

MINUTES

Oakdale, California
November 18, 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
Steve Webb
Frank B. Clark
Tony Taro

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

Also Present: Tim O'Laughlin, Water 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 9:01 a.m. the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 1

There being no public comment, public comment closed at the hour of 9:01 a.m. and the Board Meeting continued.

Director Clark requested that Item Nos. 3 and 12 be pulled from the Consent Calendar; Director Webb requested that Item No. 6 be pulled from the Consent Calendar; and Director Alpers requested that Item No. 11 be pulled from the Consent Calendar.

CONSENT ITEMS
ITEM NOS. 2, 4, 5, 7, 8, 9, 10, 13, 14

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS'
MINUTES OF THE REGULAR MEETING OF NOVEMBER 4, 2008
AND RESOLUTION NOS. 2008-56, 2008-57, AND 2008-58

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of November 4, 2008 and Resolution Nos. 2008-56, 2008-57, and 2008-58.

ITEM NO. 4
APPROVE IMPROVEMENT DISTRICT
STATEMENT OF OBLIGATIONS

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

ITEM NO. 5
APPROVE TREASURER AND CHIEF
FINANCIAL OFFICER'S REPORT FOR
THE MONTH ENDING OCTOBER 31, 2008

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Treasurer and Chief Financial Officer's Report for the month ending October 31, 2008.

ITEM NO. 7
APPROVE ASSIGNMENT OF
CAPITAL WORK ORDER NUMBERS

A motion was made by Director Bairos, seconded by Director Webb, 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>
<i>Revised</i>			
Clark Pipeline	Install new 36" square gate	\$10,000 <i>(previously reported: \$6,000)</i>	0831
<i>New</i>			
Sweet Lateral	Install new 30" 101C slide gate	\$6,500	0855
Hirschfeld Lateral	Install new 20" 101C slide gate	\$5,500	0856

ITEM NO. 8
APPROVE GENERAL SERVICES AGREEMENTS FOR
VARIOUS VENDORS AND CONTRACTORS
(ANDRETTA'S AG CONSTRUCTION, C-7 WATER
TRUCKS, AND CAPITOL ENGINEERING LABORATORIES, 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 (Andretta's Ag Construction, C-7 Water Trucks, and Capitol Engineering Laboratories, Inc.).

ITEM NO. 9
APPROVE WORK RELEASES FOR
PROFESSIONAL SERVICES AGREEMENT
2008-PSA-008 TO GIULIANI AND KULL
FOR CONSTRUCTION MANAGEMENT SERVICES

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve Work Releases for Professional Services Agreement 2008-PSA-008 to Giuliani and Kull for construction management services.

ITEM NO. 10
APPROVE AWARD OF
BID FOR FENCING CONTRACT

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to award the bid for the fencing contract to Andretta's Ag Construction and to Conlin Fence Co. and to prepare two General Services Contracts for 2009.

ITEM NO. 13
APPROVE ENCROACHMENT AGREEMENT
ON THE LANE AND CONSOLI PIPELINES
(APNS: 064-027-001/002/003/004 – HANSEN)

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Encroachment Agreement on the Lane and Consoli Pipelines (APNS: 064-027-001/002/003/004 – Hansen)

ITEM NO. 14
APPROVE DEFERRED CONDITIONS OF APPROVAL
AGREEMENT (APN: 207-031-005/012 – BAGLIETTO)

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Deferred Conditions of Approval Agreement (APN: 207-031-005/012 – Baglietto).

**ACTION CALENDAR
ITEM NO. 3, 6, 11, 12, 15**

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

Director Clark asked about the check written to Modesto Irrigation District (MID) for the tree removal at the Spenker Spill. General Manager Steve Knell stated the District entered into a drainage agreement with the MID in 1912 when the MID Main Canal was constructed which obligates the District to pay 50% for maintenance costs.

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

**ITEM NO. 6
APPROVE CONTRIBUTION TO
CALIFORNIA WATER AWARENESS CAMPAIGN FOR 2009**

Director Webb asked the General Manager to explain what the District gets out of the contribution to the California Water Awareness. General Manager Steve Knell stated that this organization provides great awareness on water issues through education.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the contribution to California Water Awareness Campaign for 2009 in the sum of \$1,756.00.

**ITEM NO. 11
APPROVE AWARD OF BID
FOR THE 4" DIESEL TRASH PUMP AND
PORTABLE FUEL CONTAINMENT BERM**

Director Alpers wanted an explanation on what a diesel trash pump is. General Manager Steve Knell stated that it is a portable pump on a trailer and its configuration is such that it can pump large diameters of trash.

A motion was made by Director Alpers, seconded by Director Bairos, and unanimously supported to approve the award of bid for the 4" diesel trash pump and portable fuel containment berm to Rain for Rent in the sum of \$34,394.00.

**ITEM NO. 12
APPROVE TWO (2) ENCROACHMENT AGREEMENTS
ON THE KEARNEY LATERAL (APN: 010-073-004 -VAN DE POL)**

Director Clark wanted to know if Mr. Van De Pol has corrected to the District's satisfaction the encroachments that he made without the permission of the District. District Engineer John Davids stated that the encroachments have been completed to the District's satisfaction.

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to Approve the two (2) Encroachment Agreements on the Kearney Lateral (APN: 010-073-004 – Van De Pol).

ITEM NO. 15
REVIEW AND TAKE POSSIBLE ACTION TO DIRECT
STAFF WITH REGARDS TO OID'S ROLE IN
MEETING A POTENTIAL WATER SHORTAGE IN THE STATE IN 2009

Two of OID's Board members were briefed at the SJ Commissioner's meeting on Friday, November 14, 2008 regarding the State's water situation. From that meeting, and on a presentation to be given by Water Counsel Tim O'Laughlin at Tuesday's Board Meeting, the Board may wish to provide staff direction on how OID may or may not play a role in meeting a potential third year drought condition in the State.

Water Counsel Tim O'Laughlin was unable to attend the meeting. General Manager Steve Knell discussed the potential water shortage for the State of California in 2009. The General Manager also gave a Power Point presentation entitled *The Delta Tipping Point* that was put together by Doug Demko of Fish Bio which sets forth a new perspective on who, where and how to manage the problems of the Delta.

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to have staff come up with a plan on how the District is going to meet a potential water shortage in the State, the impact it will have on the District, and to bring this information back to the Board for further discussion.

DISCUSSION ITEMS
ITEM NOS. 16-17

ITEM NO. 16
DISCUSSION REGARDING OID'S ACTIONS TO
ASSIST THE LOCAL ECONOMY WITH ITS
SELECTION OF GOODS AND SERVICES PROVIDERS

As the economy weakens, OID may wish to investigate avenues to provide more local support to those that provide OID with goods and services. While limitations in the Government Code may exist, there may be avenues for OID to still utilize that may benefit our local merchants and suppliers. Staff would recommend that the Finance Committee review options and provide recommendations to the Board for consideration.

After discussion it was determined by the Board that the Finance Committee should meet and go over the top twenty vendors' list and make a determination as to why we use a particular vendor as opposed to using a vendor/merchant in Oakdale. The Committee is to report back to the Board with its findings.

ITEM NO. 17
DISCUSSION ON BUSINESS ITEMS AS THEY
APPEAR ON THE TRI-DAM BOARD AGENDA
FOR TUESDAY, NOVEMBER 18, 2008

This item is placed here for the Board to discuss Tri Dam agenda items.

Director Clark stated that he wants to be sure that there is a discussion on financing the new generator at Tulloch. He stated that the current thought is to use revenue bonds and pay them off over a thirty year period which would encumber the District and SSJID. He stated that Tri-Dam has money in reserves and we need to make sure that this is taken into consideration when discussing the financing of the generator.

Director Alpers stated that he had some questions regarding the checking account and the accounts receivable.

ITEM NO. 18
COMMUNICATIONS

A. GENERAL MANAGERS REPORT

Safety Activities

1. 187 days without a lost time injury accident.

Administration Activities

1. City of Modesto meeting on regional water treatment now scheduled for December 12th.
2. Water Counsel and GM along with SSJID Management met with the Bureau of Reclamation on the water accounting for 2007. We believe all issues have been resolved.
3. The OID Benefits Fair was a big success. Thanks to Kathy Cook and all OID's benefit providers for a time.
4. Labor/Management meeting held on November 7th. Reviewed the Employee Survey portions regarding improving working conditions at OID. Good suggestions and exchanges.
5. A bond finance meeting is scheduled for November 19th.
6. A Centennial Celebration Committee meeting is scheduled for November 25th.

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 wall section of the diversion structure. Job is 75% complete.
7. #0848 Albers I/II Structure Rehabilitation- All pipe (PVC & RCP) has been placed. Form work is being conducted on the walls to the diversion structure. Job is 65% complete.
8. #0833 Cavil No.2 Pump Line Turnout Modifications-100% complete

9. #0834 Droge Pump Weir- 100% complete
10. #0853 Richardson Pipeline- WY Replacement- 80% complete
11. #0841 Lesinini Lateral- Turnout Replacement- 75% complete

Engineering Activities

1. Ongoing Suspense Forms.
2. Board Agenda Report preparation.
3. OID Standard Detail Review.
4. Draft Structure Permit complete, John Davids to review
5. Modified Land Reclassification Checklist complete, waiting internal Staff Review.
6. Working with various Irrigation Design Companies on new turnout designs for construction this winter.
7. Assisting Mr. Jernigan in compliance with the CEQA phase of the Cape Horn Tunnel Project.
8. Engineering Department Staff assisting Mr. Jernigan with construction inspection activities on this winters contracted projects.
9. Survey activities and preliminary design underway for 2009/2010 Capital Projects.
10. Preparing early CEQA analysis for new projects.
11. Service Standard Review.
12. North Side Reservoir property acquisition Agreement has been signed by all parties. P&P currently working on new Grant Deeds and should have them ready this week. P&P also working on a design for relocation of the Joslin's current irrigation system. The plan is to perform the necessary relocation work this winter, so that we don't have to do it next year during construction which will hopefully coincide with the irrigation season.
13. 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 met our insurance requirements, completed the Turnout Application and have an approved Encroachment Agreement for their rotating screen and thus they are ready for construction.
14. Met with Water Committee concerning the V.A. Rodden Project and the Baglietto Project. V.A. Rodden Agreement being modified for Board Approval at the first meeting in December.
15. DRAFT Settlement Agreement for the Lubbers complete and under Staff review.
16. W.C. Maloney has been contacted and will provide an estimate for the work to be done as it pertains to the Cahoon Property.
17. Review of Thompson Memorandum of Understanding.

Water Operations Activities

1. Attended the Dry Creek Management Plan Meeting on November 12th in Waterford
2. Coordinating a meeting in regard to the potential Regional Water Treatment Plant – sometime during the second week of December.
3. Awaiting written notice of Prop 84 grant funding for Wellfield Optimization Project
4. Investigating and documenting a November 5th flooding of an OID capital construction project
5. OID's Rural Water System Permit has been approved by the State for the addition of the ID 52 connections. All ID 52 members have until December 1 to switch over to the new system.

6. Reviewing Long Term Irrigated Lands Program documents. Workgroup meeting scheduled for December 17th.
7. Held Surface Water Shortage Policy Workshop on November 4th. Feedback from the workshop has been very positive.
8. Working on resolving actuator failure at Rodden Lake.

Finance and Accounting Activities

1. 2009 ag water statements were mailed out on Thursday, November 6th.
2. Reviewing legal documents for bond rating purposes.
3. Reviewing and preparing 2008 engineering services actual vs. budget summary.
4. Shut-off one rural water service and sent out 91 late payment notices as of November 13th.
5. Updating rural water service revenue and expenditure projections.
6. Met with finance committee to review 2009 budget. Anticipate submitting draft at the December 2nd board meeting.
7. Routine accounting functions (AP, AR, PR, billings, reconciliations, etc.)
8. Updating cross-training with current accounting staff.

B. COMMITTEE REPORTS

Finance Committee Meeting - Friday, November 7, 2008

- 2009 Draft Budget

Director Clark stated that the Finance Committee met and reviewed the 2009 Draft Budget. The draft budget will be brought to the Board for discussion on December 2, 2008.

Water/Engineering Committee Meeting – Friday, November 7, 2008

- V. A. Rodden Agreement
- Variance to Conditions of Approval (APNS: 207-031-005/012 Baglietto – Clark Pipeline)

Director Webb stated that these matters were previously discussed on the Agenda.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Webb

Director Webb had no comments.

Director Clark

Director Clark had no comments.

Director Taro

Director Taro stated that the District should slow down on expenditures if we are not going to have as much money coming in.

Director Bairos

Director Bairos stated he has received a couple of telephone calls from constituents stating that they feel that \$100,000 is too much money to spend on the 100 year

celebration. Director Bairos requested that this matter be placed back on the Agenda as an action item on December 2, 2008 for reconsideration.

Director Alpers

Director Alpers had no comments.

At the hour of 10:40 a.m. the Board moved to Closed Session.

CLOSED SESSION
ITEM NO. 19

- A. Government Code §54957.6 Conference with Labor Negotiator**
Agency Negotiator: General Manager
Unrepresented Employees: Operations Employees, and Exempt Management/Supervisory/Confidential Employees
- B. Government Code §54956.9 Existing Litigation**
 - (1) *Karen Eakin v. Oakdale Irrigation District*
 - (2) *Steve Fields v. Oakdale Irrigation District*
- C. Government Code §54957**
Public Employee Discipline/Dismissal/Release

At the hour of 11:25 a.m. the Board returned to open session.

General Manager Steve Knell stated that the Board unanimously voted to again give employees a recognition award of \$50 for each year the employee has worked at the District in five year increments; to award each employee \$250 for safety accomplishments; to award \$100 to each employee for perfect attendance; and to close the District offices this year on the day after Christmas and on the day after New Year's Day.

OTHER ACTION
ITEM NO. 20

At the hour of 11:25 a.m. the meeting adjourned. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, December 2, 2008 at 9:00 a.m.** in the board room at 1205 East F Street, Oakdale, CA.

The next Special Joint Board Meeting for the **Tri-Dam Project** is scheduled for **Tuesday, November 18, 2008 at 1:00 p.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