

MINUTES

Oakdale, California
August 5, 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
Bairos, Jr., Vice President
Frank B. Clark
Steve Webb

Absent: Tony Taro

Staff Present: Steve Knell, P.E., General Manager/Secretary
Kevin King, Water Operations Manager
Gary Jernigan, Contract/Special Projects Manager
John Davids, District Engineer
Jason Jones, Support Services Manager

Also Present: Timothy O'Laughlin, Esq.
Michael Ijams, Esq.

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 9:02 a.m. the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 2

There being no Public Comment; Public Comment closed at 9:02 a.m. and the Board Meeting continued.

Director Webb requested that Item No. 7 be pulled from the Consent Calendar; and Director Clark requested that Item No 8 be pulled from the Consent Calendar.

CONSENT ITEMS
ITEM NOS. 2, 3, 4, 5, 6, 9, 10, 11, 12

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS'
MINUTES OF THE REGULAR MEETING OF JULY 15, 2008

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 July 15, 2008.

ITEM NO. 3
APPROVE THE BOARD OF DIRECTORS' MINUTES
OF THE SPECIAL MEETING OF JULY 24, 2008

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Board of Directors' Minutes of the Special Meeting of July 24, 2008.

ITEM NO. 4
APPROVE OAKDALE IRRIGATION
DISTRICT STATEMENT OF OBLIGATIONS

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

ITEM NO. 5
APPROVE WORK 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>
Bentley Deep Well	Replace line shaft bearings	\$40,000	0836
Rice Reclamation/ Drain Pump	Replace line shaft bearings and raise station	\$15,000	0837
Droge Reclamation Pump	Rebuild and locate discharge structure, install new pump	\$7,500	0838

ITEM NO. 6
APPROVE GENERAL SERVICES
AGREEMENTS FOR VARIOUS VENDORS
AND CONTRACTORS (SIERRA CONTROL SYSTEMS, INC.,
POWER SERVICES, INC., AND FAGUNDES & SON, INC.)

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

ITEM NO. 9
APPROVE RESOLUTION FINDING THE SOUTH MAIN
CANAL REHABILITATION PROJECT EXEMPT UNDER
THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Resolution Finding the South Main Canal Rehabilitation Project Exempt under the California Environmental Quality Act (CEQA).

ITEM NO. 10
APPROVE ENCROACHMENT AGREEMENT ON THE
ADAMS NO. 1 PIPELINE (APN: 010-014-025 – HOLMAN)

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Encroachment Agreement on the Adams No. 1 Pipeline (APN: 010-014-025 – Holman).

ITEM NO. 11
APPROVE ENCROACHMENT AGREEMENT ON THE
OAKDALE LATERAL PIPELINE (APN: 064-049-001 – HOY)

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Encroachment Agreement on the Oakdale Lateral Pipeline (APN: 064-049-001 – Hoy).

ITEM NO. 12
APPROVE AMENDED OAKDALE IRRIGATION DISTRICT'S
CONDITIONS OF APPROVAL FOR GENERAL PLAN
AMENDMENT APPLICATION 2007-02 (APN: 006-005-003 – AMERINE)

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Amended Oakdale Irrigation District's Conditions of Approval for General Plan Amendment Application 2007-02 (APN: 006-005-003 – Amerine).

**ACTION ITEMS
ITEM NOS. 7, 8, 13, 14, 15**

**ITEM NO. 7
APPROVE PROFESSIONAL SERVICES
CONTRACT OF CONDOR EARTH TECHNOLOGIES, INC.**

Director Webb asked how this contract compared with Condor's last contract. Contract and Special Projects Manager Gary Jernigan stated that everything on this contract is the same as the last contract.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Professional Services Contract of Condor Earth Technologies, Inc.

**ITEM NO. 8
APPROVE PURCHASE OF SLIDE GATES AND
ACTUATORS FROM FRESNO VALVES & CASTINGS
FOR THE LITTLE JOHN CREEK DAM REHABILITATION PROJECT**

Director Clark asked why there was such a significant difference in the bids that the District received for the slide gates and actuators. Contract and Special Projects Manager Gary Jernigan explained the bids to Director Clark.

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to approve the purchase of slide gates and actuators from Fresno Valves & Castings for the Little John Creek Dam Rehabilitation Project.

**ITEM NO. 13
REVIEW AND TAKE POSSIBLE ACTION ON
CHANGE ORDER NO. 3 REV. 01 TO 2006-PSA-004
FOR THE CAPE HORN TUNNEL REHABILITATION PROJECT**

When the Board Approved Change Order No. 3 in May, the Change Order included the rehabilitation of eight (8) air vents prior to the work on the Cape Horn Tunnel. However, during the CEQA process, numerous Vernal Pools were identified around these air vents and along the proposed road through the tunnel right of way. Also, during the initial CEQA review by the Corps, it was pointed out these Vernal Pools would be a serious issue for mitigation to get the permitting approved. Subsequently, the air vents and access road were deleted and/or re-routed in the bid documents.

Additional changes were required in Division 0 and 1 of the tunnel work after the review process was completed including the addition of a Stormwater Management Plan. This Plan is required for the contractors to manage the Stormwater during the construction phase should rainfall occur. This addition required additional surveying, historical analysis and drawings to be revised or added to the bid documents.

The following is an accounting of the Change Orders to this Contract:

Original Contract Price	\$118,360.00
Change Order No. 1 – Flow Monitoring	2,526.90
Change Order No. 2 – Provide CEQA assistance	10,000.00
Change Order No. 3 – Final Design & Bid Documents	(53,400.00)
<u>Change Order No. 3 Rev 01 – Add/Deletion of Scope</u>	<u>72,362.00</u>
New Contract Price	\$203,248.90

Staff recommends the Board approve Change Order No. 3 Revision 01 in the amount of \$72,362. The 2008 Budget for this work is \$80,000.

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Change Order No. 3 Revision 01 to the 2006-PAA-004 for the Cape Horn Tunnel Rehabilitation Project in the sum of \$72,362.00.

ITEM NO. 14
REVIEW AND TAKE POSSIBLE ACTION TO RECOUP
DISTRICT COSTS INCURRED DURING AN ANHYDROUS
AMMONIA INCIDENT ON APRIL 2, 2008 (WEST PUMP PIPELINE)

On April 2, 2008, an employee of the District received injuries while making water deliveries on the West Pump Pipeline. As a result of this incident, the District incurred costs in the amount of \$8,043.57.

On July 1, 2008, the District filed a claim with California Capital Insurance Company, the landowner's insurance company, seeking recovery of all costs incurred as a result of the incident on April 2, 2008. On July 10, 2008, the District received a letter from Capital Insurance Company stating that after examination of all available facts surrounding the incident they concluded that their insured was not liable for this loss.

Director Webb asked staff to obtain a legal opinion regarding this matter and further requested that staff investigate the incident more and find out exactly what happened. There was no action taken on this matter at this time.

ITEM NO. 15
REVIEW AND TAKE POSSIBLE ACTION TO
AWARD BID TO PERFORM THE COMPLIANCE
AUDIT OF THE RISK MANAGEMENT PLAN (RMP)

In order to comply with Title 19, Division 2, Chapter 4.5 of the California Code of Regulations, California Accidental Release Prevention (Cal ARP) and Cal OSHA PSM requirements for use of Magnicide, OID needs to contract with a firm who is experienced with the Department of Environmental Resources (DER) requirements. Staff sent out a Request for Proposal to twelve (12) companies to quote on the RMP Audit. Of the twelve (12) companies, Block Environmental Services (BES), Condor Earth Technologies and Tracer Environmental Sciences & Technologies returned a proposal.

Block Environmental submitted an incomplete bid and was excluded from the selection process.

Upon a joint review by the Safety Coordinator, Project Coordinator and the Contracts Manger, it was determined that the most qualified firm was Tracer Environmental Sciences & Technologies. This recommendation is based on the plan presented, the project experience of the project team, and the understanding of the scope of work and price.

Staff recommends that the Board authorize the General Manager to execute the Professional Services Agreement with Tracer Environmental Sciences & Technologies, Inc.

A motion wad made by Director Webb, seconded by Director Bairos, and unanimously supported to award the bid to perform the Compliance Audit of the Risk Management Plan (RMP) to Tracer Environmental Sciences & Technologies, Inc. in the amount of \$4,430.00 and authorized the General Manager to Execute the Professional Services Agreement.

DISCUSSION ITEMS
ITEM NOS. 16, 17, 18, 19, 20

ITEM NO. 16
DISCUSSION/PRESENTATION BY THE STANISLAUS
ECONOMIC DEVELOPMENT AND WORKFORCE ALLIANCE.

Local businessman Sean Carroll and James Grungke, Executive Officer for the Stanislaus Economic Development and Workforce Alliance, stopped by on July 18th to discuss OID's interest in being a participant sponsor of the Alliance. Mr. Grungke and Mr. Carroll went through the material they brought and wished to make a presentation to the Board on this matter.

Staff found value in the strategic elements being sought by the Alliance and found their request for financial assistance to be reasonable. The Alliance has commitments from both MID and TID for financial participation.

The Board may wish to refer the matter to the Community Involvement and Outreach Committee for further review and a recommendation or direct staff to take other appropriate action.

James Grungke, Project Director for the Stanislaus Economic Development and Workforce Alliance, was present at the meeting and gave a presentation to the Board.

Following the presentation the Board requested that this matter be placed on the Action Calendar for the next Board Meeting.

ITEM NO. 17
DISCUSSION/PRESENTATION BY PAT STIEHR ON
THE SOUTH MAIN CANAL WATER MEASUREMENT STUDY

Patrick Stiehr, P.E. with Watermark Engineering, will discuss the preliminary results and status of the South Main Canal Water Measurement Study. Mr. Stiehr and Water

Operations Manager, Kevin King, were available to answer any questions the Board had in regard to the study.

Pat Stiehr was present and discussed the preliminary results and status of the South Main Canal Water Measurement Study.

ITEM NO. 18
DISCUSSION ON POTENTIAL STATE
BUDGET IMPACTS TO PROPERTY TAX REVENUES

General Manager Steve Knell stated that this information was being provided to the Board of Directors to keep them apprised on the potential state budget impacts to property tax revenues.

ITEM NO. 19
DISCUSSION ON THE STATUS OF
WATER; STATEWIDE AND AT OID

Kevin King will update the Board on OID's water status and the General Manager will discuss the attachments.

Kevin King Water Operations Manager discussed OID's water status.

ITEM NO. 20
DISCUSSION/STATUS OF THE
JOINT MAIN REHABILITATION REPAIRS FOR 2008/2009

The Board was provided with an outline of the anticipated repairs proposed for the Joint Main Canal this winter work season.

General Manager Steve Knell discussed the status of the Joint Main Rehabilitation Repairs for 2008/2009 with the Board.

COMMUNICATIONS
ITEM NO. 11

A. **GENERAL MANAGERS REPORT**

Safety Activities

1. 76 days without a lost time injury accident.

Administration Activities

1. Legal or Pending Issues;
 - a. Goad –August 9th is the date set for signed papers or OID to file motion for enforcement.
 - b. Knight's Ferry – Discovery has been served and will consume staff time between now and mid August
 - c. Chappell Drain- No change

- d. Clark Pipeline- No change
 - e. Ed Perez and OE3 vs. OID- No change
 - f. Cahoon Property: Steve Cahoon given until August 1st to vacate OID right of way
 - g. Ohe Access-legal update in closed session
 - h. Attorneys on Gregg flooding suit met on July 19th to seek a settlement agreement.
2. Admin Issues;
- a. Stanislaus County Blue Print meeting attended on July 17th.
 - b. Attended LAFCO meeting on July 23 on “Winds of Change” presentation.
Interesting.
 - c. Tri Dam Special meeting held on July 25th on power contracts.
 - d. Met with Darlene Smith on Stanislaus Alliance personnel assistance capabilities
 - e. Planning a Public Relations Committee met on 100 year anniversary. Vern Crow with Astone in attendance.
 - f. Personnel Committee met on Alternative Work Schedule.
 - g. Kevin King has been nominated to fill a vacancy created on the State’s Ag Water Management Counsel from the departure / retirement of MID’s Joe Lima.

Contract and Special Project Activities

1. Letter sent to RTC with invoice for money due and time table for payment. To date, no response but RTC is in the process of responding.
2. Condor revised the construction documents to reflect the addition of Phase III to be added to Phase I for construction this winter. Bid due date was extended to August 6, 2008. There has been a lot of interest by all of the bidders.
3. Provost & Pritchard sent out the bid package for the Little Johns Creek Diversion Dam Rehabilitation Project to eight (8) contractors. Three (3) contractors, Cunningham & Sons, Conco West and Teichert attended the Pre-bid meeting and job walk with another three (3) not attending the Pre-Bid meeting stating they intend to bid. Bids due on August 12, 2008.
4. CH2MHILL submitted the CEQA documents to DFG for the Cape Horn Tunnel.
5. Recommendation for the RMP Compliance Audit and contract sent to Board for approval. The recommended consultant is Tracer Environmental Sciences & Technologies, Inc. from San Marcos, California.
6. Notice to Proceed was sent to Allen Waggoner Construction for the ID #52 System Distribution Replacement Project stating work must commence no later than August 13, 2008.
7. Contract Administration activities on issued contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.
8. Project coordination with Engineering Consultants
9. All trees in the front of the OID are scheduled to be trimmed on August 8th by Grover Landscaping

Construction & Maintenance Activities

1. Routine C&M Summer duties
2. Maintenance work on North and South sides
3. Out of House posting (1) C&M Senior Position- Written test complete, scheduled interviews for Tuesday, August 5th.
4. In-House Posting of (1) Welder Position-Written test complete, scheduled interview for Monday, August 4th.

5. Expect deliver of (2) new crew trucks from Haidlen Ford by Friday, August 8th.
6. Generating specifications for Capital Purchase of (1) 4" Diesel Trash Pump (2008 Budgeted Capital Purchase).
7. Received extension of time from Air Resources Board for the \$75,000 grant to place particulate matter filters in (5) pieces of District equipment.
8. On-going constructability review of 2008/2009 Capital Projects
9. Review Job-Set Up Forms
10. Review of potential dirt site locations

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.
4. Stanislaus County Road Crossing Agreement. County comments have been received and the Agreement is being amended to cover their requested changes. STANCO specific map showing all facilities within their jurisdiction is complete and the Agreement is being modified.
5. OID Standard Detail Review.
6. Draft Structure Permit complete, awaiting internal review and cross-checking for accuracy with other OID documents
7. Plan check and design review on Engineering in progress:
 - a. Riverbank/Crane Split – 60% Design Drawings Complete
 - b. Fairbanks Crossing at SSJID – 60% Design Drawings Complete
 - c. Johnny Creek Headworks Rehabilitation Project – 100% Design Drawings Complete. Met with DFG on 7/30/08 to discuss the Streambed Alteration Agreement.
 - d. Riverbank/South Rehabilitation Project – 60% Design Drawings Complete
 - e. Diliberto Long Crested Weir
 - f. Lone Tree Creek – ITRC Flap Gate Review
 - g. Burnett Lateral Rehabilitation Project
 - h. Knights Ferry Delivery System
 - i. Pipeline Replacement Program – Identification of top facilities for replacement
 - j. West Pump Pipeline
8. Service Standard Review.
9. Performance Evaluation preparation.
10. Continued North Side Reservoir project management. DOC comments received and meeting with STANCO on 7/16/08. Trying to set up a meeting with DOC to review the LLA findings.
11. Conde's CEQA package is complete. Awaiting site visit to verify findings. Likely on the August 19th Board Agenda.

Water Operations Activities

1. Performed first round of Ag Waiver sampling on July 23rd
2. Revising Ag Waiver MRP in include new products being used by the District
3. Developing 2008 winter spraying and treatment program
4. Meet with US Army Corps and others on July 30th regarding an issue on Orange Blossom

5. Continued preparation of 2008 Budget information
6. Dealing with various Rules & Regs enforcement issues (theft of water and flooding)
7. Compiling information for Rate Study
8. Performing performance tests on Ag wells
9. Preparing for ID 52 system replacement
10. Gathering diversion information for interrogatory received in regards to Knight's Ferry
11. Continued VAMP true up deliveries to MID. Should be fully repaid within the next 35 days.

Finance and Accounting Activities

1. Received \$900,000 for additional water provide under the SJR Agreement, paragraph 8.5
2. Six of the forty-five ID52 landowners paid up-front their proportionate share of the rural water system buy-in and construction costs. The remaining thirty-nine landowners are obligated to the loans with OVCB and USDA and monthly loan billing will begin August 1st.
3. Preparation of Fixed Asset Capitalization and Depreciation Policy
4. Continue to follow-up on three workers' compensation claims
5. Staff to meet with Wells Fargo on Friday, August 15th.
6. Continue to work on 2009 Budget
7. Review and processing of contract payments
8. Routine in-house IT maintenance
9. Routine accounting functions (AP, PR, AR, billing, reconciliations, etc.)

B. COMMITTEE REPORTS

1. Planning and Public Relations Committee Meeting, July 30, 2008
2. Personnel Committee Meeting, July 30, 2008
3. San Joaquin County Flood Control and Water Conservation District, Advisory Water Commission, July 16, 2008

Director Clark reported on the Planning and Public Relations Committee Meeting held on July 30, 2008. He reported that the Committee met with Vern Crow and staff and things are coming together. It was suggested that Vern Crow get in touch with Huell Howser and The Heartland to see if there is any interest in putting together a television program on the District's 100 Year Anniversary.

Director Clark also reported on the Personnel Committee Meeting held on July 30, 2008. He reported that the Committee met to discuss a socially responsible response to the high price of gasoline. That a change to a 9/80 work would be appropriate. The Committee recommended that the staff stay on the current schedule; however if they wanted to pursue this matter further they could bring it back to the Board.

There was no report on the San Joaquin County Flood Control and Water Conservation District, Advisory Water Commission held on July 16, 2008 due to Director Taro's absence.

C. **DIRECTORS' COMMENTS/SUGGESTIONS**

Director Webb

Director Webb asked what staff was doing on the Van Norman PL. District Engineer John Davids stated that he and Kevin were working on a resolution.

Director Clark

Director Clark asked what the status was on the Langworth PL. General Manager Steve Knell stated that Michael Ijams, General Counsel, had met with the landowners' attorney at the site and that the attorney is going to speak with the various landowners and get back to Michael Ijams and any proposed resolutions will be brought back to the Board.

Director Alpers

Director Alpers had no comments.

Director Bairos

Director Bairos had not comments

At the hour of 10:55 a.m. the Board moved to Closed Session.

CLOSED SESSION
ITEM NO. 22

A. Government Code §54956.9 Existing Litigation

- (1) Karen Eakin v. Oakdale Irrigation District
- (2) Steve Fields v. Oakdale Irrigation District

B. Government Code §54956.9(b) Anticipated Litigation

One (1) Case

At the hour of 11:48 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 11:49 a.m. the meeting was adjourned to the next **Board of Director's Meeting on Tuesday, August 19, 2008, at 9:00 a.m.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA 95361.

The next **Joint Board Meeting for the Tri-Dam Project** has been scheduled for **Thursday, August 21, 2008 at 9:00 a.m.** in the Board Room of the South San Joaquin Irrigation District, 11011 East Highway 120, Manteca, California.

Jack D. Alpers, President

Attest:

Steve Knell, P.E., Secretary