

MINUTES

Oakdale, California
July 6, 2004

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
Steve Webb, Vice President
Jack D. Alpers
Louis Brichetto
Tony Taro

Staff Present: Steve Knell, P.E., General Manager/Secretary
Gary Jernigan, P.E., Support Services Manager
John Davids, Assistant Engineer
Kevin King, Special Projects Coordinator
Kathy Cook, Chief Financial Officer

ADDITION OR DELETION OF AGENDA ITEMS

A motion was made by Director Brichetto, seconded by Director Alpers to table the Closed Session Item regarding property negotiations and was voted as follows:

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

Director Clark requested that Item No. 1, presentation to Tom Laidlaw be continued to the next Agenda. General Manager Steve Knell requested that Item No. 4, Statement of Obligations be placed on the Action Calendar as there was a correction.

ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE

There were no actions to take various items out of sequence.

PRESENTATION

ITEM NO. 2 PRESENTATION AND DISCUSSION BY MR. NASER BATENI OF GEI CONSULTANTS REGARDING GRANT APPLICATIONS UNDER PROPOSITION 50

General Manager Steve Knell requested that Mr. Bateni make a presentation to the Board regarding the possibilities for Prop 50 funding, the various programs and how they work.

Mr. Bateni presented information regarding the grant funds for water projects in California under Proposition 50, AB 303 Program, Agricultural Water Quality Grant Program, Reclamation Title XVI and Reclamation Challenge Grant.

Proposition 50 funds Mr. Bateni discussed included safe drinking water infrastructure improvement, protection of drinking water system from terrorist attack, water quality, river parkway, Tahoe conservancy, coastal water quality improvement, land and water resources of Sierra, desalination and pilot treatment projects, CALFED programs, integrated regional water management, land acquisition by Wildlife Conservation Board, Colorado River and coastal watershed, wetland, land acquisition and restoration. Also discussed were the Proposition 50, Chapter 7 CALFED water use efficiency and Chapter 8 eligible project elements.

**CONSENT ITEMS
ITEMS NO. 3, 5**

ITEM NO. 3

**APPROVE THE BOARD OF DIRECTORS' MINUTES OF THE
REGULAR MEETING OF JUNE 15, 2004 AND SPECIAL MEETINGS OF
JUNE 18, 2004 AND JUNE 25, 2004**

A motion was made by Director Webb, seconded by Director Brichetto and unanimously supported to approve the Board of Directors' Minutes of the regular meeting of June 15, 2004 and Special Meetings of June 18 and June 25, 2004.

ITEM NO. 5

**APPROVE DIRECTOR'S ABSENCE RELATING TO
COMPENSATION AND BENEFITS**

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

**ACTION ITEMS
ITEMS NO. 4, 6, 7**

ITEM NO. 4

**APPROVE OAKDALE IRRIGATION DISTRICT
IMPROVEMENT DISTRICT STATEMENT OF OBLIGATIONS**

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

ITEM NO. 6
REVIEW AND TAKE POSSIBLE ACTION ON A
RENTAL FEE INCREASE TO THE
CLAVEY HOUSE PROPERTY

On May 18, 2004, the Board instructed staff to obtain a rental appraisal from a real estate rental company. Both Investment Property Management (IPM) and Century 21 M & M Associates were contacted to obtain the requested appraisal. Century 21 concluded that the fair rental fee for this property would range from \$550 to \$700 (IPM did not respond). Law requires a 30-day notice for an increase less than 10% and a 60-day notice for an increase greater than 10%. Staff recommended increasing the monthly rental fee to \$550.00 (57%) with a 60-day notice to begin October 1, 2004.

A motion was made by Director Brichetto, seconded by Director Alpers to increase the monthly rental fee to \$500.00 and if in the future repairs are needed, that the tenant contact the District to complete. Said motion was voted as follows:

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

ITEM NO. 7
REVIEW AND TAKE POSSIBLE ACTION ON SELECTION OF A
WATER RESOURCES PLANNING CONTRACTOR AND
APPOINTMENT OF A NEGOTIATING COMMITTEE

The OID Board interviewed CH2M Hill on Friday, June 18th and Provost and Pritchard/Davids Engineering on Friday, June 25th as potential contractors to do OID's Water Resources Plan. Based on those interviews and each contractor's submittal, the Board will discuss their findings and make a selection on who is the best suited to develop its Water Resources Plan.

The selection of a firm would not guarantee an award of contract for the Plan's development. The selection opens the door to negotiations between the OID and the contracting firm on development of project deliverables and price of the project. Upon completion of this negotiation process, the results will be brought back to the Board for an award of contract based on a fully developed scope of work and an associated cost of the project.

The Board was asked to appoint a negotiation team to begin development of both a scope of work and a project cost based on the deliverables for the project.

Mr. Dennis Edge stated that the District should look at increasing their staff of professionals in order to implement any plan. He further stated that he had the feeling that the second vendor had more information given to them than the first vendor. He also questioned the organizational plan presented in that it shows primary implementers as the General Manager and Water Counsel.

Director Alpers stated that OID has improved its staff and that Mr. O’Laughlin would not implement the plan as he is a contract employee giving guidance on legal issues only.

Mrs. Betty Serpa commented that she disagreed with Mr. Edge in that both proposals were very informative and showed how they could work with the District. She further commented that the politics need to stop and individuals should be left to do their work.

A motion was made by Director Clark, seconded by Director Brichetto to begin negotiations with CH2M HILL and was voted as follows:

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

ITEM NO. 8
DISCUSSION OF THE AIRPORT EXPANSION PROJECT

General Manager Steve Knell stated since the instigation of the airport expansion plans in 1995 OID was not made aware of the plans changing to run the canal around the airport versus underneath the runway. In May of this year OID received plans with these changes and were asked to immediately return as they were to begin construction August 1. The City was advised that the time constraints were impossible for OID to meet.

Several meetings have taken place with the City of Oakdale with Bill Kull of Giuliani & Kull and Mark Levor of Curtis & Arata attending at OID’s request.

Director Alpers advised the Board of income he receives providing veterinary services to a landowner/business owner that would be affected by this airport expansion. According to FPPC regulations, under these circumstances Director Alpers must disqualify himself from voting and/or any discussions pertaining to this matter. Director Alpers left the meeting during the following discussion.

Director Clark questioned the potential for the FAA becoming involved in the control of OID water as it relates to the airport location. General Manager Steve Knell stated that OID has asked that question and many others of the City.

It was the consensus of the Board that it was imperative that OID not give up any control over its facilities to the FAA or anyone else and that going under the runway is just not an option.

General Manager Steve Knell stated that he would continue to keep the Board apprised of developments in the airport expansion project.

ITEM NO. 10
PUBLIC COMMENTS

Mr. Tom Gookin asked what could be done to get the Wills Lateral cleaned. Support Services Manager Gary Jernigan responded to his comments and stated this has been scheduled for August 1, 2004.

Mr. Henry Burtschi commented that he was upset regarding statements made that the water resources plan that he was involved in years ago was a worthless document. The climate for water changed completely. What went wrong is that things didn't get done, the District had a new manager that didn't do anything in 3 years and that is a different situation today.

ITEM NO. 9
ORAL REPORTS AND COMMENTS

A. GENERAL MANAGER'S REPORT

Irrigation Issues

1. The Board received a memo on the rotation schedule dates from now until the end of the water season.
2. Seasonal use is still about 6% over last year.

Current Internal Activities

1. July is Respiratory Awareness Month at OID.
2. ConAgra is interested in partnering on a water reclamation project.
3. LAFCO presentation on MSR/SOI went well. Good questions from Board on water for area needs. Emphasized the need for a water resources plan to provide the certainty that everyone wants.
4. Working with City of Oakdale on the airport expansion project.
5. Kevin King attended the Ag Waiver compliance meeting in Sacramento held by the RWQCB.
6. OID was at the Peaches and Cream Festival with a display.
7. Moll Lateral crossing 26 Mile Road north of Dodds Road has been damaged by SSJID's contractor for the water treatment plant.

Legal Activities

1. Katherine Boyd of C&A did a poster posting review for OID. We got a B+ but will correct some of the minor errors she found.
2. Ijams to meet with Reen on settlement talks.
3. The GM and Water Counsel met with Conde's on their water rights claim. Staff stands behind their findings and have placed the ball in the Conde's court to take the next step. Director Brichetto attended the meeting.

B. COMMITTEE REPORTS

No Committee reports were given.

C. DIRECTORS' COMMENTS

Director Webb

Director Webb stated that he was impressed and glad that the flooding of homes, etc. is down to almost nothing.

Director Alpers

Directors Alpers expressed his appreciation for Mr. Knell's efforts in running the booth at the Peaches & Cream Festival. Director Alpers also wanted to compliment Mr. Gary Jernigan on his ability to keep cool under pressure. Director Alpers stated that he would like to see OID look into some sort of contingency drought plan.

Director Taro

Director Taro commented that he would like to see the Board Chairman stop stating that OID is the greatest waster of water. Director Taro also suggested that a lot of problems could be avoided if canal banks were posted with sign. With the building of so many new homes it might help protect the District in the future.

Director Brichetto

Director Brichetto requested the status of the drainage policy. Director Brichetto suggested that some of the planning with Condor could be used to apply for the funding Mr. Bateni discussed today. Director Brichetto commented that the new staff hired is doing a good job and he was glad to see the levels of expertise raised.

Director Clark announced that during Closed Session the Board would hold a conference with real property negotiators to discuss the property at 1205 East F Street, Oakdale, Ca 95361. The Agency Negotiator is General Manager Steve Knell. Under negotiation is initial discussion concerning price and terms of payment.

At the hour of 11:25 A.M. a motion was made by Director Alpers, seconded by Director Taro and unanimously supported to adjourn to Closed Session.

At the hour of 11:40 P.M. a motion was made by Director Alpers, seconded by Director Brichetto and unanimously supported to adjourn the Closed Session and return to the regular meeting.

Director Clark announced that no action had taken place during the Closed Session.

At the hour of 11:42 P.M. a motion was made by Director Webb, seconded by Director Alpers and unanimously supported to adjourn to the next **regular Board of Directors' Meeting** to be held on **Tuesday, July 20, 2004 at 9:00 A.M.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA 95361.

The next regular Joint Board Meeting for the Tri-Dam Project is scheduled for **Thursday, July 15, 2004** 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