

MINUTES

Oakdale, California
November 16, 2016

The Board of Directors of the Oakdale Irrigation District invited all to recite the Pledge of Allegiance and then met in Special Session at the hour of 6:00 p.m. Upon roll call, there were present:

Directors: Steve Webb, President
Herman Doornenbal, Vice President
Gary Osmundson
Gail Altieri
Linda Santos

Staff Present: Steve Knell, General Manager/Secretary
Eric Thorburn, Water Operations Manager
Jason Jones, Support Services Manager
Kathy Cook, Chief Financial Officer/Treasurer

Also Present: Fred A. Silva, General Counsel

ADDITION OR DELETION OF AGENDA ITEMS

There were no additions or deletions of agenda items.

ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE

There were no items taken out of sequence.

At the hour of 6:01 p.m., the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 1

Director Webb stated that he spoke with the Attorney Silva prior to the meeting and was advised that there will not be any public comment regarding what is happening in District 4 during Public Comment because it is out of the Board's jurisdiction.

Robert Frobose disagreed with Director Webb's comment and began commenting on a petition regarding moving water from north to south. Attorney Fred Silva stated that this is related to the recall petition and he should not discuss it any further. Mr. Frobose also commented on Item 9 of the Minutes from the Board Meeting of November 1, 2016. He stated that the timeline contained in this agenda item is incorrect.

Damon Woods, 10235 Buck Meadows Drive, Oakdale, read a prepared statement about cooperation.

There being no further public comment, public comment closed at 6:16 p.m.

Director Santos pulled Item No. 2 from the Consent Calendar; and Director Altieri pulled Item No.3 from the Consent Calendar.

CONSENT CALENDAR
ITEM NOS. 4, 5, 6, 7, 8, 9, 10, 11, 12, 13

ITEM NO. 4
APPROVE ASSIGNMENT OF
CAPITAL WORK ORDER NUMBERS

A motion was made by Director Osmundson, seconded by Director Santos, and unanimously supported to approve the following assignment of Capital Work Order Numbers:

<u>Facility</u>	<u>Project Description</u>	<u>Estimated Cost</u>	<u>Work Order No.</u>
<u>Revised</u> Adams Lateral No. 2	Remove and install 1,300' 15" 100 PSI PIP PVC, 1-Krohne Enviromag 2000 flow meter, 1-15" Line gate, and other appurtenances. Original approval amount \$86,600. (APNs: 010-039-029/033/043/044)	\$84,500	2016-041
<u>New</u> Burnett Lateral	Install 1-16" Krohne Enviromag, 2-15" flanged Bolt-on couplers, 20' of 15" 100 PSI PIP PVC, 1-air vent assembly, and 2-concrete connection Collars. (APN: 002-051-010)	26,200	2016-052
Stone Pipeline	Replace approx. 1,200 LF of 18" 100 PSI PIP PVC, 1-18" line gate, 3-4" Fresno series 3000 vacuum relief valves, 1-18" starter coupler, 1-12" line gate, and 1-air vent assembly. (APN: 010-006-025/026)	68,900	2016-054
West Thalheim	Remove and install 2,700' 36" 100 PSI PIP PVC, 5-Krohne Enviromag 2000 flow meters, 7-18" line gates, 1-15" line gate, 1-24" x 13' Fresno 101C slide gate, 1-36" x 12.5' Fresno 101C slide gate and misc. appurtenances.	563,900	2016-053

ITEM NO. 5
APPROVE ANNUAL RENEWAL OF SECTION 125 PLAN
WITH REDWOOD HEALTH SERVICES EFFECTIVE JANUARY 1, 2017

A motion was made by Director Osmundson, seconded by Director Santos, and unanimously supported to approve the annual renewal of Section 125 Plan with Redwood Health Services effective January 1, 2016.

ITEM NO. 6
APPROVE WORK RELEASE NO. 025 TO GENERAL SERVICES
AGREEMENT 2013-GSA-032 WITH NORTHERN STEEL, INC. FOR
CUTTING, BENDING, AND PLACEMENT OF REBAR FOR ONE (1) EA.
STANDARD CONTROL STRUCTURE LOCATED ON THE WEST THALHEIM PIPELINE

A motion was made by Director Osmundson, seconded by Director Santos, and unanimously supported to approve Work Release No. 025 to General Services Agreement 2013-GSA-032 with Northern Steel, Inc. for cutting, bending, and placement of rebar for one (1) ea. standard control structure located on the West Thalheim Pipeline.

ITEM NO. 7
APPROVE WORK RELEASE NO. 026 TO GENERAL
SERVICES AGREEMENT 2013-GSA-032 WITH NORTHERN
STEEL, INC. FOR CUTTING, BENDING, AND PLACEMENT OF
REBAR FOR TWO (2) EA. BRIDGE FOOTING ABUTMENTS AND FOUR (4)
EA. WING WALLS LOCATED ON THE NORTH MAIN CANAL – FIELDS RANCH

A motion was made by Director Osmundson, seconded by Director Santos, and unanimously supported to approve Work Release No. 026 to General Services Agreement 2013-GSA-032 with Northern Steel, Inc. for cutting, bending, and placement of rebar for two (2) ea. bridge footing abutments and four (4) ea. wing walls located on the North Main Canal – Fields Ranch.

ITEM NO. 8
APPROVE WORK RELEASE NO. 027 TO GENERAL SERVICES
AGREEMENT 2013-GSA-032 WITH NORTHERN STEEL, INC. FOR CUTTING,
BENDING, AND PLACEMENT OF REBAR FOR ONE (1) EA. STANDARD
DROP STRUCTURE LOCATED ON THE ALBERS/STOWELL LATERAL

A motion was made by Director Osmundson, seconded by Director Santos, and unanimously supported to approve Work Release No. 027 to General Services Agreement 2013-GSA-032 with Northern Steel, Inc. for cutting, bending, and placement of rebar for one (1) ea. standard drop structure located on the Albers/Stowell Latera.

ITEM NO. 9
APPROVE REQUEST FOR NEW IRRIGATION SERVICE TO A
SUBSTANDARD PARCEL SERVED BY THE BURNETT
LATERAL (APN: 006-001-061 – MARCO A. AND MARIA I. CASILLAS)

A motion was made by Director Osmundson, seconded by Director Santos, and unanimously supported to approve the request for new irrigation service to a substandard parcel served by the Burnett Lateral (APN: 006-001-061 – Marco A. and Maria I. Casillas).

ITEM NO. 10

**APPROVE ENCROACHMENT PERMIT ON THE
ADAMS LATERAL NO. 2 (APN: 010-039-043 – KENNETH
C. JOHNSON, JR. AND LAURA C. JOHNSON 2013 TRUST)**

A motion as made by Director Osmundson, seconded by Director Santos, and unanimously supported to approve the Encroachment Permit on the Adams Lateral No. 2 (APN: 010-039-043 – Kenneth C. Johnson, Jr. and Laura C. Johnson 2013 Trust).

ITEM NO. 11
**APPROVE AGRICULTURAL DISCHARGE PERMIT ON THE
MOOTZ LATERAL (APN: 062-027-004 – COELHO FARMING, LLC)**

A motion was made by Director Osmundson, seconded by Director Santos, and unanimously supported to approve the Agricultural Discharge Permit on the Mootz Lateral (APN: 062-027-004 – Coelho Farming, LLC).

ITEM NO. 12
**APPROVE ENCROACHMENT PERMIT ON THE MOOTZ
LATERAL (APN: 062-027-004 – COELHO FARMING, LLC)**

A motion was made by Director Osmundson, seconded by Director Santos, and unanimously supported to approve the Encroachment Permit on the Mootz Lateral (APN: 062-027-004 – Coelho Farming, LLC).

ITEM NO. 13
**APPROVE ABANDONMENT AND QUITCLAIM OF A PORTION OF THE
ALBERS LATERAL NO. 2 AND ACCEPT A NEW GRANT OF EASEMENT
THROUGH APN: 014-043-008 – PETE POSTMA DAIRY PROPERTIES, L.P.**

A motion was made by Director Osmundson, seconded by Director Santos, and unanimously supported to approve the abandonment and quitclaim of a portion of the Albers Lateral No. 2 and accept a new grant of easement through APN: 014-043-008 – Pete Postma Dairy Properties, L.P.

The above consent items passed 5-0 by the following vote:

Ayes:	Directors Webb, Doornenbal, Osmundson, Santos, Altieri
Noes:	None
Absent:	None

CONSENT CALENDAR

ITEM NOS. 2, 3

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS'
MINUTES OF THE REGULAR MEETING OF NOVEMBER 1, 2016
AND RESOLUTION NOS. 2016-64, 2016-65, 2016-66, AND 2016-67

This item was pulled from the Agenda until the next Board Meeting on December 6, 2016.

ITEM NO. 3
APPROVE THE OAKDALE IRRIGATION
DISTRICT'S STATEMENT OF OBLIGATIONS

Director Altieri questioned the expenditure for dirt hauling and stated that she went back and looked at prior Statements of Obligations and between October 19, 2016 and November 16, 2016 and the District has expended a total sum of \$112,843.25. Support Services Manager Jason Jones stated that the District is gearing up for the construction projects scheduled during the non-irrigation season. Mr. Jones stated that he can explain what projects the dirt will be used for following the meeting if Director Altieri wished.

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

ACTION CALENDAR
ITEM NOS. 14, 15

ITEM NO. 14
REVIEW AND TAKE POSSIBLE ACTION TO CANCEL THE
DECEMBER 21, 2016 SPECIAL BOARD MEETING DUE TO THE HOLIDAY SCHEDULE

The District office will be closed the week of December 19-23, 2016 for the Christmas Holiday. There is generally little to no business activity that is conducted by agencies during the holiday season. For that reason, this item is being brought to the Board for discussion.

A motion was made by Director Doornenbal, seconded by Director Altieri, and unanimously supported to cancel the Special Board Meeting of December 21, 2016.

The above consent item passed 5-0 by the following vote:

Ayes: Directors Webb, Doornenbal, Osmundson, Santos, Altieri
Noes: None
Absent: None

ITEM NO. 15
REVIEW AND TAKE POSSIBLE ACTION AUTHORIZING TRAVEL EXPENSES

FOR THE GENERAL MANAGER AND WATER COUNSEL TO TRAVEL TO WASHINGTON D.C. TO ADVOCATE FOR PREDATOR SUPPRESSION, NEW MELONES STORAGE AND THE WATER QUALITY CONTROL PLAN

The General Manager will discuss the need to go back to Washington D.C. December 5-8, 2016 to meet with the Representatives to advocate for predator suppression programs on the Stanislaus River, New Melones storage, and the Water Quality Control Plan.

South San Joaquin Irrigation District's General Manager and In-House Counsel will also be attending and picking up ½ of the Attorney costs.

A member of the public, Robert Frobose, commented on this item.

A motion was made by Director Doornenbal, seconded by Director Osmundson, and unanimously supported to authorize travel expenses for the General Manager and Water Counsel to travel to Washington D.C. to advocate for predator suppression, New Melones storage, and the Water Quality Control Plan.

The above consent items passed 5-0 by the following vote:

Ayes: Directors Webb, Doornenbal, Osmundson, Santos, Altieri
Noes: None
Absent: None

DISCUSSION ITEMS
ITEM NO. 16, 17

ITEM NO. 11
DISCUSSION / PRESENTATION OF PROPOSED DRAFT 2017 BUDGET

Attached is a proposed draft budget for 2017 which was reviewed and recommended by the Finance Committee on November 7, 2016.

This budget projection was based on the implementation of the Water Resource Plan that was developed to meet the District's Mission Statement goals:

- Long-term protection of Water Rights
 - Curtailments, CCWD, BOR/88 Agr, Public Trust, SWB Regs., ESA
- Address Federal, State, Local Water Challenges
 - D-1641, WQCP (40% unimpaired flows), WaterFix, SGMA, droughts
- Rebuild/modernization of an out-of-date system
 - \$3 million in life cycle replacements and \$3 million in modernization
- Develop affordable ways to finance improvements
 - \$168 million of costs to achieve goals by 2030
 - 67 TAF of Conservation: 50 TAF in water transfers, 17 TAF to SOI

It continues to be our goal to:

- Construct and build-up funds to for the new 5,300' tunnel on the South Main Canal to address high hazard sections due to fall-hazards and creep failure.
- Build-up funds to pay-off debt early in 2023.

The focus of the proposed 2017 budget is:

1. Protection of the District's Water Rights
2. Meet Capital Improvement Project needs:
 - a. Life-cycle replacement – *start of Two-Mile Bar included.*
 - b. Modernization – *state of TCC grant project.*
 - c. Mission critical water resource plan projects
3. Maintain and retain a high quality workforce
4. Manage finances to protect reserves and assets
 - a. All budget expenditures are “value added”

General Manager Steve Knell and Chief Financial Officer Kathy Cook gave a PowerPoint presentation on the proposed draft 2017 budget.

ITEM NO. 17
DISCUSSION ON BUSINESS ITEMS AS THEY APPEAR
ON THE TRI-DAM BOARD AGENDA FOR THURSDAY, NOVEMBER 17, 2016

This item is here for general discussion on items that appear on the Tri-Dam Agenda. A copy of the Tri-Dam Agenda will be attached if available at the time of preparation of the Board packets. If it is not available, it can be viewed at the Tri-Dam web site or on the District's web site once received and posted.

COMMUNICATIONS
ITEM NO. 18

A. GENERAL MANAGERS REPORT

Safety Activities

1. OID has gone 23 days without a lost time injury accident.

Administration Activities

1. Water Fix testimony continues in Sacramento.
2. Water Quality Control Plan (Unimpaired Flow Standard) from the State Water Resources Control Board is still being reviewed for the finer details and impacts.
 - a. Meeting with Bureau of Reclamation on WQCP in next week.
 - b. Hearing dates Nov. 18th, 29th in Sacramento and Dec. 16th, 19th and 20th in Stockton, Merced and Modesto, respectively. A move afoot to get meetings rescheduled into January to avoid the Christmas holidays and impacts to people's lives who had holiday plans.
3. Settlement discussions on the Stanislaus River may pick up again in November. Awaiting guidance from State officials. Could consume lots of time in November and December.
4. OE3 labor negotiations continuing.
5. Still waiting for City of Oakdale's response on an Action Plan OID sent over.

Legal Activities

1. Agee vs OID: OID lost on its motion to recoup its attorney fees.
2. OID/SSJID vs the State Water Resources Control Board; this case is over the legal ability of the SWRCB to issue curtailment orders over senior water right holders, as was done in 2015. Court date set for next summer.
3. OID/SSJID as intervenors in the CalSPA v. SWRCB regarding the legality of the SWB's use of Emergency Change Petitions issued to the BOR in managing the State's water resources. A trial date is set for Alameda County Court on August 7, 2017.
4. OGA/Brichetto/Frobose vs. OID:
 - a. Trial set for January 18th
5. OID vs Directors Santos and Altieri.
 - a. The case is moving forward.
6. Redistricting Process
 - a. Process to begin after first of the year. Board presentation in February and Hearing in late February with Board adoption in March.
 - b. Regulatory compliance is 180 days preceding the election (May 11th)

Construction Activities

1. C&M crews and equipment operators have commenced the construction season. Projects are under way as well as maintenance tasks that could not be completed during the water season.
2. Assisting Water Ops./Eng. Dept. with various tasks.
3. Conducting Safety Coordinator tasks as needed.
4. Conducting Contract Administration tasks as needed.
5. Interviews for the C&M Worker & DSO/C&M continued until November 7th. Candidates will be selected for the positions and offered positions at the District.
6. Two Mile Bar Tunnel Project – Received all updated contract documents, technical specifications, Geotechnical Baseline Report and Design Report from Condor. Currently conducting a final document review before going to bid Dec. 1st.

Water Operations Activities

Engineering

1. Continued to process Encroachment and Ag Discharge Agreements along with field inspection during installation of the associated facilities.
2. Staff continued to work with landowners requesting deferred conditions of approval agreements, encroachment agreements and easements in accordance to OID's requirements for continued irrigation on recently completed lot line adjustments and parcel split projects.
3. ET monitoring stations installed as part of the 2016 ETAW monitoring and measurement program collected data through the end of October. The Dessert Research Institute stations were successfully removed on November 2nd and 3rd. The Tule ET stations may remain in the field to collect additional data for the full year of the contract period (+/- May 2016) pending permission and an updated contract with the associated landowners.

4. The monthly ESJGBA work group meeting was held on November 9th. Discussion of the draft JPA/MOU agreement discussions continued. The draft GSP BMPs were also presented and discussed.
5. Staff completed draft mapping of OID's proposed GSA boundaries in the ESJ GW Basin and forwarded to SSJID, Calaveras County Water District and Stanislaus County for review of the line work in adjoining areas. The required GSA hearing, resolution and final filing is requested to be completed for each election being proposed by March 2017 to ensure any potential issues can be resolved prior to the June 2017 deadline.
6. The updated draft MOU regarding STRGBA GSA formation was presented with comments incorporated and discussed at the November 10th meeting. The final draft is anticipated to be brought to each agency's governing board prior to the end of the calendar year for approval.
7. A request for data from OID as well as from the STRGBA was rec'd by Stan. Co.'s consultant in support of the County's draft PEIR GW model development. Staff began to compile the data for submittal before the end of November deadline.
8. Staff is working on draft Annexation Agreements for final approval by the board. Unfortunately little progress has been made to date given the engineering department is temporarily shorthanded and the high priority of finalization of engineering plans for winter construction projects.
9. Pertinent factors and options for the Board of Director Divisions Redistricting Project will be brought back for consideration by the Board and subsequent staff direction no later than January to ensure completion prior to the next general election.
10. City staff continued to address a series of questions on the draft City of Oakdale Out of Boundary Service Agreement with OID on behalf of ID 41. Once these questions have been answered the agreement will be provided to the ID 41 membership for approval to proceed.
11. Weekly meetings continued with Condor staff to proceed with the South Main Canal Segment 4 design along with the finalization of the Two Mile Bar Tunnel Project bid documents and cost estimate.
12. Staff continued the surveying, design, cost estimates, landowner meetings and drafting of plans for 2016/17 winter work projects.

Ag Water

1. The final round of volumetric water delivery tracking closed on October 31st. Standard QA/QC procedures for review of deliveries in this tracking period were completed to allow billing to proceed the first week of November.
2. The public comment period on the Prop. 1 grant funding draft awards list closed on September 14th. The final awards list is anticipated to be posted before the end of the year.
3. Interviews to fill a vacant DSO/C&M position were completed the week of November 7th. A letter of offer was provided to one of the applicants to fill the currently vacant position.
4. OID's preliminary district use numbers for the month of October were 13,704 ac-ft. OID's 10 year average water use in October is just over 10,000 ac-ft. Considering most years in the recent past water was only in the system for first half of the month, this was a pleasant surprise and some positive feedback from the growers was received.

Water Utilities

1. Improvement District No. 41:
 - Pumping Station No. 3 remains out of service due to high turbidity issues.
2. Domestic Water Pumping Stations:
 - Monthly Coliform Bacteria samples were taken on Tuesday November 1st. No problems were detected.
 - All Domestic Water Pumping Stations that are in service are operational.
 - ID 51 pump station #2 had motor repaired as preventative maintenance.
3. Domestic Water Systems:
 - All water systems are operating without restrictions.
 - Performed quarterly blow-off valve exercising.
 - Performed Air Relief Valve exercising.
 - WUD has continued to test all backflow devices in accordance with our Cross Connection Control Policy.
 - Conducted inspections of all well head seals and continuing to replace them as needed.
4. On-Call Activities:
 - There are zero calls to report.
6. Knights Ferry Pumping Station:
 - a. The Knights Ferry Pumps are activated. The river pumps are providing water to the treatment plant.
7. Irrigation Pumping Stations:
 - WUD had been de-activating the Ag pumps for winter.
 - WUD will continue to perform inspections on all winter drain pumps that are in operation for the winter.

Finance Activities

1. Health Insurance Open Enrollment employee meetings were held on Friday, November 4, 2016. To date 14 out of 66 participants are moving to Sutter Health.
2. Finance Meeting was held on November 7, 2016 to review the draft 2017 budget. The committee made a couple of recommendations but otherwise approved the budget.
3. Assisting GM in OE3 labor negotiations.
4. The final volumetric billing for the 2016 irrigation season was mailed out on November 10th. The total revenue generated for the 8/1-10/31/16 period for Tier 1 customers was \$384,482, Tier 2 customers was \$238,572, and out-of-district customers was \$20,419.
5. The Flexible Spending Account program's open enrollment period will be December 1, 2016 – December 31, 2016.
6. Five Rejection of Claim and Settlement notices regarding On-Farm Conservation Program claims for damages were mailed out on November 9, 2016. ACWA JPIA has notified the District that this is not covered under the District's insurance.

B. COMMITTEE REPORTS

Finance Committee Meeting, Monday, November 7, 2016

- Draft 2017 Budget

Director Santos asked Chief Financial Officer to explain the increases made to the Community Outreach Budget. Chief Financial Officer Kathy Cook stated that the Finance Committee wanted to increase the budget by \$15,000 for the High School Farm Project and to offer five (5) high school scholarships at \$2,000 each for the 2016/2017 school year.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Altieri

Director Altieri had no comments.

Director Santos

Director Santos stated that she had some handouts if anyone would like them after the meeting.

Director Doornenbal

Director Doornenbal had no comments.

Director Osmundson

Director Osmundson stated that you asked when my words will become actions. Director Osmundson stated that he has offered to meet with the individuals who are suing the District and one of the newly elected directors seven times. We have not met and he stated that his words will become actions as soon as we meet and try to reach an agreement.

Director Webb

Director Webb had no comments.

At the hour of 7:02 p.m. the meeting adjourned to Closed Session.

CLOSED SESSION **ITEM NO. 19**

1. Closed Session to discuss the following:
 - A. **Government Code §54957.6 - Conference with Labor Negotiator**
Agency Negotiator: General Manager
Represented Employee: OE3
 - B. **Government Code §54957**
Public Employee Performance Evaluation
Title: General Manager
 - C. **Government Code §54956.9(4)(d) – Initiation of Litigation**
Two (2) Cases
 - D. **Government Code §54956.9(d)(2)(3) – Significant Exposure to Litigation**
One (1) Case

E. Government Code §54956.9(d)(1) - Existing Litigation

Oakdale Irrigation District v. Linda Santos, Gail Altieri, et al.

Oakdale Groundwater Alliance; Frobose; Brichetto, et al. v. Oakdale

At the hour of 8:15 p.m. the meeting returned to open session.

Coming out of Closed Session it was reported that by a vote of 5-0 the Board voted to reject the water right claim made with the District and to offer them out-of-district water.

OTHER ACTION
ITEM NO. 29

The meeting was adjourned at the hour of 8:15 p.m. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, December 6, 2016 at 9:00 a.m.** in the board room at 1205 East F Street, Oakdale, CA.

The next Joint Board Meeting of the **South San Joaquin and Oakdale Irrigation Districts** serving the **Tri-Dam Projects** and **Tri-Dam Authority** and other joint business matters is scheduled for **Thursday, November 17, 2016 at 9:00 a.m.** in the board room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, CA.

Steve Webb, President

Attest:

Steve Knell, P.E., Secretary