

Manteca, California
November 9, 2004

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 SCHULZ ROOS KUIL

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

President Schulz asked for public comment.

Mike Silva of Mitchell Engineering addressed the Board. He said Cal Trans inspected the bridge crossing on 26 Mile Road and found no damage. He would like to have the funds being held for repair of the bridge paid to Mitchell. He said the gate is ordered and the manufacturer Rodney Hunt stated to him that the damage was due to either manufacturing or design but was not due to installation. He would also like to have the funds being held for this since his company is not responsible. Also relative to the undermined pipe, he does not feel Mitchell is responsible. President Schulz told him we have this item in closed session and will discuss it there.

President Schulz asked the Board to consider approving the Consent Calendar items as presented:

CONSENT CALENDAR

- A. SSJID Warrants of \$852,772.18 and payrolls of \$234,874.62.
- B. Regular Adjourned Board Meeting Minutes of October 26, 2004.

Motion by Roos, seconded by DeGroot to approve the Consent Calendar Items as presented by the following roll call vote:

Ayes: DeGroot Kamper Schulz Roos Kuil
Noes: None

Review proposals for auditing services and authorize retaining a firm for the 2004, 2005, and 2006 audits. Requests for proposals were sent to three firms and received two responses. Maze and Associates proposal was \$15,135 for 2004, \$15,740 for 2005, and \$16,370 for 2006, for a total of \$47,245. Charles Fedak's proposal for the three years was \$68,100. Fedak's proposal was \$20,855 more than Maze. Stroud recommended hiring Maze & Associates. He said the agreement will be for three years, however we can terminate the agreement at the end of the first year if the Board is not satisfied with their performance. Motion by Kamper, seconded by Kuil, and unanimously carried, to retain Maze & Associates to audit the District in 2004, 2005 and 2006.

Consider approving the following Irrigation Service Abandonment Agreements:

Greg Avery, Inc.	APN 227-370-08	Agreement # 1434
Matthew & Bail Borst	APN 228-100-15	Agreement # 1435
Dennis Johnson	APN 245-030-15	Agreement # 1436

Stroud said all three are exempt from water or recharge fees and recommends approval. Motion by Roos, seconded by Kamper, and unanimously carried to approve the above as requested.

Consider approval of Airport Way/Daniels St/Stadium Drive improvements, subject to resolution of final details and compliance with the District's standard requirements. Bologna said the City of Manteca is finalizing the plans for road and storm drain improvements near Highway 120 and Airport Way. He said the improvements involve replacing 2,600 feet of Drain 7 with large box culverts. Additionally 1,300 feet of CIP

will be replaced with RGRCP. The plans also call for 18" tile drains to handle subsurface groundwater. The City wants conceptual approval now so they can proceed with minimum delay. He said there is no fiscal impact to the District and recommends conceptual approval of the project subject to resolution of final details and compliance with standard requirements. When the plans and related documents are completed they will be returned to the Board for final approval. Motion by Kuil, seconded by DeGroot, and unanimously carried, to conceptually approve the project.

Consider approval of Ergonis-Real Property request. Bologna told the Board we own in fee a strip of land that is 60 feet by 210 feet on Mr. Ergonis property. He wants to purchase this from us and in turn give us a 30-foot easement. He wants to develop the property, so he will replace our line with RGRCP, pay us \$20,584 for the strip we own, and give us an easement. He wants conceptual approval from the Board so he can proceed with engineering drawings and other approvals. Bologna recommends conceptual approval with an eighteen-month time limit. This will come back to the Board for final approval. Motion by DeGroot, seconded by Kamper, and unanimously carried to conceptually approve the transaction.

Discussion and possible action relative to the District's Lateral "Bk" project. This involves replacement of 2,300 feet of pipeline by the District. Mr. Van De Pol has a private line that is next to the Lateral "Bk" on his property. If we remove and replace our line in its present location, we will damage his facilities. He agreed to a realignment of the District's line, 32 feet south of and parallel to the existing easement, giving us a new easement, and accepting the current line as is. Also, he agreed to the following:

1. To assume any additional costs associated with the realignment.
2. To accept the old "Bk" line as is.
3. To grant a new 30-foot easement for the relocated "Bk" line.
4. To add a single cell box, if required, to satisfy any concerns by the Regional Water Quality Control Board.

Bologna said there are no additional costs to the District, and possibly some savings. Bologna recommends approval subject to the following conditions:

- 1) Van De Pol shall pay for all additional costs that are incurred as a result of the realignment, including but not limited to the installation of a new control box and gates, connections of abandoned line to new line, and survey costs associated with the preparation of a description for the new easement.
- 2) Van De Pol shall assume responsibility of the abandoned line.
- 3) Van De Pol shall convey a new 30-foot wide easement for the realigned pipeline.
- 4) Van De Pol shall sign a Structure Permit that allows for connection of the new line to the old systems and comply with any specified requirement necessary to safeguard intrusion of wastewater into District facilities.
- 5) Upon satisfactory completion of the project, the District shall complete the process by quitclaiming the old easement to Van De Pol.
- 6) Van De Pol shall sign a Transfer Agreement prepared by the District that formally transfers the line to him and specifically spells out all of the terms and conditions of the transfer. It is further recommended that the cost savings derived from elimination of the need to remove the transferred section of pipeline is adequate compensation for the transfer of the pipeline to Van De Pol.

Motion by Kamper, seconded by Kuil and unanimously carried, to approve the request subject to the conditions above.

President Schulz called for closed session relative to personnel matters, and labor update. General Counsel Emrick announced the Board will discuss item 7 d.

- d) Public Employment – Gov Code, S. 54957.
 1. Treatment Plant Manager/Supervisor appointment.

Upon returning from closed session, General Counsel Emrick reported the Board voted 4 to 1 with Director Kamper opposed, to hire Bill Hupkey as the Treatment Manager.

Schulz called for Managers' reports.

Stroud reported the following:

Tri-Dam meeting is November 18, 2004 at SSJID.

Regional Board has a meeting on November 22, 2004 at the Stanislaus County Ag Center.

Relative to the State Budget, Prop 1-A passed which will help the District in Fiscal year 2006 and beyond.

Robert Geer, Jr has filled the Engineering Department Inspector position effective November 8, 2004.

Shot Crete machine is down. We are currently renting one for \$1,700 per week. Cost for a new machine is approximately \$49,000 plus sales tax.

Water Treatment Plant job descriptions will be finalized this week and we will start advertising by next week. Final date to apply is expected to be around December 10, 2004.

Jeff Shields reported that PG&E third quarter revenues were off by 55%. He said that now they are investing in new capital projects to increase their returns. Also, they are continuing to push for more exit fees.

Director's reports:

DeGroot asked about the Storm Water Agreement with the City of Manteca. Stroud said we should be able to have it to the Board in January of 2005.

Kuil said the next Education Committee meeting is scheduled for November 16, 2004 at 7:00 a.m.

Kamper asked that the agenda's be shorter during harvest, from late August to late October. Also, asked that items for the Engineering Department be put first on the action calendar.

President Schulz called for closed session relative to litigation matters. General Counsel Emrick reported the Board will discuss items a. b. and c.

- a. Conference with legal counsel, existing litigation. Gov. Code, S. 54956.9 (a). Two cases: CPUC Docket No's. R04-04-003, and 02-02-011.
- b. Conference with legal counsel, re: Anticipated litigation-Initiation of litigation, Gov. Code, S. 54956.9 (c.) Two Cases.
- c. Conference with legal counsel-anticipated litigation, significant exposure to litigation. Gov. Code, S. 54956.9 (b).

Upon returning from closed session General Counsel Emrick reported there was no reportable action taken in closed session.

There being no further business to come before the Board it was moved by DeGroot, seconded by Kamper, and unanimously carried, to adjourn to November 23, 2004.at 9:00 a.m. in their chambers.

ATTEST:

John Stein
Assistant Secretary

