

Manteca, California
July 28, 2009

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 Secretary/Manager Shields, District Counsel Emrick, Engineering Department Manager Bologna, Utility Systems Director Battles, HR Analyst Thornburg, Water Treatment Plant Manager Hubkey and Communications Coordinator Saylor.

President Kamper called the meeting to order and asked for public comment. There being none he asked the Board to consider approving the Consent Calendar Items as presented.

CONSENT CALENDAR

- A. SSJID Warrants of \$363,257.60 and Wires of \$127,121.35.
- B. SSJID Regular Board Meeting Minutes of July 14, 2009.
- C. Accept and file Notice of Completion for work on Later “Rg” Pipeline Project (SSJ-2008-09)
- D. Accept and file Notice of Completion for work on Lateral “Rfc” Pipeline Project (SSJ-2008-08)
- E. Accept and file Notice of Completion for work on Drain 9/We Connection Replacement Project (SSJ-2008-10).
- F. Accept and file Notice of Completion for work on Jack Tone Road and Murphy Road Crossing Project (SSJ-2008-13).
- G. Accept and file Notice of Completion for work on Lateral “Da” Pipeline Project (SSJ-2008-04).

Motion by Director Holbrook, seconded by Director Kuil, to approve the Consent Calendar items as presented.

PASSED AND ADOPTED this 28th day of July 2009 by the following roll call vote:

Ayes:	Holbrook	Kuil	Kamper	Schulz	Roos
Noes:	None				

Consider approving a bid for Water Treatment Plant Chemical Contracts. Hubkey said we asked for bids of two years this year instead of one. We sent out RFP’s to 30 firms but only received proposals from 10. All those responding kept the option to raise the price if costs go up for diesel. Director Kuil asked what is their starting price on diesel? Hubkey said he will find out. He recommended authorizing execution of agreements with the low bidder on each chemical. Motion by Director Schulz, seconded by Director Holbrook, and unanimously carried, to approve the low bids for each chemical as recommended.

President Kamper asked Hubkey to give his Managers Report:

- Plant recently hit new highs of 30 MGD which is 84% of capacity.
- Production at the Plant is 9.6% ahead of this time last year.
- Justin Ashworth, an operator at the Plant completed his studies to receive his Bachelor’s Degree from Phoenix University.

Consider adopting Resolution No. 09-08-Q, Disposal of Equipment No Longer Necessary for District Purposes. Shields said this is the software we replaced with Springbrook Software last summer and one 10 year old server that has no value. Motion by Director Kuil, seconded by Director Holbrook, to adopt Resolution No 09-08-Q.

RESOLUTION 09-08-Q
DISPOSE OF SURPLUS EQUIPMENT NO LONGER
NECESSARY FOR DISTRICT PURPOSES

WHEREAS, the District may dispose of equipment it finds no longer necessary for District purposes; and

WHEREAS, the following equipment was replaced in 2008 and is fully depreciated:

APPGEN server, software and associated upgrades totaling \$84,678.85 in original costs

THEREFORE, BE IT RESOLVED that the District authorizes staff to write off the book value of the equipment.

PASSED AND ADOPTED this 28th day of July, 2009 by the following roll call vote:

Ayes:	Holbrook	Kuil	Kamper	Schulz	Roos
Noes:	None				

Consider approving the replacement of District Pump #74 with a new more efficient pump. Shields said the cost to repair the old pump that operates at 72% efficiency and the cost savings to be had on the new pump if it operates at 94.1% efficiency make it a better deal to buy the new pump. Miguel Valdez of PG&E said based on current usage the saving should be \$1,800 per year plus we qualify for a \$1,450 rebate. Low bid from N & S, to replace Pump #74 with a new energy efficient pump is \$20,981. The cost to repair the current pump, depending on damage found, could go as high as \$15,833. Motion by Director Kuil, seconded by Director Holbrook, and unanimously carried to approve purchasing a new pump from N&S at a cost of \$20,981.

Consider approving the use of an independent consultant to assist in the candidate selection for the Information Technology Support Technician position. Thornburg said he found Keith Jackson who works for San Joaquin County Office of Education. Jackson would charge a \$100 an hour for his services, with a not to exceed cost of \$2,500. Motion by Director Schulz, seconded by Director Roos, and unanimously carried to authorize execution of an agreement with Mr. Jackson, as an independent consultant, at a cost not to exceed \$2,500.

Approve hiring an appraiser for the Division 9 project. Shields said there are two properties we are looking at. The sellers are willing to sell but we need an appraisal. Holbrook asked if the APN listed in the agenda write up under DESCRIPTION is 257-300-01 or 257-330-01 as listed under COST. Shields said he believes it is 257-300-01; however he will make sure that the correct APN is used. Shields recommended he be authorized to execute an agreement with Edward, Lien & Toso, Inc. to do the two appraisals at a cost of \$7,000. Motion by Director Roos, seconded by Director Kuil, and unanimously carried, to authorize execution of an agreement with Edward, Lien & Toso as recommended.

Consider adopting Resolution No 09-09-A, Amending the District's Annexation Policy On October 28, 2008, the Board took action to set a new annexation fee of \$1,800 per acre. However the Board action did not make any provision for annual adjustments. Resolution No. 09-09-A reflects action taken by the Board on October 28, 2008 and includes an annual annexation fee increase of 5% per year beginning January 1, 2010. The 5% increase was determined by averaging the historical increases in the Construction Cost Index and historical increases of the net asset formula which was used to establish the cost set last year. Bologna recommended adopting the resolution as submitted. Motion by Director Holbrook, seconded by Director Kuil, to adopt Resolution No 09-09-A.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 09-09-A
RESOLUTION AMENDING RESOLUTION 93-17-O**

SECTION 4.9 (a) of RESOLUTION NO. 90-18-O

WHEREAS, Section 4.9 (a) of Resolution No. 90-18-O was adopted on October 11, 1990, and

WHEREAS, Resolution 93-17-O was adopted on July 13, 1993 as an amendment to the originally established annexation fee, and

WHEREAS, the Board took action on October 28, 2008 to increase the annexation fee to \$1,800 per acre, and

WHEREAS, it is the District's desire to amend its prior Resolution to properly reflect this increase and to provide a standard procedure for incremental increases in the future,

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the SOUTH SAN JOAQUIN IRRIGATION DISTRICT hereby authorizes the amendment to read as follows:

4.9 (a) Currently, LANDOWNERS shall pay the DISTRICT an Annexation Fee of \$1,800.00 per acre for each acre of land to be included within DISTRICT and said fee shall be increased annually by 5% beginning on January 1, 2010. Said payment will be computed to the nearest tenth of an acre, and to include all of said lands, whether or not encumbered by easements, rights-of-way, or reservations. The greater of 50% of the Annexation Fee or \$2,000 for each LANDOWNER shall be payable upon the adoption of the Resolution ordering Annexation by DISTRICT as the conducting authority. Thereafter, the remaining balance of the Annexation Fee shall be paid in a maximum of nine annual payments due and payable commencing on the 20th day of December following inclusion, and annually thereafter until completely paid. Payments not received by DISTRICT by December 20 of each year when due shall be subject to a ten percent (10%) penalty as a late charge. No adjustment in the due date of Annexation Fee payments will be made for any reason. No portion of any Annexation Fee will be allocated disproportionately to particular acres of the real property subject to annexation. The Board of Directors of DISTRICT, upon consultation with LANDOWNERS, shall be solely responsible for establishing the number of years which LANDOWNERS will be given to make such Annexation Fee annual payments to DISTRICT and under what terms "prepayment" of all "Annexation Fees" may be made by LANDOWNERS to DISTRICT.

PASSED AND ADOPTED this 28th day of July 2009 by the following roll call vote:

Ayes: Holbrook Kuil Kamper Schulz Roos
Noes: None

Consider adopting Resolution 09-10-H, In Recognition of Steve Felte. Shields said the Resolution, along with a gift, will be presented to Felte on Friday night at a dinner party in his honor. Motion by Director Schulz, seconded by Director Holbrook, to adopt Resolution #09-10-H.

**RESOLUTION NO. 09-10-H
OF
SOUTH SAN JOAQUIN IRRIGATION DISTRICT
IN RECOGNITION OF STEVE FELTE**

WHEREAS, Steve Felte became the General Manager of Tri-Dam effective January 5, 1998 and continued to serve to his retirement date of July 31, 2009; and

WHEREAS, Steve Felte performed various duties in his capacity as General Manager that resulted in substantial benefit to the South San Joaquin Irrigation District (SSJID) and our customers; and

WHEREAS, Steve's work to successfully secure new 40 year licenses from the Federal Energy Regulatory Commission for Tri-Dam facilities at Donnells, Beardsley and Tulloch will assure continuous flow of water and power for the benefit of SSJID; and

WHEREAS, Steve represented the Districts' interest with integrity, loyalty and a high level of professionalism;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors, on behalf of our staff and customers wish Steve and Tess warm winds and smooth sailing through many happy years of retirement; and

BE IT FURTHER RESOLVED, the Board of Directors of the South San Joaquin Irrigation District hereby resolves:

**Our profound appreciation and thanks is extended to
STEVE FELTE
for his friendship, dedication and service to the South San Joaquin Irrigation
District as
General Manager for Tri-Dam**

PASSED AND ADOPTED this 28th day of July, 2009 by the following roll call vote:

Ayes:	Holbrook	Kuil	Kamper	Schulz	Roos
Noes:	None				

President Kamper asked for Manager's reports:

Battles reported:

- We received the \$945,000 check for PG&E for the 2nd phase of the Solar Farm.
- Gave out a history of refunds at the Solar Farm for the first phase.
- When asked about production on hot days, reported that the production is reduced, for example on a Sunday when it was 106 degrees the production was down about 10%.
- Installation of the security system should be completed by the end of July.

Sayler reported:

- The Manteca Chamber Mixer held at the District last Thursday was a success.
- Still working on a mixer for the Escalon Chamber.
- Saturday August 1st is the Historical Society Tour of the Solar Farm, Water Treatment Plant, Goodwin Dam and Tulloch Dam.
- The water model is near completion, should be here by the end of August.

Shields reported:

- San Luis Reservoir/Delta Mendota Water Contract has been executed by all parties. Payment schedule for the \$6,250,000 is 1/3 of that amount on August 15, September 15, and October 15, 2009. At this time San Luis Reservoir is only 18% of capacity.
- Handed out water usage reports for the weeks of July 12 and July 19, 2009.
- Handed out the Division 9 Schedule.
- Stanislaus County Ag Center is having a workshop on drip and micro. Anyone interested let him know and he will give the details.
- Suspension of Prop 1A on the budget means the State will take approximately 8% of our property taxes, or about \$310,000.

President Kamper asked for Directors reports:

Schulz asked if the County Board of Supervisors has the ability to change the allocation. Both Shields and Stein said they do not think so but will find out.

Roos asked for an accounting of the 100th anniversary. Saylor said she would provide it at the next Board meeting.

Kamper asked Stein to set up a meeting with our Financial Advisor in the next couple of weeks. Stein said he would arrange a meeting.

President Kamper called for closed session. District Counsel Emrick said the Board will discuss items a. through c. in closed session.

- a. Conference with legal counsel, anticipated litigation, initiation of litigation. Gov. Code, S. 54956.9. One case.
- b. Conference with real property negotiator. Gov. Code, S. 54656.8.
Negotiation Parties: District, City of Stockton, Stockton East Water District;
District's Negotiators: General Manager and General Counsel. Under negotiation: Price and terms of payment for sale of water.
- c. Conference with Legal Counsel, anticipated litigation. Gov. Code, S. 54956.9.
Various hearings and workshops concerning the San Joaquin River and the Bay-Delta before the State Water Resources Control Board.

Upon returning from closed session District Counsel Emrick announced there was no reportable action taken in closed session.

There being no further business to come before the District it was moved by Director Roos, seconded by Director Schulz, and unanimously carried, to adjourn to August 11, 2009 at 9:00 a.m.

ATTEST:

John Stein, Assistant Secretary