

MINUTES

Oakdale, California
August 19, 2014

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: Steve Webb, President
Herman Doornenbal, Vice President
Frank Clark
Al Bairos, Jr.

Absent: Jack D. Alpers

Staff Present: Steve Knell, General Manager/Secretary
Kathy Cook, Chief Financial Officer
Gary Jernigan, Contract/Special Projects Manager
Jason Jones, Support Services Manager
Eric Thorburn, Water Operations Manager
Bob Nielsen, Water Utilities Supervisor

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.

CONSENT ITEMS
ITEM NOS. 2, 3, 4, 5, 6, 7, 8, 9

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS' MINUTES
OF THE REGULAR MEETING OF AUGUST 5, 2014
AND RESOLUTION NOS. 2014-60, 2014-61,
2014-62, 2014-63, 2014-64, 2014-65, 2014-66, AND 2014-67

A motion was made by Director Bairos, seconded by Director Clark, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of August 5, 2014 and Resolution Nos. 2014-60, 2014-61, 2014-62, 2014-63, 2014-64, 2014-65, 2014-66, and 2014-67.

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

A motion was made by Director Bairos, seconded by Director Clark, 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 Bairos, seconded by Director Clark, 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 JULY 31, 2014

A motion was made by Director Bairos, seconded by Director Clark, and unanimously supported to approve the Treasurer and Chief Financial Officer's Report for the month ending July 31, 2014.

ITEM NO. 6
APPROVE LIFE INSURANCE RENEWAL

A motion was made by Director Bairos, seconded by Director Clark, and unanimously supported to approve life insurance renewal with Principal Financial Group.

ITEM NO. 7
APPROVE WAIVING OF BOND REQUIREMENTS
FOR THE FUEL TANK REPLACEMENT PROJECT

A motion was made by Director Bairos, seconded by Director Clark, and unanimously supported to approve the waiving of bond requirements for the fuel tank replacement project.

ITEM NO. 8
APPROVE REQUEST FOR NEW IRRIGATION
SERVICES TO A SUB-STANDARD PARCEL OFF
THE RIVERBANK PIPELINE (APN: 062-026-007 – AREIAS)

A motion was made by Director Bairos, seconded by Director Clark, and unanimously supported to approve the request for new irrigation services to a sub-standard parcel off the Riverbank Pipeline (APN: 062-026-007 – Areias).

ITEM NO. 9
APPROVE ENCROACHMENT PERMIT ON
THE SWEET PIPELINE (APN: 207-300-14 – DUGO)

A motion was made by Director Bairos, seconded by Director Clark, and unanimously supported to approve the Encroachment Permit on the Sweet Pipeline (APN: 207-300-14 – Dugo).

ACTION CALENDAR
ITEM NO. 10, 11, 12, 13, 14, 15

ITEM NO. 10
REVIEW AND TAKE POSSIBLE ACTION
TO APPROVE AG WATER RATE STUDY

At the July 15, 2014 meeting, the Board was informed that projected and anticipated revenues no longer meet the year to year expenses of the OID. OID will be drawing on reserves to backfill a \$5-\$6 million shortfall this year. With no changes in hydrology, that deficit will increase next year.

At the same time, OID has committed in its Ag Water Management Plan to adopt a volumetric measurement and billing structure in order to meet the requirements of Senate Bill x7-7 (SBx7-7). SBx7-7, called the Urban and Agricultural Water Conservation Act, enacted in November 2009. OID was in the midst of a \$32 million infrastructure upgrade when SBx7-7 was enacted and deferred its implementation to 2015 in its Ag Water Management Plan filed with the State. This bill adds a number of new water conservation mandates on irrigation districts that need to be incorporated into the District's budgeting process. These new costs need to be passed onto the water rate payers of OID.

Allan Highstreet, an agricultural economist with CH2M Hill, and Staff presented an Ag Water Rate Study Model that will be used to develop the new water rate upon selection of the rate structure. The Board directed the Finance Committee to meet with Staff and Mr. Highstreet to develop the rate structure and new water rate. Upon direction of the Finance Committee, the Board will see these recommendations today.

Staff provided a presentation on the new rate structure and water rate changes. Both changes will be presented in the context of balancing revenue projections and operating expenses of OID.

A motion as made by Director Doornenbal, seconded by Director Bairos, and unanimously supported to approve the Ag Water Rate Study.

ITEM NO. 11
REVIEW AND TAKE POSSIBLE ACTION TO APPROVE
RESOLUTION ADOPTING PROCEDURES FOR RECEIVING
AND TABULATING PROTESTS AGAINST AGRICULTURAL
WATER USER CHARGE INCREASES UNDER PROPOSITION 218

Proposition 218 (Prop 218) of the California Constitution requires the District to comply with certain substantive and procedural requirements prior to increasing the agricultural water user charges, which includes the consideration of written protest to such increases.

Typically ag water bills are mailed out to property owners mid-November each year. The following is a tentative Prop 218 timeline based on sending out bills in November.

- Notices to be mailed on or before August 31, 2014, more than 45 days prior to the date of the public hearing on the proposed charges.
- A public hearing will be held on Tuesday, October 21, 2014 at 9 a.m, at the District office prior to the adoption of the changed ag water user charges.
 - At the public hearing all protests against the proposed charges, prior to the close of the hearing, will be considered.

Notices are sent to owners of record of any parcel that is subject to the proposed charges. They may protest against the proposed charges by a signed written protest. The written protest must include

- A statement that is protesting or otherwise opposing the proposed increase in the ag water user charges that is the subject of the hearing;
- The assessor's parcel number or address of each identified parcel; and
- The printed name and original signature of the record owner of the identified parcel.

Protests submitted by email or facsimile will not be accepted as those do not contain original signatures. Only one protest will be counted per identified parcel.

Members of the public, Jeff Titus, John Brichetto, and Guy Stueve commented on the agricultural water user charge increases under Proposition 218.

A motion was made by Director Bairos, seconded by Director Clark, and unanimously supported to approve the Resolution Adopting Procedures for Receiving and Tabulating Protests Against Agricultural Water User Charge Increases Under Proposition 218.

ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION TO AMEND
RESOLUTION 2014-53 APPROVING MISCELLANEOUS
RATES AND CHARGES TO INCLUDE AG PUMP RENTAL USAGE CHARGE

The District provides many special services for individual or prospective customers. Because these services do not benefit all of the customers of the District the possibilities of inequitable service exists. The costs of these are recovered through and by way of charges related to the services provided. The State of California Water Code, Section 22283, provides that the District prescribe reasonable rules and regulations to carry out the provisions of the Section 22280 et seq.

On July 2, 2014, the Board adopted the attached Miscellaneous Rates and Charges for Special Services Policy and Study with the exception of the Ag Pump Rental Usage Charge. This charge was sent to the Water/Engineering Committee for review.

On August 5, 2014 the Committee met with staff to review the pump rental charge process. The Committee's recommendation is that there is no change to Ag Pump Rental Charge of \$425 plus the cost of power and operations & maintenance. The following clarifications to the policy were recommended:

1. Ag Pump Rental Charge to be assessed on the full cost of service for each time the deep well is rented.
2. Irrigation Purpose: One time rental per parcel(s) per landowner beginning the end of the irrigation season through December, and

One time rental per parcel(s) per landowner beginning January 1st to the beginning of the irrigation season.
3. Frost Protection: Beginning February 1st to the beginning of the irrigation season applications to be accepted on a first come, first serve basis.
4. The District reserves the right to refuse pump rental(s) as to not impede its operations and maintenance.

A motion was made by Director Clark, seconded by Director Doornenbal, and unanimously supported to Amend Resolution 2014-53 Approving Miscellaneous Rates and Charges to Include Ag Pump Rental Usage Charge.

ITEM NO. 13
REVIEW AND TAKE POSSIBLE ACTION TO
PROVIDE ONE ROTATION IN THE 2014/2015 IRRIGATION SEASON

The 2013/2014 irrigation season will end on or about September 30th. The end of the irrigation season ends OID's water availability for 2014 and all water delivered after September 30th will be charged to OID's 2015 water usage.

During the August 5th Board Meeting, public comment was received regarding concern that crop insurance would not be available to farmers with perennial crops without a post-harvest irrigation. Upon review of the 2006 USDA Crop Insurance Handbook, reasonable expectation of receiving adequate water supply to carry out a good irrigation practice must exist for insurance coverage to be available. Adequacy of water is based upon the water available from the irrigation water supply, soil moisture levels and snow pack storage levels.

Since surface water supply from OID is only available March 1st to October 31st of the irrigation season, landowners without a secondary source of supply (i.e. deep wells, on-farm reservoirs, etc.) have no guarantee of water deliveries either during or outside that time frame. It is solely each farmer's responsibility to secure a source of supply for any potential needs, both during and outside each irrigation season, or run the risk of suffering crop damage. Because of the potential for drought, and the loss of water from an irrigation district, this risk occurs each and every year. A backup water supply is essential to farmers of permanent crops in meeting that irrigation water requirement. OID's water supply reliability is 78%, or the threat of 1 in 5 years to have some water shortfall.

That said if the drought continues, next year could present some challenges to OID in meeting its full water supply needs. The attached spread sheet to this agenda report will be discussed in detail at the meeting. In short though, if the hydrology repeats itself and no reductions to the Bureau of Reclamation's (BOR) required flow releases from New Melones, come this time next year (August 1st of 2015) New Melones could have just 70,000 acre feet in storage.

OID and SSJID have requested that the BOR eliminate SEWD diversions to their essential drought demand of 10,000 acre feet; that no water to meet the dissolved oxygen requirement at Vernalis be made and that the October pulse flows be reduced to run-of-the-river flows. If that were to occur, New Melones could have 300,000 acre feet of storage and both districts could possibly make it to the end of September with minimal agricultural impacts. That's a tough call.

If the Board were to authorize the use of water in October and provide one rotation in the 2015 irrigation season it would be recommended that OID consider revising some of the voluntary fallowing programs OID has discussed in the past as options for farmers. Staff will address this option further at its September 2nd Board meeting.

Under an October rotation scenario it is anticipated that staff would drain the system after the last rotation; winterize for storm flows; check-in their tools, trucks and equipment; and report to work for the winter work season on Wednesday, October 15th.

Director Webb requested that this item be discussed again at the September 2, 2014 Board Meeting when the District will have a better idea of how the irrigation season is wrapping up and also to discuss following options as a means to help reconcile the possible water shortages that may occur next year.

A motion was made by Director Bairos, seconded by Director Doornenbal, and unanimously supported to provide one rotation in the 2014/2015 irrigation season.

ITEM NO. 14
REVIEW AND TAKE POSSIBLE ACTION TO AUTHORIZE
STAFF TO PREPARE AND RELEASE A REQUEST FOR PROPOSAL
TO SOLICIT FOR MANAGEMENT SERVICES FOR IMPROVEMENT DISTRICT NO. 41

Improvement District No. 41 (ID No. 41) has had issues with their wells for some time now. One well is totally out of service due to turbidity while the other is restricted to a flow rate of 150 GPM. ID No. 41 has been indecisive as to what direction they would like to proceed and it has become a problem for the District to manage the system. The situation has become extremely critical since 2009 when one of the two wells failed leaving the system without any redundancy or back up & out of compliance with State requirements.

The District has presented in the past to the ID members possible solutions to protect the members of ID No. 41 but to no avail. The latest attempt to find a solution was a vote on May 20, 2014 by the membership to approve a special assessment for the deposit required to begin the annexation process with the City of Oakdale. The assessment fee is \$375 per lot and was to be collected and paid before the annexation process can begin. As of August 12, 2014, 5 of the 37 members still have not paid the assessment and there is no indication when and if the assessment fee will be paid.

The District has advised the ID No. 41 Committee Members that the District does not have the resources available to address the possibility of a total system failure. The District believes ID No. 41 should obtain an organization with the resources to act upon and respond to a system failure. Therefore, Staff is requesting and recommends that the Board authorize Staff to draft and release a Request for Proposal to solicit a replacement for the District as trustee with the resources to manage any needs of ID No. 41 as they arise.

Committee Member Dan Langford with Improvement District No. 41 was present and requested the Board to give him an additional two weeks to try and resolve the issue with the outstanding assessment fees.

The Board agreed to table this agenda item for two weeks until the September 2, 2014 Board Meeting.

ITEM NO. 15
REVIEW AND TAKE POSSIBLE ACTION ON AUTHORIZING THE
GENERAL MANAGER TO SELECT AND EXECUTE A CONTRACT FOR
UNDERWRITING, BOND COUNSEL, AND INDEPENDENT PUBLIC
FINANCIAL ADVISOR SERVICES FOR A POTENTIAL ADVANCE REFUNDING
OF THE DISTRICT SERIES 2009 CERTIFICATES OF PARTICIPATION

Earlier this year, staff contacted Sutter Securities to get an update on the market for refunding the District's Certificates of Participation. At that time the market was not favorable. However, recently Frank Soriano with Sutter notified the District that the market is changing and that there may be an opportunity for the District.

Typically the worthwhileness of a refunding is a minimum of a 3% present value savings of the principal amount of the Refunding Certificates as well as the principal amount of the Certificates being refunded. In May, if the District would have been in the position to advance refund the present value savings would have been three times above the 3% minimum norm.

Since Mr. Soriano's letter, the market has fluctuated both favorable and unfavorable. In order for the District to take advantage of a favorable market it would need to be in a "pounce" position. The Finance Committee and Staff met with Mr. Soriano on August 12th to discuss possibility of the refunding.

Attached are proposals submitted by Mr. Soriano for the Board's consideration. Mr. Soriano will be present to answer any questions.

If the Board were in favor of the advanced refunding, one of the first steps to begin preparing for a refunding of bonds is to retain the services of a public financing team consisting of an underwriter, bond counsel, and an independent public financial advisor.

Underwriter

- Structure, market, and purchase the issue;
- Prepare analysis and assist in responding to questions during phases of the advance refunding process;
- Provide service necessary for the completion of financing;
- Prepare proforma cash flows and other quantitative analysis;
- Provide ongoing information to District staff and finance team regarding the status of financing; and
- Prepare materials and participate in presentations to rating agencies.

Bond Counsel

A Bond Counsel will provide the necessary legal services to issue the Bonds, including but not limited to:

- Providing an objective legal opinion with respect the authorization and issuance of debt obligations and whether interest paid is tax-exempt under federal and/or state regulations;

- Prepares authorizing documents and any other documents needed in connection with the issuance of the Bonds;
- Reviews use of proceeds to ensure compliance with applicable state and/or federal law and regulations;
- Prepares all documents and materials necessary to comply with all applicable “continuing disclosure” requirements for transactions;
- Participates in activities associated with rating agency and/or bond insurer reviews;
- Offers continuing legal advice, as needed, on issues related to the sale of the Bonds, any issues that arise post-sale, the trustee administration of obligations, and in particular, any actions necessary to ensure that interest will continue to be tax-exempt, arbitrage requirements; and
- Provides other legal opinions or advise as required.

Independent Public Finance Advisor

An independent public financial advisor that has no affiliation with any underwriter or investment banking firm and acts solely on behalf of the issuer of the bonds. The key role of an independent financial advisor is to serve as an advocate for the issuer and provide the issuer with the information necessary to make intelligent, informed decisions. Public agencies often use a financial advisor to:

- Prepare financing plans and studies;
- Develop transaction structuring options;
- Coordinate the bond issuance process;
- Serve as an issuer’s “Bond Market” expert; and
- Provide pre- and post-pricing analyses

A motion was made by Director Bairos, seconded by Director Clark, and unanimously supported to take no action at this time.

ITEM 16, 17 DISCUSSION

ITEM NO. 16 DISCUSSION ON BUSINESS ITEMS AS THEY APPEAR ON THE TRI-DAM BOARD AGENDA FOR THURSDAY, AUGUST 21, 2014

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

ITEM NO. 17 DISCUSSION / PRESENTATION OF WATER TRANSFER 101

A “Water Transfer 101” presentation was developed by the General Manager to better inform and educate OID’s constituents and the Oakdale community at large on the purpose, need and advantages water transfers have brought and can continue to bring to our farming area.

In light of other agenda items on today's Board calendar, and the potential for another less-than-normal winter, the 101 presentation is being presented today as a benchmark for further discussions on this subject matter going into next year.

Director Webb requested that the discussion / presentation of Water Transfer 101 be postponed until the September 2, 2014 Board Meeting.

ITEM NO. 18 **COMMUNICATIONS**

A. GENERAL MANAGERS REPORT

Safety Activities

1. OID has gone 466 days without a lost time injury accident.

Administration Activities

1. Working on Regional Water Treatment White Paper. CH2M Hill, Nick Pinhey and the GM met with most all cities during this period discussing their future water needs.
2. Spoke to the County's Ag Advisory Board on Monday the 4th regarding Water Transfers 101.
3. Met with the Union and employee representatives regarding wages and benefits.
4. Met with CH2M Hill's Allan Highstreet and the Finance Committee on the upcoming rate schedule change.
5. Met with Allen Stender and Robert Morris with Atlas Pacific on regional water issues.
6. Sent correspondence to the Bureau regarding the condition of New Melones going into next water season and recommending steps to address its shortcomings. GM will attend BOR meeting on Friday the 22nd to personally address this at a regional area meeting in Sacramento.

Contract and Special Project Activities

1. Two -Mile Bar Tunnel (CEQA & Engineering) – The public comment period ended on July 13, 2014 with very few comments received. Staff has completed all responses to the questions generated by the public and the Corps of Engineers (Corps). The Corps is waiting on the US Fish and Wildlife and the California State Historic Preservation Office to and concur with the Corps' findings. The Planning Department of the Corps is in contact with each of these agencies weekly for any questions and/or agreement. The FONSI, "will be issued shortly" per the latest correspondence from the Corps.
2. Beardsley Recreational Improvements-Phase I & II – The Beardsley Recreational Improvements Project contract work is completed. The final invoice for Phase II will be paid on August 27, 2014 at the completion of the 35-Day waiting period after the filing of the Notice of Completion. The FERC final report will be completed in the near future.
3. Paulsell Valley Rehabilitation Project – A second land owner meeting was conducted on June 26, 2014 to discuss the various tunnel options and project development. The third Landowner meeting is tentatively scheduled for the first week in September.
4. City of Oakdale Water Recycling Project – A project description was developed and reviewed. No work was performed on this period on this project,

5. Rubicon Expansion (TCC) Project – Project development continued to develop a project execution plan for funding, design, construction and commissioning. Discussions were held with GEI Engineering for the possibility of Grant funding. As soon as project plot plan(s) have been developed, GEI will review for possible grant funding. A Work Release will be brought to the Board for approval, once the drawings and execution plan has been completed, to proceed with the Grant Application. The grant application for an OES Grant is due in the first quarter of 2015.
6. Fuel Tank Replacement Project – A Pre-Construction Meeting was conducted on August 6, 2014. All documents were submitted except for the Bond. The bond was tentatively waived until the Board meeting of August 19, 2014 for approval. The plan is to start on or about August 26, 2014. The work will be completed in approximately two days. The contract completion date is September 5, 2014.
7. Contract Administration activities on contracts to be renewed and/or issued, Work releases, Request for Proposals and Change Orders for contracts are ongoing.

Construction Activities

1. C&M crews and equipment operators are addressing minor issues on OID facilities, routine maintenance tasks and JSF's generated by Water Dept. staff.
2. Preparing and conducting employee evaluations.
3. Reviewing project close out folders for this past winter's projects.
4. Reviewing and processing JSF's generated by Water Ops. Dept. staff.
5. Assisting Water Ops./Engineering Dept. with various assigned tasks.
6. Magnacide applications continue on District facilities: 8/5- Claribel Lateral & 8/6 – South Lateral
7. Pest Dept. staff and I attended a Vegetation Management class in Stockton on August 7th. Informative class on new products and their labels.
8. Received four applications for the in-house posting of Equipment Operator. The written test will be scheduled to occur upon GM approval.
9. Preparing draft Agreements for the potential borrow material site for GM's review.
10. Field review being conducted with Engineering/Water Operations Staff regarding upcoming future Capital Projects.
11. C&M crews began to install the electrical conduit for power to the deep well at the North Side Regulating Reservoir.
12. Landowner meetings will begin next week for the continuation of the Morrison Pipeline Project in Knights Ferry scheduled to begin next month.

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. Continued to process Encroachment and Ag. Discharge Agreements for Board approval.
3. The Service Contract for the new electrical service connection to the NSRR Deep Well is in the process of being updated by PG&E.

4. The next STRGBA meeting scheduled for August 7th was postponed to September 4th. A draft RFP is anticipated to be ready for review within the next few weeks.
5. Attended the Technical Advisory Committee (TAC) meetings on August 7th and August 13th. County staff has started to become receptive to the TAC recommendation of the formation of a new group (JPA, LGME, etc.) representing groundwater management countywide through cooperation and coordination of the GW management entities already in existence in each basin. Under this scenario the County is envisioned to participate as an equal partner and representative of the “white areas”. This idea is proposed to be presented to the WAC at their August 13th meeting.
6. Continued to process Request for Work Approvals, plans and cost estimates as needed for construction and maintenance projects.
7. Initiated landowner meetings with the C&M Manager and Engineering staff in order to finalize and/or proceed with construction plans and specifications for 2014-15 winter projects.
8. The Engineering Intern continued to assist in addressing any questions with the updated data provided to STORM staff for processing with the assistance of the SCADA/IT Coordinator.

Aq Water

1. Continued to research and respond to numerous miscellaneous irrigation and maintenance issues and inquiries.
2. SCADA integration and modification work continued on new and existing automated and remote monitoring sites.
3. The DSOs and Supervisors continued to work with farmers district-wide to document, reduce and address various irrigation and conveyance issues. Water diversions in comparison to last season have decreased by another 7,000 acre feet during the month of July. The diversions at Goodwin through the end of July have been a total of 32,000 acre feet less than they were last irrigation season.
4. The twelfth rotation of 2014 (thirteenth of the 2013-14 water year) began on or about August 12th. This will be a 14-day rotation and be followed by a 16-day rotation starting on or about August 26th.

Water Utilities

1. Improvement District No. 41:
 - Pumping Station No. 3 remains out of service due to high turbidity issues.
2. Improvement District No. 49 – Water Storage Tank:
 - The new water tank was placed into service on Thursday, July 31st.
3. Domestic Water Pumping Stations:
 - Staff continues to conduct weekly inspection, servicing and security checks of the pumping stations. There is nothing unusual or out of the ordinary to report.
4. Domestic Water Systems:
 - Staff continued performing annual inspection and testing of the backflow assemblies under OID’s jurisdiction.
 - Monthly Coliform Bacteria water quality samples were collected on Monday, August 4th. No problems were found, all domestic systems are operating without restrictions.

- Quarterly Nitrate water quality samples were collected on Monday, August 4th. No problems were found.
 - Chromium 6 water quality samples were collected on Monday, August 4th. Test results are still pending.
 - Quarterly VOC water quality sample was collected at ID 45 on Monday, August 4th. Test results are still pending.
5. On-Call Activities:
- Friday, August 1st, staff responded to an after-hours call from the water department regarding problems with the Thompson Drain Pump. The MCP was repaired and the pump was placed back into service.
 - Tuesday, August 5th, staff received several no water phone calls before 6:00 am. Problem was from by a PG&E power outage.
6. Irrigation Pumping Stations:
- Staff continues to conduct weekly inspection, servicing and security checks of the pumping stations. There is nothing unusual or out of the ordinary to report.
 - The Crawford River Pump was removed from service on Monday, August 4th, for motor bearing failure. It was returned to service on Tuesday, August 12th.

Financing Activities

1. Working on the 2015 Budget.
2. Met with Ag Water Committee to review the Pump Rental data on August 5th.
3. General Manager and CFO met with Finance Committee to review Ag Water Rate Study and Model, and potential advance refunding of the District's COPs on August 12th.
4. General Manager and CFO to meet with Eric Ulrich from the Knights Ferry Community Service District on August 15th.
5. General Manager and CFO met with OE3 on August 7th regarding the union contract expiring on December 31, 2014.
6. Working on new billing software implementation.
7. Routine accounting functions (AP, AR, PR, billing, reconciliations, etc.)

B. COMMITTEE REPORTS

Finance Committee Meeting, August 13, 2014

- District's Water Rate Structure
- Potential Refunding of Bonds

Ad Hoc Committee Re Greger Property, August 14, 2014

Director Clark stated that the Potential Refunding of Bonds was previously addressed on the agenda; and Director Bairos stated that the Water Rate Structures was also previously addressed on the agenda.

General Manager Steve Knell stated that the Greger Property would be discussed in Closed Session today.

C. **DIRECTORS' COMMENTS/SUGGESTIONS**

Director Webb

Director Webb stated there are some issues with Heather Hills that need to be addressed during the winter.

At the hour of 11:45 a.m. the meeting adjourned to Closed Session.

CLOSED SESSION
ITEM NO. 19

- A. Government Code §54957.6** – Conference with Labor Negotiator
Agency Negotiator: General Manager
Unrepresented Employee Organization: Operations Employees
- B. Government Code §54956.8** - Conference with Real Property Negotiator
Negotiating Parties: OID and Heritage Storage Facility
Property: Property Adjacent to and East of 795 Greger Street, Oakdale, CA (APN: 063-024-024, W. Greger Street, Oakdale, CA)
Under Negotiations: Price and terms
- C. Government Code §54956.8** Conference with Real Property Negotiator
Negotiating Parties: OID and Paulsell Valley Water Users, Westlands Water District, Regional Water Treatment Potential Recipients, Including, but not limited to Cities of Modesto, Turlock, Ceres, Oakdale, Riverbank and SFPUC
Property: Water
Agency Negotiators: General Manager and Counsel
Under Negotiations: Price and Terms

At the hour of 1:02 p.m. the meeting returned to open session.

Coming out Closed Session President Webb reported that by a vote of 4-0 the Board unanimously agreed not to enter into sales discussions on its Greger property.

OTHER ACTION
ITEM NO. 20

The meeting was adjourned at the hour of 1:02 p.m. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, September 2, 2014 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 21, 2014 at 9:00 a.m.** in the board room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, CA.

Steve Webb, President

Attest:

Steve Knell, P.E., Secretary