

# MINUTES

Oakdale, California  
February 4, 2003

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

Staff Present:        Steve Knell, General Manager/Secretary  
                         Mike Evans, Watermaster  
                         Kathy Cook, Chief Financial Officer/Treasurer

## PUBLIC COMMENT

Mr. Dennis Edge questioned the mercury study on the Stanislaus River. Director Webb stated that there is a mercury problem in the Delta and in order to protect our water rights the Tuolumne, the Merced and the Stanislaus are all going to do mercury studies because of old mines upstream. The reason that this would infringe on our water rights is it is another ploy to have more water released down these tributaries to dilute the mercury in of the river.

Director Clark stated that there are three elements that are a problem in the Stanislaus River too much iron, diazinon and mercury. They exceed the accepted standards that the United States Government has established under the Clean Water Act. Director Webb stated that this is part of another study. However, it has been said that fish have been found to have mercury in them and that the mercury is coming from the Stanislaus, but no one has every done a water study of the Stanislaus to see what the mercury content is.

Mr. Dennis Edge questioned whether the Board had approved Mr. O'Laughlin's involvement in any of the studies. Director Alpers stated that the study had already been done, EPA demanded it and FERC demanded that it be done. The study was provided at Tulloch 5 months ago, which meant that Mr. O'Laughlin had the results at that time. Mr. O'Laughlin may also use any study for whatever the San Joaquin River Group may want. Mr. Edge stated that even if the San Joaquin River Group approved the study that since this Board is a part of that group they contributed to it. Director Alpers stated that yes, FERC demanded it of Tri-Dam and PG&E for the relicensing and the study has already

been done. Director Clark stated that we need to find out if Mr. O'Laughlin is involved from a legal point of view or being retained in any manner for part of the study.

Mr. Laurens Foard commented regarding the tapes of the meeting of January 21, 2003 and asked why much of the information was not on the tape. Mr. Foard commented that a Director owns land within the sphere of influence of OID, which is mostly pastureland. He commented that it is not only impractical, but is financially undesirable to annex this land into the District for irrigation water. Mr. Foard stated that many landowners have been put on hold for many years regarding annexation and does not understand the criticism against him by other Directors. He commented that OID should look into the possibility of replacing the hundreds of acres lost to subdivisions and commercial development within the District. The basis for OID allotment on the Stanislaus River is to put the water to beneficial use within the District not to have the District be in the commercial water business. When it is taken out of the District, other land should be annexed to continue the number of acres sharing the liabilities and operations of the District. The annexation fees should be in line with the benefits derived from membership.

Mr. Henry Burtschi commented that he was not against annexation, but this was not the time, as many improvements are needed to the already taxed system. Individuals in the upper end will get better service and those at the lower end will get less service. Mr. Burtschi stated that he was shocked that there was a fee of \$200 set at the February 4, 2003 meeting as this fee will not cover administration or attorneys fees to put this together. Mr. Burtschi asked the Board to reconsider the change in fee.

Director Clark asked Mr. Burtschi how he might suggest that we protect our water rights when we seem to have more water than we need; and stated that a water management plan is being done now. It is thought that the water management plan will show that through conservation, better irrigation practices, and that this discontinuance of selling water after those contracts run out there will be extra water.

Mr. Burtschi responded to Director Clark's question by stating that the City of Oakdale will need water, just as all the other cities do. (inaudible).

Mr. Dennis Edge stated that OID is a public agency serving the entire irrigation district. There are people in the City and people in the country. The people in the country have a more reasonable use of the water. If a survey is taken of only the people that are getting water for irrigation the other members of the District are excluded. Mr. Edge questioned the legalities of doing that. He stated that OID is losing site of the fact that the original proposal was to annex out of district properties that are currently getting water. Therefore, this is not going to change the situation of the District in any way. If landowners are already getting water and have always gotten water and there is no more infrastructures put in, there is no reason why they shouldn't be brought into the District in order to protect those water rights.

Director Alpers responded that that is why OID is moving in that direction.

Director Brichetto stated that his reason for promoting the annexation issue is for the replacement of lost agricultural acreage and long-term needs for this District for the protection and validation of Oakdale Irrigation District water rights for the benefit of OID and the Oakdale Community. Director Brichetto stated that he did a 4-district average and that OID is \$20 above the 4-district average for annexation costs. He stated that Mr. Knell and he talked yesterday and expect through long-term planning and implementation to have approximately 35 to 40,000 acre feet available. If someone should attack us now for OID drain water they are going to take that same amount that is being spilled off the top of our glass and reclaiming will have to be done at the bottom.

Director Brichetto stated that he wanted to make it public that he is under investigation from OID under the sole authorization of Director Alpers over the action on the annexation policy on January 21, 2003. He also requested that Director Alpers put his conflict of interest questions and any Brown Act violations or anyone else's on the next Agenda for action regarding attorney's opinions. Director Brichetto asked the the Board of Directors if this is the path that OID wants to go down using public funds and OID attorneys for political witch-hunts. The Board of Directors may have political conflicts, but to what degree? Four (4) out of five (5) Directors irrigate, any discussion on water deliveries, timing amounts of water, etc. can have an immediate impact of thousands of dollars per month, depending on the Director. When Directors make tax rate increases or decreases this can also impact them as well. It is not the President's job to give the attorney a job without consultation with the full Board of Directors. Director Brichetto also stated that Director Alpers should have had the courtesy to discuss this matter with the Board of Directors. He is also precluded from any annexation by law, which he had researched with my attorney prior to this. Director Brichetto also stated that Director Alpers had exceeded his authority as President of the Board and should be held accountable for attorney's fees that he felt were incurred on his sole behalf. The Board of Directors is here to make sound business policy and decisions for the long-term benefits of OID and the entire community and they should conduct themselves with a high degree of professionalism.

Director Alpers stated that Director Brichetto had committed a major sin in jumping to a conclusion. He stated that the attorney called him and said there were three problems. Mr. Ijams stated that Director Brichetto was possibly in violation and I advised him to make sure he obtained a good opinion before anyone was accused of anything. Director Alpers stated that that is not giving direction and that Director Brichetto owed him an apology for his assumptions.

Director Alpers asked Mr. Brichetto not to accuse him of starting this and that there is no conspiracy. Our attorney was doing his job. He thought there might be a conflict and was researching the issues. He stated that perhaps Mr. Brichetto should check with attorney and get the facts straight.

Mr. Dave Zwald presented a letter from the Minasian law firm dated May 10, 1984 which represented OID during that time. He read the following which is an excerpt from the letter presented: " In summary, Oakdale Irrigation District does not believe it is appropriate to form a new governmental agency in a area which is, in our view, clearly within the logical

sphere of influence of Oakdale Irrigation District. Moreover, given the uncertainty of the water source for the new agency, and given the fact that OID, from a physical standpoint, should be in a position within the near future, to provide service to the area, we believe a more appropriate solution to the water needs of this area would be to deny the formation of a new water District, and to suggest that the landowners enter into negotiations with Oakdale Irrigation District to discuss the mechanisms for, and the terms of, service to this area as part of the Oakdale Irrigation District.

Director Alpers stated that this would be considered.

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

There were no additions or deletions of agenda items.

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

Director Brichetto requested Agenda Items #2 be moved from the Consent Calendar to the Action Calendar. Director Alpers requested that Item #7 be moved to Action Calendar.

## **COMMUNICATIONS**

### **ITEM NO. 1**

#### **A. GENERAL MANAGER'S REPORT**

#### **RESOURCE ISSUES**

1. Stanislaus River Fish Issues
2. Resource Planning Issues
3. Water Quality Issues

#### **CURRENT AND PENDING RESOURCE CONTRACTS**

1. Hazard Assessment of North and South Main Canals
2. Strategic Plan
3. Water Measurement Plan
4. Ag. Water Management Plan (by August 2003)
5. CALTRANS Highway 120 Bypass
6. Water Resource Plan

#### **CURRENT INTERNAL ISSUES**

1. Reorganization Plan
2. Labor Negotiations
3. Budget Activities Based Budgeting System

4. Maintenance Management Program
5. Cost Tracking Procedures
6. Internal Processes and Procedures
7. Safety Program
8. Staff Training
9. Community Activities

### **PROJECTS/ ON THE TABLE**

#### **Current High Priority Projects consuming staff time**

1. Selecting \$1 million of \$2.3 million Capital Projects for In-House Work
2. Contracting out \$1.3 million in Capital Projects-Outside lead is Bill Kull
3. Hershey's Contract
4. Keely Pipeline
5. Hirschfeld Lateral Project
6. Richard Lutz additional items being researched and to be added to this list.
7. MID Drainage Agreement Review
8. Annexation actions

#### **Walk-In Jobs/Issues On the Table**

1. Mootz Lateral-Duane Roots (Follow-up)
2. North Main Canal-Steve Fields
3. Fairbanks/Hirschfeld Lateral-Joe DeSilva Proposal
4. Stoddard Lateral-Jerry Nation
5. Bricchetto Canal/Keely Pipeline-Bobby Goad
6. Langum Borrow Site Project
7. Mootz Drain- Dennis Edge

### **OID Past Promises(?) and or Board Actions Never Completed**

1. Additional items being researched and to be added to this list.
  - a. Lower Cometa-Steve Kessler
  - b. Taro Lateral-Carol Kenyon
  - c. Frobose Ditch-Bob Frobose
  - d. Root Drain Pump and Pond
  - e. Adams Creek Drain Pump
  - f. Gully Drain

### **Claims**

1. Quad
2. James Russ

### **Legal Activities**

1. GM met with Mike Ijams of Curtis and Arata on January 23 to discuss pending litigation and to receive update on other pending legal issues.

General Manager Steve Knell commented regarding the annexation issues and the comments made by Director Bricchetto during the public comments segment. Mr. Knell

stated that it was his talking with General Counsel Mike Ijams that got the involvement by him. He stated that it needs to be made clear that conversations with our attorney were due to the fact that this Board is moving toward annexation and the fact that initially Water Counsel Tim O'Laughlin had been contacted because of a concern about a threat to our water rights thereby requiring involvement by our water rights attorney. In bringing Mr. Ijams up to date on where the annexation process was the Board actions of January 21<sup>st</sup> were discussed. Mr. Ijams stated at that time that there potentially were problems with the Board actions. Mr. Knell hopes all would recognize that we have responsibilities to make sure that the Board's actions are acceptable to all the members of the public. We must make that what we do as an organization is correct in all instances. When Mr. Ijams raised those issues it was the responsibility of the General Manager to inform the President of the Board. The President of the Board and the General Manager have a relationship which requires that actions by the General Manager and its legal counsel are reported to the Board President. At that time Director Alpers was informed of the conversations with Mr. Ijams. Our attorneys have the responsibility to make sure that we are doing everything correctly.

Director Brichetto stated that he did not want it to come out later that \$3,000 was spent looking at him and he would like the public to made aware of this issue now, not later, as he would not like his motives being questioned.

Director Alpers stated that Mr. Ijams had called him regarding violations of procedure which would be addressed under Directors Comments.

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

### Director Brichetto:

- Director Brichetto stated that he liked the format of the General Manager's Oral Report.
- Director Brichetto questioned why OID seemed to be getting involved in the dissolved oxygen issue in the Port of Stockton when we can have very little mitigating effect to correct this. Quite a while ago the Bureau of Reclamation threatened to sue OID for the difference water on the vamp for selling it twice and I want to know what happened on that. What our liability is if we have to pay that back. I don't understand that as well.

General Manager Steve Knell stated that the dissolved oxygen issue is part of the San Joaquin River Group. The problem with the Stockton channel is that there are a lot of nutrients that come out of the San Joaquin River, Stanislaus Water Shed, Merced, etc. The problem is that as these nutrients move downstream and the algae grow along the way. When it gets down to the Stockton Channel there is no velocity there; it settles, it dies, it stinks. It is the input up here that makes it part of the problem. It is the Army Corp of Engineers that built this huge channel that created part of the problem and the fact that

the City of Stockton discharges their sewage just upstream of this huge channel also adds to the nutrient problem in the Stockton Ship Channel. There are a lot of people that are in this. The District's approach through the San Joaquin agreement was to say that Ag will step up to the plate for 1/3 of this because of our problem; City of Stockton as well for 1/3. We will only be a part of this if aeration is a fix. From the engineering side we can pretty much calculate what our costs would be. We look at what those costs are for aeration versus what attorneys standing around for years arguing who is at fault.

As to the VAMP that is part of the contract that was signed. Mr. Foard raises that question quite a bit, but the Bureau has never challenged it and they signed the contract. So why would someone sign a contract if there was a problem?

Director Clark:

- The Personnel Committee met and reviewed the General Manager's annual performance and appraisal and we presented that to the Board. The Board consensus is that the General Manager is doing an excellent job and are very proud to have him. Mr. Knell was given a good appraisal and given a raise. On behalf of the Board and the Personnel Committee I want to thank Steve and we are very blessed to have someone of his caliber with us. His dedication and hard work to make this District a good district does not go unnoticed. The Board is aware that Mr. Knell puts in a lot of time and we are certainly glad to have him.
- The Finance Committee met and was told that OID has about \$14 million dollars. Previously we had depended a great deal on receiving money from those investments. Because of the economy we have not generated the return on investments that we would like. In order to make sure that we are going the very way Oak Valley Community Bank was asked how they invest their money and they stated that they have an investment counselor in Minnesota. Arrangements have been made to review our investment policy with this investment counselor. The Finance Committee will meet with him in a few weeks and report back to the Board. It is the intent of the Finance Committee that we ascertain if we are working within the constraints of our investment policy and making the largest possible return for our investments.

Director Taro:

- Director Taro stated that he had heard stories about the River Tributary Group. He questioned how concerned they were with dirty water that is getting into the San Joaquin and out into the Delta from upstream users.

General Manager Steve Knell responded that the Merced River is in the upper end of the East San Joaquin Tributaries. The San Joaquin River Group Authority is made up of not only the San Joaquin Tributaries Agencies of which OID is one of but it is also comprised of non-tributaries such as San Francisco, the east side contractors etc., that have concerns regarding San Joaquin River issues.

Director Webb:

- Director Webb questioned Watermaster Mike Evans on the status of Mr. Root's property and if the encroaching trees were removed. Mike stated that he talked to him again yesterday and Mr. Roots will call him next week to arrange a meeting at his property to check on the status.
- Director Webb stated that he had heard this morning the motion for annexation was for just those 400 acres that we are now serving. That is not what the motion was about and if you read the motion it was to send everybody in the OID sphere of influence a letter asking what his or her interest was in annexation.

Mr. Dennis Edge commented that what was on the Action Calendar was annexing 400 acres. However, the Board made another motion that passed.

- Director Webb stated that he had asked several times and was told that Bill Kull is looking into the Root Drain issue. He commented that this needs to get done as the people that signed up to do it are waiting to get it done and it is going to be on their property. He felt that if the property owners are willing to give us easements we should get this going before it is lost and never completed.

Director Alpers:

- Director Alpers stated that General Counsel Michael Ijams had contacted him and advised him that he had erred by not asking for public comments before voting took place on Item #13 of the previous Agenda. He stated that he also had a few people contacted him and seconded this criticism. Director Alpers stated that he was sorry that he had missed this and would try and make sure that this does not happen again.
- Director Alpers stated that the Board and everyone on committees come up with the things that you think are important and put a list together and go after them. He stated that more involvement by the committees is needed. If a committee meeting is desired, contact the General Manager so that an Agenda will be prepared and the proper notices will be completed.

**CONSENT CALENDAR  
ITEM NO. 3, 4, 5, 6,**

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

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

**ITEM NO. 4**  
**APPROVE REPLACEMENT WELDER FOR SHOP**

Bid solicitations for a wire welder were sending to four (4) vendors. Modesto Welding Products, Rayco Industrial Welding Equipment, Cal Weld Welding and Industrial Supplies, and Fresno Oxygen/Barnes Welding Supplies responded to the request for bid. Cal Weld Welding & Industrial Supplies submitted the lowest bid in the amount of \$2,292.65.

A motion was made by Director Brichetto, seconded by Director Clark and unanimously supported to approve the purchase of welder from Cal Weld Welding.

**ITEM NO. 5**  
**APPROVE THE REPLACEMENT OF DESKTOP WORKSTATIONS**

The District has developed a program to provide for replacement of desktop computers. This program allows deferral of total replacement costs of desktop computers over a 4-5 year span. The 2003 budget provides for replacement of four (4) desktops, however, taking into consideration the bid prices received five (5) replacements may be purchased. Price quotes were received from Western States Contracting Alliance, Software House International and NetLogic. NetLogic provided the lowest price for the Compaq desktop in the amount of \$1,16.85 per unit.

A motion was made by Director Brichetto, seconded by Director Clark and unanimously supported to approve the replacement of five (5) desktop workstations.

**ITEM NO. 6**  
**APPROVE MONTHLY INTERNAL FINANCIAL REPORTS**  
**FOR THE MONTH ENDING DECEMBER 31, 2002**

A motion was made by Director Brichetto, seconded by Director Clark and unanimously supported to approve the monthly Internal Financial Reports for the month ending December 31, 2002.

**ITEM NO. 2**  
**APPROVE THE BOARD OF DIRECTORS' MINUTES**  
**OF REGULAR MEETING OF JANUARY 21, 2003**

Director Brichetto requested that Item #13 be amended to include the statement "John Brichetto stated that no public comments were asked before a vote was taken.

A motion was made by Director Brichetto, seconded by Director Webb and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of January 21,

2003 after Item #13 has been amended by adding the statement "John Brichetto stated that no public comments were asked before a vote was taken."

**ITEM NO. 7**  
**APPROVE USE OF DISTRICT PARKING LOT FOR**  
**SALE OF VALENTINE CANDY AND FLOWERS**

Pastor Nathan Prather of the Truth Tabernacle requested use of the District's parking lot to sell Valentine flowers and candy on February 13 and February 14, 2003. After discussion, a motion was made by Director Brichetto, seconded by Director Taro to deny use of the parking lot for the sale of Valentine candy and flowers and that staff develop a policy for use of the Oakdale Irrigation District parking lot.

**ITEM NO. 8**  
**REVIEW AND TAKE POSSIBLE ACTION TO APPROVE**  
**RESOLUTION AUTHORIZING THE SALE OF THE**  
**DISTRICT'S PRINCIPAL FINANCIAL GROUP INVESTMENT**

The District's previous retirement plan group, Principal Financial Group, approved demutualization in 2001. Demutualization is the process of converting from a mutual insurance company into a private company. During this process, policyholders with contracts or policies in effect during March 31, 2000 through October 22, 2001 received compensation in the form of stock in exchange for membership interest in the mutual insurance holding company. The District's share equated to 17,430 shares @ \$18.50 per share, for a total book value of \$322,455. As of January 24, 2003, this investment has an estimated market value of \$496,406.40.

The Finance Committee reviewed this investment and recommended the sale. In addition, the Committee recommended that staff review the economic advantages of transferring these funds to reduce CALPERS retirement unfunded liability.

A motion was made by Director Webb, seconded by Director Clark and unanimously supported to approve the Resolution Authorizing the Sale of the District's Principal Financial Group's Investment.

**ITEM NO. 9**  
**REVIEW AND TAKE POSSIBLE ACTION TO**  
**APPROVE A RESOLUTION ADOPTING**  
**OID INVESTMENT POLICY FOR 2003**

The Finance Committee reviewed and recommended approval of the 2003 Investment Policy. 2003 changes included clarification in greater detail of the District's general objectives, standards of care, safekeeping and custody, suitable and authorized

investments, investment guidelines and restrictions. The 2003 policy allows investment advisors or brokers, only after approval by the Finance Committee, and also included a glossary and relevant California Government Code and Water Code guidelines.

A motion was made by Director Brichetto, seconded by Director Taro and unanimously supported to approve the Resolution Adopting OID Investment Policy for 2003.

**ITEM NO. 10**  
**REVIEW AND TAKE POSSIBLE ACTION TO**  
**APPROVE A RESOLUTION AUTHORIZING THE**  
**OID INTERNET POLICY**

The purpose of an Internet Policy is to establish a policy and procedure for Internet use. Access to the Internet has been provided to staff members for the benefit of the District and its employees in the performance of their work, allowing access to informational resources around the world. Every staff member has the responsibility to maintain and enhance the organization's public image and to use the Internet in a productive manner. The proposed Internet Policy outlines acceptable and unacceptable use as well as the consequences for any violation of this policy.

A motion was made by Director Clark, seconded by Director Brichetto and unanimously supported to approve the Resolution Authorizing the OID Internet Policy.

**ITEM NO. 11**  
**REVIEW AND TAKE POSSIBLE ACTION TO**  
**APPROVE THE RESOLUTION AUTHORIZING THE**  
**GENERAL MANAGER TO DECLARE DISTRICT PROPERTY**  
**WITH A SALVAGE VALUE OF LESS THAN \$10,000 AS SURPLUS**  
**AND NO LONGER NECESSARY FOR DISTRICT PURPOSES**

By approving the proposed resolution the Board is authorizing the General Manager to declare District property with a salvage value of less than \$10,000 as surplus. This will eliminate the need to bring every surplus capital item under the value of \$10,000 to the Board of Directors for their approval.

A motion was made by Director Clark, seconded by Director Alpers and unanimously supported to approve the Resolution Authorizing the General Manager to Declare District Property with a Salvage Value of Less than \$10,000 as Surplus and no Longer Necessary for District Purposes and amend as follows:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the District grants the General Manager the authority to declare District property with a salvage

value of less than \$10,000 as surplus. Said property shall be sold at public auction or delivered to a salvage company.

**ITEM NO. 12**  
**REVIEW AND TAKE POSSIBLE ACTION TO**  
**APPROVE PARTICIPATION IN THE**  
**STANISLAUS COUNTY FARM BUREAU'S**  
**2003 PEACHES AND CREAM FESTIVAL**

The Stanislaus County Farm Bureau's 2003 Peaches and Cream Festival will be held on Saturday, April 26, 2003 at John Thurman Field in Modesto. The event will include festival activities, dinner, agricultural displays and a baseball game. The Farm Bureau is soliciting sponsorships to help offset the various costs incurred. A \$200.00 Home Plate Sponsorship will include an Oakdale Irrigation District promotional spot in the Peaches and Cream edition of the Stanislaus Farm News and Farm Bureau with the Modesto A's program.

A motion was made by Director Brichetto, seconded by Director Clark and unanimously supported to approve participation in the Stanislaus County Farm Bureau's 2003 Peaches and Cream Festival.

**ITEM NO. 13**  
**REVIEW AND TAKE POSSIBLE ACTION TO**  
**APPROVE VEHICLE PURCHASES FOR VARIOUS DEPARTMENTS**

This year's budget contained requests for four (4) one-half ton pickups for the Ag Water Department and one (1) one-half ton pickup for the Auto Shop. Bid solicitations were sent to twenty-nine (29) dealers with nine (9) responding by the deadline. Haidlen Ford submitted the lowest qualified bid for Item No. 1 and Steve's Chevrolet submitted the lowest qualified bid for Item No. 2.

After discussion, a motion was made by Director Brichetto, seconded by Director Webb and unanimously supported to purchase four (4) one-half ton pickups for the Ag Water Department from Haidlen Ford and purchase one (1) one-half ton pickup for the Auto Shop from Steve's Chevrolet.

**ITEM NO. 14**  
**REVIEW AND TAKE POSSIBLE ACTION TO**  
**APPROVE PESTICIDE PURCHASES**  
**FOR 2003**

Four (4) vendors were asked to supply quotes for pesticides for the 2003 season. United Agri Products, Target Specialty Products and Wilbur Ellis responded. The three (3) quotes

were comparable; with United Agri Products being the lowest, second lowest was Target and Wilbur Ellis the highest in price.

OID has recently worked with United Agri Products and found them lacking in many service areas. Their delivery services are unreliable and their field support services are almost non-existent. OID has worked with Target for 8 of the last 9 years and they have proven to be very reliable in their services and field support. They also offer continuing education opportunities.

While Target is somewhat higher in price, based on OID's service experience with Target and Target's performance over the years, it was recommended that Target be approved as OID's pesticide supplier for the 2003 season with a fiscal impact of \$81,968.90.

A motion was made by Director Clark, seconded by Director Taro and unanimously supported to approve pesticide purchases for 2003 and approve Target as OID's pesticide supplier for the 2003 season.

## **DISCUSSION ITEMS**

### **ITEM NO. 15** **DISCUSSION OF ATTENDANCE BY** **OID UNION REPRESENTATIVE AT** **BOARD MEETINGS**

The Personnel Committee consisting of Director Alpers and Director Clark met on January 27, 2003 to discuss this issue. The Committee felt that Union attendance would provide a useful and informative feedback loop with the general employee group as well as improve the Board-Management-Employee relationship. Their recommendations were that a letter be sent to the Union requesting their interest in attending Board meetings with the approval of the General Manager. The Personnel Committee requested this issue be discussed so that a consensus on the issue could be reached with the Board and then provide direction to the General Manager.

Director Clark stated that the Personnel Committee felt that it would improve relationships if the Bargaining Units had a representative at the meetings and be paid for that time. It would serve to improve relationships between the Board and employees. Director Clark questioned the General Manager as to the possibility of this. Steve Knell stated that this would be attendance by Union and Non-Union representatives. There is great advantage to having employees attend as they would be more aware of some of the issues that this Board faces. Many times employees hear issues from the community that are issues that are often raised here and they need to hear what the public has to say. However, this attendance should be at our discretion and make sure that the union and non-union employees are coming are our direction and upon our approval. The Board Agenda could be set up such that items of importance to employees could be heard first and they could then be excused to return to their duties if need be.

The Board gave direction to the General Manager to prepare a letter to both Union and Non-Union representatives expressing our desire that we have representatives attend Board meetings on a trial basis to ascertain the benefits of it.

**ITEM NO. 16**  
**STATE OF CALIFORNIA WATER PLAN**

A forward was attached explaining the history of the State in its efforts to develop a water plan for California and the frequency of those updates. Following the forward were bulleted excerpts from the California Water Plan which identified what the State sees as applicable Efficient Water Management Practices (EWMP) that irrigation districts should consider implementing. The last sheet enclosed was an update on the status of the development of Agricultural Water Management Plan with signatory irrigation districts to AB 3616.

General Manager Steve Knell stated that what the State of California identifies as efficient water management practices for agricultural water suppliers are shown on Bulletin 160-98 under the headings of List A – Generally Applicable EWMP’S, List B – Conditionally Applicable EWMP’S and List C – Other EWMP’S. List A - is generally applicable, which means that all districts should do this. List B - Conditionally applicable means that these things should be done, but conditions may prevail that may not make this entire list 100% applicable to districts.

Director Clark questioned whether the Ag Water Management Plan that we had previously submitted was being used or if we were beginning anew. Steve Knell stated that the Plan submitted is being used and that we will fine tune it and resubmit. Everyone in the State should have a water management plan and should designate a water conservation coordinator. OID had a water conservation coordinator at one time and that person is no longer here and the district never followed up. When you submit a plan, every two years it is evaluated for compliance in moving forward.

Our extension to complete this plan is through September of 2003. Districts are offered \$10,000 as a maximum costs sharing for completion of their plan. It is recommended that OID have Grant Davids look at our plan and get an estimate on what it would take to get it up to speed. That estimate would be taken to the State and if less than \$10,000 OID could possibly get this paid for if it is above \$10,000 we could apply for that and just have to pay the balance.

**ITEM NO. 17**  
**DISCUSSION OF THE DEVELOPMENT OF A**  
**POWER SALES STRATEGY**

As the relicensing of the Tri-Dam Projects continues, OID has been contacted by power brokers and power distributors to meet and discuss the future intentions of the Board regarding its power supplies. It was suggested that this issue be placed on the Agenda to develop a Board consensus on how best to address this issue, under what format the Board wishes to meet with groups and the timing of these actions, considering the timelines of other processes currently in motion (i.e. South San Joaquin Irrigation District's decision).

Director Alpers stated that he talked to Steve Felte after the last Tri-Dam meeting when it was brought up. It will be on their Agenda and will be on each Agenda thereafter. Our concern is that South San Joaquin needs to decide what it is going to do before we can say what we will do. Director Webb stated that he agreed, but at some point we are going to have to pin them down for a decision. Director Alpers stated that they were to make some decisions during the last meeting and he didn't know if they did. The Board agrees that we can't do anything until we hear what South San Joaquin is going to do. Mr. Felte's opinion is that we would like to sell the power as one block and handle it from there. South San Joaquin has to make a decision by the end of this year and then we have the full 2004 to implement the decision. January of 2005 is when we must begin doing what we said we were going to do.

At the hour of 11:40 P.M. a motion was made by Director Brichetto, seconded by Director Clark to adjourn to the next **regular Board of Directors meeting** to be held on **Tuesday, February 18, 2003 at 9:00 A.M. at the Oakdale Irrigation District Office, 1205 East "F" Street, Oakdale, Ca.**

The next regular **Joint Board Meeting** for the **Tri-Dam Project** is scheduled for **February 20, 2003 in Oakdale.**

Attest:

---

Steve Knell  
Secretary