

Manteca, California
August 8, 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 ROOS SCHULZ KUIL
ABSENT: DEGROOT

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

President Roos asked for public comment. There being none he called the meeting to order and ask the Board to go to closed session. General Counsel Emrick stated the Board would discuss the following:

Conference with legal Counsel, relative to anticipated litigation, initiation of litigation, Gov. Code, S. 54956.9 (c). One case.

Upon returning from closed session, General Counsel Emrick reported there was no reportable action take in closed session.

The following employees arrived at 10:30 a.m. District Engineer Gilton, Engineering Department Supervisor Bologna, Executive Secretary Burke, and Water Treatment System Manager Hubkey.

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

CONSENT CALENDAR

- A. SSJID warrants of \$752,357.07, and payrolls of \$248,995.27.
- B. Regular Adjourned Board Meeting Minutes of July 25, 2006.

Motion by Director Kamper, seconded by Director Kuil, and unanimously carried to approve the Consent Calendar items as presented.

PASSED AND ADOPTED this 8th day of August 2006 by the following roll call vote:

Ayes:	Kamper	Roos	Schulz	Kuil
Noes:	None			
Absent	DeGroot			

Doug Johnson of Johnson & Associates was asked to address the board relative to preliminary class specifications and potential labor market comparison agencies. Mr. Johnson told the Board that his firm had finished reviewing questionnaires sent to all employees, and interviews of several, but not all employees. He said he might recommend some job title changes, such as Laborer to Maintenance Worker. He handed out a sheet showing his proposed labor market selections. He said he might eliminate a couple, such as one of the two in Fresno, and maybe Solano I.D. He asked the Board if there were any that they would like removed or added. The Board made no comment on his question. He said he would start the survey within two weeks. The Board thanked him for his presentation.

Laura Simon, District Insurance Benefits Broker addressed the Board concerning employee health insurance for the 2006-2007 contract year. Our current contract with Blue Shield of California ends on August 31st. She told the Board she got bids from Blue Shield, Blue Cross, and PacifiCare. The proposal from Blue Shield was 14.34%

higher than our 2005-2006 rate. Blue Cross came in at 7.0 % over our current rate. PacifiCare came in with the best quote at 4% over our current rate. Ms. Simon recommended the District go with PacifiCare. After discussion, it was moved by Director Schulz, seconded by Director Kuil, and unanimously carried, to authorize signing an agreement with PacifiCare for the September 1, 2006 – August 31, 2007, policy year.

Consider approving an agreement with John Pugh, for design service for a mural. Tom Wilson of the Manteca Mural Society addressed the Board. He said the design agreement proposed by the muralist was changed to meet the SSJID staff requirements. He said the total project cost is approximately \$60,000 to \$70,000. Director Kamper asked about painting the mural on the Lathrop Road water tank. Mr. Wilson said the Society prefers having them in a downtown location where the traffic is slower. Director Kamper asked about owning the design, and about the cost being too high. Mr. Wilson said it is common with artists to own their designs. As to the cost, he said if we decide the cost is too high we can pay what we want, and he will find other donations to fill the gap. After discussion, it was moved by Director Kamper, seconded by Director Roos, to approve the \$6,000 cost for the design. Motion Carried, Ayes 3, Noes 1, with Director Schulz voting No.

President Roos asked WTP Manager Hubkey to give his report. Hubkey reported the following:

Zenon is in day 16 of their 42-day test. So far, everything is going good.

Log boom at the wall in Woodward Reservoir is broken. Tri-Dam is going to do the repairs.

As previously reported two pumps failed at the pump station. One was out of balance, the other was heat related. Apparently, during the heat spell we had a problem with cooling. Of the two coolers we had, one was working the other was not. The problem has been taken care of.

All three individuals we offered operator positions to have accepted. They should be starting shortly, subject to passing a physical and other required tests.

At the conclusion of his report Mr. Hubkey left the meeting.

Consider authorizing approval and signature of appurtenant documents as they relate to Cornerstone Development Project. Bologna said the developer wants to remove the box in the Northwest corner of the project. We have decided to put in a pressure box, this will be at no cost to SSJID. There are two parties taking water, and both are satisfied with the arrangement. Motion by Director Kamper, seconded by Director Schulz, and unanimously carried, to approve as requested.

Consider adopting Resolution No 06-11-P, Authorizing the conveyance by quitclaim of property owned by the District. Bologna said the money has been paid as agreed, and the agreement has been signed by the purchaser. Bologna recommends approval. Motion by Director Schulz, seconded by Director Kuil, to adopt Resolution No. 06-11-P.

RESOLUTION AUTHORIZING THE CONVEYANCE BY QUITCLAIM OF PROPERTY OWNED BY THE DISTRICT

WHEREAS, the SOUTH SAN JOAQUIN IRRIGATION DISTRICT, hereinafter referred to as ■District■, is the title holder of property acquired by virtue of deed recorded in Book 787, Page 200 of San Joaquin County Records on September 30, 1942 of San Joaquin County Records, hereinafter referred to as ■Subject Property■ located within a

portion of Section 32, Township 1 South, Range 7 East, Mount Diablo Base and Meridian, and being more particularly described in the attached Exhibit "A",

WHEREAS, the Subject Property lies adjacent to property located at 318 N. Maple Ave., Manteca (217-233-20) owned by Leo A. De Groot, aka Leonardus A. De Groot and Evelyn M. De Groot, Trustees of the Leo A. De Groot, aka Leonardus A. De Groot and Evelyn M. De Groot 2005 Trust dated December 8, 2005, hereinafter referred to as ■Buyer•, and

WHEREAS, Buyer wishes to purchase Subject Property from District pursuant to the terms approved by the District's Board of Directors at their May 16, 2006 Board meeting and conditions of the Developers Agreement approved May 16, 2006, and

WHEREAS, the District's fee interest is surplus to its needs and the retained easement interest and new conveyance is adequate for all reasonable District purposes, and

WHEREAS, it is in the best interest of the District to transfer property in exchange for the new easements and the established consideration, and

WHEREAS, Buyer has agreed to construct new District facilities in conjunction with the DeGroot Retail Center Development project, and

WHEREAS, it is in the best interest of the South San Joaquin Irrigation District that the Subject Property be transferred to Buyer on the terms as outlined by Board action of May 16, 2006 as follows:

1. Buyer's payment of the purchase price of \$75,000.00 for approximately 0.15 of an acre.
2. District's title to be conveyed by Quitclaim Deed.
3. Buyer will pay all costs related to transfer, including but not limited to, closing costs, title fees, brokerage fees, survey costs, recording fees and administration costs.
4. Buyer shall assume all liabilities for property associated with acquisition.
5. Buyer shall construct new pipeline facilities and convey new exclusive easements as required to serve as replacement easements for relocated irrigation and drainage facilities in accordance with policy and as directed by staff.
6. An easement shall be reserved from sale until such time as a Notice of Completion and acceptance of new facilities occurred, at which time easement shall automatically be relinquished.

WHEREAS, the District's Board of Directors finds as follows:

1. The consideration for the transfer of the Subject Property is fair value, and

2. The District's interest in the Subject Property easement proposed to be quitclaim deeded is no longer necessary for District purposes, and
3. The proposed disposition of the District's Easement in the Subject Property is categorically exempt under California Environmental Quality Act as Class 12 Project pursuant to 14 CA Adm. Code of Regulations 15112 since the surplus government property does not have significant value for wildlife habitat or other environmental purposes and the property is of such size and shape that it is incapable of independent development or use.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the South San Joaquin Irrigation District hereby authorize the President and Secretary execute on behalf of the District a quitclaim deed to the Buyer disposing of the District's interest in the Subject Property on the terms described above.

The undersigned Assistant Secretary of the South San Joaquin Irrigation District certifies that the foregoing action was taken by the Board of Directors at a regular meeting held on August 8, 2006.

PASSED AND ADOPTED by the following roll call vote:

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

Consider authorizing approval and signature of appurtenant documents for Villa Ticino West Units 1 and 2. Bologna said the impact is to the FCOC. The developer has agreed to grant us an easement and replace the open ditch with double culvert vaults across Louise Avenue, approximately 80 feet. Bologna recommends approval. Motion by Kuil, seconded by Kamper, and unanimously carried, to approve as requested.

Approve work with the Irrigation Training and Research Center (ITRC) concerning flap gate installation at two locations. District Engineer Gilton told the Board a few years ago we did a study on the "R" canal. As a result, last year we built two weirs. This year we are looking at two flap gates on the "R". Jon Van Ryn, who is working for the District this summer as an intern will be fabricating the gates as his senior project at Cal Poly. The total cost should not exceed \$3,000 for material, supplies and installation. Motion by Director Kuil, seconded by Director Kamper, and unanimously carried, to approve the District contribution of \$3,000 for the 2 flap gates.

President Roos asked for Manager's reports:

Stroud reported the following:

At the last Board meeting, there was a question about a check to Velociter for \$12,000. This was a portion of the \$22,600 contract to rewire the server room.

Relative to the Clair Hill scholarship of \$5,000, Cheryl is notifying universities and colleges in the area. Applications must be in by March 2007. For details, see Cheryl.

Tri-Dam is at OID on August 17, 2006.

Flows in the MDC peaked at 788cfs on July 28, 2006. Elevation at Woodward Reservoir is 209.3.

Magnacide is being applied today.

Shields reported the following:

Referred to the internal newsletter put out last week. The goal of the newsletter is to keep lines of communication open between the WTP, the irrigation department and the board.

PG&E's rate case before the PUC. Shields asked John Chin of PG&E, if the stockholders are paying for Meridian, and Stop the Power Grab? Mr. Chin said he did not know, but would ask.

Oakdale PG&E employees are receiving layoff notices from PG&E.

To date PG&E has asked for rate increases in 2007 for residential 12.5%, and for Agriculture 25%.

During the heat spell last month 1.2 million PG&E customers lost power service. Most of the losses were a result of overloading the system. PG&E incurred \$30 million in unbudgeted expenses.

The OID board appointed Al Bairos, Jr. to replace Louis Brichetto who resigned.

Director Schulz asked John Chin of PG&E why does the WTP lose power so often. Mr. Chin said he would check it out.

President Roos called for Directors' reports:

Kuil said we should put a liner in the MDC so we could apply Magnacide.

Kamper asked what the effect would be on Kramer & Associates with Doug Demko leaving them. Stroud said he felt it would be minimal.

President Ross asked the Board to go to closed session. District Counsel Emrick said the Board would discuss the following in closed session.

Conference with legal counsel relative to anticipated litigation, initiation of litigation, Gov. Code, S. 54956.9 (c). One case.

Public employment, performance review, General Manager and General Counsel. Gov. Code, S. 54957.

Upon returning from Closed Session, President Roos reported there was no reportable action taken in closed session.

There being no further business to come before the Board it was moved by Director Schulz, seconded by Director Kuil, and unanimously carried, to adjourn to August 22, 2006 at 9:00 a.m.

ATTEST

John Stein, Assistant Secretary