

MINUTES

Oakdale, California
June 19, 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 Alpers, Vice President
Al Bairos, Jr. (arrived at 9:07 a.m.)
Frank B. Clark
Tony Taro

Absent: Steve Webb, President

Staff Present: Steve Knell, P.E., General Manager/Secretary
Kathy Cook, Chief Financial Officer
Kevin King, Water Operations Manager
John Davids, Support Services Manager
Gary Jernigan, Contracts & Special Projects Manager
Bob Nielsen, Water Utilities Supervisor

Also Present: Michael Ijams, Esq.

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 sequence.

At the hour of 9:03 a.m. the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 1

Hans Weber was present at the meeting and stated that he installed a pump station and a Water Operations Supervisor informed him that he had to install a water meter. Mr. Weber stated that he did install a water meter which cost \$3,540.33 and found out later that the water meter was not required. Director Alpers stated that this would be referred to the Water Committee for discussion and then be brought back to the Board of Directors for a determination on how best to resolve the situation.

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

Director Clark requested that Item No. 3 be pulled from the Consent Calendar.

CONSENT ITEMS
ITEM NOS. 2, 4, 5, 6, 7

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS' MINUTES
OF THE REGULAR MEETING OF JUNE 5, 2007
AND MINUTES OF THE SPECIAL MEETING OF JUNE 6, 2007

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 June 5, 2007 and Minutes of the Special Meeting of June 6, 2007.

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 District Statement of Obligations.

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

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

ITEM NO. 6
APPROVE ASSIGNMENT OF
CAPITAL WORK ORDER NUMBERS

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to approve the Assignment of Capital Work Order Numbers.

ITEM NO. 7
APPROVE ENCROACHMENT AGREEMENT
ON THE UNION PIPELINE (APN: 010-017-020 – SONS)

A motion was made by Director Clark, seconded by Director Bairos, and unanimously supported to approve the Encroachment Agreement on the Union Pipeline (APN: 010-017-020 – Sons).

ACTION CALENDAR
ITEM NOS. 3, 8, 9, 10, 11, 12

ITEM NO. 3
APPROVE OAKDALE IRRIGATION
DISTRICT STATEMENT OF OBLIGATIONS

Director Clark had a question regarding Andretta's Ag Construction. He stated that the District had paid them \$48,135.00 for fencing and \$32,000 of that was for the King Ranch irrigation system and he wondered what that was about. Support Services Manager, John Davids explained that that was a condition of the agreement entered into with Dorothy King for the borrow site.

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. 8
REVIEW AND TAKE POSSIBLE ACTION TO
CERTIFY THE VOTE OF THE IMPROVEMENT
DISTRICT NO. 46 MEMBERSHIP REGARDING
THE DE-ANNEXATION OF LANDS FROM
WITHIN THE BOUNDARIES OF THE WATER SYSTEM

To certify the vote of the improvement district membership regarding the approval or disapproval to allow a developer to de-annex approximately 3.2 acres of land from within the boundaries of the Improvement District No. 46 water system.

Improvement District No. 46 voted to allow a developer to de-annex approximately 3.2 acres of land from within the boundaries of Improvement District No. 46 water system by the following vote:

Noes: 23
Ayes: 55

55 - Yes (Non Votes considered as yes votes)

A motion was made by Director Bairos, seconded by Director Clark, and unanimously supported to certify the vote of the Improvement District No. 46 membership allowing the de-annexation of lands from within the boundaries of the water system.

ITEM NO. 9
REVIEW AND TAKE POSSIBLE ACTION
ON WATER COUNSEL CONFLICT WAIVER

The General Manger was informed by Water Counsel Tim O'Laughlin that a formal notification and waiver by the OID was necessary while serving as interim general counsel for the Modesto Irrigation District. Upon receipt of the attached letter from Mr. O'Laughlin, I forwarded it to Mike Ijams, OID General Counsel, for review. Mr. Ijams has reviewed and

made modifications to the letter and is comfortable with the discloser requirements and waiver documents.

General Counsel, Michael Ijams, was present to answer any questions regarding the waiver.

A motion was made by Director Bairos and seconded by Director Clark to approve the water counsel conflict waiver, and was voted as follows:

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

The action was approved.

ITEM NO. 10
REVIEW AND TAKE POSSIBLE ACTION
ON SUBMITTAL OF A GRANT APPLICATION
TO THE AIR RESOURCES BOARD FOR
EMISSIONS REDUCTION ON EXISTING EQUIPMENT

OID has qualified for the receipt of a grant (\$75,418) from the Air Resources Control Board for the retrofitting of certain pieces of OID's heavy equipment fleet with low emission devices. The low emission equipment will likely be mandated by legislation in 2008 and without the retrofit grant available to public agencies, OID would likely have to pay for these retrofits out of their own budgets in the near future.

A motion was made by Director Bairos, seconded by Director Alpers, and unanimously supported to approve the submittal of a grant application to the Air Resources Board for emissions reduction on existing equipment.

ITEM NO. 11
REVIEW AND TAKE POSSIBLE ACTION ON
A RESOLUTION FOR THE CERTIFICATION AND ADOPTION
OF THE WATER RESOURCES PLAN PROGRAMMATIC
ENVIRONMENTAL IMPACT REPORT AND ASSOCIATED
CEQA FINDINGS AND SELECTION/APPROVAL OF THE PREFERRED PLAN

On September 21, 2004 the Board approved the development of a Water Resources Plan for the Oakdale Irrigation District. On December 20, 2005 the Board accepted the draft Water Resources Plan (WRP) and voted to initiate the CEQA process for the adoption of the WRP. Today's action will culminate in the Certification of the Programmatic Environmental Impact Report for the WRP; accept the Preferred Program as outlined in the WRP; and authorize the General Manager to implement the Preferred Program and elements of the WRP.

Greg Eldridge of CH2M Hill gave a PowerPoint Presentation to the Board of Directors.

A motion was made by Director Bairos and seconded by Director Clark to approve the Resolution for the Certification and Adoption of the Water Resources Plan Programmatic Environmental Impact Report and Associated CEQA Findings and Selection/Approval of the Preferred Plan, and was voted as follows:

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

The action was approved.

ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION
AUTHORIZING THE GENERAL MANAGER TO EXECUTE
A CONTRACT FOR THE FEASIBILITY STUDY ON BUILDING
A CONNECTION TO MODESTO RESERVOIR FOR THE
PURPOSES OF A POTENTIAL WATER TRANSFER TO SAN FRANCISCO

On May 16, 2007 OID sent a letter to Modesto Irrigation District asking their interest in allowing OID to use MID facilities and become involved in an exchange of waters such that OID could affect a water transfer with the City and County of San Francisco. The MID Board reviewed OID's request at their Board meeting of June 12, 2007. On a vote of 4-1, the MID Board approved the next level of effort for OID, that being the development of a feasibility and route study to provide answers to questions not yet known.

CH2M Hill has prepared a Scope of Work for this Feasibility Study.

After a lengthy discussion by the Board of Directors, a motion was made by Director Clark and seconded by Director Bairos to authorize the General Manager to execute a contract for the feasibility study on building a connection to Modesto Reservoir for the purposes of a potential water transfer to San Francisco, and was voted as follows:

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

The action was approved.

**DISCUSSION ITEMS
ITEM NOS. 13-14**

**ITEM NO. 13
DISCUSSION ON BUSINESS ITEMS AS THEY APPEAR ON THE
TRI-DAM BOARD AGENDA FOR THURSDAY, JUNE 19, 2007**

This item is placed here for the Board to discuss Tri Dam agenda items.

There were no items on the Tri-Dam Agenda that the Board wished to discuss.

**ITEM NO. 14
DISCUSSION ON THE RE-SCHEDULING OF
JULY'S BOARD MEETINGS TO THE 10TH AND 24TH**

The next Board meeting falls on July 3rd, the day before our Independence Day Holiday. There may be interest in moving July's meetings back one week to accommodate those who may be going out of town.

The Board instructed the General Manager to move July's Board Meetings to Tuesday, July 10, 2007 and Tuesday, July 24, 2007.

**COMMUNICATIONS
ITEM NO. 15**

A. GENERAL MANAGERS REPORT

Safety Activities

1. OID has gone 394 days without a lost time injury accident.

Administration Activities

1. I sent out an email earlier this week detailing the possibility that the RWQCB will soon extend the Ag Waiver Monitoring Program to groundwater.
2. Appeared at the MID Board meeting on June 12th regarding OID's May 16th letter on a potential CCSF water transfer. MID voted 4-1 for OID to do a feasibility study. Director Alpers was in attendance.
3. The Bureau of Reclamation took the 10K acre feet approved by the Board at their Special Meeting of June 6th. WE have reviewed the contract and are awaiting a signature copy to sign return and then invoice.
4. The Board's \$300 safety recognition award was well received by the employees.
5. Mitch Gagos was in. He says the Greggs will allow OID access to his property to fill the ditch in on his property. Need to contact legal regarding such an agreement.
6. Responded to Conde's attorney's letter. Mr. O'Laughlin reviewed.
7. Finalizing CEQA Documents, Findings, Resolution language, etc. for FEIR.

Water Operation Activities

1. Rotation 7 started on June 2 (12-day).

2. Rotation 8 will start on June 14 (10-day).
3. Budget Preparation.
4. Various landowners meetings.
5. Working on getting the Claribel SCADA working to deliver VAMP water to MID.

Finance Activities

1. Business as usual.
2. Kathy's son Jake got married on June 9th.

Contract and Special Project Activities

1. Continued with the Water Loss Recovery program for the South Main.
2. Worked with Condor on project status of all projects being developed.
3. Conducted numerous field investigations for the Water Loss Recovery Program.
4. Worked with Watermark Engineering on Flow Measurements on South Main.
5. Set up site visits with Johnson Western for South Main Recovery Projects.
6. Responded to SSJID on Condor's Draft Report for the Long Term Repairs to the Joint main.
7. Issued Four (4) Contracts approved by Board.

Construction and Engineering Activities

1. Normal O&M activities.
2. Kearney Lateral Bank upstream of Warnerville Road being rebuilt.
3. Lower Cometa dirt haul for banks work going on.

B. COMMITTEE REPORTS

There were no committee meetings to report.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Taro

Director Taro stated that the District needs to be sure that we do not loose water for the farmers in the District. The farmers that stayed in this District have suffered a lot during dry times and insufficient water when we did not have the capacity of the reservoirs and he stated that he hoped that just because there is water in the reservoirs that we do not sacrifice those farmers for a few fast bucks.

Director Bairos

Director Bairos agreed with Director Taro's comments and stated that we do need to keep the water here for our farmers, but we also need to figure out how to pay for all of the rehabilitation work that needs to be done. He stated that we are only looking at the 41,000 acre feet that we are currently transferring, not any additional water.

Director Clark

Director Clark had no comments.

Director Alpers

Director Alpers stated that he felt that we need to move to 10-day and/or 12-day rotations a little quicker. Director Alpers stated that when you walk the fields you can see that the interval between rotations needs to be shorter. He stated that this needs to be looked at next year.

At the hour of 10:32 the Board went to Closed Session.

CLOSED SESSION
ITEM NO. 16

A. Government Code §54956.9(b) Anticipated Litigation
Four (4) Cases

B. Government Code §54957
Public Employee Discipline/Dismissal/Release

At the hour 11:40 a.m. the Board returned to open session.

The General Manager, Steve Knell, reported that the Board of Directors authorized the General Counsel, Michael Ijams, to negotiate a settlement with one of the anticipated litigation matters.

General Manager, Steve Knell, further reported that the Public Employee Discipline/Dismissal/Release matter was continued to July 10, 2007 at 11:00 a.m.

OTHER ACTION
ITEM NO. 17

At the hour of 11:42 a.m. the meeting was adjourned to the next **Board of Director's Meeting on Tuesday, July 10, 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 **Tuesday, June 19, 2007, at 1:00 p.m.** in the Board Room of the Oakdale Irrigation District 1205 East F Street, Oakdale, California.

Jack Alpers, Vice President

Attest:

Steve Knell, P.E., Secretary