

Manteca, California
October 28, 2008

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 KUIL SCHULZ
 ABSENT: ROOS

Also present were Secretary/Manager Shields, District Counsel Emrick, Utility Systems Director Battles, Water Treatment Plant Manager Hubkey, Communications Coordinator Saylor, Engineering Department Manager Bologna, and Human Resources Analyst Thornburg.

President Kuil called the meeting to order and asked for public comment:

Bill Low, Southland Road, Manteca told the Board he was notified the irrigation pipe running through his property would be removed and replaced. Originally he was told he had the option to keep the original line for his use. Now he finds he is required to replace his six valves at a cost of \$2,500 to \$4,000 each. He feels the District should pay this cost. President Kuil thanked him for his comments and said we will take his comments under advisement.

Don Putz, Lovelace Road, Manteca said he has a similar situation and does not want to pay \$4,000/valve. President Kuil thanked him and said we will take his comments under advisement.

CONSENT CALENDAR

- A. Approve SSJID Warrants of \$550,839.94.
- B. Approve SSJID Regular Board Meeting Minutes of October 14, 2008.
- C. Adopt Resolution 08-22-Y, Restating Community Education & Awareness Policy.

SOUTH SAN JOAQUIN IRRIGATION DISTRICT RESOLUTION NO. 08-22-Y RESTATING 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.

BE IT FURTHER RESOLVED that the General Manager or designee shall review each request to determine the eligibility of the organization and the appropriateness of the opportunity to share an educational message under this Policy. Approved requests shall be funded on a first-come, first-served basis.

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

PASSED AND ADOPTED this 28th day of October 2008 by the following roll call vote:

Ayes:	Holbrook	Kamper	Kuil	Schulz	Roos
Noes:	None				

Consider authorizing General Manager to approve bid from GE for grounding equipment and training at the WTP. Hubkey said we have a GE 4,160 high volt switchgear, GE has agreed to do the training at a cost of \$6,934 for training and equipment required to properly ground the panel. Hubkey recommends approval. Motion by Director Kamper, seconded by Director Holbrook, and unanimously carried, to authorize the General Manager to execute the agreement for training and equipment at not to exceed \$6,934.

Authorize the General Manager to approve the bid from JDH Corrosion to conduct the annual cathodic protection survey at the WTP. Hubkey said we do this survey annually. Have three proposals, checked JDH Corrosion references and found them to be highly recommended since their bid was \$5,500, about \$7,000 less than Corrpro Waterworks. Hubkey recommended JDH be awarded the contract. Motion by Director Roos, seconded by Director Holbrook and unanimously carried to authorize the General Manager execute an agreement with JDH Corrosion at not to exceed \$5,500.

Consider adoption of procedures to implement Red Flag Identity Theft regulations. Emrick told the Board the FTC came out with Regulations requiring creditors to have procedures for identity theft in place by November 1. We were unsure whether the District would be considered a creditor under the regulations, but to be cautious, prepared the proposed procedures. Last Friday, we received notice that the regulations had been postponed for 6 months due to uncertainty over the entities that are considered creditors under the regulations. In response to comments from Director Holbrook, Emrick said he would revise the language and bring it back at a later meeting. No action was taken.

Consider awarding contract for Lateral "Be" Pipeline Project (SSJ-2008-7). Bologna said that Clyde Wheeler had the low bid but was rejected due to a non-confirming bid submittal package, Wheeler failed to include an addendum to the original contract. Emrick said if the Board were to determine that the nonconformance was inconsequential it could award the contract to Wheeler. Motion by Director Schulz, to award to Wheeler, died for lack of a second. Clyde Wheeler said he did not receive the addendum, but that his subcontractor included the changes in his bid to Clyde Wheeler. . Dan Evanson of MCR Engineering said the addendum was for two items, one probably would have reduced the cost by \$1,000 the other would have increased it by \$500. Result on a \$343,877.90 contract insignificant. Motion by Director Schulz, seconded by Director Roos, to award the contract to Clyde Wheeler Pipeline based on a finding that the nonconformance was inconsequential. Motion Carried, Ayes 4, Noes 1 with Director Holbrook voting No.

Consider proposals for equipment and labor necessary to install second meter at Water Treatment Plant. Battles said we have the bids. Low bids are as follows:

1. Sub-structure, Smith Denison Construction \$40,810,
2. Electric Equipment Installation, A-C Electric Co. \$56,005 and

3. Major Electrical Equipment, Hercules Municipal Utility (Fault Interrupter) \$30,000 and Industrial Electric Manufacturing (Meter Cabinet) \$35,000. Total Cost \$161,815.

Battles recommends the proposal above be approved at a not to exceed cost of \$161,815. Motion by Director Holbrook, seconded by Director Schulz, and unanimously carried to approve as recommended above.

Consider approval of proposal from Black & Veatch to review water treatment plant capacity. Shields said B&V will do a study for \$10,000 to be paid by the District to determine if we can serve water to the City of Ripon. Director Schulz said that Ripon should pay the fee. Shields said they will if they buy into the plant, but at this time SSJID should have control over the study. Motion by Director Roos, seconded by Director Kamper, to approve the \$10,000 for Black & Veatch and authorize the General Manager to execute an agreement with them. Motion carried, Ayes 4, Noes 1, with Director Schulz voting No.

Consider amending Irrigation Service Abandonment Policy and Standard Agreement. Emrick said this basically makes those signing this agreement subject to two years at the highest rate before being allowed to return to service and clarifies that upon return to District service they will have a reduced priority to District water. This new policy is not retroactive. Motion by Director Holbrook, seconded by Director Kamper and unanimously carried to approve the revised Service Abandonment Agreement effective November 1, 2008.

Review the District's Annexation Policy. Stein said the current cost per acre to annex into the District is about \$160.00. He said based on assets the cost should be \$3,785 an acre with the Water Treatment assets, and \$1,859 an acres without the WTP assets. After discussion it was moved by Director Kamper, seconded by Director Roos, and unanimously carried, to set the annexation fee at \$1,800 per acre.

Consider proposal from GE/Zenon to maintain membrane modules at the Water Treatment Plant. Shields said their offer is to do the maintenance at an annual cost of \$425,000 to perform the maintenance and replace the V-2 modules with V-3's over a set period of time. When we started talking to GE their original quote to us was \$509,000, so at least we got the price down some. This price includes GE staff doing the repairs at the WTP and replacing the V-2's with V-3's. The V-3 has additional capacity of between 12% & 25%. So they will replace 75% of the V-2's and if we want the rest of them replaced it will cost us \$20,000 per year for 8 years. There are still several points that need to be clarified before signing the agreement, but Shields felt confident he could work them out with GE. He recommends approving the \$425,000 + \$20,000 and asks for authorization to execute the agreement when he and District Counsel Emrick are satisfied. Motion by Director Holbrook, seconded by Director Roos, and unanimously carried to authorize the General Manager to execute the agreement when he and the District Counsel feel comfortable at a cost of \$445,000 per year.

Consider approving the District's 100 year anniversary plan and budget. Sayler told the Board cost for the 100th anniversary should be around \$117,800, and she requested a 15% budget variance of \$17,670 making the total \$135,470. This does not include signs at the entrances of the Cities in the District. She said she needs to work with the Cities and local Chambers of Commerce to determine that cost. Sayler said she would come back to the Board for approval of the signs if we plan to move forward with them. After discussion it was moved by Director Holbrook, seconded by Director Roos, and unanimously carried, to agree in concept to the \$135,470, but to get updates as the program proceeds.

Director Kamper suggested using some retirees in the planning. Sayler said she would look into that.

Consider approval of job description and salary for a new position, Information Technology Support Technician. Thornburg told the Board that we spent \$38,000 in 2007 and \$20,000 thus far in 2008 with Escalon Computers for labor to do work this

position would perform. Additionally, the new employee would keep documentation and mapping of our system, inventory, licensing, maintenance, daily and weekly backups, replace equipment, work with the Water Department and WTP on SCADA issues. Thornburg said the pay for this position is \$37,440 to \$49,608 per year. He recommends approval. Motion by Director Schulz, seconded by Director Holbrook and unanimously carried to approve the job description and pay scale as submitted.

Consider approving engineering services related to the Joint Canal & Ram Tunnel maintenance work. Bologna recommended we contract with Hatch Mott MacDonald for testing services and inspection at the Ram Tunnel at a cost not to exceed \$15,100. Also to amend Condor's contract in the amount of \$2,900 for work related to monitoring test sites. Motion by Director Holbrook, seconded by Director Kamper, and unanimously carried to approve as recommended by Engineering Department Manager Bologna.

Discussion concerning 2009 Water Charges. Shields said this was put on the agenda at the request of Director Kuil to consider waiving charges for the 2009 water year. Director Kuil said we should waive the charge for 2009. Director Kamper said the charge at \$24.00 per acre is already an extremely low price and with the drought we should not be giving water away. Plus if we do it may be harder next year to reinstate the charge. Emrick said in his opinion if the Board waives the fee, it should comply with Prop 218's noticed hearing procedure to reinstate the charge. Director Holbrook said he thinks we should do something to help promote conservation such as replacing valves and putting in lateral pipelines. After discussion it was moved by Director Schulz, seconded by Director Holbrook to waive the water charges to irrigation customers and waive for the in-District cities. Motion failed on the following:

Ayes:	Kuil	Schulz		
Noes:	Holbrook	Kamper	Roos	

President Kuil called for closed session. District Counsel Emrick said the Board will discuss the following in closed session:

Conference with real property negotiator.

Negotiating Parties: District and Jeff McPhee.

Property: District land east of 28 Mile Road along inlet to Woodward Reservoir.

Agency Negotiator: Steve Emrick.

Under Negotiation: Price and terms of lease.

Conference with legal counsel, existing litigation. Gov. Code, S. 54956.9 (a).

Committee to save Lake Tulloch v. County of Calaveras, et.al.

SSJID was served as a real party in interest.

Upon returning from closed session District Counsel Emrick reported the following action was taken in closed session. Motion by Director Holbrook, seconded by Director Kamper and unanimously carried to file for an appropriate response in the Committee to Save Lake Tulloch litigation and to share in the cost of having Tim O'Laughlin to defend the case.

Emrick reported no other reportable action was taken in closed session.

There being no further business to come before the Board it was moved Director Roos, seconded by Director Schulz and unanimously carried to adjourn to November 11, 2008.

ATTEST:

John Stein, Assistant Secretary