees with Kamper. He also said the District should have guidelines and enforcement procedures. He also said staff needs support in enforcement. Director Roos said trees shouldn't be planted on pipelines. But he questioned how a policy could be enforced. He also said he detests gov't agencies coming out and making new regulations, as we are public servants. Holbrook stated that farmers don't plant trees in the middle of public roads and they shouldn't plant trees in the middle of a District easement. He said it is illegal and trespassing. He said everyone is paying to fix the problem caused by landowners who encroach. He said we do have to come up with a policy. Joe Catanzarite addressed the Board. He gave several examples of landowners blatantly ignoring our efforts to maintain our easements. Holbrook said that a good policy would take care of these kinds of problems and give staff the ability to deal with infractions and regain our easements. Sam suggested that he work with the Ag Water Committee to create a working policy with a comprehensive set of guidelines and enforcement procedures. Holbrook noted that Kamper and Holmes are the committee members. He asked the committee to set up a meeting and bring back a policy for the consideration of the Board.

Director Holbrook called for a short break before Closed Session.

General Counsel announced the Board would be discussing Items 11 a. & b. 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

- b. CONFERENCE WITH LEGAL COUNSEL- Anticipated Litigation
Significant exposure to litigation pursuant to subdivision (b) of Section
54956.9 - 1 case
Various water quality proceedings before State Water Resources Control
Board—Delta Flow Criteria, San Joaquin River Flow Objectives

Upon returning from Closed Session, it was announced there was no reportable action taken. There being no further business to come before the Board it was moved by Director Kamper, seconded by Director Kuil to adjourn to the next regularly scheduled meeting to be held Tuesday, August 9, 2011. Motion carried unanimously.

ATTEST: _____
Cheryl Burke, Executive Secretary