

MINUTES

Oakdale, California
April 1, 2014

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
Herman Doornenbal, Vice President
Frank Clark
Jack D. Alpers
Al Bairos, Jr.

Staff Present: Steve Knell, P.E., General Manager
Gary Jernigan, P.E., Contract/Special Projects Manager
Jason Jones, Support Services Manager
Eric Thorburn, Water Operations Manager
Kathy Cook, Chief Financial Officer

ADDITION OR DELETION OF AGENDA ITEMS

There were no additions or deletions of Agenda Items.

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. 1

There being no Public Comment; Public Comment closed at 9:01 a.m. and the Board Meeting continued.

CONSENT ITEMS
ITEM NOS. 2, 3, 4, 5, 6, 7, 8, 9, 10, 11

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS' MINUTES
OF THE REGULAR MEETING OF MARCH 18, 2014

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of March 18, 2014.

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

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

ITEM NO. 4
APPROVE CHIEF FINANCIAL OFFICER'S
REPORT FOR THE MONTH ENDING FEBRUARY 28, 2014

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to approve the Chief Financial Officer's Report for the month ending February 28, 2014.

ITEM NO. 5
APPROVE RESOLUTION ACKNOWLEDGING THE
STANISLAUS COUNTY FARM BUREAU'S CENTENNIAL ANNIVERSARY

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to approve the Resolution Acknowledging the Stanislaus County Farm Bureau's Centennial Anniversary.

ITEM NO. 6
APPROVE AMENDMENT NO. 04 TO PROFESSIONAL SERVICES AGREEMENT
WITH O'LAUGHLIN & PARIS, LLP FOR REVISED HOURLY RATE SCHEDULE

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to approve Amendment No. 04 to Professional Services Agreement with O'Laughlin & Paris, LLP for Revised Hourly Rate Schedule.

ITEM NO. 7
APPROVE PROFESSIONAL SERVICES AGREEMENT 2014-PSA-014
WITH MARCIA HERMANN DESIGN FOR COMMUNICATIONS AND PR
CONSULTING AND AUTHORIZE GENERAL MANAGER TO EXECUTE

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to approve the Professional Service Agreement 2014-PSA-014 with Marcia Hermann Design for communications and PR consulting and authorize General Manager to execute.

ITEM NO. 8
APPROVE AGRICULTURAL DISCHARGE PERMIT ON THE
PALMER LATERAL (APN: 014-012-006 - DE SIMAS & BAIROS DAIRY)

Director Bairos recused himself from this Consent Item.

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to approve the Agricultural Discharge Permit on the Palmer Lateral (APN: 014-012-006 - De Simas & Bairos Dairy).

ITEM NO. 9
APPROVE ENCROACHMENT PERMIT ON THE
PALMER LATERAL (APN: 014-012-006 - DE SIMAS & BAIROS DAIRY)

Director Bairos recused himself from this Consent Item.

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to approve the Encroachment Permit on the Palmer Lateral (APN: 014-012-006 - De Simas & Bairos Dairy).

ITEM NO. 10
APPROVE AGRICULTURAL DISCHARGE PERMIT
ON THE PALMER LATERAL (APN: 014-024-006 - BAIROS)

Director Bairos recused himself from this Consent Item.

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to approve the Agricultural Discharge Permit on the Palmer Lateral (APN: 014-024-006 - Bairos).

ITEM NO. 11
APPROVE ENCROACHMENT PERMIT
ON THE PALMER LATERAL (APN: 014-024-006 - BAIROS)

Director Bairos recused himself from this Consent Item.

A motion was made by Director Alpers, seconded by Director Clark, and unanimously supported to approve the Encroachment Permit on the Palmer Lateral (APN: 014-024-006 - Bairos)

**ACTION CALENDAR
ITEM NOS. 12, 13, 14**

ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION TO AWARD BID
FOR THE PURCHASE OF TWO-1/2 TON, 2-WHEEL
DRIVE, FULL SIZE, REGULAR CAB, 2 - DOOR PICKUPS

Staff solicited bids from two (2) vendors, Haidlen Ford and Steve's Chevrolet both of Oakdale. Both provided a quote; however, the bid closing time was 2:00 pm on March 25, 2014, but Haidlen Ford submitted their bid 30 minutes late. Our Request for Bid documents does not state the bids will be rejected if submitted after the bid date and time.

Of the two (2) quotes, Haidlen Ford provided the lowest responsive bid of \$21,321.25 for each vehicle for a total bid of \$42,642.50. Steve's Chevrolet quoted \$22,929.35 for each vehicle for a total bid of \$45,858.70.

Staff will follow the Board's recommendation for the purchase of two (2) ½ ton, full size pickups at a unit rate of \$21,321.25 for total of \$42,642.50 from Haidlen Ford or at a unit rate of \$22,929.35 for a total of \$45,858.70 from Steve's Chevrolet.

Amount budgeted for 2014 to purchase two (2) - ½ ton pickups is \$50,000.00.

Eric Haidlen was present at the Board Meeting.

A motion was made by Director Clark to reject both bids and to go out for bid again. After further discussion, Director Clark rescinded his motion.

Thereafter, a motion was made by Director Alpers and seconded by Director Bairos to award the bid for the purchase of two-½ ton, 2-wheel drive, full size, regular cab, 2- door pickups to Haidlen Ford for the total sum of \$42,642.50 and was voted as follows:

Ayes: Directors, Alpers, Bairos, Doornenbal
Noes: Directors, Webb, Clark

ITEM NO. 13
REVIEW AND TAKE POSSIBLE ACTION TO APPROVE
RENEWAL OF 2014/2-15 GROUP HEALTH INSURANCE COVERAGE

The Finance Committee and Staff met with TSM Insurance Brokers on March 12, 2014 to review the District's 2014 Group Health Insurance renewal quotes. Four health care providers submitted quotes, Kaiser, Sutter Health, Blue Shield, and Anthem. Blue Shield and Anthem's quotes were non-competitive.

Current Health Plan Monthly Premiums: (May 2013 – April 2014)

| <u>Kaiser</u> | Deductible <u>HMO (Core Plan *)</u> | <u>HC HMO</u> | <u>Traditional HMO</u> |
|---------------------------|--|---------------|------------------------|
| Employee + 1 | \$397.38 | \$451.18 | \$480.95 |
| Employee + 2 | 838.46 | 951.99 | 1,015.28 |
| Employee 2 or more | 1,200.07 | 1,362.56 | 1,453.19 |
| <i>Current Enrollment</i> | | | |
| Employee +1 | 3 | 0 | 9 |
| Employee + 2 | 1 | 0 | 14 |
| Employee 2 or more | 1 | 1 | 29 |

Renewal Quotes

| <u>Kaiser</u> | Deductible <u>HMO (Core Plan *)</u> | <u>HC HMO</u> | <u>Traditional HMO</u> | Average <u>Incr / (Decr)</u> |
|----------------------|--|---------------|------------------------|---------------------------------|
| Employee + 1 | \$397.38 | \$460.20 | \$490.57 | 2% |
| Employee + 2 | 838.46 | 971.02 | 1,035.59 | 2% |
| Employee 2 or more | 1,200.07 | 1,389.80 | 1,482.26 | 2% |

| <u>Sutter</u> | Deductible <u>HMO (Core Plan *)</u> | Deductible <u>HMO Standard</u> | <u>Standard HMO</u> | Average <u>Incr / (Decr)</u> |
|----------------------|--|-----------------------------------|---------------------|---------------------------------|
| Employee + 1 | \$378.65 | \$403.56 | \$447.32 | (5%) |
| Employee + 2 | 799.34 | 851.91 | 944.28 | (11%) |
| Employee 2 or more | 1,144.10 | 1,219.35 | 1,351.56 | (7%) |

In accordance with all District bargaining unit's MOUs, the District's health insurance premium contributions are capped. Therefore any increases and/or decreases in premiums are passed on to District employees.

At the direction of the Board, a census was taken to see if employees would prefer to stay with Kaiser at a 2% increase, or move to Sutter Health at an average 8% decrease. Of those employees that participated 60% selected Sutter Health.

Sutter Health would require a minimum of 70% group participation, while Kaiser requires a minimum of 5 employees. Based on the census, the 70% participation in the Sutter Health Plan would not be met. Therefore, the District's only option would be to enroll with one health care provider.

* Core plan provided to employee at no cost.

A motion was made by Director Clark and seconded by Director Alpers to move to Sutter Health and was voted as follows:

Ayes: Directors, Clark, Alpers
Noes: Directors, Bairos, Doornenbal, Webb

Motion failed by a 2-3 vote.

A motion was made by Director Bairos, seconded by Director Doornenbal, and unanimously supported to renew the 2014-2015 health insurance coverage with Kaiser.

ITEM NO. 14
REVIEW AND TAKE POSSIBLE ACTION AUTHORIZING
GENERAL MANAGER TO MEET WITH PAULSELL VALLEY
LANDOWNERS AND DISCUSS WATER OPTIONS AND OPPORTUNITIES

As far back as 2006, the OID has discussed the possibility of bringing water into and through the Paulsell Valley to meet a number of service needs. While OID is currently in drought protection mode, and there is no water available for use outside its service area, now is a good time to plan and evaluate post-drought options.

One of the options that was investigated was the enlargement of the Paulsell Canal to a 150-180 cfs conveyance system with discharge into Dry Creek; building an impounding facility in Dry Creek to back water up for 3-4 miles in this flat terrain creek system; and install pumping stations along Dry Creek to service participant landowners. Water would be made available, when available.

There are many potential benefits to such an option for bringing water into the Paulsell Valley, especially in light of today's resource concerns. Those benefits include;

- Servicing an expanding agricultural base in that area.
- Protection of the underground aquifer by supplying intermittent surface water during the irrigation season so water users would not be pumping groundwater.
- The impoundment facility could serve as a winter recharge zone for the re-direction of winter runoff water that accumulates in OID's South Main Canal.
 - Similarly, the diversion and movement of winter flood release water out of the Stanislaus River for impoundment and recharge purposes.
- The open surface water could benefit pacific flyway birds by providing a winter resting area where currently none exists.
- Most importantly, keeping water resources local as opposed to transfers out of the area.

These projects are not cheap. This option and all its costs would need to be fully funded by the beneficiaries of the water. The end price for the project costs and the price point needed by OID, when combined, may be more than our local agricultural producers can afford, maybe not. This project will test the capacity of our Ag producers to keep water local as opposed to water transfers to westside farmers, who grow the same crops and are willing to pay a market rate for the water they receive. If this effort proves beneficial to all, OID would see little need to transfer water outside its area. These are all issues that need to be vetted, but we won't know the answer unless we start the process of asking the questions.

Staff's recommendation is to hold a "landowner only" meeting for prospective water users in the Paulsell Valley who own land and reside outside the current OID service area. Staff,

over the last couple of years, has had individual discussions with most of the landowners regarding water availability and are familiar with the interested parties.

What staff needs from the Board is the direction to move forward with this proposal; to call those landowners in the Paulsell Valley who have expressed an interest over the years in acquiring water; to discuss the option presented before you today; to hear their willingness to fund a project study to get the answers necessary to make decisions; and to bring that feedback back to the Board for further direction.

A motion was made by Director Webb, seconded by Director Doornenbal, and unanimously supported to authorize the General Manager to meet with the Paulsell Valley landowners to discuss water options and opportunities.

ITEM NO. 15 **COMMUNICATIONS**

A. GENERAL MANAGERS REPORT

Safety Activities

1. OID has gone 325 days without a lost time injury accident.

Administration Activities

1. Drought preparations continue.
2. GM was an invited witness before the House Resource Committee on the drought in Fresno last Wednesday.
3. Met with Trinitas on the 25th regarding water delivery and conservation proposals and discussions on funding of same.
4. Tri Dam GM interviews occurred on March 20th and 21st in Manteca. A finalist list and Board interviews of qualified candidates will occur on April 4th.
5. Bill Johnson, long term DSO at OID announced his retirement. Bill has worked at OID 13 years-2 months. We all wish him well! A BBQ is planned on April 7th to mark the event. Directors welcome.
6. A Stanislaus River Settlement meeting is scheduled for April 3rd.
7. Water Operations Manager Eric Thorburn and his wife Melissa are expecting their first child on April 8th.

Contract and Special Project Activities

1. Two-Mile Bar Tunnel (CEQA & Engineering) – A status was received from the Corps. The Biological Assessment (BA) for no formal consultation has been signed by the Corps Office of Counsel and will be mailed out on March 28, 2014. The Environmental Assessment (EA) is being revised and will go out for the mandatory 30-day public notice on or before April 4, 2014. We should receive the signed FONSI in May. The final design for the Two-Mile Bar Tunnel has been completed and once the project has been released to proceed, the contract documents will require some editing for bidding.
2. Beardsley Recreational Improvements-Phase II – The Bid Package was sent out on March 6, 2014 and a Pre-Bid Meeting and site visit was conducted on March 13, 2014. The Bids are due on April 2, 2014 with an award scheduled for April 18, 2014. The Work is scheduled to start on or about April 29, 2014 and complete on May 22, 2014.

The work will consist of the construction of a road/parking lot, cleanup of debris piles, and boulder placing around the perimeter in the China Flat Day Use Area. Also included in the bid package will be the asphalt trail work to the vista overlooking the reservoir and boat ramp from the Beardsley Day Use Area. In addition, the remaining original contract work which consists of crack repair and slurry seal on the upper parking lot for the Boat Ramp will be completed. This work will begin also during the week of April 28, 2014. The original contract Work will be complete on or before May 16, 2014 in time for the Memorial Day weekend activities.

3. Willms Ranch Access Easement – Still no action occurred this period, Willms are waiting on court decisions before moving forward and stated they would advise us when a decision is forthcoming.
4. Office Relocation – No activity to report this period.
5. Request for Proposals - Risk Management Plan (RMP) Compliance Audit proposals were received and are being evaluated. Also, a RFP for the Uniform Service was sent out on March 26, 2014 with the proposals due on April 21, 2014. There are seven (7) vendors interested in providing a proposal.
6. Contract Administration activities on contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts are ongoing.

Construction Activities

1. Conducting and performing employee evaluations.
2. C&M crews and equipment operators are currently working on routine maintenance tasks, JSF's generated by Water Dept. staff and general cleanup of this winter's construction projects.
3. Assisting Water Ops/Engineering Dept. with various assigned tasks.
4. Four (4) applications were received for the in-house posting of the vacant position of C&M Leadman. Interviews are in the process of being scheduled.
5. The replacement of the hydraulic actuators with electric actuators occurred at RVL on 3/13.
6. Assisted in the "rifle auction" at the Ag Luncheon on 3/20.
7. Assisted in DSO interviews along with the GM and Water Ops. Manager on 3/17&18. An offer letter was forwarded to one candidate for Construction & Maintenance.
8. OID's Auto Shop Chief David Skokan attended a Biannual Inspection of Terminal (BIT) training class in Sacramento on 3/19. The purpose of the training was to remain current on the regulations for the BIT that is conducted by CHP.
9. On 3/24 the Kobelco 330 excavator caught on fire while working on the North Main Canal. The incident has been documented and turned over to the CFO for insurance processing.
10. Preparing and conducting employee evaluations.

Water Operations Activities

Engineering

1. Land use Conversion – Continuing to work with landowners, tenants, irrigation design companies and Support Services/Water Operations concerning ongoing and future land use conversion projects. Standard land use conversion letters going out on an as needed basis.

2. Continued to process Encroachment and Ag. Discharge Agreements for Board approval.
3. Staff participated in the Technical Advisory Committee (TAC) meeting on March 27th. The County has requested well construction and location information from each agency to assemble a central information database. Comments on the elements of Monitoring, Thresholds, Enforcement, Governance and Funding have been requested on or before April 3rd to assist Mr. Ward in presenting an updated plan to the BOS on June 10th.
4. Continued to process Request for Work Approvals, plans and cost estimates as needed for construction and maintenance projects.
5. Engineering staff participated in the Stan. Co. Drought Task Force meeting on March 19th. Little to report from each agency in attendance. The next meeting is scheduled for May 8th. A Situation Status Update form was provided to report drought situation updates as they occur.
6. Started review of the Assistant Engineer applications.

Ag Water

1. Continued to research and respond to miscellaneous irrigation and maintenance issues and inquiries.
2. Continued setup of the STORM water delivery tracking system, the IPADs and associated application software.
3. Continued SCADA integration work on new automated and remote monitoring sites.
4. Completed review of the IT/SCADA Technician applications. Interviews will be scheduled in the near future.
5. Conducted interviews for a DSO/C&M Worker position on March 17th and 18th. Offer letters were provided to two of the applicants.
6. Water was brought into the OID system on March 15th to begin the first rotation of 2014 (second of the 2014 irrigation season) on or about March 17th. The first rotation is an 18-day rotation and is planned to be followed by a 16-day rotation starting on or about April 4th pending any additional measurable precipitation.

Water Utilities

1. Improvement District No. 41:
 - Pumping Station No. 3 remains out of service due to high turbidity issues.
2. Improvement District No. 49 – Water Storage Tank:
 - Continued to monitor leaks on the water storage tank at Pumping Station No. 1. The tank remains in service and under observation.
 - The new water storage tank has been delivered to the contractor's yard. The WUD is working with the contractor to coordinate its installation.
3. Domestic Water Pumping Stations:
 - Staff continues to conduct weekly inspection, servicing and security checks on the pumping stations. There is nothing unusual or out of the ordinary to report.
 - Staff has finished replacing the pressure relief valves on the water storage tanks as instructed by the ACWA/JPIA.
 - Stanislaus County DER conducted a walk through vision inspection of the Improvement District domestic water systems on Wednesday, March 26th.
4. Domestic Water Systems:
 - Completed & submitted 2013 Annual Water Production Report to DER & DPH.

5. On-Call Activities:

- Friday – March 21st, Clavey Booster Pumps – PG&E problems.

6. Irrigation Pumping Stations:

- WUD staff has started routine inspection, servicing and security checks of the irrigation pumping stations. There is nothing unusual or out of the ordinary.
- Furtado Deep Well Pump – Staff is currently working with a contractor to install the new VFD equipped with the manufacture’s recommended voltage monitoring protection devises.
- Weimer Deep Well Pump – The site remains out of service until:
 - The new electrical service is installed and inspected.
 - The new discharge piping is fabricated and installed.
- Clavey No. 1 Booster Pump – Staff is currently working with a contractor to repair the malfunctioning VFD. The site remains operational by using the by-pass MCP or Booster Pump No. 2.

FINANCING Activities

1. Review of 2014 Health Insurance renewal quotes with District Employees, Finance Committee, and Board.
2. Working with OID Bond Counsel to prepare an Escrow Agreement to defease the District July 2014 bond payment. The Agreement will be brought to the Board for approval.
3. Working with auditors conducting field work.
4. Sent correspondence to ID29 for committee member elections.
5. Sent correspondence to ID46 landowners regarding conducting their annual meeting to nominate and vote for committee members. No response from committee members as of yet.
6. Sent correspondence to ID46 landowners regarding planning for infrastructure replacement. No response from committee members as of yet.

B. COMMITTEE REPORTS

Planning & Public Relations Committee, March 31, 2014, 4:00 p.m.

- Discussion on Strategic Communications with David Lyghtle of Marcia Hermann Design
- Discussion on How to Handle Future Donation Requests

Finance Committee, April 1, 2014, 8:00 a.m.

- Meet with the Auditor Brian Nash of Richardson and Company
- 2014 Health Insurance Renewal (included in Board packet)

Director Webb stated that the Planning & Public Relations Committee met with David Lyghtle to discuss Marcia Hermann Design assisting the District with public relations and the web site. Director Clark stated that the District has determined that it cannot be providing as much money to the community as in the past. Director Webb further stated that the District has reduced the Planning & Public Relations budget by \$40,000 this year and next year there might be even less money for community donations.

Director Clark stated that the Finance Committee met and discussed the audit. Director Bairos stated that the audit looked good and there were no issues.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Bairos

Director Bairos commended that he was enjoying the wet weather.

Director Clark

Director Clark commented that the irrigation season was off to a good start.

Director Alpers

Director Alpers commented that he was disappointed that there was not a discussion item on the agenda regarding the improvement districts.

Director Webb

Director Webb commented that with the three dams there is a lot of water that could be saved. If the government would ease up on some of the legislation it would free up a great deal of water.

Director Doornenbal

Director Doornenbal had no comments.

At the hour of 9:45 a.m. the meeting adjourned to Closed Session.

ITEM NO. 16
CLOSED SESSION

- A. *Government Code §54957***
Public Employee Performance Evaluation
Title: General Manager

- B. *Government Code §54957***
Public Employment
Title: Tri-Dam General Manager

At the hour of 10:18 a.m. the meeting returned to open session.

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

ITEM NO. 17
OTHER ACTION

At the hour of 10:18 a.m. the meeting was adjourned. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, April 15, 2014 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, April 17, 2014 at 9:00 a.m.** in the board room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, CA.

Steve Webb, President

Attest:

Steve Knell, P.E., Secretary