

MINUTES

Oakdale, California
June 21, 2016

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 6:02 p.m. following the Board of Directors Meeting of the Oakdale Irrigation District Financing Corporation Meeting. 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
Jason Jones, Support Services Manager
Kathy Cook, Chief Financial Officer/Treasurer
Eric Thorburn, Water Operations Manager

Also Present: James Oliveira, 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 6:03 p.m. the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 1

Ken Krause, who resides at 8806 Wamble Road, commented on the last Board Meeting.

Jamie Coston who resides at 16048 Orange Blossom Road who is not in the District and cannot vote commented on the re-districting. He stated that we need to keep the water local.

Barney Leard, who resides at 11727 Rodden commended the District and stated that the District is in much better shape than it was when he became part of the District.

Andrea Medeiros, who resides at 16130 Orange Blossom Road who is not in the District and cannot vote, commented on the last Board Meeting.

Robert Frobose commented on the contents of the newsletter.

Travis Dovala, 11727 Rodden Road, commented on the On-Farm Conservation Program and the fact that the program fulfilled a state mandated requirement.

Jeff Hall, 13424 Horseshoe Road, was present and asked about the status on his request made at the June 7, 2016 Board Meeting. General Counsel James Oliveira requested that Mr. Hall contact Water Operations Manager Eric Thorburn to discuss his matter since it was not agendized.

Member of the Public, name unknown, commented on the importance of replenishing the aquifer.

Tom Orvis, Stanislaus County Farm Bureau, stated that those who are in the East San Joaquin Water Coalition and are having to prepare the nitrogen management plans that there will be additional meetings this fall to assist you in filling out the plans. Also, we have been talking about the SED and the unimpaired water flows on the Tuolumne, Stanislaus and Merced Rivers. We are expecting the State Board's recommendations to be at least 40% unimpaired flows on these rivers. That recommendation is expected in July and then there will be a sixty day comment period.

Nate Ludlow, 6648 Smith Road, stated that in order to sit on the Board you have to own land in the District so whatever decisions are made on the Board will also affect you. He stated that OID is a business and should make business decisions that affect in good faith a majority of the water rights in this District.

Evan Longstreth, 7431 Gilbert Road, reiterated his points made at the last Board Meeting and stated that he works with five other irrigation districts and OID has supplied him every year with the highest volume and the cheapest rate. He further commented that there is no disunity between SSJID and OID; he stated that for the first time due to the unity of SSJID and OID he is getting water from SEWD this year.

Janie Gatesman, 26 Mile Road, commended the people for showing up at this meeting and the last meeting. She stated that the decisions made at these meetings affect our livelihoods. She discussed her disappointment in the On-Farm Conservation Program not moving forward again this year. She stated that at any one time farmers in this District are following at least 4% of their land just in the normal course of farming operations so this program is not taking water away from our aquifer.

There being no further public comment, public comment closed at 6:37 p.m.

Director Doornenbal requested that Item No. 8 be pulled from the Consent Calendar and Director Santos requested that Item No. 9 be pulled from the Consent Calendar.

CONSENT ITEMS
ITEM NOS. 2, 3, 4, 5, 6, 7, 10, 11

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS'
MINUTES OF THE REGULAR MEETING OF JUNE 7, 2016
AND RESOLUTION NOS. 2016-32, 2016-33, 2016-34, 2016-35,
2016-36 2016-37, 2016-38, 2016-39, 2016-40, 2016-41, AND 2016-42

A motion was made by Director Doornenbal, seconded by Director Altieri, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of June 21, 2016 and Resolution Nos. 2016-32, 2016-33, 2016-34, 2016-35, 2016-36, 2016-37, 2016-38, 2016-39, 2016-40, 2016-41 and 2016-42.

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

A motion was made by Director Doornenbal, seconded by Director Altieri, 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 Doornenbal, seconded by Director Altieri, 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 MAY 31, 2016

A motion was made by Director Doornenbal, seconded by Director Altieri, and unanimously supported to approve the Treasurer and Chief Financial Officer's Report for the month ending May 31, 2016.

ITEM NO. 6
APPROVE ASSIGNMENT OF
CAPITOL WORK ORDER NUMBERS

A motion was made by Director Doornenbal, seconded by Director Altieri, and unanimously supported to approve Assignment of the following Capitol Work Numbers:

<u>Facility</u>	<u>Project Description</u>	<u>Estimated Cost</u>	<u>Work Order No.</u>
Langworth Pipeline	Remove and replace 1-15" inline valve, 16" Krohne Enviromag, 15" 100 PSI PIP PVC, 1-24" starter coupler, 1-24"x21" reducer, 4-15" bolt-on couplers. (APN: 062-007-005)	\$31,000	2016-031

<u>Facility</u>	<u>Project Description</u>	<u>Estimated Cost</u>	<u>Work Order No.</u>
Campbell Lateral	Remove and install 1-5'x7' precast MBI turnout Structure, 1-24" starter coupler, 1-24"x9' Fresno 101C slide gate, stilling well assembly, 20'x24" 100 PSI PIP PVC, concrete connection collar. (APN: 002-013-034)	\$15,200	2016-032

ITEM NO. 7
APPROVE PURCHASE OF
REPLACEMENT NETWORK COMPUTERS

A motion was made by Director Doornenbal, seconded by Director Altieri, and unanimously supported to approve purchase of replacement network computers.

ITEM NO. 10
APPROVE ENCROACHMENT PERMIT ON THE BENNETT LATERAL
PIPELINE (APN: 006-003-045 – SHERI L. BETTENCOURT AND PAUL E. JONES)

A motion was made by Director Doornenbal, seconded by Director Altieri, and unanimously supported to approve Encroachment Permit on the Bennett Lateral Pipeline (APN: 006-003-045 – Sheri L. Bettencourt and Paul E. Jones).

ITEM NO. 11
APPROVE ABANDONMENT AND QUITCLAIM OF A
PORTION OF THE SOUTH MAIN CANAL RIGHT-OF-WAY
(APN: 010-011-071 – MONTPELIER FARMING CORP.)

A motion was made by Director Doornenbal, seconded by Director Altieri, and unanimously supported to approve the Abandonment and Quitclaim of a portion of the South Main Canal Right-of-Way (APN: 010-011-071 – Montpelier Farming, Corp.).

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

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

CONSENT CALENDAR
ITEM NOS. 8, 9

ITEM NO. 8

**APPROVE RESOLUTION ADOPTING THE REVISED MISCELLANEOUS
RATES AND CHARGES FOR SPECIAL SERVICES EFFECTIVE JANUARY 1, 2016**

Director Doornenbal pulled this item from the Consent Calendar to recuse himself from voting.

A motion was made by Director Osmundson and seconded by Director Santos to approve the Resolution Adopting the Revised Miscellaneous Rates and Charges for Special Services effective January 1, 2016, and was voted as follows:

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

ITEM NO. 9

**APPROVE GENERAL SERVICES AGREEMENT
2016-GSA-001 WITH GCU TRUCKING FOR HAULING
MATERIAL AND AUTHORIZE GENERAL MANAGER TO EXECUTE**

Director Santos asked why the District was looking for another trucking company. Support Services Manager Jason Jones stated all the District is doing is diversifying business and that GCU Trucking had provided a low bid for the High School Farm Project. He stated that the District will continue to use both trucking companies.

A motion was made by Director Santos, seconded by Director Altieri, and unanimously supported to approve General Services Agreement 2016-GSA-001 with GCU Trucking for hauling material and authorize General Manager to execute.

This above-item passed 5-0 by the following vote:

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

**ACTION CALENDAR
ITEM NOS. 12, 13**

**ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION ON THE
OAKDALE IRRIGATION DISTRICT'S 2015 COMPREHENSIVE
ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2015**

Oakdale Irrigation District's 2015 Comprehensive Annual Financial Report (Draft) is being submitted for approval. The District's Auditor, Brian Nash with Richardson and Company, and OID's Chief Financial Officer, Kathy Cook will be present at the board meeting to answer questions.

The annual report has been formatted using guidelines set by the Government Finance Officers Association (GFOA).

The draft Oakdale Irrigation District's Comprehensive Annual Financial Report for the year ended December 31, 2015 is available to the public upon request.

Brian Nash from Richardson & Company, the District's Auditor, was present and discussed the Comprehensive Annual Financial Report for the year ended December 31, 2015. Chief Financial Officer Kathy Cook also discussed the Comprehensive Annual Financial Report for the year ended December 31, 2015.

A motion was made by Director Doornenbal, seconded by Director Santos, and unanimously supported to approve the Oakdale Irrigation District's 2015 Comprehensive Annual Financial Report for the year ended December 31, 2015.

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

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

**ITEM NO. 13
REVIEW AND TAKE POSSIBLE ACTION TO HOLD
"SPECIAL BOARD MEETINGS" ON A WEEKDAY THAT
WILL PROVIDE FOR GREATER COVERAGE BY THE LOCAL MEDIA**

It's been a number of years since the Oakdale Irrigation District has had coverage of its meetings by the local media. It was apparent from the last meeting that having local coverage in the local paper generates local interest in the business activities of the OID. OID should encourage a continuation of such interest and coverage.

To provide for such access it will necessitate a change in the dates OID conducts business. Tuesday afternoon/evening the local paper goes to print and often times a reporter may be consumed with that task and unable to attend an evening Board meeting. Monday is not

available due to the reporter covering the City Council meetings, which are the same week OID meets. Wednesday and Thursday work well for the paper. A reminder to the Board is that Tri Dam meets the third Thursday and if this date is selected the Board members would have two meeting commitments on that day.

A motion was made by Director Osmundson, seconded by Director Santos, and unanimously approved to open this item up to the public for comment.

Members of the public, Robert Frobose, Jamie Coston, and Travis Dovala commented on this item.

A motion was made by Director Webb, seconded by Director Santos, and unanimously supported to close public comment.

A motion was made by Director Webb and was seconded by Director Doornenbal to hold the second Board Meeting in the month on Wednesday at 6:00 p.m., and was voted as follows:

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

ITEM NO. 14 **COMMUNICATIONS**

A. GENERAL MANAGERS REPORT

Safety Activities

1. OID has gone 506 days without a lost time injury accident.

Administration Activities

1. Engaged nearly full time in legal matters pertaining to OID.
2. Continue to work with Tributary agencies in settlement discussions regarding the Water Quality Control Plan.

Legal Activities

1. Agee vs OID: Plaintiffs (Agee) lost in Superior Court. OID has filed a suit to recoup its attorney's fees. Waiting for hearing date to be set by the court.
2. OID is involved in a test claims case against the State of California's issuance of unfunded mandates, i.e. SBx7-7. The group is evaluating next steps after having a negative ruling by the court. Working with CSDA on next steps.
3. 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.
4. A CEQA suit was filed by parties claiming injury if OID's On-Farm Conservation Funding Program Pilot Project is allowed to be implemented. OID successfully defeated a TRO action by the Plaintiffs, OGA, Louis Bricchetto and Bob Frobose, however after receiving

a favorable Tentative Ruling on the Preliminary Injunction the court reversed its decision and granted in favor of Plaintiffs. The OID will be looking at options on moving forward with litigation.

5. OID General Counsel to seek TRO and Preliminary Injunction to preclude Directors Santos and Altieri, who have a conflict of interest as determined by General Counsel, from participating in strategy discussions in Closed Session regarding the Bricchetto lawsuit due to those conflicts.
6. General Counsel to determine if a breach of Closed Session confidentiality occurred by an OID director and bring findings and options back to the Board.

Construction Activities

1. C&M crews and equipment are currently working on maintenance activities and JSF's completed by Water Dept. staff.
2. Assisting Water Ops/Eng. Dept. with various tasks and field review of potential projects.
3. Conducting Safety Coordinator tasks pertaining to all hands training, Safety Committee meetings and review of weekly tailgate safety meetings. Started to conduct CPR/First Aid/AED training to OID staff.
4. Conducting Contract Administration tasks pertaining to contracts that need to be renewed and work releases that need to be completed with the assistance of Lori.
5. Conducting misc. landowner meetings in regards to capital projects and maintenance issues.
6. OID Pest Dept. continues to conduct magnacide applications to OID facilities to reduce aquatic growth issues.
7. School Farm Subcommittee met on 6/08 to update the schedule and continue to work on in-kind and cash donations.
8. OID addressed the issue with the settlement of the asphalt and trench at the Oak Grove Cemetery.
9. Posted in-house for two (2) C&M Workers due to vacancies.
10. Assisted Water Operations with the issue on the Knights Ferry Town Pipeline.

Water Operations Activities

Engineering

1. Continued to process Encroachment and Ag Discharge Agreements and continued field inspection during installation of the associated facilities.
2. Staff continued to prepare and process several 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. Comments from the ACOE on the draft easement documents for the proposed tunnel as well as the 2-Mile Bar access road are under review.
4. Several contracts for ET monitoring stations within various crops were executed and multiple stations have been installed and are actively collecting data as part of the 2016 ETAW monitoring and measurement program. Irrigation monitoring sensors were installed on 6/15/16 at several sites to track irrigation events around the ET station sites.
5. Attended the ESJGB meeting on June 8th. Preferred GSA formation boundaries are requested to be provided to the group by September 30th. Filing is expected to be initiated thereafter to ensure approval by DWR prior to the June 2017 deadline. A GW

101 workshop and luncheon will be held on July 13th from 12 pm to 2 pm at the Cabral Ag Center in Stockton. For anyone interested, it is open to the public and lunch will be provided. RSVP is required by June 30th.

6. Staff attended the monthly STRGBA meeting on June 9th. Walt Ward from Stanislaus County along with the County's consultant, Jacobson, James and Associates, Inc., provided a presentation of their draft work plan for the Programmatic Environmental Impact Report (PEIR) for implementation of the Stan. Co. GW Ordinance. Comments are requested from the group by Friday, June 17th. There will also be a public scoping opportunity in the near future prior to the CEQA document.
7. The draft data submittal for the Additional Annexations and Fringe Annexations has been provided to LAFCO staff. These items are anticipated to be added to the August meeting agenda for consideration.
8. A response to OID's comments on the City of Oakdale's draft out of boundary service agreement with OID on behalf of ID 41 was received and is under review.

Ag Water

1. Installation of a new SCADA tower on the southeast side of the District will begin soon to establish radio communication to several sites in the area for integration into OID's existing SCADA system.
2. The first round of volumetric billing up to May 31st was completed. Staff began fielding water operations questions (i.e. flow measurement, hours, flow rate, etc.).
3. Announcements of grant application awards which include OID's application for the TCC Expansion Project are anticipated by the end of June 2016.
4. The Knights Ferry town pipeline which provides water to the water treatment plant had to be shut down and the river pumps activated after low pressure was reported at the plant. The pipeline was water jetted and videoed just downstream of the head gate on June 14th after the issue was isolated to that section. During this process air lock was determined to be the culprit. Surface water supply was reestablished to the WTP and the river pump was removed from service that afternoon after the air lock was discovered and removed. An air vent will be installed at the high point that was found in the pipeline to prevent a reoccurring issue moving forward.
5. The seventh rotation started on or about June 20th. This is a 12-day rotation and is anticipated to be followed by another 12-day rotation starting on or about July 2nd.

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 Wednesday June 1st. No problems were detected.
3. Domestic Water Systems:
 - All water systems are operating without restrictions.
 - Performed quarterly blow-off 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 were no call outs to report.
 6. Knights Ferry Pumping Station:
 - On June 15th the Knights Ferry Pump Station was deactivated and placed back onto surface water.
 7. Irrigation Pumping Stations:
 - All of OID Ag pumps are operational.
 - WUD has been performing weekly routine inspection, servicing and security checks on the irrigation pumping stations. There was nothing unusual or out of the ordinary to report.

Finance Activities

1. Completed the District's 2015 Comprehensive Annual Financial Report.
2. Preparation of ACWA JPIA's 2015-2016 payroll estimate reporting.
3. Evaluating accounting processes and procedures that need to be updated.
4. The first volumetric billings for the period March 2 – May 31, 2016 were mailed out on June 9, 2016 with a due date of June 30, 2016. Staff is fielding multiple questions regarding the billing.

B. COMMITTEE REPORTS

There were no committee reports.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Santos

Thanked the people who supported her. She stated that she was pleased that the full agenda is on the web site. She stated that she wanted the newsletter to be a quarterly newsletter with comments made by management and the Directors and that a monthly newsletter might be too much. Director Santos also thanked the DSO's for a good job. Director Santos asked everyone for their continued support.

Director Osmundson

Director Osmundson thanked the staff for the preparation of the financial report. He stated that it was very impressive and it says a lot about the staff.

Director Webb

Director Webb thanked the Chief Financial Officer Kathy Cook and her department for the financial report. It was refreshing to see how well the audit goes every year. Director Webb stated that the General Manager's newsletter that is going out once a month has nothing to do with the quarterly newsletter.

At the hour of 7:35 p.m. the meeting adjourned to Closed Session.

ITEM NO. 15
CLOSED SESSION

A. Government Code §54957.6 – Conference with Labor Negotiator

Agency Negotiator: General Manager

Unrepresented Employee Organization: All Bargaining Groups

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

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

Oakdale Irrigation District

C. Government Code §54956.9(d)(4) - Initiation of Litigation

Two (2) Cases

At the hour of 8:39 p.m. the meeting returned to open session.

Coming out of Closed Session the following was reported:

A. A motion was made by Director Webb, seconded by Director Doornenbal, and unanimously supported to give the employees a one-time performance bonus for the year 2016 of 4% of their annual base wage. This performance bonus will be paid out in the form of a temporary wage increase for the period of July 1, 2016 to December 31, 2016.

B. A motion was made by Director Doornenbal, seconded by Director Osmundson, and unanimously supported to release the Confidential and Privileged Memo prepared by the General Manager Steve Knell and Water Counsel Tim O’Laughlin dated May 10, 2016 to the public.

C. A motion was made by Director Doornenbal and seconded by Director Osmundson to modify the lawsuit for breach of closed session confidentiality by a director to include injunctive relief according Government Code §54963(c)(1), and was voted as follows:

Ayes: Directors Webb, Doornenbal, Osmundson

Noes: Directors Santos, Altieri

Absent: None

OTHER ACTION
ITEM NO. 16

The meeting was adjourned at the hour of 8:39 p.m. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, July 5, 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 **July 21, 2016 at 9:00 a.m.** in the board room of the Tri-Dam Project, 31885 Old Strawberry Road, Strawberry, CA.

Steve Webb, President

Attest:

Steve Knell, P.E., Secretary