

MINUTES

Oakdale, California
January 17, 2006

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

Staff Present: Steve Knell, P.E., General Manager/Secretary
Kathy Cook, Chief Financial Officer
Gary Jernigan, Support Services Manager
Kevin King, Water Operations Supervisor/Special
Projects Coordinator
Bob Nielsen, Water Operations Supervisor- WUD

Also Present: Michael Ijams, General Counsel

ADDITION OR DELETION OF AGENDA ITEMS

There were no additions or deletions of Agenda items.

ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE

General Manager, Steve Knell, requested that Discussion Item No. 19 be moved to follow the Consent Calendar.

At the hour of 9:01 a.m. the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 1

Mr. Henry Kearns stated that he had received copies of the tapes from the Board of Directors' Meetings of December 6, 2005 and December 20, 2005, and there was no mention of the 19-day rotation. He requested this language be stricken from the papers so that someone cannot come back at a later date stating that that comment was made. Mr. Kearns also discussed the fact that he had to irrigate with drain water rather than irrigation water because the irrigation water was unable to get down to him. Gary Jernigan stated that he had already been in contact with Mr. Kearns and has been out to his property a couple of times to discuss this issue with him.

Mr. Lorens Foard stated that approximately two to three years ago he had brought to the Board's attention the fact that the East Thalheim needed to be cleaned. Gary Jernigan stated that he is aware of the situation and is looking at it.

Mr. Jack Gregory stated that there is a main ditch that runs through the back of his property and the main gate that feeds off of the OID ditch into his has been there since 1930, and is leaking. There is also another gate at the beginning of his property that leaks continuously that needs to be fixed. He is also interested in upgrading the ditch that goes in front of his property and he would like to relocate it. President Steve Webb asked Gary Jernigan to meet with Mr. Gregory. Gary stated that he has already been working with Mr. Gregory on the relocation of the ditch and will look into the gates.

Public Comment was closed at 9:15 a.m. and the Board Meeting continued.

CONSENT ITEMS

ITEM NOS. 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15

ITEM NO. 2

**APPROVE THE BOARD OF DIRECTOR'S MINUTES OF THE
REGULAR MEETING OF DECEMBER 20, 2005
AND RESOLUTION NOS. 2005-69 and 2005-70**

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve the Board of Director's Minutes of the Regular Meeting of December 20, 2005 and Resolution Nos. 2005-69 and 2005-70.

ITEM NO. 3

**APPROVE OAKDALE IRRIGATION
DISTRICT STATEMENT OF OBLIGATIONS**

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

ITEM NO. 4

**APPROVE IMPROVEMENT DISTRICT
STATEMENT OF OBLIGATIONS**

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

ITEM NO. 5

**APPROVE THE TREASURER'S REPORT FOR
THE MONTH ENDING DECEMBER 31, 2005**

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve the Treasurer's Report for the month ending December 31, 2005.

ITEM NO. 6
APPROVE GENERAL SERVICES
CONTRACT FOR SECURITY SERVICES

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve the General Services Contract for Security Services.

ITEM NO. 7
APPROVE GENERAL SERVICES
CONTRACT FOR JANITORIAL SERVICES

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve the General Services Contract for Janitorial Services.

ITEM NO. 8
APPROVE AWARD OF BID FOR WELDER
AND WELDING FUME COLLECTION SYSTEM

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve award for bid for welder and welding fume collection system.

ITEM NO. 9
APPROVE PURCHASE OF
REPLACEMENT OFFICE FURNITURE

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve purchase of replacement office furniture.

ITEM NO. 10
APPROVE ABANDONMENT AND QUITCLAIM OF WINGER PIPELINE
(APNS: 063-024-017, 063-025-003, 063-024-018, 063-024-021/022 – VAN RUITEN)

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve the abandonment and quitclaim of Winger Pipeline (APNS: 063-024-017, 063-025-003, 063-024-018, 063-024-021/022 – Van Ruiten).

ITEM NO. 12
APPROVE QUITCLAIM OF BENTLEY PIPELINE
EASEMENTS (APNS: 064-055-006/007 – ELLIS/CITY OF OAKDALE)

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve the quitclaim of Bentley Pipeline Easements (APNS: 064-055-006/007 – Ellis/City of Oakdale).

ITEM NO. 13
APPROVE VARIANCE TO SUBDIVISION POLICY
REGARDING CONTINUED IRRIGATION (APNS: 062-005-028/029 – BANDUCCI)

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve the variance to Subdivision Policy regarding continued irrigation (APNS: 062-005-028/029 – Banducci).

ITEM NO. 14
APPROVE VARIANCE TO SUBDIVISION POLICY
REGARDING CONTINUED IRRIGATION (APNS: 062-023-035/036 – CASTRO)

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve the variance to Subdivision Policy regarding continued irrigation (APNS: 062-023-035/036 – Castro).

ITEM NO. 15
APPROVE REQUEST FOR REDUCTION IN
OID EASEMENT (APNS: 062-005-014/019/029 – BANDUCCI)

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve the request for reduction in OID easement (APNS: 062-005-014/019/029 – Banducci).

DISCUSSION ITEM

ITEM NO. 19
DISCUSSION/PRESENTATION BY
HIGHMARK CAPITAL MANAGEMENT, INC.

Ms. Cory Farwell from Highmark Capital Management, Inc. was present at the Board Meeting and discussed the 4th quarter investment portfolio for 2005.

ACTION ITEMS
ITEM NOS. 16, 17, 18

ITEM NO. 16
REVIEW AND TAKE POSSIBLE ACTION ON
MERGING RURAL WATER DISTRICT 1 AND RURAL WATER DISTRICT 2

OID's Rural Water System (RWS) No. 1 was established in April of 1988 and RWS No. 2 was established in September 1991. The two systems were originally established as separate stand-alone systems. This was done in an effort to keep Stanislaus County as the only primacy agency overseeing OID's domestic water systems. Since that time RWS No. 1 has grown in size which has required primacy to be transferred to the State of California. There is no longer any reason to operate these systems independently now that the State oversees RWS No.1.

The merging of the RWS No. 1 & No. 2 into one water system would result in:

1. a cost savings to OID by cutting water quality testing costs.
2. a cost savings to OID by paying for only one water supply permit as opposed to two.
3. a cost savings to OID by eliminating duplicate costs associated with the operation and maintenance of two independent systems.
4. a freeing up of reserve capacity from one of the systems thereby making more water available for future expansion.

After a brief discussion, a motion was made by Director Brichetto, seconded by Director Alpers, and unanimously supported to approve the Resolution merging Rural Water District 1 and Rural Water District 2.

ITEM NO. 17
REVIEW AND TAKE POSSIBLE ACTION ON REJECTION OF
CLAIM FROM NORTHERN CALIFORNIA UNIVERSAL ENTERPRISE CO.

The Claimant and Developer, Northern California Universal Enterprise Company, requested and the district granted the relocation of the Snedigar Drain under a Developer's Agreement signed in May 2005. The Developer's Contractor, D.A. Woods, then performed (and Developer paid all costs) the relocation of the Snedigar Drain to accommodate the lands development to houses. Unknown to OID at the time of abandonment of the old Snedigar Drain was the existence of an illegal drainage connection from two private drains that fed into the Snedigar Drain from properties along Minnear Avenue. After the relocation, and not until July, was the first instance of flooding from these illegal drainage connections. A second flooding occurred subsequent to the first, adding to the Developers damages.

Management makes no assertion as to fault in this case, only that the circumstances surrounding the claim are complex and should be addressed by our insurance carrier and not OID staff.

A motion was made by Director Webb, seconded by Director Brichetto, and unanimously supported to reject the Claim from Northern California Universal Enterprise Co. and forward it to our insurance carrier for handling.

ITEM NO. 18
REVIEW AND TAKE POSSIBLE ACTION ON
AWARD OF BID FOR PURCHASE OF VEHICLES

Staff solicited bids from eight (8) vendors for five (5) replacement vehicles and one (1) new vehicle. Three (3) vendors were responsive. Steve's Chevrolet was the low bidder on the one (1) 2-wheel drive pickup truck, one (1) 4-wheel drive pickup truck and the alternate bid on the gasoline cab and chassis for the spray rig. Hillier Ford was the low bidder on the two (2) operator four-wheel drive pickup trucks and the alternate bid on the diesel engine cab and chassis for the spray rig.

The alternate Bids were solicited for a cab and chassis with a gasoline and diesel engine for the replacement spray rig. The diesel engine cab and chassis is \$4,536.97 more than

the gasoline engine cab and chassis. Not included with the bid but included in the budget, is the cost to equip the cab and chassis with computerized spray equipment and a 300 gallon tank after the initial purchase. The three hundred gallons of water weighs approximately 2500 pounds by itself. Diesel engines have more durability than gasoline engines, are designed to carry heavy loads routinely, have greater longevity and more power than gasoline engines. Consideration was given on the economics for the life cycle of the diesel engine and the overall spray operations. Based on that consideration, Staff recommends the purchase of the diesel engine for the additional money.

Staff recommends purchasing one (1) 2-wheel and one (1) 4-wheel drive pickup from Steve's Chevrolet and two (2) 4-wheel drive operator trucks from Hillier Ford. If the Board directs staff to purchase the gasoline cab and chassis for the replacement spray rig, Steve's Chevrolet is the low bidder. If the Board accepts staff's recommendation to purchase the diesel engine cab and chassis spray rig, the low bidder is Hillier Ford. Please note that amounts listed on the summary sheet may differ from those submitted from the vendor and have been corrected to exclude sales tax for comparison.

A motion was made by Director Alpers, seconded by Director Brichetto, and unanimously supported to approve the award of bid for purchase of vehicles and to purchase the diesel cab and chassis from Hillier as opposed to the gas cab and chassis.

DISCUSSION ITEMS
ITEM NOS. 20-21

ITEM NO. 20

**DISCUSSION ON BUSINESS ITEMS AS THEY APPEAR ON THE
TRI-DAM BOARD AGENDA FOR THURSDAY, JANUARY 19, 2006**

This item is placed on the agenda to allow Board members an opportunity to openly discuss issues related to the upcoming Tri-Dam Board meeting.

The Board members discussed various items on the Tri-Dam Agenda for Thursday, January 19, 2006.

ITEM NO. 21

**REVIEW AND DISCUSS ANNEXATION AGREEMENT
AS DEVELOPED BY STAFF AND LEGAL COUNSEL**

Pursuant to Oakdale Irrigation District (OID) Annexation Policy 96-39, an Annexation Agreement is required to be established with all applicants. The attached Annexation Agreement has been developed by OID staff and reviewed by OID's Water Counsel, O'Laughlin and Paris. The attached Annexation Agreement explains the process for applicants. The final Annexation Agreements for the three (3) recent applicants, Golden West Nuts, Verburg and Haydn-Myer will include the Schedules "A" through "D" completed with specific information for each project site.

General Manager, Steve Knell, discussed the Annexation Agreement with the Board of Directors.

COMMUNICATIONS
ITEM NO. 22

A. GENERAL MANAGER'S REPORT

Safety Activities

1. To correct a previous error, OID employees went 613 days before acquiring a lost time injury accident. This is an excellent streak we look to improve upon.

Administration Activities

1. PacificCare(OID's health insurance provider) has merged with UnitedHealthcare.
2. In the Modesto Bee on December 31, 2005 the Bee's editorial page had a Grading 2005 article on the actions of various local agencies. OID was given an "A" for its Water Resources Planning efforts.
3. OID is in consideration for "Business of the Year" for 2005 by the Chamber of Commerce. Their Awards Banquet is January 20th in which the winner will be announced.
4. OID has submitted to provide a Table Top display at the Chamber of Commerce's Ag Luncheon.
5. Per Government Code 53065.5, OID is announcing that the disclosure and reimbursements forms from each of its directors and staff will be available after February 1, 2005 by contacting Kathy Cook.

Water Resources Plan Activities

1. Finalized NOP and sent to the State Clearing House for circulation on Friday, the 13th.
2. A Scoping Session has been scheduled for February 23, a Thursday. Keep eye open for notices of this event.
3. Provided briefings of the WRP to MID, SSJID, and CCSF. SEWD is waiting for a scheduling of a time and place and so is the City of Stockton.

C&M Operations Activities

1. RTC has accumulated \$10,000 in delay penalties on the Clavey Booster Pump repairs.
2. Sending out bid packages for 2006 Equipment, Vehicles and Tools.
3. Demolition and construction work on the Stowell/Albers Monitoring Facility
4. Preparing Frymire for Shotcrete work, JohnsonWestern to mobilize January 17th.
5. Repairing Leaks in the South Main U/S of Tunnel 9
6. Work on JSF in all Divisions
7. Rehabilitation Work on the Sweets Lateral
8. Installing new gates
9. Painting and clean up of structures
10. Finalizing Scope Development for the 2006 Capital Projects
11. Notified RTC of a Conditional Acceptance of the Clavey Booster Pump Station Project
12. Completed the first part of fencing on Steve Fields property on the North Main
13. Mobilized rock crusher to crush concrete at the City Yard. Presently, produced about 400 tons of rock and gravel
14. Continued Lower Cometa SSJID crossing construction, bridge arrived on January 6th.

Engineering Activities

1. Performing Engineering review and scope development 2006 Capital Projects
 2. Providing Day to Day support to the ongoing construction and maintenance projects
 3. Performing fields inspections on all construction and maintenance work
 4. Liaison with Giuliani & Kull for the Lower Cometa Crossing of the SSJID
- Working with Giuliani & Kull on design work for the 2006 Capital Projects

Water Utility Activities

1. Nielsen working on plans to merge RWS 1 and 2. On agenda this meeting.

Land Developments/Parcel Splits/Subdivision Requests Since November 1st

1. Early Consultation notice on a parcel split from 9.27 acres into 3.3 acre parcels at 7125 Langworth Road between Hwy 108 and Patterson Road. Applicant to cancel Williamson Act Contract.

Legal Issues Being Addressed

1. Ag Waiver Litigation
2. DO-TMDL
3. Salt and Boron TMDL
4. Salinity Workshop and 303(d) Revised Hearing
5. Periodic Review
6. City of Stockton Petition to Appropriate Water
7. SEWD Petition to Appropriate Water
8. Friant Litigation
9. New Melones Revised Plan of Operations

See attached report from Tim O'Laughlin to SJRG

B. DIRECTORS' COMMENTS/SUGGESTIONS

Director Alpers

Director Alpers thanked the District for having pumps at his district when the water got high during the last storm. It kept the water from going into two homes. Louis and he, as the Ad Hoc Committee, met with Steve Fields the results of which will be discussed in Closed Session. Director Alpers asked the President to elect him and Louis as the Ad Hoc Committee to meet with Mr. Pacheco to discuss his concerns which include one lateral and two drains. Staff is researching and gathering information and will make it available to the Ad Hoc Committee once completed. Once they receive the information they will schedule the meeting.

Director Webb

Director Webb stated that he thought the District as a whole did a wonderful job during the last big storm. Director Webb stated that he would like to see staff in the near future or by summer give a presentation on the water that goes through Riverbank. He would like to come up with some type of plan to take that water in some other direction rather than running it through the City of Riverbank and pumping it out on the other side. Director Webb stated that we get blamed for storm water in the winter; however, if you look at the scope of things in general, we really are not spilling a lot as far as overflowing. They just

cannot put their water in on top of our water. Director Webb said that we need to look at that area in two different folds (1) summertime runoff that we have, and (2) take a look at storm water. He said that we need to discuss how to get our water and responsibilities out of Riverbank.

Director Brichetto

Director Brichetto stated that he feels that we need to address our drainage policy. He stated that we should set some goals and try and have them work on the issues over a five year period to cure the drainage issues.

At the hour of 10:45 a.m. a motion was made by Director Brichetto, seconded by Director Taro, and unanimously supported to move to Closed Session.

CLOSED SESSION
ITEM NO. 23

Closed Session to discuss the following:

A. Government Code §54956.9 Existing Litigation
(1) Fields

At the hour of 11:04 a.m., a motion was made by Director Brichetto, seconded by Director Alpers, and unanimously supported to move to Open Session.

There was no reportable action following closed session.

OTHER ACTION
ITEM NO. 24

At the hour of 11:04 a.m. a motion was made by Director Alpers, and seconded by Director Brichetto, and unanimously supported to adjourn to the next **regular Board of Director's Meeting** to be held on **Tuesday, February 7, 2006, at 9:00 a.m.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA 95361.

The next **regular Joint Board Meeting for the Tri-Dam Project** is scheduled for **Thursday, January 19, 2006, at 9:00 A.M.** in the Board Room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, CA.

Steven A. Webb, President

Attest:

Steve Knell, P.E., Secretary