

MINUTES

Oakdale, California
June 7, 2011

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: Al Bairos, Jr., President
Frank B. Clark, Vice President
Jack D. Alpers
Steve Webb
Herman Doornenbal

Staff Present: Steve Knell, General Manager/Secretary
Kathy Cook, Chief Financial Officer
John Davids, District Engineer
Jason Jones, Support Services Manager
Eric Thorburn, Water Operations 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 9:00 a.m. the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 1

There being no Public Comment; Public Comment closed at 9:00 a.m. and the Board Meeting continued.

Director Clark requested that Item No. 7 be pulled from the Consent Calendar.

CONSENT ITEMS
ITEM NOS. 2, 3, 4, 5, 6, 8, 9, 10

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS'
MINUTES OF THE REGULAR MEETING OF MAY 17, 2011

A motion was made by Director Webb, seconded by Director Doornenbal, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of May 17, 2011.

ITEM NO. 3
APPROVE OAKDALE IRRIGATION
DISTRICT STATEMENT OF OBLIGATIONS

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

ITEM NO. 4
APPROVE ASSIGNMENT OF
CAPITAL WORK ORDER NUMBERS

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

<u>Facility</u>	<u>Project Description</u>	<u>Estimated Cost</u>	<u>Work Order No.</u>
Kearney Lateral	Remove and upgrade turnout and gate with MBI structure, 15" Fresno 101C slide gate, new stilling well, & 20' of 15" 100 PSI PVC on District property.	\$9,600	2011-021

ITEM NO. 5
APPROVE AMENDMENT NO. 04 TO
PROFESSIONAL SERVICES AGREEMENT 2008-PSA-007
WITH BOUTIN JONES, INC., TO REVISE HOURLY RATE

A motion was made by Director Webb, seconded by Director Doornenbal, and unanimously supported to approve Amendment No. 04 to Professional Services Agreement 2008-PSA-007 with Boutin Jones, Inc., to revise hourly rate.

ITEM NO. 6
APPROVE AMENDMENT NO. 02 TO GENERAL
SERVICES AGREEMENT 2010-GSA-057 WITH FAR WEST
LABORATORIES, INC., TO REVISE EXHIBIT "B" RATE SCHEDULE

A motion was made by Director Webb, seconded by Director Doornenbal, and unanimously supported to approve Amendment No. 02 to General Services Agreement 2010-GSA-057 with Far West laboratories, Inc., to revise Exhibit "B" rate schedule.

ITEM NO. 8
APPROVE SPECIAL DISTRICT RISK
MANAGEMENT AUTHORITY'S ELECTION BALLOT

A motion was made by Director Webb, seconded by Director Doornenbal, and unanimously supported to approve Special District Risk Management Authority's Election Ballot.

ITEM NO. 9
APPROVE PURCHASE OF
REPLACEMENT NETWORK COMPUTER

A motion was made by Director Webb, seconded by Director Doornenbal, and unanimously supported to approve the Purchase of Replacement Network Computer.

ITEM NO. 10
APPROVE DISCHARGE AGREEMENT WITH
SCONZA CANDY COMPANY (APN: 063-028-024- SCONZA CANDY)

A motion was made by Director Webb, seconded by Director Doornenbal, and unanimously supported to approve the Discharge Agreement with Sconza Candy Company (APN: 063-028-024 – Sconza Candy).

ACTION CALENDAR
ITEMS NOS. 7, 11, 12

ITEM NO. 7
APPROVE WORK RELEASE NO. 006 TO PROFESSIONAL
SERVICES AGREEMENT 2009-PSA-003 TO CONDOR EARTH
TECHNOLOGIES FOR DESIGN SERVICES AND ENGINEERING
DOCUMENT PREPARATION FOR THE TWO-MILE BAR
TUNNEL CANAL WIDENING AND ACCESS ROAD

Director Clark asked if there would be any problems with the land acquisitions for the access road from the parties involved. General Manager Steve Knell stated he was confident that the remaining issues are small and would not be a problem.

A motion was made by Director Clark, seconded by Director Doornenbal, and unanimously supported to approve Work Release No. 006 to Professional Services Agreement 2009-PSA-003 to Condor Earth Technologies for design services and engineering document preparation for the Two-Mile Bar Tunnel canal widening and access road.

ITEM NO. 11
REVIEW AND TAKE POSSIBLE ACTION ON THE OAKDALE
IRRIGATION DISTRICT'S 2010 COMPREHENSIVE ANNUAL
FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2010

The attached OID's 2010 Comprehensive Annual Financial Report is being submitted for approval. The District's Auditor, Brian Nash with Richardson and Company, and OID's Chief Financial Officer, Kathy Cook were present at the board meeting to answer questions.

The annual report has been formatted using guidelines set by the Government Finance Officer's Association (GFOA).

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Oakdale Irrigation District's 2010 Comprehensive Annual Financial Report for the Year Ended December 31, 2010.

ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION ON THE OAKDALE
IRRIGATION DISTRICT'S 2010 COMPREHENSIVE ANNUAL
FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2010

The Improvement District's annual financial reporting framework is not in the GASB Statement No. 34 format.

Brian Nash of Richardson & Company and Staff was present at the board meeting to answer questions.

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the Oakdale Irrigation District Improvement District's 2010 Comprehensive Annual Financial Report for the Year Ended December 31, 2010.

DISCUSSION ITEM

ITEM NO. 13
DISCUSSION AND REVIEW OF OAKDALE IRRIGATION
DISTRICT'S PUMP USAGE (CRAWFORD, GAMBINI, AND BRADY PUMPS)

The OID has two (2) local river water rights filed covering three (3) River Pumps.

License Number 2634 covers the Crawford Pump. This license dates back to February 1937 and entitles the OID to a pumping rate of 4.54 cfs between about May 1 to November 1.

License Number 2706 covers both the Brady Pump and the Gambini Pump. This license dates back to July 1939 and was bifurcated between from one point of diversion to two points under an amended petition in September 1970. The water right entitles OID to a pumping rate of 1.68 cfs between about May 1 to November 1.

The Crawford Pump is appropriately matched to its service area water demands. The Brady and Gambini Pumps at times push and or exceed their diversion entitlement, as was the case in 2010. The overage is problematic as we need to focus on living within these rights. OID will need to investigate backfilling this area with surface water in the future if we cannot manage the uses to within the water right.

This information is being provided as a potential pending capital project notice

COMMUNICATIONS **ITEM NO. 14**

A. GENERAL MANAGERS REPORT

Safety Activities

1. OID has gone 180 days without a lost time injury accident.

Administration Activities

1. Long term San Joaquin River Flow talks continue with the Bureau of Reclamation, but not very positive. A general discussion will occur at the River Group meeting on Wednesday with the irrigation districts.
2. Provide some of the MID Board members a tour of some bio-remediation ponds on the Union Drain owned by Bill Jackson. They were very impressed.
3. Warren Act Contract meeting with the Bureau on May 25th was cancelled by the Bureau.
4. The Rubicon Day off was met with some favorable responses from recipient employees. They wanted the Board to know they were appreciative.
5. Tri Dam Advisory meeting scheduled for June 6th. OID's GM will be on vacation that day.
6. Modesto Nut Game and Employee Appreciation Day is scheduled for June 11th.
7. OID entered a settlement agreement with Guy Williams for \$42,500. Details of that agreement are available from the CFO.

Contract and Special Project Activities

1. 2-Mile Bar Tunnel (CEQA & Engineering) – A Letter of Offer was sent to the Marie A. Atherton Trust on April 29, 2011. The Co-Beneficiaries called and verbally stated the offer was acceptable except for some clarifications from their attorney. However, the attorney for the Marie A. Atherton Trust required major changes to the Grant of Easement Documents and the Letter of Offer. Telephone calls and emails have been sent to clarify the attorney's comments. The clarifications have also been sent to the District's counsel for his review. The Corps of Engineers requested additional documentation concerning the CEQA process. This information was transmitted to the Corps on May 4, 2011 with no response to date. The CTS Exclusion Fence monitoring is ongoing, no activity of significance to report. Also, Condor Earth Technologies have submitted a proposal to complete the design drawings for the access road to the downstream portal from Tunnel 7. This proposal has been reviewed and a Work Release has been drafted for the Board's approval.
2. Cashman Dam Rehabilitation Project – Again, received Statements of outstanding balance due and another rejection letter was sent. The District did receive a "Summons, Complaint, and Notice of Case Management Conference" which the District

must respond to in thirty (30) days from April 5, 2011. All documents have been provided to the attorneys.

3. Cross Valley Conveyance System – Provost & Pritchard (P&P) provided a Draft report of a number of options and costs to be considered. The report has been reviewed and in process of setting up a meeting with Provost & Pritchard. A path forward with a number of options is being developed.
4. Beardsley Recreational Improvements – A revision to the “Collection Agreement between the Tri-Dam Project and the USDA, Forest Service” was drafted and provided to the District’s GM and Tri-Dam’s GM. The Tri-Dam GM has set up a meeting with the U.S. Forest Service.
5. Furtado Deep Well Project – The old well was destroyed and accepted by the County. The new well pilot well drilling was completed and the design was finalized and transmitted to the contractor to procure the material. Based on the E-Log, the greatest water bearing stratum is located at a depth of 620 feet. The well will be drilled an extra 20 feet deeper which will result in a cost adjustment adding approximately \$2,000 to the contract price. This price will not be finalized until the well has been drilled.
6. Continued with audits of billings on services contracts and drafted contracts for renewal.
7. The development of a Project Management and Construction Administration Manual continued.
8. Contract Administration activities on contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.

Construction Activities

1. Processing and completing Job Setup Forms prepared by Water Department Staff.
2. District crews are currently working on miscellaneous items, fixing leaking pipelines and routine maintenance.
3. District equipment operators are currently working on cleaning District approved drains per the Drain Cleaning Program, “Chaining” District Laterals and grading canal banks and access roads.
4. Preparing and conducting employee evaluations.
5. Support Services staff and additional supervisors attended a USA North training class on May 20th. This class provided training to allow staff to electronically produce tickets for the purpose of marking underground utilities prior to excavation instead of having to make phone call notification which could take up to twenty minutes per ticket.
6. Provided support and equipment for the installation of one of the two new hydraulic actuators installed at RVL Reservoir.

Engineering Activities

1. V.A. Rodden and Joslin Annexations approved by LAFCO at 4/27/11 meeting. Notice of Completions were recorded 5/31/11. To OID Board on 6/21/11 for final approval.
2. Honolulu Bar Mitigation Project – Project status unknown at this time due to status of Nationwide Permit and ongoing attempts by USFWS to get the CVFPB permit transferred to their name.
3. Fringe Parcel Analysis – Next round of parcels to Water Committee today. Out of District irrigation and billing adjustment letters have been sent out. Staff fielding calls, working with accounting on billing and sending out Agreements as necessary. Staff working on an Out of District Agreement specifically for fringe parcels recognizing that they don’t meet many of the previously defined parameters.

4. Montpelier Farming Corporation – DRAFT Easement Agreement complete and sent to STANCO and Owner for review and comment. No comments received to date.
5. Rubicon (TCC) – One of the new actuators has been installed at RVL and is operational. Second actuator to be installed this week.
6. SBX7-7 – Water Commission didn't approve the DRAFT Regulation at their 5/18/11 meeting. On the Agenda for reconsideration at their 6/7/11 Board meeting. No further comment, discussion or dialogue with DWR since the 5/18/11 meeting.
7. Long Term Irrigated Lands Program – Notice of Termination approved and membership to Coalitions approved by Regional Board. ESJWQC membership form has been received and staff is completing for subsequent submission.
8. STRGBA – Next meeting set for 7/7/11.
9. Annexation Policy – Staff working on revisions to Annexation Policy.
10. Engineering Department Staff currently processing numerous CEQA Early Consultations.
11. Engineering Department updating USBR Access Agreement for gravel placement in the Stanislaus River. Agreement to Board for approval at their 6/21/11 Board meeting.
12. Processing April's boundary outflow measurement numbers.
13. Due to the departure of Mr. Eric Thorburn, the Engineering Department has posted for an Assistant Engineer position.
14. Reviewing Knights Ferry billing with GM and Accounting.

Water Operations Activities

Aq Water

1. Eric Thorburn has assumed the role and associated duties of the OID Water Operations Manager.
2. Continued Fringe Parcel review and field investigation.
3. Cometa Lateral working well in full TCC operation. Claribel Lateral remains in TCC Mode to Drop 6 (upstream of Claribel Road) until the installation of the new hydraulic actuators at RVL has been completed.
4. The first of the new hydraulic actuators was successfully installed by the Support Services Department at the RVL Reservoir. The new actuator will be operated in local control over the next rotation to ensure satisfactory performance before the second actuator is installed June 7th–8th. Once installation and commissioning has been completed, remote operation will be transferred to the new TCC SCADA system.
5. Conducting various landowner meetings and field reviews. Completing Job Setup Forms and coordinating various repairs with Support Services Department as necessary.
6. Pest Department concentrating on post emergent, thistle control and squirrel control throughout the District.
7. Continued 12 day rotations.

Water Utilities

1. Improvement District No. 41: The City of Oakdale has been in contact with OID and is currently reviewing the DRAFT set of construction plans. In the meantime Pumping Station No. 3 remains out of service due to high turbidity issues.
2. Domestic Pumping Stations: Staff continues to conduct weekly inspection and servicing of the domestic water pumping stations. Nothing unusual or out the ordinary to report.
3. Domestic Water Distribution Systems: Annual inspection and testing of the 320 backflow assemblies under OID's jurisdiction complete. As required, copies of the annual testing results were sent to the Stanislaus County Department of Environmental Resources and the State of California Department of Public Health.
4. On-Call Activities:
 - Friday, May 13th, assisted the Water Department at the Whitney Reclamation Pump when it was reported that the pump would not start. The problem was corrected.
 - On Saturday, May 21st, located and shut off the water supply to a broken water line in a customer's broken sprinkler system in ID 49.
5. Domestic Water Systems:
 - Continue preparing for Lead & Copper Water Quality Sampling which is scheduled to take place in early June. This testing procedure requires coordination with the homeowner who actually collects the sample from the kitchen faucet. This test is performed every 3 years.
 - OID's annual Consumer Confidence Report for each domestic water system under OID's jurisdiction has been completed and is currently being prepared for mailing by the July 1st deadline.
6. Irrigation Pumping Stations:
 - Conducting weekly inspection and servicing of the pumping stations. Nothing unusual or out of the ordinary to report.
 - Performance testing has begun on all the irrigation pumping stations. Information which is collected during the testing procedure is used to select which pumps will be repaired or replaced during the non-irrigation season.
7. Furtado Deep Well Project: Staff has been monitoring and inspecting the contractor performing the installation of the new deep well. The drilling of the new well is scheduled to be complete in late June.
8. Safety & Training Activities: As of Friday, May 27th, the WUD has gone 3895 days without a lost time injury.

Financing Activities

1. The Finance Committee, Staff, and Cori Farewell with Highmark Investments met on May 16, 2011. At the recommendation of the Finance Committee and Staff, Highmark will resume an investment strategy mandated by the investment policy and will begin investing in short-term Asset-backed Commercial Paper rated triple A or better. Current yields on 30-day T-Bills are .02% while Asset-backed CP are yielding slightly higher at .22%
2. There were 88 rural water delinquent payments in and one shut-off in May.
3. Continue to training and implement remaining modules in Springbrook.
4. Finalized OID and ID's annual financial reports.
5. Routine accounting functions (AP,AR, PR, billings, account reconciliations, etc.)

B. COMMITTEE REPORTS

Tri-Dam Advisory Committee Meeting, June 6, 2011

Directors Alpers and Webb reported on the Tri-Dam Advisory Committee Meeting and stated that the following items were discussed:

- Review and discussion of Communication Policy;
- Tour of Tulloch and it's progress;
- Change CFO position to Administrative Management Position;
- Insurance Settlement;
- State Water Permit at Goodwin Dam;
- Self Assurance Fund and how to use it; and
- Discussion on retirement package.

Attorney Tim O'Laughlin arrived at the meeting at 9:56 a.m.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Webb

Director Webb asked if anyone else had noticed the number of cars that are parking in the District's lot in the evening from next door. He stated that something needed to be done; either a reduction in rent on the office space next door or just let it continue the way that it is now, or put some gates up to stop the people from parking in the District's lot.

Director Webb also stated that he noticed that the Planning & Public Relations Committee recently met to discuss the Stanislaus Consolidated Fire's request for contribution to their Life Jackets program. He stated that most of their life jacket contributions occur on the Tuolumne River and he would like to see this contribution occur on the Stanislaus. He suggested partnering with the Knights Ferry Fire Department in conjunction with Oakdale Rural and concentrate on the Stanislaus River rather than with the Stanislaus Consolidated Fire on the Tuolumne.

Director Webb asked if the drain had been cleaned on Joe Blagg's property. Support Services Manager Jason Jones responded yes.

Director Webb also stated that he would like the District's Water Counsel, Tim O'Laughlin, to attend the Tri-Dam Meetings when they are in Oakdale.

Director Alpers

Director Alpers had no comments.

Director Doornenbal

Director Doornenbal had no comments.

Director Clark

Director Clark had no comments.

Director Bairos

Director Bairos had no comments.

At the hour of 10:16 a.m. the Board adjourned to Closed Session

CLOSED SESSION
ITEM NO. 15

- A. Government Code §54956.8 - Conference with Real Property Negotiator**
Negotiating Parties: OID, Trinitas, LLC., and Bureau of Reclamation
Property: Water
Agency Negotiators: General Manager and Counsel
Under Negotiations: Price and Terms
- B. Government Code §54956.9 – Existing Litigation**
(1) *City of Riverbank v. Oakdale Irrigation District*
- C. Government Code §54856.9(b) – Anticipated Litigation**

At the hour of 12:08 p.m. the Board adjourned to open session

President, Al Bairos, Jr. stated that coming out of Closed Session there was no reportable action.

OTHER ACTION
ITEM NO. 16

At the hour of 12:08 p.m. the meeting was adjourned. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, June 21, 2011 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 **Tuesday, June 14, 2011 at 1:00 p.m.** in the board room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, CA.

Al Bairos, Jr., President

Attest:

Steve Knell, P.E., Secretary