

## **MINUTES**

Oakdale, California  
November 4, 2008

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:            Jack D. Alpers, President  
                         Al Bairos, Jr., Vice President  
                         Frank B. Clark  
                         Steve Webb  
                         Tony Taro

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

### **ADDITION OR DELETION OF AGENDA ITEMS**

General Manager Steve Knell requested that Consent Item Nos. 15 and 16 be deleted from the Agenda.

### **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. 2**

Tom Orvis of Stanislaus County Farm Bureau was present at the Board Meeting and stated that he was hired about six (6) weeks ago to fill a new position, Governmental Affairs and Outreach, within the community and within state, local and federal government and the Oakdale Irrigation District is part of that. On behalf of the Board and membership he advised the Board of Directors that they are here to work with and assist the District.

Steve Fields was present at the Board Meeting to comment on the October 22, 2008 letter that was directed to him by the District. Mr. Fields asked the Board if they wanted to make a proposal to him. The Board of Directors advised Mr. Fields that any communication had to go through the respective attorneys.

Director Alpers requested that Item No. 13 be pulled from the Consent Calendar; Director Bairos requested that Item Nos. 8, 9, and 13 be pulled from the Consent Calendar; and Director Clark requested that Item Nos. 3, 9, and 10 be pulled from the Consent Calendar.

**CONSENT ITEMS**  
**ITEM NOS. 2, 4, 5, 6, 7, 11, 12, 14**

**ITEM NO. 2**  
**APPROVE THE BOARD OF DIRECTORS'**  
**MINUTES OF THE REGULAR MEETING**  
**OF OCTOBER 21, 2008 AND RESOLUTION NOS. 2008-46**  
**2008-47, 2008-48, 2008-49, 2008-50, 2008-51, 2008-52, 2008-53, AND 2008-54**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of October 21, 2008 and Resolution Nos. 2008-46, 2008-47, 2008-48, 2008-49, 2008-50, 2008-51, 2008-52, 2008-53, and 2008-54.

**ITEM NO. 4**  
**APPROVE IMPROVEMENT**  
**DISTRICT 52 STATEMENT OF OBLIGATIONS**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve Improvement District 52 Statement of Obligations.

**ITEM NO. 5**  
**APPROVE RESOLUTION ESTABLISHING**  
**DOMESTIC WATER RULES FOR DELINQUENT CHARGES**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Resolution Establishing Domestic Water Rules for Delinquent Charges.

**ITEM NO. 6**  
**APPROVE RESOLUTION FOR DESIGNATION**  
**OF BANK ACCOUNTS AND SIGNATORIES**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Resolution for Designation of Bank Accounts and Signatories.

**ITEM NO. 7**  
**APPROVE ASSIGNMENT OF**  
**CAPITAL WORK ORDER NUMBERS**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the following capital work order numbers:

<u>Facility</u>	<u>Project Description</u>	<u>Estimated Cost</u>	<u>Work Order No.</u>
<b>Revised</b> South & Dry	Rehabilitate structures located 2,300' upstream of where the Dry Creek crosses the Oakdale Waterford Highway. The rehabilitation includes new control structures, 3-C10 canal gates, 2 stilling wells, 2- Rubicon flumegates, a precast weir, rip-rap, 540' shotcrete, and fencing.	\$322.700 <i>(previously reported: \$291,500)</i>	0845

**ITEM NO. 11**  
**APPROVE GENERAL SERVICES AGREEMENTS FOR**  
**VARIOUS VENDORS AND CONTRACTORS (I J LARSON PUMPS,**  
**INC., A-Z BUS SALES, QUICKSAND EXPRESS, INC.,**  
**DON PEDRO PUMP, AND PACIFIC TRUCK)**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve General Services Agreements for various vendors and contractors (I J Larson Pumps, Inc., A-Z Bus Sales, Quicksand Express, Inc., Don Pedro Pump, and Pacific Truck).

**ITEM NO. 12**  
**APPROVE PROFESSIONAL SERVICES AGREEMENT**  
**WITH BUMGARDNER BIOLOGICAL CONSULTING**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Professional Services Agreement with Bumgardner Biological Consulting.

**ITEM NO. 14**  
**APPROVE ENCROACHMENT AGREEMENT ON**  
**THE NORTH MAIN CANAL (APN: 002-068-039 – CONDE FARMS)**

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Encroachment Agreement on the North Main Canal (APN: 002-068-039 – Conde Farms).

**ACTION ITEM**  
**ITEM NOS. 3, 8, 9, 10, 13, 17, 18, 19**

**ITEM NO. 3**  
**APPROVE OAKDALE IRRIGATION**  
**DISTRICT STATEMENT OF OBLIGATIONS**

Director Clark asked why we rented a compressor from United Rentals for \$1,600 when we purchased two compressors from Holt. Support Services Manager Jason Jones stated that the \$1,600 check to United Rentals was for the purchase of a compressor. The District purchased a total of three compressors; two from Holt and one from United Rentals.

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

**ITEM NO. 8**  
**APPROVE RENEWAL OF MEMBERSHIP**  
**DUES FOR THE ASSOCIATION OF**  
**CALIFORNIA WATER AGENCIES FOR 2009**

Director Bairos asked the General Manager to explain what ACWA does for the District. General Manager Steve Knell stated that the District was one of the eight founding members of ACWA and the first President of ACWA was from the Oakdale Irrigation District. ACWA has multiple committees within ACWA; legislative committees, legal committees, ag committees, municipalities, water treatment to cover the entire gambit of the water business. It is a voice of the water districts in Sacramento to the Governor in that ACWA makes recommendations on various water politics in California.

A motion was made by Director Bairos, seconded by Director Alpers, and unanimously supported to approve renewal of membership dues for the Association of California Water Agencies for 2009 in the sum of \$14,160.

**ITEM NO. 9**  
**APPROVE WORK RELEASE TO GENERAL**  
**SERVICES AGREEMENT 2007-GSA-049 FOR A-Z BUS SALES**

Directors Bairos asked the General Manager to explain what this agenda item is and about the grant that was given to the District. General Manager Steve Knell stated that in the horizon there is the likelihood of changes in the air quality regulations for those vehicles categorized in the off-road heavy diesel usage. The General Manager stated that you could apply to the State for a grant to pay for the conversion of these vehicles. The District applied for and received a grant for \$75,000 which will cover the cost for the conversion of three off-road vehicles.

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Work Release to General Services Agreement 2007-GSA-049 for A-Z Bus Sales in the amount of \$74,939.16.

**ITEM NO. 10**  
**APPROVE WORK RELEASES TO PROFESSIONAL**  
**SERVICES AGREEMENT 2007-PSA-008 TO GIULIANI**  
**AND KULL FOR CONSTRUCTION MANAGEMENT SERVICES**

Director Clark stated that this agenda report concerned work releases for Giuliani and Kull to provide oversight on projects. He stated that they did the oversight last year with RTC and that did not turn out good. Director Clark asked if the District gives other companies the opportunity to bid on this oversight or if we only use Giuliani and Kull. General Manager Steve Knell stated that the District has General Services Agreements with Condor, Giuliani and Kull, and Provost & Prichard for these services. All of them are being used on various projects of the District. Gary Jernigan Contract/Special Projects stated that he is also overseeing all of these projects and the individuals conducting oversight on the projects.

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the Work Release to Professional Services Agreement 2007-PSA-008 to Giuliani and Kull for construction management services.

**ITEM NO. 13**  
**APPROVE AWARD OF BID TO TARGET SPECIALTY**  
**PRODUCTS FOR PESTICIDE/HERBICIDE**  
**MATERIAL SERVICES FOR BUDGET YEAR 2009**

Director Alpers stated that why we only received one bid if we submitted the request to seven applicants. Water Operations Manager Kevin King stated that last year we received three proposals and he did not know why the District only received one bid this year. This year Target was the only company who provided a bid to the District.

A motion was made by Director Alpers, seconded by Director Webb, and unanimously supported to approve the award of bid to Target Specialty Products for pesticide/herbicide services for budget year 2009.

**ITEM NO. 17**  
**REVIEW AND TAKE POSSIBLE ACTION**  
**TO APPROVE ACCESS AGREEMENT FOR**  
**VIRGIL L. THOMPSON AND JOANNE S. THOMPSON**  
**AS TRUSTEES FOR THE VIRGIL AND JOANNE**  
**THOMPSON LIVING TRUST (APN: 002-023-015/016)**

Based on a Water Committee Meeting and a Board presentation from Mr. Virgil Thompson, regarding concerns with their property used for access by OID, General Counsel Mike Ijams was requested to create an "Access Agreement" that addressed those concerns. Attached is that Agreement.

While most of Mr. Thompson's concerns have been addressed, some presented legal and administrative concerns for both General Counsel and Staff. Items 3 and 4 of the October 14, 2008 staff memo from the Water Committee Meeting are of particular concern. More specifically, the requests for unlimited access for crossings over OID facilities and for the waiving of all future encroachment agreement fees. The first issue presents an Administrative problem; the second presents a legal problem. In both issues however the argument is similar.

This will be a recorded agreement to go with the land. Mr. Thompson or his heirs and assigns will eventually subdivide and split and sell all these lands into countless, if not hundreds of separate parcels, lots, subdivisions, etc. involving individuals who, as we have today in our district, little concern for the needs of an irrigation district trying to deliver water to agriculture. While Mr. Thompson is a reasonable man the likelihood of all his heirs and assigns and subdivision owners being as reasonable is less likely. Giving away the OID right to control access on its system, as is requested, is something both Staff and General Counsel can not support.

The second request regarding the waiving of any and all encroachment agreement fees is simply a blank check to Mr. Thompson's heirs and assigns and other inheritors of this land. Staff could recommend a "fixed number" along the 2-1/2 mile frontage of Mr. Thompson's land to the OID system, but not a blank check for any and all crossings.

Mr. and Mrs. Thompson were present at the hearing and stated that the Access Agreement was missing two items that were discussed in the Water Committee Meeting.

Director Webb made a motion that the Thompsons can get six encroachments with no fees as long as they meet the State, OID, and County standards and it does not interfere with any operations or cleaning or maintenance of the District's facilities. Director Alpers seconded the motion for discussion.

After a lengthy discussion between the Directors and the Thompsons, the motion made by Director Webb was withdrawn and it was agreed that the Access Agreement would be redrafted and sent out to the Board and the Thompsons for review before it would be brought back to the Board for further discussion.

**ITEM NO. 18**  
**REVIEW AND TAKE POSSIBLE ACTION TO**  
**APPROVE RESOLUTION OF FINDINGS FOR**  
**ACQUISITION OF NORTH SIDE RESERVOIR**  
**PROPERTY (APN: 002-052-023/025 – JOSLIN FAMILY)**

Staff recommends approval of Resolution as provided.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Resolution of Findings for Acquisition of North Side Reservoir Property (APN: 002-052-023/025 – Joslin Family).

**ITEM NO. 19**  
**REVIEW AND TAKE POSSIBLE ACTION TO**  
**APPROVE AN AGREEMENT FOR PURCHASE**  
**AND SALE AND ESCROW INSTRUCTIONS FOR**  
**ACQUISITION OF NORTH SIDE RESERVOIR**  
**PROPERTY (APN: 002-052-023/025 – JOSLIN FAMILY)**

Staff recommends approval of Agreement as provided.

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve an Agreement for Purchase and Sale and Escrow instructions for Acquisition of North Side Reservoir Property (APN: 002-052-023/025 – Joslin Family).

**DISCUSSION ITEM**  
**ITEM NO. 20**  
**DISCUSSION STATUS OF CALIFORNIA**  
**WATER SITUATION BY GENERAL MANAGER**

There are general concerns at the State level that the impact of a drought to this State, coupled with the current economic climate and the likelihood of a prolonged recession could create a devastating blow to California. The likelihood of the State enacting measures to lessen this blow are being discussed that could impact all ag water users in the State.

The General Manager briefed the Board on options/impacts to the OID and its constituents in this environment, should it occur.

John Brichetto and Henry Vanderpol were present and commented on the discussion item.

**COMMUNICATIONS**  
**ITEM NO. 21**

A. **GENERAL MANAGERS REPORT**

**Safety Activities**

1. 173 days without a lost time injury accident.

**Administration Activities**

1. City of Modesto meeting on regional water treatment scheduled for November 7th.
2. Met with Attorney Handy on Moushilou v. OID
3. JPIA's new property insurance Representative here on October 29<sup>th</sup>.
4. OID Benefits Fair is November 6<sup>th</sup>. A great program is being offered.
5. Bond meetings with Staff to be held through November in preparation of the documents
6. SJRA Commissioners meeting scheduled for November 14<sup>th</sup>
7. Veteran's Day is the 11<sup>th</sup>, a Tuesday. Offices to be closed.
8. Tri Dam meeting for the 20<sup>th</sup> may be rescheduled to the 18<sup>th</sup>

**Contract and Special Project Activities**

1. An updated invoice reflecting interest charges being sent to RTC. RTC working with the financial institution which has stated they need some additional information.
2. Cape Horn Tunnel – Drill Tech completed the Check Dam and started the sedimentation basin installation. Also, Drill Tech started and completed the ramp to the portal concrete construction. Once the ramp was completed, mucking out the downstream portal commenced. Drill Tech also drilled two additional access shafts for pump hose for the Shotcrete. The Notice to Proceed on the Upstream Portal work was issued. The California Tiger Salamanders (CTS) study was installed at the Upstream Portal area and is ready for the work to begin.
3. Little John Creek Dam Project – Teichert Construction begin the construction effort with the coffer dam installation, demolition, rip rap removal and underground installation. Also, the face of the dam was sandblasted and the drilling and installation of the dowels

was completed. Rebar was installed and the form work installation commenced. Scheduled for completion 12/19/08.

4. Riverbank/South Main - Sierra Mountain completed the demolition of the existing structures and started the grading and shaping of the canal banks. Due to a large amount of unsuitable material on the canal invert may lead to importing fill to rebuild approximately 700 feet of the canal invert. Provost & Pritchard is reviewing now for an alternate to imported fill.
5. Fairbanks/Cometa Control Structure Rehabilitation - Teichert Construction started mobilization on October 29<sup>th</sup>. Construction of the Access road started on October 31<sup>st</sup> and completed on November 3<sup>rd</sup>. The bypass system installation started on November 3<sup>rd</sup> and will complete on November 5<sup>th</sup>. Project is scheduled for completion first week in January, 2009.
6. Fairbanks/SSJID Main – Preston Pipeline completed the demolition, installation of the dewatering system, sub grade preparation and Cunningham started the box culvert slab installation.
7. USFWS issued letter for study of the California Tiger Salamander at the upstream portal of the Cape Horn Tunnel. Drift fence installation will start on October 21, 2008. Study will cover the 2008/2009 winter season construction of the Upstream Portal can begin.
8. Contract Administration activities on issued contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.

### **Construction & Maintenance Activities**

1. Review of Job Set Up Forms
2. Review of Request For Work Approvals
3. On-going review for potential dirt sites
4. Various Landowner meetings
5. Performance Evaluation preparation
6. #0845 Dry Creek/South Structure Rehabilitation-Rebar and concrete have been placed in the floor section of the diversion structure. Forms are being placed for the walls. RCP and PVC pipe are in the process of being laid. Downstream pre-cast structure has been placed. Job is 55%complete.
7. #0848 Albers I/II Structure Rehabilitation- Rebar and concrete have been placed in the floor section of the diversion structure. Forms are being placed for the walls. RCP and PVC pipe are in the process of being laid. Job is 50% complete.
8. #0833 Cavil No.2 Pump Line Turnout Modifications-70% complete
9. #0832 Mensinger Lateral- Gate Replacement-100% complete
10. #0801 Rodden High Line- Gate Replacement-100% complete
11. #0834 Droge Pump Weir- 70% complete

### **Engineering Activities**

1. Ongoing Suspense Forms.
2. Board Agenda Report preparation.
3. Master Encroachment Agreement preparation. MID, PG&E, City of Oakdale and City of Riverbank draft complete. Draft documents have been sent to Legal Council for review and their comments were received last week. Staff currently reviewing their comments and making changes as needed.
4. Stanislaus County Road Crossing Agreement. DRAFT Agreement sent to STANCO last week.



5. OID Standard Detail Review.
6. Draft Structure Permit complete, John Davids to review
7. Modified Land Reclassification Checklist complete, waiting internal Staff Review.
8. Working with various Irrigation Design Companies on new turnout designs for construction this winter.
9. Assisting Mr. Jernigan in compliance with the CEQA phase of the Cape Horn Tunnel Project.
10. Engineering Department Staff assisting Mr. Jernigan with construction inspection activities on this winters contracted projects.
11. List of Capital Projects for design and construction during the 2009/2010 construction season completed and distributed to Provost and Prichard, Inc. Survey activities and preliminary design underway.
12. Preparing early CEQA analysis for new projects.
13. Service Standard Review.
14. North Side Reservoir property acquisition nearly complete. Notice of Election to Proceed prepared and distributed to Owner and Title Company. Legal Counsel preparing final Agreement outlining final terms and conditions. To Board for approval at second meeting in November. North Side Reservoir CEQA "kicked off" last week with CH2MHill.
15. Conde's CEQA package is complete. Waiting for compliance with three (3) outstanding conditions of approval before the package will be taken to the Board for approval and subsequently sent to LAFCO for their review. Conde's have submitted a new turnout application and Encroachment Agreement application for their proposed rotating screen.
16. DRAFT Agreement with V.A. Rodden complete. Awaiting Water/Engineering Committee review and V.A. Rodden Legal Counsel review.
17. Revisions being made to DRAFT Settlement Agreement for the Lubbers.
18. Mr. Eric Thorburn took his professional engineering exam on 10/24/08 and 10/25/08. He should have his results in 12 → 13 weeks.
19. Reviewing locations for two (2) new deep wells. Land acquisition and design to begin shortly.
20. Environmental Assessment on Cahoon property complete, no hazardous materials found. Follow-up letter sent to Mr. Cahoon. OID to proceed with removal of remaining obstructions. W.C. Maloney has been contacted and will provide an estimate for the work to be done.
21. Review of Thompson Memorandum of Understanding.
22. Assistance with Magente Tulloch Lateral issue as needed.

### **Water Operations Activities**

1. New Claus Drain Pump installed and operational
2. Evaluating two new well sites, landowner meetings to be held soon
3. Preparing for storm water sampling for Irrigated Lands Program
4. Received telephone notice from DWR on October 29, 2008 that OID will be awarded funding for Phase II of the Wellfield Optimization Project
5. Meeting with RWQCB on Coop Pipeline Issue
6. Monitoring & Patrolling Distribution System for illegal encroachments and discharges
7. Coordinating pump rentals and water delivery
8. Preparation and Notification of Surface Water Shortage Workshop to be held on November 4, 2008.

### **Finance and Accounting Activities**

1. A reminder that November 6<sup>th</sup> is the District's Annual Benefits Fair. Flu shots and health screenings will be available.
2. Continue to work on updating billing information for the 2009 Irrigation Water statements. These statements will be mail out the week of November 2<sup>nd</sup>.
3. Meet with ACWA JPIA's Risk Management Consultant with Derek Davis to give a District tour. The purpose of this tour is to familiarize JPIA with the District's operation so that they can evaluate potential risk and make recommendation to mitigation this risk.
4. Prepared resolution for the filing of liens on domestic water delinquencies properties.
5. Reviewing banking options.
6. Draft of 2009 budget ready for Finance Committee review.
7. Routine accounting functions (AP< AR, PR, billing, reconciliations, etc.)

### **B. COMMITTEE REPORTS**

There were no committee meetings to report.

### **C. DIRECTORS' COMMENTS/SUGGESTIONS**

#### Director Webb

Director Webb stated that the Directors need to insist at the next Tri-Dam Meeting that the new power contract with Shell is tracked and compared to the P.G.&E. contract so that we can see if the District is in fact making more money.

Director Webb also stated that he understands that there are policies and procedures to follow; however, at the end of the day let's all remember who we work for.

#### Director Clark

Director Clark had not comments.

#### Director Bairos

Director Bairos asked the General Manager Steve Knell to check with the Oakdale Leader to make sure that everything is clear in the article on the purchase of property for the North Side Reservoir.

#### Director Taro

Director Taro stated that we are missing a chance for slow growth in this valley. He commented on a letter sent to the General Manager from an entity who wanted to bring more people into this area so that we have a better selection of employees. He stated that he thinks that we have too many people now that are using up our water.

#### Director Alpers

Director Alpers asked staff to make a reservation for him to attend the conference at UOP on November 20, 2008.

At the hour of 10:52 a.m. the Board moved to Closed Session.

**CLOSED SESSION**  
**ITEM NO. 22**

- A. Government Code §54956.9(b) Anticipated Litigation**  
One (1) Case
- B. Government Code §54956.9 Existing Litigation**  
*Karen Eakin v. Oakdale Irrigation District*

At the hour of 11:15 a.m. the Board returned to open session.

General Manager Steve Knell stated that there was no reportable action following Closed Session.

**OTHER ACTION**  
**ITEM NO. 23**

At the hour of 11:15 a.m. the meeting was adjourned. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, November 18, 2008 at 9:00 a.m.** in the board room at 1205 East F Street, Oakdale, CA.

The next Joint Board Meeting for the **Tri-Dam Project** is scheduled for **Thursday, November 20, 2008 at 9:00 a.m.** in the board room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, CA.

\_\_\_\_\_  
Jack D. Alpers, President

Attest:

\_\_\_\_\_  
Steve Knell, P.E., Secretary