

Manteca, California  
September 23, 2008

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

Upon roll call the following members were noted present:

DIRECTORS:      KAMPER      KUIL      SCHULZ      ROOS

Also present were Secretary/Manager Shields, District Counsel Emrick, Engineering Department Manager Bologna, Communications Coordinator Sayler, Don Thornburg, Human Resource Analyst and Utility Systems Director Battles.

President Kuil 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.

- A.      SSJID Warrants of \$691,053.49.
- B.      Regular Board Meeting Minutes of September 9, 2008.

Motion by Director Roos, seconded by Director Schulz, to approve the Consent Calendar items as presented.

PASSED AND ADOPTED this 23<sup>rd</sup> day of September 2008 by the following roll call vote:

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

Director Kuil asked Bill Hubkey, Water Treatment Plant Manager to give his report:

1. The Plant is in the middle of an eight hour planned shutdown. The shutdown will enable us to install four load meters within the plant. These meters will be able to show the plant electrical load at the four major points within the plant. All customer cities were notified.
2. The M-2 Site in Manteca has been rescheduled to be shut on September 30 for eight hours. A new pole is being installed.
3. Acid cleans for fiber cleaning started Sunday, September 21. Typically there is a strong upswing in fiber repairs after they are cleaned.
4. Staff started cleaning the solar panels on Tuesday, September 16; we will see an increase in power production after the cleanings.
5. Rich and Hubkey met with the B&V engineers and looked at the preliminary plans and specs for the "POP" project. Ninety percent plans and specs should be ready for review by late October.
6. Plant staff will flush the outlet line from the reservoir to the main plant inlet line in early October.

Director Schulz complimented Hubkey on the informative graphs he included in his monthly report. Hubkey left the meeting at 9:13 a.m.

Director Kuil said they would proceed to Item 1 of the action calendar, District health insurance renewal options for December 1, 2008 – November 30, 2009. Laura Simon, Wells Fargo Insurance Services and Don Thornburg addressed the Board. Ms. Simon told the Board that Blue Cross renewal rates came in at a 12.2% increase. This increase is in keeping with the health insurance market as a whole. Ms. Simons outlined 4 options for the Board's consideration. Don Thornburg handed out spreadsheets showing each option and what the employee contributions will be under the new labor contract. After a thorough discussion, Director Roos made a motion that the Board accept option #4 which gives employees the opportunity to choose between three different plans. The current Blue Cross HMO plan, the current Blue Cross PPO plan or a Kaiser HMO Insurance plan. Motion was seconded by Kamper and unanimously approved.

Item number 2 on the action calendar asked for Board approval for security fencing around the B-bd control box in Escalon. The box, RTU and vents are located behind the Exxon station, close to the high school, where there is a lot of foot traffic. The fencing would help deter vandalism. Motion was made by Schulz and seconded by Roos to approve the fencing as proposed. The motion was accepted unanimously.

Item number 3 asked for the Board to approve the installation of a RTU at the MSC-Diversion gates (AKA the Bob Jordan diversion). The RTU would allow the District to monitor the total flow before and after water is diverted to OID. This information would enable the District to keep accurate flow records of water totals used by the District. Director Roos asked about maintenance. Shields said that since the device is a Doppler system, maintenance should not be an issue. Kuil asked about a warranty on the equipment. He was assured that a warranty is included in the proposal. Motion to approve installation of the RTU at the Bob Jordan Diversion at a cost of \$23,038.07 was made by Kamper, seconded by Schulz and unanimously approved.

Dave Ward, InterWest Insurance Services, addressed the Board concerning District liability and property damage insurance. Mr. Ward told the Board that he received quotes from both RSDI and SDRMA. RSDI (the District's current carrier) came in with the lowest quote at \$304,375. Ward recommended that the District contract with RSDI for the 2008/09 policy year. He also asked for a 3% variance of cost because at the time of the meeting he couldn't guaranty the cost of the umbrella. Motion by Kamper to accept RSDI as the District's liability & property insurance and give Dave Ward a 3% variance of cost was seconded by Schulz and unanimously approved.

Troylene Saylor, Communications Coordinator addressed the Board concerning Item #5, SSJID Community Education/Awareness Policy. Ms. Saylor told the Board that the proposed policy will give us another format to communicate District services, safety and conservation efforts to the surrounding community. Along with the policy, a budget of \$30,000 a year is being proposed. The monies would be used to support local non-profit groups and reach targeted audiences. A pro-rated allocation for the remainder of 2008 would be \$5,000. Ms. Saylor told the Board that the proposed policy is modeled after MID's program. General Manager Shields asked the Board to approve Resolution 08-22-Y, Establishing Community Education and Awareness Policy and setting a budget of \$30,000 annual beginning in 2009, (\$5,000 for the remainder of 2008). Director Roos motioned to adopt Resolution 08-22-Y and set a budget of \$30,000 for the first year, pro-rating it to \$5,000 for the remainder of 2008. Schulz seconded the motion.

SOUTH SAN JOAQUIN IRRIGATION DISTRICT  
RESOLUTION NO. 08-22-Y  
ESTABLISHING COMMUNITY EDUCATION & AWARENESS POLICY

WHEREAS, the Board of Directors of the South San Joaquin Irrigation District desires to make information available to the public about issues of interest to SSJID constituents, including the District's public services, water safety and energy and water conservation;

WHEREAS, promotional opportunities from non-profit community service groups offer the District a forum to reach its targeted audiences and assist the organizations efforts to provide for the overall public good;

WHEREAS, by establishing a Community Education & Awareness Policy, the Board of Directors intends to provide a means for the District to work with a variety of non-profit community organizations within its service territory to assist the District in reaching its educational goals;

WHEREAS, the proposed Community Education & Awareness Policy reads:

The SSJID shall allocate a budgeted amount each year for community education and awareness purposes for non-profit, tax-exempt organizations operating within the SSJID service area and benefiting SSJID constituents. In return for the

donation, the SSJID must receive either some form of promotion, including but not limited to educational advertising regarding services provided by the District, for canal safety, water and/or energy conservation and related issues that will be seen by SSJID constituents, or an opportunity to distribute SSJID educational material.

THEREFORE, BE IT RESOLVED that the SSJID Board of Directors does hereby establish and approve the Community Education & Awareness Policy.

PASSED AND ADOPTED this 23<sup>rd</sup> day of September, 2008 by the following roll call vote:

AYES: KAMPER, ROOS, SCHULZ, KUIL  
ABSENT: HOLBROOK

President Kuil called for a short break. Upon returning Kuil directed the meeting to action item #10, SEWD Annexation Proposal. On September 10, Directors Holbrook and Schulz along with Shields met with Stockton East representatives to discuss their annexation proposals. As a result of that meeting, GM Shields composed the attached letter to LAFCO for the Board's approval. The purpose of the letter is to initiate the process of soliciting the interest of landowners in the effected territory to annex to SSJID. Director Kuil left the meeting because of conflict of interest issues. Shields explained that the letter to LAFCO is the first step, next we will send letters to the landowners notifying them that SSJID is willing to consider annexing the properties within it's Sphere of Influence and provide surface water if the landowners will pay for the necessary system improvements. Director Kamper asked about designating this area as surplus lands for surplus waters. Shields said that there are many options to be considered. John Van Klompenburg, a landowner from the area in question told the Board that landowners in the area may be interest in a pressurized system because of the increased use of drip irrigation. Kamper agreed that we need to start this discussion with the landowners. Motion was made by Schulz and seconded by Roos to authorize staff to send the above mentioned letter to LAFCO. Motion carried 3/0 with Kuil absent.

Action item #6, Engineering Department Manager, Bologna explained to the Board that Theodore Bakker, requested the cancellation of Irrigation Service Abandonment Agreement #919 affecting his property identified as APN# 226-130-30. The issue came up because of the District's pipeline improvement project in this area. Due to the fact Mr. Bakker does not have District service the District would not be installing a service valve for this property when replacing the pipeline. If the Board approves the termination of Agreement #919, this property would be eligible for a District service valve. Bologna recommends approval with the stipulation that Mr. Bakker understand that if next year is dry, he will not be able to take District water and he will be required to keep District service for at least 4 years. Motion by Kamper, seconded by Roos and unanimously passed to authorize cancellation of Service Abandonment Agreement 919 with the above mentioned stipulations.

Approve installation of the Rubicon Gates. Bologna told the Board that the Rubicon gates are ready to be installed at the "R" and "T" turnouts as soon as water season ends. We have received quotes from Cunningham & Sons (\$8,750) and Rubicon Company (\$4,954). Rubicon's quote figures in use of District manpower and equipment, but does include technical support and training. Motion was made by Schulz and seconded by Kamper to contract with Rubicon to install two gates at the quoted price to include technical support and training. Motion was passed 3 to 1 with Roos voting against.

Award contracts for Lateral "Rfb" (SSJ-2008-2) and Lateral "Qk" (SSJ-2008-3) Pipeline Replacement Projects. Bologna told the Board that bids were opened on September 17, 2008 and Ross F. Carroll, Inc. was the low bidder on both projects at \$134,004 for Lateral "QK" and \$118,420 for Lateral "Rfb". Bologna told the Board that the bids were 52% and 64% below last years engineers estimate, reflecting the change in the building

industry. Motion by Kamper to approve contracts with contingency of \$13,400.00 for “QK” and \$11,842.00 for Rfb” respectively. Schulz seconded the motion and it was passed unanimously.

Item # 9, Approve Mutual Aid Agreement with the City of Hercules and its Municipal Utility and authorize expenditures of up to \$5,000 with Hercules to install four meter at the Water Treatment Plant. Shields addressed the Board concerning this agreement, explaining the meters to be installed are necessary to measure the Plant’s energy usage before it is offset by the solar project. Data accumulated will help determine how best to divide the Plant’s energy usage between the two solar projects. Motion by Kamper, seconded by Roos and unanimously approved the Mutual Aid Agreement with the City of Hercules and authorizing expenditures of up to \$5,000 to install four meters.

Shields asked the Board to authorize him to contract for a Municipal Service Review. He explained that the review needs to be done in regards to the proposed annexation of 80 acres into the District. The Review is necessary for LAFCO. We received two proposals, the lowest quote came from MintierHarnish at \$34,600. Motion by Kamper, seconded by Schulz to approve contract with MintierHarnish at a cost not to exceed \$35,000. Motion passed unanimously.

Manager’s reports:

The end of 2008 Water Season will be September 15, plans are being finalized for the annual Employee Health & Safety Day to be held on the 17<sup>th</sup>.

Due to previously unforeseen issues, the contract with Beck’s Enterprises is being reevaluated and possibly cancelled. The Board will be kept informed as the particulars are worked out.

The District phone system is in the process of being reprogrammed. Cost to reprogram is \$1,000 + \$100 increase in monthly bill.

On September 22, our solar farm marked its first million kw of power.

Battles reported we have received a check for \$260,000 and will be receiving a check for \$125,000 for energy produced so far at the Robert O. Schulz Solar Farm.

Directors’ reports:

Roos had some questions concerning the Treasurers Report in the August Monthly Reports. Due to the fact that Stein is attending a conference and not available to answer, Shields said he would look into Roos’ concerns.

John Stein & John Holbrook are attending the CSDA meeting in Southern California. We look forward to their report at the October 14th meeting.

Relative to the Division 9 pressurized system project, Kamper said he and the other Board members have received a letter from Sam McGinnis containing some of his ideas on the project.

President Kuil called for closed session. District Counsel Emrick announced the following items will be discussed in closed session:

- Conference with real property negotiator: Negotiating parties; SSJID, OID, City of Stockton, Stockton East Water District, Central Water Conservation District, USBR. Districts negotiators: General Manager & General Counsel. Under Negotiation: Price and terms of payment for sale of water.
- Conference with legal counsel, anticipated litigation, initiation of litigation. Gov. Code, S. 54956.9. Two cases.
- Public Employment Performance Evaluation – California Gov Code Section 54957 – General Manager

General Counsel Emrick announced no reportable action was taken in closed session.

Upon returning from closed session, the Board continued in open session with action item #11. Consider compensation adjustment for General Manager. The Board proposed a bonus in the amount of \$5,000 payable on the October anniversary date of General Manager appointment. Motion was made by Roos and seconded by Schulz. Motion was unanimously passed.

There being no further business to come before the Board it was moved by Director Kamper, seconded by Director Roos, and unanimously carried, to adjourn to October 14, 2008 at 9:00 a.m.

ATTEST:

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Cheryl Burke, Executive Secretary