

Manteca, California
November 10, 2009

The Board of Directors of the South San Joaquin Irrigation District met in special session in their chambers at the hour of 9:00 a.m.

Upon roll call the following members were noted present:

DIRECTORS: HOLBROOK KUIL KAMPER SCHULZ
ABSENT: ROOS

Also present were Secretary/Manager Shields, District Counsel Emrick, Engineering Department Supervisor Bologna, Utility Systems Director Battles, Communications Coordinator Sayler, HR Analyst Thornburg and WTP Manager Hubkey.

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.

- A. Warrants \$520,820.60, Wires \$215,902.86 and Payrolls \$337,704.66.
- B. Special Board Meeting Minutes of October 27, 2009.
- C. Accept easements for Kac-Qc Project.

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

PASSED AND ADOPTED this 10th day of October 2009 by the following roll call vote:

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

Consider approving purchase of four ½ ton pickups. Shields said these will replace units driven by four Division Managers in divisions 5, 6, 8, & 9. He said they all have or will have around 125,000 miles. Amount budgeted \$98,684.80. He recommends approval. Motion by Director Schulz, seconded by Director Holbrook, and unanimously carried to approve the purchase of four pickups at a price not to exceed \$98,684.80.

Consider authorizing staff to hire Geo Tech Firms for maintenance projects. Bologna said he contacted three firms; Kleinfelder, Inc., Neil O. Anderson, and Condor Earth Technologies and got cost for specific work we require. He asked that the Board give him authority to use all three in areas he feels they are best qualified to handle at a total cost not to exceed of \$50,000 for the 2009 and 2010 maintenance season. Motion by Director Holbrook, seconded by Director Kuil, and unanimously carried, to authorize Engineering Department Manager to secure services for geotechnical work from the three firms listed above at a total cost not to exceed \$50,000.

Discussion concerning new Master Agreement with Baker Petrolite. Shields said they have now agreed to sell us Magnacide but only if we sign a new agreement with them that basically is not acceptable to us. Emrick said he has several concerns with the agreement:

1. We must arrange for transportation from Taft. Baker Petrolite will not guarantee that the containers they use to ship Magnacide are in compliance with federal law regulating the transportation of hazardous substances.
2. We must accept liability for anything they may do wrong, including violating safety regulations.
3. We must provide Pollution Liability at \$5,000,000 which may prove difficult to acquire as our existing liability has declined to issue it because of the onerous terms of the contract.
4. Agreement is subject to Texas Law.

Emrick said he cannot and will not recommend we sign this agreement as written. He said he will send a revised agreement to the Baker Petrolite. Modesto I.D. did sign the agreement, TID is not going to use Magnacide, and OID has not yet decided. Motion by Director Kuil, seconded by Director Holbrook, and unanimously carried, to authorize District Counsel Emrick to send the amended agreement as recommended and wait for their response.

Consider approval of quote by C.T. Brayton & Sons, Inc., to sound proof the conference room that was the former General Manager's office. Stein told the Board that this is long overdue and that disturbance goes from the two offices to the conference room and from the conference room to the two offices. He noted the 10% contingency, if not needed, will not be billed and asked the Board to approve the \$13,484 with the contingency. Motion by Director Holbrook, seconded by Director Kuil, and unanimously carried to approve contracting with C.T. Brayton & Sons, Inc. at a cost not to exceed \$13,484.

Discussion concerning State of California Water Bond Legislation.

Shields said that SB1 is the Delta Protection Act which we can live with.

1. SB2 the \$11,140,000,000 bond is questionable. However, with the match requirement of 50% how much will be used is also questionable. The Bond will take \$600 Million from General Fund annually to pay debt service.
2. SB6 Groundwater Monitoring requires monitoring of groundwater by January 1, 2012. It says we or any other agency can assume responsibility for the monitoring. However, if we do not the State will do it, but they cannot assess a fee for the cost of monitoring. If the State does the monitoring you lose eligibility for all grant funds.
3. SB7, Water Conservation requires a 20% reduction in water by urban users. Ag will by July 31, 2012, be required to develop an Ag water management plan and measure water distribution with sufficient accuracy to price water by quantity. The latter will require new water distribution procedures, facilities and pricing.
4. SB8, Water diversion & Use reporting creates 25 new water rights enforcement positions at the SWRCB.

Shields said we will continue to monitor and come up with some recommendations in the future relative to the State Water legislation.

Authorize recording a map for the Solar Farm lot split. Battles said he wants to remove it from the agenda in order to finish recording all underground facilities and that he will put it back on when that is complete.

President Kamper asked for Manager's reports:

Shields' reported:

- Said the Federal Government is also in the mix on water. Congressman Cardoza wrote a bill that has not been acted upon yet. This bill is very helpful to the District.
- Said the California Drought Update predicts a 4th year of drought and we should assume restrictions will be announced shortly. Groundwater Banking Committee's meeting scheduled for November 11, 2009 has been rescheduled to December 9, 2009.
- Relative to a request from the city of Lathrop to transfer some of their water rights they obtained through the Water Treatment Plant. He said basically he told them that they have no water rights and as such cannot transfer water.
- Reported Tim O'Laughlin has set up a meeting with the USBR during the ACWA Conference in San Diego the first week of December.
- Reported another accident at the Woodward Powerhouse on 26 Mile Road. Said a vehicle hit the fence and damaged it, however they have insurance.
- Relative to ACWA Conference, if you plan to attend you need to talk to Cheryl so she can make reservations. Also, the Board needs to appoint a voting delegate. Kamper said he would take that position.

Battles reported:

- Said that WREGIS gives us a certificate for MWh. He said although the 1st phase started producing in May of 2008 WREGIS did not start recording renewable energy credits (RECs) until September 2008. Currently we have 2,372 renewable energy credits certified plus 834 in process for a total of 3,206. We will hold these RECs until we are a retail power provider.

Sayler reported:

- Thanked the Board for funding the employee tour of Donnell's, Tulloch, Goodwin, the Water Treatment Plant and the Solar Farm. She thanked Director Schulz for attending and Shields and Stein for being the bus guides.
- Relative to the Manteca Parade of Lights parade on December 5th the District is the Grand Marshall of the parade. She asked if the Directors could encourage their fellow farmers to enter equipment into the parade. The Directors are invited to ride in SSJID's vehicles. She said we will require assistance for decorating the District equipment selected to be in the parade. Shields said he will talk with Catanzarite and Simons about helping.
- Relative to the Senior Breakfast on Saturday November 21st I will need some help for greeters. The breakfast starts at 10:00 a.m. but would appreciate your being there between 8:30a.m. and 9:00 a.m. Directors Holbrook, Kamper and Schulz said they would be there.
- The Boys and Girls Club is having a telethon fundraiser on November 23-24. Would like at least five people to volunteer to work the phones. Each volunteer will need to come with a \$250 pledge.

Hubkey reported:

- During the last week of October a wind storm damaged the log booms at Woodward Reservoir. Temporary repairs were made; a follow-up with a quote to make permanent repairs has been requested.
- The V-3 modules are scheduled to arrive today. We will start installing them today and should be done in less than a week.
- Today we will inform Stanislaus County Parks and Recreation that we will switch to the lower intake on November 23, 2009. We will do some minor pipe flushing before the switch is made.

President Kamper asked for Directors reports: There being none he called for closed session. District Counsel Emrick reported the Board will discuss the following items in closed session:

- Conference with legal counsel, anticipated litigation, initiation of litigation. Gov. Code, S. 54596.9. Two cases.
- Conference with legal counsel, anticipated litigation, significant exposure to litigation. Gov. Code S. 54956.9. Various hearings and workshops concerning the San Joaquin River and the Bay-Delta before the State Water Resources Control Board.
- Conference with real property negotiator, Gov. Code, S. 54656.8. Negotiating parties: District and current property owners-Albert Brocchini Farms, Inc.; Circle JM Properties, LLC. Property Description: APN 257-300-01 and 257-220-14. Districts Negotiator: General Manager and General Counsel.
- Conference with real property negotiator. Gov. Code, S. 54656.8. Negotiating Parties: OID, SSJID, San Luis and Delta Mendota Water Authority. Property Description: Water. District's Negotiator: General Manager.
- Conference with legal counsel, anticipated litigation, significant exposure to litigation. Gov. Code, S. 54956.9.
- Conference with legal counsel, existing litigation, Gov. Code, S. 54956.9. Delta keeper v. SSJID, Superior Court for Sacramento County Superior Court Case No. 04CS00228.

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

President Kamper asked if we could have only one meeting in December, and make that on December 15, 2009. The Board concurred and staff was directed to set one meeting for December as requested.

There being no further business to come before the Board it was moved by Director Schulz, seconded by Director Kuil, and unanimously carried to adjourn to November 24, 2009 at 9:00 a.m.

ATTEST:

John Stein, Assistant Secretary