MINUTES

Oakdale, California
August 17, 2010

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. The following Directors were present:

Directors:	Al Bairos, Jr., President Frank B. Clark, Vice President Jack D. Alpers Steve Webb Herman Doornenbal
Staff Present:	Steve Knell, General Manager/Secretary Kathy Cook, Chief Financial Officer Jason Jones, Support Services Manager Eric Thorburn, Associate Engineer

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.

PUBLIC HEARING

ITEM NO. 2
PUBLIC HEARING TO RECEIVE COMMENTS ON THE WILLS LATERAL EXTENSION

President Al Bairos, Jr. asked if there was anyone present who would like to make a comment on the Wills Lateral Extension.

There being no one coming forward to comment on the Wills Lateral Extension, the public hearing closed at 9:03 a.m.

Director Doornenbal requested that Item No. 4 be pulled from the Consent Calendar; Director Clark requested that Item No. 6 be pulled from the Consent Calendar; Director Webb requested that Item Nos. 8 and 12 be pulled from the Consent Calendar; General Manager Steve Knell requested that Item No. 10 be pulled from the Consent Calendar; and Director Alpers requested that Item No. 13 be pulled from the Consent Calendar.

CONSENT ITEMS
ITEM NOS. 3, 5, 7, 9, 11

ITEM NO. 3
APPROVE THE BOARD OF DIRECTORS' MINUTES OF THE REGULAR MEETING OF AUGUST 3, 2010

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 August 3, 2010.

ITEM NO. 5
APPROVE IMPROVEMENT DISTRICT STATEMENT OF OBLIGATIONS

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

ITEM NO. 7
APPROVE RESOLUTION FOR THE DESIGNATION OF BANK ACCOUNTS AND SIGNATORIES

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to approve the Resolution for the Designation of Bank Accounts and Signatories.

ITEM NO. 9
APPROVE BOARD ATTENDANCE AT ACWA 2010 FALL CONFERENCE IN INDIAN WELLS, CALIFORNIA

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to approve the Board attendance at ACWA 2010 Fall Conference in Indian Wells, California.

ITEM NO. 11
APPROVE WORK RELEASE NO. 001 – AMENDMENT NO. 02 TO PROFESSIONAL SERVICES AGREEMENT 2009-PSA-002 TO CH2M HILL FOR THE CEQA COMPLIANCE AND ENVIRONMENTAL PERMITTING FOR THE SOUTH MAIN CANAL AND TUNNEL PROJECTS

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to approve Work Release No. 001 – Amendment No. 02 to Professional Service Agreement No. 2009 PSA-002 to CH2M Hill for the CEQA Compliance and Environmental Permitting for the South Main Canal and Tunnel Projects.

ACTION CALENDAR
ITEM NO. 4, 6, 8, 10, 12, 13, 14, 15

ITEM NO. 4
APPROVE THE OAKDALE IRRIGATION DISTRICT STATEMENT OF OBLIGATIONS

Director Doornenbal had a question concerning the fact that the CalPERS entry listed as one of the top ten obligations on the Agenda Report and the check entry by date did not correspond. Chief Financial Officer Kathy Cook stated that she would find out what happened and advise the Board. Director Webb had a question regarding the entry for the rubber tracks. Support Services Manager Jason Jones stated that the tracks were for the Kobelco 50. Director Webb asked how many hours were on the Kobelco and Support Services Manager Jason Jones stated approximately 2,000 to 3,000.

Chief Financial Officer Kathy Cook later reported to the Board that the figure shown on the check entry by date for CalPERS in the sum of $20,397.00 was correct and the figure shown on the Agenda Report was incorrect. The Agenda Report would be corrected to reflect the correct amount.

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

ITEM NO. 6
APPROVE THE TREASURER AND CHIEF FINANCIAL OFFICER'S REPORT FOR THE MONTH ENDING JULY 31, 2010

Director Clark stated that some time ago the District discussed the possibility of placing $250,000 in various local banks in order to get more return on the District's money and asked the Chief Financial Officer Kathy Cook if she had done any investigation into this. Chief Financial Officer Kathy Cook stated that she has met with the Bank of Stockton regarding this matter and they are coming back in the next week to discuss this further. She also stated that HighMark Investments has re-negotiated their contract with the District and are going to be reducing their fee.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Treasurer and Chief Financial Officer's Report for the month ending July 31, 2010.

ITEM NO. 8
APPROVE WRITE-OFF OF UNCOLLECTIBLE ACCOUNT RECEIVABLES

Director Webb asked if the two rural water accounts and the damage to ID22 relief valve were being forwarded to the credit bureau because they had moved and left no forwarding address. Chief Financial Officer Kathy Cook stated that that is correct.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the write-off of uncollectible account receivables.

ITEM NO. 10
APPROVE BOARD ATTENDANCE AT CSDA 2010 ANNUAL CONFERENCE AND EXHIBITOR SHOWCASE IN NEWPORT BEACH, CALIFORNIA

General Manager Steve Knell pulled this item to advise the Directors that for each staff member and each Director that attends the conference the District gets a discount on its workers' compensation insurance. By the District receiving this credit it makes their attendance at the CSDA Conference a "no cost" trip.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported o approve the Board attendance at CSDA 2010 Annual Conference and Exhibitor Showcase in Newport Beach, California.

NO. 12
APPROVE WORK RELEASE NO. 013 TO PROFESSIONAL SERVICES AGREEMENT 2009-PSA-015 WITH GIULIANI & KULL TO PERFORM SURVEYING SERVICES TO RESTORE PROPERTY LINES AND CORNERS

This item was pulled by Director Webb; however, Director Webb stated that he had no questions regarding this item.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve Work Release No. 013 to Professional Services Agreement 2009-PSA-015 with Giuliani & Kull to perform surveying services to restore property lines and corners.

ITEM NO. 13
APPROVE ENCROACHMENT AGREEMENT ON THE BURNETT LATERAL (COW CAMP LIMITED PARTNERSHIP, JOHN BRICHETTO, AGENT)

Director Alpers asked if Mr. Brichetto was taking water from his deep well and putting it into our canal to be used further down the canal. General Manager Steve Knell stated that yes that was true; however, this water was to be used for frost protection, not for irrigation.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the Encroachment Agreement on the Burnett Lateral (Cow Camp Limited Partnership, John Brichetto, Agent).

ITEM NO. 14
REVIEW AND TAKE POSSIBLE ACTION TO CERTIFY THE VOTE OF IMPROVEMENT DISTRICT NO. 41 MEMBERSHIP TO APPROVE THE FUNDS TO PERFORM AN ENGINEERING STUDY

To certify the vote of the Improvement District No. 41 (ID 41) membership regarding the approval or disapproval of the use of funds from their General Operations and Maintenance Account to perform an engineering study to determine the costs related to receiving water from the City of Oakdale.

An ID 41 membership meeting was held at the OID office at 6:00 P.M. on Thursday, July 22, 2010, to discuss the topic of ID 41 receiving their domestic potable water supply from the City of Oakdale. City officials were on hand at this meeting to answer any questions from the ID 41 membership. At the end of this meeting the ID 41 membership instructed OID to proceed with the vote.

Bob Nielsen was present and discussed the situation with Improvement District #41. There were two Committee Members also present at the hearing.

Improvement District No. 41 membership voted to approve the funds to perform an engineering study by the following vote:

Ayes: 14 (by mail)
Noes: 1 (by mail)
Passed by a total vote of 37
(All non votes (23) are considered as yes votes.)

A motion was made by Director Alpers, seconded by Director Webb, and unanimously supported to certify the vote for Improvement District No. 41 Membership to approve the funds to perform an engineering study.

ITEM NO. 15
REVIEW AND TAKE POSSIBLE ACTION ON A MEMORANDUM OF UNDERSTANDING (MOU) WITH VARIOUS WATER AGENCIES TO PAY FOR SERVICES RELATED TO THE IRRIGATED LANDS PROGRAM

This MOU is among multiple agencies for the purpose of collectively following the Long Term Irrigated Lands Program (LTILP) being implemented by the Regional Water Quality Control Board. The LTILP is the next level for State control over the water discharges from irrigated lands.

The multiple agencies are using the legal services of Somach Simmons & Dunn at a not-to-exceed cost of $1,100 per agency.

General Manager Steve Knell discussed the Memorandum of Understanding with the Board.

A motion was made by Director Clark, seconded by Director Alpers, and unanimously supported to approve the Memorandum of Understanding (MOU) with various water agencies to pay for services related to irrigated lands program.

DISCUSSION CALENDAR
ITEM NOS. 16, 17

ITEM NO. 16
DISCUSSION ON BUSINESS ITEMS AS THEY APPEAR ON THE TRI-DAM BOARD AGENDA FOR THURSDAY, AUGUST 19, 2010

This item is placed here for the Board to discuss Tri-Dam agenda items.

Director Alpers stated that the Tri-Dam Advisory Committee is meeting this afternoon at 2:00 p.m. He stated that because not everyone had received their Tri-Dam Board packets they should make their comments before the meeting on Thursday.

Tri-Dam General Manager Dan Pope was present at the meeting and gave the Board an update on Tulloch and Tri-Dam.

ITEM NO. 17
DISCUSSION ON IMPROVEMENT DISTRICT 46 MATTERS AS IT RELATED TO THE FAILURE OF THEIR WATER TANK

ID 46's water tank is failing. A leak has developed in the tank at a location which is not repairable. The age of the metal and the seam location of the leak make for a recommendation for the replacement of the tank. OID has sent a set of options to the ID 46

Committee for their review and direction. Bob Nielsen, Water Operations Supervisor-Water Utilities will be present to answer any questions.

There was a lengthy discussion regarding Improvement District 46 matters as they relate to the failure of their water tank.

ITEM NO. 18
COMMUNICATIONS

A. GENERAL MANAGERS REPORT

Safety Activities

1. 571 days without a lost-time injury accident.

Administration Activities

1. Still awaiting Mr. O'Laughlin to schedule Warren Contract meetings with the BOR. BOR not in any hurry.
2. TD Advisory Committee meeting held on August 2nd to address the Tulloch Project and the matters to be raised at the MWH meeting held August 5th.
3. Met with representative of SLDMWA and Westlands Water District in Sacramento on Friday the 6th. A follow up meeting is scheduled for August 13th. Issue being discussed is a cross valley conveyance project.
4. SDWA and CDWA have come out in support of Fish and Game's recommendation of maintaining 60% unimpaired flows from January-June as part of the Delta Outflow Committee Report. If anyone asks why there is farmer animosity between upper basin senior water right holders and junior water right holders in the delta, this is why.
5. Account Clerk interviews (6) were conduct last week. Posted only at Stanislaus State Business Department. Both response and quality of applicants was very, very good.
6. The GM will be on vacation from Friday, August 20th-Tuesday, August 31st. John Davids, District Engineer, will be in charge during that absence.

Contract and Special Project Activities

1. South Main Canal and Tunnel Projects – Still OID has not received any feedback from the Department of Labor concerning their complaint against Magorian Mine Services. Notice forward to legal counsel for review no feedback from legal counsel.
2. 2-Mile Bar Tunnel (CEQA & Engineering) – CH2MHILL completed the Mitigated Negative Declaration and it has been sent to the State Clearing House. CH2MHILL are responding to the public comments received. However, OID has received some comments from the USFWS and are addressing these comments about rare plant surveys and the staging areas as it impact the CTS mitigation. Still waiting on legal review of Reversal Clause in Deed of ownership advised this language was dissolved in the 90's but waiting on confirmation. The District has responded to the Marie Atherton Trust series of questions and the responses are being reviewed by the Marie Atherton Trust beneficiaries. Presently, the answers are acceptable to the Marie Atherton Trust but, they too want to know how OID intends to address Reversal Clause of the Deed. The Marie Atherton Beneficiaries were informed about the legal review in process for

the Hodgdon Enterprise property concerning the Reversal Clause. Before any further movement, the Marie Atherton Beneficiaries would like to know the OID's position on the Reversal Clause.

3. North Side Regulating Reservoir – All work has been completed.
4. Cashman Dam Rehabilitation Project – Project accepted on July 2, 2010 with the Notice of Completion approved by the Board on July 20, 2010 and the filing of the Notice of Completion on July 29, 2010. TCB Industrial finally provided the necessary documents for payments of Invoice #5 and #6. OID still holding payment for Invoice #7 due to lack of proper documents per contract. Still no work from TCB for settling the dispute. TCB has been notified they will not be allowed to bid on the Tri Dam Project Tulloch 3rd Unit or any OID work until the Dispute is resoved.
5. Contracts continue to provide input on the reporting format and the contract administration of the Tri Dam Project Tulloch 3rd Unit Addition.
6. The development of a Construction Administration Manual continued.
7. Contract Administration activities on contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.
8. The Contracts Manager's scheduled return is September 7, 2010.

Construction Activities

1. District crews and equipment operators are conducting routine summer maintenance and completing Job Set-up forms generated by the Water Department.
2. Preparing and conducting Employee Performance Evaluation's.
3. Attending landowner meetings in regards to upcoming Capital Projects for the upcoming construction season and for projects slated for next season.
4. Met with Steve Fields in regards to the fencing of the North Main. District crew has started the installation.
5. Written test for the vacant equipment operator test was conducted on July 28th, candidate's passing the written test will be scheduled for the practical exam.
6. Preparation has begun for the 2011 Budget.

Engineering Activities

1. V.A. Rodden – Meeting set-up with Bill Jackson for week of August 23rd to discuss findings of baseline biological report, water treatment options and ultimately the annexation process as a whole.
2. Ongoing project management with Provost and Prichard.
3. Joslin – Proceeding on parallel track with V.A. Rodden project from a CEQA standpoint.
4. Furtado Deep Well Site Project – DWR has responded and apparently there isn't a drillers log for the well in question. Working the Water Utilities on a list of options.
5. Honolulu Bar Mitigation Project – Still working the CVBFPB to modify conditions of permit.
6. Two Mile Bar Tunnel Project – TM concerning elderberries and final rare plant survey information sent electronically to USFWS on 8/13/10 as requested. Waiting for Letter of Concurrence before approving MND. Follow-up correspondence to Hodgdon Enterprises and Atherton Trust sent out last week concerning reversion clause and associated findings.
7. Willms Ranch – Working with Counsel and Ms. Savery as necessary.

8. Patterson Deed – Purchase Agreement to Water Committee for review this afternoon.
9. Fringe Parcel Analysis – To Water Committee this afternoon.
10. Knights Ferry – Alignment meetings being set-up with landowners in question. Continued negotiations with Ms. Boatright. Wills Lateral Public Comment on CEQA held today.
11. SCADA – Assisting Mr. Davis as necessary. Resolution reached on nearly all flow measurement issues. Minor construction work to be done this year.
12. North Main Canal Flow Measurement – Met with Patrick S. on 8/9/10. Currently reviewing winflume hydro and contacting SSJID for Sontek flow readings in SSJID main canal.
13. Boundary Flow Measurement – July data downloaded, processed and delivered to GM.
14. Honchariw – Staff/Counsel review of options.
15. Rubicon – All flow data has been submitted, working through selection of gates and civil design now. Weekly conference calls held Tuesdays at 4pm.
16. SBX7-7 – August meeting date not yet set.
17. SBX7-6 – JBD attended ACWA/DWR Workshop in Fresno on 8/10/10. Impacts to OID appear minimal, but waiting to see what DWR guidelines are for testing, reporting, etc.
18. Irrigated Lands – Conference call set-up for 8/31/10 to discuss PEIR.
19. Frymire Headgate – Continuing to work with Tri-Dam and Sierra Controls to put together a scope of work for moving control over to OID.
20. OID Engineering Department working on misc. designs for the 2010/2011 winter work season.
21. Processing numerous requests for information and CEQA - Early Consultation reviews.
22. STANCO Ground Water Exportation Ordinance – No update on second stakeholders meeting to date.
23. 2011 DRAFT budget preparation.
24. Standard Details – Final review complete. Final drafting occurring now. Expected completion date is within the next two months.

Water Operations Activities

Ag Water

1. Developing list of landowners and letter to be sent regarding private facilities tha need maintenance and repair this winter. Landowners will be put on the “Do Not Release Water List” until repairs are made.
2. 12 day rotations have begun. Water Department provided four 10 day rotations this season.
3. As of 8-11-10 there was 280 cfs in North Main, 420 cfs in South Main.
4. Continuing landowner meetings covering various issues, including reconnects.
5. Raul from Rubicon repaired the Albers 1 D7 gate on Friday, August 6. It is working well.

Water Utilities

1. Domestic Water Systems: Monthly Coliform Bacteria water quality samples were collected on Monday, August 2nd. No problems to report. All domestic water systems under OID’s jurisdiction are operating normally and with out restrictions.
2. Domestic Water Systems: Quarterly Nitrate water quality samples were collected on Monday, August 2nd. Results are still pending. No problems are expected.

3. Hillsborough Estates No. 2 Pumping Station: Title 22 water quality sampling results have been received. All items tested for are within acceptable limits the pumping station is operating normally. This test is performed every 3 years.
4. Improvement District No. 46: WUD staff continues to monitor the leaking 5,000 gallon water storage tank. Staff is waiting on the ID Committee to meet and decide on how to proceed. If the tank leak gets any worse the entire pumping station will have to taken off line leaving the system operating on only pump until a new tank can be installed. It will take approximately to 4 months to build and install a new tank. The Stanislaus County Department of Environmental Resources is aware of the situation and has ordered OID to collect additional random Coliform Bacteria water quality samples to ensure there is no system contamination as a result of the leak.
5. Furtado Well Site: The review of the information from the DWR has not provided any further information. It would appear that a new well can not be drilled at this site under the current conditions.
6. Continue to conduct weekly inspection and servicing of both the irrigation and domestic pumping stations. Other than the items listed above, there is nothing unusual or out of the ordinary to report.

Financing Activities

1. Interviewed 6 applicants for the Principal Account Clerk during the week of August 9th.
2. Routine accounting functions (AP, AR, PR, billing, reconciliation, etc.)

B. COMMITTEE REPORTS

There were no committee meetings.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Doornenbal
Director Doornenbal had no comments.

Director Clark
Director Clark had no comments.

Director Alpers
Director Alpers stated that the District needs to put up a disabled parking sign in the parking lot. He also stated that he has received several complaints from his constituents. He stated that the notification has improved, however, once they were told that they would receive water there was no water in the line due to the fact that it was still being used by the constituent up the line.

Director Alpers asked if the General Manager could use a few less abbreviations in his General Manager's Report and spell out the name.

Director Webb
Director Webb asked if Pat Stiehr did all the measurements for Tri-Dam and the District. General Manager Steve Knell stated yes. Director Webb asked if it would help if all of the gauges were the same. General Manager Steve Knell stated that all gauges have a measurement error, but it should not be 20 acre feet.

Director Bairos
Director Bairos had no comments.

At the hour of 11:04 a.m. the meeting adjourned to Closed Session.

CLOSED SESSION
ITEM NO. 19

A. ***Government Code §*54956.8** - Conference with Real Property Negotiator
Negotiating Parties: OID, SSJID, SLDMWA, Stockton East Water District, Westside Interests, EDF, Bay Area Interests, and Coastal Interests
Property: Water
Agency Negotiators: General Manager
Under Negotiations: Price and Terms

B. ***Government Code*** §54956.9(b) - Anticipated Litigation
Two (2) Cases

C. ***Government Code*** §54957.6 Conference with Labor Negotiator
Agency Negotiator: General Manager
Employee Organization: Confidential Employee

At the hour of 11:50 a.m. the meeting returned to open session.

President Al Bairos, Jr., stated that coming out of Closed Session the Board by a vote of 5-0 approved Provost & Prichard to perform an options study for conveying water across the valley to the Westlands Water District.

OTHER ACTION
ITEM NO. 20

The meeting adjourned at the hour of 11:51 a.m. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, September 7, 2010 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, August 19, 2010 at 9:00 a.m.** in the board room of the South San Joaquin Irrigation District, 11011 East Highway 120, Manteca, CA.

_____
Al Bairos, Jr., President

Attest:

_____
Steve Knell, P.E., Secretary