

Manteca, California
October 26, 2004

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

ABSENT: KUIL

Also present were Secretary/Manager Stroud, District Counsel Emrick, District Engineer Gilton, and Utilities Systems Director Shields.

President Schulz called the meeting to order and asked for public comment.

Mike Silva of Mitchell Engineering addressed the Board. He said the District has not paid \$800,000 which Mitchell had billed because of potential claims against Mitchell. Additionally, Silva said they had filed a request for "equitable adjustment" for \$2,400,000. He asked that the Board look at paying them the \$800,000 and speed up negotiations on their claim. President Schulz said we couldn't comment, since it is not on the agenda. However, we will discuss it in closed session.

President Schulz asked the Board to consider approving the Consent Calendar Items as presented.

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

CONSENT CALENDAR

- A. SSJID Warrants of \$2,812,411.77.
- B. Regular Board Meeting Minutes of October 12, 2004
- C. Adopt Resolution 04-14-Q, authorizing the Disposal of Property No Longer necessary for District Purposes.

South San Joaquin Irrigation District
Resolution No. 04-14-Q
Authorizes the Disposition of Property No Longer
Necessary For District Purposes

WHEREAS, the District may dispose of equipment it finds no longer necessary for District purposes; and

WHEREAS, determination has been made that the Sullivan Compressor can no longer be legally operated; and

WHEREAS, the HP LaserJet 5si printer and one IBM Wheel Writer typewriter is no longer operational and does not have a value.

THEREFORE, BE IT RESOLVED that the District finds the equipment surplus and authorizes staff to properly dispose of the equipment.

PASSED AND ADOPTED this 26th day of October 2004 by the following roll call vote:

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

Consider approving contract amendment with Nolte & Associates. Stroud said until we have staff at the Water Treatment Plant we need someone to do the Underground Service Alerts (USA). He said there are approximately 60 USA requests per month for the Water Treatment Plant pipelines that are preempting other pressing duties of our Engineering staff. Normally, Engineering receives about six to eight requests per month. Engineering will continue to screen all requests and will pass the actual location and marking work along to Nolte when Engineering cannot meet the time requirements. He said the amendment is for a maximum of \$20,000. Motion by Kamper, seconded by DeGroot, and unanimously carried, to approve the amendment as requested.

Consider adopting Resolution No. 04-15-B to Reaffirm Charges for Services Furnished by the District. Schulz said he felt we should reduce the rate from \$24.00 to \$20.00. Kamper said he felt we should have a charge for the first 36", and all over that a per acre-foot charge. He asked that staff study this option and have some estimates by this time next year. Motion by Kamper, seconded by DeGroot, and unanimously carried to adopt Resolution No. 04-15-B as submitted.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 04-15-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 2005 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 26th day of October 2004 by the following roll call vote:

Ayes:	DeGroot	Kamper	Roos
Noes:	Schulz		
Absent:	Kuil		

Consider acceptance of amendment of Master Encroachment Agreements with Verizon and each of the four utility companies, subject to signature of an agreement similar to the agreement signed by Verizon, and further subject to advance approval of the Districts General Counsel. Also, extension of agreements with the other four utility companies, PG&E, AT&T, Charter Communications, and Comcast, for two months. Motion by Roos, seconded by DeGroot, and unanimously carried to authorize execution of the Verizon Agreement and agreements with other utilities, and a two-month extension of the four other utility companies.

Consider approving purchase of elevator motor from Contractors Equipment Service. Supervisor Simons received three bids, Contractors Equipment Service bid was \$2,693.75, United Rentals bid was \$2,769.17, and Industrial Diesel Engines bid was \$2,893.25. He said the old engine is not repairable and recommended purchasing from Contractors Equipment at a cost of \$2,693.75. Motion by Kamper, seconded by DeGroot, and unanimously carried, to approve the purchase of a new engine from Contractor Equipment at a not-to-exceed price of \$2,693.75.

Review and possible action regarding Director Compensation. The Board said they were not interesting in changing the compensation at this time. However, it should be put on the agenda once a year for review. No action was taken.

Manager's reports:

Stroud reported the following:

Thanked the Directors for participating in our annual safety day on October 18, 2004, and for cooking. He said he felt it was a successful day.

Education Committee meeting at 8:00 a.m. on October 28, 2004.

River Group meeting is at 9:00 a.m. on October 29, 2004.

Four SCADA sensors need to be replaced this year, compared to two last year. This year, we have 44 SCADA sites compared to 12 last year. Sensors are sole source items – no other manufacturer makes compatible sensors.

Water Treatment Plant Manager interviews will be held on Monday, November 1, 2004. The Board asked that the finalists for the Manager's position be interviewed by them on November 9th.

Election Day is November 2, 2004. The District Board Room will once again be the local polling place.

Recruitment for employees at the Water Treatment will begin on November 6, 2004.

Tri-Dam meeting is scheduled for November 18, 2004 at 9:00 a.m. at SSJID's Boardroom.

As a result of the State Budget, we will lose approximately \$920,000 in property taxes this fiscal year and next fiscal year, (July 2004 through June 30, 2005, and July 2005 through June 2006).

Drain 11 pipeline replacement work will be completed this week, weather permitting. About 385 linear feet must be replaced.

Relative to offer to purchase 5,000 acre-feet of water in 2005, we are still waiting.

Utility Systems Director report:

Tri-Dam has received the enabling documents from PG&E. At this time, a special meeting has not been scheduled. He said we are working on an Inter Connection Agreement with PG&E.

Relative to exit fees, at this time we have made no progress. In 2007 those fees would be approximately \$13,000,000.

At our meeting with Dave Rubin and Bev Alexander of PG&E they gave us graphs that differ from ours. We asked for backup detail, and they said they would send it, as of today we have not received it.

Directors' reports:

Kamper said relative to Dave Reeces's request for water, with a box and approximately 500 feet of 24" pipe, we can solve the problem. Travaille has agreed to take ownership of the old pipe when the new one is installed. Stroud said staff will put together a proposal for approval before any work begins to assure we have an effective solution.

Roos asked about an encroachment on the V lateral by Edward Erdelatz. Gilton said he would get together with Roos and go over the encroachment.

President Schulz called for closed session relative to litigation matters. General Counsel Emrick said we will discuss items a, b, and c in closed session.

- a. Conference with legal counsel, existing litigation, Gov. Code, S. 54956.9. Three cases.
 1. CPUC Docket No. R04-04-003.
 2. CPUC Docket No. 02-02-11.
 3. J & R Custom Concrete v Overaa Construction.
- b. Conference with legal counsel relative to anticipated litigation, and Initiation of Litigation, Gov. Code, S. 54956.9 ©. Three cases.
- c. Conference with legal counsel, anticipated litigation, Gov. Code, S. 54956.9. Two cases.

Upon returning from closed session the following was reported:

CERTIFICATE OF OFFICIAL ACTION

The undersigned Secretary of the South San Joaquin Irrigation District certifies that the following action was taken by the Board of Directors at its regular adjourned meeting on October 26, 2004:

That the District agrees to accept the C. Overaa & Company stop notice release bonds regarding the claim of J & R Custom Concrete Company, subject to notification that the District will be released from the case if the bond is accepted.

Dated: October 26, 2004

Signed by Stevan M. Stroud, Secretary/GM

Accept the claim of Kenny Joseph for \$7,410.00.

There being no further business to come before the Board, it was moved by Roos, seconded by Kamper, and unanimously carried, to adjourn to November 9, 2004 at 9:00 a.m. in their chambers.

ATTEST:

John Stein, Assistant Secretary