

Manteca, California  
October 13, 2009

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:           HOLBROOK           KAMPER           SCHULZ           ROOS  
  
                  ABSENT:        KUIL

Also present were Secretary/Manager Shields, Engineering Department Manager Bologna, Finance/System Supervisor Giuntoli, Communications Coordinator Saylor, Human Resources Analyst Thornburg, Utility Systems Director Battles, and Operations Water Superintendent Catanzarite.

President Kamper 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.

CONSENT CALENDAR

- A.     SSJID Warrants \$566,221.98, Wires \$120,079.65 and Payrolls of \$329,841.41 for a total of \$1,061,123.04.
- B.     Regular Board Meeting Minutes of September 29, 2009.

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

PASSED AND ADOPTED this 13<sup>th</sup> day of October 2009 by the following roll call vote:

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

Presentation by Laura Simon, Wells Fargo Insurance Services concerning District health, vision and dental insurance renewal options. Thornburg told the Board last year our health insurance premiums increased 12%. This year the proposal is a 40% increase. He said this is due primarily because we exceeded a 90% loss ratio.

Ms. Simon said we asked for quotes from Aetna, Blue Shield, and Pacific Care who declined to quote because of current medical diagnosis and the potential for large ongoing claims. Health Net gave us quotes as did Kaiser Permanente. We got quotes the same as the current coverage and two quotes with higher deductibles from each insurer. Basically the quotes over current rates for HMO's were Blue Cross 40%, 33% and 32% increase. Blue Cross PPO was \$40%, 29% and 25%. Kaiser was a 3.2% 0% and 0%. Health Net was 30%, 23% and 20.5% for comparable quotes. We also got a quote for Health Saving Account Plans (the HSA). This is an entirely different plan which would help reduce premiums significantly. The three plans would be from 65%-27% lower than Blue Cross's PPO plan. They have a deductible of \$2,500 for 1 or \$5,000 for 2 or more. Unless you gave no other option you would probably not have many participants. Thornburg recommended the following be adopted by the Board for Health Care. Director Roos asked if the District were to pay the \$2,500 or the \$5,000 on the HSA plan would the staff and Board want to go that way. Thornburg said the HSA is not available to those 65 or older and unless you only offered the HSA the employees would probably stay in the HMO and PPO plans.

Health Nets middle plan costs \$230,000 more than the current Blue Cross Plan, However, \$100,000 less than Blue Cross 2010 quote. Thornburg said the employee groups recommended renewing at current plans with Blue Cross at 40% increase and not reduce benefits or increase deductibles.

On the Vision the increase is 1.6% and he recommends we renew with the increase. On the Dental, which is self insured, he recommended two changes: 1. Increase the annual maximum from \$1,500 to \$2,000 and the number of cleanings per year from 2 to 3 per year.

Motion by Director Holbrook, seconded by Director Kamper, and unanimously carried to authorize staff to execute an agreement with Health Net for the HMO with a 23% increase, Health Nets PPO Plan 250-80/60 with a 29% increase, and with Kaiser at 0% increase on the Kaiser HMO 20 Plan. Additionally to renew the vision plan with the 1.6% increase and to amend the self insured Dental Plan to reflect a \$2,000 annual maximum, and increase the number of annual cleanings to from two to three.

Consider awarding contract for Lateral WC-W connection (contract # SSJ-2009-02) replacement project to Knife River. Bologna said of seven presenting proposals, Knife River's bid was the low bid at \$229,035. Cost of the pipe, which we purchased, would increase the cost by approximately \$130,000. He said Knife River was formerly DSS, they incorporated and changed the name. He recommended approval at \$229,035 with a 10% contingency of \$22,903.50. Motion by Director Roos, seconded by Director Holbrook, and unanimously carried to award the contract #SSJ-2009-02 to Knife River at \$229,035 with a 10% contingency.

Consider awarding contract for Lateral B, (contract # SSJ-2009-03) replacement project to Rolfe Construction. Bologna said the low bid was from Rolfe Construction \$258,212. He said we have not worked with Rolfe before but would like the Board to approve the contract subject to his checking the references Rolfe gave him and being satisfied. The next bid is \$265,689.60 by Knife River. He also would like a 10% contingency on the bid amount. Motion by Director Schulz, seconded by Director Roos, and unanimously carried to Rolfe Construction at \$258,212 + a 10% contingency subject to references being acceptable to the Engineering Department Manager.

Consider approving changes to collection policy and adopt Resolution No 09-16-F, Policy Governing Collection of Fees, Charges and Penalties. Giuntoli said this resolution is a result of customer concerns which in many cases were reasonable complaints about our policy. Giuntoli said we looked at the current methods and made some changes in resolution which addresses not only Mrs. Knox's complaints but others.

1. If the first installment is not paid we will notify the property owner by certified letter that informs them of the circumstances if not paid, how much they owe, and when it is due.
2. Approximately 1 month prior to the second installment we will mail out reminders that they are due on June 20.
3. If the first installment is paid but not the second we will send out a certified letter notifying the landowner and explaining the circumstances if not paid.
4. Publications in the paper, liens and certificates of sales will only be recorded on property that failed to pay an installment. In other words we will not record a lien for unpaid penalties; we will carry this balance forward to their next bill.

Giuntoli said the additional mailings could result in an increase in postage of approximately \$4,500. She recommends that the Board adopt the amended Resolution No. 2009-16-F as submitted. Motion by Director Holbrook, seconded by Director Roos, to adopt Resolution No. 2009-16-F.

PASSED AND ADOPTED this 13<sup>th</sup> day of October 2009 by the following roll call vote:

Ayes:            Holbrook            Kamper            Schulz            Roos

Consider appointing an Ad Hoc Committee to review district Billing and Collections Policies and Procedures. Shields said he put this on the agenda so the Board could participate in amending the policy. Kamper said unless any Board member is opposed we will table this item. No action was taken.

President Kamper called for Manager's reports:

Sayler reported:

- Said the Ripon Main Street Day is this Saturday.
- Reminded Board about the SSJID employee bus tour scheduled for Saturday, November 7, 2009.

Water Treatment Plant report was read by Assistant Manager Stein because WTP Manager Hubkey is on vacation and Rich Hartman, his assistant was busy.

- WTP treated 2,142 acre feet of water in September 2009.
- Notice to Proceed was issued to Ross Carroll Construction Company, the POP Project contractor.
- Solar security system at the Solar Farm is still waiting for a modified program so the alarm can be disabled when working or touring the Solar Farm.
- Have two new employees, T2 Operator started October 5, 2009 and Electrician/Mechanic tentative start date is October 19, 2009.
- New V3 modules have a tentative delivery date of November 9, 2009.
- Current WTP is delivering 11.5 acre feet per day which is above the historical demand.

Shields reported:

- Said the California Water Issues legislation is still gridlocked. We have three sources of information relative to the negotiations from ACWA, CMUA and the Dolphin Group.
- Relative to the Tulloch, litigation between resort and Calaveras County CEQA litigation settlement has been proposed and will be on the next Tri-Dam agenda.
- Water year we used approximately 298,000 acre feet.
- Fall run Chinook salmon count so far in October 2009 the count was 209.
- Annual Safety Meeting is scheduled for October 23<sup>rd</sup>. Lunch is at 11:30 a.m.
- District is sponsoring a breakfast at the Senior Center on November 21, 2009 from 7:00 a.m. to 10:00 a.m. Sayler asked the Board members to volunteer at this event, and to please contact her if interested.
- Shields said the SDRGA meeting is set for October 30, 2009 @ 10:00 a.m. at T.I.D.
- Shield reported on the Washington DC trip he took with Steve Emrick, Tim O'Laughlin, OID Counsel, and Steve Knell, OID General Manager.
- Shields said we met with the following:
  1. Leah Russin Environmental Counsel, Office of Senator Feinstein (D-CA).
  2. Lynn Abramson, Legislative Assistant, Office of Senator Boxer (D-CA).
  3. Tanya Trujillo, Democratic Counsel and John Johnson, Republican Professional Staff, Senate Water and Power Subcommittee.
  4. Anne Castle, Assistant Secretary, Michael Connor, Commissioner of Reclamation.
  5. Shelby Hagenauer, Legislative Director, Office of Representative Kevin McCarthy (R-CA 22<sup>nd</sup> District)
  6. Representative Jerry McNerney (D-CA, 11<sup>th</sup> District) and Eric Halstrom, Legislative Assistant.
  7. Representative Devin Nunes (R-CA, 21<sup>st</sup> District) and Damon Nelson Deputy Chief of Staff
  8. Representative Dennis Cardoza (D-CA 18<sup>th</sup> District) and Callie Varner, Senior Legislative Assistant.
  9. David Wegner, Democratic Staff Director, and Kiel Weaver, Republican Staff Director, House Water and Power Subcommittee
  10. Representative Tom McClintock (R-CA 4<sup>th</sup> District)
  11. Representative George Radanovich (R-CA 19<sup>th</sup> District) and Lacey Kiriakou, Legislative Assistant.

Shields said most of the meetings were productive. He handed out a letter from Congressman Cardoza to Secretary of the Interior Ken Salazar and Secretary of Commerce Gary Locke asking them to initiate reconsultation of the two biological opinions that have exacerbate the water supply crisis in California. Also he asked them to mitigate the economic impact of these decisions.

President Kamper asked for Directors comments:

Director Schulz said we should waive fees for irrigation water. Stein said this will be on the agenda for the meeting of October 27, 2009 to set fees and the Board can discuss it at that time if they wish.

Director Roos said he would like to know the water cost the cities; Escalon, Manteca, Lathrop and Tracy pay us at that meeting.

Director Holbrook reported on a successful CSDA Conference in Indian Wells last month. He said there were several good speakers, that he attended some excellent breakout workshops, and met with leaders of other special districts at the conference.

There being no further business to come before the Board it was moved by Director Roos, seconded by Director Schulz, and unanimously carried to adjourn to October 27, 2009 at 9:00 a.m.

ATTEST:

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John Stein, Assistant Secretary