

MINUTES

Oakdale, California
June 15, 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
Jack D. Alpers
Louis Brichetto
Tony Taro

Staff Present: Steve Knell, P.E., General Manager/Secretary
Gary Jernigan, P.E., Support Services Manager
Tom Laidlaw, Assistant Watermaster

ADDITION OR DELETION OF AGENDA ITEMS

There were no additions or deletions of agenda items.

ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE

Director Brichetto requested that Item No. 4 be moved to the Action Calendar. A motion was made by Director Clark, seconded by Director Brichetto and unanimously supported to hear Discussion Item No. 10 following the Consent Calendar.

CONSENT ITEMS ITEMS NO. 1, 2, 3, 5, 6

ITEM NO. 1 APPROVE THE BOARD OF DIRECTORS' MINUTES OF THE REGULAR MEETING OF JUNE 1, 2004.

A motion was made by Director Alpers, seconded by Director Taro and unanimously supported to approve the Board of Directors' Minutes of the regular meeting of June 1, 2004.

ITEM NO. 2 APPROVE OAKDALE IRRIGATION DISTRICT STATEMENT OF OBLIGATIONS

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

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

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

ITEM NO. 5
APPROVE AN EASEMENT QUITCLAIM DEED
IN THE CITY OF OAKDALE

A motion was made by Director Alpers, seconded by Director Taro and unanimously supported to approve an easement quitclaim deed in the City of Oakdale.

ITEM NO. 6
APPROVE A CONTRACT FOR
LANDSCAPING SERVICES FOR THE
OAKDALE IRRIGATION DISTRICT HEADQUARTERS

A motion was made by Director Alpers, seconded by Director Taro and unanimously supported to approve a contract for landscaping services for the Oakdale Irrigation District headquarters.

ITEM NO. 10
DISCUSSION REGARDING AN UPDATE ON THE
OAKDALE AIRPORT EXPANSION

General Manager Steve Knell stated that a meeting was held with the City of Oakdale last week regarding the airport expansion. The airport expansion is being funded from grants through the Federal Aviation Administration which, if not used by August 1, 2004 will revert back to the Administration. OID put together a list of needs that was sent to the City that must be satisfied before this could proceed. However, at this point it is unlikely that all could be accomplished before the deadline.

Public Works Director Mr. John Word stated that this project began 4 or 5 years ago and had been posted for public comment. The purpose of the project is a runway extension which is required in order to allow entry for freight. As it is now, jets are landing but are required to come in empty and low on fuel. To complete this project would mean more jobs and tax revenues and allow businesses here to utilize this airport.

Director Alpers stated that there is a little used airport just 15 miles from Oakdale that could be used rather than take on this project for the City.

Director Clark stated that the General Manager should stay in touch with the City and make sure to convey our concerns as he has done to date and bring this back to the Board for further discussion and reconsideration. He further stated that the Board wished to meet the needs of the City as long as they are compatible with the needs of the District.

Mr. Word stated that the City could work with the OID Developer Agreement, however, he could not bind the Federal Aviation Administration as they are a federal power and he was not sure of what commitments he could obtain from them.

**ACTION ITEMS
ITEMS NO. 4, 7, 8**

**ITEM NO. 4
APPROVE THE MONTHLY TREASURER/
CHIEF FINANCIAL OFFICER'S REPORT FOR THE
MONTH ENDING MAY 2004**

Director Brichetto requested that an accounting be provided to the Board of all sponsorships of organizations, teams, etc.

A motion was made by Director Brichetto, seconded by Director Alpers and unanimously supported to approve the monthly Treasurer/Chief Financial Officer's report for the month ending May 2004.

**ITEM NO. 7
REVIEW AND TAKE POSSIBLE ACTION ON
LAFCO'S MUNICIPAL SERVICE REVIEW AND
SPHERE OF INFLUENCE UPDATED DRAFT DOCUMENT**

LAFCO Executive Officer, Fran Sutton-Berardi, provided an overview of OID's MSR/SOI Review at the June 1 Board Meeting. The document under review was prepared by LAFCO from interviews of OID management staff. The document was developed as required by the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000 (CHK Act).

Each Director was sent this document on June 3, 2003. Staff requested clarification by the Board and requested that these be submitted to LAFCO prior to submittal and presentation before the Board of Supervisors on June 23, 2004.

A motion was made by Director Alpers, seconded by Director Brichetto and unanimously supported to approve LAFCO'S Municipal Service Review and Sphere of Influence updated draft document.

ITEM NO. 8
REVIEW AND TAKE POSSIBLE ACTION TO
CANCEL HEALTH INSURANCE BENEFITS FOR DIRECTORS

This item was brought up as a discussion item at the January 6, 2004 Board meeting. At the time there was little support from the Board to take this up as an action item. Director Brichetto requested that the item be brought up to the Board for a formal vote at this meeting. District benefits include Health, Life Insurance, Vision, and Dental.

A motion was made by Director Brichetto to cancel the insurance benefits provided for the Directors by August 1, 2004. The motion died for lack of a second to the motion.

DISCUSSION ITEMS
ITEM NO. 9, 11, 12

ITEM NO. 9
DISCUSSION OF
DRAFT WATER AGENCY GUIDELINES

Since the Sacramento Suburban Water District debacle, Districts statewide have been under increasing scrutiny to develop more defined guidelines and policies outlining their governance roles and responsibilities. ACWA has been instrumental in leading this cause and has developed a *Draft Agency Guideline* which is based on the latest legal understandings applicable to governing boards.

The ACWA *Draft Agency Guideline* was provided to the Board for its direction in possibly replacing its existing Administrative Policy with this new document, either all or in part.

In addition, for discussion, the OID has received notice from the FPPC that any changes to its Conflict of Interest Code shall be submitted prior to October 1, 2004. Contained within the ACWA *Draft Agency Guideline* was a Conflict of Interest section for the Directors' review. Some Directors had expressed an earlier interest in making changes to OID's Conflict of Interest Code, and this would be the time to bring these recommendations forward.

General Counsel Michael Ijams stated that his law firm has hired a summer intern that would be assigned the task of drafting a policy for Oakdale Irrigation District combining the guidelines presented with current policies if that was agreeable by the Board.

The consensus of the Board was that Mr. Ijams should proceed in having this law clerk prepare this for Board review.

ITEM NO. 11
DISCUSSION ON UPCOMING INTERVIEWS FOR
DEVELOPMENT OF THE OAKDALE IRRIGATION DISTRICT
WATER RESOURCES PLAN

Letters were sent to CH2M Hill and Provost and Pritchard/Davids Engineering on the upcoming interviews scheduled for June 18 and June 25, 2004, respectively, at 6:30 p.m. in the OID Board Room. A 1-hour presentation with a Q&A will follow. The presenters were instructed to focus only on the Phase I elements of the RFP in answering the following two questions:

1. What are the merits of OID doing a Water Resources Plan?
2. Why is your team best suited to meet the needs of OID in preparing this Water Resources Plan?

Director Clark commented that after this process has been completed that the Board should be convinced that this must be done and the company they desire to complete the Plan.

ITEM NO. 12
DISCUSSION ON DRAINAGE ISSUES/CONFLICTS AND
PROPOSED ABANDONMENT OF DRAINAGE FACILITIES

An incident driving this discussion item occurred as follows;

The upper end of the Albers Drain (located approximately ¼ mile north of Rice Road on the west side of Albers Road) which is an OID facility, was relocated by a new landowner to accommodate development needs on his 5.5 acre parcel. Prior to doing this relocation, the landowner contacted and received OID's requirements for drain relocation. Not appreciating the extent of the requirements, the landowner relocated the drain without OID authorization. The resultant drain is non-conforming to OID standards and it is unlikely that without litigation the issue will not get resolved cheaply.

One resolution to this issue is to quitclaim OID's interests and prescriptive rights to the Albers Drain upstream from this property. The upper end of the drain serves no OID purpose and such action would only impact the landowner in question. Another resolution would be to withhold all water service until the relocated drain is OID compliant.

While there may be simple answers to the above, it brings to light a broader set of questions regarding drainage services district-wide. For discussion purposes the following was provided for consideration:

1. OID does not have a service standard in its Rules and Regulations which require it to provide drainage.
2. Public agencies should be able to look at a facility it owns and state, "We own this because. . ."

3. At a minimum, OID should continue to maintain those drainage facilities that OID discharges into, i.e., from lateral and canal spills.
4. Drains feeding Reclamation Pumps should be maintained upstream a sufficient distance to facilitate the delivery of water to the pump.
5. Beyond reasons 3 and 4, OID's continued involvement should be reconsidered.

General Counsel Michael Ijams stated that the law in California is that the downstream owner has to accept natural flow of an upstream owner, but it doesn't matter who the owner is, the fact that there have been some prior provisions of service for drainage by OID may or may not have any impact. However, there is no reason that you have to keep this drain as long as it is not going to cause any damage and as long as you don't need it.

Director Brichetto stated that he agreed with Mr. Knell in that the District does not belong in the drainage business. There are many instances where the District has an easement and they don't maintain them and did not understand why past Boards fought to keep them without the ability or intention to maintain them.

General Manager Steve Knell stated that that is one of the problems, that the District has more than they have the ability to maintain or address.

The Board requested that Mr. Knell apprise the Board on any further actions regarding this issue.

ITEM NO. 13

ORAL REPORTS AND COMMENTS

A. GENERAL MANAGER'S REPORT

Resource Issues

1. Previous memo to Board outlined our current water status. For total water, we are running about 15,500 acre feet ahead of last year.
2. We anticipate going to 10-day rotations from June 18 to June 21.

Resource Contracts

1. Interviews with Water Resources Plan Contractors have been scheduled for Friday June 18 with CH2M Hill and Friday June 25 with Provost and Pritchard/Davids Engineering.

Current Internal Activities

1. This month's safety focus is still Respiratory Awareness.
2. C&M Operations will be starting work at 6:00 a.m. until October.
3. Knight's Ferry Pipeline meeting scheduled for June 15.
4. City of Oakdale Airport meeting held June 10.
5. Walt Ward and I met with DWR in Sacramento on Groundwater Grants available through their department.
6. Mike Hanf, Assistant Water Master, was congratulated for putting out a truck fire he came upon during work. The vehicle owner called in to say what a remarkable job he did and thanked him for helping.

7. New Crane certifications have become law. Affects cranes with a boom length of greater than 25 foot and a lifting rating in excess of 15,000 pounds. OID has about 10 persons that need to be certified. We will put this fact in our newsletter to give our farmers a heads up too.
8. Marylou Bento will be leaving OID June 25; her replacement begins June 14.

Legal Activities

1. Counsel to provide a report

B. COMMITTEE REPORTS

Domestic Water:

Director Alpers reported that the committee met to discuss Oakdale town water and what can be done with the aging infrastructure. At this point the customers are unknown. Water Counsel Tim O'Laughlin had recommended going door-to-door to determine who is using the water and if not using give them disconnect paperwork. When this project is all done the Board would be better able to determine what should be done with the town system.

C. DIRECTORS' COMMENTS

Director Brichetto

Director Brichetto questioned the status of Water Operations goals and how they planned to curtail operational spills this year. General Manager Steve Knell stated that he would supply the board with a list of goals that Water Operations is asking their staff to address this year.

Director Taro

Director Taro questioned whether the 10-day rotations had begun yet. General Manager Steve Knell stated that they had.

PUBLIC COMMENTS

Mr. Henry Burtschi commented regarding grants received by the District in the past. He stated that the State would control 1/3 while the District and the landowners pay 2/3 of the costs. He further commented regarding the SCADA system and stated that the system should be turned on, functioning and the District should have personnel in the office watching and controlling this to measure losses.

General Manager Steve Knell stated that in order to use the SCADA system to its full potential would require additional personnel which would require additional funding.

Mr. Laurens Foard questioned why the SCADA system was not controllable from the District office. Mr. Foard also questioned if the financing for VAMP was to continue. General Manager Steve Knell stated that there would be no changes to VAMP until 2009.

Director Clark stated that during Closed Session General Counsel Michael Ijams would discuss existing litigation (3 cases) and anticipated litigation (4 cases).

At the hour of 11:30 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 12:30 P.M. a motion was made by Director Taro, seconded by Director Alpers and unanimously supported to adjourn the Closed Session and return to the regular meeting.

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

At the hour of 12:32 P.M. a motion was made by Director Brichetto, seconded by Director Alpers and unanimously supported to adjourn to the next **regular Board of Directors' Meeting** to be held on **Tuesday, July 6, 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, June 17, 2004** at 9:00 A.M. at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA 95361.

Attest:

Steve Knell, P.E.
General Manager/Secretary