

MINUTES

Oakdale, California
October 1, 2002

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 Alpers
Louis Brichetto
Frank Clark
Tony Taro
Steve Webb

Staff Present: Steve Knell, General Manager
Kathy Cook, Chief Financial Officer

PRESENTATIONS

ITEM NO. 1

MINASIAN, SPRUANCE, BABER, MEITH, SOARES & SEXTON, LLP

Paul R. Minasian, Esquire and Michael Sexton, Esquire of the law firm of Minasian, Spruance, Baber, Meith, Soares & Sexton, LLP made a presentation to the Board of Directors. Mr. Minasian presented the credentials and qualifications required by the Request for Proposal for Water Counsel to the Oakdale Irrigation District. Mr. Minasian and Mr. Sexton highlighted the litigation experience of the firm as it relates to water rights/protection and their knowledge of Oakdale Irrigation District internal affairs, as Mr. Minasian had previously served as counsel to the District.

ITEM NO. 2

GRANT DAVIDS OF DAVIDS ENGINEERING

Mr. Grant Davids of Davids Engineering prepared a presentation at the request of the Board of Directors relative to the merits and processes needed to establish a water measurement program at the Oakdale Irrigation District. Mr. Davids stated that in 1980 water measurement needs were not in demand, but that has changed. Mr. Davids presented the following information:

- Measurement “drivers”
- Where was OID in 1980

- Where is OID now
- Assessment
- An objective-based approach to improvement measurement
- Potential OID objectives
- Oakdale Irrigation District Conceptual Water Balance Diagram
- OID Map
- Measurement Plan Tasks

Mr. Davids stressed that it is difficult to begin this measurement process, but after you get started you will find things out about your operation that will be beneficial to you, and you will be in a better position to do the things to accomplish your objectives and to protect your water rights. There is just no other place to be but to be equipped with good data.

The Board of Directors agreed that we should look at setting up a water measurement program.

ITEM NO. 3
O'LAUGHLIN & PARIS, LLP

Tim O'Laughlin, Esquire of the law firm of O'Laughlin & Paris, LLP made a presentation to the Board of Directors. Mr. O'Laughlin presented the credentials and qualifications required by the Request for Proposal for Water Counsel to the Oakdale Irrigation District. Mr. O'Laughlin highlighted the accomplishments made for the Oakdale Irrigation District during the previous 5 years of the representation by his law firm.

ADDITION OR DELETION OF
AGENDA ITEMS

There were no additions or deletions of agenda items.

ACTION TO TAKE VARIOUS ITEMS
OUT OF SEQUENCE

General Manager Steve Knell requested Item #6 be moved to the action calendar and to have Item #12 removed, as this will be covered under the General Manager's oral report. A motion was made by Director Clark, seconded by Director Webb and unanimously supported to move Item #6 to the action calendar and to change Item #12 to General Manager's Report.

COMMUNICATIONS
ITEM NO. 4
GENERAL MANAGER'S REPORT

General Manager Steve Knell reported the following:

- Support Services Manager Status: All applications have been screened. We are ready to coordinate a meeting with the Personnel Committee consisting of Director Alpers and Director Clark to review the applications. A Closed Session Personnel Committee Meeting will be scheduled for Thursday, October 3, 2002 at 4:00 P.M.
- Budget Process and Status: A first cut of the 2003 Budget will be given to the Board on October 15, 2002. This will be much different from previous budgets in that this involves a maintenance commitment requiring budget format changes. We have tried to redefine the budget based on activities. Changing the budget is one thing, but we are also changing our maintenance practices, which is another process.
- Written Correspondence Changes: When receiving letters from the Directors' constituents we pass them onto individual Directors. We had been sending the letters to Directors after responses are completed. In the future, we will forward all day-to-day correspondence as it is received and it will be the Directors responsibility to sort through what you want and don't want.
- Moving Forward on Power Decisions: We need to move forward on the Power Options Study that was completed for us by R.W. Beck. I would like to initiate that process with Steve Stroud and Steve Felte and put some groundwork together before we bring the Boards together to talk about power options and power issues. The Board agreed that Mr. Knell should commence meeting with Mr. Stroud and Mr. Felte relative to power options.
- OID Auction: We anticipate making approximately \$40,000. After going through this, we determined that if this were to be done again, that we would have the auction done elsewhere. Although the auctioneering company did a good job, it was labor intensive for our staff to have this held on site.
- Winter Work and Infrastructure Maintenance: Metropolitan Water District of Southern California produces a newsletter that this article "Infrastructure" was taken from. MWD is an organization that is very well known for running a top-notch system. The article addresses different ratios and where they are in their processes versus industry standards. The opportunity was taken to inform our staff that we as an organization need to have accountability standards. Often times the biggest thing that is overlooked in organizations is

operational efficiency. You have to really understand where you are in your operational efficiency in order to be justified in adding more staff. Some staff were offended by the maintenance ratio; OID is about 29/71. This ratio is at the opposite end of the industry standard. 75% of work should be scheduled and only 25% should be unscheduled work. There are other ratios, our equipment utilization hours/manpower hours is 33/67. Our materials consumption to labor hours is about 35/65. Our ratios show that we are down in this 30/70 range. The point of this whole process is to get better, which we intend to do. By not focusing on scheduling, we are losing \$730 per day. Until we get a focus on budgeting and maintenance this will not change and this one of the purposes of the strategic plan. The biggest missing link right now is not having a Support Services Manager.

Mr. Laurens Ford commented regarding the gate replacements, pricing and longevity. General Manager Steve Knell responded that at the ACWA conference several gate vendors stated that in previous years cast iron was of a different quality; gates now only last 20-25 years. Additionally, we could buy from multiple vendors or warehouse many gates, but we don't have the capability for the storage.

ITEM NO. 1b **DIRECTORS' COMMENTS/SUGGESTIONS**

Director Clark:

- Director Clark made a visit to the Kelting property on the Dixon Pipeline. Apparently, the Keltings installed a driveway encroaching on OID property and now they are reluctant to sign an encroachment agreement. Director Clark stated that he does not think the Keltings understand that we could have them remove the driveway. General Manager Steve Knell responded that Mrs. Kelting had also called him and was reluctant to accept any explanation of the facts. This matter will be referred to OID General Counsel to confer with the Keltings' counsel in order to resolve the issue. Director Clark also spoke with the Keltings' neighbor who advised that when she purchased her property she was never advised of any easements. Director Clark gave her copies of the documents filed with the County and advised her that her issues were with the title company and not with OID.

Director Taro:

- After discussion of a 17' roadway on each side of the canal banks Mr. Taro was advised that on the Mensinger Lateral the cost is \$28.18 per foot. Calculating that number doubled and multiply by 5,280, Mr. Taro did not understand where OID would get the money to do the entire District. General Manager Steve Knell stated that we are not doing the entire district. However, we are using the standard adopted by this District, and if you want

to change that standard you are well within your rights to change that. Director Taro stated that he would like to see the Board take the time to tour the District.

**CONSENT CALENDAR
ITEM NO. 5, 7, 8, 9**

**ITEM NO. 5
APPROVE THE BOARD OF DIRECTORS' MINUTES OF
REGULAR MEETING OF SEPTEMBER 17, 2002**

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the Board of Directors' Minutes of the regular meeting of September 17, 2002.

**ITEM NO. 7
APPROVE CLOSING CAPITAL PROJECT
WORK ORDER NUMBER: 0239 – W. PUMP PIPELINE
30" GATE REPLACEMENT**

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve closing Capital Project Work Order #0239 – W. Pump Pipeline, 30" gate replacement.

**ITEM NO. 8
APPROVE CRV ENTERPRISES, INC.
ENCROACHMENT AGREEMENT**

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve CRV Enterprises, Inc. Encroachment Agreement.

**ITEM NO. 9
APPROVE THE REALLOCATION OF CAPITAL FUNDS**

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the reallocation of capital funds from the 2002 budget for guniting of the South Main Canal for reconstruction of the south embankment on the Tulloch.

ITEM NO. 6
APPROVE OAKDALE IRRIGATION DISTRICT'S
STATEMENT OF OBLIGATIONS

A payment of \$16,880.21 to Central California Kenworth was added to the Statement of Obligations. The payment was made for repair of our transfer truck. After discussion, a motion was made by Director Webb, seconded by Director Clark and unanimously supported to approve Oakdale Irrigation District's Statement of Obligations.

ITEM NO. 10
REVIEW AND TAKE POSSIBLE ACTION TO APPROVE
DITCHTENDERS' TRANSFER TO CONSTRUCTION & MAINTENANCE
DEPARTMENT FOR THE WINTER SEASON 2002/2003

In accordance with the District' Personnel Rules and Regulations, Section 7.13 (a), the General Manager, subject to the direction from the Board, shall determine if there are sufficient funds to increase the work force in the Field Operations Unit and/or if there is a need to increase the staff in another department to achieve a higher level of operation. A motion was made by Director Brichetto, seconded by Director Taro and unanimously supported to approve Ditchtenders' transfer to Construction & Maintenance Department for the winter season 2002/2003.

ITEM NO. 11
REVIEW AND TAKE POSSIBLE ACTION TO AWARD A CONTRACT
FOR WATER ATTORNEY FOR THE OAKDALE IRRIGATION DISTRICT

Mr. Laurens Ford commented regarding Mr. O'Laughlin's presentation as it related to conflict of interest regarding issues of several years ago at previous meetings.

At the hour of 1:40 P.M. the Board convened into Closed Session to discuss the following:

B. GOVERNMENT CODE SECTION 54957.6 – Discussion of
Selection of Water Attorney.

The Board discussed legal issues of the presenting attorneys and their abilities to handle the Oakdale Irrigation District litigation. The Board also discussed how they felt about the abilities of the attorneys to meet the litigation demands of Oakdale Irrigation District.

At the hour of 1:58 P.M. the Board reconvened to open session.

A motion was made by Director Webb, seconded by Director Alpers to award a contract for water attorney for the Oakdale Irrigation District to the law firm of O’Laughlin & Paris, LLP and was voted as follows:

Ayes: Alpers, Clark, and Webb
Noes: Brichetto and Taro

CLOSED SESSION
ITEM NO. 13

At the hour of 2:03 P.M. the Board adjourned to closed session to discuss the remaining matters:

A. **GOVERNMENT CODE SECTION 54957.6** – Discussion of Salary and Benefits.

Consultant Bill Smith updated the Board regarding the 2003 union negotiations. Following that, the Board conferred to further develop the 2003 union negotiations platform.

At the hour of 2:30 P.M. the meeting adjourned to the next **regular Board of Directors meeting** to be held on **Tuesday, October 15, 2002 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 **October 17, 2002 at 9:00 A.M. in Oakdale.**

Attest:

Steve Knell
Secretary