

## **MINUTES**

Oakdale, California  
October 2, 2007

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: Steven A. Webb, President  
Jack Alpers, Vice President  
Al Bairos, Jr.  
Frank B. Clark  
Tony Taro

Staff Present: Steve Knell, P.E., General Manager/Secretary  
Kevin King, Water Operations Manager  
John Davids, Support Services Manager  
Gary Jernigan, Contracts & Special Projects Manager

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

There were no additions or deletions

### **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**

Mike Sons who resides at 6353 Stoddard Road stated that he attended the Board meeting a couple of weeks ago and still has not heard from the insurance company regarding his claim. He asked the Board of Directors what he was supposed to do. Director Webb stated that he will contact the insurance company directly and will contact Mr. Sons.

There being no further public comment, public comment closed at 9:05 a.m.

Director Alpers requested that Item No. 9 be pulled from the Consent Calendar.

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

**ITEM NO. 2**  
**APPROVE THE BOARD OF DIRECTORS' MINUTES**  
**OF THE REGULAR MEETING OF SEPTEMBER 18, 2007**  
**AND RESOLUTIONS NOS. 2007-45 AND 2007-46**

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of September 18, 2007 and Resolution Nos. 2007-45 and 2007-46.

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

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

**ITEM NO. 4**  
**APPROVE RESOLUTION AUTHORIZING THE**  
**EXECUTION AND DELIVERY OF A SIXTH**  
**AMENDED JOINT POWERS AGREEMENT**

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to authorize the execution and delivery of a Sixth Amended Joint Powers Agreement.

**ITEM NO. 5**  
**APPROVE DSO'S (DITCHTENDERS') TRANSFER**  
**TO CONSTRUCTION AND MAINTENANCE**  
**DEPARTMENT FOR WINTER SEASON 2007-2008**

This item was pulled from the Agenda.

**ITEM NO. 6**  
**APPROVE ASSIGNMENT OF**  
**CAPITAL WORK ORDER NUMBERS**

A motion as made by Director Clark, seconded by Director Alpers, and unanimously supported to approve the assignment of capitol work order numbers as set forth below.

<u>Facility</u>	<u>Project Description</u>	<u>Projected Cost</u>	<u>Work Order No.</u>
Stowell Lateral	Replace 24" C-10 turn-out gate With 5' frame including new head- wall, stilling well and pipe under canal bank.	\$10,900	0743

**ITEM NO. 7**  
**APPROVE GENERAL SERVICES CONTRACT**  
**FOR CONTRACTOR (FARWEST SAFETY, INC.)**

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to approve the General Services Contract for contractor (Farwest Safety, Inc.).

**ITEM NO. 8**  
**APPROVE CONTRACT MODIFICATION #002**  
**OF GIULIANI & KULL'S PROFESSIONAL**  
**SERVICES AGREEMENT 2007-PSA-005**

A motion was made by Director Clark, and seconded by Director Alpers, and unanimously supported to approve the Contract Modification #002 of Giuliani & Kull's Professional Services Agreement 2007-PSA-005.

**ITEM NO. 10**  
**APPROVE NOTICE OF COMPLETION**  
**ON THE LANGWORTH PIPELINE**  
**(APN: 062-005-016/018 – FRONTIER LAND COMPANIES)**

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to approve the Notice of Completion on the Langworth Pipeline (APN: 062-005-016/018 – Frontier Land Companies).

**ACTION ITEMS**  
**ITEM NOS. 9, 11, 12, 13, 14, 15**

**ITEM NO. 9**  
**APPROVE QUITCLAIM OF**  
**WINGER/BROWN PIPELINE EASEMENT**  
**(APN: 130-032-022 – BOESE INVESTMENTS, LLP)**

Director Alpers stated that this involves a transaction with Boese Investments, LLP and due to the fact that Boese Investments, LLP has placed the District in bad situations with prior subdivisions, he wanted to know what exactly was happening on this project. Support Services Manager, John Davids, stated that the upstream portion of this pipeline was abandoned on December 20, 2005 and we have already given up our rights to this pipeline so once we quitclaim the pipeline we transfer all of the liability to Boese Investments, LLP.

A motion was made by Director Alpers, and seconded by Director Webb, and unanimously supported to approve the Quitclaim of Winger/Brown Pipeline Easement (APN: 013-032-022 – Boese Investments, LLP).

**ITEM NO. 11**  
**REVIEW AND TAKE POSSIBLE ACTION ON**  
**A PRIVATE PIPELINE OFF THE GRAY**  
**PIPELINE (APN: 010-010-019 – AMERINE)**

On May 9, 2007, Oakdale Irrigation District's (OID) Support Services Department received a Job Set-up form to repair a leaky valve on Mr. Amerine's property. Once submitted to the Support Services Department research was done to determine if in fact the valve in question belonged to OID. In correspondence dated June 22, 2007 from OID to Mr. Amerine, OID set-forth its position. Please refer to the attached documentation for clarification purposes.

Upon receipt of our June 22, 2007 correspondence, Mr. Amerine asked to address the Water Committee and a meeting was held on August 7, 2007. At that meeting, the Water Committee agreed to a "one-time" fix of the valve in question. The Water Committee also noted that the valve and pipeline are private and as such OID will make no further repairs (see attached correspondence for clarification purposes).

Still unhappy with the Water Committee's decision, Mr. Amerine has asked that this issue be addressed as an action item by the Board of Directors. Investigations by staff indicate that OID operates and maintains fifty (50) "Stub Facilities". These fifty (50) "Stub Facilities" account for approximately 89,000 linear feet of both pipeline and open channel works estimated to cost OID \$500,000 annually in OM&R (OID's cost for OM&R is \$5.28 plf).

Adoption of this stub pipeline and its appurtenances, serving Mr. Amerine and his neighbors, would be a deviation from OID policy and would add an annual OM&R cost of \$1,850 annually to OID's budget. Staff recommends compliance with the Water Committee's findings to be a good neighbor and offer a "one-time" fix, but nothing more.

Mr. Amerine was present at the hearing, passed out a diagram and questions to the Board of Directors and the General Manager, and presented his request concerning the Gray Pipeline.

After a lengthy discussion the Board of Directors decided to proceed with the one time replacement of the valve on that portion of pipeline off of OID's Gray Pipeline as previously agreed upon. It was further agreed to bring back to the Board of Directors in December the issue as to whether or not that portion of pipeline is an OID facility. The General Manager was also instructed to respond to the questions submitted by Mr. Amerine.

**ITEM NO. 12**  
**REVIEW AND TAKE POSSIBLE ACTION TO**  
**RESCIND VOTE OF JULY 24, 2007 ON THE**  
**CONDE ANNEXATION (APN: 0012-068-039)**

On July 24, 2007 the Board voted to approve the Conde Annexation Resolution pending the signing of the associated annexation contracts.

On September 11, 2007 the Conde's returned the contract documents to OID fully executed.

Since then, it has been requested by Director Clark that elements of the contract document be reviewed again and or changed. Procedurally, under Board policy, the Board needs a motion from any Director and a second from any Director to reopen discussions on a previously approved Board action. If there is a second to the motion, and after discussion regarding the need for the action, the Board needs a majority vote to rescind the Board's previous action. If no majority vote is cast, the Board's previous vote stands and that ends the process. If a majority of the Board votes to rescind the action taken, then the Board can move forward to the next agenda item, which is a continuation of the July 24, 2007 discussion on the Conde's contract terms for annexation.

A motion was made by Director Clark to rescind the Board's vote of July 24, 2007 on the Conde Annexation. The motion failed for lack of a second.

After a lengthy discussion, the Board of Directors directed the General Manager, Steve Knell, to determine a residual value for the bridge and bring it back to the Board for further action on October 16, 2007.

**ITEM NO. 13**  
**REVIEW AND TAKE POSSIBLE ACTION TO**  
**REAFFIRM RESOLUTION 2007-33**  
**PROPOSING ANNEXATION FOR CONDE**  
**FARMS (APN: 002-063-039 CONDE FARMS)**

Staff is unaware of what the specific concerns are with the Conde annexation contract. The last issue, which was denied by the Board, centered on the existing bridge. On a general note, staff has real concerns about any economic concessions related to this annexation on a number of fronts.

OID's Annexation Agreement is specific and clear regarding economic concessions for anyone seeking annexation. Annexations are to be at-no-cost to OID constituents. Section B, New Capital Charges, is the purpose by which the Agreement ensures there is no cost to OID constituents. Unless there is a legal basis for the Board to do otherwise, staff sees no reason to deviate from policy.

OID's Annexation Contract Establishing the Terms and Conditions for Annexation is equally clear on this matter, and specific to this issue. Sections 4.5 and 4.6 of this contract are clear. There would have to be a legal basis, supported by a legal opinion from counsel, for the Board to disregard these contract provisions.

If compensation is requested by the Conde's on any matter, the Board may wish to invoke Section 7.6 of the Annexation Agreement. This section allows OID to adjust the annexation fee to offset costs that have not been accounted for. Again, the purpose of Section 7.6 is an advantage to the OID to ensure a no-cost impact to its

constituents from an annexation. It would be difficult to support not invoking this provision if the Conde's purpose is to seek financial concessions.

By the Conde's recent actions, they will be required to put in place an H2O Load Rated bridge to eliminate the liability of not having a bridge that is sufficient to meet the needs of their farming operation. Whether they annex to the OID or not, this will be a required expense. There is no legal basis for OID to share in this required cost if OID will not benefit from the improvement.

Based on Action Item No. 12 there was no action taken on this item.

**ITEM NO. 14**  
**REVIEW AND TAKE POSSIBLE ACTION**  
**TO SUPPORT ACWA'S PUBLIC EDUCATION PROGRAM,**  
**"CALIFORNIA'S WATER: A CRISIS WE CAN'T IGNORE"**

Staff will discuss with the Board their preferred direction.

The Board of Directors deferred this matter until after the ACWA Fall Conference in November.

**ITEM NO. 15**  
**REVIEW AND TAKE POSSIBLE ACTION**  
**ON AWARD OF BID(S) FOR THE GRIDER PIPELINE**  
**RECAPTURE AND THE REED PIPELINE CROSSING**  
**REPLACEMENT AT SSJID MAIN CANAL PROJECTS**

Staff solicited bids for the Grider Pipeline Recapture and the Reed Pipeline Crossing at SSJID Main Canal Projects from seven (7) contractors. The contractors were Teichert Construction, Cunningham & Sons, Mazingo Construction, Johnson Western Gunitite, D.A. Wood Construction, Granite Construction and Syblon Reid Construction. Bids were opened at 3:00 pm on Thursday, September 27, 2007. The Board Agenda Report reflected one contract. However, some bidders indicated they would be interested in bidding both projects together and separately. A determination will be made on the award(s) to one or more contractors based on price, schedule and qualifications.

A motion was by Director Webb, seconded by Director Bairos, and unanimously supported to award the bid on the Grider Pipeline Recapture and the Reed Pipeline Crossing Replacement at SSJID Main Canal Projects to Cunningham & Sons.

## **DISCUSSION ITEM**

### **ITEM NO. 16 DISCUSSION ON OID "STUB FACILITIES"**

Earlier this year, research and analysis was done to determine the extent of Oakdale Irrigation District's (OID) "Stub Facilities." This was an exhausting and comprehensive project and a summary of the findings were attached for the Board's review and discussion.

General Manager, Steve Knell, discussed the OID Stub Facilities with the Board.

## **COMMUNICATIONS** **ITEM NO. 17**

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

#### **Safety Activities**

1. OID has gone 484 days without a lost time injury accident.

#### **Administration Activities**

1. Legal Issues consuming staff time;
  - a. Goad settlement issues continue.
  - b. Knight's Ferry dec relief – Preparing cross complaint as required by law. Updating ownership and mailing lists.
  - c. PERB's – no response.
  - d. Chappell Drain-no movement in this area.
  - e. Annexations – Conde's are back on agenda.
  - f. Conde's bridge – This matter is back on the agenda.
2. Admin Issues consuming staff time;
  - a. CCSF / Modesto Reservoir Feasibility Study – Staff memo from CH2M Hill under review.
  - b. Preparing for negotiations with CCSF - Continue to review CCSF PEIR
  - c. Negotiations with SEWD – Met on September 26<sup>th</sup>. Closed session on that on this agenda.
  - d. Modesto City proposal for water treatment – Nick Pinhey to come in November and give presentation.
  - e. 5-Year Capital CIP and Finance Options – a committee meeting is scheduled next week.
  - f. 2008 Budget preparations - continues
  - g. Community Report Articles and Publication – completed and being published.
  - h. P.R.&R. review status -idled
  - i. Revising OID's Strategic Plan - idled
  - j. Relocation of OID offices – idled but pending response from developer
  - k. OUSD WET Program – No action
  - l. VAMP water repayment issues with Short at MID scheduled for October 13th.
  - m. Personnel Matters
    - i. Random drug testing continues.

- ii. PSA mailed to SDS Research for the employee survey. Pending response.
- iii. Meet and Confer on Engr. Tech., Account Clerk and Warehouseman positions continues.
- iv. Mediator called in on employee discipline matter. Scheduled for Oct 25th
- v. Reviewing Heavy Equipment training plan submitted by Ad Hoc Safety Committee
- vi. Getting RFQs developed to fill three critical vacancies.

### **Water Operation Activities**

1. Started delivering VAMP water to MID on September 17, 2007– 30 cfs Avg.
2. Knights Ferry Water User Notice issued regarding end of water on October 17, 2007.
3. Finalization of Prop 13 – Water Quality Framework
4. Initiated work on SCADA upgrade to support future expansion
5. Preparing for System Shut-down & Winterization
6. Performing review and field verification of Job Setup Forms for Winter Work
7. Preparing for USCID Conference in Sacramento

### **Finance Activities**

1. Budget and 5 year CIP dominate workload

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

1. Met with RTC to determine plan for the Campbell repairs. Performed a partial hydrotest of the system by checking up water at the Magnolia Avenue Box. Still have four (4) major pipeline leaks and two (2) control structures leaking.
2. Continued to work with P&P for the water conveyance system modifications for transfer of ownership to the Knights Ferry landowners. Received the initial Evaluation Report from P&P which is being reviewed.
3. Received the preliminary Technical Memo from CH2MHILL for the North Side Regulating Reservoir.
4. Issued Addendum No. 2 and 3 to bidders for the Grider Pipeline Recapture Project and the Reed Pipeline Canal Crossing at SSJID.
5. Received and evaluated bids for the Grider and Reed Pipeline Projects.
6. Sent out bid packages for the Burnett/Tulloch and Bricchetto/Claribel Control Structure Modification Projects. A Pre-Bid and Job Walk was conducted on October 1, 2007 with bids due October 15, 2007
7. Continued field investigations to support CH2MHILL on the water conveyance to the Modesto Reservoir
8. Attended meeting with Condor for finalizing initial Cape Horn Tunnel Hazardous Assessment Study.
9. Contract Administration on issued contracts and contracts to be renewed and/or issued, Work Releases for all contracts.

### **Construction and Engineering Activities**

1. Assisting CH2MHill with the new north side reservoir analysis
2. Continued project support for Provost and Prichard, Inc.
3. Continued project support for Giuliani and Kull, Inc.
4. Wrapping up the 2007/2008 Winter Work Season designs



5. Working on modification to OID's CEQA guidelines
6. Working with the State on the Grider Pipeline Recapture Project
7. Misc. Knights Ferry Research
8. Preparing easements for access roads and staging areas as it pertains to the Cape Horn Tunnel Project slated for next winter
9. Goad Project: Waiting for Goads review of the lot line adjustment map
10. Working with Legal Counsel on Chappel Drain Issues
11. Preparing letter to Conde's summarizing the "next steps" of the annexation process
12. Identifying 2008/2009 capital projects
13. Normal C&M Duties
14. Winter Work Season will begin with two (2) days of training on Monday, October 22, 2007
15. Sean Willadsen attended a training course in Modesto for first time supervisors
16. Derek Davis attended a training course in San Jose for locating underground utilities
17. Sally Davis attended a training course in Oakland for CEQA

## **B. COMMITTEE REPORTS**

There were no Committee Meetings.

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

### Director Taro

Director Taro stated that he would like to discuss the stub pipeline issue further at another time.

### Director Bairos

Director Bairos stated that staff did a good job on the water delivery this year. He was glad that there was water left over that the District was able to sell. He stated that he had not received any complaints regarding water delivery and he commended the Water Department for a job well done.

### Director Alpers

Director Alpers stated that he had received comments from two Farm Bureau Directors who were on the recent tour and they were very complimentary. Director Alpers complimented our attorney for his assistance in negotiating the \$600,000 sale of water; he did a great job. He also stated that he had not received a single complaint about service this year and that staff did a good job and his new DSO is really coming on strong.

### Director Clark

Director Clark complimented the water department on this past irrigation season he had three different people tell him during the past week what a great job the DSOs have done and how much better the service has gotten over the last four or five years.

### Director Webb

Director Webb had no comments.

At the hour of 11:15 a.m. a motion was made by Director Bairos, seconded by Director Taro, and unanimously supported to move to closed session.

**CLOSED SESSION**  
**ITEM NO. 17**

1. Closed Session to discuss the following:
  - A. Conference with Real Property Negotiator - Government Code §54956.8**  
Negotiating Parties: OID, Stockton East Water District, City of Stockton  
Property: Water  
Agency Negotiators: General Manager and Counsel  
Under Negotiation: Price and terms of payment

At the hour of 11:43 a.m. a motion was made by Director Clark, seconded by Director Taro, and unanimously supported to return to open session.

General Manager, Steve Knell, stated that there was no reportable action from Closed Session.

**OTHER ACTION**  
**ITEM NO. 19**

At the hour of 11:43 a.m. the meeting adjourned to the next **Board of Director's Meeting on Tuesday, October 16, 2007, at 9:00 a.m.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA.

The next **Joint Board Meeting for the Tri-Dam Project** has been scheduled for **Thursday, October 18, 2007, at 9:00 a.m.** in the Board Room of the Oakdale Irrigation District 1205 East F Street, Oakdale, California.

\_\_\_\_\_  
Steven A. Webb, President

Attest:

\_\_\_\_\_  
Steve Knell, P.E., Secretary