

## **MINUTES**

Oakdale, California  
July 5, 2005

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 9:15 a.m. Upon roll call, there were present:

Directors: Frank B. Clark, President  
Louis Brichetto  
Tony Taro  
Steve Webb  
Jack D. Alpers

Staff Present: Steve Knell, P.E., General Manager/Secretary  
Kathy Cook, Chief Financial Officer  
Gary Jernigan, Support Services Manager  
Katherine Boyd, General Counsel

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

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to remove Item No. 13a from the Closed Session.

A motion was made by Director Webb, seconded by Director Brichetto, and unanimously supported to remove Item No. 7 from the Action Calendar.

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

None.

### **CONSENT ITEMS ITEMS 1, 2, 3**

#### **ITEM NO. 1**

### **APPROVE THE BOARD OF DIRECTOR'S MINUTES OF THE REGULAR MEETING OF JUNE 21, 2005 AND RESOLUTIONS**

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Board of Director's Minutes of the Regular Meeting of June 21, 2005, and Resolution Nos. 2005-18, 2005-19, and 2005-20.

**ITEM NO. 2**  
**APPROVE OAKDALE IRRIGATION**  
**DISTRICT STATEMENT OF OBLIGATIONS**

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

**ITEM NO. 3**  
**APPROVE CONTRACT AMENDMENT TO HICK'S PENSION**  
**SERVICES AS THEY RELATE TO EMPLOYEES 125 CAFETERIA PLAN**

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Contract Amendment to Hick's Pension Services as they Relate to Employees 125 Cafeteria Plan.

**ACTION ITEMS**  
**ITEM NOS. 4, 5, 6**

**ITEM NO. 4**  
**REVIEW AND TAKE POSSIBLE ACTION ON**  
**REJECTION OF RTC CONSTRUCTION CLAIM (CLAVEY PUMP STATION)**

With regards to this claim, the Board held a Closed Session on this issue in April. Staff received direction from the Board on how it was to proceed. On the advice of Counsel at the Closed Session, Directors and Staff were advised to not make any public comments due to the potential litigation regarding this issue. Based on legal advice, Staff has not provided any background and recommends rejection of the Claim.

A motion was made by Director Brichetto and seconded by Director Taro to not reject the claim and pay the bill of RTC Construction. After a brief discussion the following roll call was taken:

Ayes: Directors Brichetto, Taro  
Noes: Directors Alpers, Webb, Clark

The motion failed.

A motion was made by Director Alpers, and seconded by Director Webb to reject the claim of RTC Construction, and the following roll call was taken:

Ayes: Directors Alpers, Webb, Clark  
Noes: Directors Brichetto, Taro

**ITEM NO. 5**  
**APPROVE ANNUAL REVIEW OF ASSIGNED VEHICLES (AMENDED)**

The Oakdale Irrigation District Vehicle Policy, Section 2.01, states that assigned vehicles may be authorized for use by specific employees on a full-time basis when it is determined

to be in the best interest of the District. The General Manager must approve each assigned vehicle and such assignment shall be reviewed annually by the General Manager and the Board of Directors.

A motion was made by Director Alpers and seconded by Director Webb for discussion. After a brief discussion, it was voted as follows:

Ayes: Directors Alpers, Webb, Clark  
Noes: Directors Brichetto, Taro

**ITEM NO. 6**  
**REVIEW AND TAKE POSSIBLE ACTION**  
**ON LONG-TERM LEASING OF HEAVY EQUIPMENT**

Over the last few years the District has retired and sold much of its old heavy equipment fleet and has resorted to renting what it needed on a daily, weekly or monthly basis. The District used this time to try out different types, sizes and models of equipment to gain knowledge of what works best to meet the needs of a philosophy change in the way construction and maintenance is performed at the District.

This agenda item is to request Board approval to convert the monthly rental of 2 excavators into long-term leases. The excavators currently on monthly rental are a 31K lbs. class reduced-tail-swing excavator and a 47K lbs. class excavator. The 31K lbs. excavator is being used to replace the Caterpillar 426 Back-hoe that was sold at auction in June, 2004 and the 47K lbs. excavator is being used to replace the Caterpillar 215 excavator which was sold at auction in June, 2004. The equipment to replace these items has been rented on a month to month rental agreement.

The rental program was reviewed with our suppliers and information was obtained from them to address a long-term lease agreement. After further review, lease proposals were requested from the Caterpillar, John Deere and Kobelco dealers for the Class excavators OID needs.

Strange as it seems, the Caterpillar proposal came back with a quote at rates that were higher than what we are currently paying. Both John Deere and Kobelco returned lease proposals which are very favorable to the District.

Some of the lease conditions include:

1. Three to four year (depending on provider) lease terms at fixed rates
2. Some normal equipment maintenance included with lease agreements

Advantages of leasing equipment are;

1. Reduced repair costs on warranted items
2. Replacement equipment provided on major repairs – less down time to OID
3. Improved shop efficiency due to less time spent on heavy equipment repairs which is generally time consuming mechanic work

Disadvantages with leasing are:

1. No ownership

Director Clark stated that he would like more information on whether to purchase or lease heavy equipment. Director Clark further stated that he would like this additional information discussed by the Finance Committee prior to bringing it back before the Board for action. Thereafter, a motion was made by Director Brichetto, seconded by Director Webb, and unanimously supported to approve that Long-Term Leasing of Heavy Equipment be discussed by the Finance Committee prior to bringing it back before the Board for action.

**DISCUSSION ITEMS**  
**ITEMS NOS. 8, 9, 10, 11**

**ITEM NO. 8**  
**DISCUSSION ON THOMPSON POND**

General Manager, Steve Knell, discussed the Thompson Pond. Thereafter, it was decided that this matter would be placed on the Agenda at a later date as a discussion item to discuss cleaning options.

**ITEM NO. 9**  
**DISCUSSION AND PRESENTATION BY CH2M HILL**  
**ON DEVELOPMENT OF A CAPITAL IMPROVEMENT PROGRAM**

Ted Way, Greg Norby, and Greg Eldridge of CH2M Hill gave a presentation on the Development of a Capital Improvement Program.

At the hour of 10:32 a.m., the Board invited public comment.

**PUBLIC COMMENT**  
**ITEM NO. 14**

Ken Krause stated that if it is the District's policy not to give water to parcels of land that are ten acres or smaller, he believes that it should be taken into consideration that those who sit on the Board should own more than ten acres of land as well.

Tom Gookin asked if there was any way that we could train our equipment operators to watch the elevation when they clean out laterals.

Public Comment was closed at 10:40 a.m. and the Board Meeting continued

**ITEM NO. 10**  
**DISCUSSION ON ESTABLISHING**  
**TRI-DAM PROJECT RESERVE FUNDS**

General Manager, Steve Knell, discussed the establishment of the Tri-Dam Project Reserve Funds.

**ITEM NO. 11**  
**DISCUSSION ON POLICY CONSOLIDATION**

General Manager, Steve Knell, discussed the consolidation of OID policies and that the District has sent out its RFP to four attorneys.

**COMMUNICATIONS**  
**ITEM NO. 13**

**Irrigation Season Activities**

**Safety Activities**

1. OID has gone 419 days without a lost time injury accident.

**Administration Activities**

**Accounting Activities**

**C&M Operations Activities**

1. Developing Budget for 2006
2. Young's Siphon replacement completed
3. Contract Close Out for the Construction Contracts
4. Completing Job Set Up Forms on critical work identified since the start of Water Deliveries
5. Completing fencing requirements for all winter projects
6. Finishing Punch List items on all winter projects
7. Developing Winter Work Schedule
8. Removing Spoil Piles on various laterals previously cleaned
9. Conducted Kick-Off Meeting with Condor for the South Main Improvements
10. Field Survey work begin for the South Main Improvements
11. Received the Tunnel 9 design drawings for the Tunnel Rehab Project
12. Received the Cape Horn Tunnel Hazardous Assessment Report

**Engineering Activities**

1. Assisting C&M in numerous daily activities
2. 2006 Budget development
3. Lower Cometa crossing design and preparation of contract documents
4. Suspense Forms
5. Subdivision and Improvement Plan review

**Water Utility Activities**

**Legal Activities**

1. The OID, SSJID and SEWD lawsuit filed by DeltaKeepers over the SEWD Water Transfer has been dismissed. The agencies owe no legal fees to DeltaKeepers!!
1. Steve Fields filed a Motion to Enforce Judgment against OID.

A. **COMMITTEE REPORTS**

None.

**B. DIRECTORS' COMMENTS/SUGGESTIONS**

Director Clark

None.

Director Alpers

I hear comments pro and con on all of these items. I think OID's future is that are we going to stay as a fire engine organization like it had to be in the past or are we going to continue to think somewhat pre-emptive about our planning. I think that we are doing that, but I see some road blocks coming up so I encourage everybody to stay on that game plan. As far as whether it is five acres or twenty acres to be represented here I think we have to think about the total responsibility to all OID constituents. This includes people that have one lot in town that have paid taxes for eighty years. I think our first and foremost responsibility is to everyone that has ever paid taxes and continues to pay taxes; and the third thing on Tri-Dam – the money up there is supposed to be used for our constituents of people down here and so I encourage everybody to think about bringing down those necessary amounts to do what is in the best interests of OID people.

Steve Webb

None.

Director Brichetto

On the fencing contractors I have been told that we receive bids and we chose one fencing contractor. Now the current linear foot charge has gone up substantially because of prevailing wages and that is not reflected in the per foot charge. I would like you to come back before the Board and tell us what our per foot cost is and what the breakdown is now that we are forced to pay prevailing wage and is it going to be incorporated in the linear foot. Secondly, I would like to see a conclusion to our rural subdivision policy, it is a subdivision policy now, but we are going to probably tailor it more to a rural subdivision policy. It has been discussed on the agenda and it is time that it comes back before the Board. Also, on all the District vehicles I would like to see OID emblems on the vehicles. The ditchtenders have identification on their shirts and on their vehicles and I think it would be proper to have them on all vehicles.

Director Taro

Director Taro concurred with putting insignias on all of the vehicles.

At the hour of 11:28 a.m. a motion was made by Director Alpers, seconded by Director Webb, and unanimously supported to move to Closed Session.

**CLOSED SESSION**  
**ITEM NO. 13**

Closed Session to discuss the following:

- A. *Government Code §54956.9* Conference with Legal Counsel**  
Potential Litigation - (1) Case

**B. Government Code §54957.6(f) Conference with Labor Negotiator**

Agency Negotiator: General Manager

Unrepresented Employee: Construction & Maintenance Worker II

At the hour of 12:25 p.m., a motion was made by Director Alpers, seconded by Director Webb, and unanimously supported to move to Open Session.

The General Manager reported that by a unanimous vote the Board took the following action:

- B. The Board Authorized the General Manager to make a retirement proposal to an employee of the District.
- C. The Board asked its attorney to review the facts regarding a harassment complaint by an employee and to provide a recommendation on further actions as necessary.

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

- A. At the hour of 12:29 p.m. a motion was made by Director Alpers, and seconded by Director Webb, and unanimously supported to adjourn to the next regular **Board of Director's Meeting** to be held on **Tuesday, July 19, 2005 at 9:00 A.M** in the board room at 1205 East F Street, Oakdale, CA 95361
- B. The next Regular **Joint Board Meeting for the Tri-Dam Project** is scheduled for **Wednesday, July 13, 2005 at 9:00 A.M.** in the board room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, CA.

---

Frank Clark, President

Attest:

---

Steve Knell, P.E., Secretary