

**MINUTES FOR THE FEBRUARY 8, 2022
REGULAR MEETING OF THE SSJID BOARD OF DIRECTORS**

The Board of Directors of the South San Joaquin Irrigation District (SSJID) met in person in regular session in the District Boardroom at 9:00 a.m., with public access provided via the online Zoom meeting platform. Director Holmes called the meeting to order. Mr. Forrest Killingsworth, SSJID Engineering Department Manager, led the flag salute. Upon roll-call the following members were noted present:

DIRECTORS: HOLBROOK HOLMES KAMPER WESTSTEYN
ABSENT: SPYKSMA

Also present were General Manager, Peter M. Rietkerk; General Counsel, Mia Brown; Engineering Department Manager, Forrest Killingsworth; and Clerk of the Board, Danielle Barney.

Public Comment – None

CONSENT CALENDAR

- A. Approval of Checks in the amount of \$623,393.35; Accounts Payable Wires in the amount of \$341,905.09; and Payroll dated January 28, 2022 in the amount of \$238,894.04, and January 28, 2022 in the amount of \$5,070.37.
- B. Approval of the Regular Board Meeting Minutes of January 25, 2022
- C. Consent to SSJID’s Entry of Property to Read and to Maintain Flow Meter, APN 245-020-51
- D. Approval of Master Encroachment Agreement with City of Manteca

Ms. Mia Brown, SSJID General Counsel, stated that approval of the Master Encroachment Agreement requires an initial signature by the City of Manteca. She added that the District has not yet received the agreement signed by the City. The Board is approving the agreement conditioned upon the City executing first, and the agreement will not take effect until the District has signed.

MOTION: A motion was made by Director Weststeyn and seconded by Director Holbrook to approve the Consent Calendar as submitted.

The motion passed 4 to 0 by the following vote:

AYES: HOLBROOK HOLMES KAMPER WESTSTEYN
NOES: NONE
ABSTAIN: NONE
ABSENT: SPYKSMA

COMMUNICATIONS

Item #1 – Directors’ Reports

Director Holbrook stated there are no updates to report.

Director Weststeyn stated there are no updates to report.

Director Kamper reported that he attended the Tri-Dam Advisory Committee meeting on February 7.

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Director Holmes reported that he attended the Tri-Dam Advisory Committee meeting on February 7, and opined on the positive communication between the SSJID and Oakdale Irrigation District (OID) Board Committee members.

Director Holmes announced the Eastern San Joaquin Groundwater Authority (ESJGWA) Board meeting to be held on February 9.

Item #2 – Various Reports

The Managers' Reports were provided in written form to the Board on February 7, 2022.

Director Weststeyn addressed Mr. Frank Avila, SSJID Irrigation Operations Manager, regarding status of the On-farm meter testing. Mr. Avila responded that 160 On-farm meters were tested and real-time well data is available. SCADA is currently working on the data collection process which will be tested the week ending February 11. Board discussion included the number of operational On-farm meters; replacement and/or maintenance issues; and the need to develop an SSJID policy regarding the On-farm meters, turnouts, and Division 9 meters.

Director Holbrook addressed Mr. Ed Erisman, Water Treatment Plant (WTP) Manager, and commended him and the WTP staff for their commitment and flexibility to fill-in during the recent staff shortages.

ACTION CALENDAR

Item #3 – Emrgy, Inc. Presentation on Hydropower Solutions

Mr. Peter Rietkerk, SSJID General Manager, provided history of initial feedback from the Board at a previous board meeting regarding renewable energy resources. He stated the Board action being requested at this time is only to authorize staff to begin negotiations on a proposal with Emrgy, Inc. (Emrgy) in regards to the presentation today on hydropower solutions.

Mr. Avila addressed the Board and explained that Emrgy approached him about their hydropower technology, that he had researched the proposed technology, and opined that it's a good system which would help alleviate operational costs. In addition, Emrgy would be readily available for on-site support. Mr. Avila introduced Mr. Tyler Ott, Hydropower Developer, Emrgy, Inc.

Mr. Ott addressed the Board; introduced Ms. Emily Morris, Founder/CEO, Emrgy, Inc., who attended via the online Zoom meeting platform; and provided a PowerPoint presentation of the proposed pilot project with SSJID. Highlights of the presentation included product overview, pilot project details and advantages, terms of the proposed Power Purchase Agreement (PPA), project economics and cost benefits of the turbine technology, benefits to SSJID as a Net Energy Exporter, standard PPA division of responsibilities, and potential next steps including a Letter of Intent authorizing negotiation of the PPA.

Ms. Morris addressed the Board and described reference projects across the United States, New Zealand, and Africa; federal permitting; Emrgy's concept to utilize built infrastructures and modernize to power infrastructures; and proposed capability to run flow analyses of water in the District canals.

Board discussion included the proposed average 30-year life of the turbines, approximate \$15,000-\$20,000 cost per unit (manufacturing cost only), cost effectiveness of the estimated 5-6 month annual usage, itemized costs of a completed commissioned project, the system's digital live technology providing immediate notification of maintenance issues, Emrgy's responsibility for maintenance, Emrgy's inventory depth of mechanical parts, timeline and disruption of irrigation operations for installation and maintenance, turbine revolutions-per-minute

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(RPMs) and safety concerns, the Pacific Gas & Electric (PG&E) Wholesale Distribution Tariff (WDT), and Ms. Morris's experience and vision in founding Emrgy. Mr. Killingsworth added that he had studied the proposal and noted potential safety issues.

Director Holmes thanked Ms. Morris and Mr. Ott for the informative presentation. Mr. Rietkerk reiterated that staff is seeking Board direction to begin negotiations for issuance of a Letter of Intent with Emrgy. The final draft of any Letter of Intent will be presented for Board approval at a future board meeting.

Mr. Lindley added that Emrgy is a recent startup and that there are indications that Emrgy may not yet be financially sustainable. He suggested that, as a matter of due diligence, because SSJID would be relying on Emrgy for maintenance of the generators, the District should consider whether a business failure by Emrgy would have serious effects on the success of the project. If the effects to SSJID might be serious, then SSJID ought to attempt to evaluate the probability of such a failure as either acceptable, unacceptable, or mitigatable.

MOTION: A motion was made by Director Holbrook and seconded by Director Weststeyn to direct staff to proceed with negotiations of the Letter of Intent with Emrgy, Inc., to implement a pilot with SSJID to produce hydroelectric power.

The motion passed 4 to 0 by the following vote:

AYES:	HOLBROOK HOLMES KAMPER WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	SPYKSMA

Item #4 – Consider Approval of Pacific Gas & Electric Interconnection Agreement for the Robert O. Schulz Solar Farm and Water Treatment Plant

Mr. Erisman addressed the Board via the online Zoom meeting platform, and provided background of the Phase 1 and Phase 2 installations at the Robert O. Schulz Solar Farm (Solar Farm), the PG&E Interconnection Agreements (2) for Phase 1 and Phase 2, and subsequent required changes to the PG&E power connection and metering at the WTP. He explained staff's recommendation to authorize the General Manager to sign the new PG&E Interconnection Agreement and Cancellation of Contracts for Phase 1 and Phase 2. Mr. Erisman further explained the intent of one (1) service contract with PG&E for one (1) meter to simplify the design for a future larger emergency generator to power the WTP's ability to deliver vital resources in the event of a PG&E Public Safety Power Shutoff (PSPS).

Mr. Rietkerk noted the benefits of approving the new PG&E interconnection agreement including simplifying the path towards the larger emergency generator project, and that the terms of the new agreement would be under the Net Energy Metering (NEM) 2 rates.

Mr. Mel Bradley, consultant for SSJID, advised the Board on moving forward with signing the NEM2 Interconnection Agreement, including simplification of the metering at the WTP for the emergency generator project, and the potential disadvantages of waiting for a future NEM3 contract. Mr. Bradley recommended that SSJID enter into the PG&E NEM2 Interconnection Agreement.

Board discussion included the required installation of a modernized Remote Terminal Unit (RTU) by PG&E at the Solar Farm, costing an estimated \$50,000. The proposed agreement had been reviewed by Ms. Mia Brown, SSJID General Counsel.

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MOTION: A motion was made by Director Holbrook and seconded by Director Kamper to authorize the General Manager to sign the new PG&E NEM2 Interconnection Agreement, and Cancellation of Contract(s).

The motion passed 4 to 0 by the following vote:

AYES:	HOLBROOK HOLMES KAMPER WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	SPYKSMA

Item #5 – Consider Adoption of Resolution 22-05-W Declaring the Start of the 2022 Irrigation Season

Mr. Brandon Nakagawa, SSJID Water Resources Coordinator, addressed the Board and provided updates on current hydrology and Stanislaus River operations, snow water content for the Central Sierra, the San Joaquin 5-station Precipitation Index, and projected runoffs. He stated that the California Department of Water Resources (DWR) Cooperative Snow Surveys Bulletin 120 had not been released yet, but anticipated full allocation of water to SSJID per the California/Nevada Forecasting Center. Mr. Rietkerk provided comparisons of 2021 and 2022 total precipitation to date.

Mr. Avila commented on a dry forecast for February, consideration for Turlock Irrigation District (TID) to complete maintenance work at Woodward Reservoir, consideration for SSJID crews to complete maintenance work by February 26, and charging the Main Distribution Canal (MDC) on February 28. He projected a good irrigation season utilizing groundwater wells if necessary, and recommended a start date of March 7 for the 2022 water season.

MOTION: A motion was made by Director Kamper and seconded by Director Holbrook to set the start date of the water season to March 7, 2022, and adopt Resolution 22-05-W Declaring the Start of the 2022 Irrigation Season.

Board discussion included hydrology, current soil conditions, and setting an earlier start date for the 2022 water season to March 2, 2022. The second to the motion was withdrawn by Director Holbrook. **MOTION WITHDRAWN.**

MOTION: A motion was made by Director Weststeyn and seconded by Director Kamper to set the start date of water season to March 2, 2022, to allow the General Manger and the Board President to jointly change the start date if conditions change, and to adopt Resolution 22-05-W Declaring the Start of the 2022 Irrigation Season.

Mr. Rietkerk stated that he would provide hydrology updates at the next regular board meeting. Mr. Killingsworth added that the Engineering Department will address all permit holders and notify them that all construction activities on District facilities must be completed by February 25th.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 22-05-W**

**DECLARING START OF 2022 IRRIGATION SEASON AND NO INITIAL IMPOSITION OF
WATER ALLOTMENT OR TIER II RESTRICTIONS**

WHEREAS, the South San Joaquin Irrigation District (SSJID) is authorized to impose water allocations, restrictions, and water conservation measures pursuant to Sections 350 *et seq.* and Division 11 of the California Water Code, in the event of a present or threatened water shortage; and

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WHEREAS, SSJID has imposed such allotments and restrictions in the past, when SSJID’s water supply was endangered due to multiple years of below-average precipitation which reduced inflow to and depleted storage levels within New Melones Reservoir, making such extraordinary conservation measures necessary; and

WHEREAS, SSJID’s Board of Directors adopted Resolution 00-21-O on November 14, 2000, which provides that the water supply to lands annexed after that date “. . . is subject to cutoff in order for the District to serve Original Landowners and to satisfy the District's contractual obligations to the Cities of Manteca, Escalon, Ripon, Lathrop and Tracy,” and which cutoff is referred to below as “Tier II Restrictions;” and

WHEREAS, the 2022 water year has experienced a precipitation rate of approximately 50-percent of average to date, and inflow into New Melones Reservoir is not expected to surpass 523,000 acre-feet; and

WHEREAS, the amount of water expected to be available to SSJID through current estimates and conservation account entitlements in New Melones is anticipated to conservatively meet the full agricultural and municipal needs of the District for the 2022 water year; and

WHEREAS, the expectation that SSJID’s available water for the 2022 water year will be sufficient to fully, albeit conservatively, meet the needs of its agricultural and municipal customers makes extraordinary conservation measures in the form of allotment and Tier II restrictions unnecessary at this time.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the South San Joaquin Irrigation District:

1. The foregoing Recitals are true and correct.
2. The 2022 Irrigation Season shall start on March 2, 2022.
3. There shall be no maximum limit on the number of inches of water that will be delivered to growers.
4. There shall be no Tier II restrictions imposed.
5. Deliveries of drinking water to the Cities of Manteca, Lathrop and Tracy will not be restricted.
6. Should unprecedented dry hydrology continue to undermine available water supplies necessary to meet anticipated District demands, the Board reserves the right to reconsider water allotments and restrictions for the remainder of 2022 to assure the adequate allocation of available water supplies.
7. District municipal and agricultural customers and employees are encouraged to take reasonable and appropriate measures to prevent unnecessary and wasteful use of water, and are further encouraged to prudently and efficiently use available water resources.

PASSED AND ADOPTED by the Board of Directors of the South San Joaquin Irrigation District at a regular meeting thereof held this 8th day of February, 2022 by the following roll call vote:

AYES:	HOLBROOK HOLMES KAMPER WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	SPYKSMA

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Item #6 – Consider Adoption of Resolution 22-03-B Raising Pressurized Irrigation Service Charge

Ms. Sarah Bloom, SSJID Management Accountant, addressed the Board and explained the three (3) options available to the Board in regard to increasing the pressurization charge including:

- 1) Take no action and allow the inflationary indexes to automatically increase the pressurization charge by \$2 in accordance with the rate design adopted at the January 12, 2021 public hearing.
- 2) Take action to nullify one, or both, of the inflationary indexes, which would result in a new charge of either \$51 or would keep the existing charge of \$50.
- 3) Take action to increase the pressurization charge at an amount less than the inflationary indexes, resulting in a charge between \$50 and \$52.

Ms. Bloom further explained that the Proposition 218 inflationary index established in 2021 is for five (5) years to 2025, and that after 2025 the pressurization rates cannot increase until another Proposition 218 hearing authorizes an increase. She noted that should the Board choose Option 2 or Option 3, the foregone increase cannot be enacted in the future. The pressurization rates were last certified by the District in October 2021. Ms. Bloom detailed the 2021 pressurization rates, the calculation of the inflationary index, and the 3-year comparative (2019, 2020, 2021) Cost-of-Service Analysis.

Staff recommended the Board follow Option 1, which is to take no action against the inflationary index and adopt Resolution 22-03-B to increase the pressurization charge to \$52 per acre-foot beginning April 1, 2022.

MOTION: A motion was made by Director Kamper and seconded by Director Holbrook to increase the pressurization charge to \$52 per acre-foot beginning on April 1, and adopt Resolution 22-03-B Raising Pressurized Irrigation Service Charge.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION 22-03-B**

RAISING PRESSURIZED IRRIGATION SERVICE CHARGE

WHEREAS, Irrigation District law provides authority for the South San Joaquin Irrigation District, (“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 operates a pressurized irrigation system that provides pressurized irrigation service to a portion of its customers (Division 9 Irrigation System Improvement Project), comprising 112 parcels of land which total approximately 2,953 acres; and

WHEREAS, the District currently charges a pressurized irrigation service charge (“Pressurization Charge”) of \$50 per acre-foot; and

WHEREAS, revenues from the Pressurization Charge have never recovered the District’s costs to provide pressurized irrigation service; and

WHEREAS, at its November 17, 2020 meeting, the Board of Directors approved the initiation of the legal process pursuant to Proposition 218 and Government Code section 53755 to increase the Pressurization Charge as follows:

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- 1) Setting the proposed Pressurization Charge of \$50 per acre-foot, consisting of (a) \$38 per acre-foot for recovery of electricity expense (“Electricity Cost Recapture”), and (b) \$12 per acre-foot for the improvement or replacement of capital assets (“Provision for Capital Assets”); and
- 2) Allowing the Electricity Cost Recapture and Provision for Capital Assets components of the rate to be adjusted by the Board of Directors for inflation or deflation on an annual basis in accordance with the provisions of Proposition 218 and Government Code section 53756 for each of 2022, 2023, 2024 and 2025. The annual inflation or deflation index applicable to the Electricity Cost Recapture would be the change in the cost of electricity, on a per acre-foot basis, experienced by the pressurized water system in the preceding calendar year. The annual inflation or deflation index applicable to the Provision for Capital Assets would be the change in the California Consumer Price Index during the preceding calendar year; and
- 3) Scheduling a public hearing for the Board meeting scheduled for Tuesday, January 12, 2021 to consider public protests and comments on the proposed Pressurization Charge and inflation adjustments; and

WHEREAS, the District has identified the owners of 112 separate parcels of real property within the District’s boundaries that would be subject to the proposed increase in the Pressurization Charge, including the inflation adjustments; and

WHEREAS, as directed by the Board of Directors, and in accordance with the provisions of Proposition 218, a Notice of Public Hearing (“Notices”) was mailed to each identified property owner subject to the Pressurization Charge at the address to which the District customarily mails the billing statement for the Pressurization Charge, and to the record owner's address shown on the last equalized assessment roll, if that address was different than the billing address; and

WHEREAS, the Notices were mailed on November 25, 2020, at least 45 days before the scheduled public hearing; and

WHEREAS, the Notices included the date, time, and location of the public hearing, instructions on how to protest, a map of the impacted service area, and a cost of service analysis; and

WHEREAS, the Notices described the increase in the Pressurization Charge including the inflation adjustments proposed for adoption after the January 12, 2021 public hearing, the basis upon which the proposed increase in the Pressurization Charge including the inflation adjustments was calculated, and the reason for the increase in the Pressurization Charge including the inflation adjustments; and

WHEREAS, the basis for the Pressurization Charge is to recover a portion of the cost to operate and maintain the pressurized water system and the basis for the increase to the Pressurization Charge is that revenues from the current fee do not recover the costs of operating the pressurized water system including the future replacement and improvement of the pressurized water system’s capital assets; and

WHEREAS, on January 12, 2021, the District held a duly noticed public hearing on the proposed increase in the Pressurization Charge including the inflation adjustments; and

WHEREAS, the Board of Directors has considered all protests against adoption of the proposed increase in the Pressurization Charge including the inflation adjustments; and

WHEREAS, the Board finds that zero (0) written protests from the owners of zero (0) parcels of property have been delivered to the District as required by the Notice, which is less than a majority of the owners of the 112 parcels of property subject to the Pressurization Charge.

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NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Board of Directors of the SOUTH SAN JOAQUIN IRRIGATION DISTRICT hereby takes the following actions:

- 1) Makes the findings set forth above, each of which is found to be true.
- 2) Increases the Pressurization Charge effective in 2022 to a rate of \$52 per acre-foot consisting of (a) \$39 per acre-foot Electricity Cost Recapture, and (b) \$13 per acre-foot Provision for Capital Assets. The Electricity Cost Recapture and Provision for Capital Assets components of the rate may be adjusted by the Board of Directors for inflation or deflation on an annual basis in accordance with the provisions of Proposition 218 and Government Code section 53756 for each of 2022, 2023, 2024 and 2025. The annual inflation or deflation index applicable to the Electricity Cost Recapture is the change in the cost of electricity, on a per acre-foot basis, experienced by the pressurized water system in the preceding calendar year. The annual inflation or deflation index applicable to the Provision for Capital Assets is the change in the California Consumer Price Index as published by the California Division of Industrial Relations for the preceding calendar year.
- 3) Further finds as follows:
 - a. Revenues derived from the Pressurization Charge will not exceed the cost to provide pressurized irrigation service.
 - b. Revenues derived from the Pressurization Charge will not be used for any purpose other than meeting the costs of providing pressurized irrigation service.
 - c. The amount of the Pressurization Charge, including the inflation adjustments, imposed upon any parcel or person as an incident of property ownership, will not exceed the proportional cost of pressurized irrigation service attributable to the parcel.
 - d. The Pressurization Charge will not be imposed for irrigation service unless that service is actually used by the particular parcel.
 - e. Determines that this action is exempt from California Environmental Quality Act (“CEQA”) pursuant to Section 15273 of the CEQA Guidelines, which exempts the establishment, modification, restructuring, or approval of rates, tolls, fares, or other charges by public agencies for the purpose of meeting operating expenses and obtaining funds for capital projects necessary to maintain service within existing service areas.
- 4) This Resolution shall take effect immediately upon its adoption on February 8, 2022.

PASSED AND ADOPTED this 8th day of February 2022 by the following vote:

AYES:	HOLBROOK HOLMES KAMPER WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	SYPKSMA

Item #7 – Consider Adoption of Resolution 22-04-B Certifying 2022 Charges for Services Furnished by the South San Joaquin Irrigation District

MOTION: A motion was made by Director Holbrook and seconded by Director Weststeyn to adopt Resolution 22-04-B Certifying 2022 Charges for Services Furnished by the South San Joaquin Irrigation District.

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**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION 22-04-B**

**CERTIFYING 2022 CHARGES FOR SERVICES
FURNISHED BY THE SOUTH SAN JOAQUIN IRRIGATION DISTRICT
FEBRUARY 8, 2022**

WHEREAS, Irrigation District law provides authority for the South San Joaquin Irrigation District, (“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 a flat rate charge (“Flat Rate Charge”) of \$24.00 per acre per year for water service to each parcel in the District on which District-supplied water is available for irrigation, with a minimum charge of \$50 per year; and

WHEREAS, the District currently charges a groundwater recharge charge (“Ground Water Recharge Charge”) of \$12.00 per acre per year to each parcel in the District of 10 acres or more which is subject to a recorded Irrigation Service Abandonment Agreement, and on which crops are commercially grown; and

WHEREAS, on July 31, 2012, in conformance with the procedural requirements of Proposition 218, the District approved an additional volumetric charge of \$3 per acre-foot (“First Tier Volumetric Charge”), and on September 22, 2015 limited the First Tier Volumetric Charge to the first 48 inches of water used per year, and approved an additional volumetric charge of \$10 per acre-foot for water used in excess of 48 inches per year starting in 2016 (“Second Tier Volumetric Charge”); and

WHEREAS, on January 12, 2021, in conformance with the procedural requirements of Proposition 218, the District approved a pressurized water charge (“Pressurization Charge”) for customers served with pressurized water from the District’s Division 9 Irrigation System Improvement Project set at \$50 per acre-foot consisting of (a) \$38 per acre-foot for recovery of electricity expense (“Electricity Cost Recapture”), subject to an annual inflation or deflation adjustment, and (b) \$12 per acre-foot for the improvement or replacement of capital assets (“Provision for Capital Assets”), also subject to an annual inflation or deflation adjustment. The Pressurization Charge of \$50 was effective for the 2021 season, and may be adjusted by the Board of Directors for inflation or deflation in accordance with the provisions of Proposition 218 and Government Code section 53756 for each of the 2022, 2023, 2024 and 2025 seasons. The annual inflation or deflation index applicable to the Electricity Cost Recapture is the change in the cost of electricity, on a per acre-foot basis, experienced by the pressurized water system in the preceding year. The annual inflation or deflation index applicable to the Provision for Capital Assets is based on the California Consumer Price Index as published by the California Division of Industrial Relations for the preceding calendar year; and

WHEREAS, Notice of the changes in the Electricity Cost Recapture and Provision for Capital Assets caused by application of the inflation or deflation indexes shall be given by mail to each customer subject to the Pressurization Charge at the address to which the District customarily mails the billing statement for the Pressurization Charge, and to the record owner's address shown on the last equalized assessment roll, if that address is different than the billing address; and

WHEREAS, the District declares the following with respect to the Flat Rate Charge, Ground Water Recharge Charge, First and Second Tier Volumetric Charges, and Pressurization Charge:

- (1) The revenues derived from the aforementioned charges do not exceed the costs of providing the subject properties with the respective service(s); and,

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- (2) The revenues derived from the charges will not be used for any purpose other than that for which the charges are imposed; and,
- (3) The amount of a charge imposed shall not exceed the proportional cost of the service(s) attributable to the subject property.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that pursuant to Sections 22280 and 22283 of the Water Code, the Flat Rate Charge, Ground Water Recharge Charge, First and Second Tier Volumetric Charges, and Pressurization Charge shall remain in effect at their current levels for the 2022 calendar year as follows and subject to the following rules:

RULE NO. 1: FLAT RATE CHARGE

- a) For each separate parcel, as shown on the District records of San Joaquin County Assessor's Parcel Maps, which is not the subject of an Irrigation Service Abandonment Agreement with the District, there shall continue to be a charge for the use of District water, an annual Flat Rate Charge of \$24.00 per acre.
- b) The minimum amount for the Flat Rate Charge shall continue to be \$50.00. The Flat Rate Charge is due on receipt and payable in two installments.
- c) For parcels billed by the District, the first installment is delinquent if not paid by 4:30 p.m. on December 20, 2021 and the second is delinquent if not paid by 4:30 p.m. on June 20, 2022.
- d) For parcels billed by San Joaquin County, the first installment of such charges will be delinquent if not paid by the customer to the County by December 10, 2021 and the second installment of such charges will be delinquent if not paid by the customer to the County by April 10, 2022.
- e) For parcels billed by the District, water service will be denied to any land having outstanding Flat Rate Charges in excess of ten (10) working days.

RULE NO. 2: FIRST and SECOND TIER VOLUMETRIC CHARGES

- a) There shall continue to be a First Tier Volumetric charge of \$3 per acre-foot for the first 48 inches and a Second Tier Volumetric charge of \$10 per acre-foot for water used in excess of 48 inches.
- b) Water service will be denied to parcels having outstanding volumetric charges in excess of \$10 for 45 days or longer.

RULE NO. 3: PRESSURIZATION CHARGE

- a) The pressurization charge and the annual adjustment feature is described as follows:
On February 8, 2022, the District imposed a Pressurization Charge for customers served with pressurized water from the District's Division 9 Irrigation System Improvement Project set at \$52 per acre-foot consisting of (a) \$39 per acre-foot for Electricity Cost Recapture, subject to an annual inflation or deflation adjustment, and (b) \$13 per acre-foot for Provision for Capital Assets, also subject to an annual inflation or deflation adjustment. The Pressurization Charge of \$52 is effective for the 2022 season and may be adjusted by the Board of Directors for inflation or deflation in accordance with the provisions of Proposition 218 and Government Code section 53756 for each of 2022, 2023, 2024 and 2025. The annual inflation or deflation index applicable to the Electricity Cost Recapture is the change in the cost of electricity, on a per acre-foot basis, experienced by the pressurized water system in the preceding year. The annual inflation or deflation index applicable to

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the Provision for Capital Assets is the change in the California Consumer Price Index as published by the California Division of Industrial Relations for the preceding calendar year. Notice of the changes in the Electricity Cost Recapture and Provision for Capital Assets caused by application of the inflation or deflation indexes shall be given by mail to each customer subject to the Pressurization Charge at the address to which the District customarily mails the billing statement for the Pressurization Charge, and to the record owner's address shown on the last equalized assessment roll, if that address is different than the billing address.

- b) Parcels receiving pressurized water from the District's Division 9 Irrigation System Improvement Project, shall, in addition to the Flat Rate Charge described in Rule No. 1, and the First and Second Tier Volumetric Charges described in Rule No. 2, pay a Pressurized Charge of \$52 per acre-foot during 2022.
- c) Parcels receiving pressurized water from the District's Division 9 Irrigation System Improvement Project will be billed each month of the irrigation season both for delivery of District-supplied water under Rule No. 2 and for pressurization of such water under this Rule No. 3.
- d) Water service will be denied to parcels having outstanding Pressurization Charges in excess of ten (10) working days.

RULE NO. 4: GROUNDWATER RECHARGE CHARGE

- a) For those separate parcels, as shown on the District records of San Joaquin County Assessor's Parcels, which are used to grow commercial crops and which are the subject of an approved District Irrigation Service Abandonment Agreement, there shall continue to be an annual Ground Water Recharge Charge of \$12.00 per acre for the benefits derived from groundwater recharge.
- b) The Groundwater Recharge Charge is due on receipt and payable in two installments.
- c) For parcels billed by the District, the first installment is delinquent if not paid by 4:30 p.m. on December 20, 2021 and the second is delinquent if not paid by 4:30 p.m. on June 20, 2022.
- d) For parcels billed by San Joaquin County, the first installment of such charges will be delinquent if not paid by the customer to the County by December 10, 2021 and the second installment of such charges will be delinquent if not paid by the customer to the County by April 10, 2022.

RULE NO. 5: SERVICE ABANDONMENT

- a) Those separate parcels, as shown on the District records of San Joaquin County Assessor's Parcels, which do not utilize District water service may be exempted from the District Flat Rate Charge provided the owners of such lands enter into an "Irrigation Service Abandonment Agreement" with the District, and
- b) Provided further, there are no outstanding amounts owed to District for water service on such lands.
- c) Such parcels may also be exempted from the Ground Water Recharge Charge, provided such parcels are less than 10 acres or are not used to grow commercial crops.

RULE NO. 6: COLLECTION

- a) The Board authorizes the charges to be billed and collected by the District and to deny water service to parcels having outstanding charges that exceed the thresholds established in the Rules above.

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- b) The Board authorizes the charges resulting from the Flat Rate Charge and Groundwater Recharge Charge to be transmitted to the County Auditor-Controller and continue to be enrolled on the tax roll of the County of San Joaquin for collection at the same time, in the same manner, and subject to the same penalties for delinquency as county taxes.

PASSED AND ADOPTED this 8th day of February 2022 by the following vote:

AYES: HOLBROOK HOLMES KAMPER WESTSTEYN
NOES: NONE
ABSTAIN: NONE
ABSENT: SYPKSMA

Item #8 – Consider Approval of Amendment of the SSJID Reserves Policy

Director Holmes expressed appreciation to Mr. Lindley on his efforts and clarity of the amended Reserves Policy.

MOTION: A motion was made by Director Holbrook and seconded by Director Weststeyn to approve the amendment of the SSJID Reserves Policy.

The motion passed 4 to 0 by the following vote:

AYES: HOLBROOK HOLMES KAMPER WESTSTEYN
NOES: NONE
ABSTAIN: NONE
ABSENT: SPYKSMA

It was announced that all items listed in the Closed Session agenda would be discussed. The Board took a brief recess at 11:19 a.m. and convened to Closed Session at 11:30 a.m.

Item #9 – CLOSED SESSION

- 9. a. Conference with Legal Counsel – Anticipated Litigation
 Initiation to litigation pursuant to paragraph (4) of
 Subdivision (d) of Section 54956.9
 - 3 cases
- b. Conference with Legal Counsel – Anticipated Litigation
 Significant exposure to litigation pursuant to paragraph (2) of
 Subdivision (d) of Section 54956.9
 - 4 cases
- c. Conference with Legal Counsel – Existing Litigation
 Paragraph (1) of subdivision (d) of Government Code Section 54956.9
 - 8 cases

*SAN JOAQUIN TRIBUTARIES AUTHORITY, et al., vs. CALIFORNIA
STATE WATER RESOURCES CONTROL BOARD
County of Sacramento Superior Court
Case No. JCCP 5013*

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*SAN JOAQUIN TRIBUTARIES AUTHORITY vs. CALIFORNIA STATE WATER
RESOURCES CONTROL BOARD (2021 Curtailment Case)*
County of Fresno Superior Court
Case No. 21CDCG02632

SSJID vs. PG&E
Appeal from Judgment of Dismissal Pending:
In the Court of Appeal for the State of California, Third Appellate District
Case No. C086319
Superior Court for San Joaquin County
Case No. STK-CV-UED-2016-0006638

PG&E vs. San Joaquin LAFCo; SSJID, Real Party in Interest
In the Court of Appeal for the State of California, Third Appellate District
Case No. C086008
Superior Court for San Joaquin County
Case No. STK-CV-UJR-2015-0001266

SSJID vs. Lakeview Ranch Partners
Superior Court for Stanislaus County
Case No. 2028441

*California Sportfishing Protection Alliance vs. Eastern San Joaquin Groundwater
Authority et al.*
Superior Court of Stanislaus County
Case No. CV-20-001720

Jana Lynn Woodbridge Apartments, LLC vs. South San Joaquin Irrigation District
San Joaquin County Superior Court
STK-CV-UPI-2021-0002339

Dave Hegarty vs. SSJID et al.
San Joaquin County Superior Court
STK-CU-UF-2021-0002552

d. Conference with Real Property Negotiator

California Government Code Section 54656.8

- | | | |
|-----|----------------------|--|
| i. | Property: | Water |
| | Negotiating Parties: | Oakdale Irrigation District, Chicken Ranch Rancheria Band of Me-Wuk Indians, Other Potential Parties Unknown |
| | District Negotiator: | General Manager |
| | Terms: | Price and terms of payment of sale |
| | | |
| ii. | Property: | Woodward Reservoir |
| | Negotiating Parties: | Stanislaus County |
| | District Negotiator: | General Manager |
| | Under Negotiation: | Grant of License |

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e. Labor Negotiations

California Government Code Section 54957.6

Agency Negotiator: General Manager

Employee Organization: IBEW Local 1245

f. Public Employment

California Government Code Section 94957(b)(1)

Classifications: Assistant General Manager, Finance Administration Manager

RETURN TO OPEN SESSION

The Board reconvened to Open Session at 2:04 p.m.

Item #10 – ANNOUNCEMENT OF REPORTABLE ACTION TAKEN IN CLOSED SESSION

Disclosure of reportable actions taken in Closed Session, pursuant to Government Code Section 54957.1:
There were no reportable actions taken in Closed Session.

Item #11 – ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 2:05 p.m.

ATTEST:

Danielle Barney, Clerk of the Board