

MINUTES

Oakdale, California
December 2, 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 Al Bairos, Jr., Vice President Frank B. Clark Steve Webb
Absent	Tony Taro
Staff Present:	Steve Knell, General Manager/Secretary Kevin King, Water Operations Manager Gary Jernigan, Contract/Special Projects Manager John Davids, District Engineer Jason Jones, Support Services Manager Kathy Cook, Chief Financial Officer

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 9:00 a.m. the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 1

There being no public comment, public comment closed at 9:00 a.m.

General Manager Steve Knell requested that Item No. 7 be pulled from the Consent Calendar.

CONSENT ITEMS
ITEM NOS. 2, 3, 4, 5, 6, 8, 9

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS'
MINUTES OF THE REGULAR MEETING
OF NOVEMBER 18, 2008 AND
RESOLUTION NOS. 2008-59 2008-60, AND 2008-61

A motion was made by Director Webb, seconded by Bairos, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of November 18, 2008 and Resolution Nos. 2008-59, 2008-60, and 2008-61.

ITEM NO. 3
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. 4
APPROVE 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>
<i>Revised</i> Cape Horn Tunnel	Tunnel rehabilitation: repair air vents 5 & 6 install rock bolts, shotcrete to the portals, tunnel walls & ceiling, pour concrete floor. Construction of temporary access roads, install sedimentation control basins and temporary check dam. Includes Phases 1, 2, 3, and a portion of 4 (4 phase project)	4,301,677 (previously report: \$3,662,200)	0843
<i>New</i> Burnett Lateral	Install new 16" Fresno C101 slide gate	\$5,000	0857
East Thalheim	Install new 24" and 30" Fresno C101 slide gates	\$11,500	0858
Paulsell Lateral	Install new 18" Fresno C101 slide gate	\$5,500	0859

ITEM NO. 5
APPROVE WORK RELEASES TO PROFESSIONAL
SERVICES AGREEMENT 2008-PSA-008 TO
GIULIANI AND KULL FOR CONSTRUCTION SERVICES MANAGEMENT

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Work Releases to Professional Services Agreement 2008-PSA-008 to Giuliani and Kull for construction services management.

ITEM NO. 6
APPROVE PROFESSIONAL SERVICES AGREEMENT
TO BUMGARDNER BIOLOGICAL CONSULTING
TO MONITOR THE CALIFORNIA TIGER SALAMANDER
DURING THE CAPE HORN TUNNEL REHABILITATION

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Professional Services Agreement to Bumgardner Biological Consulting to monitor the California Tiger Salamander during the Cape Horn Tunnel Rehabilitation in the amount of \$81,600.00.

ITEM NO. 8
APPROVE AWARD OF BID TO DON PEDRO PUMP
FOR DROGE RECLAMATION PUMP REPLACEMENT

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve award of bid to Don Pedro Pump for Droge Reclamation Pump Replacement in the sum of \$5,861.22.

ITEM NO. 9
APPROVE ENCROACHMENT AGREEMENT ON THE
COMETA DRAIN (APN: 207-012-002 – TE VELDE

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve encroachment agreement on the cometa drain (APN: 207-012-002 – te Velde).

ACTION ITEM
ITEM NOS. 7, 10, 11, 12, 13

ITEM NO. 7
APPROVE CHANGE ORDER TO TEICHERT CONSTRUCTION
FOR SCOPE CHANGES NECESSARY FOR THE LITTLE
JOHN CREEK DIVERSION DAM REHABILITATION PROJECT

General Manager Steve Knell pulled this item to explain a change in the contract price of \$100 dollars for one (1) yard of import fill.

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to approve the Change Order to Teichert Construction for scope changes necessary for the Little John Creek Diversion Dam Rehabilitation Project in the amount of \$283,028.00.

ITEM NO. 10
REVIEW AND TAKE POSSIBLE ACTION TO APPROVE
A RESOLUTION ADOPTING THE
SURFACE WATER SHORTAGE POLICY

Water shortages can occur for a variety of reasons due both to single and multiple events that may include; drought, an early start to the water season, a lack of spring rains, unseasonably high evapotranspiration, contractual obligations, canal failures on either the North or South Main, etc. Currently the State of California (State) is facing what could potentially be one of the most severe drought years in State recorded history. On June 4, 2008, Governor Schwarzenegger issued Executive Order S-06-08 wherein, among other things, he called upon local water agencies to develop drought contingency plans. Moreover, eight days after he signed the executive order, the Governor proclaimed a State of Emergency for the Central Valley due to drought conditions.

Currently the Oakdale Irrigation District (OID) does not have a surface water shortage policy. Adoption of such a policy is a critical component of water resource management. When the District was formed in 1909 its' specific purpose and charge was and still is as trustee of the surface water rights of the District's constituents. The control and distribution of that water is controlled by the reasonable and beneficial standards under the California Water Code. With respect to those Codes and to the senior water rights of OID, the District is committed to managing this right to the mutual benefit of all lands within the District's service boundaries first and foremost. There will be times however where the quantity of the water right available to the District is insufficient to meet the water demands of the crops grown. In those instances, a policy has been developed to address such shortages.

A Board workshop on the draft policy was conducted on November 4, 2008 and feedback from the workshop was positive. Staff encourages the Board to adopt the policy by resolution.

Director Clark stated that it would be a good idea to have another public meeting in the spring time after we have a better idea where we are with water. Directors Webb, Alpers, and Bairos agreed.

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve a resolution adopting a surface water shortage policy.

ITEM NO. 11
REVIEW AND TAKE POSSIBLE ACTION TO
APPROVE RESOLUTION AUTHORIZING THE GENERAL MANAGER TO EXECUTE
ALL NECESSARY DOCUMENTS RELATED TO THE ACQUISITION OF THE NORTH
SIDE RESERVOIR PROPERTY

Stewart Title has requested that a resolution be approved by the Board of Directors authorizing the General Manager to sign any and all documentation on behalf of Oakdale Irrigation District (OID) as it pertains to the North Side Reservoir property acquisition.

Staff recommends that the Board of Directors approve the resolution as attached.

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to approve resolution authorizing the General Manager to execute all necessary documents related to the acquisition of the north side reservoir property.

ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION TO
RECONSIDER THE BOARD'S ACTION FOR
FUNDING OF THE 100TH ANNIVERSARY CELEBRATION

On September 2, 2008, the Board of Directors authorized the General Manager to execute an amendment to Work Release No. 1 to PSA-2008-03 for Astone to assist in the planning of the 100-Year Celebration and approved a budget of \$100,000. .

On September 16, 2008, the Board of Directors discussed the activities outlined on the Astone Outreach and Activities Plan and eliminated some of the items from that list and a revised Anniversary Outreach and Activities Plan was prepared.

At the November 4, 2008 Board Meeting Director Bairos requested that this item be placed on the Agenda as an Action Item.

After discussion by the Board no action was taken. The Board agreed to refer this matter to the Planning and Public Relations Committee for review and bring it back to the Board.

ITEM NO. 13
REVIEW AND TAKE POSSIBLE ACTION TO
EXTEND THE EMPLOYEE HEALTH AND WELLNESS
PROGRAM ANOTHER YEAR

At the January 8, 2008 Board meeting, the Board approved the attached Health and Wellness Program for one (1) year. The Board asked staff to revisit the policy before next year to see how much participation there has been by employees.

The program provided reimbursement to an employee for monthly membership dues up to \$48 per month for a full-service health and fitness or weight control club. During 2008, there were 17 employees that participated. The new Gold's Gym, located in the shopping center next to the District will be opening in January 2008 has enlisted 20 members from OID. While some may be crossovers, we estimate that nearly 50% of the workforce is taking advantage of the health and wellness program.

Staff recommends continuing this program one more year and evaluate the benefits again in January of 2010.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to extend the employee health and wellness program another year.

DISCUSSION ITEMS
ITEM NOS. 14, 15, 16

ITEM NO. 14
DISCUSSION AND PRESENTATION
OF DRAFT 2009 BUDGET

Kathy Cook made a short PowerPoint presentation on the Draft 2009 Budget and answered questions from the Board.

ITEM NO. 15
DISCUSSION ON AB 2065 (HANCOCK) – INVASIVE AQUATIC SPECIES

Assembly Bill 2065 (Hancock) is recently signed legislation that requires reservoir owners and managers to assess the vulnerability of the reservoir for the introduction of nonnative dreissenid mussel species and to develop and implement a program designed to prevent the introduction of that species. The legislation has been added as section 2302 to the Fish and Game Code.

As joint owners of three reservoirs that are included in the legislated action, the District needs to discuss how to address the requirements.

General Manager Steve Knell and Water Operations Manager Kevin King explained the issues dealing with Assembly Bill 2065 to the Board and recommended that it be put on the Tri-Dam Agenda. The Board agreed.

ITEM NO. 16
DISCUSSION ON CAPITAL PROJECTS
FOR POTENTIAL BOND FINANCING

General Manager Steve Knell discussed the list of projects staff is recommending for potential bond financing. The financing team met on November 19, 2008 to review draft documents that will be used for the presentation to the bond rating companies. A list of potential capital projects is required to be a component of that presentation. With that list will be the intended lending amount desired by OID.

The list is a mix of hazard reduction projects and projects that generate a component of water savings for OID. Staff believes the mix of projects is appropriate and would request the Board to review and comment on the projects proposed and the level of funding being sought.

General Manager Steve Knell stated that they will attend a meeting on the 15th of December in San Francisco with the rating agencies and will have a rating in about 10 days.

COMMUNICATIONS
ITEM NO. 17

A. GENERAL MANAGERS REPORT

Safety Activities

1. 201 days without a lost time injury accident.

Administration Activities

1. City of Modesto meeting on regional water treatment still scheduled for December 12th.
2. The preparation of bond documents continues. A December 10th meeting is scheduled to review the final docs and the presentation. A bond rating presentation is scheduled for San Francisco on December 15th.
3. Working on negotiations for management, supervisors and confidential employee groups.
4. Steve Fields is seeking a TRO (temporary restraining order) against OID to release water immediately into the North Main Canal so his cattle can have water. That court hearing is Wednesday, December 3rd.

Contract and Special Project Activities

1. OID's General Counsel has taken over to recover monies due OID from RTC. All information is being sent to him to contact RTC's bonding agency.
2. Cape Horn Tunnel – Drill Tech has completed 1,200 feet of Shotcrete and 800 feet is 50% complete with the first 2" of Shotcrete. Also Drill Tech has drilled 60% of the Soil Nails at the Downstream Portal and 15% for the Upstream Portal. Approximately 40% of the Soil Nails have been installed at the Downstream Portal but none at the Upstream Portal. Work was suspended on Wednesday, November 26, 2008 at the close of business for the Thanksgiving Holiday and restarted on Monday, December 1, 2008. With the progress continuing at the present rate, the completion is scheduled for January 24, 2009 for both the Downstream and Upstream Portals and the contract tunnel work.
3. Little John Creek Dam Project – Teichert Construction formed, poured and stripped the Ramp for the Flume. Also, Shotcrete was completed for the canal banks upstream and downstream of the flume. New dam gates were installed except for the actuators which will be completed by December 5, 2008. Some of the Rip Rap does not meet specifications and will be removed. Removal scheduled to be completed and new rip-rap installed. Project is scheduled for completion on December 19, 2008.
4. Riverbank/South Main - Sierra Mountain completed the grading and shaping of the canal banks. Johnson-Western completed Shotcrete for canal except where the Diversion Structures are to be constructed. Construction on Diversion Structures started on December 1, 2008. Fencing has started and finish grading on the canal banks is under way. Project is scheduled for completion on January 23, 2009.
5. Fairbanks/Cometa Control Structure Rehabilitation - Canal reconstruction was completed on November 21, 2008. Piping and sub-base preparation for the structures started on November 24, 2008. Control Structure construction started on December 2, 2008. Project is scheduled for completion first week in January, 2009.
6. Fairbanks/SSJID Main – Preston Pipeline/Cunningham completed forming, pouring and stripping the box culvert slab. Formed and Poured the Double Box Culvert on

November 24, 2008. Also, on November 24, 2008 SSJID released water from the Water Treatment Plant and flooded the site. The extent of damages cannot be determined at this time due to the amount of standing water in the excavation. The project was ahead of schedule but, with flooding, the project will be back on the original completion schedule for February 19, 2009.

7. USFWS issued letter for study of the California Tiger Salamander at the upstream portal of the Cape Horn Tunnel has been implemented and being monitored.
8. Contract Administration activities on issued contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.
9. Project coordination with Engineering Consultants.

Construction & Maintenance Activities

1. Review of Job Set Up Forms
2. Review of Request For Work Approvals
3. On-going review for potential dirt sites
4. Various Landowner meetings
5. #0845 Dry Creek/South Structure Rehabilitation- Job is 80%complete.
6. #0848 Albers I/II Structure Rehabilitation- Job is 75% complete.
7. #0840 Faxon Pipeline-Pipeline replacement-90% complete
8. #0822 Droge Pump- Pipeline replacement- 90% complete
9. #0853 Richardson Pipeline- WY Replacement- 100% complete
10. #0841 Lesinini Lateral- Turnout Replacement- 90% complete
11. #0849 Paulsell Lateral- Turnout Replacement- 90% complete
12. A-Z Bus Sales installing emissions particulate filter on the John Deere 550 Dozer

Engineering Activities

1. Ongoing Suspense Forms.
2. Board Agenda Report preparation.
3. Working with various Irrigation Design Companies on new turnout designs for construction this winter.
4. Assisting Mr. Jernigan in compliance with the CEQA phase of the Cape Horn Tunnel Project.
5. Engineering Department Staff assisting Mr. Jernigan with construction inspection activities on this winters contracted projects.
6. Survey activities and preliminary design underway for 2009/2010 Capital Projects.
7. Preparing early CEQA analysis for new projects.
8. DRAFT Grant Deeds completed. FINAL Grant Deeds to be sent to Stewart Title for subsequent signature by the Joslin Family. Pre-application meeting set for December 4, 2008 with Army Corp and meeting set with USFWS on December 9, 2008. Met with Pacific Southwest Irrigation on 11/20/08 to review Joslin Irrigation system modifications. Estimate to be received this week.
9. Conde's CEQA package is complete. Waiting for compliance with three (3) outstanding conditions of approval before the package will be taken to the Board for approval and subsequently sent to LAFCO for their review. Conde's have met our insurance requirements, completed the Turnout Application and have an approved Encroachment Agreement for their rotating screen and thus they are ready for construction.
10. Met with Mike Burden on the V.A. Rodden Project and received estimates for the work to be completed. Agreement to the Board on December 16, 2008.

11. DRAFT Settlement Agreement for the Lubbers complete and sent to their attorney, Carl Combs for review.
12. W.C. Maloney has been contacted as it pertains to the Cahoon project and estimate expected this week.
13. Review of Thompson Memorandum of Understanding.
14. John Davids to testify in Fields case if necessary on December 3, 2008.
15. Setting up Water Committee meeting to review Te Velde project and Townsend request for an Encroachment Agreement.

Water Operations Activities

1. Held landowner meeting on November 19th with Mr. Furtado in regard to acquisition of well site near the Erlanger Pipeline.
2. Attended a workshop sponsored by Merced ID on pre-screens and filtration on November 19th.
3. ID 52 – Deadline for switching over to new system was December 1st. As of November 25th all but three had been switched over.
4. Monitoring State water conditions. (See Attached Reservoir Condition Report)
5. Coordinating with eastside tributary agencies on approach for the Long Term Irrigated Lands Program
6. Collected and reported groundwater level measurements as part of the STRGBA groundwater management plan.
7. Research of AB 2065 – Invasive Aquatic Species
8. Developing scope of work for new groundwater wells for issuance of a Request for Proposals after the first of the year.
9. Reviewing Salt and Boron TMDL and associated management plan activities.
10. Preparing paper for 2009 USCID Conference – paper will be co-authored by Rubicon Systems.
11. Coordinating SCADA activities for 2008/2009 projects.
12. Reviewing and updating Divisional Rotation Sheets
13. Evaluating the use of Polyacrylamide near reclamation pump sites to extend operating life of impellers.
14. Regional Water Treatment Plant meeting scheduled for December 12th in Modesto.

Finance and Accounting Activities

1. Continued to provided, prepared and reviewed historical information to obtain bond rating, including reviewing potential projects for bond funding. Met with financing team on November 19, 2008.
2. Finalized 2009 Draft Budget and presentation for Board review.
3. Sent twelve 15-day shut-off notices to rural water customer.
4. Prepared three FMLA employee notices.
5. Continue to update accounting staff cross-training which is causing somewhat of a slow-down.
6. Routine accounting functions (AP, AR, PR, billing, reconciliation, etc.)

B. COMMITTEE REPORTS

Director Clark stated that he, the Manager, and The Administrative Assistant Lori Presley met with Attorney Roger Shrimp.

Director Clark stated that he Director Alpers, and Director Taro attended the Restore the Delta Campaign Platform at UOP.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Alpers

Director Alpers asked if negotiations were continuing on the Ohe case. General Manager, Steve Knell stated the he talked to Mike Ijams yesterday regarding all legal issues and the Ohe agreement, in principle, has been accepted. Ijams is awaiting Ohe's attorney's (Dambacher) call back regarding signage.

Director Webb

Director Webb thanked staff for a good year.

Director Clark

Director Clark had no comments

Director Bairos

Director Bairos had no comments

At the hour of 10:32 a.m. the Board moved to Closed Session.

CLOSED SESSION
ITEM NO. 18

- A. *Government Code §54957.6* Conference with Labor Negotiator**
Agency Negotiator: General Manager
Unrepresented Employees: Exempt Management/Supervisory/Confidential Employees

At the hour of 11:10 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. 19

At the hour of 11:10 a.m. the meeting was adjourned. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, December 16, 2008 at 9:00 a.m.** in the board room at 1205 East F Street, Oakdale, CA.

The next Joint Board Meeting for the **Tri-Dam Project** is scheduled for **Thursday, December 18, 2008 at 9:00 a.m.** in the board room of the South San Joaquin Irrigation District, 11011 East Highway 120, Manteca, CA.

Jack D. Alpers, President

Attest:

Steve Knell, P.E., Secretary