

## **MINUTES**

Oakdale, California  
June 4, 2013

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 9:04 a.m. Upon roll call, there were present:

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

Staff Present: Steve Knell, General Manager/Secretary  
Jason Jones, Support Services Manager  
Kathy Cook, Chief Financial Officer/Treasurer  
Gary Jernigan, Contracts/Special Projects Manager  
Eric Thorburn, Water Operations Manager

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

General Manager Steve Knell requested that Item No. 8 be pulled from the Action Calendar.

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

There were no items taken out of sequence.

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

### **PUBLIC COMMENT ITEM NO. 2**

Tom Orvis, representing Stanislaus County Ag Advisory Board, stated that yesterday the Groundwater Ordinance reached a point where the Districts and the County are fairly happy with it. It will be heard by the Ag Advisory Board next Monday and from there it will be presented to the Board of Supervisors. Even though this is concentrating on export prohibition out of the County, many of the Districts in the County are starting to become concerned about the groundwater situation. Currently that is not on the table, but I think that they are going to be looking at this in the future. He applauded the District in its annexation of surface water rather than groundwater is a good thing in helping the situation and that places the District first and foremost on that list.

There being no further Public Comment; Public Comment closed at 9:04 a.m. and the Board Meeting continued.

**CONSENT ITEMS**  
**ITEM NOS. 2, 3, 4, 5, 6**

**ITEM NO. 2**  
**APPROVE THE BOARD OF DIRECTORS'**  
**MINUTES OF THE REGULAR MEETING**  
**OF MAY 21, 2013 AND RESOLUTION NOS.**  
**2013-30 2013-31, 2013-32, 2013-33, 2013-34, AND 2013-35**

A motion was made by Director Bairos, seconded by Director Doornenbal, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of May 21, 2013 and Resolution Nos. 2013-30, 2013-31, 2013-32, 2013-33, 2013-34, and 2013-35.

**ITEM NO. 3**  
**APPROVE OAKDALE IRRIGATION**  
**DISTRICT STATEMENT OF OBLIGATIONS**

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

**ITEM NO. 4**  
**APPROVE RESOLUTION SELECTING**  
**FOUR (4) CANDIDATES TO THE SDRMA BOARD OF DIRECTORS**

A motion was made by Director Bairos, seconded by Director Doornenbal, and unanimously supported to approve the Resolution Selecting Four (4) Candidates to the SDRMA Board of Directors.

**ITEM NO. 5**  
**APPROVE GENERAL SERVICES AGREEMENT**  
**WITH HAZARD MANAGEMENT SERVICES, INC.**

A motion was made by Director Bairos, seconded by Director Doornenbal, and unanimously supported to approve General Services Agreement with Hazard Management Services, Inc.

**ITEM NO. 6**  
**APPROVE DISCHARGE AGREEMENT WITH**  
**SCONZA CANDY COMPANY (APN: 063-028-024 – SCONZA)**

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

**ACTION CALENDAR**  
**ITEM NOS. 7, 8**

**ITEM NO. 7**  
**REVIEW AND TAKE POSSIBLE ACTION ON THE**  
**OAKDALE IRRIGATION DISTRICT'S 2012 COMPREHENSIVE**  
**ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2012**

Oakdale Irrigation District's 2012 Comprehensive Annual Financial Report (Draft) is being submitted for approval. The District's Auditor, Sue Cipponeri, CPA with Kemper CPA Group LLP and OID's Chief Financial Officer, Kathy Cook will be 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).

The draft Oakdale Irrigation District's Comprehensive Annual Financial Report for the year ended December 31, 2012 is available to the public upon request.

Susan Cipponeri, CPA with Kemper CPA Group LLP was present and discussed the Oakdale Irrigation District's 2012 Comprehensive Annual Financial Report for the Year Ended December 31, 2012

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Oakdale Irrigation District's 2012 Comprehensive Annual Financial Report for the Year Ended December 31, 2012.

**ITEM NO. 8**  
**REVIEW AND TAKE POSSIBLE ACTION ON THE OAKDALE**  
**IRRIGATION DISTRICT IMPROVEMENT DISTRICT'S 2012**  
**ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2012**

This item was pulled from the agenda.

**DISCUSSION**  
**ITEM NOS. 9**

**ITEM NO. 9**  
**DISCUSSION ON POTENTIAL ABANDONMENT OF THE CAPE**  
**HORN LATERAL AND PEART LATERAL**  
**(APNS: 010-049-001, 002-023-010/011 – TRINITAS OLIVE, LLC)**

Oakdale Irrigation District (OID) Staff has been in contact with Mr. Ryon Paton concerning the potential abandonment and quitclaim of the underlying rights-of-way for both the Cape Horn Lateral and the Peart Lateral on the above noted parcels owned by Trinitas Olive, LLC (Trinitas). These facilities are no longer used by OID. Please see the attached project site map for clarification purposes.

The parcels in question are part of the Annexation and Sphere of Influence (SOI) modification package going before LAFCO at their July 24<sup>th</sup> meeting and Trinitas is currently working the ground in preparation for planting in the spring of 2014. As part of their land preparation activities, Trinitas is eager to pursue abandonment such that the rights-of-way in question can be prepared and planted consistent with the adjoining lands. Although likely not all encompassing, OID Staff has prepared the following items for discussion and consideration by all.

- There are two (2) tunnels or portions thereof on the parcels in questions. What safety precautions need to be taken to ensure no long term risk exposure to Trinitas or OID?
- The facilities by virtue of their location convey storm water. If the facilities are removed and the ground is restored to its pre-existing conditions, what potential issues if any will this cause?
- Are there any environmental constraints?
- How best can OID minimize any risk from a liability perspective?

Given the above noted information, and should the Board of Directors (Board) concur, Staff would recommend that a Letter of Agreement be placed on the June 18, 2013 Board Agenda for review. Preliminarily, it is thought that this Letter of Agreement could be the mechanism for allowing Trinitas to move forward with their land preparation activities while serving to outline specific terms and responsibilities related to the eventual abandonment of these OID rights-of-way.

Ryon Payton was present to answer questions of the Board.

This matter will be placed on the Action Calendar for the June 18, 2013 Board Meeting.

## **ITEM NO. 10** **COMMUNICATIONS**

### **A. GENERAL MANAGERS REPORT**

#### **Safety Activities**

1. OID has gone 31 days without a lost time injury accident.
2. Safety focus this month is on making "Safety" a "Family Priority". Accidents that result in injury to an OID worker can have dramatic emotional and financial impacts to the employee's family. We need to think first about our families and how to protect ourselves at work so that their wellbeing is not put in jeopardy.
3. Please see the OID Safety Officers April update for April.

### **Administration Activities**

1. San Joaquin Settlement talks held on May 24<sup>th</sup> in Sacramento. Topics are growing for the next SJTA meeting on how to address this process. The Stanislaus may be selected to go first in the settlement process.
2. Affordable Health Care Reform Act seminar at Del Rio Country Club to be put on by TSM.
3. Looking to have a mid-year water meeting with SSJID on 12<sup>th</sup> and discuss water strategies for the remainder of this year.
4. Please note the CHP Certificate of Achievement for its extended safety rating since 1990 in meeting and passing its motor carrier responsibilities for safety under the law.
5. OID has a request for information to the City regarding the status of the bike path behind the properties OID purchased at Greger and Kaufman Roads. The City is researching and will evaluate its position on this matter and will get back to OID when done.

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

1. Two-Mile Bar Tunnel (CEQA & Engineering) – No change from the previous period. Information requested by the Corps was transmitted to Corps by CH2M HILL. The Corps has requested information based on the final design which will not be available until late June or July.
2. Two-Mile Bar Tunnel Final Design – The design process continues. OID received the 90% drawings for review and comments on April 8, 2013. Comments were provided to Condor and the drawings were issued again on April 22, 2013. The review process was completed on May 17, 2013 and initially scheduled to be returned to Condor on May 20, 2013 but is delayed until the first week in June. The specification writing progress has slipped a few weeks with the effort being focused on the design and drawing development which also has slipped due to the delay in OID returning their comments. The construction access routes and locations have been finalized based on the construction and permanent easements granted by Hodgdon Enterprises. The Geotechnical Baseline Report (GBR) development continues in conjunction with the final design and will also slip two weeks. The Cost Estimate continues with a completion slipping until middle of June. Prior to the final design being completed, a meeting will be held with Hodgdon Enterprises to discuss the laydown area and site access. This meeting is tentatively scheduled for the first two weeks in June. The final estimate will be completed on July 12, 2013. The final design and contract documents completion has slipped until August 2, 2013. Progress continues but has slipped on all Tasks by two (2) weeks with the end dates as follows:
  - Task 1 – 90% design will be completed on April 14, 2013. Completed
  - Task 2 – 90% Construction Cost will be completed on June 14, 2013.
  - Task 3 – Geotechnical Baseline Report (GBR) will be completed on or before on June 14, 2013.
  - Task 4 – 100% Design Plans and Specs and Contract Documents will be completed on or before July 21, 2013.The next progress meeting is scheduled for May 30, 2013.
3. Beardsley Reservoir Recreational Improvements – Ford Construction started the work on April 15, 2013 for the Beardsley Campground. On May 24, 2013, the Beardsley Campground was transferred to the USFS for their Care, Custody and Control. As soon as the final walk was completed on Friday, May 24, 2013, five (5) of the campsites were

being set up for the weekend. Work began on the Black Oak Flat Campground on May 15, 2013 with the Clearing, grubbing and logging. The logging was completed and the trees removed on May 22, 2013. The clearing and grubbing was completed on May 31, 2013. The mobilization and rough grading for the Beardsley Campground began on June 3, 2013. The original start date was June 10, 2013.

The Construction Staff is performing a quantity survey for billing purposes for the Beardsley Campground to close out this portion of the project. The Construction Staff is working on contract amendments and change orders for the Beardsley Campground. The Claim for the alleged additional quantities was discussed in a meeting on site. The Engineer requested a final survey from Ford Construction to determine the validity of the claim. The Topo and final survey has not been completed as May 31, 2013. The Construction Staff has been advised by Ford Construction the same claim for additional quantities will be submitted for Black Oak Campground due to the format used by the Engineer. A mitigation plan has been developed and will be implemented for the remaining work.

4. Willms Ranch Access Easement – The Willms continue with their legal issues and thus no action occurred this period.
5. New Office Project Development – A contractor was selected to remove the siding from the existing building that is coated with asbestos paint. Work will be completed by mid-June, 2013.
6. District Standard Specifications – No activity this period.
7. Contract Administration activities on contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.

### **Construction Activities**

1. Conducting landowner meetings.
2. OID C&M forces are working on routine JSF's generated by Water Dept. staff and routine maintenance of District facilities.
3. Reviewing project close out folders.
4. Kaufmann & Greger Property – Demolition permit was applied for and obtained. Demolition of the existing building will take place within the next few weeks.
5. SJVAPCD conducted the annual leak decay test on the gasoline tank in the OID yard on 5/28.
6. Yard Electrical Panel Upgrade Project – The project was completed by Industrial Electric. Currently handling a few issues that have surfaced since the switch over occurred.

### **Engineering Activities**

1. SBX7-7 – Turnout location and number of turnout per parcel being documented/verified for second statistically representative sample. Summary memo and field verification of FlumeMeter installation applicability to follow. Eric Thorburn to be OID's rep on the Agricultural Stakeholder Committee.
2. Irrigated Lands Coalition – Continued participation at both the ESJWQC and Delta Coalition as necessary. Both coalitions have been notified that Eric Thorburn will be the OID rep.
3. Boatright – Final PSA signed and approved by the Board. Escrow opened 5/8/13. No update from Chicago Title as of 5/24/13. Alisha Word at Chicago Title has been notified that Kathy Cook is the OID point of contact.

4. Knights Ferry – Signed Valencia and Cemetery PSA received. Eakin plat and legal finalized and ready for insertion into final settlement docs.
5. Trinitas – Annexation Agreements signed by Trinitas and are waiting for signature by GM following receipt of all Subordination Agreements. Subordination Agreements won't be in place until Mutual Water Companies have been formed. SOI and Annexation to LAFCO at their July 24<sup>th</sup> meeting. Payment schedules have been revised to show first annexation installment due by September 1, 2013.
6. Rate Study – DRAFT Rate Study received from CH on 2/18. Management Staff to review at the next available Staff meeting followed by both Finance Committee and Board review
7. Landuse Conversion – Continuing to work with landowners, tenants, irrigation design companies and Support Services/Water Operations concerning ongoing and future landuse conversion projects. Standard landuse conversion letters going out on an as needed basis.
8. STANCO Groundwater Export Ordinance – Meeting held yesterday at Stanislaus County Farm Bureau. Stanislaus County has been notified that Eric Thorburn will be the OID rep.
9. Engineering working with landowners on encroachment signage and project close-out.
10. Thompson – Revised DRAFT Cattle Water Agreement sent out and on today's Water Committee meeting agenda.
11. Lone Tree Creek – Memo drafted and on today's Water Committee meeting agenda.
12. Caton Lateral/Huffman Drain/Edwards Lateral Abandonment – On today's Water Committee meeting agenda.
13. Misc. intent of facility abandonment letters sent out.
14. Management team reviewed JBD "to-do list" on 5/23 and tasks have been allocated among departments to bridge the gap.

## **Water Operations Activities**

### **Aq Water**

1. Met with Davids Engineering on May 30<sup>th</sup> to proceed with handoff of the OID water balance as part of Phase 3 of the AWMP update.
2. The Oakdale High School teacher, Stephen Mauchley, returned to work as a temporary DSO on May 25<sup>th</sup> and will be temporarily filling in as the Night Rover.
3. Continued to research and respond to irrigation inquiries regarding new connection possibilities, disconnects and past irrigation practices.
4. Continued to research and respond to miscellaneous irrigation and maintenance issues. Completed documentation and coordinated repairs to OID facilities with the C&M Department as necessary.
5. South Side DSOs continued to assist in affiliating turnouts from the OID facilities inventory data acquired last summer with the parcels they current serve.
6. The Draft Fields Operations Agreement was added to the June 4<sup>th</sup> Water Committee meeting for review and discussion before final approval by the full Board.
7. Boundary outflow monitoring site data acquisition began for the month of May.
8. Pest Department staff continued to fill-in for DSOs as needed and while the new employee is trained. Mag-H applications were initiated and post-emergent and berry control applications continued.

9. The seventh rotation in 2013 (eighth of the 2012-13 irrigation season) started on or about May 26<sup>th</sup> and is a 12-day rotation. The ninth rotation will be another 12-day rotation beginning on or about June 7<sup>th</sup>.

### **Water Utilities**

1. Improvement District No. 41:
  - Pumping Station No. 3 remains out of service due to high turbidity issues.
  - Continued to monitor small leak on the water storage tank at the Well No. 1 Station. The tank remains in service and under observation.
2. Rural Water System No. 1:
  - Tested the operation of the stand-by electrical generators.
3. Domestic Water Systems:
  - Started annual testing of the backflow assemblies under OID's jurisdiction.
4. Domestic Water Pumping Stations:
  - Staff continues to conduct weekly inspection, servicing and security checks of the pumping stations. There is nothing unusual or out of the ordinary to report.
  - Inspected and cleaned chlorination sheds.
5. On-Call Activities:
  - Friday, May 17<sup>th</sup>, Staff responded to a call of a broken pipeline in ID 51. Service connection was shut off to allow homeowner to repair his service line.
6. Aquatic Pesticide Water Quality Sampling:
  - Samples from the South Main were collected on Thursday, May 23<sup>rd</sup> and on Wednesday May 29<sup>th</sup>.
7. Irrigation Pumping Stations:
  - Staff continues to conduct weekly inspection, servicing and security checks of the pumping stations. There is nothing unusual or out of the ordinary to report.

### **Financing Activities**

1. Preparation and final review of the 2012 Comprehensive Annual Financial Report
2. Routine accounting functions (AP, AR, PR, billings, account reconciliations, etc.)
3. Closing out multiple capital work orders.

### **B. COMMITTEE REPORTS**

There were no committee meetings.

### **C. DIRECTORS' COMMENTS/SUGGESTIONS**

#### **Director Webb**

Director Webb commended Chief Financial Officer Kathy Cook on the great job she did in preparing the 2012 Annual Financial Report.

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



**ITEM NO. 11**  
**CLOSED SESSION**

- A. **Government Code §54956.9** - Existing Litigation  
(1) *Agee v. OID*
- B. **Government Code §54956.8** - Conference with Real Property Negotiator
- |                      |                                          |
|----------------------|------------------------------------------|
| Negotiating Parties: | OID and City and County of San Francisco |
| Property:            | Water                                    |
| Agency Negotiators:  | General Manager and Counsel              |
| Under Negotiations:  | Price and Terms                          |

At the hour of 11:15 a.m. the meeting returned to open session.

Coming out of Closed Session Director Clark stated that there was no reportable action.

**ITEM NO. 12**  
**OTHER ACTION**

The meeting adjourned at the hour of 11:15 a.m. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, June 18, 2013 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 20, 2013 at 9:00 a.m.** in the board room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, CA.

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Frank Clark, President

Attest:

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Steve Knell, P.E., Secretary