

Manteca, California  
August 26, 2003

The Board of Directors of the South San Joaquin Irrigation District met in regular adjourned session in their chambers at the hour of 9:00 a.m.

Upon roll call the following members were noted present:

DIRECTORS:           DEGROOT   KAMPER   SCHULZ   ROOS   KUIL

Also present were Secretary/Manager Stroud, District Counsel Emrick, and District Engineer Gilton.

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

#### CONSENT CALENDAR

- A.    SSJID warrants of \$567,229.97.
- B.    Regular Adjourned Board Minutes of July 22, 2003 and Regular Board Minutes of August 12, 2003.
- C.    Resolution No. 03-16-F, Updating Bank Signature Cards.

#### RESOLUTION 03-06-F UPDATE SIGNATURE CARDS WITH GUARANTY BANK

WHEREAS, the SOUTH SAN JOAQUIN IRRIGATION DISTRICT (District) must update its signature cards with its financial institutions.

RESOLVED, that any one of the following named officers,

Dave Kamper  
Robert Schulz  
Nick DeGroot  
Ralph Roos  
Dale Kuil

And one of the named District staff,

Stevan Stroud, General Manager/Secretary  
John Stein, Asst. Gen. Manager/Secretary  
Robin Giuntoli, Finance Supervisor

Are authorized to co-sign checks, drafts or other orders for and on behalf of the District from the bank designated as the District's Business Checking Account.

RESOLVED FURTHER, that any one of the above noted staff is authorized to sign payroll checks, drafts, direct deposit wires or other orders for an on behalf of the District from the bank designated as the District's Business Checking Account.

- D.    Authorize the signing of an Agreement for Rubber Gasket Reinforced Concrete Pipe by and between Oldcastle Precast, Inc., and the District.

Motion by Degroot, seconded by Kamper, to approve the Consent Calendar Items as presented.

PASSED AND ADOPTED this 26th day of August 2003 by the following roll call vote:

Ayes:           DeGroot   Kamper   Schulz   Roos   Kuil  
Noes:           None

Consider approving purchase of used Boom Truck to replace our current 1983 Ford Boom Truck, District #225. Stroud said we planned to replace the current truck in 2004. However, due to an engine fire in the truck. The cost to repair the truck would exceed the value. The Equipment Committee is recommending replacement with a 1997 Peterbilt with an 8.3L Cummins Diesel engine with 2,583 hours, with a 14 ton crane. Motion by Kuil, seconded by Kamper, and unanimously carried to authorize purchase of the 1997 Peterbilt Boom Truck at a cost not to exceed \$79,926.13.

Presentation by James Johnson, CEO of Occu-Med Systems. Stroud introduced Mr. Johnson. Johnson told the Board his company would do a complete analysis of job descriptions and medical examination requirements for new hires. He said they will review reports of job injuries, and help determine if employees are ready to return to work. The initial one time cost is \$4,050.00. On going costs are \$1.50 per month per employee.

Motion by Kuil, seconded by DeGroot, and unanimously carried, to approve the proposed contract with Occu-Med and authorize the General Manager to execute same.

Matt Frediani of Cutler Segerstrom to address the Board concerning worker's compensation insurance. He told the Board that the two quotes received by insurers for July 1, 2003 through June 30, 2004 were: AIG \$337,888 and State Fund \$299,177. State Fund will increase that by 15% on January 1, 2004 making their annual premium approximately \$321,615. AIG revised their quote to \$322,000. He said he recommended AIG because he felt they would do a better job handling claims than State Fund. No action was taken.

Discussion concerning the State Budget impacts on the District. Stroud said Property Tax revenues, which we feared would be cut a minimum of 25% were not affected. Also, LAIF deposits were not affected. However, Dam Safety Fees were increased. Rates prior to the Budget for Woodward Reservoir were \$1,110. After the approval of the State budget the annual fee will be \$11,000. Additionally, a water rights compliance fee is being looked at. This fee could be as much as \$1,000,000. No action was taken.

Consider approving contract with Shannon & Associates, to conduct executive search for Water Treatment Plant Manager. Stroud recommended approving an agreement with Shannon & Associates. He said the cost would be between \$25,000 and 29,000. Assistant Manager Stein said the cost when Shannon recruited the General Manager 2 years ago was \$24,071. Motion by Kuil, seconded by Kamper, and unanimously carried, authorizing execution of a Full Service Agreement with Shannon & Associates with the understanding that he first negotiate with Shannon to reduce the fee.

Discussion and possible action concerning the end of the 2003 Irrigation Season. Stroud said that we need to drain Woodward Reservoir so that the pipeline for the Water Treatment Plant can be laid. He said we need to have it drained by November 1, 2003. By ending the season on the October 16, 2003, we can meet that goal. Additionally, we may have to drain some water into the river, because to keep flows consistent we need approximately 10,000 acre feet in the reservoir. Roos asked if we could use the 10,000 A.F. for irrigation. Stroud said we can look at that when we end the season, but would rather not have that as a firm condition at this time. It was the consensus of the Board to end the season on October 16, 2003 as recommended, with early notification of growers of the final irrigation date. No action was taken.

General Manager's report:

Staff is closely monitoring drainage problems on Lawrence Road in Escalon.

Lateral Tb west of Austin Road; the north barrel has top cracks, and the south barrel has a circle crack. We hope to finish this water season and replace the pipes during maintenance season.

Relative to the Water Truck, delivery was scheduled for August 1st, however due to damage to our tank, a new tank had to be fabricated and installed. We should have the truck by August 27th.

Lightning struck Drop 8 on the MDC. It damaged approximately \$6,000 worth of electronic equipment. Staff is operating manually until the damaged equipment can be replaced.

Relative to staffing. The Welder/Mechanic position was awarded to Ron Strmiska, Jr. He began working as the Welder/Mechanic this week. However, he will work continue putting in some time at his old position in engineering until the maintenance season begins.

Meetings:

- 8/27 Groundwater Banking Authority at 10:30 a.m.
- 8/28 California Watershed Council
- 9/2 Tri-Dam Special Board meeting at 1:30 p.m at Modesto Irrigation District.
- 9/9 Tri-Dam Special Board meeting at 1:30 p.m. at SSJID's board room.
- 9/26 Senator Mike Machado, fund raiser, \$40 per plate, not reimbursable by the District.

Read the following permits into the record:

Encroachment Agreement for Dennis & Sandra Smith, APN 217-340-33, to encroach upon Lateral "T" easement with a patio cover.

Discharge permit: Quality Well Drillers to discharge into Lateral "U" to develop well for the City of Ripon.

Directors' reports:

Kamper said he talked with Rein Doornenbal concerning the annexation of his land. Mr. Doornenbal said that Central Water District's Board approved his request to de-annex, but that Central's attorney still owed SSJID a letter.

Schulz said he talked to a property owner near the Treatment Plant pipeline route who is interested in getting dirt. Stroud said the contractor is responsible and the landowner will have to contact them.

Schulz reported that Connie Van Vliet wants to know when she is going to get her deposit back. Stroud said when the work is done and the contractor is paid. At this time he is not sure when that will be.

Schulz requested a report on the damages at the Northwest Side Project. District Engineer Gilton reported cost to repair the damage is estimated at \$30,000. He said the cause of the damage at this time is approximately 2/3 Northern Digital and 1/3 Conco West.

President Schulz called for Closed Session relative to litigation matters, personnel matters, and labor update: District Counsel announced Items a) 1. and 3., b) and c) will be discussed in Closed Session.

a) Conference with legal counsel, existing litigation. Gov. Code, S. 54956.9. Two cases:

1. Delta Keeper vs. OID
3. Sierra Club et. al. vs. SSJID.

b) Conference with legal counsel, anticipated litigation, significant exposure to litigation. Gov. Code, S. 54956.9. Two cases.

c) Public Employment: Title: Utility Systems Development Coordinator. Gov. Code, S. 54957.

Upon returning from Closed Session, General Counsel Emrick announced the following action was taken in closed session relative to item b) Claim of Valerie Watts: Motion by Kamper, seconded by Roos, and unanimously carried, to deny the claim of Valerie Watts and instruct staff to send a letter of denial to Ms. Watts.

There being no further business to come before the Board it was moved by Roos, seconded by Kuil, and unanimously carried, to adjourn to September 9, 2003 at 9:00 a.m.

ATTEST:

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John Stein, Assistant Secretary