

## **MINUTES**

Oakdale, California  
June 2, 2009

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, General Manager/Secretary  
Kathy Cook, Chief Financial Officer  
Gary Jernigan, Contract/Special Projects Manager  
John Davids, District Engineer  
Kevin King, Water Operations Manager  
Jason Jones, Support Services Manager

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

There were no additions to the Agenda

### **ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE**

There were no items taken out of sequence.

At the hour of 9:02 a.m. the Board welcomed public comment.

### **PUBLIC COMMENT ITEM NO. 1**

There being no Public Comment; Public Comment closed at 9:02 a.m. and the Board Meeting continued.

### **PUBLIC HEARING ITEM NO. 2**

President Jack Alpers asked if there was anyone present who would like to make a comment on the North Side Reservoir Project.

There being no one present to comment on the North Side Reservoir Project, the comment period will close today at 5:00 p.m. The public hearing was closed.

Director Webb requested that Item No. 8 be pulled from the Consent Calendar.

**CONSENT ITEMS**  
**ITEM NOS. 3, 4, 5, 6, 7, 9**

**ITEM NO. 3**  
**APPROVE THE BOARD OF DIRECTORS' MINUTES**  
**OF THE REGULAR MEETING OF MAY 19, 2009**  
**AND RESOLUTION NOS. 2009-35, 2009-36, AND 2009-37**

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of May 19, 2009 and Resolution Nos. 2009-35, 2009-36 and 2009-37.

**ITEM NO. 4**  
**APPROVE OAKDALE IRRIGATION**  
**DISTRICT STATEMENT OF OBLIGATIONS**

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

**ITEM NO. 5**  
**APPROVE ASSIGNMENT OF**  
**CAPITAL WORK ORDER NUMBERS**

<u>Facility</u>	<u>Project Description</u>	<u>Estimated Cost</u>	<u>Work Order No.</u>
Coop Pipeline	Realign approximately 340 linear feet of new 15" 100 PIP PVC and install two (2) new air vents.	\$25,300	0929
Van Norman Pipeline	Replace approximately 960 linear feet of existing steel pipe with 18" 100 PIP PVC and install two (2) new air vents.	\$61,400	0930
Wyatt Pipeline	Replace approximately 1,200 linear feet of existing concrete pipe with 18" 100 PIP PVC and install two (2) new air vents.	\$85,600	0931
Rossini Pipeline	Replace approximately 3,300 linear feet of existing concrete and steel pipe with 18" 100 PIP PVC and install two (2) new air vents.	\$239,200	0932
Townhill Pipeline	Replace 12" inline valve	\$5,400	0933

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the assignment of capital work order numbers.

**ITEM NO. 6**  
**APPROVE RESOLUTION COMMENDING**  
**CAROL ARNOLD IN APPRECIATION OF CONTINUOUS**  
**SERVICE FROM JUNE 16, 1980 TO JUNE 17, 2009**

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the Resolution Commending Carol Arnold in Appreciation of Continuous Services from June 16, 1980 to June 17, 2009.

**ITEM NO. 7**  
**APPROVE RESOLUTION ADOPTING**  
**IDENTIFY THEFT PREVENTION PROGRAM**

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the Resolution Adopting Identify Theft Prevention Program.

**ITEM NO. 9**  
**APPROVE AWARD OF BID TO MISSION**  
**LINEN SUPPLY FOR UNIFORM SERVICE**

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the award of bid to Mission Linen Supply for Uniform Service.

**ACTION CALENDAR**  
**ITEMS NOS. 8, 10, 11, 12**

**ITEM NO. 8**  
**APPROVE GENERAL SERVICE AGREEMENTS**  
**FOR VARIOUS VENDORS/CONTRACTORS**  
**(NORTHERN STEEL REBAR, HAZARD MANAGEMENT**  
**SERVICES, AND INTEGRATED TELECOM SOLUTIONS)**

Directors Webb asked what Hazard Management Services does for the District. Contract/Special Projects Manager Gary Jernigan explained that this service picks up hazardous material when discovered by the District at various locations and properly disposes of the hazardous material. They are certified by the State of California.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the General Services Agreement for Various Vendors/Contractors (Northern Steel Rebar, Hazard Management Services, and Integrated Telecom Solutions).

**ITEM NO. 9**  
**REVIEW AND TAKE POSSIBLE ACTION**  
**ON ANNEXATION FEE INCREASE**

Annexation Policies of the District are required to preserve the “no harm” protections of existing district water constituents as and when new lands are annexed to the OID Service Area. Because this process is involved, over the course of the coming year there will be

incremental changes brought forth that will require Board review, input and direction as it relates to OID's annexation policies.

The first change to be brought forth to the Board is the fee for annexation. Staff is recommending a formula based annexation fee that is reflective of current value and reflective of the changes in the asset value on an annual basis. The proposal before the Board is to adopt an annexation fee figured in one of two ways:

1. Net Asset Value (less depreciation) divided by the irrigated acreage paying for OID water for the year of annexation.
2. Book Value (inclusive of depreciation) divided by the irrigated acreage paying for OID water for the year of annexation.

Both Net Asset and Book Value numbers would be based on the latest OID Audit Report. Using Net Asset over Book Value is a decision for the Board. In dollars, the impact to the annexation fee using the 2008 audit and irrigated acreage in that year is as follows;

1.  $\$128,261,096/55,411$  acres = \$2,314.72 per acre annexation fee
2.  $\$148,353,099/55,411$  acres = \$2,677.32 per acre annexation fee

Staff is asking the Board to determine which method it wishes to adopt and include in the current OID Annexation Policy recognizing that further changes in the policy will be forthcoming.

A motion was made by Director Clark, seconded by Director Bairos to use the Book Value Method (inclusive of depreciation) divided by the irrigation acreage paying for OID water for the year of annexation, and by roll call was voted as follows:

Director Taro	Yes
Director Bairos	Yes
Director Alpers	Yes
Director Clark	Yes
Director Webb	Yes

Motion carried by a vote of 5 to 0.

**ITEM NO. 10**  
**REVIEW AND TAKE POSSIBLE ACTION**  
**ON SCHONHOFF REQUEST (APN: 063-029-034)**

On April 17, 2009 the District received a written request from Mike Schonhoff for forbearance of water charges on his property on Bentley Road (APN 063-029-034) during his planned land use change. A copy of Mr. Schonhoff's letter is attached for reference. The Water Committee met with Mr. Schonhoff on May 4, 2009 to discuss the issue.

The Water Committee recommends that Mr. Schonhoff's request be denied, but informed Mr. Schonhoff that the request would be presented to the whole Board. Staff sent a letter

to Mr. Schonhoff on May 20, 2009 informing him of the Water Committees recommendation. A copy of said correspondence is attached for reference.

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to deny Mr. Schonhoff's Request (APN: 063-029-034).

**ITEM NO. 11**  
**REVIEW AND TAKE POSSIBLE ACTION ON**  
**CANCELLING THE JUNE 16, 2009 BOARD MEETING**  
**AND SCHEDULING A SPECIAL BOARD MEETING ON JUNE 23, 2009**

The next Board of Directors meeting is scheduled for June 16, 2009. Three of the five Directors will be attending the APPA Conference in Salt Lake City, Utah from June 13, 2009 to June 17, 2009. Therefore, it is in the best interests of the District to cancel the June 16, 2009 Board Meeting and schedule a Special Board Meeting to be held on June 23, 2009.

A motion was made by Director Webb, seconded by Director Clark, and unanimously supported to approve cancelling the June 16, 2009 Board Meeting and scheduling a Special Board Meeting on June 23, 2009.

**ITEM NO. 15**  
**COMMUNICATIONS**

**A. GENERAL MANAGERS REPORT**

**Safety Activities**

1. 155 days without a lost time injury accident.

**Administration Activities**

1. Need a representative from the District to attend the City of Oakdale's City Council Meeting on June 15, 2009 at 7:00 p.m. to accept Certificate of Appreciation
2. OID's in-house pipeline costs have been running \$1.55-\$1.65 per diameter inch, well below the \$3 mark charged by outside contractors. This is inclusive of all overhead as well. Great job in project management and oversight to reduce costs. Poured-in-place structures show similar cost reductions.
3. Director Alpers and GM attended and presented Resolution to SSJID in recognition of their 100 years of service to the community at their May 26<sup>th</sup> Board meeting.
4. Attended StanCog 108 by-pass meeting.
5. Attended Oakdale Business Merchants meeting.
6. Tri Dam GM interviews held May 28<sup>th</sup>.
7. Some staff to be attending USCID conference in Reno this week.
8. SJR Commissioner's Meeting to be Friday, June 12<sup>th</sup>.
9. APPA in Salt Lake City is June 15<sup>th</sup>-17<sup>th</sup>.
10. Legal Notes:
  - a. Knights Ferry court appearance Monday, June 1.

- b. NMFS appears to be or has issued a jeopardy opinion on outmigration salmon. Opinion to establish a flow requirement at Vernalis. BOR requirement to meet but water to come from Melones or Friant, both of which impact agriculture.

### **Contract and Special Project Activities**

1. Cape Horn Tunnel – Final Contract Modification closing out the contract with Drill Tech and Condor Earth Technologies is in preparation.
2. Little John Creek Dam Project – Final control installation to be completed by Sierra Controls for the SCADA system once the agreement has been signed by Brunkard for access to the signal relay tower. Final Contract Modification closing out the contract with Teichert Construction is in preparation waiting on Final Invoice from Teichert.
3. Riverbank/South Main – Final Contract Modification closing out the contract with Sierra Mountain Construction is being finalized waiting on Unconditional Lien Releases.
4. Fairbanks/Cometa Control Structure Rehabilitation – Final Contract Modification closing out the contract with Teichert Construction is completed but need Final Invoice to complete.
5. Fairbanks/SSJID Main – The final invoice with remaining lien releases has not been received from Preston Pipeline.
6. South Main Canal and Tunnel Projects (CEQA) – The CH2M HILL CEQA team conducted the site investigations in February, March and April. 12, 2009 followed up with a Biological Site Investigations in February and April. The determination for the projects from Goodwin Dam to 2-Mile Bar (Segment I) and from Tunnel #7 to the second Concrete Flume downstream of Tunnel #7 (Segment II) will fall under a Category Exemption. CH2MHILL has completed the CatEx documents and these are being review now by OID and Condor. After the review process, these will be filed.
7. South Main Canal and Tunnel Projects (Engineering) – The South Main from Goodwin Dam to 2-Mile Bar (Segment I) and from Tunnel #7 to the second Concrete Flume downstream of Tunnel #7 (Segment II) are still on schedule for the bid packages to be ready for distribution on June 15, 2009 with a due date of July 14, 2009. The contract award is targeted for the end of August with a Notice to Proceed on September 15, 2009.
8. Condor continues to perform some preliminary engineering to support CH2MHILL on the CEQA evaluation on the 2-Mile Bar Tunnel.
9. Landowner Meetings have been conducted for the Cashman Dam, Clavey Drop and the South Main Canal Rehabilitation Projects. These Landowner meetings will continue for the next two months.
10. Review of the project schedules was conducted for the North Side Regulating Reservoir, Cashman Dam, Clavey Drop and the South Main from RVL Reservoir to Warnerville Road. The Construction Management Program is being developed now for all of the 2009/2010 projects from a Priority List received from Water Operations.
11. A display of the District Uniforms was set up in the C&M day room and the DSO day room for the employees to review. The results have been compiled and submitted to the GM for presenting to the Personnel Committee.
12. Contract Administration activities on issued contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.
13. Organizational plan is being assemble for all the project coordination for 2009/2010 projects.
14. Project coordination with Engineering Consultants.

15. Construction Management and Contracts Administration manuals being developed.
16. Contract Management course being prepare for OID personnel.

### **Construction & Maintenance Activities**

1. Review of Job Set Up Forms
2. Various Landowner meetings regarding maintenance work.
3. Preparing and conducting evaluations with the Support Services employees.
4. Assisting Engineering Department with constructability review of Capital Improvement Projects.
5. Met with Jim Brunk on May 22, 2009 to discuss a potential dirt site at his property on Sierra View Dr. Test pits to determine soil compatibility are scheduled to be completed by May 29, 2009.
6. Two new employees for the vacant C&M Worker position completed their pre-employment screening. One started on May 20<sup>th</sup> and the second on June 1<sup>st</sup>. The final candidate has an anticipated start date of June 15<sup>th</sup>.
7. Conducted an emergency repair to the Lower Cometa Pipeline on Saturday, May 23<sup>rd</sup>. Repairs were completed and landowner's commenced irrigation the following day.

### **Engineering Activities**

1. Met with V.A. Rodden on 5/18/09 to discuss Annexation, Phases I work which is nearly complete and Phases II and III. Bill Jackson met with Mrs. Cook on 5/27/09 to discuss Phase I billing and annexation amortization schedules. John Davids to review As-Built status and Ross Lee questions and prepare response back to Bill Jackson. Beginning to go through Annexation Agreement.
2. P&P working on design drawings for 2009/2010 Capital Projects.
3. Continuing to work with USACOE and USFWS as it pertains to environmental mitigation on the North Side Reservoir Project. DRAFT BO submitted to USFWS on 4/27/09 and Maryann Owens with USFWS has stated that we should have a final BO by June 8th. DRAFT Mitigated Negative Declaration (MND) was completed and mailed to the State Clearing House on 4/29/09. Comment period closed yesterday and the FINAL MND will go to the Board on 6/16/09. Technical Memorandum concerning potential alternative mitigation either through NGO's or on OID property was submitted to USACOE on 5/15/09. Engineering Department working on environmental mitigation bid package and list of local biologists which may qualify as a "Service approved Biologist" as required as part of our California Tiger Salamander (CTS) Best Management Practices (BMP's). 90% design drawings were reviewed and returned to P&P with comments on 5/27/09. Staff review of the DRAFT Bid Documents and Specifications is ongoing.
4. Performing research of APN files and facility files for the 2009/2010 Capital Projects.
5. Landowner meetings for the 2009/2010 Capital Projects have begun and to date are going very well.
6. No word from Mr. Hansen since correspondence was sent letting him know that OID would plan on replacing the required section of pipe this winter contingent upon the trees being removed and the pump station being modified.
7. Response letter sent to Willms Ranch, LLC Attorney, Ms. Barbara Savery. No response to date.
8. Preparing pre-construction photo logs for all 2009/2010 Capital Projects.
9. Assisting Mr. Jernigan as necessary on the South Main Canal improvement projects.

10. Working with Contech Bridge to secure an estimate for fabrication of a vehicular crossing over Wildcat Creek (Willms Ranch). Memo presented to Mr. Jernigan including rough order of magnitude costs for his review.
11. Met with North County Corridor Project Team on 5/26/09 to discuss utility impacts as a result of either proposed alignment. Study area is 2000' wide with final right-of-way acquisition being 350'. Impacts to OID are substantial, but project may provide for joint venture opportunities. Staff will brief the Board on the proposed project as necessary.
12. Ongoing project status meetings with Provost and Prichard, Inc.

### **Water Operations Activities**

1. Currently on 12 Day Rotations
2. Preparing for USCID conference on June 3-6
3. Assisting Engineering Department with plan review for 2009/2010 Capital Projects
4. Coordinating South Main Flow Measurement work with Watermark Engineering
5. Preparing Statement of Diversion and Use for submittal to the State Water Resources Control Board
6. Birnbaum Deep Well replacement project under way

### **Finance and Accounting Activities**

1. Review of new Enterprise software. Coordinating demonstrations of software for management review.
2. Ag water billing second installment notice is being published in the Oakdale, Escalon, and Riverbank newspapers on May 27<sup>th</sup> and June 4<sup>th</sup>.
3. Finalizing the close out on capital work orders.
4. Rural water system accounts:  
14 – 15-days notices sent out.
5. Prepared a draft policy for the District's Identity Theft Prevention Program as required by the Federal Trade Commission's Red Flags Rule.
6. Received 48 applications on the Account Clerk posting. Reviewing and preparing hiring criteria.
7. Continue to cross-train accounting staff.
8. Work on rate study that has been set aside due to other priorities.
9. Met with 5 new employees to review District payroll policies and benefit packages.
10. Processed one medical-only workers compensation claim (no lost time).
11. Preparing specifications for new network server.
12. Met with Mr. Jackson to review costs associated with Phase I of the Union/South Lateral Water Quality Reclamation Project.

## **B. COMMITTEE REPORTS**

### Personnel Committee Meeting, May 29, 2009

- OID Uniforms and Contract Costs

This item was previously addressed on the Agenda.

### Planning and Public Relations Committee Meeting, May 29, 2009

- Review of Community Education and Awareness Policy



Director Clark stated that the General Manager has always had the prerogative to donate money to various community organizations. The Committee felt that it would better, and would also protect the General Manager from any criticism about who the District donates money to, if any contribution over \$750.00 be reviewed and approved by the Committee; and if the Committee feels that it needs to be brought before the entire Board then the Committee can do this. The General Manager Steve Knell stated that the District will also develop an application which will be made available to the Board so the Board can see what donations are being made by the District.

C. **DIRECTORS' COMMENTS/SUGGESTIONS**

Director Webb

Director Webb had not comments.

Director Clark

Director Clark stated that he and Jack were invited to tour the Lindy Farms which is at the corner of Albers and Claribel and consists of about 400 acres. This is a state of the art, organic horse ranch. This landowner has put every innovation in water conservative operation that they have ever seen. Not one drop of water leaves the ranch. It was a classic operation. Director Clark asked him if there would be a possibility that the District could put on some type of education forum there for other farmers in the area to see his operation. He stated that that would be fine and he would be more than willing to give a tour of his operation.

Director Clark also commented on the interviews for the replacement of the Tri-Dam Manager. He stated that there are two good candidates and a background check is being conducted. When those are completed the committee will select the new manager.

Director Clark also stated that he had a couple of incidents regarding complaining customers and he wanted to thank Jason and Kevin for their quick response to their complaints.

Director Taro

Director had no comments.

Director Bairos

Director Bairos had no comments.

Director Webb

Director Webb stated that he has spoken with a couple of constituents and they stated that they are happy and feel that it is a good water year.

Director Webb further stated that historically SSJID and OID have stayed out of Tri-Dam business as Districts; however, the last couple of contracts and the situation involving the installation of the new generator at Tulloch resulted in a couple of surprises. He stated that he wondered if the next time that there is a contract at Tri-Dam if it would not be prudent to have each District afforded the opportunity to review the contracts prior to release.

Director Alpers

He concurs with Director Webb's comment regarding contracts. He stated that the contract had almost \$900,000 of adjustments made to it that were not anticipated.

At the hour of 9:55 a.m. the Board adjourned to Closed Session

**CLOSED SESSION**  
**ITEM NO. 14**

- A. Government Code §54957**  
Public Employment Discipline/Dismissal/Release

At the hour of 10:27 a.m. the Board adjourned to open session

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

**OTHER ACTION**  
**ITEM NO. 15**

At the hour of 10:27 a.m. the meeting was adjourned. The next Special Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, June 23, 2009 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, June 18, 2009 at 9:00 a.m.** in the board room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, CA.

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Jack D. Alpers, President

Attest:

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Steve Knell, P.E., Secretary