

Manteca, California
October 11, 2005

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: DEGROOT KAMPER ROOS SCHULZ KUIL

Also present were Secretary/Manager Stroud, District Counsel Emrick, and Engineering Department Supervisor Bologna.

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

- A SSJID warrants of \$1,653,832.55 and payrolls of \$334,568.97.
- B. Regular Adjourned Board Meeting Minutes of September 27, 2005.
- C. Accept and file Notice of Completion for Contract #2 with Mitchell Engineering for Raw Water Facilities. President Roos asked this item be moved to the action calendar. Motion Kuil, seconded by Schulz, and unanimously carried, to move item C to the Action Calendar.

Motion by Kuil, seconded by Schulz, to approve Consent Calendar Items A and B as submitted.

Passed and adopted this 11th day of October 2005 by the following roll call vote:

Ayes:	DeGroot	Kamper	Roos	Schulz	Kuil
Noes:	None				

Consider adopting Resolution no 05-11-B to Reaffirm Charges for Services Furnished by the District.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 05-11-B
RESOLUTION TO REAFFIRM CHARGES FOR
SERVICES FURNISHED BY THE DISTRICT**

WHEREAS, Irrigation District law provides authority for the District, in lieu, in whole or in part, of levying assessments, to fix and collect charges for any service furnished by the District and to prescribe reasonable rules with respect to said charges; and

WHEREAS, the District currently charges \$24.00 per acre for water service to each parcel in the District on which District-supplied surface water is used for irrigation, with a minimum charge of \$50, and

WHEREAS, the District currently charges \$12.00 per acre for groundwater recharge to each parcel in the District which is subject to a recorded Irrigation Service Abandonment Agreement, and on which crops are commercially grown, with a minimum charge of \$25, and

WHEREAS, the District declares the following:

- (1) The revenues derived from these said fees do not exceed the funds required to provide subject properties related services.
- (2) The revenues derived from the charges will not be used for any purpose other than that for which the charges are imposed.

(3) The amount of a charge imposed shall not exceed the proportional cost of the service.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that pursuant to Sections 22280 and 22283 of the Water Code, the District hereby sets water charges for the 2006 water year as follows:

RULE NO. 1-1, Subject to rule number 1-2; for each separate parcel, as shown on the District records of San Joaquin County Assessor's Parcel Maps, there shall be an annual ■USE OF DISTRICT WATER charge of **\$24.00** per acre for the ■Use of District Water.

RULE NO. 1-2, Subject to rule number 3-1; for each separate parcel, as shown on the District records of San Joaquin County Assessor's Parcel Maps, the minimum billing (charge) for ■USE OF DISTRICT WATER shall be **\$50.00**.

RULE NO. 2-1, Subject to rule number 2-2; those separate parcels, as shown on the District records of San Joaquin County Assessor's Parcels, which are used to grow commercially grown crops but which, (a) choose not to utilize District Water Service, and (b) which are the subject of an approved District Irrigation Service Abandonment Agreement, there shall be an annual ■GROUND WATER RECHARGE charge of **\$12.00** per acre for the benefits derived from ■Ground Water Recharge.

RULE NO. 2-2, Subject to rule number 3-1; for each separate parcel, as shown on the District records of San Joaquin County Assessor's Parcel Maps, the minimum billing (charge) for ■GROUND WATER RECHARGE shall be **\$25.00**.

RULE NO. 3-1, Those separate parcels, as shown on the District records of San Joaquin County Assessor's Parcels, which are not used to grow crops or which do not utilize District Water Service may be exempted from District ■USE OF DISTRICT WATER and ■GROUND WATER RECHARGE fees provided the owners of such lands enter into an ■Irrigation Service Abandonment Agreement covering same and provided further, there are no outstanding amounts owed to District on such lands.

PASSED AND ADOPTED this 11th day of October 2005 by the following roll call vote:

Ayes: DeGroot Kamper Roos Schulz Kuil
Noes: None

President Roos called for closed session. District Counsel Emrick announced that items "a," through "d." would be discussed in closed session.

a. Conference with legal counsel, anticipated litigation, initiation of litigation Gov. Code S. 54956.9 (c). Two cases.

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

c. Conference with legal counsel, existing litigation, Gov. Code, S. 54956.9. Deltakeeper v. SSJID, Superior Court for Sacramento County Superior Court, Case No. 04CS00228.

General Counsel Emrick reported that the South San Joaquin Irrigation District has settled the Mitchell Engineering, Inc. claim for \$1,800,000 and the Ranger Pipelines, Inc. claim for \$800,000. No reportable action was taken in closed session.

Consider accepting and filing Notice of Completion for Contract No. 2 with Mitchell Engineering for Raw Water Facilities. Motion by Kuil, seconded by Kamper, and unanimously carried to accept the Notice of Completion for the above. Motion Carried, Ayes 4, Noes 1, with Director Roos voting No.

Consider awarding contract for Lateral "R" long crested weirs (SSJ-2005-2). Bologna reported that the weirs are between Jack Tone and North Ripon Roads. He said

originally we budgeted for 15 weirs. However, Gilton feels we won't need 15, so we will be putting in two at this time to test and determine need for additional weirs. Motion by Kuil, seconded by DeGroot, to award the contract to the low bidder, Cunningham & Sons at a cost not to exceed \$74,848 plus contingency of 10% to allow staff to approve necessary change orders. . Motion Carried, Ayes 4, Noes 1, with Director Roos voting No.

Consider awarding contract for Lateral "F" pipeline replacement, (SSJ-2205-3). Bologna recommended awarding this contract to the low bidder Mozingo Construction, for \$388,623 plus a 5% contingency. Motion by Schulz, seconded by Kamper, and unanimously carried, to award contract to Mozingo Construction at a cost not to exceed \$388,623 with a contingency of 5% to allow staff to approve necessary change orders.

Consider awarding a contract for Lateral "V", Shot Crete Project (SSJ-2005-1). Bologna said that the City of Ripon and the District do not agree on the easement and as to whether the City should require the developer to re-line the canal. After discussion it was the consensus of the Board to table this item until October 25, 2005, and that the City of Ripon and the developer be placed on written notice that the District has a policy for replacement of facilities and the District intends to require the V be piped by the project. The District's current Policy directs that if not feasible to pipe, that the facility will be lined by the developer. Also, the Board wants a written commitment from the City of Ripon that the Developer will give the District a 15-foot easement on the south side of the canal. No action was taken.

President Roos asked Utility Department Director to give his report.

Shields reported:

SSJID filed comments with the CPUC regarding exit fees. The issue is how PG&E proposes to calculate fees for Municipal Departing Loads (MDL) versus Direct Access (DA) loads. PG&E wants to charge MDL 3.5 times more than they charge DA. The CPUC has previously ruled against PG&E on this matter but PG&E is trying again to get this in place.

The power market is up over \$100/MH for peak, off peak is at \$80. This high price has made the DWR Contracts profitable. SSJID and others are working to get the net positive benefits applied to other exit-fees.

PG&E has several rate adjustments filed with the CPUC. PG&E said the way we project their rates is wrong. Shields said he would ask PG&E to provide an accounting of each of their respective rate adjustments. Currently PG&E has over 17% increases proposed for the residential class, with 11% proposed for 01-01-06.

Relative to the investigation of an agent of PG&E accessing our computer system. PG&E performed their own investigation. Our representatives will meet with them today to discuss their findings. We are still looking at the computers of employees at Meridian Pacific, and will interview those employees. We have new security on our computer system.

Shields went to the San Joaquin County Board of Supervisors on September 27th. They approved the contract with Aspen.

Steve Emrick and Shields will be meeting with MID today.

TURN & others are arguing that bonuses to PG&E executives be denied this year.

We are looking at a Customer Information System (CIS). Our current software needs to be replaced in order to accommodate the water treatment plant and the electric utility as well as improve the irrigation function. We need to start now to look at a new CIS, since everyone we have talked to said it will take 18 months and up.

The existing office building is at full capacity and we are in need of additional storage and office space. Shields recommended we hire someone to start looking for property. Stroud said we would be coming to the Board in the near future to outline the process needed to meet current and future needs. Before we can hire someone to find property for us, we need to determine our basic space needs. Internal service systems also need to be expanded. The water treatment system increased demands on our accounting and administrative systems, and retail electric would further increase such demands.

General Manager's Stroud Reported:

Handed out a copy of the River Group budget, and a copy the SSJID fall newsletter. Schulz said we currently send newsletters to those who take water only. He wants to know why we don't send them to all constituents, both rural and city. Stroud said we send them to the people in our billing system because we have their addresses. However, he will look into what it would take to expand our mailing list.

Employee Appreciation and Safety day is October 21st. Lunch will be at 11:30 a.m. He asked the Directors if they could come and cook. The Directors agreed to do the cooking. Director Kuil asked about the menu and Cheryl Burke was called into the meeting to discuss the menu and the insurance presentation at safety day. Cheryl Burke reported that representatives from Blue Shield (Health), Stanislaus Foundation (Dental), and VSP (Vision) will be at the safety meeting on October 21st. Also St. Joseph's will be her to give Flu Shots, test cholesterol, and blood pressure.

Thursday, October 20th is the end of water season and the Tri-Dam Board meeting.

Wednesday, October 27th all supervisors and managers will attend "sexual harassment training" to comply with the new legal requirements.

Stroud continued his report:

Ag water use to date is 192,000 acre-feet. This is 16.5% less than prior years. Current Woodward elevation is 204.8, so we can report to DWR that the November 1 requirement is met.

Reported that Joe Catanzarite, Interim Maintenance Superintendent, has been out talking to landowners who will be impacted by our maintenance this winter. Said this has been very successful so far.

When we start guniting, approximately the third week in November, we will be hiring 3 or 4 temporary employees.

SEWD wants to sell the water we normally deliver water to them in October and November. If they make a profit they must share with us per the agreement, but we cannot otherwise condition the sale.

Director's Reports:

Kamper said the Qg near Jack Tone Road is leaking. Stroud said he would look into it.

There being no further business to come before the Board it was moved by Kuil, seconded by DeGroot, and unanimously carried to adjourn to October 25, 2005 in their chambers at the hour of 9:00 a.m.

ATTEST:

John H. Stein, Assistant Secretary