

Manteca, California  
June 21, 2016

The Board of Directors of the South San Joaquin Irrigation District met in special session in their chambers at 9:00 a.m. President Holmes called the meeting to order and Director Roos led the flag salute. Upon roll call the following members were noted present:

DIRECTORS: HOLBROOK HOLMES KAMPER KUIL ROOS  
ABSENT: NONE

Also present were General Manager Peter Rietkerk, General Counsel Steve Emrick, Engineering Department Manager Sam Bologna, and Interim Executive Secretary Dawn Driesen.

**Public Comment**

None

**CONSENT CALENDAR**

A. Approval of Warrants in the amount of \$1,449,783.46; payroll dated May 27, 2016 and June 10, 2016 in the amount of \$401,372.04.

B. Approval of the board meeting minutes of May 24, 2016.

C. Approval of Consent to SSJID's Entry of Property to Read and to Maintain Flow Meter for Jonnie & Valerie Moore, APN 229-250-50.

D. Approval of Notice of Completion for Sundance #1 Development.

Mr. Bologna noted that the retainer for the Sundance #1 development is past due and staff will record the Notice of Completion after the account is brought current.

A motion was made by Director Holbrook and seconded by Director Roos to accept the Consent Calendar with the condition that the Notice of Completion for the Sundance #1 development isn't recorded until the retainer account is brought current. The motion passed 5 to 0 by the following roll call vote:

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

**Item #1 – Discussion and possible action regarding the Agreement to Protect Confidentiality of Communications in Settlement Negotiations Related to FERC Licensing of Don Pedro and/or La Grange Hydroelectric Projects on the Tuolumne River.**

General Manager, Rietkerk addressed the Board and explained that Modesto Irrigation District (MID), Turlock Irrigation District (TID) and the City and County of San Francisco are participating in a Federal Energy Regulatory Commission process to relicense hydropower assets on the Tuolumne River. SSJID is a member of SJTA, but has not participated as a party to settlement discussions to resolve relicensing concerns on Merced or Tuolumne Tributaries. The settlement discussions also involve issues that SSJID has an interest in related to potential future water quality control plan considerations that affect the Stanislaus, Tuolumne, and Merced River tributaries as part of the overall San Joaquin River watershed, The agencies party to this agreement have agreed to include SSJID to share information with SSJID and other member agencies of the San Joaquin Tributaries Authority, but are requesting that a Confidentiality Agreement be signed. A motion was made by Director Kamper to authorize the General Manager to sign the Confidentiality Agreement. Director Kuil seconded the motion and the motion passed 5-0 by the following vote:

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

**Item #2 – Approve CSDA bylaw amendment.**

General Manager, Rietkerk noted that the California Special Districts Association (CSDA) has recently completed a process to update their bylaws is asking member agencies to review and approve. Rietkerk said that most of the changes made to the bylaws appear to be cleanup, or add detail to clarify the bylaws. Rietkerk noted some of the changes include characterizing of representation regions within the state, as well as noticing, electronic participation in meetings, minimum quorum, and delegation of authority to the Executive Director to handle membership concerns . Director Holbrook asked if Mr. Rietkerk was concerned with any of the language. Mr. Rietkerk stated that he was not and there are no drastic structural changes.

Director Holbrook made a motion to accept the bylaw changes and authorize the General Manager to sign on behalf of SSJID. Director Kamper seconded the motion. Motion passed with the following vote:

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

**Item #6 – Discussion and possible action regarding a request for encroachment by Marco Lopez located at APN 208-370-11 to build a portion of his house within the District’s easement.**

Mr. Bologna stated that a ditchtender noticed work being performed within the District’s easement and notified the Engineering Department. The owner of the property had started to

place forms for a house adjacent to the Lateral “Rf” pipeline and an existing valve. The District has a 46’ easement; 23’ is within Mr. Lopez’ property. Mr. Bologna contacted San Joaquin County about the issue and the County indicated that they rely on the property owner to disclose any easements within the property. Mr. Bologna also noted that the Assessor’s Parcel Map shows that SSJID has an easement at that location. Mr. Lopez stated that he followed the steps set by the County and provided a 10’ setback from the property line. He stated that he did not know about the District’s easement. Director Holbrook stated that he grew up in the existing house and the easement has always been a known issue with that property. He stated that the house needs to be reconfigured because it encroaches too far into the District’s easement. Director Holbrook also said that the leach lines that are shown on the plans need to be reconfigured so they are out of the District’s easement. Director Kuil said that the pipe is 50 years old and could cause damage to his house if the District has to replace the pipeline. Director Roos asked if staff thought 46’ was necessary for the easement, or if we could reduce it to the typical 30’ easement. Director Kamper said that it should be a condition that Mr. Lopez replace the pipeline within his property if the District is going to reduce the easement to 30’. Mr. Bologna said that staff would need to check the location of the pipeline and see if it is straight. After further discussion the Board directed staff to stake the pipeline and easement and get a cost estimate for Mr. Lopez to replace the pipeline.

**Item #3 – Presentation by Environmental Compliance/Safety Officer, Walt Luihn, regarding the Confined Space Entry Report Form.**

Mr. Luihn addressed the Board and said that they have done four trainings on Confined Space Entry since 2014 to keep employees updated. He stated that he has revised the form five times since he started working at SSJID with the help of Facility Inspector, Jerry Donahue, and crew members. Mr. Luihn went through the steps that are taken to ensure that all crews enter and exit a pipeline safely. He is also in the process of putting together an in-house rescue team of six people. Director Holbrook said that the form is excellent and thanked Mr. Luihn for keeping it updated. Director Holmes thanked Mr. Luihn for his time and presentation.

**Item #4 – Authorize acceptance of bid for CO2 contract for the Nick C. DeGroot Water Treatment Plant and authorize staff to extend the term of the contract by 6 months.**

Water Treatment Plant Manager, Ed Erisman addressed the Board. Mr. Erisman said that he doesn’t like to recommend anything but a low bid, but they have had several problems with Air Liquide. Air Liquide has not been reliable with their product, or delivery. Praxair does not want to provide product without a contract, but they have been more reliable when used in the past. Director Holbrook moved to accept the bid from Praxair, and to first check out their reliability. Director Kamper seconded. The motion failed with a 2-3 with the following vote.

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

Director Kamper moved to accept the bid from Air Liquide with a stipulation that they guarantee delivery of the product as scheduled. If Air Liquide does not respond to the request within 10 days, staff is authorized to go with the Praxair bid. Director Kuil seconded. Motion passed 4-1 with the following vote:

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

**Item #5 – Presentation and acceptance of Urban Water Management Plan from Provost & Pritchard.**

Water Treatment Plant Manager Ed Erisman and Chuck Armstrong from Provost & Pritchard addressed the Board. Mr. Erisman said that the Urban Water Management Plan (UWMP) is updated every 5 years. The UWMP was omitted from the agenda packet, but Mr. Armstrong spoke to the Board the plan content and updates to comply with . The Board directed staff to put the UWMP on the June 28, 2016 Consent Calendar for approval.

**Item #7 – Consider conditional approval of Sundance #2 Development.**

Mr. Bologna said that the Sundance #2 Development is a portion of the Sundance #1 Development, but there are a few new encroachments that were not previously covered. Mr. Bologna said he is asking for authorization to enter into an Encroachment Agreement and possibly a revised Developers Agreement, and also to authorize the signature of the plans. Mr. Bologna also stated that the lot for Pump #12 will be dedicated to the District when the final map is recorded. Motion was made by Director Kamper, and seconded by Director Roos, to approve per staff’s recommendation. Motion passed 5-0 by the following vote:

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

**Item #8 – Consider approval of overhead electric line encroachment with PG&E to provide service to the Van Groningen property at 9851 Hutchinson Rd., Manteca.**

Mr. Bologna said that this item is being brought to the Board since the Master Encroachment Agreement with PG&E has expired. Director Roos moved, and Director Kuil seconded, to approve the encroachment. Motion passed 5-0 by the following vote:

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

**Item #9 – Consider approval of a gas line encroachment with PG&E and underground conduit with Comcast to serve the Milner Terrace Subdivision located at Peach Rd. and Union Rd., Manteca.**

Mr. Bologna said that this item is being brought to the Board since the Master Encroachment Agreements with PG&E and Comcast have expired. Director Roos moved, and Director Kuil seconded, to approve the encroachment. Motion passed 5-0 by the following vote:

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

**Item #10 – Consider approval of agreement to sell up to 500 AF of water to South Delta Water Agency.**

General Manager Rietkerk addressed the Board and said that the agreement is to sell 238 AF of water at \$100 per AF to South Delta Water Agency (SDWA). Mr. Rietkerk said staff is requesting authorization to make changes to the schedule of delivery outline in Exhibit “A” and to waive the \$1,000 upfront payment as outlined in item 6(b) of the agreement. Mr. Rietkerk also asked for authorization to sell up to 500 AF to South Delta Water Agency, should SDWA request additional water. Director Holbrook moved to approve the agreement with staff’s recommended changes of authorizing selling up to 500 AF, changes to the delivery schedule and omitting the \$1,000 upfront payment. Director Kuil seconded and the motion passed 5-0 with the following vote:

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

**Item #11 – Directors reports from APPA Conference.**

Director Holbrook attended the APPA Day of Giving on Friday, June 10. There were approximately 120 volunteers from across the nation, including APPA CEO Sue Kelly and staff. There were three locations the volunteers worked at: Feed My Starving Children, Tumbleweed and Sunshine Acres Children’s Home. Director Holbrook and his wife, Denise, worked at Sunshine Acres Children’s Home, along with about 30 other volunteers, cleaning, organizing and staging the Miracle in the Desert Thrift Store. There are 7 homes that house 10 children each and have an attached apartment for the parents and their families. The homes are very well kept and the children are very polite. Director Holbrook thanked the Board for allowing him and his wife to participate in the APPA Day of Giving.

Director Holbrook attended the Opening General Session where the Mayor of Phoenix spoke. Some points that he covered included: Phoenix is the 5<sup>th</sup> largest city in the U.S., they get their water and power from Roosevelt Dam, they partner with the public power people at Salt River Power to become a more sustainable entity, and they are a leader in solar energy. APPA’s CEO Sue Kelly also spoke and discussed Environmental Regulations, Electricity Market, and Distributed Generation, among other items.

He also attended the Assessing Security Risk for Multi-Sector Utility. Norwich Public Utilities General Manager John Bilda spoke. Some of the points Mr. Bilda made included: they produce over 100 million dollars in power per year and 10% goes to the City, they cross train their employees to be better able to handle gas or electric emergencies, they have gone to card entry with lockout features to help control the possibility of the active shooter scenario, and they do bi-annual risk assessments.

Director Roos attended the Overview of Utility Financial Operations for Boards. Utilities are under pressure to minimize rate impacts on customers while maintaining financial health. Small rate hikes are much more palatable than getting so far behind that you have to do a big adjustment.

Director Roos also attended the Financial Structuring of Community Solar class. Community Solar is a solar farm that community members can buy an interest in and is becoming more popular in public power.

## **Item 12 - Communications**

Director Kamper

- The Diablo Canyon plant is shutting down. It provided 9% of the electricity in California.

Director Holmes

- OID board meeting is being held tonight at 6:00 p.m.
- June 20<sup>th</sup> was Summer Solstice and a full moon. The last time that happened was in 1967.

Troylene Vallow, Communications

- Handed out thank you letters and pictures from the Manteca Garden Club for donations from SSJID. The donations benefitted the Sequoia School garden.
- The community-wide newsletter has gone out. It has updates since the LAFCo hearing, drought information and District wide updates.
- Handed out the Irrigation Leader Magazine which features General Manager Rietkerk and SSJID.
- Thursday is the Manteca Chamber Dinner.

Ed Erisman, Water Treatment Plant Manager

- The new V4 modules have been installed and are in production.
- Several of the WTP operators recently passed State certification exams. James Gallegos and Jeremy Ellsworth passed their T4 exam. Derek Cray passed his T5 exam.
- Recently divers cleaned and inspected the two 3 million gallon storage tanks at the WTP. During the inspection the divers discovered a significant amount of paint bubbling and exposed metal beneath in Treated Water Reservoir #2. This matches the report that was recently received from JDH Corrosion's inspection of the tank's corrosion protection system. They indicated that there seemed to be a large area of exposed metal due to the amount of current that was required. Staff is putting together a scope of work for this repair and will be soliciting bids soon. They hope to have the work started within the next two months.

Sam Bologna, Engineering Department Manager

- He has been attending all of the GBA and Ad Hoc Committee Meetings dealing with groundwater issues. He has been asked by the County to sit in on the selection panel to hire a consulting firm that will be performing work basin-wide to develop agricultural

water demands and surface water budget, enhance and upgrade county's existing hydrologic model, develop a comprehensive basin-scale water budget, develop groundwater monitoring and enhancement program, coordinate with stakeholders in the basin to obtain and disseminate data.

- Capital Improvement: 1) Working on plans for the two piping projects 2) will be securing more formal bids for the MDC project 3) Recently received plans from the County for the basin work at Rossier Road. As soon as we complete our review, we will send it back to County. Work is to be performed by our crews this off season. Will be working with water operations and finance departments in the coming weeks to discuss any additional potential capital improvements for this season and propose revisions to the 5-year plan.
- Has been in contact with Union Pacific RR (UPRR) representative regarding the proposed Fresno Spur rail interconnect project that will involve improvements that will affect the FCOC crossing at the UPRR tracks. The intermodal facility expansion is still on hold but this project looks like it will be moving forward so they will be asking to revisit the negotiations that we did previously as it relates to the FCOC improvements. Also, I have been working with them to provide us access from Roth Road north. An agreement was approved in 2012 but they have not done any work on the road and consequently there are been a lot of wash outs into our canal.
- City of Manteca issues: City may be interested in obtaining permission to occupy or acquire a portion of property owned by District on West Yosemite Ave., near the wastewater treatment plant for a project that they are pursuing regarding improvements at the plant. Also have been working with the City to resolve FEZ issues and the Storm drainage amendment with the City of Manteca.
- Encroachment issues: Working on getting an update on all encroachment related matters by next meeting.
- Annexations: Still waiting for information from Miller, te Velde and Costa. Barton is still interested in annexing several hundred acres as well.
- Development projects: Working with various developers on a number of upcoming development projects in the works for this fall.

Peter Rietkerk, General Manager

- New Melones storage is at 642,012 acre-feet. Storage topped out at 648,901 acre-feet around June 14<sup>th</sup> and has been trending downward since then. Dan Steiner's recent model estimated New Melones storage topping out around 645,000 acre-feet.
- SSJID has a meeting with the Cities of Escalon, Manteca and Ripon on June 22<sup>nd</sup> to discuss the recently released draft Memorandum of Agreement to start Groundwater Sustainability Agency organization activities.
- The Groundwater Basin Authority will be hosting a Groundwater 101 workshop on July 13, 2016 from 12 p.m. – 2 p.m. following the SGMA work group meeting. Lunch will be provided, please RSVP by June 30, 2016.
- On May 18, 2016, the State Water Resources Control Board approved revision to the emergency regulation for urban water conservation. The regulation requires that each urban water supplier perform a localized "stress test" to analyze the resiliency of available water supplies and estimate the amount of water available in water years 2017-2019, assuming an additional three years of dry hydrology similar to 2013-2015. SSJID performed its analysis based on 1988 agreement accounting with the proposed future hydrology and posted the analysis on June 15, 2016 on its website.

- Predation: San Joaquin Tributaries Authority was part of a broad statewide coalition of business, farming, and water users that petitioned the California Fish and Game Commission on June 9, asking the Commission to address predation of endangered salmon and smelt by non-native predator species by removing bag and size limits for predator fish.
- Bay Delta Water Quality Control Plan: Our current understanding is that the State Water Resources Control Board will release its revised Substitute Environmental Document for the Water Quality Control Plan on June 30, 2016.
- On June 7<sup>th</sup>, SWB adopted the final order for the Byron Bethany and West Side Irrigation Districts dismissing the proposed enforcement actions against the two irrigation districts, citing insufficient evidentiary evidence put forth by SWB.
- SSJID met with Stanislaus County on June 20<sup>th</sup> and discussed proposed timelines for non-bodily contract for recreation activities this year on Woodward Reservoir.
- On June 9<sup>th</sup> Peter Rietkerk and Bere Lindley presented the current status of the retail electric project and the upcoming Resolution of Necessity Hearing to Manteca Rotary.

It was announced that Items a, b and d would be discussed in Closed Session.

**Item #13 – Closed Session**

9. a. Conference with Legal Counsel – Anticipated Litigation  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9  
- 4 cases

- b. Conference with Legal Counsel – Existing Litigation  
Paragraph (1) of subdivision (d) of Government Code Section 54956.9  
- 2 cases

Pacific Gas and Electric Company v. San Joaquin LAFCo  
San Joaquin County Superior Court  
Case No. 39-2015-00321743 – CU-JR-STK

I.B.E.W. Local Union 1245 and Thomas Johnson vs. South San Joaquin Irrigation District  
San Joaquin County Superior Court  
Case No. 39-2015-003300468

- d. Conference with Labor Negotiator  
California Government Code Section 54957.6  
Agency Negotiator: General Manager  
Employee Organizations: IBEW's 1245

Director Roos left the meeting at 1:40.

Director Kuil left the meeting at 2:00.

Upon their return from closed session, it was announced that there was no reportable action.

**Item #14 – Adjournment**

There being no further business to come before the Board, it was moved by Director Holbrook and seconded by Director Kamper to adjourn the meeting. Motion passed 3 to 0 as follows:

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