

MINUTES

Oakdale, California
April 1, 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
Steve Webb
Frank B. Clark
Tony Taro

Staff Present: Steve Knell, P.E., General Manager/Secretary
Kevin King, Water Operations Manager
Gary Jernigan, Support Services Manager
John Davids, District Engineer

Also Present: Tim O'Laughlin, Esq.

ADDITION OR DELETION OF AGENDA ITEMS

General Manager Steve Knell requested that Action Item No. 12 be pulled from the Agenda.

ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE

General Manager Steve Knell requested Discussion Item No. 18 be moved to follow Closed Session.

At the hour of 9:01 a.m. a motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to adjourn the meeting to Closed Session.

CLOSED SESSION ITEM NO. 1

A. Government Code §54956.8 Conference with Real Property Negotiator

Negotiating Parties: OID, Stockton East Water District, City of Stockton,
Westside Interests and City and County of San
Francisco

Property: Water

Agency Negotiators: General Managers and Counsel

Under Negotiations: Price

At the hour of 9:38 a.m. a motion was made by Director Webb, seconded by Director Taro, and unanimously supported to move back into open session.

Coming out of Closed Session Director Alpers stated that there was no reportable action.

At the hour of 9:40 a.m. the Board welcomed public comment.

PUBLIC COMMENT
ITEM NO. 2

There being no Public Comment; Public Comment closed at 9:40 a.m. and the Board Meeting continued.

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to move Item No. 18 to follow Closed Session.

DISCUSSION ITEM
ITEM NO. 18

ITEM NO. 18
PRESENTATION FROM JULIA JENNESS
FROM BOUTIN, GIBSON, DI GIUSTO, HODDELL,
INC. ON THE SERVICES OFFERED WITH
REGARD TO PERSONNEL/HR REPRESENTATION

Members of staff attended a Personnel/Labor Law Seminar put on by the firm of Boutin, Gibson, Di Giusto and Hodell. From that attendance, and post meeting discussions, staff felt that the firm had some expertise that OID might find valuable and requested a presentation by them to our Board.

Ms. Jenness, a principle in the firm and their labor/employment law attorney, will provide an overview of their firm, their expertise and abilities.

General Manager Steve Knell introduced Julia Jenness to the Board of Directors. Ms. Jenness spoke to the Board about her strengths and how her firm would benefit the District.

Director Clark requested that Item No. 6 be pulled from the Consent Calendar.

CONSENT ITEMS
ITEM NOS. 3, 4, 5, 7, 8, 9, 10, 11

ITEM NO. 3
APPROVE THE BOARD OF DIRECTORS' MINUTES
OF THE REGULAR MEETING OF MARCH 18, 2008
AND RESOLUTION NOS. 2008-08 AND 2008-09

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of March 18, 2008 and Resolution Nos. 2008-08 and 2008-09 once the above correction has been made to the Minutes.

ITEM NO. 4
APPROVE OAKDALE IRRIGATION
DISTRICT STATEMENT OF OBLIGATIONS

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

ITEM NO. 5
APPROVE CHANGE ORDER NO. 7 TO
GRANITE CONSTRUCTION CONTRACT AGREEMENT
2008-CA-010 FOR ADDITIONAL
CONCRETE IN TRANSITION WALL SECTION

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Change Order No. 7 to Granite Construction Contract Agreement 2008-CA-010 for Additional Concrete in Transition Wall Section.

ITEM NO. 7
APPROVE PROFESSIONAL
SERVICES CONTRACT FOR ASTONE

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Professional Services Agreement for Astone.

ITEM NO. 8
APPROVE GENERAL SERVICES AGREEMENT
FOR VARIOUS VENDORS AND CONTRACTORS (AMERICAN
CRANE RENTAL AND EVERGREEN ENVIRONMENTAL SERVICES)

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the General Services Agreement for Various Vendors and Contractors (American Crane Rental and Evergreen Environmental Services).

ITEM NO. 9
APPROVE RESOLUTIONS FINDING
VARIOUS PROJECTS EXEMPT UNDER
THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve Resolutions finding various projects exempt under the California Environmental Quality Act (CEQA).

ITEM NO. 10
APPROVE ENCROACHMENT AGREEMENT
ON THE NORTH MAIN CANAL (APN: 002-063-039 – CONDE FARMS)

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Encroachment Agreement on the North Main Canal (APN: 002-063-039 – Conde).

ACTION CALENDAR
ITEMS NOS. 6, 12, 13, 14, 15, 16, 17

ITEM NO. 6
APPROVE PROFESSIONAL SERVICES AGREEMENT TO
STRADING, YOCCA, CARLSON AND RAUTH TO ASSIST
THE DISTRICT WITH THE BOND FUNDING APPLICATION
FOR ID #52 WATER DISTRIBUTION SYSTEM REPLACEMENT PROJECT

Director Clark asked if the ID#52 governing board was aware of this cost. General Manager Steve Knell stated that ID#52 was aware of this cost and it was included in the processing fees for obtaining the loan.

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to approve the Professional Services Agreement to Strading, Yocca, Carlson and Rauth to assist the District with the bond funding application for ID #52 Water Distribution System Replacement Project.

ITEM NO. 11
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. Staff and Water Counsel have never supported the practice of making available out-of-district water and have pointed out the disadvantages of making such a program available. With that said, staff will review those applications submitted for this purpose for 2008 water and take direction from the Board.

A motion was made by Director Webb, seconded by Director Taro, and unanimously supported to accept the out-of-district applications and to send out a letter to the out-of-district lands informing them that this may be the last year for out-of-district water.

ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION
APPROVING RESOLUTION ADOPTING REVISED
INJURY AND ILLNESS PREVENTION PROGRAM (IIPP)

The IIPP is OID's Safety Program and conforms to the requirements of Title 8 of the California Code of Regulations, Section 3203. To improve the effectiveness of the IIPP there have been some small changes as will be outlined to the Board by OID Safety Coordinator Derek Davis.

This item was pulled from the Agenda and will be placed on the April 15, 2008 Agenda.

ITEM NO. 13
REVIEW AND TAKE POSSIBLE ACTION
AUTHORIZING GENERAL MANAGER TO EXECUTE
CONTRACT FOR EMERGENCY REPAIR ON EAST STUB LATERAL

On Tuesday, March 25, 2008 the Division 8 DSO responded to a low pressure call from a landowner on the East Stub Lateral. The DSO investigated the complaint and found that the East Stub Lateral had failed during the previous night. The DSO was able to temporarily repair the hole in the pipeline, however numerous leaks remain in the pipeline and the patch will likely fail again during the irrigation season. The Water Operations Department is requesting that the Board authorize the General Manager to issue an emergency contract to one of our contractors for the replacement of 300 feet of the East Stub Lateral where it crosses Lone Tree Creek spill.

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to authorize the General Manager to execute a contract for emergency repair on the East Stub Lateral.

ITEM NO. 14
REVIEW AND TAKE POSSIBLE ACTION
TO AWARD BID FOR PURCHASE
OF 2008 DOZER, 115 NET HP

Staff solicited bids from three (3) vendors as it pertains to the budgeted acquisition of a new Dozer. All three (3) vendors responded as shown below.

Bid Summary

GCS Western Power & Equipment (CASE)	= \$147,910.00 (not including taxes)
HOLT of California (CAT)	= \$139,509.10 (not including taxes)
Pape Machinery (John Deere)	= \$145,206.46 (not including taxes).

Staff recommends the purchase of the 2008 John Deere Model 700J Dozer from Pape Machinery for \$145,206.46 (as noted above, price shown does not include applicable taxes). While the John Deere is not the cheapest of the three (3) bids solicited, staff supports its recommendation for the following reasons:

1. OID currently owns a John Deere 550 Dozer which uses the same parts as the proposed 700J Dozer. As a result, parts will be interchangeable on both machines and warehousing of parts simpler and will free up storage.
2. Operator safety is increased in that when an Equipment Operator learns on the 500 Dozer that knowledge gained will be transferable to the proposed 700J Dozer. CAT controls are not the same as John Deere controls.

A motion was made by Director Webb and was seconded by Director Clark, to award bid for the Purchase of 2008 Dozer, 115 Net HP to Holt of California (CAT) in the sum of \$139,509.10 (not including taxes) and was voted as follows:

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

ITEM NO. 15
REVIEW AND TAKE POSSIBLE ACTION
TO AWARD BID FOR PURCHASE
OF 2008 10-YARD DUMP TRUCK

Staff has solicited bids from three (3) vendors. Two (2) vendors responded. The CAT Rental Store (HOLT of California) quoted \$96,367.50 (not including taxes or registration) and Kenworth of Central California (Pape Machinery) quoted \$91,429.00 (not including taxes or registration). Central California Kenworth did not respond. This bid was opened at 9:00 am on Friday, March 21, 2008.

Staff recommends the purchase of the 2008 10-yard dump truck from Kenworth of Central California (Pape Machinery) for \$98,255.21 (\$91,429.00 + \$6,746.21 for taxes and \$80.00 for fees but not including registration). The District has budgeted \$105,000 for this purchase.

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to award bid for the purchase of 2008 10-Yard Dump Truck to Kenworth of Central California (Pape Machinery) in the sum of \$98,255.21 (not including registration).

ITEM NO. 16
REVIEW AND TAKE POSSIBLE ACTION TO
AWARD BID FOR PURCHASE OF AN
ELECTRIC/HYDRAULIC CRANE

Staff solicited bids from three (3) vendors. All three (3) vendors responded.

1. Jack Hubbard Sales quoted \$10,305.00,
2. Diamond Truck Body Manufacturing, Inc. quoted \$7,763.21,
3. Stiles Truck Body and Equipment quoted \$10,261.83.

This bid was opened at 10:00 am on Friday, March 21, 2008.

The crane bid by Diamond Truck Body Manufacturing, Inc. (Model No. ET8KX) does not meet the required specifications and has been excluded from consideration.

Staff recommends the purchase of the electric/hydraulic crane from Stiles Truck Body & Equipment for \$10,261.83. The District has budgeted \$15,000 for this purchase.

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to award bid for the purchase of an Electric/Hydraulic Crane to Stiles Truck Body & Equipment in the sum of \$10,261.83.

ITEM NO. 17
REVIEW AND TAKE POSSIBLE ACTION TO
AWARD BID FOR PURCHASE OF
A SEMI TILT-BED TRAILER

Staff has solicited bids from three (3) vendors. All three (3) vendors responded.

1. The CAT Rental Store (HOLT of California) quoted \$24,760.00 (not including taxes or registration),
2. Bonander 4-Star Trailer Sales quoted \$30,600.00 (not including taxes and registration),
3. Pape Machinery quoted \$29,809.00 (not including taxes or registration).

This bid was opened at 10:00 am on Monday, March 24, 2008.

Staff recommends the purchase of the semi tilt-bed trailer from The CAT Rental Store (HOLT of California) for \$24,760.00 + taxes, license and registration. The District has budgeted \$40,000 for this purchase.

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to award the bid for the purchase of a Semi Tilt-Bed Trailer to CAT Rental Store (HOLT of California) in the sum of \$24,760.00 (not including taxes, license, and registration).

DISCUSSION ITEM
ITEM NO. 19

ITEM NO. 19
DISCUSSION ON SETTING UP
A BOARD WORKSHOP ON ANNEXATIONS

At the March 4th Board meeting it was suggested that a Workshop be put on such that the Board could get additional information and address the subject of annexation more fully. A Workshop is an opportunity for staff to address the whole Board and provide information. It is also a time for the Board to engage staff and other Board members about how best to address the subject of annexations. There is no action taken by the Board at a Workshop. The means for public input at a Workshop are the same as regularly scheduled meetings (G.C. 54954.3(a)).

In preparation for the Workshop staff would like to solicit input from the Board on what topics of coverage may be of importance to individual Board members? A setting of the date for such a workshop should also be discussed.

Staff topics that will be addressed in the Workshop will include the following:

1. The Board's existing policies (Guiding Principles) regarding annexations and the protection clauses that must be met before any annexations occur.
2. Legal issues of compliance with regard to a public agency following an adopted and publicly certified planning document.
3. What are the elements in the Water Resources Plan that limit and control the District's decisions on annexations?
4. What is the legal responsibility of a District in ensuring that annexed lands pay full value for annexing to the District?
5. Certainty in determination of "surplus water" to meet the LAFCO standard of "no harm" to existing customers. What does that mean? Who determines when the standard is met?

Director Alpers requested all Board members to submit their questions on annexation to the General Manager within ten (10) days, to place this matter on the Agenda for April 15, 2008 for further discussion, and then following discussion the Board will decide how to proceed.

COMMUNICATIONS **ITEM NO. 20**

A. GENERAL MANAGERS REPORT

Safety Activities

1. 683 days without a lost time injury accident.

Administration Activities

1. Legal Issues;
 - a. Goad –Still no change.
 - b. Knight's Ferry dec relief – Settlement agreement with Shearers.
 - c. Chappell Drain-C&A pursuing. Will likely need to litigate to recover lost drainage rights from development.
 - d. Clark Pipeline-looking at a quiet title action to secure rights
 - e. Moushilou v. OID: Attorney meeting set up for April 7th.
2. Admin Issues;
 - a. Negotiations with SEWD – A report in closed session today on Water Counsel's meeting with City of Stockton's counsel.
 - b. P.R. &R. review status – No activity
 - c. OUSD WET Program – No activity
 - d. March 20th was the Chamber's Ag Scholarship luncheon. Well attended and a lot of positive feedback on presentations.
 - e. Attended a Power Marketing presentation by Barclay's Bank at SSJID with Steve Felte.
 - f. Attended an SDRMA Conference in Sacramento.

- g. Attended an ACWA Legislative Symposium on California's Water Policy in Sacramento.
 - h. Farm Bureau dinner scheduled for April 17th at the SOS Club in Modesto.
3. Personnel
- a. A M&C session has been request by OE3 to go over OID's Discipline Policy.
 - b. SDS who did OID's employee survey will provide an overview of the results with the employees on April 8th.

Contract and Special Project Activities

1. The Campbell Pipeline – After repairs, gasket replacement, pipe replacement and a video inspection, RTC completed a total system pneumatic leak test on Tuesday, March 18th with no leaks. After one (1) week of operation at a 50% flow, there appears to be no leaks. The system will be monitor for the season. RTC has been advised OID will be seeking recovery of additional costs associated with the repairs and testing. An invoice will be prepared and submitted to RTC on or before April 4, 2008.
2. Grider Pipeline Recapture Project was completed with a final walk through conducted on March 26, 2008 with no remaining work to be completed. The system was placed into operation on March 21st and performed as expected.
3. Granite Construction and their subcontractors completed the Brichetto/Claribel Control Structure Modification on March 19th. Only a few punch list items remain to complete where they will be completed on or before April 1, 2008. The system was placed into operation on March 21st.
4. Conco West completed the Burnett/Tulloch and the system was placed into operation without any issues.
5. CH2MHILL conducted as site investigation of the Cape Horn Tunnel on Thursday, March 20, 2008 with the Biologist and Culture aspects being reviewed and evaluated. A needs list was produced and being worked on now.
6. Cunningham & Sons completed the Reed Pipeline Crossing over the SSJID Main Canal and a final job walk through was completed on March 18, 2008. The system was placed into operation on March 24, 2008.
7. Mazingo Construction completed the Kearney Pipeline Replacement project on March 7, 2008 and a final job walk through was completed on March 19, 2008.
8. Contract Administration activities on issued contracts, contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.

Construction and Engineering Activities

1. Major construction projects for the 2007/2008 Winter Work Season are substantially complete. General site clean-up, final grading and installation of misc. appurtenances (hand railing, ladders, structure covers, fencing, etc.) will be complete in the next two weeks.
2. Normal C&M "Irrigation Season" work activities.
3. Offer made to Auto Shop Supervisor candidate.
4. Avery and Associates reviewing Support Services Manager applicants.
5. Working on designs for 2008/2009 Winter Work Season. Approximately 50% complete to date.
6. CEQA processing complete for 2008/2009 winter work projects designed by Giuliani and Kull, Inc.
7. Revised Map Books complete.

8. Staff reviewing new draft standard details.
9. Revising New Turnout Application.
10. Ongoing Suspense Forms.
11. Continued negotiation on proposed North Side Reservoir.
12. Reviewing City of Riverbank Draft Storm Drain System Master Plan.

Water Operations Activities

1. Attended the ACWA Legislative Symposium in Sacramento
2. Finalizing office relocation – Water Ops should be moved into the new building by April 15, 2008
3. Started the Irrigation Season on March 21, 2008
4. Processing Out of District Applications
5. Conducting Various Landowner Meetings
6. Drip / Micro Workshop was very successful – 15 water users participated in the workshop.
7. Coordinating phone system upgrade

B. COMMITTEE REPORTS

There were no committee reports.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Taro

Director Taro had no comments.

Director Bairos

Director Bairos stated that Kevin did a good job on the Drip Micro Workshop. He stated that there was a good turnout and he thinks that the District should do a workshop on pasture to bring farmers up to speed about ripping, soil management, etc.

Director Alpers

Director Alpers congratulated Steve Knell on his presentation at the Ag Luncheon. He had at least ten individuals tell him after the luncheon that they understood a lot more about the problems at Oakdale Irrigation District.

Director Alpers stated that every Director should go see the new leased property and the new map book which is outstanding. He stated that a large copy will be placed in the Board Room.

Director Webb

Director Webb commented on the pipeline on Pioneer that had collapsed and nobody was getting water. Director Webb stated that the District used to go out and repair the pipeline and then bill all of the landowners. Water Operations Manager Kevin King stated that he was just notified of the collapse that morning and the District is working on it.

Director Webb also asked when the City annexes ground into the City why the District still delivers water to that annexed ground. He stated that it seems that we are doing one

thing in one place and doing something different in another place. General Manger, Steve Knell, stated that in Oakdale the land is still entitled to water. The City of Oakdale does not wish to detach land when it is annexed to the City; hence, it is still entitled to water. He stated that the defining issue is the fact that the Department of Health requires that once there is domestic water and raw water on a piece of property the City would have to comply with Title 17 which is very costly. General Manager Steve Knell stated that when properties annex, the District continues to use raw water as long as raw water is the sole source, but once domestic water is brought on to the property raw water ceases.

Director Webb stated that he understands that there is a new company taking over the Hershey plant and he asked if the District had been contacted by the new company. General Manager Steve Knell stated that there were discussions on Monday. He stated that their operations are going to be different from the way that Hershey operated.

At the hour of 11:09 a.m. a motion was made by Director Taro, seconded by Webb, and unanimously supported to adjourn back into Closed Session.

CLOSED SESSION
ITEM NO. 1

B. Government Code §54956.8 Conference with Real Property

Negotiator

Negotiating Parties: OID and Pat Joslin

Property: Land

Under Negotiations: Price and terms of payment

C. Government Code §54957 Public Employee Performance Evaluation

Title: Water and General Counsel

At the hour 11:43 a.m. a motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to adjourn back to open session.

Coming out of Closed Session Director Alpers stated that there was no reportable action and adjourned the meeting until 1:00 p.m.

General Manager Steve Knell stated that prior to the Field Tour at 1:00 p.m. the Directors will see a PowerPoint presentation given by Contracts/Special Projects Manager Gary Jernigan and Project Coordinator Jason Capdevielle showing the condition of the Bricchetto/Claribel and the South Lateral/Palmer Heading prior to the work that was done.

OTHER ACTION
ITEM NO. 21

At the hour of 2:00 p.m. on the South Lateral/Palmer Heading a motion was made by Director Clark and seconded by Director Bairos to adjourn to the next **Board of Director's Meeting on Tuesday, April 15, 2008, at 9:00 a.m.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA 95361.

The next **Special Joint Board Meeting for the Tri-Dam Project** has been scheduled for **Tuesday, April 22, 2008, at 1:30 p.m.** in the Board Room of the Oakdale Irrigation District, 1201 East F Street, Oakdale, California.

Jack D. Alpers, President

Attest:

Steve Knell, P.E., Secretary