

MINUTES

Oakdale, California
February 21, 2012

The Board of Directors of the Oakdale Irrigation District invited all to recite the Pledge of Allegiance and then met in Regular Session at the hour of 9:00 a.m. Upon roll call, there were present:

Directors: Frank B. Clark, President
Steve Webb, Vice President
Al Bairos, Jr.
Jack D. Alpers
Herman Doornenbal

Staff Present: Steve Knell, General Manager/Secretary
Gary Jernigan, Contract/Special Projects Manager
John Davids, District Engineer
Jason Jones, Support Services Manager
Kathy Cook, Chief Financial Officer
Eric Thorburn, Water Operations Manager

ADDITION OR DELETION OF AGENDA ITEMS

ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE

There were no items taken out of sequence.

At the hour of 9:01 a.m. the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 1

There being no Public Comment; Public Comment closed at 9:01 a.m. and the Board Meeting continued.

CONSENT ITEMS

ITEM NOS. 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18

ITEM NO. 2

**APPROVE THE BOARD OF DIRECTORS' MINUTES OF THE
REGULAR MEETING OF FEBRUARY 7, 2011 AND
RESOLUTION NOS. 2012-04 2012-05, 2012-06, 2012-07, 2012-08**

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of February 21, 2012 and Resolution Nos. 2012-04, 2012-05, 2012-06, 2012-07, and 2012-08.

ITEM NO. 3

**APPROVE THE OAKDALE IRRIGATION
DISTRICT STATEMENT OF OBLIGATIONS**

A motion was made by Director Webb, seconded by Director Doornenbal, and unanimously supported to approve the Oakdale Irrigation District Statement of Obligations.

ITEM NO. 4

**APPROVE IMPROVEMENT
DISTRICT STATEMENT OF OBLIGATIONS**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Improvement District Statement of Obligations.

ITEM NO. 5

**APPROVE THE TREASURER AND CHIEF
FINANCIAL OFFICER'S REPORT FOR
THE MONTH ENDING JANUARY 31, 2012**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Treasurer and Chief Financial Officer's Report for the month ending January 31, 2012.

ITEM NO. 6

**APPROVE GENERAL SERVICES AGREEMENT
WITH B.J.'S CONSUMER'S CHOICE PEST CONTROL**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the General Services Agreement with B.J.'s Consumer's Choice Pest Control.

ITEM NO. 7
APPROVE WORK RELEASE NO. 025 TO PROFESSIONAL SERVICES
AGREEMENT 2009-PSA-015 WITH GIULIANI & KULL, INC. TO
PROVIDE SURVEYING SERVICES FOR TWO-MILE BAR TUNNEL
SERVICE ROAD SOUTH MAIN EASEMENTS ON THE
HODGDON ENTERPRISES, LP AND THE CORPS OF ENGINEER'S PROPERTY

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve Work Release No. 025 to Professional Services Agreement 2009-PSA-015 with Giuliani & Kull, Inc. to provide surveying services for Two-Mile Bar Tunnel Service Road South Main Easements on the Hodgdon Enterprises, LP and the Corps of Engineer's property.

ITEM NO. 8
APPROVE WORK RELEASE NO. 026 TO PROFESSIONAL SERVICES
AGREEMENT 2009-PSA-015 WITH GIULIANI & KULL, INC. TO
PROVIDE SURVEYING SERVICES FOR THE SOUTH MAIN
REHABILITATION FOR 2ND CONCRETE FLUME THROUGH THE WILMS SIPHON

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve Work Release No. 026 to Professional Services Agreement 2009-PSA-015 with Giuliani & Kull, Inc. to provide surveying services for the South Main Rehabilitation for 2nd concrete flume through the Wilms Siphon.

ITEM NO. 9
APPROVE CHANGE ORDER NO. 01 TO CONSTRUCTION
AGREEMENT 2012-CA-001 WITH AMERINE SYSTEMS, INC. FOR
ADDITIONAL WORK ON THE DISCHARGE PIPING FOR THE
CAMPBELL DEEP WELL PUMP AND MOTOR INSTALLATION PROJECT

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve Change Order No. 01 to Construction Agreement 2012-CA-001 with Amerine Systems, Inc. for additional work on the discharge piping for the Campbell Deep Well Pump and Motor Installation Project.

ITEM NO. 10
APPROVE CHANGE ORDER NO. 01 TO GENERAL
SERVICES AGREEMENT 2012-GSA-001 WITH
GENERAL PETROLEUM FOR LEGISLATIVE INCREASES

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Change Order No. 01 to General Services Agreement 2012-GSA-001 with General Petroleum for legislative increases.

ITEM NO. 11
APPROVE CHANGE ORDER NO. 01 TO PROFESSIONAL
SERVICES AGREEMENT 2011-PSA-008 WITH DAVIDS
ENGINEERING, INC. FOR REVISED HOURLY RATE SCHEDULE

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve Change Order No. 01 to Professional Services Agreement with Davids Engineering, Inc. for revised hourly rate schedule.

ITEM NO. 12
APPROVE AMENDMENT NO. 01 TO PROFESSIONAL
SERVICES AGREEMENT 2009-PSA-016 WITH
O'LAUGHLIN & PARIS, LLP FOR REVISED HOURLY RATE SCHEDULE

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve Amendment No. 01 to Professional Services Agreement 2009-PSA-016 with O'Laughlin & Paris, LLP for revised hourly rate schedule.

ITEM NO. 13
APPROVE AWARD OF BID TO CRANE CARE
OPERATIONS AS THE LOWEST QUALIFIED RESPONSIVE
BIDDER FOR THE NCCCO CERTIFICATION FOR THE
DISTRICT'S OPERATOR TRAINING AND CONSULTATION SERVICES

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Award of Bid to Crane Care Operations as the lowest qualified responsive bidder for the NCCCO Certification for the District's Operator Training and Consultation Services.

ITEM NO. 15
APPROVE ENCROACHMENT AGREEMENT ON THE
MOLL LATERAL (APN: 002-001-064 – TILBURY ORCHARDS, LLC)

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to Approve the Encroachment Agreement on the Moll Lateral (APN: 002-001-064 – Tilbury Orchards, LLC).

ITEM NO. 16
APPROVE AGRICULTURAL DISCHARGE
AGREEMENT ON THE PAULSELL LATERAL
(APN: 011-005-001 – WARNERVILLE 606, LLC AND NSHE CA KEEFFE, LLC)

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Agricultural Discharge Agreement on the Paulsell Lateral (APN: 011-005-001 – Warnerville 606, LLC and NSHE CA Keeffe, LLC).

ITEM NO. 17

**APPROVE ENCROACHMENT AGREEMENT ON THE PAULSELL LATERAL
(APN: 011-005-001 – WARNERVILLE 606, LLC AND NSHE CA KEEFFE, LLC)**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Encroachment Agreement on the Paulsell Lateral (APN: 011-005-001 – Warnerville 606, LLC and NSHE CA Keeffe, LLC).

ITEM NO. 18

**APPROVE THE ENCROACHMENT AGREEMENT ON THE RODDEN HIGH
LINE LATERAL (APN: 002-053-055 – HARBOUR 1995
REVOCABLE TRUST) AND QUITCLAIM PREVIOUS
ENCROACHMENT AGREEMENT (INSTRUMENT NO. 2011-0097994-00)**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Encroachment Agreement on the Rodden High Line Lateral (APN: 002-053-005 – Harbour 1995 Revocable Trust and Quitclaim previous Encroachment Agreement (Instrument No. 2011-0097994-00)).

ACTION CALENDAR

ITEMS NOS. 14, 19, 20, 21, 22, 23, 24, 25

ITEM NO. 14

**APPROVE AWARD OF BID TO JAN PRO CLEANING
SYSTEMS AS THE LOWEST QUALIFIED RESPONSIVE
BIDDER FOR THE JANITORIAL SERVICES FOR THE DISTRICT OFFICES**

Director Clark stated that the bid from Jan Pro Cleaning Systems was quite a bit lower than the other bids that were received by the District and was concerned about their quality of work. Contracts and Special Projects Manager Gary Jernigan stated that he checked with several of their current customers who stated that they were very pleased with their work. Gary Jernigan further stated that there is verbiage contained in the contract which would allow the District to rescind the contract if necessary.

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve award of bid to Jan Pro Cleaning Systems as the lowest qualified responsive bidder for the janitorial services for the District offices.

ITEM NO. 19

**REVIEW AND TAKE POSSIBLE ACTION
ON START OF 2012 IRRIGATION SEASON AND ADOPTION OF
LEVEL I DROUGHT MEASURES TO BEGIN THE IRRIGATION SEASON**

Current inflow to-date into New Melones is 210,000 acre feet. Very preliminary forecasts from Tri Dam indicate that inflow may be just shy of 300,000 acre feet. Applying that very preliminary number to the 88' Stipulation Agreement formula, the district's allocation for the water year would be:

$$300,000 + (600,000 - 300,000)/3 = 400,000 \text{ acre feet}$$

The resultant water to OID would be 200,000 acre feet. Forgoing all 10 day rotations (maybe 12's), cancelling all out-of-district contracts, running deep wells at capacity and a strict minimal tailwater program could add 40,000 acre feet to that total, getting close to 240,000 acre feet.

Fields are dry and the near-term forecasts are still not great for any significant precipitation. With the dry conditions, it is staff's recommendation to start the 2012 water season on March 5th. This early start will add another debt to our tight water budget but believe with one or two small rain events before April, good grower cooperation and everyone being water smart this year, we should be O.K.

Director Alpers would like to add to the next agenda a request to hire a water cop to patrol the District facilities; and Director Bairos would like to add a request for an increase in the fine for theft of water.

A motion was made by Director Webb, seconded by Director Doornenbal, and unanimously supported to have staff get prepared as if the water season were going to begin on March 7, 2012; however wait until the March 6, 2012 Board meeting to make the final decision as to when the water season will begin.

ITEM NO. 20
REVIEW AND TAKE POSSIBLE ACTION ON
AVAILABILITY OF SURPLUS WATER FOR OUT-OF-DISTRICT LANDS

As provided by policy, Oakdale Irrigation District (OID) typically makes a determination on the availability of "surplus" surface irrigation water for annual Out-of-District Service Agreements at the first board meeting in March. Given the anticipated water shortage noted in the previous agenda item, it seems appropriate to make this determination now in order to notify all applicants as early as possible to allow additional time for them to make other arrangements as necessary.

Staff recommends suspension of all Out-of-District Service Agreements until the 2013 water season in accordance with "Level One" of the Surface Water Shortage Policy with the exception of the annual Out-of-District Service Agreement with the Army Corp of Engineers to provide water for the Orange Blossom Park recreation area. Should the Board move to deny Out-of-District Service requests during the 2012 water season, staff also recommends providing a refund of the \$100 application fee to all applicants whose applications were returned/denied.

A motion was made by Director Alpers and was seconded by Director Clark that there is no surplus water available for out-of-district lands with the exception of Orange Blossom Park, and to refund the \$100 application fee to all applicants who applied for out-of-district water, and was voted as follows:

Ayes: Directors, Alpers, Clark, Doornenbal
Noes: Directors, Webb, Bairos

ITEM NO. 21
REVIEW AND TAKE POSSIBLE ACTION ON PROVIDING STAFF
DIRECTION ON GUIDELINES FOR ADDITIONAL AG
ANNEXATIONS, FRINGE PARCEL ANNEXATIONS, AND WATER FOR
FUTURE TRANSFERS TO MEET THE FINANCIAL NEEDS OF THE DISTRICT

The recent decision by the Board to move forward on evaluating a 6,500 acre Trinitas annexation has generated interest in the local agricultural community to also want to annex lands to OID. Waves of requests are starting to come in and staff is in need of direction from the Board on how to address these interests.

As a background to this discussion, it would be helpful to review how we got to this point. The Water Resources Plan's preferred program was adopted by the Board in June 2007. The program included the following actions:

1. Improve the level of service to OID customers through operational, policy, management and infrastructure improvements (base line CIP)
2. Provide improvements for drought protection (deep wells)
3. Construct facilities to better manage surface water outflows (reclamation systems)
4. Expand service area into SOI by 4,000 acres at a water commitment of 17,000 acre feet
5. Finance the above with water transfer revenues using 50,000 acre feet of water (anticipated return of \$210/a.f.)

The 67,000 acre feet of water in this mix was water to be generated over the planning horizon of the WRP or to 2030. That included 42,000 acre feet in existing water which was in transfer contracts and the generation of 25,000 acre feet through efficiency improvements from modernization, replacement and development of reclamation/conservation projects. The project and system improvements identified in the WRP to achieve the levels discussed above were \$169 million in 2007 dollars

As outlined in the Summary Report from the WRP, OID was to finance \$44 million of these costs over the next 20 years and to pay-as-you-go on the balance of the \$125 million using the 50,000 acre feet in transfers earning \$210 per acre foot (\$10.5 million).

The Trinitas annexation was a strategic annexation to shore up an annual revenue pool to continue OID's capital improvements that would generate the additional 25,000 acre feet needed to meet OID's financial targets. The water sale income and annexation income from the pending Trinitas properties would generate approximately \$2.6 million per year to OID. This represents an aggregate rate of \$100 per acre foot over the 20 year financing period.

Leaving aside the fact that the annexation fee payment from Trinitas disappears in 20 years, the remaining balance of water for OID to meet its financial goal of around \$8 million a year (\$10.5 million - \$2.6 million) from water sales is now 42,000 acre feet. The revenue generated from this remaining water needs to be \$190 per a.f.

The easy water for conservation is gone. Going forward, the cost to generate conserved water will be more expensive. Recently completed bond-proceed projects, with estimates of conserved water from those projects, places conserved water at about \$100 per acre foot for those works of improvement. If OID continues to allow its conserved water to be marketed at below the target rate of \$190 per acre foot, a water rate increase is in OID's near-term future. To avoid that, staff recommends the following actions/steps be adopted by the Board in the near-term as staff's guide forward:

1. Complete the Trinitas annexation (expected 2013 water season)
2. Continue to move forward with fringe parcel resolution. October 1, 2012 is the deadline for these parcels to either move forward or not.
 - a. There is nearly 5,000 acre feet of water in use by fringe parcels.
 - b. Not all parcels will annex and OID could get back some unanticipated water
3. Continue to collect annexation requests until October 1, 2012 from those who want to annex under the Trinitas terms.
 - a. Whatever water OID gets back from those fringe parcels that don't annex, commit to this group of potential new annexations.
 - b. Prioritize the annexation requests accumulated and process this group with the fringe parcel group for annexation. Hence two groups of annexations would move forward:
 - i. Group (1) to be fringe parcels with same benefits of existing OID constituents
 - ii. Group (2) to be annexed with same benefits as Trinitas.
4. Have CH2M Hill re-run the financial model developed under the WRP and provide a report to the Board prior to the October 1, 2012 date.
 - a. Report to include an update of OID's financials in meeting the WRP goals and objectives and,
 - b. Provide the flexibility of the Board in meeting the above guidelines

A motion was made by Director Bairos, seconded by Director Doornenbal, and unanimously supported to adopt the following guidelines:

1. Complete the Trinitas annexation (expected 2013 water season)
2. Continue to move forward with fringe parcel resolution. October 1, 2012 is the deadline for these parcels to either move forward or not.
 - a. There is nearly 5,000 acre feet of water in use by fringe parcels.
 - b. Not all parcels will annex and OID could get back some unanticipated water
3. Continue to collect annexation requests until October 1, 2012 from those who want to annex under the Trinitas terms.
 - a. Whatever water OID gets back from those fringe parcels that don't annex, commit to this group of potential new annexations.
 - b. Prioritize the annexation requests accumulated and process this group with the fringe parcel group for annexation. Hence two groups of annexations would move forward:
 - i. Group (1) to be fringe parcels with same benefits of existing OID constituents
 - ii. Group (2) to be annexed with same benefits as Trinitas.

4. Have CH2M Hill re-run the financial model developed under the WRP and provide a report to the Board prior to the October 1, 2012 date.
 - a. Report to include an update of OID's financials in meeting the WRP goals and objectives and,
 - b. Provide the flexibility of the Board in meeting the above guidelines

ITEM NO. 22
REVIEW AND TAKE POSSIBLE ACTION ON REQUEST BY
SAMUEL BAKER FOR THE OAKDALE IRRIGATION DISTRICT
TO WAIVE THE COST OF REPAIR BY DISTRICT STAFF
ON DORSEY SPILL PIPELINE (APN: 006-087-006 – BAKER)

On November 9, 2011 the Water Department was contacted by Samuel Baker stating that he had hit an Oakdale Irrigation District (OID) pipeline, which was subsequently repaired by OID staff on January 16, 2012. This repair consisted of removing a twenty foot section of 14" concrete pipe and replacing it with a twenty foot section of 15" PVC, two 15" starter couplers and two concrete connection collars. Samuel Baker was billed for this repair in the sum of \$2,976.16. On January 12, 2012 OID received correspondence from Samuel Baker asking the District to waive the cost of the repair due to him not submitting any claims for damage that had occurred in the past on his parcel.

Mr. Baker did not contact Underground Services Alert (USA), as is required by State Law, nor did he contact OID prior to the excavation. When USA is contacted for an underground pipeline mark out, it is a common practice of OID to pot hole the pipeline and mark the exact location of the pipeline.

This matter was heard by the Water/Engineering Committee on February 7, 2012 and the Committee recommended denial of this request. This is being brought to the full Board for consideration.

A motion was made by Director Alpers, seconded by Director Doornenbal, and unanimously supported to deny Samuel Baker's request to waive the cost of repair by District staff on the Dorsey Spill Pipeline (APN: 006-087-006 – Baker).

ITEM NO. 23
REVIEW AND TAKE POSSIBLE ACTION ON REQUEST
FOR CLARIFICATION ON AMENDMENT NO. 01 TO
GENERAL SERVICES AGREEMENT 2010-GSA-037 WITH
SIERRA CONTROLS FOR REVISED HOURLY RATE SCHEDULE

In the February 7, 2012 Board of Directors meeting, Amendment No. 01 was submitted for approval and was rejected by the Board. Staff is requesting the Board to re-consider and reverse their previous decision for the following reasons:

1. See the attached Rate Comparisons for the Contract years 2007, 2009, 2010 and the Amendment No. 01 for 2010. The rates are the same for 2009 as compared to 2010 Amendment No. 01 except for the mark-ups on purchased items. The \$5.00/hour increase requested for the Assistant would reinstate the Assistant's rate

back to the same 2009 rate. The Assistant's rate is comparable, in some cases less than, to what is presently billed by other consultants.

2. Sierra Controls is a quality contractor and consultant and has been very responsive to any requests and needs from OID for assistance, advice and/or troubleshooting/maintenance.
3. Sierra Controls has been very cost conscious on OID's Work Releases. An example is shown on Work Release No. 002 for the 2009/2010 system integration of the various sites. Sierra Controls returned \$9,682.48 to the District from money saved from a more efficient integration effort on gates located at various locations.
4. Previously, any shop time was performed by the Engineer or Technician at a much higher rate. In Amendment No. 01, the request was made to add a Shop Time rate to minimize the cost.

Staff is re-submitting Amendment No. 01 for consideration for Board approval. Staff still recommends the Board authorize the General Manager to execute Amendment No. 01 to amend General Services Agreement 2010-GSA-037.

A motion was made by Director Bairos, seconded by Director Doornenbal, and unanimously supported to approve Amendment No. 01 to the General Services Agreement 2010-GSA-037 with Sierra Controls for the revised hourly rate schedule.

ITEM NO. 24
REVIEW AND TAKE POSSIBLE ACTION ON
REQUEST FOR CLARIFICATION ON REJECTION OF
CLAIM FOR DAMAGES FILED BY JOHN H. FREDERICK

This claim is associated with a flooding incident which occurred on or about August 21, 2011.

This claim was presented to the Board on February 7, 2012 with Staff's recommendation to reject the claim and submit it to ACWA/JPIA for handling. A discussion ensued in which the Board discussed the District handling the claim by rejecting it but not forwarding it to ACWA/JPIA and just putting them on notice of receipt of the claim, but no motion was made to do so. At the end of the Consent Calendar all actions were approved as presented, leaving staff confused.

Therefore, staff is requesting clarification on the Board's preferred action:

1. Reject the claim and forward it to ACWA JPIA;
- or
2. Reject the claim, the District to handle claim and notify ACWA JPIA only.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported that the District will handle the claim; forward a rejection letter to John H. Frederick, and notify ACWA JPIA of the claim.

ITEM NO. 25
REVIEW AND TAKE POSSIBLE ACTION TO APPOINT A MEMBER
TO THE REDEVELOPMENT SUCCESSOR AGENCY'S OVERSIGHT BOARD

State Assembly Bill ABx1 26 was passed and upheld by the State Supreme Court decision. Therefore, as of February 1, 2012, the legislation requires the dissolution of all Redevelopment Agencies (RDA's) in California and the establishment of Successor Agencies to wind down all of the former RDA's activities. Also, as part of the legislation, each Successor Agency is required to have an Oversight Board which is comprised of seven (7) members consisting of the following:

- a. One member appointed by the county board of supervisors;
- b. One member appointed by the mayor for the city that formed the RDA;
- c. *One member appointed by the largest special district;***
- d. One member appointed by the county superintendent of education to represent schools if the superintendent is elected;
- e. One member appointed by the chancellor of the California community colleges;
- f. One member of the public appointed by the county board of supervisors; and
- g. One member representing the employees of the former RDA appointed by the mayor or chair of the board of supervisors, as the case may be, from the recognized employee organization representing the largest number of former RDA employees employed by the successor agency at that time.

The Oakdale Irrigation District (District) received a letter from the Stanislaus County Auditor-Controller stating that the District is the largest special district within the boundaries of the Oakdale Redevelopment Agency, and therefore is required to appoint a member to serve on the Oversight Board.

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to appoint Director Alpers to the Redevelopment Successor Agency's Oversight Board.

DISCUSSION
ITEM NO. 26

ITEM NO. 26
DISCUSSION ON RIVER PUMP PROCEDURES

Oakdale Irrigation District (OID) currently has two (2) Licenses for Diversion and Use of Water from the Stanislaus River at a total of three (3) defined diversion points. More specifically, there is a single license of entitlement to 4.54 cfs at the Crawford River Pump diversion and an additional license for the Brady and Gambini River Pumps with a combined total of 1.68 cfs. In both cases, the river water entitlements are limited to the amount actually beneficially used for irrigation from about May 1st to about November 1st and, in the case of rotation the equivalent of such continuous flow allowance for any thirty day period may be diverted in a shorter time given such action does not interfere with other vested rights.

On several occasions throughout each year, OID has been exceeding the continuous flow allowance and/or utilizing the river pumps outside the time of use specified on the diversion licenses. Please refer to the attached OID Five (5) Year Summary of River Pump Diversions for clarification. In accordance with Senate Bill 8, the State Water Resources Control Board (SWRCB) has adopted regulations requiring annual reporting of water diversion and use under existing licenses. In order to avoid exposure to any repercussions by the SWRCB, OID needs to remain within each of the license entitlement specifications. As such, OID staff prepared the attached technical memo with a recommendation for the future operation of the river pumps for review by the Water Committee. The river pump operation proposal is now being presented for discussion and input by full Board to provide subsequent direction for staff moving forward.

Staff's recommendation is to develop a tracking system with TriDam to spill water into the Stanislaus River at Goodwin Dam as necessary to compensate for any excess diversions during the season as well as for all diversions occurring from the beginning of each irrigation season to May 1st. Prior to the start of the irrigation season, river pump water would not be made available for frost protection or irrigation. However, OID deep wells would continue to remain available as an option for rent during this time of year. OID staff also recommends providing a one (1) year waiver of these conditions to allow time for any private improvements and/or modifications to be completed prior to the 2013 irrigation season.

ITEM NO. 27 **COMMUNICATIONS**

A. GENERAL MANAGERS REPORT

Safety Activities

1. OID has gone 69 days without a lost time injury accident.

Administration Activities

1. Continue to meet with OE3 bargaining group on renewal of labor contract.
2. Continued involvement in addressing Trinitas annexation issues.
3. Talked with ACWA/JPIA staff member John Gilstrap on how to reduce property and liability premiums. Answer was simple-stop having accidents!
4. Had lunch with Mike Burden who's leasing the Steve Fields property. Discussed their future operations there.
5. Participated in an Ag Careers Day at Enochs High School on February 17th.
6. Attended Sports Booster Dinner on February 18th.
7. Assembly Member Kristen Olsen is having an evening coffee hour on February 21st, from 6-7 at the Gene Bianchi Center.
8. The Chamber's Ag Luncheon is scheduled for February 23rd. This year's topic is, "What's the Buzz All About". OID is an event sponsor.
9. Stanislaus County Farm Bureau-Eastern Sectional Meeting to be held February 23rd, same night as San Joaquin County Farm Bureau-Escalon Section, is meeting.
10. TID Anniversary Evening planned for February 24th.

Contract and Special Project Activities

1. 2-Mile Bar Tunnel (CEQA & Engineering) – Agreement has been reached with the Hodgdon for the Two-Mile Bar Tunnel and Service Road easements. The letter requires the legal description for the Service Road easement which will require a survey to be conducted. The survey is scheduled for February 22, 2012. Once the plat and legal description has been provided the Letter of Offer will be sent to Hodgdon Enterprises, LP.

The Corps of Engineers, Sacramento Section, has responded to OID's letter with direction to proceed with NEPA process. CH2MHILL is preparing the documents with OID input.

2. Campbell Deep Well Pump and Motor Replacement – Amerine Systems commence work on February 10, 2012. The work must be completed on or before March 2, 2012.
3. Janitorial Bid Package was sent out on January 11, 2012 with the bids received on February 9, 2012. The recommended bidder is Jan-Pro Cleaning Systems and will be before the Board for Approval on February 21, 2012. Planned start date is March 1, 2012.
4. Crane Certification Request for Proposals was sent out on January 10, 2012 with the proposals received on February 10, 2012. The recommended bidder is Crane Care Operations and will be before the Board for Approval on February 21, 2012.
5. South Main Rehabilitation from the 2nd Concrete Flue to, and including, the Willms Siphon was started with a Kick-Off and project scope clarification meeting on February 2, 2012. Field investigation work begin on February 6, 2012 with engineers and surveyors reviewing the site
6. Two-Mile Bar Tunnel Design continuation started on February 2, 2012 with a Project Scope definition for the Third Stage Exploration geotechnical work. Drilling company has been identified and with drilling planned to start in May or June.
7. Paulsell Valley Water Conveyance System – A feasibility study of various options has been completed. A Technical Memo in being prepared for possible future development.
8. MID Water Conveyance System – A feasibility study and estimate for three options has been completed. A Technical Memo is in preparation for future project development.
9. Continued with audits of billings on services contracts and drafted contracts for renewal.
10. Continued with the District Standard Specifications Manual. Will follow the Construction Standards Institute (CSI) format.
11. Contract Administration activities on contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.

Construction Activities

1. Preparing specifications to go out to bid on items that were approved in the 2012 Budget.
2. Processing JSF's generated by the Water Department & Request for Work Approvals after the job has been reviewed.
3. Assisting Engineering Dept. as needed in preparation for the Honolulu Bar Project.
4. District crews are working on structure modifications for the installation of Rubicon Slipmeters on the Kearney, Heggie, Adams No. 2 and Gray Headgate structures.
5. District crews are completing tasks in preparation for the upcoming water season.

Engineering Activities

1. Honolulu Bar Mitigation Project – Working with FISHBIO, Support Services and the Pesticide Department with respect to construction planning this summer. Meeting held 2/9/12 to discuss with Project Team. USBR is planning gravel augmentation project on the Stan this summer and as such, it would appear that flows will be such to allow construction activities to commence. Start date modification request sent to Central Valley Flood Protection Board last week
2. Rubicon (TCC) – Assisting the Water Operations and Support Services Department as necessary.
3. SBX7-7 – Next A1 ASC meeting set for 3/30/12 in Sacramento. Currently working with other ag suppliers on a coordinated response to DWR's 2/3/12 DRAFT Report. Comments due 2/24/12. The Office of Administrative Law rejected the DRAFT Measurement Regulation. At this time the emergency reg has expired and as of 2/14/12, DWR is not sure how they will address OAL's comments or what impacts they have on the overall implementation timeline.
4. Ag Water Management Plan – JBD supporting Water Operations as necessary.
5. Long Term Irrigated Lands Program – Ongoing participation in both the Delta and East San Joaquin Coalitions.
6. STRGBA – USGS Groundwater Model progressing - slowly. JBD attended STRGBA meeting at MID on 2/2/12. Next STRGBA meeting will be 3/1/12 at Modesto ID.
7. Knights Ferry/Boatright – Progressing as directed.
8. Union Slough Water Quality Enhancement Project – All civil works have been completed. DRAFT O&M Agreement reviewed by GM and Mr. Jackson and sent to legal counsel for subsequent review.
9. Riggs Townhill Pipeline Encroachment Request – No progress to report.
10. Standard Details – Revised and signed 1/26/12. Notification letter and one hard copy sent to all "local" irrigation design companies.
11. Cost Estimates and Requests for Work – Assisting Support Services as necessary.
12. Reviewing numerous land use conversion projects with respect to new turnout installations, Ag Discharge Agreements and Encroachment Agreements.
13. Trieste – Proceeding per 2/7/12 Board action.
14. Trinitas – CEQA on hold for 2-3 months.
15. Ag Water Management Council – JBD attended meeting held 2/1/12 in Sacramento
16. Hinds Lateral Relocation – Meeting with Support Services, Water Ops and Mr. Bricchetto as necessary given 2/7/12 Board action.

Water Operations Activities

Ag Water

1. Incorporated Water Committee comments and prepared proposed river pump operating procedures for consideration by the full Board of Directors.
2. Conducted various landowner meetings and field review to discuss future private land conversion projects and misc. irrigation issues needing to be addressed before water deliveries commence next irrigation season.
3. Completed additional Job Setup Forms for remaining necessary misc. winter repairs and maintenance.

4. Pesticide Department continued pre-emergent herbicide applications and applied aquatic pre-emergent to select laterals around the District to lessen the use of Magnacide H.
5. Continued to prepare 2011 Annual Report for submittal to the SWRCB in accordance with the provisions of the NPDES General Permit.
6. Assisted Engineering Department in gathering necessary flow data and staking water levels for current private encroachment construction, land development and future OID projects.
7. Compiled and provided additional miscellaneous documentation for review and subsequent incorporation by Davids Engineering into an updated draft Agricultural Water Management Plan.
8. Continued to process and assist in the management of additional landowner requests for deep well rentals and conveyance channel agreements to accommodate winter irrigation with groundwater.
9. Continued management of District facilities to convey various operational inflows and winter storm flows through the system as necessary while also taking into consideration the locations of the current and proposed winter construction and maintenance activities.
10. Prepared staff recommendation for starting the 2012 water season on March 5th along with the proposed operating procedures during the season given the anticipated water shortage.
11. Preparing DSO training and orientation materials. Reviewing and updating rotation sheets in accordance with the Water Shortage Policy guidelines.
12. Integrating new SCADA sites into the ClearSCADA system for remote automated control and monitoring during the 2012 water season.

Water Operations Activities

Water Utilities

1. Improvement District No. 41: A meeting with the ID Committee was held on Monday, February 13th, to discuss the DRAFT cost comparison analysis on merging with the City of Oakdale versus staying a standalone system. An ID 41 general membership meeting has been scheduled for Wednesday, March 21st to review and discuss the analysis. In the meantime Pumping Station No. 3 remains out of service due to high turbidity issues.
2. Domestic Pumping Stations: Staff continues to conduct weekly inspection, servicing and security checks of the pumping stations. There is nothing unusual or out of the ordinary to report.
3. Sierra Sunset Pumping Station in RWS #1:
 - The 125hp submersible pump has failed and the pumping station is currently out of service to allow for the repairs.
 - Repairs are expected to take 4-6 weeks.
4. On-Call Activities:
 - Nothing to Report.
5. Irrigation Pumping Stations:
 - Staff conducted routine inspection, servicing and security checks of the winter drain pumping stations. There is nothing unusual or out of the ordinary to report.
 - All Irrigation pumping stations are ready for the 2012 Water Season.
 - Steinegul Deep Well Pump – Activated for frost control rental use.

- Tennant Deep Well Pump – Activated for frost control rental use.
 - Howard Deep Well Pump – Activated for frost control rental use.
 - Hirschfeld Deep Well Pump – Activated for frost control rental use.
 - Birnbaum Deep Well Pump – Activated for irrigation rental use.
 - S. Main #2 Deep Well Pump – Activated for use.
6. Furtado Deep Well Project:
- The pumping station is operational with the use of the standard motor control panel.
 - The installation of the VFD is currently underway.
7. Campbell Deep Well Project:
- The new pump has been installed and is currently undergoing testing.

Finance Activities

1. Continue to prepare closing entries for 2011 yearend, in addition to route accounting function (AP, AR, PR, billing, account reconciliations, etc.)
2. Prepared and mail out irrigation past due statements.
3. Prepared 2011 W2s.
4. Prepared 2011 1099s.
5. Finalized closing on the facilities relocation site.
6. Prepared Open Meeting Act Reimbursement Claim.
7. Continue to meet with bargaining groups on renewal of labor contracts.

B. COMMITTEE REPORTS

Water Committee Meeting, February 7, 2012

- Storm Drainage Agreement River (APN: 006-012-081 - Oak Grace Community Church)
- Annexation Requests of Hoekstra Dairy, Virgil Thompson and Gary Aldrin, Roy Conway, and Paul Dole
- Damage to Dorsey Spill Pipeline (APN: 006-087-006 - Sam Baker)
- Request for Encroachment Agreement on Sweet Pipeline (APN: 207-030-014 - Brian Dugo)
- River Pump Operating Procedures

C. DIRECTORS' COMMENTS/SUGGESTIONS

There were no Directors' comments/suggestions.

At the hour of 10:45 a.m. the meeting adjourned to Closed Session.

ITEM NO. 28
CLOSED SESSION

- A. **Government Code §54956.8** - Conference with Real Property Negotiator
Negotiating Parties: OID
Property: Potential Sites for Re-Location of District
Facilities – Corner of Greger Street and
Kaufman Road
Under Negotiations: Price and terms
- B. **Government Code §54957.6** – Conference with Labor Negotiator
Agency Negotiator: General Manager
Unrepresented Employee Organization: Operations Employees, Exempt
Management, Exempt Supervisory, and Confidential Employees
- C. **Government Code §54957.6** - Conference with Labor Negotiator
Agency Negotiator: Board of Directors
Unrepresented Employee Organization: IBEW and All Employees of the
Tri-Dam Project
- D. **Government Code §54956.8** – Conference with Real Property Negotiator
Negotiating Parties: OID and City of Brisbane
Property: Water
Agency Negotiators: General and Counsel
Under Negotiations: Price and Terms
- E. **Government Code §54956.9** - Existing Litigation
Eakin, et al., v. Oakdale Irrigation District
- F. **Government Code §54956.9(b)** - Anticipated Litigation
One (1) Case

Director Clark left the meeting at 11:30 a.m. and Director Webb took over the gavel.

At the hour of 12:10 p.m. the meeting returned to open session.

Coming out of Closed Session General Manager Steve Knell reported that by a vote of 4-0 the Board adopted the Resolution Approving Oakdale Irrigation District and City of Brisbane Term Sheet for Water Transfer Agreement (WSA) and authorized staff to forward the WSA and draft Term Sheet to the City of Brisbane.

OTHER ACTION
ITEM NO. 29

Members on the Board of Directors will reconvene at 1:30 p.m. on February 21, 2012 to participate in a Webinar to fulfill the AB 1234 Ethics Compliance Training requirement.

At the hour of 12:10 p.m. the Board meeting was adjourned. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, March 6, 2012 at 9:00 a.m.** in the board room at 1205 East F Street, Oakdale, CA.

The next Regular Joint Board Meeting for the **Tri-Dam Project** is scheduled for **Thursday, March 15, 2012 at 9:00 a.m.** in the board room of the South San Joaquin Irrigation District, 11011 East Highway 120, Manteca, CA.

Frank Clark, President

Attest:

Steve Knell, P.E., Secretary