

## MINUTES

Oakdale, California  
November 20, 2007

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: Steven A. Webb, President  
Jack Alpers, Vice President  
Frank B. Clark  
Al Bairos, Jr.  
Absent: Tony Taro

Staff Present: Steve Knell, P.E., General Manager/Secretary  
Kevin King, Water Operations Manager  
John Davids, Support Services Manager  
Kathy Cook, Chief Financial Officer

Also Present: Chad Tienken of Giuliani & Kull  
Michael Ijams, Esq. (arrived at 10:40 a.m.)

### **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.

At the hour of 9:01 a.m. the Board welcomed public comment.

### **PUBLIC COMMENT ITEM NO. 1**

There was no public comment and public comment closed at 9:01 a.m.

Director Bairos requested that Item No. 3 be pulled from the Consent calendar and Director Alpers requested that Item No. 2 be pulled from the Consent Calendar.

**CONSENT ITEMS**  
**ITEM NOS. 4, 5, 6**

**ITEM NO. 4**  
**APPROVE IMPROVEMENT**  
**DISTRICT STATEMENT OF OBLIGATIONS**

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

**ITEM NO. 5**  
**APPROVE THE TREASURER AND CHIEF**  
**FINANCIAL OFFICER'S REPORT FOR**  
**THE MONTH ENDING OCTOBER 31, 2007**

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to approve the Treasurer and Chief Financial Officer's Report for the month ending October 31, 2007.

**ITEM NO. 6**  
**APPROVE ENCROACHMENT AGREEMENT ON THE**  
**ALBERS DRAIN (APN: 014-003-012/013 – FRESNO FARMING, LLC)**

A motion as made by Director Clark, seconded by Director Bairos, and unanimously supported to approve the Encroachment Agreement on the Albers Drain (APN: 014-003-012/013 – Fresno Farming, LLC).

**ACTION ITEMS**  
**ITEM NOS. 2, 3, 7, 8, 9, 10**

**ITEM NO. 2**  
**APPROVE THE BOARD OF DIRECTORS' MINUTES**  
**OF THE REGULAR MEETING OF NOVEMBER 6, 2007**  
**AND RESOLUTIONS NOS. 2007-54, 2007-55, 2007-56, AND 2007-57**

Director Alpers stated that under Action Item No. 20 it indicates that a motion was made and seconded by Director Clark and should be corrected. Director Clark also stated that under Action Item No. 12 the second paragraph should be deleted.

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of November 6, 2007 and Resolution Nos. 2007-54, 2007-55, 2007-56, and 2007-57 once the above corrections have been made to the Minutes.

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

Director Bairos had a question regarding the invoice for Avery & Associates for the recruitment of the District Engineer and asked how much longer the District will have to pay Avery. General Manager, Steve Knell, stated that this is the first invoice that the District has received from Avery & Associates.

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

**ITEM NO. 7**  
**REVIEW AND TAKE POSSIBLE ACTION**  
**ON A REQUEST FOR EASEMENT ON THE**  
**LANGWORTH PIPELINE (APN: 062-007-023 – VIERA)**

Mr. Vieira is one of many small landowners along a 1,800 foot section of the Langworth Pipeline, west of Richardson Road, which is scheduled for replacement in December of this year. That portion of the Langworth Pipeline located west of Richardson Road to the north lot line of APN 062-010-033 is fee title ownership of OID (see attached map). While OID is the fee title owner of this land, it has no access to its facility except through adjacent landowner properties. Having no access is problematic to OID in that it has no control or oversight of water use in this area and absorbs increased costs when performing operations and maintenance activities. The condition is unsatisfactory. Because of landowner complaints along this entire section of pipeline OID moved the replacement of this facility up in priority.

On July 6, 2007, after the decision to move forward with the project, OID sent out notification by mail to all effected landowners including Mr. Vieira. The notice advised every one of OID's intentions to replace the pipeline. Specific to Mr. Vieira, OID made several attempts as noted in his letter to contact him. Numerous messages were left on his voicemail but no response was ever received.

OID Staff in conjunction with our Design Engineer, Chad Tienken, with Giuliani and Kull (G&K), Inc. set-up on-site meetings with each of the affected landowners. The purpose of the meetings was to outline the intended work and address any property owner concerns. On July 10, 2007, Mr. Tienken met with Gary and Jared Vieira to discuss the project. As shown in the attached G&K documentation, Mr. Tienken explicitly told Mr. Vieira that "the fences would be moved to the property line, as would the new turnout." With that information, Mr. Vieira made no comment regarding the project and OID was under the impression that no issues existed. After meeting with all landowners and not hearing any objections or concerns OID completed its final design for the pipeline replacement.

At the end of October 2007 OID decided that it would again touch bases with the affected landowners prior to construction. OID set-up meetings again with all landowners including Mr. Vieira. OID met with Mr. Vieira on-site on October 29, 2007. At that time, the scope of

the project was again reviewed with Mr. Vieira and it wasn't until this point that Mr. Vieira seemed very upset that OID was going to "take land" from him. Staff noted to Mr. Vieira that OID was not "taking" any land from him. The land in question was OID land, not his.

Survey information collected as part of the project design identifies that OID owns a sixty (60) foot strip of land centered on the Langworth Pipeline (referenced as the Ida Crow Lateral) between Richardson Road and Eleanor Road with the exception of APN: 062-010-033. Property summaries of the G&K research that supports this is available for review.

In correspondence dated, October 31, 2007 from Mr. Vieira to OID he asks (among other things) that OID grant him a fifteen (15) foot easement encompassing the north fifteen (15) feet of OID's property through Mr. Vieira's property. OID responded to Mr. Vieira's letter in a response dated November 6, 2007. It is this matter that is before the Board of Directors.

As noted in Staff's November 6, 2007 response to Mr. Vieira, OID's intent is to work with our constituents and be a "good neighbor". OID is simply re-establishing the limits of property owned by OID after years of encroachments by neighboring landowners. OID is not asking Mr. Vieira to remove his barn which sits approximately four (4) to five (5) feet south of OID's north property line. OID Staff offered to adjust the fencing accordingly such that the fencing comes to the corners of Mr. Vieira's existing barn and even offered to allow him to install a gate next to the barn such that he could maintain access to the existing back door. Staff requested Mr. Vieira execute an Encroachment Agreement for his existing barn.

Staff's recommendation is to deny Mr. Vieira's request for an easement on the basis that good fences make good neighbors and require Mr. Vieira to execute an Encroachment Agreement for his existing barn. Fencing this sixty (60) foot strip of land owned by OID will;

1. Serve to protect OID lands from further encroachments.
2. Allow OID to operate and maintain its facilities to ensure the reasonable and beneficial use of water (WC 22075 and 22076).
3. Allow OID to operate and maintain its facilities without undue costs.
4. Reduce future replacement costs because encroachments are controlled.
5. Patrol the system to reduce water fluctuations from any unauthorized taking of water.

Gary Viera who resides at 4912 Highway 108 was present at the hearing. Mr. Viera expressed his concern with the District's required sixty (60) foot easement on the pipeline.

After discussion, Director Webb requested that this matter be referred to the Water Committee in order to set up a meeting with the property owners to discuss their concerns.

**ITEM NO. 8**  
**REVIEW AND TAKE POSSIBLE ACTION AUTHORIZING**  
**GENERAL MANAGER TO EXECUTE A CONTRACT WITH**  
**GEI CONSULTANTS TO PREPARE AND SUBMIT AN**  
**APPLICATION FOR AB 303 GRANT FUNDING ON BEHALF**  
**OF THE TUOLUMNE/STANISLAUS GROUNDWATER**  
**MANAGEMENT ASSOCIATION**

In 2005, Oakdale and Modesto Irrigation Districts applied for and received a \$250,000 grant through the Local Groundwater Assistance Act (AB303). The two districts, on behalf of the Stanislaus & Tuolumne Rivers Groundwater Basin Association, implemented and completed Phase I of the Wellfield Optimization Project.

The Association is interested in continuing with a Phase II of the Wellfield Optimization Project and will again be seeking grant funding through AB303. Oakdale Irrigation District would be the lead agency on the grant, whereas Modesto Irrigation District was the lead agency on Phase I.

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to authorize the General Manager to execute a contract with GEI Consultants to prepare and submit an application for AB 303 grant funding on behalf of the Tuolumne/Stanislaus Groundwater Management Association.

**ITEM NO. 9**  
**REVIEW AND TAKE POSSIBLE ACTION On**  
**AWARD OF BID FOR 2008 PESTICIDE**  
**MATERIALS TO UNITE AGRI-PRODUCTS DISTRIBUTION)**

Oakdale Irrigation District sought and received bids for pesticide/herbicide material services for budget year 2008. OID solicited interest from seven (7) vendors; three (3) were responsive. The lowest bid (\$59,806.60) was received from IVPM, however IVPM quoted rates for generic products and the bid was incomplete. The lowest, complete bid using name brand products was received from UAP Distribution in the amount of \$65,387.70. OID's Pest Control Coordinator feels strongly that the use of name brand products is worth the difference in cost. Lower quality products often cause more damage to equipment than the high quality product. In addition, utilizing quality products may reduce the amount of chemical actually applied.

A motion was made by Director Alpers, seconded by Director Bairos, and unanimously supported to award the bid for 2008 pesticide materials to United Agri-Products Distribution.

**ITEM NO. 10**  
**REVIEW AND TAKE POSSIBLE ACTION ON**  
**APPROVAL OF RESOLUTION AUTHORIZING**  
**THE DESIGNATION OF PUBLIC OFFICIAL BONDS**

In accordance with California Water Code Sections 21140 and 21141, the District may fix the amounts of bonds to be given by certain officers and persons to suit the conditions of the District. In the past, the District purchased the following bonds:

<u>Covered employee</u>	<u>Limits</u>	<u>Annual Cost</u>
Directors	\$ 50,000	\$1,125 total
Secretary	\$100,000	\$ 450 ea.
Treasurer	\$100,000	\$ 450 ea.

Upon review of the District's current fidelity bond coverage it has been determined that it would be more cost effective to purchase a Excess Blanket Public Employee Fidelity (Crime) Bond which has much higher limits for less and covers all employees. Attached is ACWA JPIA's quotation for this coverage for the limits of \$500,000 and \$1,000,000. Staff recommends purchasing the blanket policy with the \$1,000,000 limit.

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Resolution Authorizing the Designation of Public Official Bonds.

**DISCUSSION ITEMS**  
**ITEM NOS. 11, 12, 13, 14**

**ITEM NO. 11**  
**DISCUSSION/PRESENTATION BY**  
**V.A. RODDEN, INC. REGARDING RE-USE**  
**OF DRAINAGE WATER FROM UNION DRAIN**

Mike Burden and other representatives will be present to discuss a proposal for the re-use of drain water off the Union Drain on properties owned by VA Rodden. The properties are north of Oakdale Waterford Highway and west of Ellenwood Road, near the terminus of OID's South Lateral.

Mike Burden and Bill Jackson were present and discussed their current and future water needs.

**ITEM NO. 12**  
**DISCUSSION AND PRESENTATION ON A 5-YEAR**  
**CAPITAL IMPROVEMENT PROGRAM AND FUNDING OPTION**

Over the past three months the Finance Committee and Staff have been meeting to develop a 5-year Capital Improvement Plan to meet the goals of the District's Water Resources Plan. Along with that CIP, staff has developed some possible funding options which will be presented to the whole Board.

General Manager, Steve Knell, gave a PowerPoint presentation on the 5-Year Capital Improvement Program and Funding Options.

**ITEM NO. 13**  
**DISCUSSION ON LETTER OF REQUEST FOR**  
**EMERGENCY WATER FROM WESTLANDS**  
**AND SAN LUIS WATER DISTRICTS**

The Westlands and San Luis Water Districts (located on the Westside of the SJV) sent a letter to the San Joaquin Tributary Association, made up of Modesto, Turlock, Merced, South San Joaquin and Oakdale Irrigation Districts, soliciting interest in the furnishing of desperately needed irrigation water for use during the 2008 irrigation season. The reasons are succinctly outlined in their letter.

For OID to participate to the magnitude of water needed a following program would have to be established and the voluntary participation of landowners would have to be solicited. Incentives for this one-year only (emphasis added) program to fallow appear to be \$150 per acre foot of water generated. Landowners in the OID service area could not participate except through the concurrence and facilitation of the OID.

The matter before the Board is its desire to make such a program available to OID landowners on a voluntary basis.

General Manager, Steve Knell, discussed the letter of request for emergency water from Westlands and San Luis Water Districts and gave the pros and cons associated with the request.

**ITEM NO. 14**  
**DISCUSSION ON BUSINESS ITEMS AS**  
**THEY APPEAR ON THE TRI-DAM BOARD**  
**AGENDA FOR THURSDAY, NOVEMBER 15, 2007**

This item is placed here for the Board to discuss Tri Dam agenda items. Although the TDB meeting was held last week, there may be interest in discussing Tri Dam issues.

**COMMUNICATIONS**  
**ITEM NO. 15**

**A. GENERAL MANAGERS REPORT**

**Safety Activities**

1. OID employees have gone 547 days without a lost time injury accident!!

**Administration Activities**

1. Legal Issues;

- a. Goad settlement continues. Mr. Goad has not returned the signed easement papers in order for OID to move forward and complete its work.
  - b. Knight's Ferry dec relief – Case management hearing set for January 7<sup>th</sup> at which time a court date will be set.
  - c. Chappell Drain-Ijams to send a follow up letter.
  - d. Annexations – Conde's contract addendum was sent to water counsel for legal review. Bill Paris is finalizing the addendum language.
2. Admin Issues consuming staff time;
- a. CCSF / Modesto Reservoir Feasibility Study –We were looking for a late November draft of findings that has been delayed until December.
  - b. Negotiations with SEWD – A meeting has been scheduled for November 19<sup>th</sup> at SEWD.
  - c. Modesto City proposal for water treatment – Nick Pinhey, Director Modesto Public Works, has re-scheduled to come December 18<sup>th</sup>.
  - d. 5-Year Capital CIP and Finance Options – On this agenda
  - e. 2008 Budget preparations – continues.
  - f. P.R.&R. review status –idled.
  - g. Revising OID's Strategic Plan – idled.
  - h. Relocation of OID offices – idled.
  - i. OUSD WET Program – No action.
  - j. Personnel Matters
    - i. Employee survey meeting with Personnel Committee held November 13<sup>th</sup>.
    - ii. Engr. Tech. Sr. position has closed. Two in-house applicants.
    - iii. PERB's – Meeting scheduled in Sacramento for December 19<sup>th</sup>.
    - iv. Reviewing Heavy Equipment training plan submitted by Ad Hoc Safety Committee.
    - v. Headhunter meeting re-scheduled for December 4<sup>th</sup>
    - vi. Assistant Engr offer made on November 16<sup>th</sup>. Pending response.
    - vii. Field Services Supervisor offer made November 17<sup>th</sup>. Pending response.

### **Water Operation Activities**

1. Assisting in SEWD negotiations
2. Reviewing Prop 218 in preparation of fee for service adjustments
3. Working with Personnel Committee on developing the employee survey
4. Facilitating delivery of Hershey's water to requesting landowners
5. Reviewing Service Standards Report prepared by Provost & Prichard
6. Providing project support for the Support Services Department
7. Assisting the City of Modesto in preparation of their presentation to the OID Board
8. Conducting various landowner meetings

### **Finance Activities**

1. Review of 2007 Capital Projects budget versus actual.
2. Review and update of water related fees.
3. Met with Finance Committee on 5-year Capital CIP and Finance Options. Preparing Board presentation for same.
4. preparing 2008 Budget presentation to Finance Committee on November 20<sup>th</sup>.



### **Contract and Special Project Activities**

1. RTC mobilized on Monday, November 12<sup>th</sup> and start working on the repairs to the control structures and pipeline leaks. Presently, OID has 100% coverage of RTC's work from OID, G&K and P&P inspections. No completion date established until a full evaluation of the repairs has been completed. P&P conducted a field investigation and prepared a Technical Memo based off the field investigation. Presently, the Technical Memo is being evaluated for the various options.
2. CH2MHILL to hold a telephone conference call with OID on the status of the Modesto Reservoir Water Conveyance System next week.
3. Conco West mobilized and began construction on the Burnett/Tulloch Control Structure Modifications. Work completed to date includes demolition and earthwork.
4. Granite Construction mobilized and began work for the construction of the Brichetto/Claribel Control Structure Modifications. Work consisted of demolition and earthwork.
5. Cunningham & Sons to continue with construction on the Reed Pipeline Canal Crossing at SSJID with demolition, pipe installation, bank stabilization and the form and pouring of concrete structures.
6. Cunningham & Sons plan start construction on the Grider Pipeline Recapture Project on or about November 26, 2007 after receipt of pipe bridge drawings.
7. Bid packages for the Kearney Pipeline replacement sent out to Mozingo Construction, Granite Construction and Conco West for bidding.
8. Contract Administration on issued contracts and contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.

### **Construction and Engineering Activities**

1. Ongoing Suspense Form Responses.
2. Grant of Easement coordination for 2007/2008 Winter Work Projects.
3. Preparation of Cape Horn Tunnel access easements.
4. Completion of Draft OID CEQA Procedures.
5. Project coordination with Provost and Prichard, Inc.
6. Project coordination with Giuliani and Kull, Inc.
7. Posted for the Senior Engineering Technician position.
8. Pre-construction landowner meetings.
9. Working to fill Auto Shop vacancies.
10. Began construction on South/Palmer Diversion structure.
11. Normal C&M Duties.

## **B. COMMITTEE REPORTS**

### **Personnel Committee Meeting, November 13, 2007 @ 8:00 a.m.**

- Employee Survey
- Safety Recognition Awards
- Employee Recognition Awards

Closed Session  
*Government Code §54957.6*

- Conference with Labor Negotiator: Personnel Committee  
Represented Employee: General Manager

Finance Committee, November 13, 2007 @ 9:00 a.m.  
Closed Session, *Government Code* §54956.8

- Conference with Real Property Negotiator  
Property: North Side Reservoir APN: 002-052-025  
Negotiating Parties: Patrick Joslin and the OID  
Under Negotiations: Negotiation strategies, price and terms of payment

Director Clark stated that the Personnel Committee had a conference call with the company in Utah who will be conducting the employee survey. The Committee is putting together a final list of questions that will be forwarded to the company and will be put into their general format which will be presented to the Committee for final review.

The Personnel Committee also discussed the perfect attendance and the safety recognition awards and made recommendations on both awards.

The Personnel Committee also discussed the General Manager's new contract with the District. This contract will be brought to the Board at the next meeting on December 4, 2007.

### **C. DIRECTORS' COMMENTS/SUGGESTIONS**

#### Director Alpers

Director Alpers stated that October 31, 2006 vs. October 31, 2007 indicates that the District has \$9.8 million dollars more in the bank.

#### Director Clark

Director Clark stated that there are two things on the table regarding the water transfer to San Francisco; one is CH2M Hill is doing a study on the conveyance and our attorney has been having discussions with the City and County of San Francisco regarding water transfers. General Manager, Steve Knell, stated that our attorney is not having any formal discussions with the City and County of San Francisco and stated that there will not be any formal discussions until we understand the cost of the project.

#### Director Bairos

Director Bairos has no comments.

#### Director Webb

Director Webb stated that the 50<sup>th</sup> Anniversary of the Tri-Dam Project was on Saturday, November 17, 2007 and it was quite nice. He thanked the employees who attended the anniversary.

At the hour of 11:17 a.m. the Board moved to closed session.

**CLOSED SESSION**  
**ITEM NO. 16**

1. Closed Session to discuss the following:

**A. Conference with Real Property Negotiator - Government Code  
§54956.8**

Negotiating Parties: OID, Stockton East Water District, City of Stockton  
Westlands and San Luis Water Districts

Property: Water

Agency Negotiators: General Manager and Counsel

Under Negotiation: Price and terms

**B. Conference with Real Property Negotiator - Government Code  
§54956.8**

Negotiating Parties: OID and Pat Joslin

Property: Land

Agency Negotiators: General Manager and Finance Committee

Under Negotiation: Price and terms

At the hour of 11:49 a.m. a motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to return to open session.

The General Manager, Steve Knell, stated that there was no reportable action from the Closed Session.

**OTHER ACTION**  
**ITEM NO. 17**

At the hour of 10:10 a.m. a motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to adjourn to the next **Board of Director's Meeting on Tuesday, December 4, 2007, at 9:00 a.m.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA.

The next **Joint Board Meeting for the Tri-Dam Project** has been scheduled for **Thursday, December 20, 2007, at 9:00 a.m.** in the Board Room of the Oakdale Irrigation District 1205 East F Street, Oakdale, California.

\_\_\_\_\_  
Steven A. Webb, President

Attest:

\_\_\_\_\_  
Steve Knell, P.E., Secretary