

## MINUTES

Oakdale, California  
April 3, 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: Jack D. Alpers, Vice President  
Tony Taro  
Al Bairos, Jr.  
Frank B. Clark  
Absent: Steve Webb, President  
Staff Present: Steve Knell, P.E., General Manager/Secretary  
Kevin King, Water Operations Manager  
Kathy Cook, Chief Financial Officer  
Gary Jernigan, Support Services Manager

### **ADDITION OR DELETION OF AGENDA ITEMS**

General Manager, Steve Knell, requested that Item No. 13 be deleted from the Agenda.

### **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**

Gloria Wamhoff who resides at 10524 Victory Avenue on the corner of Victory and Highway 120 stated that her property has had a flooding problem for over twenty years. She stated that she was before the Board in September and is back again due to flooding during this year's first rotation. Director Alpers stated that the Water Committee had met and discussed this matter on April 2, 2007 and her matter will be on the Agenda for April 17, 2007.

Ken Krause who resides on Wamble Road in Oakdale had a question about the possibility of borrowing of \$35 million from LaSalle Bank and wanted to know what collateral they would be asking for. Director Alpers stated that this matter has never been brought to the Board for consideration.

There being no further public comment, public comment was closed at 9:06 a.m.

Director Clark requested that Item No. 4 be pulled from the Consent Calendar.

**CONSENT ITEMS**  
**ITEM NOS. 2, 3, 5, 6**

**ITEM NO. 2**  
**APPROVE THE BOARD OF DIRECTORS' MINUTES**  
**OF THE REGULAR MEETING OF MARCH 20, 2007 AND**  
**RESOLUTION NOS. 2007-13, 2007-14, 2007-15, 2007-16, AND 2007-17**

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of March 20, 2007, and Resolution Nos. 2007-13, 2007-14, 2007-15, 2007-16, and 2007-17.

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

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

**ITEM NO. 5**  
**APPROVE NOTICE OF COMPLETION FOR THE NORTH MAIN**  
**CANAL CROSSING AT SONORA ROAD REPLACEMENT PROJECT**

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to approve the Notice of Completion for the North Main Canal Crossing at Sonora Road replacement project.

**ITEM NO. 6**  
**APPROVE NOTICE OF COMPLETION FOR THE UNION**  
**DRAIN CROSSING AT CROW ROAD REPLACEMENT PROJECT**

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to approve the Notice of Completion for the Union Drain Crossing at Crow Road replacement project.

**ACTION CALENDAR**  
**ITEM NOS. 4, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17**

**ITEM NO. 4**  
**APPROVE ENCROACHMENT AGREEMENT ON**  
**THE KEARNEY LATERAL (APN: 010-019-009 – VANDEPOL)**

Director Clark wanted some clarification as to whether or not the crossing that was installed by Mr. VanDePol met all of the District's requirements and specifications. Director Clark stated that before the District grants an encroachment agreement that the District should make sure that he has met all of the District's requirements. Director Clark also asked if

Mr. VanDePol had filed for a reclassification of land and if not, then this matter should not be approved.

A motion was made by Director Clark and seconded by Director Bairos, to deny the Encroachment Agreement on the Kearney Lateral until staff has confirmed that Mr. VanDePol's pipeline meets the District's specifications and has filed for a reclassification of land, and was voted as follows:

Ayes: Directors, Clark, Alpers, Bairos  
Noes: Director Taro  
Absent: Director Webb

**ITEM NO. 7**  
**REVIEW AND TAKE POSSIBLE ACTION ON A**  
**FENCING COST-SHARE PROJECT (APN: 062-015-023 - MARTIN)**

The Oakdale Irrigation District (OID) Raney Pump and a portion of the Raney Drain are located on the above-noted parcel, as shown on the attached project site map. The landowner, Mrs. Martin, has applied for a use permit from Stanislaus County for a horse training operation. As part of the OID review of the project for Stanislaus County, OID requested that Mrs. Martin install fencing along the edge of the Raney Drain easement. In her February 20, 2007 letter to OID, a copy of which is attached for your review, Mrs. Martin requested that OID share the cost of the fencing.

This item was presented to the Water Committee Monday, April 2<sup>nd</sup> and their recommendation will be shared with the Board.

If the Board decides to participate in this project a Letter of Agreement would be prepared and executed between OID and Mrs. Martin outlining her responsibility for any and all future O&M of the fence.

General Manager, Steve Knell, stated that Mrs. Martin is affiliated with a non-profit organization providing services to handicapped children; however, she personally is not a non-profit organization.

A motion was made by Director Bairos and seconded by Director Clark to deny her request for cost sharing on fencing, and was voted as follows:

Ayes: Directors Clark, Alpers, Bairos  
Noes: Director Taro  
Absent: Director Webb

**ITEM NO. 8**  
**REVIEW AND TAKE POSSIBLE ACTION ON CANCELLATION**  
**OF RETURN CHECK FEE (APN: 063-014-029 – GENTRY)**

Mrs. Gentry is requesting that the \$20 returned check fee placed on her account be forgiven. Ms. Gentry's check was returned to the District on March 14, 2007 stating that

the bank was "unable to locate account". Mrs. Gentry spoke to the District's Chief Financial Officer and explained that she had used an old check which she had found from her bank and later discovered that the account number was no longer valid.

OID believes the returned check fee proper and the staff time accumulated in assessing the charges were due solely to an error on Mrs. Gentry's part. In accordance with Board Policy and California Water Code section 26000, the Board shall order the Treasurer, to cancel or modify an assessment when it finds that any property has been either:

- (a) Assessed in any year more than once.
- (b) Assessed by reason of a clerical error for more than its cash value.
- (c) Computed for assessment on an excessive acreage.
- (d) Assessed while not in district.

None of these occurred and hence Mrs. Gentry is not entitled to any refund of charges under the Water Code. Any other cancellation or modification to charges not mentioned in Section 26000 or in this resolution shall be submitted to the Board of Directors for consideration.

A motion was made by Director Clark and seconded by Director Alpers for discussion. After further discussion the Board voted as follows:

Ayes:	Directors Clark, Alpers
Noes:	Directors Bairos, Taro
Absent:	Director Webb

The motion failed due to lack of vote.

**ITEM NO. 9**  
**REVIEW AND TAKE POSSIBLE ACTION ON CLAIM**  
**FOR DAMAGES TO ALMOND TREES (JONGSMA)**

In February 2006, Mr. Jongsma claims that twenty (20) almond trees were damaged due to work the District performed during the replacement of the Kearney Pipeline Siphon.

Staff recommends rejecting the claim and forwarding it to ACWA JPIA. OID pays \$150,000 annually in liability insurance to address claims. A rejection by the Board is not a statement it disagrees with the claim nor is it an admission of fault.

Mr. Jongsma was present at the meeting along with his Attorney Rick Asfar. Mr. Asfar stated that he was present to provide any information the Board may need in making a decision on Item Nos. 8 and 9. Mr. Asfar stated that when the project was done there were approximately 20 almond trees taken out. Mr. Asfar was asking the Board to reconsider recompense now rather than forwarding it on to the insurance carrier and dragging this matter out longer since it has already been one year since this happened. They would like to bring this matter to a conclusion as soon as possible.

A motion was made by Director Clark, seconded by Director Bairos and unanimously supported to reject the claim and refer the claim to ACWA/JPIA for handling.

**ITEM NO. 10**  
**REVIEW AND TAKE POSSIBLE ACTION ON CLAIM FOR**  
**DAMAGES FOR ATTORNEY FEES AND ENCROACHMENT (JONGSMA)**

During the period February – April 2006 the District replaced a portion of its Kearney Pipeline at a siphon adjacent to Mr. Jongsma property located on Warnerville Road. Mr. Jongsma is claiming that the newly installed pipeline is encroaching on his property and that the claim requires specific performance; in addition to reimbursement of attorney fees.

Staff recommends rejecting the claim and forwarding it to ACWA JPIA. OID pays \$150,000 annually in liability insurance to address claims. A rejection by the Board is not a statement it disagrees with the claim nor is it an admission of fault.

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to reject the claim for damages for attorney fees and encroachment and refer the claim to the ACWA/JPIA for handling.

**ITEM NO. 11**  
**REVIEW AND TAKE POSSIBLE ACTION ON**  
**APPROVAL OF 2007/2008 HEALTH INSURANCE COVERAGE**

The District's employee health insurance renewal with PacifiCare will occur on May 1, 2007. Attached is TSM's Health Insurance Quote Summary. To maintain the same plan the District's renewal with PacifiCare will increase premiums by 19%. The summary also provides other health plans for consideration.

The Finance Committee met on Monday, April 2, 2007 with staff and TSM Insurance representatives.

Mark Antrim of TSM Insurance and Financial Services was present and gave a presentation on insurance options.

Patrick Thistle, the OE3 representative, was also present at the hearing.

General Manager, Steve Knell, stated that he would like to offer the employees two options; to renew with PacifiCare - Medium Option HMO, in addition to reimbursing employees for health co-pays and co-insurance deductibles that would have been covered under the District's current PacifiCare Plan to provide "like-kind" benefits to District employees as bargained; or a Kaiser – High Option HMO which would provide "like-kind" benefits to the District employees as bargained.

After discussion, a motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to provide two options; the PacifiCare – Medium Option HMO Plan with a third party administrator and the District reimbursing out-of-pocket health co-pays and co-insurance deductibles to the employees or the Kaiser – High Option HMO Plan.

**ITEM NO. 12**  
**REVIEW AND TAKE POSSIBLE ACTION ON THE 2006 AUDITED**  
**ANNUAL FINANCIAL REPORT OF THE OAKDALE IRRIGATION**  
**DISTRICT FOR THE YEAR ENDED DECEMBER 31, 2006**

The 2006 Comprehensive Annual Financial Report is being submitted for approval. The District's Auditor John Barnhart, CPA and OID's Chief Financial Officer, Kathy Cook were present at the board meeting to answer questions.

Kathy Cook, Chief Financial Officer, gave a PowerPoint presentation on the 2006 Audited Annual Financial Report of the District.

John Barnhart was also present and gave his report on the 2006 Audited Annual Financial Report of the District. Mr. Barnhart stated that Kathy has put a lot of history, statistics, and data in the Audit. Mr. Barnhart's main concern, which is the same as it has always been, is that he would like to see the operating revenues match the operating costs.

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to approve the 2006 Audited Annual Financial Report of the Oakdale Irrigation District for the year ended December 31, 2006.

**ITEM NO. 13**  
**REVIEW AND TAKE POSSIBLE ACTION ON THE 2006**  
**AUDITED ANNUAL FINANCIAL REPORT OF THE**  
**OAKDALE IRRIGATION DISTRICT IMPROVEMENT**  
**DISTRICT FOR THE YEAR ENDED DECEMBER 31, 2007**

This matter was deleted from the Agenda.

**ITEM NO. 14**  
**REVIEW AND TAKE POSSIBLE ACTION**  
**ON AVAILABILITY OF SURPLUS WATER**

General Manager, Steve Knell, stated that this District is not going to get its full entitlement to water this year. The General Manager further stated that the District is not able to declare surplus water available at this time. The District will be receiving a letter from the State Water Resources Control Board on April 13, 2007 advising the District of their total amount of water that will be available this year.

Based on the General Manager's statement, a motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to reconsider the availability of surplus water at the next Board meeting on April 17, 2007.

**ITEM NO. 15**  
**REVIEW AND TAKE POSSIBLE ACTION ON AVAILABILITY**  
**OF SURPLUS WATER FOR OUT-OF-DISTRICT LANDS**

As provided by policy, OID makes a determination on the availability of “surplus” surface irrigation water for “out-of-District” annual agreements at the first board meeting in March. At that Board meeting the availability of surplus water was unknown due to the limited snow pack on March 1. As of this writing, the April snow pack numbers are not all in but the indications are that OID will likely not get its full entitlement of water. The Board will discuss further upon submittal of more information anticipated to be available at the April 3<sup>rd</sup> meeting.

In order to accommodate the current *tentative list* of out-of-district land applicants OID would need to declare approximately 6,700 acre-feet “surplus” for the 2007 water year. That amount of water represents the volume used in providing ½ a rotation, which could be significant to in-district users in a water short year.

At a minimum, staff would recommend that the Conde application, since he has applied and been approved by the Board to seek annexation, and the ACOE who use OID water to irrigate Orange Blossom Park, be granted out-of-district water.

Shawn Conde of Conde Farms was present at the Board Meeting to discuss their current situation regarding water. Wendell Naraghi was also present at the Board Meeting to discuss his current situation regarding water.

Director Alpers would like the Water/Engineering Committee to meet with the Out-Of-District Applicants to discuss their water needs and what options are available. Director Alpers stated that a decision could not be made today regarding the availability of surplus water for out-of-district lands until the District knows what their total amount of water will be for the year. A Water/Engineering Committee was scheduled for Monday, April 9, 2007 at 9:00 a.m. to allow the out-of-district applicants the opportunity to address the Committee regarding their water needs.

**ITEM NO. 16**  
**REVIEW AND TAKE POSSIBLE ACTION ON RESOLUTION**  
**SETTING 2007 WATER RATES FOR IRRIGATION OF**  
**LANDS OUTSIDE OAKDALE IRRIGATION DISTRICT BOUNDARIES**

As provided for in the District’s Agreement for Irrigation of Lands Outside District Boundaries, surplus irrigation water is determined to be available (surplus) or not at the first meeting in March. This item was addressed then and then deferred to the April meeting due to a lack of sufficient snowfall data to determine the availability of surplus water.

Based on the attached rate analysis, the “unsubsidized” rate for water in 2007 is \$53 per acre foot (flow rate) or \$262 per acre based on the OID’s 2007 budget.

In 2006, the per-acre charge for out-of-district water was as follows:  
\$19.59 per acre foot, or

\$79.30 per acre for those landowners owning less than 10 acres, and \$62.40 per acre for those landowners owning 10 acres or larger.

The Board is requested to set a rate for the per acre receipt of water and a per acre-foot rate for all applicants who are required to pay for the volume of out-of-district water they receive.

There was no action taken on this agenda item. It will be reconsidered at the April 17, 2007 Board Meeting.

**ITEM NO. 17**  
**REVIEW AND TAKE POSSIBLE ACTION ON THE DISTRICT'S**  
**PARTICIPATION AS A CONTRIBUTOR TO "CALIFORNIA**  
**WATER" SERIES FOR PUBLIC TELEVISION, PHASE II**

ACWA put out a letter requesting water agency sponsorship in promoting Phase II of its water education series narrated by Huell Howser. The attached material outlines the benefits of participation. The value of the complimentary DVDs one would receive for being a Category 4 sponsor is about \$200, which could be given to Oakdale High School for their library.

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to participate as a contributor to "California Water" series for public television under Category 4 in the amount of \$1,000.00.

**DISCUSSION ITEMS**  
**ITEM NOS. 18, 19**

**ITEM NO. 18**  
**DISCUSSION/PRESENTATION ON**  
**MAJOR PROJECTS, TUNNELS, AND CANALS**

Support Services Manager, Gary Jernigan, will discuss the District's major capital projects, tunnels and canals.

Support Services Manager, Gary Jernigan, gave a PowerPoint presentation on the infrastructure replacement in the District.

**ITEM NO. 19**  
**DISCUSSION ON THE DEVELOPMENT OF A**  
**WATER EDUCATION PROGRAM IN COOPERATION**  
**WITH THE OAKDALE UNIFIED SCHOOL DISTRICT**

Members of the Board's Public Relations Committee held a meeting with Barbara Shook, Curriculum Director for Oakdale Joint Unified School District regarding the Committee's interest in developing a water education program. The Committee feels that because of the dependency of our area on water that our school children should be better informed on the subject. Ms. Shook thought that the 5<sup>th</sup> grade level students could benefit from such a



program and that the school district had a person available to develop such a program. With direction from the Board, staff will contact Ms. Shook and have a proposal prepared for a 5<sup>th</sup> Grade Level program along with the associated costs for the program(s).

The Board instructed the General Manager, Steve Knell, to contact Barbara Shook, Curriculum Director for Oakdale Joint Unified School District and ask her to provide three to four curriculums setting forth the facts and figures for the Board's consideration.

## **COMMUNICATIONS** **ITEM NO. 21**

### **A. GENERAL MANAGERS REPORT**

#### **Safety Activities**

1. OID has gone 315 days without a lost time injury accident.
2. OID received a \$5,738 refund check for its pool's reduced experience costs.

#### **Administration Activities**

1. The GM attended the SWRCB's Pelagic Decline Workshop on March 22<sup>nd</sup>.
2. The GM attended a Salinity Seminar in Sacramento put on by the University of California Center for Water Resources, Riverside and the United States Salinity Laboratory. A portion of the seminar was devoted to Central Valley Salinity Control.
3. Staff devoted time to the Chamber's preparation of the Ag Scholarship Luncheon held on March 22<sup>nd</sup>.

#### **Water Operations Activities**

1. A leak in the South Main Canal near the airport will result in the South Main Canal being dewatered April 3<sup>rd</sup>-5<sup>th</sup> for repairs.
2. Campbell Pipeline leaks may interrupt downstream deliveries until repaired.

#### **Finance Activities**

1. Preparing the Annual Audit Report in-house.

#### **Construction & Maintenance**

1. Campbell Pipeline experienced leaks once the water entered the system. Leak repair has continued but there seems to be a construction defect with the installation. Staff is evaluating its alternatives and will report Tuesday to the Board.
2. Construction was completed on Claribel/Stowell Split Project except for the final installation of the Rubicon Gates which will be installed in late April.
3. North Main Crossing @ Sonora Road was completed and is operational without any operational problems.
4. Union Drain Crossing @ Crow Road was completed and is operational without any operational problems
5. The Lambuth Pipeline Replacement Project is operational with final grading to be completed.
6. The Merrihew Pipeline replacement project was started and completed.
7. Bank reconstruction on the Young Lateral immediately east of Twenty-Six Mile Road was completed
8. The Root Drain Rehabilitation Project is operational with some fencing to be completed and re-seeding.
9. South Main canal rehabilitation project was completed but, leaks were shifted upstream. South Main is shut down until April 5<sup>th</sup> to split the bank.

10. Various leaks identified after the start of water season have been repaired and is ongoing. Approximately 40 Job Set up Forms have been issued with a majority completed.

### **Engineering Activities**

1. Meeting held with Stanislaus County to review and modify the existing road crossing replacement agreement awaiting their proposal/concurrence.
2. Met with Engineer as it pertains to Stearns Road Development and issued conditions of approval.
3. Met with Provost and Prichard as it pertains to preliminary engineering for the Brichetto/Claribel Diversion, the Tulloch/Burnett Diversion and the GIS system development.
4. Working with CH2MHill on the North Side Reservoir site selection process. Draft tech memo to be submitted for staff review in early April.
5. Continued development of Standard Details with Provost and Prichard.
6. Continued to provide engineering support to ongoing C&M projects.
7. Cores Survey network up and running with survey work commencing on the two diversion projects being designed by P&P.
8. Preparing list of 2007/2008 design work for Giuliani and Kull, Inc.
9. Close out of projects with contractors on the Lambuth Pipeline, North Main Crossing @ Sonora Road and the Union Drain Crossing @ Crow Road.
10. North side reservoir property appraisal complete and bid submitted for OID yard appraisal.

At the hour of 11:58 a.m. a motion was made by Director Bairos, seconded by Director Clark, and unanimously supported to move to Closed Session.

### **CLOSED SESSION** **ITEM NO. 20**

- A. Government Code §54956.8 Conference with Real Property Negotiator**  
**Property:** North Side Reservoir APN: 002-052-025  
**Negotiating Parties:** Patrick Joslin and the Oakdale Irrigation District  
**Under Negotiations:** Price and terms of payment.

At the hour of 12:17 p.m. a motion was made by Director Taro, seconded by Director Bairos, and unanimously supported to return to open session.

General Manager, Steve Knell, stated that there was no reportable action in Closed Session.

### **COMMUNICATIONS** **ITEM NO. 21**

#### **B. COMMITTEE REPORTS**

Finance Committee Meeting, April 2, 2007 @ 9:00 a.m.

- Health Insurance Renewal for 2007/2008
- Tri-Dam Finances
- Appraisal Proposal by Cogdill & Giomi, Inc.

Water/Engineering Committee Meeting, April 2, 2007 @ 10:00 a.m.

- Ray Drainage Issue
- Wamhoff Flooding Issue
- Martin Fencing Cost Share Request

**C. DIRECTORS' COMMENTS/SUGGESTIONS**

There were no Directors' comments.

**OTHER ACTION**  
**ITEM NO. 22**

At the hour of 12:19 p.m. a motion was made by Director Taro and seconded by Director Bairos, and unanimously supported to adjourn to the next **Board of Director's Meeting on Tuesday, April 17, 2007, 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, April 19, 2007, at 9:00 a.m.** in the Board Room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, California.

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Jack D. Alpers, Vice President

Attest:

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Steve Knell, P.E., Secretary