

MINUTES

Oakdale, California
January 20, 2004

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

Staff Present: Steve Knell, P.E., General Manager/Secretary
Gary Jernigan, P.E., Support Services Manager
Tom Laidlaw, Assistant Watermaster
Mike Hanf, Assistant Watermaster
Kevin King, Special Projects Coordinator
Kathy Cook, Chief Financial Officer/Treasurer

PUBLIC COMMENT

Mr. Laurens Foard commented on the performance evaluation of the General Manager which was included in today's closed session. He stated that a positive evaluation does not mean that a large salary increase is in order, it only means that the manager is doing the job that he is hired to do. Newest employees have to go through probation to see if they are ok at the job they are hired to do.

Director Clark questioned whether Mr. Foard anticipated the Board giving Mr. Knell an increase in salary or did he have some insider information? Mr. Foard stated that he did not have any inside information and was just stating facts. Mr. Foard stated that his point was that the Board needs to be careful on how they spend OID money.

ADDITION OR DELETION OF AGENDA ITEMS

There were no additions or deletions of Agenda items.

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

A motion was made by Director Alpers, seconded by Director Taro to move Item #16 to the first item on the action calendar.

**ITEM NO. 1
PRESENTATION – HIGHMARK CAPITAL MANAGEMENT, INC.**

Ms. Cori Farwell, Vice President with Highmark Capital Management, Inc. reviewed the 4th quarter investment portfolio. Ms. Farwell detailed the portfolio characteristics, sector profile, portfolio maturity profile, portfolio rating profile, and a performance summary.

**ITEM NO. 16
REVIEW AND TAKE POSSIBLE ACTION ON
ADDITIONAL WORK PROPOSED FOR THE
SOUTH MAIN REHABILITATION PROJECT**

On November 21, 2003, during tunnel rehabilitation work by the Johnson-Western contractors, a portion of the roof of Tunnel No. 9 fell out. Although no injuries occurred, subsequent inspection and consultation with mine safety personnel necessitated a change in the approach to rehabilitating this tunnel. Condor Earth Technologies came to the OID Board on December 16th and presented two alternatives for Board consideration regarding a change-order to the proposed work. The Board selected Alternative 1 which was an increase of \$600,000 to the original contract price.

The Board also directed Condor to return in January with a total project status cost. Condor stated that they would have a good handle on the completion costs at that time and the Board may wish to reconsider whether to proceed with Alternative 2 at that time.

Mr. Ron Skaggs of Condor Earth Technologies, OID's Construction Managers for the project, presented the details of the proposed change order and overall status of the project to the Board.

A motion was made by Director Alpers, seconded by Director Brichetto and unanimously supported to approve change order no. 3 and the additional expenditure of \$428,000 on Tunnel No. 9 (Alternative No. 2).

**ITEM NO. 2
COMMUNICATIONS**

A. GENERAL MANAGER'S REPORT

Resource Issues

1. Tri-Dam Projects
2. Groundwater Management

- a. A scope of work from Bookman-Edmonston was reviewed and approved at the last meeting for the consolidation of the local Groundwater Management Plans into a Regional Groundwater Management Plan.
3. Water Quality Issues-Ag Waiver
 - a. Little change from the State on the requirements. The issue of water user identification is still fluctuating.
 - b. The River Group has contacted URS to prepare a generic Monitoring, Reporting and Sampling (MRS) program to meet the April 1st deliverable for individual dischargers.
 - c. I attended the Stanislaus Coalition meeting held in Oakdale on January 13th. Director Taro was also present.
4. Water Quality Issues-Salt and Boron
 - a. Comments sent in on this proposed TMDL. Deadline was January 20th.
5. NAPA Proposal
 - a. January 22nd meeting cancelled.
6. State Fees for DODS and Diversions
 - a. OID received its billing for these additional fees and will pay same but under protest. Counsel to provide mechanism for this.
7. VAMP
 - a. The 2003 Report is being prepared.
8. Water Report
 - a. OID's rain gauge has accumulated 5.67 inches from October 1st to January 16, 2004, still a little shy of normal.

Current and Pending Resource Contracts

1. Hazard Assessment of North and South Main Canals
 - a. Mr. Nielsen and the GM did a drive through with Contractor and Condor personnel on January 12th.
2. Water Measurement Plan
 - a. Mr. King continues writing code for the measuring equipment.
3. Ag Water Management Plan-No activities to report
4. Water Resources Plan
 - a. GM met with Entrix and Psomas over the last few weeks on OID's planning effort.

Current Internal Activities

1. Reorganization Plan
 - a. Gary Jernigan has accepted the position of Support Services Manager and starts work January 19th.
 - b. John Davids has accepted the position of Assistant Engineer and will begin work on February 9th.
2. Hiring- No activities to report
3. Union Issues
 - a. Six policy changes have been sent to the Union for review.
4. Staff Training
 - a. January is IIPP training and PPE equipment use training.
 - b. Laidlaw and King attended a water use efficiency seminar at SLO.

- c. Most all supervisors and managers attended a special two-day training seminar for the ACWA/JPIA Supervisor Certification Program in Sacramento.
5. Community Activities-No activities to report
6. Staff Activities-No activities to report

Current Construction/Maintenance/Engineering Activities

1. The second vent repair on the Cape Horn Tunnel has been released to Cunningham Construction.

Domestic Water Activities

1. OID sent a water user notice to the ID 52 residents for a meeting on their well failure and options to consider.

Financial Activities

- i. The December 2004 Financial Reports will be included on the February 3, 2004 agenda in order to reflect year-end accruals.
- ii. The December 2004 Treasurer's Report is included in today's agenda.

Projects on the Table

1. Hirschfeld Lateral Project
 - a. On the agenda.
2. Mootz Drain-Dennis Edge
 - a. Met with Dennis Edge and believe have resolved most of his issues.
3. MID Drainage Agreement Review-No activities to report
4. Annexation-No activities to report
5. Burneyville Area of Riverbank-No activities to report
6. Mootz Lateral-Duane Roots-No Activities to Report
7. Ross Carroll Encroachment onto OID Lands
 - a. I received Mr. Ijams memo and will need to sit down with the Board to resolve the fair and equitable issue.
8. Burchell Hills/City of Oakdale bike path-No activities to report
9. Langum property acquisition
 - a. On the agenda.
10. Glines Pipeline
 - a. Still awaiting County approval to place pipeline in road shoulder.

Pending List of Jobs

1. Additional items being researched and to be added to this list.
 - a. Lower Cometa-Steve Kistler-No activities to report
 - b. Frobose Ditch-Bob Frobose-No activities to report
 - c. Brady Pipeline-No activities to report

Legal Activities

Mike Ijams

1. We believe the Cantel issue has been resolved and are awaiting a final response from their attorney.

Tim O'Laughlin

1. Water quality issues continue to dominate our conversations.

B. COMMITTEE REPORTS

Personnel Committee:

Director Frank B. Clark reported that the Committee met and will report during Closed Session today the Performance Evaluation of the General Manager.

C. DIRECTORS' COMMENTS

Director Brichetto:

- Director Brichetto questioned what OID is doing to curtail its operational spills. He further stated that he would like to see what the District has planned for operational spills for the upcoming irrigation season. General Manager Steve Knell stated that a workshop is being planned for the Directors and 10 Ditchtenders during February. During that workshop, the Board would express their desires and the Ditchtenders would tell the Board what was possible to do and what would not.
- Director Brichetto requested that he be kept abreast of the status on OID's approval of a weir board on Mr. Jim Mangante's property.

Director Webb:

- Director Webb stated that OID is spending a lot of money on the South Main and rightfully so because it needs a lot of work, but we need a presentation on what we are doing on the North Main.

Director Clark:

- Director Clark stated that as OID gets into a better financial position in the next two years with the increase in power sales that more could possibly be spent addressing issues on the North Main, but that the priority for the next two years will be the South Main rehabilitation.

Director Taro:

- Director Taro questioned the status of the hiring of a Watermaster as water season will begin shortly. General Manager Steve Knell stated that as he had reported to the board previously, OID will start the water season without a Water Operations Manager. The last two go rounds with the recruitment firm were not successful in finding a good candidate. Both Tom Laidlaw and Mike Hanf will coordinate the efforts of the water department during the next water season.

ITEM NO. 3
PUBLIC HEARING TO HEAR COMMENTS AND TAKE ACTION ON
CERTIFICATION OF A NEGATIVE DECLARATION FOR AN
NPDES PERMIT FOR THE APPLICATION OF VARIOUS AQUATIC HERBICIDES

In order for the District to continue its aquatic pesticide application program, the District must obtain a new General Permit. The Permit is regulated by the State Water Resources Control Board Statewide General National Pollutant Discharge Elimination System (NPDES) Permit for Discharges of Aquatic Pesticides. The permit requires that the District comply with the California Environment Quality Act (CEQA). Staff worked with the other members of the San Joaquin Tributary Association (SJTA) and the consultant URS Corporation to prepare an Initial Study of the proposed project. Based on the information in the Initial Study, staff has determined that the project could not have a significant impact on the environment. The Proposed Project is the continuation of an aquatic pesticide application the District has had since 1985.

The proposed Negative Declaration was posted by the State Clearinghouse on December 19, 2003 with the comment period closing on January 20, 2004 at the Board of Director's meeting. Based on the comments received to date and at the Board of Directors meeting, the Negative Declaration, the Certification of De Minimus finding and the Notice of Determination will be approved and the General Manager is authorized to sign the aforementioned documents.

No negative comments to the project have been received. A motion was made by Director Brichetto, seconded by Director Webb and unanimously supported to certify the Negative Declaration and authorize the General Manager to sign the Notice of Determination and certify the project De Minimus.

CONSENT ITEMS NO. 4, 5, 6, 7, 8, 9, 10, 11

ITEM NO. 4
APPROVE THE BOARD OF DIRECTORS' MINUTES OF THE
REGULAR MEETING OF JANUARY 6, 2004 AND THE
SPECIAL MEETING OF JANUARY 14, 2004

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 6, 2004 and the Special Meeting of January 14, 2004.

ITEM NO. 5
APPROVE OAKDALE IRRIGATION DISTRICT
STATEMENT OF OBLIGATIONS

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

ITEM NO. 6
APPROVE OAKDALE IRRIGATION DISTRICT
IMPROVEMENT DISTRICT STATEMENT OF OBLIGATIONS

A motion was made by Director Brichetto, seconded by Director Webb and unanimously supported to The Oakdale Irrigation District Improvement District Statement of Obligations.

ITEM NO. 7
APPROVE THE MONTHLY TREASURER'S REPORT
FOR THE MONTH ENDING DECEMBER 31, 2003

A motion was made by Director Brichetto, seconded by Director Webb and unanimously supported to approve the monthly Treasurer's report for the month ending December 31, 2003.

ITEM NO. 8
APPROVE PURCHASE OF REPLACEMENT
NETWORK PERSONAL COMPUTERS

As an element of the 2004 Capital Purchases budget, a Personal Computer Replacement Program was developed to facilitate the spreading of the costs for replacement over a 4 to 5 year period. The personal computers to be purchased in 2004 will replace those purchased in February of 1999 that are experiencing operational problems and causing productivity inefficiencies due to non-compatible software.

Staff recommended the replacement of six (6) current computers with six (6) Dell Optiplex GX270 computers at a cost of \$6,789. The 2004 budget amount is \$7,000.

A motion was made by Director Brichetto, seconded by Director Webb and unanimously supported to approve the purchase of replacement network personal computers.

ITEM NO. 9
APPROVE PURCHASE OF PERSONAL COMPUTERS FOR
ASSISTANT ENGINEER AND SUPPORT SERVICES MANAGER

Two new professional employees are anticipated in 2004; Assistant Engineer and Support Services Manager. The 2004 Capital Purchases Budget provides for the purchase of additional network personal computers.

The hiring of a Support Services Manager requires an additional network personal computer. The above recommendation is the same system as was recommended for the

District's replacement personal computers. The hiring of an Assistant Engineer requires an additional network personal computer; however it will utilize AutoCAD software. Therefore, the recommendation for the personal computer for the Assistant Engineer will mirror the AutoCAD personal computer purchased in November of 2004.

Staff recommended the purchase of one (1) Dell Optiplex GX270 at a cost of \$1,132, and one (1) Dell Precision 360 at a cost of \$2,254 for a total cost of \$3,386. The 2004 budget is \$3,300.

A motion was made by Director Brichetto, seconded by Director Webb and unanimously supported to approve the purchase of personal computers for the Assistant Engineer and the Support Services Manager.

ITEM NO. 10
APPROVE AMENDED ANNUAL REVIEW OF ASSIGNED VEHICLES

The Oakdale Irrigation District Vehicle Policy, Section 2.01, states that assigned vehicles may be authorized for use by specific employees on a full-time basis when it is determined to be in the best interest of the District. The General Manager must approve each assigned vehicle and such assignment shall be reviewed annually by the General Manager and the Board of Directors. The Board approved the below-listed vehicles at the January 6, 2004 meeting. After the January 6, 2004 the Water Utilities On Call Vehicle was added to the approved list.

<u>Position</u>	<u>2004</u>
General Manager	Yes
Support Services Manager	Yes
Assistant Watermaster	Yes
Assistant Watermaster/Pest Control Coordinator	Yes
Supervisor of Field Operations	Yes
Water Utilities Technician	Yes
 Added:	
Water Utilities – On Call Vehicle	Yes

A motion was made by Director Brichetto, seconded by Director Webb and unanimously supported to approve the Amended Annual Review of Assigned Vehicles.

ITEM NO. 11
APPROVE RESOLUTION TO CHANGE OAKDALE IRRIGATION DISTRICT'S POLICY FOR DISCLOSURE OF REIMBURSEMENTS TO DIRECTORS AND EMPLOYEES TO BE COMPLIANT WITH CURRENT STATE LIMITS

Director Clark requested this item be added to the agenda for discussion. Director Clark recommended amending the current policy to add the Board President to the approval

authority on the General Manager's expense reimbursements. This recommended change was italicized and highlighted on Page 1, Section 1c of the current policy.

A motion was made by Director Brichetto, seconded by Director Webb and unanimously supported to approve the Resolution to Change Oakdale Irrigation District's Policy for Disclosure of Reimbursements to Directors and Employees to be compliant with current state limits.

ACTION ITEMS
ITEMS NO. 12, 13, 14, 15, 16, 17, 18, 19

ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION ON ISSUANCE OF A
WILL SERVE LETTER FOR THE VAN KONYNENBERG SUBDIVISION
AS AN IMPROVEMENT DISTRICT

A Will Serve Letter was originally issued by OID on April 10, 1999 and extended another two years on March, 22, 2001 to the developer of the Van Konynenberg Subdivision. This extension of the Will Serve Letter expired on March 22, 2003. The developer is petitioning OID for reissuance of a Will Serve Letter so he may proceed with the installation of the subdivision as an Improvement District, once successfully completed.

The developer is to pay all costs related to the installation of the water system to OID standards. Upon successful completion, the District would assume trusteeship of the water system with all costs for operation, maintenance and repairs to be paid by landowners within the Van Konynenberg Subdivision.

Director Webb stated that if OID starts taking in improvement districts they would be sending this district back 50 years in time. The rural water systems managed by OID were set up to provide water, to manage the system and do repairs when needed. Director Webb detailed problems with improvement districts that are currently ongoing.

Director Alpers stated that the Water Committee met and felt that there was too much risk in owning the system and felt there was a lot less risk in managing the system. He further stated that he was in favor of taking this improvement district, but the problem in the past is that there was no money in the repair fund and improvement funds when a disaster hit. Director Alpers stated that before he voted for this motion he would like to be assured that ample funds are deposited so that reserves are there when needed.

Mr. Dave Romano appeared on behalf of the Van Konyenberg Subdivision and stated that the replacement fund would be available and also future replacement funds available when homeowner's associations are established for maintenance. He further stated that between the Van Konyenberg Subdivision, the DEH and OID he felt certain that a program could be worked out to provide enough money upfront in case something does happen. This is easily a resolvable problem which they would be happy to participate in. The county will not deem the application complete until OID agrees under certain terms to provide the service. The county will then approve the development after this is done.

A motion was made by Director Brichetto, seconded by Director Alpers to approve the re-issuance of the Will Serve Letter for the Van Konynenberg Subdivision as an improvement district and was voted as follows:

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

ITEM NO. 13
REVIEW AND TAKE POSSIBLE ACTION FOR
ISSUANCE OF A WILL SERVE LETTER FOR THE
HILLSBOROUGH ESTATES NO. 2 SUBDIVISION
AS AN IMPROVEMENT DISTRICT

A Will Serve Letter was issued by OID on August 7, 2001 to the developer of the Hillsborough Estates No. 2 Subdivision. This original Will Serve Letter expired on August 7, 2003 and on September 16, 2003 OID denied the Developer's request to re-issue the letter as part of OID's Rural Water System.

The developer is to pay all OID costs related to the installation of the water system to OID standards. Upon successful completion, OID to assume trusteeship of water system with all costs for operation, maintenance and repairs paid by landowners within the Hillsborough No. 2 Subdivision.

The Developer is now petitioning OID for consideration as to the issuance of a conditional Will Serve Letter for the creation of a new domestic water improvement district and for OID to act as Trustee for the Improvement District upon completion.

Director Clark questioned whether past issues with this developer had been resolved to the satisfaction of the District.

Director Clark recommended that the Domestic Water Committee meet regarding the formulation of a strategy to apprise these people of who owns the systems and what their responsibilities are so there can be no future misunderstandings. Director Alpers stated that he had asked Mr. Nielsen to address these issues at the ID 52 meeting to be held on January 28.

A motion was made by Director Brichetto, seconded by Director Alpers to approve the re-issuance of the Will Serve Letter for the Hillsborough Estate No. 2 Subdivision as an improvement district and was voted as follows:

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

ITEM NO. 14
REVIEW AND TAKE POSSIBLE ACTION ON A
RESOLUTION ADOPTING THE 2004 OID INVESTMENT POLICY

In accordance with California Government Code Section 53646 (a) (1), the Treasurer or Chief Financial Officer shall annually render to the legislative body of the local agency a statement of investment policy. The 2004 Investment Policy was submitted for Board approval with a suggested change by the Highmark Investment Firm.

The Highmark Investment Firm recommended the deletion of paragraph 2, section "g" (page 7 and 8) which limit the dollar amount permitted in government sponsored agencies. The Government Code does not limit the allocation to this sector; therefore, this section of OID's policy would be more consistent with the code.

A motion was made by Director Brichetto, seconded by Director Taro and unanimously supported to approve a Resolution Adopting the 2004 OID Investment Policy with the following addition to Page 6, Item No. 2 "All Finance Committee recommendations will be approved by the Board, if adopted" and delete "Upon direction of the Finance Committee."

ITEM NO. 15
REVIEW AND TAKE POSSIBLE ACTION ON RECISSION OF A
RESOLUTION AUTHORIZING THE GENERAL MANAGER
TO DECLARE DISTRICT PROPERTY AS SALVAGE

On February 4, 2003 the Board approved a resolution, . . ."granting the General Manager the authority to declare District property with a salvage value of less than \$10,000 as surplus, and that said property shall be sold at public auction or delivered to a salvage company".

After discussion at the January 6, 2004 Board meeting, it was determined that this should be brought before the Board for possible action regarding a resolution rescinding Resolution No. 2003-9 which had authorized the General Manager to declare District property with a salvage value of less than \$10,000 as surplus.

A motion was made by Director Alpers, seconded by Director Brichetto and unanimously supported to Rescind Resolution No. 2003-9 Authorization for 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.

ITEM NO. 17
REVIEW AND TAKE POSSIBLE ACTION ON THE
AWARD OF A CONTRACT FOR A PORTION OF THE
HIRSCHFELD LATERAL RECONSTRUCTION PROJECT

The District is rehabilitating a section of the Hirschfeld Lateral. This project is budgeted as a Capital Replacement item in the 2004 Budget. A portion of the Hirschfeld Lateral must be done before the water season begins and that portion has been released for bid by OID's engineering consultant. The bid opening was scheduled for Friday, January 16, 2004. The contractors invited to bid were Richard Townsend Construction dba RTC, D&M Backhoe, Teichert Construction and Cunningham and Sons.

A Bid Analysis was provided showing bids were received from RTC and Teichert; no bids were received from D&M Backhoe or Cunningham & Sons.

A motion was made by Director Brichetto, seconded by Director Webb and unanimously supported to approve the awarding of a contract for a portion of the Hirschfeld Lateral reconstruction project to RTC in the amount of \$85,000.

ITEM NO. 18
REVIEW AND TAKE POSSIBLE ACTION ON A
RESOLUTION TO ADOPT AN
IRRIGATION WATER SERVICE AGREEMENT FOR
LANDS OUTSIDE DISTRICT BOUNDARIES

Current Out-of-District water users are subsidized by OID rate payers. The new policy changes in the revised agreement address this inequity, as well as other changes in the policy. Addressing this issue will offset a \$25,000-\$30,000 (based on 2003 agreements) annual shortfall of OID services provided to non-district landowners.

The existing Agreement has been modified in order to be consistent with the District's Annexation Policy and to capture much of the regulatory changes that are occurring. The Board previously discussed this subject at their meeting held November 18, 2003. Based on this discussion and comments submitted by Board members, an Irrigation of Lands Outside District Boundaries Agreement was submitted for Board review and approval.

A motion was made by Director Alpers, seconded by Director Clark to adopt an irrigation water service agreement for lands outside district boundaries with the addition of the word "benefit", Page 2, No. 9, Line 1 – pasture without livestock **benefit**, and was voted as follows:

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

ITEM NO. 19
REVIEW AND TAKE ACTION ON ADDITIONAL WORK REQUIRED TO
REMOVE OIL TANKS IN OAKDALE IRRIGATION DISTRICT YARD

The Board approved cleaning work by Clean Harbors on the weed oil tanks, weed killer and sludge found larger quantities than anticipated. Due to this, additional work requiring Board approval will need to be completed to properly complete this project. The additional work is:

- An additional 200 gallons of weed killer were drained from the tank – the initial estimate was for 180 gallons;
- A 3” layer of sludge was found on the bottom of the tank that must be removed.
- Additional labor
- Additional equipment is required (a vacuum truck)
- Additional hazardous waste to be disposed

Initial inspections did not reveal the above. A change order was requested in the amount of \$5,139.00.

A motion was made by Director Taro, seconded by Director Webb and unanimously supported to approve additional work required to remove oil tanks in Oakdale Irrigation District yard in the amount of \$5,139.00.

DISCUSSION ITEMS 20, 21, 22, 23

DISCUSSION ITEM
ITEM NO. 20
DISCUSSION OF ATTENDANCE AT A
CSDA SEMINAR ON BOARD GOVERNANCE

This seminar is highly rated in the public sector and fills up quickly. All Boards members should acquire continuing education in this area. New Board members should be encouraged to attend if no previous training received.

After discussion, the Board requested that the General Manager research the possibility of in-house educational workshops for the Board and bring back for further action and/or discussion.

ITEM NO. 21
DISCUSSION OF ENHANCING OID'S IMAGE
WITHIN THE COMMUNITY

Director Clark requested this be added to the agenda to solicit Board input on this topic.

Director Clark stated that the District's image has been tarnished over the years with recalls, grand jury investigations, and articles in the newspapers. OID is a wonderful organization with great employees; OID has made a lot of strides in the last two years in trying to develop its employees and to instill in them good work practices, customer relations, etc. The Board itself has worked hard in trying to make things work as they should, but it seems that in spite of that OID's image as a water district in the central valley or the state is not what it should be. When an applicant for a job tells you confidentially that we are called the "Jokedale Irrigation District" it bothers him and it bothers OID employees. Director Clark stated that he would like to refer this to the Community Relations Committee to try and come up with some good solid goals and objectives and encompass those in the Strategic Plan. This might begin the process of enhancement of OID's reputation and the picture that the people in this community and the people in this industry have of the district. It is essential that OID do this. OID has to put behind it those things that happened in the past and move ahead and OID is not going to move ahead as fast or as well until this cloud is removed.

Director Clark requested that the Community Relations Committee meet with input from the Board and then bring it back to the Board for some specifics. Perhaps by June the 1st the Board would have some goals and/or objectives regarding this issue.

Director Alpers suggested that each Board member submit something to the Committee for review and discussion at their meeting.

Mr. Laurens Foard commented that OID should help the growers in the area to comply with the coalition and Ag water runoff.

Mr. Ken Krause commented that OID should deal with the constituents in an equitable manner and resolve problems in a way that benefits both the constituents and OID.

Mr. Dennis Edge commented that he would like to see OID go back to a more open form of government. There used to be a written correspondence section on the Agenda and as soon as this Board took office that disappeared.

ITEM NO. 22
DISCUSSION OF ESTABLISHING A
FUND/PROGRAM FOR ON-FARM WATER CONSERVATION IMPROVEMENTS

Director Brichetto requested that this be placed on the Agenda for discussion and provided examples of other districts' programs to help agriculture. With the Ag Waiver coming into effect, he suggested that OID provide partial funding for recovery systems, etc.

Director Webb stated that the Board would need to make a decision on whether or not they are going to have a regional recovery system or each farmer is going to recover their own water. Director Webb felt that this decision needed to be made before making the decision as to making loans to individual farmers for their recovery systems.

Director Alpers stated it is altruistic to say that OID is going to give farmers money when OID does not have the money. There are people in the district that put in their own total recovery systems; at least five had turned out to be better and more efficient and they got their money back within five years. They have not had problems with this drainage issue because they are not draining. Director Alpers stated that after the OID water measurement implementation is complete and the water resources plan is done that he would be in support of this, but not at this time. He felt that it is still a year or two away and that this would have to be incorporated into the budget as well for it.

Director Taro stated that one of the problems is that if each individual farmer kept his own water at home many lands in the lower reaches of this district that depend on that water would not longer get that drainage water.

General Manager Steve Knell stated that one of the questions that OID will be asked in the Water Resources Plan is what kind of irrigation district OID wants to be. This Board and the district are missing many of the very fundamental things that most irrigation districts already have and one is a service standard.

In the past the squeaky wheel gets the grease. When you get 5 or 10 people coming in here and complaining we seem to change our resources to satisfy those few, but we have 3,500 customers out there who have needs far different than those few that show up here and be a squeaky wheel about a certain issue. That is the thing that we want to get away from; we want to be a service provider for 3,500 customers, not 5.

Special Projects Coordinator Kevin King stated that there are many incentive programs that the NRCS does on cost-sharing for reclamation reservoirs at the end of a grower's field. They gave out a lot of money last year and are looking to do that this year. Those resources are also available through many other agencies other than just local irrigation districts.

Director Brichetto requested that this information be made available to landowners. General Manager Steve Knell stated that these types of information would be provided in the OID Newsletter which comes out in March.

DISCUSSION ITEM
ITEM NO. 23
DISCUSSION OF LANGUAGE CHANGE TO
OAKDALE IRRIGATION DISTRICT'S EXISTING POLICY FOR THE
REIMBURSEMENT OF EXPENSES TO DIRECTORS AND EMPLOYEES

Director Clark requested this item be added to the agenda for discussion. Director Clark recommended the amending of the current policy to add the Board President to the approval authority on the General Manager's expense reimbursements. The recommended change was italicized and highlighted on Page 1, Section 1, "c".

After discussion, the board recommended that this be added to the February 3, 2004 agenda as an action item.

At the hour of 11:55 A.M. a motion was made by Director Brichetto, seconded by Director Alpers and unanimously supported to adjourn the meeting until 1:15 P.M.

At the hour of 1:15 P.M. the meeting resumed. Director Clark stated that during Closed Session a Conference with Real Property Negotiator relative to the Langum property located at 12937 South Droge Road and the Performance Evaluation of the General Manager would be held.

At the hour of 1:20 P.M. a motion was made by Director Webb, seconded by Director Brichetto and unanimously supported to adjourn to Closed Session.

ITEM NO. 24
CLOSED SESSION

- A. **Conference with Real Property Negotiator** – California Government Code 54956.8 – After discussion, a motion was made by Director Brichetto, seconded by Director Alpers to inform Mr. & Mrs. Langum that OID would not pursue acquisition of the subject property for the purpose of development of a soil borrow site and reclamation facility. Said motion was voted as follows:

Ayes: Alpers, Brichetto, Clark, Webb
Abstain: Taro

- B. **Performance Evaluation of the General Manager** – California Government Code Section 54957 – After discussion a motion was made by Director Alpers, seconded by Director Webb to approve a raise in salary for General Manager Steve Knell in the amount of \$7,000 annually. Said motion was voted as follows:

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

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to adjourn the Closed Session and return to the Regular Meeting.

Director Clark announced that the purchase of the Langum borrow site would not be pursued by OID and that the General Manager would receive an increase in salary of \$7,000 annually.

At the hour of 3:00 P.M. a motion was made by Director Alpers, seconded by Director Webb and unanimously supported to adjourn to the next **regular Board of Directors' Meeting** to be held on **Tuesday, February 3, 2004 at 9:00 A.M.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA 95361.

The next regular Joint Board Meeting for the Tri-Dam Project is scheduled for **Thursday, February 19, 2004** at 9:00 A.M. at the South San Joaquin Irrigation District, 11011 East Highway 120, Manteca, CA.

Attest:

Steve Knell, P.E.
General Manager/Secretary