

## **MINUTES**

Oakdale, California  
June 16, 2015

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 9:02 a.m. following the Board of Directors Meeting of the Oakdale Irrigation District Financing Corporation Meeting. Upon roll call, there were present:

Directors: Steve Webb, President  
Herman Doornenbal, Vice President  
Frank Clark  
Gary Osmundson  
Absent: Al Bairos, Jr.  
Staff Present: Steve Knell, General Manager/Secretary  
Jason Jones, Support Services Manager  
Kathy Cook, Chief Financial Officer  
Eric Thorburn, Water Operations Manager

### **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 9:02 a.m. the Board welcomed public comment.

### **PUBLIC COMMENT ITEM NO. 1**

Linda Santos, who resides at 5200 Tin Bell Road, Waterford, California was present and requested that her public comment in the Minutes from the June 2, 2015 Board Meeting be changed. She also discussed Tier II water users.

Bob Frobose, who resides at 4333 Claus Road, Modesto, California was present and commented on Tier II water users.

Kathy Smith, who resides at 12749 Horseshoe Road, Oakdale, California was present and stated that she had a question regarding Consent Item 13 and commented on Discussion Item 18.B.

There being no Public Comment; Public comment closed at 9:18 a.m.

General Manager Steve Knell requested that Item No. 13 be pulled from the Consent Calendar to clarify Kathy Smith's question during public comment. Director Clark requested that Item No. 6 be pulled from the Consent Calendar.

**CONSENT ITEMS**

**ITEM NOS. 2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 14**

**ITEM NO. 2**

**APPROVE THE BOARD OF DIRECTORS'  
MINUTES OF THE REGULAR MEETING OF JUNE 2, 2015  
AND RESOLUTION NOS. 2015-47, 2015-48, 2015-49, 2015-50 AND 2015-51**

A motion was made by Director Doornenbal, seconded by Director Osmundson, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of June 2, 2015 and Resolution Nos. 2015-47, 2015-48, 2015-49, 2015-50 and 2015-51.

**ITEM NO. 3**

**APPROVE THE OAKDALE IRRIGATION  
DISTRICT STATEMENT OF OBLIGATIONS**

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

**ITEM NO. 4**

**APPROVE IMPROVEMENT  
DISTRICT STATEMENT OF OBLIGATIONS**

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

**ITEM NO. 5**

**APPROVE THE TREASURER AND CHIEF FINANCIAL  
OFFICER'S REPORT FOR THE MONTH ENDING MAY 31, 2015**

A motion was made by Director Doornenbal, seconded by Director Osmundson, and unanimously supported to approve the Treasurer and Chief Financial Officer's Report for the month ending May 31, 2015.

**ITEM NO. 7**  
**APPROVE WORK RELEASE NO. 11 TO PROFESSIONAL SERVICES**  
**AGREEMENT 2009-PSA-002 WITH CH2M HILL FOR PROFESSIONAL**  
**SERVICES TO REAPPORTION THE DISTRICT'S DIVISION BOUNDARIES**

A motion was made by Director Doornenbal, seconded by Director Osmundson, and unanimously supported to approve Work Release No. 11 to Professional Services Agreement 2009-PSA-002 with CH2M Hill for professional services to reapportion the District's division boundaries.

**ITEM NO. 8**  
**APPROVE AMENDMENT NO. 03 TO PROFESSIONAL**  
**SERVICES AGREEMENT 2014-PSA-001 WITH MARCIA**  
**HERRMANN DESIGN FOR COMMUNICATIONS AND PR CONSULTING**

A motion was made by Director Doornenbal, seconded by Director Osmundson, and unanimously supported to approve Amendment No. 03 to Professional Services Agreement 2014-PSA-001 with Marcia Herrmann Design for communications and PR consulting.

**ITEM NO. 9**  
**APPROVE WORK RELEASE NO. 046 TO PROFESSIONAL SERVICES**  
**AGREEMENT 2009-PSA-015 WITH GIULIANI & KULL, INC. FOR**  
**PROFESSIONAL SERVICES TO CREATE AN IRRIGATION EASEMENT**  
**FOR THE LUNDGREN PIPELINE THROUGH APNS: 062-006-003 and 062-006-013**

A motion was made by Director Doornenbal, seconded by Director Osmundson, and unanimously supported to approve Work Release No. 046 to Professional Services Agreement 2009-PSA-015 with Giuliani & Kull, Inc. for professional services to create an irrigation easement for the Lundgren Pipeline through APNS: 062-006-003 and 062-006-013.

**ITEM NO. 10**  
**APPROVE WORK RELEASE NO. 047 TO PROFESSIONAL**  
**SERVICES AGREEMENT 2009-PSA-015 WITH GIULIANI & KULL,**  
**INC. FOR PROFESSIONAL SERVICES TO CREATE AN IRRIGATION**  
**EASEMENT FOR THE CAMPBELL PIPELINE THROUGH APN: 002-013-033**

A motion was made by Director Doornenbal, seconded by Director Osmundson, and unanimously supported to approve Work Release No. 047 to Professional Services Agreement 2009-PSA-015 with Giuliani & Kull, Inc. for professional services to create an irrigation easement for the Campbell Pipeline through APN: 002-013-033.

**ITEM NO. 11**  
**APPROVE AGRICULTURAL DISCHARGE PERMIT ON THE MOULTON**  
**PIPELINE (APN: 006-003-042 – JOHN AND JAQUELINE BRICHETTO**  
**2008 REVOCABLE TRUST DATED MAY 7, 2008, JOHN M.**  
**BRICHETTO, LEE ANN L. BRICHETTO, AND JOSEPH P. BRICHETTO)**

A motion was made by Director Doornenbal, seconded by Director Osmundson, and unanimously supported to approve the Agricultural Discharge Permit on the Moulton Pipeline (APN: 060-003-042 – John and Jaqueline Brichetto 2008 Revocable Trust Dated May 7, 2008, John M. Brichetto, Lee Ann L. Brichetto, and Joseph P. Brichetto).

**ITEM NO. 12**  
**APPROVE ENCROACHMENT PERMIT ON THE MOULTON**  
**PIPELINE (APN: 006-003-042 – JOHN AND JAQUELINE BRICHETTO**  
**2008 REVOCABLE TRUST DATED MAY 7, 2008, JOHN M.**  
**BRICHETTO, LEE ANN L. BRICHETTO, AND JOSEPH P. BRICHETTO)**

A motion as made by Director Doornenbal, seconded by Director Osmundson, and unanimously supported to approve he Encroachment Permit on the Moulton Pipeline (APN: 006-003-042 – John and Jaqueline Brichetto 2008 Revocable Trust Dated May 7, 2008, John M. Brichetto, Lee Ann L. Brichetto, and Joseph P. Brichetto).

**ACTION CALENDAR**  
**ITEM NOS. 6, 13, 14, 15, 16**

**ITEM NO. 6**  
**APPROVE EXCLUSION OF AG CUSTOMERS FROM THE**  
**PUMPING FROM OID CANALS MISCELLANEOUS CHARGE**  
**WHEN USING THE WATER ON THEIR PROPERTY FOR FARMING**

Director Clark asked how much water was being pumped. General Manager Steve Knell stated that the District probably received about twelve applications. General Manager Steve Knell stated that this item is on the agenda for clarity to the District's ag users that are already paying for water. He stated that the District's ag users that are already paying for water should not have to pay for additional water that they pump from our canals because the amount of water that they are using is negligible. This fee is for other individuals who want to use the water for other purposes.

A motion was made by Director Clark, seconded by Director Osmundson, and unanimously supported to approve exclusion of ag customers from the pumping from OID canals miscellaneous charge when using the water on their property related to their farming operation.

**ITEM NO. 13**  
**APPROVE ENCROACHMENT PERMIT ON THE CAPE**  
**HORN TUNNEL (APN: 002-023-013 – PACIFIC GAS & ELECTRIC)**

Water Operations Manager Eric Thorburn stated that this encroachment permit is on the Trinitas property for Pacific Gas & Electric to provide power to their property and not on Kathy Smith's Property. He stated that the Cape Horn Tunnel runs through their property on the north side.

A motion was made by Director Doornenbal, seconded by Director Osmundson, and unanimously supported to approve the Encroachment Permit on the Cap Horn Tunnel (APN: 002-023-013 – Pacific Gas & Electric).

**ITEM NO. 14**  
**REVIEW AND TAKE POSSIBLE ACTION ON THE TRANSFER OF**  
**FUNDS FROM THE DISTRICT'S STABILIZATION FUND TO GENERAL FUND**

Upon review of the District's Certificate of Participations-Series 2009 bond indenture by bond counsel, Nossaman LLC, they have confirmed that amounts withdrawn from the District's rate stabilization fund are included as revenues for the purposes of the debt service coverage ratio in the year withdrawn to address temporary cash flow shortages, emergencies, unanticipated economic downturns, and one-time opportunities. Therefore, staff recommends that \$1.6 million to be transferred from its rate stabilization fund to its general fund effective December 31, 2014.

A motion was made by Director Doornenbal, seconded by Director Clark, and unanimously supported to transfer the funds from the District's Stabilization Fund to the General Fund.

**ITEM NO. 15**  
**REVIEW AND TAKE POSSIBLE ACTION ON THE**  
**OAKDALE IRRIGATION DISTRICT'S 2014 COMPREHENSIVE**  
**ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2014**

Oakdale Irrigation District's 2014 Comprehensive Annual Financial Report (Draft) is being submitted for approval. The District's Auditor, Brian Nash with Richardson and Company, 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, 2014 is available to the public upon request.

Brian Nash from Richardson & Company, the District's Auditor, was present and discussed the Comprehensive Annual Financial Report for the year ended December 31, 2014. Chief Financial Officer Kathy Cook also discussed the Comprehensive Annual Financial Report for the year ended December 31, 2014.

A motion was made by Director Clark, seconded by Director Doornenbal, and unanimously supported to approve the Oakdale Irrigation District's 2014 Comprehensive Annual Financial Report for the year ended December 31, 2014.

**ITEM NO. 16**  
**REVIEW AND TAKE POSSIBLE ACTION TO AWARD**  
**BID FOR PURCHASE OF ONE ¾ TON 4-WHEEL DRIVE, FULL**  
**SIZE, REGULAR CAB, 2-DOOR PICK-UP FROM HAIDLEN FORD**

At the April 21, 2015 meeting of the Board of Directors the Board denied the request to approve the purchase of one (1) new ¾ ton 4-Wheel Drive, Full Size Pickup and advised staff to look for a used pickup in lieu of purchasing a new one. Upon advising the bidders of this request, Erich Haidlen requested to be heard by the Finance Committee to discuss the advantages of purchasing a new vehicle vs. purchasing a used vehicle. On May 19, 2015 the Finance Committee met and discussed the options with Erich Haidlen who advised that the cost to purchase a used vehicle meeting OID's specifications with 50k miles and a limited warranty would save approximately \$4500.00. The Committee advised staff to re-bid the purchase of a new pickup and brings this purchase back to the full Board for consideration.

Staff solicited bids from two (2) vendors, Haidlen Ford and Steve's Chevrolet both of Oakdale. Both provided a quote. Of the two (2) quotes, Haidlen Ford provided the lowest responsive bid of \$31,279.62 while Steves' Chevrolet quoted \$32,417.61 for the vehicle.

Staff's recommendation is to purchase one (1) – ¾ Ton, 4-Wheel Drive, Full Size Pickup for the amount of \$31,279.62 from Haidlen Ford.

Amount budgeted for 2015 to purchase one (1) - ¾ ton pickup is \$34,000.00.

A motion was made by Director Clark, seconded by Director Osmundson, and unanimously supported to award the bid for the purchase of one ¾ ton 4-wheel drive, full size, regular cab, 2-door pick-up from Haidlen Ford for the total sum of \$31,279.62.

**DISCUSSION**  
**ITEM NOS. 17**

**ITEM NO. 17**  
**DISCUSSION ON BUSINESS ITEMS AS THEY APPEAR**  
**ON THE TRI-DAM BOARD AGENDA FOR THURSDAY, JUNE 18, 2015**

This item was placed here for the Board to discuss Tri-Dam business items.

## **ITEM NO. 18** **COMMUNICATIONS**

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

#### **Safety Activities**

1. OID has gone 132 days without a lost time injury accident.

#### **Administration Activities**

1. GM attended the International Congress on Irrigation and Drainage Conference in Reno to present two professional papers. At the conference, GM discussed hydrology and El Nino possibilities with Maury Roos, State Hydrologist (retired).
2. Awaiting the inevitable, pre-1914 water rights curtailment, which hasn't happened as of yet.
3. Continuing to work and coordinate with the Bureau on next year operation plan options. Not many positive scenarios.
4. Working on Save the Stan outreach program.

#### **Construction Activities**

1. C&M crews and equipment operators are working on JSF's generated by Water Dept. staff.
2. Assisting Water Ops./Eng. Dept. with various tasks and field review of potential projects.
3. Conducting Safety Coordinator tasks pertaining to all hands training, Safety Committee meetings and review of weekly tailgate safety meetings.
4. Conducting Contract Administration tasks pertaining to contracts that need to be renewed and work releases that need to be completed with the assistance of Lori.
5. The OID Pest. Dept. conducted Magnacide applications on the following OID facilities; South Main, North Main, Burnett, Cometa and Sweet Laterals over the course of the past two weeks.
6. The off haul angular rock from the Roen rock pile to the Kaufmann/Greger property was completed on June 10<sup>th</sup>.

#### **Water Operations Activities**

##### **Engineering**

1. Land use Conversion – Continued to work with landowners, tenants, irrigation design companies and Support Services/Water Operations concerning ongoing and future land use conversion projects.
2. Processed Encroachment and Ag Discharge Agreements and continued field inspection during installation of the associated facilities.
3. The Public comment period for the Fringe and Additional Annexations closed on May 31<sup>st</sup>. Staff is responding to comments and anticipates bringing back the Negative Declaration and associated CEQA findings for Board approval on July 7<sup>th</sup>.
4. Responded to and commented on several requests for information and proposed parcel splits and lot line adjustments.
5. Completed several RFWAs and cost estimates for capital improvement projects.

### **Ag Water**

1. Continued to research and respond to miscellaneous irrigation and maintenance issues and inquiries.
2. Responded to and addressed misc. SCADA operation and control issues as they arose.
3. SCADA/IT staff continued to work with Water Operations personnel to make updates, modifications and corrections to the new STORM volumetric tracking and billing application data.
4. Processing of Farmer to Farmer Transfer Program Application Agreements continued.
5. The USGS online publication of the STRGBA Hydrologic Model of the Modesto Region was officially approved for release on June 9<sup>th</sup> and has been made available to the public.
6. The sixth rotation (seventh of the 2014/15 water year) will be a 12 day rotation and started on or about June 12<sup>th</sup>. The seventh rotation will start on or about June 24<sup>th</sup> and is anticipated to be 12 days as well.

### **Water Utilities**

1. Improvement District No. 41:
  - Pumping Station No. 3 remains out of service due to high turbidity issues.
  - OID staff and ID 41's Committee will be meeting with the City of Oakdale to get an updated status of their request for a connection to the City's water system.
2. Domestic Water Pumping Stations:
  - WUD continues to conduct weekly inspection, servicing and security checks of the pumping stations. There is nothing unusual or out of the ordinary to report.
3. Domestic Water Systems:
  - Continued annual testing of backflow assemblies.
  - Continued to investigate water waster complaints.
  - Monthly Coliform Bacteria water quality samples were collected on Monday, June 1<sup>st</sup>. No problems were detected.
4. Rural Water System No. 1 / Schwartz Subdivision:
  - Monitored and inspected the installation of a new addition to OID's drinking water system being extended off of Wild Oak Drive.
5. On-Call Activities:
  - Nothing to Report.
6. Aquatic Pesticide Application Plan:
  - a. First set of water quality samples were collected at the South Main Canal on Thursday, June 4<sup>th</sup>.
7. Irrigation Pumping Stations:
  - WUD continues to perform routine inspection, servicing and security checks on all the irrigation pumping stations. There is nothing unusual or out of the ordinary to report.

### **Finance Activities**

1. Work with OID's bond counsel using Rate Stabilization Reverse Funds to meet the District's 2014 bond rate coverage ratio.
2. Completed the District's 2014 Comprehensive Annual Financial Report.



3. Preparation of ACWA JPIA's 2015-2016 payroll estimate reporting.
4. Evaluating accounting processes and procedures that need to be updated.
5. Assisting Water Operations in processing Farmer to Farmer Water Transfer Agreements.
6. Processing several Surface Irrigation Water Reconnection applications.
7. Working with the IT Coordinator on the volumetric billing statement. Hope to have the first mock billing out by the end of June.

**B. COMMITTEE REPORTS**

Water Committee Meeting, June 2, 2015

- Request for Cattle Water (APNS: 011-011-026/27/28/29 – Carol Davis)
- Reconnection Fee (John Brichetto and D & M Farming)
- Review of Out-of-District Requests for 2016 (Louis Brichetto, Gary Alldrin, and Virgil Thompson)
- Waiver of Theft of Water Fee (Evan Nino)
- Re-Establishment of Irrigation (APN: 229-015-010 – Johnson)

Director Webb stated that at the Water Committee Meeting the Committee recommended that a letter be sent to Carol Davis clarifying the District's position; the theft of water fee be cancelled for Evan Nino, and that irrigation be re-established for Ms. Johnson.

Director Doornenbal stated that the District discussed the requests for out-of-district water submitted by Louis Brichetto, Garry Alldrin, and Virgil Thompson.

The Committee discussed the request of John Brichetto and D & M Farming regarding the reconnection fee. The General Manager Steve Knell stated that the committee clarified that the reconnection fee charged for previous years would be at the rate in existence during that particular year.

**C. DIRECTORS' COMMENTS/SUGGESTIONS**

Director Clark

Director Clark had no comments.

Director Osmundson

Director Osmundson had no comments.

Director Doornenbal

Director Doornenbal had no comments.

Director Webb

Director Webb thanked the staff, the DSOs, constituents, landowners, and farmers for the efforts that everyone is making to conserve water. He also thanked the General Manager Steve Knell for all of his hard work in dealing with the State water challenges that occur on a daily basis.

At the hour of 10:03 a.m. the meeting adjourned to Closed Session.

**ITEM NO. 19**  
**CLOSED SESSION**

- A. *Government Code §54956.9*** – Significant Exposure to Litigation Pursuant to Paragraph (2) and (3) of Subdivision (d) of §54956.9  
One (1) Case

At the hour of 10:48 a.m. the meeting returned to open session.

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

**OTHER ACTION**  
**ITEM NO. 25**

The meeting was adjourned at the hour of 10:48 a.m. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, July 7, 2015 at 9:00 a.m.** in the board room at 1205 East F Street, Oakdale, CA.

The next Regular Joint Board Meeting for the **Tri-Dam Project** is scheduled for **Thursday, June 18, 2015 at 9:00 a.m.** in the board room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, CA.

\_\_\_\_\_  
Steve Webb, President

Attest:

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Steve Knell, P.E., Secretary