

Manteca, California  
August 26, 2014

The Board of Directors of the South San Joaquin Irrigation District met in regular session in their chambers at the hour of 9:02 a.m. President Roos called the meeting to order and led the flag salute. Upon roll call the following members were noted present:

DIRECTORS: HOLBROOK HOLMES KAMPER KUIL ROOS  
ABSENT: NONE

Also present were General Manager Jeff Shields, General Counsel Steve Emrick, Engineering Department Manager Sam Bologna, and Executive Secretary Betty Garcia.

### **Public Comment**

Mr. Robert Longstreth stated that he operates on the "H" line and has always been able to get water and this is the first year that he is unable to get water every 14-16 days. He indicated he had spoken with staff and was told that it was a service problem but is now being told it is a problem with rotation. Mr. Shields stated the Board had set the water rotations at 10 – 20 days and if staff changes the rotation for Mr. Longstreth then we would have to change it for all other customers. Mr. Catanzarite said there is a good ditch tender on this route and Mr. Longstreth wants his flood irrigation available every 14 days when the rotation is every 10 or 20 days. Director Holmes indicated that bringing water into the line every 14 days can create water losses and at this time the District needs to conserve water. Mr. Longstreth said every time he asked staff he was never told it was a water conservation problem. Mr. Shields stated the District does not commit to supply water on demand. Director Holbrook said there is no guarantee of water delivery on time nor a specific water allotment. Mr. Longstreth said he never had a problem getting water every 14 days and asked if he was going to experience this problem next year. This item will be discussed at the next Agricultural water committee meeting.

The Board was asked to consider the following Consent Calendar Items.

### **CONSENT CALENDAR**

- A. Approval of Warrants in the amount of \$462,766.18; A/P wires in the amount of \$285,127.31; payroll dated August 22 in the amount of \$190,258.56.
- B. Approval of the regular Board meeting minutes of August 12, 2014.
- C. Approval of construction to campground facilities at Woodward Reservoir by the Stanislaus County.
- D. Approval of updated Expense Reimbursement Policy.

Director Holbrook noted on page 7 of the minutes under Jeff Shields comments, bullet point #2 the word lagged should be lacked. He also wants to be sure that the pipe being used on item C will withstand breakage.

A motion was made by Director Kuil and seconded by Director Holmes to accept the Consent Calendar items with the above noted correction and passed 5 to 0 by the following roll call vote:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: NONE

### **ACTION CALENDAR**

#### **Item #1 – Consider 2014 Water Supply Forecast, Irrigation Schedule, and Woodward Reservoir**

Mr. Shields distributed reports on the current reservoir conditions and the water storage reports and indicated the water budget could be better than originally thought. However there is no indication that the District will have extra water by the end of the season.

#### **Item #2 – Feasibility Assessment of Pressurized Water Delivery (Milestone 1B results and foundational alternatives)**

Mr. Bologna stated the workshops have been helpful to obtain the information that will be discussed today. He introduced Grant Davids and Bryan Thoreson with Davids Engineering and Jeff Shaw with Stantec.

Mr. Shaw discussed the objectives of today's presentation which is to give an update on Milestone 2 and also the results of Milestone 1B. He said the study considered growth assumptions up to 2040 which were city growth, annexations, groundwater irrigated parcels, irrigation methods, lateral efficiency, and on farm irrigation efficiency. He discussed irrigated area and water demand, results from updated water balance, and grower interviews.

Mr. Thoreson spoke to Milestone 1B which analyzes whether the benefits of piping the LMSC and MDC outweigh the costs. He discussed in depth the benefits and the costs associated with it. Mr. Davids said that welded steel pipe costs are generally less than those for reinforced concrete cylinder pipe and it is more economical to use one pipe and not two. Mr. Shaw asked for additional time until the end of February 2015 to work on the pressurization analysis.

A motion was made by Director Holbrook and seconded by Director Kamper to approve Milestone 1B and allow additional time for the project at no extra cost to the District. Motion passed 5 to 0 as follows:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: NONE

**Item #3 – Consider approval of Resolution #14-10-V authorizing the disposition of surplus vehicles no longer necessary for District purposes**

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT  
RESOLUTION NO. 14-10-V  
AUTHORIZING SALE OF PROPERTY NO  
LONGER NECESSARY FOR DISTRICT PURPOSES**

**WHEREAS**, the District may sell for valuable consideration, any property of the District, which it finds to be no longer necessary for District purposes;

**WHEREAS**, the Board of Directors of the South San Joaquin Irrigation District, finds the following for sale, as listed below:

<u>DISTRICT I.D. NO.</u>	<u>VEHICLE TYPE</u>	<u>SERIAL NUMBER</u>
606-05	GEMCAR	5ASAJ274775F037441
245-85	CHEVROLET 1TON	1GBHC33M5FS177168
305-09	CHEVROLET 1500 4X4	1GCEK24019Z187571
306-09	CHEVROLET 1500 4X4	1GCEK24059Z186553
307-09	CHEVROLET 1500 2WD	1GCEC24JX9Z194606
309-09	CHEVROLET 1500 2WD	1GCEC24J59Z194478

Is no longer necessary for District purposes and that it is in the best interest of the district to sell said property for the price listed below:

<u>DISTRICT I.D. NO.</u>	<u>PROPOSED PRICE</u>
606-05	\$1,000.00
245-85	\$3,000.00
305-09	\$12,000.00
306-09	\$12,500.00
307-09	\$9,500.00
309-09	\$6,500.00

**NOW, THEREFORE BE IT RESOLVED AND ORDERED** that the Finance and Administration Department Manager of the District is authorized to display said property for sale

for a period of ten days, and thereafter may reduce the advertised price by \$500.00 every ten days until the vehicle is sold.

**BE IT FURTHER RESOLVED AND ORDERED** that the Finance and Administration Department Manager is authorized and directed to take all necessary steps and execute all documents necessary to transfer title to said property.

A motion was made by Director Kuil and seconded by Director Kamper to approve Resolution #14-10-V which authorizes the Finance and Administration Department Manager to display District vehicles for sale for a period of ten days, and thereafter may reduce the advertised price by \$500.00 every ten days until the vehicle is sold. Motion passed 4 to 1 as follows:

AYES:           HOLBROOK HOLMES KUIL ROOS  
NOES:           KAMPER  
ABSTAIN:       NONE  
ABSENT:        NONE

**Item 4 – Consider approval of maintenance on GE switch gear at the WTP**

Mr. Justin Ashworth stated this equipment has not been serviced since 2009. He said a recent failure of the switch gear resulted in a loss of SCADA recording abilities. The scope of work includes inspection, maintenance and necessary calibrations of all switch gear components such as breakers, relays, battery system, metering, transformers and fused switches.

A motion was made by Director Holbrook and seconded by Director Kuil to approve staff recommendations to accept the quote from General Electric in the amount of \$27,100 to perform the aforementioned scope of work on the GE switch gear at the Water Treatment Plant. Motion passed 5 to 0 as follows:

AYES:           HOLBROOK HOLMES KAMPER KUIL ROOS  
NOES:           NONE  
ABSTAIN:       NONE  
ABSENT:        NONE

**Item #5 – Consider bids for maintenance building at the WTP**

Mr. Ashworth said the WTP currently has a cramped garage where materials and supplies are being stored. This is also the place where tasks such as welding, plumbing and electrical preparations are done. Mr. Shields stated bids have come in well above the budget approved by the cities, so he would like to have this item circulated to the cities for final approval and then brought back to the next board meeting.

A motion was made by Director Holbrook and seconded by Director Kamper to table this item until the cities have an opportunity to review it. Motion passed 5 to 0 as follows:

AYES:           HOLBROOK HOLMES KAMPER KUIL ROOS  
NOES:           NONE  
ABSTAIN:       NONE  
ABSENT:        NONE

**Justin Ashworth** gave a quick report of the activities at the Water Treatment Plant

- Pre-chlorine is being injected downstream
- Operator Ty Whitman will be retiring soon
- Oil-less compressors have been replaced using oiled compressors
- New operator, Daniel Ellicock, is doing well

**Item # 6 – Consider adoption of Resolution #14-11-P approving the revised Annexation Policy**

Mr. Shields noted the main purpose of this amended policy is to change the manner that the annexation fee is being paid. Mr. Emrick stated this amendment modifies the 2009 resolution to provide one half of the annexation fee is payable when the District approves the resolution of the application and the annexation agreement is signed and the balance when LAFCo approves the annexation. A lengthy discussion regarding the policy followed.

A motion was made by Director Kuil and seconded by Director Holbrook to approve Resolution #14-11-P approving the revised Annexation Policy with changes to the fee structure listed below and add a provision that if LAFCO does not approve the annexation, the District will refund the fee:

- 25% of fee is due at the time of application to the District
- 25% is due when LAFCo approves the annexation application or out-of-district agreement
- The remaining 50% is due when LAFCo approves the annexation, which can be paid in five annual installments plus interest at 5%
- Allow for early pay off
- Any applications received after this date will be subject to this policy
- Bring back Annexation Policy with all changes to the Board for consideration

Motion passed 5 to 0 as follows:

AYES:	HOLBROOK HOLMES KAMPER KUIL ROOS
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	NONE

**Item #7 – Consider position on proposed groundwater legislation, AB 1739 and SB 1168**

Mr. Shields is working with various groups to get the groundwater recharge language put back into the bond. Currently when SSJID has surplus water we are unable to recharge it on land in the District and report it as “beneficial use” because California law does not recognize groundwater recharge as a beneficial use.

A motion was made by Director Holbrook and seconded by Director Holmes to oppose AB 1739 and SB 1168 unless it is amended to include groundwater recharge as beneficial use.

Motion passed 5 to 0 as follows:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: NONE

**Item #8 – Consider budget increase to Mintier & Associates, Inc.**

Mr. Battles explained that Mintier is preparing a revised draft of the MSR, which will include responses to comments received on the third draft and this effort needs to be completed by the end of August. Mintier is also preparing to make a presentation at the upcoming workshop which has been scheduled for September 22, 2014. Their July 2014 billing showed that \$6000 of the budget remained.

A motion was made by Director Holbrook and seconded by Director Holmes to authorize Mintier to continue to work on the MSR and increase the cost ceiling by \$125,000. Motion passed 3 to 2 as follows:

AYES: HOLBROOK HOLMES KUIL  
NOES: KAMPER ROOS  
ABSTAIN: NONE  
ABSENT: NONE

**Item 9 – Consider approval of amendment to 2014 Capital Expenditures Budget**

Mr. Lindley said that at the last board meeting construction of a new well in Division 9 was approved with a cost of \$343,064. There are other construction projects that will not get done this year and are in the irrigation division and total \$415,936. New water treatment projects approved by the cities are scheduled to occur by December 31, 2014 and they total \$276,500. The net effect of both categories is a reduction from the original budget by \$139,436.

A motion was made by Director Holbrook and seconded by Director Holmes to approve these changes to the budget which amount to \$139,436 in net reductions to the 2014 capital expenditures, as Amendment #2 to the District's 2014 budget. Motion passed 5 to 0 as follows:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: NONE

**Item 10 – July 2014 Financial Statements**

This item was for information only and no action was taken.

**Item #11 – July 2014 Investment Reports**

This item was for information only and no action was taken.

### **Item #12 - Communications**

Director Holbrook attended the Advisory Water Commission meeting and they will be opposing the bond and will also oppose the groundwater bill unless amended.

Director Kuil stated that an agreement was reached with Merle Holman.

Director Kamper stated he has concerns with the accuracy of volumetric billing.

Director Holmes asked that a meeting of the AG water committee be scheduled within the next two weeks to discuss how to handle the loss of water through seepages and drains.

Troylene Vallow, Communications

- BIA Salute to Policy Makers event is on Monday, September 15 at 5:00 p.m. at the Stockton Golf and Country Club.
- She received a request from CERT (Community Emergency Response Team) a volunteer group at the City of Manteca Fire Department who are seeking donation of a truck by the District.
- Agape Golf Tournament will be held on Friday, September 12. Roos and Holbrook will attend.

Sam Bologna, Engineering Department Manager

- Has been holding meetings in regards to budget deficit issues and annexations.
- Tour of Division 9 was held on September 14; attended by three irrigation districts and farmers and was well received.
- Looking for capital improvement projects that can be postponed or done in house.

Jeff Shields, General Manager

- East Bay MUD is hosting their annual Pardee BBQ on Friday, October 3 at 11:30 a.m.
- ACWA JPIA meeting will be held on Monday, December 1 at 1:30 p.m. to 4:00 p.m. at the Hyatt in San Diego (part of the ACWA Fall Conference). Their 35<sup>th</sup> anniversary breakfast will be held that morning at 8:00 a.m.
- Semi-Tropic Board invited the SSJID Board members to tour their operation. They will pick members up at the Stockton Airport and bring you back the following morning. Let Betty Garcia know if you plan to attend.
- Safety Compliance and Safety Officer interviews were held on August 22. One person has been invited back for a second interview on Thursday.
- Water year: does the Board want to shut the system and start construction or keep the Division Managers on shift and keep the lines available for irrigation or rent pumps?
- Participated in a conference call last week with the Bureau of Reclamation, OID, SSJID, Denham's Chief of Staff, and Feinstein's Chief of Staff in regards to the water bill. Denham is working with Feinstein to get the Warren Act language in the Senate water bill but the Bureau is claiming that could harm CVP customers. The conversation ended with the Bureau agreeing to cancel a series of meetings this week to sit down with us and resolve our difference in interpretation of the 88 agreement prior to developing their 2015 New Melones operations plan. That meeting will take place in Sacramento tomorrow.

The following structure permits were approved:

- Kent Gikas, APN 206-070-03, Lateral “Q”
- Bruce Gellerman, APN 229-210-28, Lateral “A”

The following encroachment agreement was approved: Branco Family Trust, APN 002-056-08  
It was announced that items 13 a & b would be discussed in Closed Session.

**Item #13 – 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  
Government Code Section 54956.9
  - 1 case

Upon their return from closed session, it was announced that no reportable action was taken in closed session.

**ITEM #14 – ADJOURNMENT**

There being no further business to come before the Board, it was moved by Director Kamper and seconded by Director Kuil to adjourn the meeting at 1:26 p.m. Motion passed 5 to 0 as follows:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: NONE

ATTEST: \_\_\_\_\_  
Betty Garcia, Executive Secretary