

MINUTES

Oakdale, California
January 18, 2005

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: Frank B. Clark, President
Jack D. Alpers
Louis Brichetto
Steve Webb
Director Taro

Staff Present: Steve Knell, P.E., General Manager/Secretary
Gary Jernigan, P.E., Support Services Manager
Kathy Cook, Chief Financial Officer

ADDITION OR DELETION OF AGENDA ITEMS

There were no additions or deletions.

ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE

There were no items taken out of sequence.

CONSENT ITEMS ITEMS 3, 4, 5, 7, 8

ITEM NO. 3

APPROVE OAKDALE IRRIGATION DISTRICT STATEMENT OF OBLIGATIONS

A motion was made by Director Brichetto, seconded by Director Alpers, 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 Brichetto, seconded by Director Alpers, and unanimously supported to approve the Improvement District's statement of obligations.

ITEM NO. 5
APPROVE THE TREASURER'S REPORT FOR THE MONTH
ENDING DECEMBER 31, 2004

A motion was made by Director Brichetto, seconded by Director Alpers, and unanimously supported to approve the Treasurer's Report for the month ending December 31, 2004.

ITEM NO. 7
APPROVE DIRECTOR'S ABSENCE RELATING TO
COMPENSATION AND BENEFITS - TARO

A motion was made by Director Brichetto, seconded by Director Alpers, and unanimously supported to approve the Director's absence relating to compensation and benefits for Director Taro.

ITEM NO. 8
APPROVE GENERAL SERVICES CONTRACTS FOR VARIOUS
VENDORS AND CONTRACTORS

A motion was made by Director Brichetto, seconded by Director Alpers, and unanimously supported to approve the general services contracts for various vendors and contractors.

Director Brichetto requested that Item Nos. 2 and 6 be removed from the consent calendar.

Public Member, Mr. Edge, requested that Item No. 9 be removed from the consent calendar.

ACTION ITEMS
ITEMS 2, 6, 9, 10, 11, 12, 13

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS'
MINUTES OF THE REGULAR MEETING OF

Director Brichetto requested that Item No. 6 of the Board of Directors' Minutes of January 4, 2005 be modified to reflect that the Condor Earth Technologies' Change Order No. 3 was in the amount of \$11,500.00.

Director Clark requested that the Minutes be modified to reflect his entire statement under "Director's Comments."

Director Alpers requested that the fourth sentence under the first bullet point of his Director's Comments be modified to read as follows, "The population is going to double in this area in the next *forty* years, maybe triple and he thinks water issues are quite important."

A motion was made by Director Brichetto, seconded by Director Alpers, and unanimously supported to approve the Minutes of the Regular Meeting of the Board of Directors of January 4, 2005 after the Minutes have been modified to reflect the above.

ITEM NO. 6
APPROVAL OF ANNUAL REVIEW OF ASSIGNED VEHICLES

Director Brichetto inquired as to whether or not there was any change in the assignment of vehicles from 2004. General Manager Steve Knell stated that there were no changes in the assignment of vehicles from 2004.

A motion was made by Director Brichetto, seconded by Director Alpers, and unanimously supported to approve the annual review of assigned vehicles.

ITEM NO. 9
APPROVE CHANGE ORDER TO GRAINTE CONSTRUCTION FOR THE CLARIBEL LATERAL REHABILITATION PROJECT

Mr. Edge wanted to know what the change order encompassed. Director Clark informed Mr. Edge that Oakdale Irrigation District's specifications inadvertently left out "fiber" from the mix design for the concrete lining.

A motion was made by Director Webb, seconded by Director Brichetto, and unanimously supported to approve Granite Construction's change order in the amount of \$4,500.00 for the Claribel Lateral rehabilitation project.

ITEM NO. 10
REVIEW AND TAKE POSSIBLE ACTION TO AMEND DISTRICT POLICY REGARDING DIRECTOR'S ABSENCE RELATING TO COMPENSATION AND BENEFITS

It was requested that this item be placed on the agenda for consideration. This Policy was established nearly 3 years ago despite the fact that absences have not been a problem with the Board of Directors. The Policy consumes administrative staff time to implement and provides no benefit for the time expended.

A motion was made by Director Alpers, seconded by Director Webb, and unanimously supported to revoke this district policy.

ITEM NO. 11
REVIEW AND TAKE POSSIBLE ACTION ON BOARD ATTENDANCE AT THE CALIFORNIA IRRIGATION INSTITUTE CONFERENCE

A motion was made by Director Alpers, seconded by Director Webb, and unanimously supported to take no action on the Board's attendance at the California Irrigation Institute Conference.

ITEM NO. 12

**REVIEW AND TAKE POSSIBLE ACTION ON EXECUTING AGREEMENT
WITH CONDOR EARTH TECHNOLOGIES TO CONDUCT
ADDITIONAL STUDIES ON THE SOUTH MAIN CANAL**

The Water/Engineering Committee (Directors Webb and Clark) of Oakdale Irrigation District met with Scott Lewis and Ron Skaggs of Condor Earth Technologies on January 10, 2005 to discuss the need for additional studies to be conducted on the South Main Tunnel. It was determined by the Water/Engineering Committee that it would recommend to the Board the following:

1. Recommend a hazard reassessment both upstream and downstream of 2 Mile Bar to re-rate and refine the locations of hazards.
2. To use this revised assessment to determine a preferred alignment of a tunnel downstream of 2 Mile Bar.
3. The cost would be around \$30,000.
4. Meet with the Committee in April with both findings and a revised Scope of Work for the investigation of the preferred tunnel route with proposed borings and core drilling locations and costs to engineer any fixes of hazards upstream of 2 Mile Bar (i.e., replacement of dry stack rock walls).

After a discussion by the Board and the Public Members present at the meeting,

A motion was made by Director Webb and seconded by Director Alpers to approve executing an agreement with Condor Earth Technologies to conduct additional studies on the South Main Canal, and was voted as follows:

Yes: Alpers, Webb, Clark, Taro
Noes: Brichetto

ITEM NO. 13

REVIEW AND TAKE POSSIBLE ACTION ON OID INVESTMENT POLICY

It is the policy of the District to invest public funds in a manner which will provide the highest investment return with the maximum security and to conform to all state and local statues governing the investment of public funds. In accordance with California Government Code Section 53646 (a)(1), the Treasurer or Chief Financial Officer shall annually render to the legislative body of the local agency a statement of investment policy. There are no changes to the 2005 Investment Policy presented today.

After a brief discussion a motion was made by Director Brichetto, seconded by Director Alpers, and unanimously approved to adopt the OID Investment Policy for 2005.

At 10:00 a.m. the Board of Directors welcomed participation by the public in the meeting.

ITEM NO. 15
PUBLIC COMMENT

Mr. Foard had a question regarding people that are getting off of the water charge and whether or not this removes them from the liabilities of the district. The General Manager responded with an explanation on the differences between taxes and fees.

Mr. Burtschi asked about the Highway 120 bypass and Director Clark responded.

Mr. Krause approached the podium and expressed his dissatisfaction with the Board. He stated that he thinks our consultants' costs are too high, he does not like the direction that the Board is going and he does not like the Board's actions.

At 10:15 public comment was closed and the Board continued with the General Manager's Report.

ITEM NO. 14
COMMUNICATIONS

A. GENERAL MANAGER'S REPORT

Safety Activities

1. OID employees have gone 249 work days without a lost time injury accident. A Dog Day was held January 14, 2005 to mark the event.

Administration/Accounting Activities

1. Water Resources Plan activities continues to consume admin time. A presentation was made at SSJID because of their interest in our activities.
2. The Finance Department is busy on the year end closing.
3. Meet and confer continues with the non-Union bargaining groups.
4. Much of Supervisory staff attending ACWA/JPIA training last week.
5. Annexations: The State's Division of Water Rights contacted Kull's Offices Friday and provided feedback to their questions. Little John' Creek is a fully appropriated stream channel. Without an Appropriations Permit, there can be no guarantee of delivery of water. It will be both expensive and timely to obtain a permit. Based on this, Kull will be submitting its LAFCO Application without Mr. Gillum next week. LAFCO has a required 30 day window to review and return to Kull with a deficiency report and a subsequent 30-60 day window to review and approve prior to submission to OID.
6. Tracking the development of user fees as part of the impending implementation of CALFED. Under current proposals, OID's water rates could easily double. The State Legislature will take up the determination of who pays what fees and how much this spring.
7. It was announced at the meeting that the 2004 Disclosure of Reimbursement Amounts to Employees and Directors have been prepared for signature and are available for public review.

Water Operations Activities

1. Assisting C&M construction activities.

2. Continue patrolling District facilities – new encroachments and dairy waste.
2. Continuing with various Land Reclassifications.

C&M Operations Activities

1. Work halted on the Campbell Lateral Rehabilitation with Bank rebuild due to excessive rainfall. Started work again on January 17, 2005
2. Corn Box on the Fairbank Lateral - Installation of 36" RCP started, chipping and patching of existing 36" pipe and box prepared for water test. Installed 5X5 Mixing Box West side of Corn Box
3. Cleaning of the Wills Pond Completed
4. Mootz Lateral to Pipeline Conversion halted due to rain.
5. Wills Lateral to Pipeline Conversion halted due to rain.
6. Glines Pipeline relocation project completed and punch list given to contractor. Work on punch list will be completed week of January 17th.
7. The Williams Pipeline replacement completed except for installation of Turnout.
8. Clavey Booster Pump Station rehabilitation continued. Drawings received and approved. Mobilization started on January 17th.
9. Claribel Lateral Rehabilitation Project had a Kick-Off meeting with Granite Construction. Granite begin mobilization on January 12th.
10. Rodden Dam Gate Replacement project on hold due to rain.
11. Cleaning operation begin on Coulter pond.

Engineering Activities

1. Revision of Subdivision and Parcel Map Policy
2. Cometa crossing over SSJID in design
3. Development of "Phased Implementation Plan" as it pertains to town water
4. Continued construction inspection throughout the District

Water Utility Activities

1. A Grant application was submitted for ID 52 to assist them in their well replacement. Other mechanisms are being investigated to financially assist this ID as well
2. Routine pump maintenance continues.

Legal Activities

- a. Submitted separately is General Counsel's update on current legal activities of the following:
 - Goad case
 - Abdallah bridge
 - Riverbank drainage encroachment
 - BMX encroachment
 - Cahoon's encroachment
 - DeClan Reen's delinquent account
 - Cantel's Case
 - Proposition 218 review
3. Johnson-Western billing dispute

B. **COMMITTEE REPORTS**

None.

C. **DIRECTORS' COMMENTS/SUGGESTIONS**

Director Alpers

Director Alpers stated that he heard the criticism that we changed the rules and got a general counsel. Director Alpers stated that he would like to have a discussion on the general counsel in one of the next two Board meetings.

Director Alpers also addressed the criticism that we are selling water and are not annexed. He stated that we have been here for three years and we have annexations in progress which are limited by legal processes, not us. He stated that we have not made a single new water sale. Regarding the recall he stated that Mr. Taro, Mr. Webb, and himself were not members of the recall. He did not support any of the philosophy of the recall movement. He stated that when you criticize the Board as a whole for being behind the recall movement that is an error because he was not.

Director Brichetto

Director Brichetto stated that he thinks that the directors and management should start thinking for themselves and quit buying any hot spaghetti that's thrown on the wall by consultants. Director Brichetto stated that he knows everything else has been put off prior to the water resource plan and he is on the conservative side regarding consultants. The financial stability of our district and our community depends on ample, reasonably priced water. Water is our most valuable resource and he believes it would be a mortal sin to sell it. He stated that he hopes his colleagues have not forgotten the fundamental purpose of this district and it's providing irrigation water within the sphere of influence of OID and when that is exhausted to provide domestic water. Keep the water local and grow our economy not someone else's. Director Brichetto stated that his constituents would like to see more improvements. Director Brichetto thinks we made substantial improvements on the South Main, but he would like the Board to take a deep breath and re-evaluate it before going further.

Director Taro

Director Taro had a question regarding the 5 x 5 mixing box on the west side of the corn box. Gary Jernigan responded.

Director Clark

Director Clark commented on the fact that the Country Club is within the District, they have paid their irrigation taxes for fifty years and if they want water they are entitled to it. Director Clark stated that the golf course water is very beneficial to the District in the sense that it eliminates the pumping of a million gallons a day of the groundwater supply and I think it is beneficial to all of us.

At the hour of 10:47 A.M. a motion was made by Director Brichetto and seconded by Director Webb to adjourn to the next **regular Board of Directors' Meeting** to be held on **Tuesday, February 1, 2005 at 9:00 a.m.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA 95361, and was voted as follows:

Ayes: Alpers, Webb, Clark, Brichetto
Noes: Taro

The next regular Joint Board Meeting for the Tri-Dam Project is scheduled for **Thursday, January 27, 2005 at 9:00 a.m.** at the South San Joaquin Irrigation District, 11011 East Highway 120, Manteca, CA.

Attest:

Steve Knell, P.E.
General Manager/Secretary