

MINUTES

Oakdale, California
August 7, 2007

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:	Steven A. Webb, President Jack Alpers, Vice President Al Bairos, Jr. Frank B. Clark
Absent:	Tony Taro
Staff Present:	Steve Knell, P.E., General Manager/Secretary Kevin King, Water Operations Manager John Davids, Support Services Manager Gary Jernigan, Contracts & Special Projects Manager Kathy Cook, Chief Financial Officer

ADDITION OR DELETION OF AGENDA ITEMS

General Manager, Steve Knell, requested that Closed Session Item No. 19B be pulled from the agenda.

ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE

There were no items taken out of sequence.

At the hour of 9:02 a.m. the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 1

Grover Francis who resides on Milnes Road stated that we need to go back to ten day rotations. He stated that in the future he would appreciate it if everyone could get together and stay on the same track and keep the water in to keep the feed growing in a timely manner. He further stated that ten day rotations use very little more water than twelve day rotations when the ground is dry like it is.

Charles Marsolli from Riverbank was present and stated that if you put the water on a ten day rotation it covers the ground faster and you are actually saving water rather than wasting water. He stated that a lot of the ground can go twelve days, but a lot can not.

Ken Krause who resides on Wamble Road stated that if you have pasture and the clover is stressed right now and you take the water away you will end up with stressed clover for the rest of the summer. If you give the clover water now and stay on the ten day rotation and gradually increase the number of days in the rotation the clover will survive a lot better.

Don Taro who resides on S. Cometa Road stated that Mr. Knell stated he went out and tested our soil and it was compacted and had no water penetration. Mr. Taro stated that they ripped their land five years ago.

There being no further public comment, public comment closed at 9:24 a.m.

General Manager, Steve Knell, requested that Item No. 2 be pulled from the Consent Calendar. Director Alpers requested that Item No. 5 be pulled from the Consent Calendar.

CONSENT ITEMS
ITEM NOS. 3, 4

ITEM NO. 3
APPROVE OAKDALE IRRIGATION
DISTRICT STATEMENT OF OBLIGATIONS

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

ITEM NO. 4
APPROVE GENERAL SERVICES AGREEMENTS
FOR VARIOUS VENDORS AND CONTRACTORS
(SIERRA CONTROL SYSTEMS, INC. AND FAGUNDES & SONS, INC.)

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the General Services Agreements for various vendors and contractors (Sierra Control Systems, Inc. and Fagundes & Sons, Inc.).

ACTION ITEMS

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS' MINUTES
OF THE REGULAR MEETING OF JULY 24, 2007
AND RESOLUTION NOS. 2007-32 AND 2007-33

General Manager, Steve Knell, stated that there was an error in the Directors Minutes of the Regular Meeting of July 24, 2007, in that the adjournment time was incorrect. It should be 12:07 p.m. not of 2:30 p.m. and has been corrected.

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of July 24, 2007 and Resolution Nos. 2007-32 and 2007-33.

ITEM NO. 5
APPROVE NOTICE OF COMPLETION
FOR THE WATER RESOURCES PLAN

Director Alpers asked if the CEQA process was completed on the Water Resources Plan. General Manager, Steve Knell, stated July 20, 2007, was the last date that anyone could file suit against the District.

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to approve the Notice of Completion for the Water Resources Plan.

DISCUSSION ITEMS
ITEM NOS. 6, 7

ITEM NO. 6

Discussion on the Tuolumne Utilities District's request for the District's participation in the development of an integrated Regional Water Management Plan for the Stanislaus and Tuolumne River Water sheds.

The General Manager, Steve Knell, discussed this request with the Board Members. General Manager stated that it was the recommendation of the San Joaquin River Group to watch them and see what happens and not become involved at this time. There is no benefit to the District by participating.

ITEM NO. 7

Discussion on the Tri-Dam matters inclusive of agenda items for August 16, 2007 and report on Ad Hoc Committee regarding financial controls.

Director Alpers stated that the Tri-Dam Committee, Director Alpers and Director Webb, will be meeting with Bob and another Director from SSJID, at 8:00 a.m. prior to the Tri-Dam Meeting. He stated that there will be two topics; one will be the financial controls that OID Management has recommended; and the second will be a discussion on the salary and benefits for the General Manager of Tri-Dam.

Director Alpers also discussed the meeting with SEWD and stated that Bob Schultz and he met with the General Managers and members of SEWD and discussed the problems with regard to how SEWD took water inappropriately. SEWD did not follow the contract and by not following the contract the Districts felt that they incurred damages to the power generation, water functions, and the entire operation and were trying to agree on a monetary settlement.

COMMUNICATIONS
ITEM NO. 8

A. GENERAL MANAGERS REPORT

Safety Activities

1. 432 days without a lost time injury accident.

Administration Activities

1. Under VAMP, we owe MID 4,165 acre feet; 2,185 acre feet from SSJID and 2,185 acre feet of our own water. Discussing with MID the need to rollover water delivered under VAMP until next year or deliver it this year.
2. The "true-up" water this year will be 1,980 acre feet to Merced ID at a cost of \$60 per acre foot. Invoices will be coming.
3. Steelhead hearing for Oral Arguments against the listing is scheduled for August 20th.
4. Rough numbers from the radio telemetry done this year show that about 6-1/2% of the fish released in the San Joaquin River make it to the ocean. Predation seems to be the culprit.
5. Reviewing change of course for the SJRG to meet future water pressures on the eastside water districts.
6. GM spoke twice to the Oakdale Realtors Assn. Once on the status of the CCSF Study and once on improvement district operations. Bob Nielson attended the second talk.
7. Two Water Committee meetings; one on Veldstra issue and one on Rodden Ranch water reuse project.
8. Scheduled to meet tomorrow with SEWD to resolve issues on contract variances that occurred this year.
9. BOR Area Manager retiring, CDFG Director leaving.
10. The GM's contract will renew automatically under the same terms and conditions if not changed by September 30, 2007. GM requests that the Personnel Committee be tasked with discussions on renewal changes.

Water Operation Activities

1. Have gone to 12 day rotations.
2. Water budget will be tight the remainder of this year.
3. Pumped 2,600 acre feet of groundwater in July. Last year we pumped 1,526 acre feet the whole year.

Finance Activities

1. OID Budget preparation.
2. ID Budget preparation.
3. Auditor Request for Proposal preparation.
4. Continue pursuing options for ID 52 financing.
5. Preparation of submittal of 2007 delinquencies to counties.
6. Continued with internal fuel use audit.

Contract and Special Project Activities

1. Provided Support to P&P and CH2MHILL for the continuation of the North Side Regulating Reservoir.
2. P&P completed field work for Topographic map on the North Side Regulating Reservoir.
3. Worked with P&P for the water conveyance system modifications for transfer of ownership to the Knights Ferry landowners.
4. Continued with the cost optimizing of Capital Projects for budgeting for 2008-2012 and 2009-2013.
5. Continued field investigations for the Water Loss Recovery Program.
6. Continued field investigations to support CH2MHILL on the water conveyance to the Modesto Reservoir.
7. Continued document review of PEIR for the CCSF Water System Improvement Project.
8. Contract Administration on issued contracts and contracts to be renewed and/or issued.

Construction and Engineering Activities

1. Plan and specification review for Brichetto/Claribel and Burnett/Tulloch Diversions.
2. Plan check for proposed new school in the City of Riverbank.
3. Processing on-going Suspense Forms.
4. Preparation and review of 2007/2008 winter work projects.
5. Organization of 2007/2008 winter work season.
6. Preparing items for auction.
7. Finished repairs to the Moulton Pipeline along Wilkins Road.
8. Finishing repairs to the Knights Ferry Town Line along Sonora Road.
9. Normal summer C&M projects.

B. COMMITTEE REPORTS

Water/Engineering Committee Meetings

Tuesday, July 24, 2007 @ 1:30 p.m.

- Veldstra Turnout on Howard Lateral
- Twer Status

Wednesday, August 1, 2007 @ 8:00 a.m.

- Evaluate Water Re-Use Program on Jackson Ranch

Director Webb discussed the Water/Engineering Committee Meetings.

- Veldstra – He currently has one turnout for four parcels and he wants to change it so that each parcel has a turnout. The committee recommended that we place a turnout upstream by the District's box that will accommodate everybody.
- Twer – He did not get back to the District with any information and we should put this item back on the agenda with the recommendation to hard pipe around that pond. Director Clark stated that Mr. Twer would like this matter postponed until the end of September when his dog training is complete. He is going to bring in

some of the individuals who actually worked on the project. Director Webb stated that this should go back to the Water/Engineering Committee.

- Jackson Ranch (Rodden Ranch) – Director Webb stated that this was a very enlightening trip to Rodden Ranch and he would like all Board members to go out and see it. They have set up quite an elaborate water re-use program. He stated that in the future we need to work with them to make a pond so that they can take the water, put it to use, and maybe annex in five hundred acres.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Alpers

Director Alpers stated that he had a couple of points that he wanted to discuss; one, he thinks that the audience needs to be aware of the fact that on any given year in the Oakdale Irrigation District depending on various factors our needs fluctuate by 30,000 acres feet. Every year is different. This year was different because the District started early, last year we had all kinds of water so we did not start early and the District looked good at the end of the year. When we sit here and criticize the water department for how they are managing the water keep in mind that the District is working with a 30,000 acre foot variable which is about 16% or 18% of the water that we irrigate with. Second, he stated that the biggest issue that is going to face the District in the next thirty years is water rights. We are getting the biggest threat we have ever had. He stated that there are eleven agencies that want more water down the Delta, whether it is Cal Fish and Game, Delta Keepers, Bay Keepers, etc. He stated that there are real, multiple threats for our water rights in the Sierra and that is important because OID will disappear if they come in and say that they are taking 100,000 acre feet of our water. He stated that this is not the perennial, "protect your water rights discussion." He stated that he thinks that this is the biggest thing coming down. We have the San Joaquin River Group that have been fighting to resolve this problem, we have Tri-Dam pouring money down the river and it is costing a lot of money, but we are trying to protect some very valuable water rights and we are trying to do it as a group. He stated that he thinks that we have conceded too much to these groups in fishery studies and money. Every time we concede a little they take a little more, and their overall strategy is to keep chipping away at us. He stated that everyone should study the issue and decide whether we are going to stand up for our water rights and tell them that we are through giving them all of this money and take them on heads first. He also stated that the Directors are abusing their responsibility by allowing the General Manager and Water Counsel to handle these issues without greater participation. Everyone has an obligation to know what the River Group is doing. We need to have a discussion on this issue at one of the September Board Meetings.

Director Clark

Director Clark stated that along the same lines as Director Alpers there was an article in the Modesto Bee by a Guest Reporter who represents a large contingency of environmentalists and his comment was that it is time to, "revisit these antiquated water rights in California." It is time that the taxpayers quit subsidizing the farmers; that the farmers are receiving all of the advantages and the residents in the bay area are paying the bill. He stated that this issue is coming. They want to revisit these water rights, they want to reassign who gets what water and they want to make the farmers pay a lot more for the water. Director Clark

also wanted to know the status of the leak on the Joint Main. General Manager, Steve Knell, stated that at this point they are going to just leave it alone rather than take the water out for three days to fix the leak. Kevin King, Water Operations Manager, stated that the leak is not very big and is maybe ½ cfs.

Director Bairos

Director Bairos asked if we put in our newsletters facts about the different ways that ranchers can improve their soil. General Manager, Steve Knell, stated that he and the Water Operations Manager, Kevin King, had discussed having the District's Fall newsletter focus on these types of issues.

Director Webb

Director Webb stated that the District needs to meet with Tri-Dam and get more education on the fishery studies. He stated that we spend so much money on fishery studies and we need to get out and tell the people what we are doing and why we are spending that money. He further stated that he thinks that the District should be heading towards fixing the habitat along the river versus spending more money on fish studies. Director Webb also asked the General Manager to speak to SSJID about fixing the leak on Shell Road in Knights Ferry.

CLOSED SESSION
ITEM NO. 9

This item was pulled from the Agenda.

OTHER ACTION
ITEM NO. 10

At the hour of 10:22 a.m. a motion was made by Director Alpers, seconded by Director Clark and unanimously supported to adjourn to the next **Board of Director's Meeting on Tuesday, August 21, 2007, at 9:00 a.m.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA.

The next **Joint Board Meeting for the Tri-Dam Project** has been scheduled for **Tuesday, August 16, 2007, at 9:00 a.m.** in the Board Room of the Oakdale Irrigation District 1205 East F Street, Oakdale, California.

Steven A. Webb, President

Attest:

Steve Knell, P.E., Secretary