

**MINUTES FOR THE APRIL 27, 2021
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 and led the flag salute. Upon roll-call the following members were noted present:

DIRECTORS: HOLBROOK HOLMES KAMPER WESTSTEYN
ABSENT: ROOS

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

Public Comment – None

CONSENT CALENDAR

A. Approval of Checks in the amount of \$937,415.38; Accounts Payable Wires in the amount of \$302,911.06; and Payroll dated April 23, 2021 in the amount of \$242,061.06.

Director Holbrook addressed Mr. Ed Erisman, Water Treatment Plant (WTP) Manager, regarding status of the drying beds project. Mr. Justin Ashworth, SSJID Operations Supervisor, responded via the online Zoom meeting platform, and stated that the project is progressing on schedule. Mr. Ashworth reported that the last section of slabs for the beds has been poured, and installation of the pipes to fill the beds has commenced.

B. Approval of the Regular Board Meeting Minutes of April 13, 2021

C. Approval of SSJID Irrigation Service Abandonment Agreements, APN 226-170-02, and 226-170-03

MOTION: A motion was made by Director Weststeyn and seconded by Director Kamper 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: ROOS

COMMUNICATIONS

Item #1 – Directors’ Reports

Director Holbrook announced the cancellation of both the San Joaquin County (SJC) Advisory Water Commission (AWC), and the Greater SJC Integrated Regional Water Management Coordinating Committee (GSJC IRWMCC) meetings on April 21. The next AWC and GSJC IRWMCC meetings are scheduled for May 19.

Director Holbrook participated in a virtual First Aid training at the WTP on April 20. He stated it was a well-attended event. The physical portion of the training regarding cardiopulmonary resuscitation (CPR) and chest compressions is to follow at a later date.

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Director Weststeyn reported that he attended the South San Joaquin Groundwater Sustainability Agency (SSJGSA) meeting on April 21.

Director Holmes announced an upcoming Tri-Dam Project Advisory Committee meeting, tentatively scheduled for May 3. Two (2) Director representatives, from both SSJID and Oakdale Irrigation District (OID), are required to attend the in-person meeting at the OID District Office. Upon inquiry, Director Kamper stated he is available to participate. Director Holmes and Director Kamper will attend the Tri-Dam Project Advisory Committee meeting. The finalized date and time are to be determined.

Director Holmes participated in the FishBIO boat tour of the Stanislaus River to observe the field sampling process, on April 22. He stated it was an interesting tour and process, and commended Ms. Andrea Fuller, FishBIO Senior Biologist, on her knowledge of the river and salmon migration.

Director Holmes reported that he attended the SSJGSA meeting on April 21.

Director Holmes announced the upcoming Centripipe onsite presentation on April 29 at 10:00 a.m., to demonstrate the structure, effectiveness, and cost of their cast concrete pipe system. The presentation will take place in the District yard, is co-hosted by the SSJID Water Operations and Engineering Departments, and will also include attendees from other local irrigation districts.

Director Roos joined the meeting, via the online Zoom meeting platform, at 9:10 a.m.

Item #2 – Various Reports

In adherence to the District's new Board meeting protocols due to COVID-19, the Managers' Reports were provided in written form to the Board on April 26, 2021.

Mr. Peter Rietkerk SSJID General Manager, addressed the Board and reported on the updated California Department of Water Resources (DWR) Bulletin 120, dated April 20, 2021, which projected that with 90% exceedance projections, the District can expect 315,000 acre-feet of unimpaired flow to the Stanislaus River Watershed. Discussion included the erratic nature of the forecasts from the California Nevada River Forecast Center and the DWR Bulletin 120; and District actions this year including running more wells, keeping drains to a minimum, and continuous monitoring of operation methods for improved conservation efforts.

Mr. Rietkerk noted Senate Bill (SB) 463 (Dahle) proposes to supplement articles of the California Water Code relating to jointly used conduits. He added that SSJID is concerned that the current language appears to provide landowners the ability to self-improve pipelines/facilities, even if those facilities are owned and operated by public agencies. The District composed a letter to Senator Brian Dahle, stating concerns and proposed amendments to SB 463. Author representatives have stated they will seek an amendment to clarify and remove SSJID concerns. Staff will continue to monitor status of SB 463.

Mr. Rietkerk noted Assembly Bill (AB) 1164 (Flora) proposes to amend Section 6004 of the Water Code to clarify and provide for the exemption of localized retention reservoirs from certain permitting requirements by DWR. AB 1164 was recently amended to limit reservoir exemptions to only “.....does not exceed 75 acre-feet in capacity or 30 feet in height....” He added that Modesto Irrigation District (MID) is working with DWR staff on interpretation of the bill.

Mr. Rietkerk noted AB 1139 (Gonzalez) which is a bill repealing the authorization for net metering tariffs, and requiring the California Public Utilities Commission (CPUC) to establish a net metering tariff which would

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include charging customers for electricity imported from the grid at the full retail rate. The California Municipal Utilities Association (CMUA) has not taken a position on this bill. He added that AB 1139 may negatively affect the Robert O. Schulz Solar Farm economic benefit as it would require transition to a new net metering tariff that reduces current bill credits for solar generation from the current retail rate to the wholesale power rate.

ACTION CALENDAR

Item #3 – Coronavirus (COVID-19) Update and Action as Necessary

Mr. Rietkerk reported that he has been conferring with Mr. Brandon Nakagawa, SSJID Water Resources Coordinator, and the SSJID Senior Leadership group on reopening the District Office to the public. Discussions included establishing guidelines for public access to the front counter, engineering counter, board meetings, and/or other various meetings. He commented that it is difficult to interpret the State’s guidelines towards reopening as the current rules are not specific to public agency meetings. Staff intends to finalize SSJID guidelines so as to reopen once the County has moved into the yellow tier of Governor Gavin Newsom’s Blueprint for a Safer Economy. Mr. Rietkerk summarized that, currently, customers have been and are allowed access to the front counter; the Engineering Department schedules customer appointments for signing documents; and there have been zero complaints received regarding SSJID’s office closure and customer service restrictions due to COVID-19. He added that the District is sensitive to staff concerns related to COVID-19 and the reopening of the District Office.

Item #4 – Consider Adoption of Resolution 21-14-V Authorizing and Directing Sale of District Vehicle as Surplus

Mr. James Ferguson, SSJID Shop Supervisor, addressed the Board via the online Zoom meeting platform, and stated that the District vehicle in question had been damaged and is non-salvageable.

MOTION: A motion was made by Director Holbrook and seconded by Director Weststeyn to adopt Resolution 21-14-V Authorizing and Directing Sale of District Vehicle as Surplus.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 21-14-V**

**AUTHORIZING AND DIRECTING SALE OF DISTRICT VEHICLE
AS SURPLUS PROPERTY**

WHEREAS, the South San Joaquin Irrigation District (“District”) may sell as “surplus property” for valuable consideration, any property of the District which is determined to be no longer necessary for District purposes; and,

WHEREAS, the District Board of Directors finds the following described vehicle no longer necessary for District purposes:

| <u>DISTRICT I.D. No.</u> | <u>VEHICLE TYPE</u> | <u>VIN NUMBER</u> |
|--------------------------|-----------------------------|-------------------|
| 284-12 | 2012 Chevrolet Tahoe 4WD LS | 1GNSKAE00CR242148 |

WHEREAS, the Board finds it in the best interests of the District to dispose of said vehicle by sale, using reasonable efforts to obtain the best possible sales-price.

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NOW, THEREFORE, BE IT RESOLVED AND ORDERED,

1. The Board of Directors authorizes the District Shop Supervisor to use his professional judgement in determining the most appropriate means of effectuating a sale of said vehicle at the best possible sales price, including, but not limited to: sale at public or on-line auction; placing vehicle with a dealer for consignment sale; or sale by published advertisement and receipt of sealed bids.
2. The Finance and Administration Department Manager is authorized and directed to do all things necessary and proper, including execution of all documents, to execute the sale of said vehicle and transfer title thereto.

PASSED AND ADOPTED this 27th day of April, 2021, by the following vote:

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

Item #5 – Consider Approval of Water Transfer Agreement By and Between South Delta Water Agency (SDWA) and SSJID; and Adoption of Resolution 21-15-W Approving Water Transfer Agreement By and Between SDWA and SSJID; and Resolution 21-16-W Approval of the California Environmental Quality Act (CEQA) Notice of Exemption for Water Transfer Agreement By and Between SDWA and SSJID

Mr. Nakagawa addressed the Board and stated that on April 13, the Board approved a water transfer agreement with SDWA for 266 acre-feet at a price of \$150 per acre-foot for the water year ending September 30, 2021. Subsequently, SDWA has requested that an additional 100 acre-feet be made available for purchase on behalf of another customer in the event that the State Water Resources Control Board triggers Term 91, whereby a diverter exercising their appropriative water right must cease diversion under certain (dry) hydrologic conditions. If approved, SSJID would receive proceeds totaling an additional \$15,000 and would incur minimal administrative costs for processing the water transfer agreement and filing of the CEQA Notice of Exemption.

MOTION: A motion was made by Director Holbrook and seconded by Director Weststeyn to approve the Water Transfer Agreement By and Between SDWA and SSJID; and adopt Resolution 21-15-W Approving Water Transfer Agreement By and Between SDWA and SSJID; and Resolution 21-16-W Approving the CEQA Notice of Exemption for Water Transfer Agreement By and Between SDWA and SSJID.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 21-15-W**

**RESOLUTION APPROVING A WATER TRANSFER AGREEMENT
BY AND BETWEEN SOUTH DELTA WATER AGENCY AND
SOUTH SAN JOAQUIN IRRIGATION DISTRICT**

WHEREAS, the South San Joaquin Irrigation District (“SSJID”) is a California irrigation district operating under and by virtue of Division 11 of the California Water Code; and,

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WHEREAS, the SSJID, along with Oakdale Irrigation District, are co-owners of certain water rights on the Stanislaus River, including pre-1914 appropriative rights to divert water from the Stanislaus River for irrigation of the lands within the Districts, and various post-1914 appropriative rights to store Stanislaus River water in various reservoirs for diversion to irrigate lands within the Districts, as well as to generate electrical power; and,

WHEREAS, South Delta Water Agency (“SDWA”) is a California public agency, set forth in Act 1270, California Water Code, Uncodified Acts; and,

WHEREAS, on April 13th, 2021, this Board of Directors adopted Resolution 21-12-W, approving a Water Transfer Agreement for 266 acre-feet with SDWA for the water year ending September 30, 2021; and,

WHEREAS, this Board of Directors was presented with, and has reviewed a second Water Transfer Agreement between SDWA and SSJID for an additional 100 acre-feet as a separate purchase; and,

WHEREAS, this Board of Directors has determined that water surplus to District demands is available for sale in the water year ending September 30, 2021.

NOW, THEREFORE, BE IT RESOLVED that the South San Joaquin Irrigation District Board of Directors does hereby approve a second Water Transfer Agreement for an additional 100 acre-feet as a separate purchase and authorize the General Manager to execute the agreement.

PASSED AND ADOPTED this 27th day of April 2021 by the following vote:

| | |
|----------|--------------------------------|
| AYES: | HOLBROOK HOLMES ROOS WESTSTEYN |
| NOES: | KAMPER |
| ABSTAIN: | NONE |
| ABSENT: | NONE |

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 21-16-W**

**APPROVAL OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT NOTICE OF
EXEMPTION FOR WATER TRANSFER AGREEMENT BY AND BETWEEN
SOUTH DELTA WATER AGENCY AND
SOUTH SAN JOAQUIN IRRIGATION DISTRICT**

WHEREAS, the South San Joaquin Irrigation District (SSJID) is a California irrigation district operating under and by virtue of Division 11 of the California Water Code; and,

WHEREAS, the SSJID, along with Oakdale Irrigation District, are co-owners of certain water rights on the Stanislaus River, including pre-1914 appropriative rights to divert water from the Stanislaus River for irrigation of the lands within the Districts, and various post-1914 appropriative rights to store Stanislaus River water in various reservoirs for diversion to irrigate lands within the Districts, as well as to generate electrical power; and,

WHEREAS, South Delta Water Agency (SDWA) is a California public agency, set forth in Act 1270, California Water Code, Uncodified Acts; and,

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WHEREAS, District’s senior water rights are satisfied by and through the performance of a settlement agreement with the USBR (the 1988 Agreement) which requires the USBR to deliver water to the Districts at Goodwin Dam each year; and,

WHEREAS, SSJID adopted Resolution 21-15-W, approving a Water Transfer Agreement for 100 acre-feet by and between SDWA and the SSJID for the water year ending September 30, 2021; and,

WHEREAS, the proposed transfer (Project) would utilize existing water conveyance infrastructure and no construction would take place; and,

WHEREAS, the proposed Project has been determined by the Board of Directors to be categorically exempt from California Environmental Quality Act (CEQA) based on the ongoing operation exemption in 14 Cal. Code Regs. 15261; projects designed to protect the environment (14 Cal. Code Regs. 15307); no change or expansion of existing diversion and pumping facilities (14 Cal. Code Regs. 15301); and on the basis that there is no possibility that release of the subject water into the Stanislaus River for re-diversion in the southern delta in this water year will cause any significant impacts in the environment; and,

WHEREAS, SSJID and SDWA are located in San Joaquin County; and,

WHEREAS, SSJID is the custodian of the documents or other material which constitute the record of proceedings upon which the Board’s decision is based, and the District office is the location of this record.

NOW THEREFORE, BE IT RESOLVED, by this Board of Directors that:

1. The foregoing recitals are true and correct.
2. The proposed Project has been determined to be categorically exempt from CEQA based on the ongoing operation exemption in 14 Cal. Code Regs. 15261; projects designed to protect the environment (14 Cal. Code Regs. 15307); and no change or expansion of existing diversion and pumping facilities (14 Cal. Code Regs. 15301).
3. A Notice of Exemption is approved (and is on file with the District’s records).
4. Staff is authorized and directed to file a Notice of Exemption at the Clerk’s Office (or other authorized place) of San Joaquin County in the manner prescribed by the CEQA.

PASSED AND ADOPTED this 27th day of April 2021 by the following vote:

| | |
|----------|--------------------------------|
| AYES: | HOLBROOK HOLMES ROOS WESTSTEYN |
| NOES: | KAMPER |
| ABSTAIN: | NONE |
| ABSENT: | NONE |

Item #6 – SSJID 2021 Redistricting Procedures and Timeline

Ms. Mia Brown, SSJID General Counsel, addressed the Board and explained that special districts, such as SSJID, that elect board members on the basis of geographical division or districts, must “redistrict” or reapportion the boundaries of the divisions following each decennial U.S. Census. Ms. Brown further explained the timeline to do all things necessary to redistrict including: 1) retain a demographer; 2) review the

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census data; 3) determine whether the census data requires reapportionment of districts and redrawing of maps; 4) if new maps are required, hold at least one (1) public hearing to receive public input on proposed maps; and 5) conduct a public hearing to approve a new map.

The Request for Proposal (RFP) process is in progress to commission a consultant to access and review data for a determination if redistricting will be necessary. Special districts may adopt final maps by either ordinance or resolution. SSJID's current maps were adopted by resolution, therefore it will be appropriate to adopt the 2022 maps by resolution. The deadline for SSJID's redistricting process and adoption of final maps is April 17, 2022. Census data should be available to local agencies by September 30, 2021.

This agenda item is for informational purposes only and does not require Board action.

Item #7 – March 2021 Financial Statements

Ms. Sarah Bloom, SSJID Management Accountant, distributed revised SSJID March 2021 Financial Statements. Mr. Bere Lindley, SSJID Assistant General Manager, explained that the revision is due to an error discovered regarding the construction contract retentions payable liability which resulted in a negative total on the balance sheet. He further explained that the error was due to some construction retention invoices not being correctly posted.

Mr. Lindley commented that the past accounting method used for solar farm revenues was incorrect. He stated the issues were identified over the past 2 years, and the 2021 budget was prepared using the corrected method. However, 2021 budget variances for solar farm income are not meaningful because it has not yet been possible to implement the corrected accounting method in 2021 as the time-of use-meter readings for solar farm generation are not yet available. Correct accounting for solar farm revenue requires time-of-use meter readings. Mr. Erisman is working to resolve the issue.

Extensive Board discussion ensued covering topics including PG&E's changes of peak hours for time-of-use rates; the accuracy of PG&E's billing process; SSJID's methodology of billing the cities; comparison of energy consumption to credit on PG&E bills; electric expense accounting and related revenues to the WTP; and consideration to renegotiate electric rate terms with the cities. Mr. Lindley and Ms. Bloom provided explanations of these topics. The Board expressed concern about the complexity of the accounting challenges. Mr. Lindley acknowledged the complexity and said that at a high level the issues are simple and straightforward, but that the accounting, the net metering contract, and SSJID's agreement with the municipal customers of the water treatment plant impose many complications that the District is required to accommodate. He offered to provide a written explanation organized for clarity of understanding, supplemented with numerical examples, for future presentation.

Mr. Rietkerk stated that Mr. Erisman will be submitting a proposal from TerraVerde Energy, LLC (TerraVerde), for operations and maintenance management work, at the next Board meeting on May 11. The scope of the TerraVerde proposed contract will include their engagement of a qualified contractor to access and report readings on the Robert O. Schulz's meters

Mr. Lindley continued with the presentation of the March 2021 Financial Statements and provided a brief description of the balance sheet including liabilities (accounts payable, accrued expenses, and other post-employment benefits); the statement of revenues, expenses, and changes in net position including operating revenues, wages, and variances in capital contributions; the statement of changes to cash and investments; and the analysis of changes to cash and investments.

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The Board commended Mr. Lindley and Ms. Bloom on the highly detailed and informative presentation, and a job well done on the financial statements.

Item #8 – March 2021 Investment Report

The Investment Report for March 2021 was included in the agenda packet, Item 8. Upon Board inquiry, Mr. Lindley gave an explanation of pre-refunded bonds and purpose for the District’s investment. He provided the example of SSJID’s 2008 bonds, which were pre-refunded in 2012.

It was announced that all items listed in the closed session agenda would be discussed. The Board took a brief recess at 11:00 a.m. and convened to closed session at 11:05 a.m.

Item #9 – CLOSED SESSION

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

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

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Tri-Dam et al vs. MWH Americas, Inc., et al
Tuolumne County Superior Court
Case No. CV-61638

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

Tyler v. Oakdale Irrigation District et al
Calaveras County Superior Court
Case No. 17CV42319

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

- d. Conference with Real Property Negotiator
California Government Code Section 54656.8
Property: Water
Negotiating Parties: Oakdale Irrigation District, San Luis and Delta Mendota Water Authority, California Department of Water Resources, Chicken Ranch Rancheria Band of Mi-Wuks, Other Potential Parties Unknown
District Negotiator: General Manager
Terms: Price and terms of payment of sale

- e. Conference with Real Property Negotiator
California Government Code Section 54656.8
Property: Water
Negotiating Parties: South Delta Water Agency
District Negotiator: General Manager
Terms: Price and terms of payment of sale

- f. Labor Negotiations
California Government Code Section 54957.6
Agency Negotiator: General Manager
Employee Organization: IBEW Local 1245

- g. Public Employment
California Government Code Section 54956
Titles: Division Manager Foreman, and SCADA Technician I-III

- h. Public Employment
California Government Code Section 54956
Titles: Public Relations Director

RETURN TO OPEN SESSION

The Board reconvened to open session at 11:54 a.m.

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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 11:55 a.m.

ATTEST:

Danielle Barney, Clerk of the Board