

MINUTES

Oakdale, California
December 18, 2012

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
Al Bairos, Jr.

Absent: Jack D. Alpers
Herman Doornenbal

Staff Present: Steve Knell, General Manager/Secretary
Gary Jernigan, Contracts/Special Projects Manager
John Davids, District Engineer
Jason Jones, Support Services Manager
Eric Thorburn, Water Operations Manager

ADDITION OR DELETION OF AGENDA ITEMS

There were no additions or deletions of agenda items.

ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE

There were no items taken out of sequence.

At the hour of 9:01 a.m. the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 1

Tom Orvis with the Stanislaus County Farm Bureau was present and stated that the Regional Water Quality Control Board was going to adopt the WDR (Waste Discharge Requirement) for the East San Joaquin Water Quality Coalition in Mid-January. He also discussed the Stanislaus County Groundwater Export Ordinance.

There being no further public comment, public comment closed at the hour of 9:09 a.m. and the Board Meeting continued.

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
DECEMBER 4, 2012 AND MINUTES OF THE SPECIAL MEETING
OF DECEMBER 11, 2012 AND RESOLUTION NOS. 2012-75 AND 2012-76

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of December 4, 2012 and Minutes of the Special Meeting of December 11, 2012 and Resolution Nos. 2012-75 and 2012-76.

ITEM NO. 3
APPROVE OAKDALE IRRIGATION
DISTRICT STATEMENT OF OBLIGATIONS

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

ITEM NO. 4
APPROVE IMPROVEMENT DISTRICT
STATEMENT OF OBLIGATIONS

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

ITEM NO. 5
APPROVE RENEWAL OF MEMBERSHIPS WITH VARIOUS
ORGANIZATIONS FOR 2013 (CALIFORNIA SPECIAL DISTRICTS
ASSOCIATION, CALIFORNIA WATER AWARENESS CAMPAIGN,
ASSOCIATION OF CALIFORNIA WATER AGENCIES, WATER
EDUCATION FOUNDATION, AND OAKDALE CHAMBER OF COMMERCE)

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve renewal of memberships with various organizations for 2013 (California Special Districts Association, California Water Awareness Campaign, Association of California Water Agencies, Water Education Foundation, and Oakdale Chamber of Commerce).

ITEM NO. 6
APPROVE SPONSORSHIP OPPORTUNITIES FOR
2013 WITH THE OAKDALE CHAMBER OF COMMERCE

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve sponsorship opportunities for 2013 with the Oakdale Chamber of Commerce.

ITEM NO. 7
APPROVE WORK RELEASE NO. 034 TO PROFESSIONAL SERVICES AGREEMENT 2009-PSA-015 WITH GIULIANI & KULL, INC. FOR CONSTRUCTION STAKING FOR TWO (2) TURNOUTS ON THE NORTH AND SOUTH MAINS FOR TRINITAS PROPERTIES

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve Work Release No. 034 to Professional Services Agreement 2009-PSA-015 with Giuliani & Kull, Inc. for construction staking for two (2) turnouts on the North and South Mains for Trinitas Properties.

ITEM NO. 8
APPROVE WORK RELEASE NO. 001 AND AMENDMENT NO. 002 TO PROFESSIONAL SERVICES AGREEMENT 2009-PSA-001 WITH PROVOST & PRICHARD FOR GENERAL ENGINEERING AND DESIGN SERVICES

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve Work Release No. 001, Amendment No. 002 to Professional Services Agreement 2009-PSA-001 to Provost and Prichard for General Engineering and Design Services.

ITEM NO. 9
APPROVE ENCROACHMENT PERMIT ON THE NIELSON DRAIN (APN: 015-003-015 – MODESTO IRRIGATION DISTRICT)

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the Encroachment Permit on the Nielson Drain (APN: 015-003-015 – Modesto Irrigation District).

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

ITEM NO. 10
REVIEW AND TAKE POSSIBLE ACTION ON AWARD OF BID(S) FOR THE 2013 FURNISHING AND DELIVERY OF GASOLINE AND DIESEL FUEL

Staff solicited bids from six (6) fuel vendors to furnish and deliver Gasoline and Diesel Fuel to Oakdale Irrigation District for the year 2013. The vendors were General Petroleum Corporation, George W. Lowry, Inc., E. R. Vine & Sons, Dickey Petroleum, Inc., W. H. Breshears, Inc., and Joe M. Gomes & Sons, Inc. Four (4) bidders responded with a bid, they were General Petroleum Corporation, George W. Lowry, W. H. Breshears, Inc., and E. R. Vine & Sons, Inc. The low bidder was W.H. Breshears, Inc. Bids were opened at 10:00 am on Friday, December 7, 2012.

Staff recommends award of bid to W. H. Breshears, Inc. based on providing the lowest qualified responsive bid and requests authorization for General Manager to execute General Services Agreement with W. H. Breshears, Inc.

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to award the bid for the 2013 furnishing and delivery of gasoline and diesel fuel to W. H. Breshears, Inc.

ITEM NO. 11
REVIEW AND TAKE POSSIBLE ACTION TO
ADOPT THE 2013 BUDGET AND ORGANIZATIONAL CHART

Staff presented the draft 2013 Budget and Organizational Chart at the Board's November 18, 2012 meeting as a Discussion Item. No changes have been made to the draft budget.

We are pleased to present this draft 2013 Annual Budget, as proposed by the District's Finance Committee and Management, for your approval. Budget development is a year-long process. It begins with tracking expenses on a real-time basis and comparing budget to actual expenditures.

Each Manager reviews and submits their respective budgets for manpower, materials, equipment, and proposed capital projects and purchases. There are five (5) main sections to the budget:

1. Revenues (page 2)
2. Expenditures (page 3, 7-10)
3. Capital Projects (pages 4)
4. Capital Purchases (pages 5)
5. Lease/Installment Payment Obligations (page 6)

Budget Basis for 2013: Maximize "belt-tightening" in all areas of operation while not jeopardizing the level or quality of service, any regulatory compliance and or future cost savings.

- Review each operating line item for cost reduction opportunities, while at the same time estimating the budget for the upcoming year based on historical experience rather than increasing it by an arbitrary percentage.
- All materials and supplies are to be purchased pursuant to the District's purchasing policy.
- All service, consultants, and construction contracts are to be entered into pursuant to the District's purchasing policy.
- All capital projects are grouped into categories tied to the District's Water Resources Plan (WRP).
- Only mission critical projects or WRP projects are to be placed on the Capital Projects Budget.
- Study projects will be pursued only if they are necessary to accomplish the objectives set by the Board and are intended to provide information, data, or analysis necessary to make sound and cost effective long term decision(s).
- No additional borrowing.
- Budget in advance those costs associated in the protection of the District Pre-1914 Water Rights.

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to adopt the 2013 Budget and Organizational Chart.

ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION TO APPROVE A RESOLUTION
ADOPTING THE OAKDALE IRRIGATION DISTRICT'S 2013 INVESTMENT POLICY

It is the policy of the District to invest public funds in a manner which will provide the maximum security with the highest return and to conform to all state and local statutes governing the investment of public funds. 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.

There were no changes to the draft 2013 Investment Policy as presented today.

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to adopt the Oakdale Irrigation District's 2013 Investment Policy.

ITEM NO. 13
REVIEW AND TAKE POSSIBLE ACTION TO APPROVE
RESOLUTION ADOPTING THE AG WATER MANAGEMENT PLAN

Oakdale Irrigation District's (OID) updated draft Agricultural Water Management Plan (AWMP or Plan) has been completed in accordance with the requirements of the Water Conservation Act of 2009 (SBx7-7). This AWMP updates OID's 2005 AWMP. The draft Plan was posted on the Oakdale Irrigation District website and/or available for purchase at the OID office starting on November 19, 2012. In an effort to gain public feedback and in accordance with Public Law 6066, notice to the public was provided in the newspaper on 11/19/12 and 11/26/12 and notification letters were sent to Cities and Counties in which OID delivers water. Comments were invited to be made through the OID website, sent to the OID office or at the Public Hearing on December 4, 2012. Staff is now requesting the adoption of the updated AWMP as currently drafted.

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Resolution Adopting the Ag Water Management Plan.

DISCUSSION
ITEM NOS. 14, 15, 16

ITEM NO. 14
DISCUSSION ON STATUS OF TUNNEL REHABILITATION PROJECTS

Contracts / Special Projects Manager Gary Jernigan gave a PowerPoint presentation on the status of the tunnel rehabilitation projects.

ITEM NO. 15
DISCUSSION ON BUSINESS ITEMS AS THEY
APPEAR ON THE TRI-DAM BOARD
AGENDA FOR THURSDAY, DECEMBER 20, 2012

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

ITEM NO. 16
DISCUSSION AND STATUS OF
TRI-DAM RESERVE POLICY REVISIONS

Staff was asked to place the current Tri-Dam Investment Policy on the agenda for Board Discussion. The attached are those policy items that have been approved by the Tri-Dam Board and are in effect until changed.

ITEM NO. 17
COMMUNICATIONS

A. GENERAL MANAGERS REPORT

Safety Activities

1. OID has gone 43 days without a lost time injury accident.

Administration Activities

1. Attended the ACWA Conference in San Diego December 4th-7th.
2. In court Monday, December 10th on a Settlement Hearing for the ID52 case. A hearing on all pending motions was held on the 11th. Results;
 - Depositions on this case will be concluded by January 10th.
 - OID's motion for Summary Judgment, scheduled for December 13th, as been postponed to January 31st.
 - The trial date of January 15th will be rescheduled
 - A Case Management Conference is scheduled for January 28th on scheduling a new trial date.
3. GM to speak at a Management / Operations Seminar in Phoenix on January 23rd and 24th. Seminar is for irrigation district general managers in the western states.

Contract and Special Project Activities

1. Two-Mile Bar Tunnel (CEQA & Engineering) – No action this period due to the Corps Personnel assisting Hurricane Sandy clean up. OID effectively has all the easements necessary for the new Two-Mile Bar Tunnel. The Corps of Engineers, Sacramento Section, has responded to the District request for a construction and tunnel easement by granting, in principle, the construction and operation easements on government land. However, the review process by the Corp of Engineers for the NEPA document and the Cultural Resource Assessment Report could not begin until a determination was received from the Corps of Engineers' Regulatory Section's review of the Wetlands delineation Report. The District has received a letter from the Corp of Engineers Regulatory Section confirming that the project is exempt from Section 404 of the Clean Water Act and does not require a Department of the Army permit. Now, the Real Estate

Section of the Corps of Engineers can begin the review process of the NEPA documents submitted.

2. New Office Project Development – No Action this period. All activity on hold.
3. Two-Mile Bar Tunnel Design Third Stage Exploration phase commenced on February 2, 2012. The field work was completed on May 18, 2012 with the core samples geological review was conducted on May 31, 2012. The Final Report has been completed and submitted to the District on December 7, 2012. As previously stated, the report is very thorough and contains all the geological investigations conducted since 2004 and both drilling operations from 2005 and 2012. This information will be essential for producing the Geological Baseline Report (GBR) and completing the final design.
4. North Side Regulating Reservoir Deep Well – The Contractor, Cal Water Drilling, completed its contract obligations on November 2, 2012 at which time the project was accepted by the District. The Bid Package for the Pump and Motor installation has been completed and sent out for bids. Bids are due January 7, 2013 with a recommendation being submitted to the Board for approval in the January 15, 2013 Board meeting. The Notice of Award is scheduled to be issued on January 18, 2013 and the Notice to Proceed on January 25, 2012 and a completion date scheduled for March 15, 2013.
5. MID Water Conveyance System – After the meeting with CH2MHILL on September 7, 2012, and the site visits on September 25th and 26th, CH2MHILL began the analysis for a reclamation basin, sizing of a pipeline to the Modesto Reservoir, and the possibility of a small regulating reservoir located at the Stowell Headgate as well as other projects. On December 3, 2012, CH2MHILL presented twelve (12) alternates for water conveyance. The various options were developed based on the discussions, information and present day status of the 2006 Water Resources Plan. In the December 3, 2012 meeting, CH2MHILL presented a cost for each of these alternates with a cost recovery schedule for each Alternate. Upon reviewing the information presented, CH2MHILL and the District were to review the information presented and provide some additional information. Also, CH2MHILL was advised, with District's Staff to 3 – 5 Options as to the best Alternates to pursue.
6. Water Resources Plan Update – As part of the December 3, 2012 meeting, CH2MHILL presented update to the analysis of the 2005 WRP to the 2012 WRP. There are some deviations but overall, the assumptions and the operational results were accurate. Now, once some refinement and some additional information is taken into consideration the WRP Update can be finalized. The District is required to provide an update on the CIP Projects to compare with the work initially scheduled in 2005 as to compared to the work completed up to 2013. Once the additional information and review process has been completed, the District and CH2MHILL will meet again and develop a path forward. The CH2MHILL Economist has taken the information from the original financial model as well as the revised information and developed a financial model for the District's use in aiding the District in developing a path forward.
7. Request for Proposal for emergency support for the Water Utilities Department has been completed and sent to Five (5) potential bidders. The due date is 3:30 pm on December 20, 2012. The recommendation will be present to the Board for approval on January 15, 2013.
8. Request for Proposal for IT Support on an "On Call" and/or emergency basis has been completed and sent to three (3) local bidders. The due date is 3:30 pm on December

- 21, 2012. The recommendation will be presented to the Board for approval on January 15, 2013.
9. South Main Failure Emergency Response Plan is being drafted to respond to a rock fall destroying a portion of the South Main. Depending on the extent of the damage a plan(s) will be drafted for a temporary repair to the South Main to resume operations as soon as possible and/or on a permanent basis by constructing the new Two-Mile Bar Tunnel on an emergency basis.
 10. District Standard Specifications – Work continues on the draft of the District’s Standard Specification and Contracts Manual. The draft continued as fill in work with four specifications being edited and completed
 11. Contract Administration activities on contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.

Construction Activities

1. Preparing and conducting employee evaluations.
2. Assisting Eng. Dept. with plan review of the Trinitas turnout projects.
3. David Shelley with Crane Care Operations met with the group of OID employees who are to become certified crane operators on Dec. 6th. The practical exam course was set up for employees to begin practicing on their crane operating skills prior to the training set for the week of Jan. 14th.
4. Cometa Lateral – Young Drop – Concrete has been placed in the liner section downstream of the structure. The site is ready for Rubicon Flume Gates.
5. Thompson Lateral – Concrete has been placed into the wall section of the structure. All forms have been stripped, backfill is complete and the site is ready for the Rubicon Flume Meter.
6. Hinds Lateral/Pipeline Project – Crews have completed the installation of the pipeline and are currently working on setting forms for the control structure.
7. Erlanger Structure Replacement – Crews placed concrete into the wall sections of the structure. Forms have been stripped, backfill is 95% complete and will complete the project after the turnout gates and grating arrives.
8. Diliberto Drop Rehabilitation Project – Crews have installed the RCP for the stilling well and continue to work on backfilling the structure and shaping for canal liner placement.
9. Wills Lateral Headgate Structure – Crews have saw cut and removed the concrete liner, excavation is complete and are currently working on form work for the structure floor.
10. Sweet Lateral – Crews have completed demolition of the existing liner, concrete has been placed into the floor section of the project and are currently working on forming the wall section of the project.
11. The remainder of OID forces are currently working on pipeline maintenance, splitting canal banks, crawling and patching pipelines and conducting canal gate inspections and replacements.

Engineering Activities

1. Honolulu Bar Mitigation Project – Second planting scheduled for 1/26/13. With respect to success of the project, FISHBIO reports that salmon are already spawning in the side channel. Good news!
2. SBX7-7 – Ongoing assessment with respect to compliance and how OID is going to address the anticipated cost of compliance.

3. Irrigated Lands Coalition – Continued participation at both the ESJWQC and Delta Coalition.
4. STRGBA – USGS Conference call held 12/11/12. Next call scheduled for 1/7/13.
5. Boatright – Progressing as required. To be discussed today in closed session.
6. Knights Ferry – Progressing as required. Draft Purchase and Sale Agreements sent to two parties. No response as of 12/11/12.
7. Ohe – Draft Easement Agreement prepared, delivered to Ohe, comments received and responded to by OID Staff.
8. Trinitas – LAFCO Resolution re-approved at the 12/11 Special Board meeting. LAFCO package complete and submission pending execution of final Annexation Agreement. Continuing to work with P&P on final construction drawings.
9. Rate Study – Reviewed with CH 12/3. CH to update and deliver working draft to OID for discussion by management team and Finance Committee as necessary.
10. CCWD – LGA Application submitted 7/13/12. No notice of award to date.
11. Fields Ranch – DRAFT Agreement prepared and delivered to Burden for preliminary review. No response as of 12/11/12.
12. Landuse Conversion – Continuing to work with landowners, tenants, irrigation design companies and Support Services/Water Operations concerning ongoing and future landuse conversion projects.
13. STANCO Groundwater Export Ordinance – 12/10/12 Ag Advisory Committee meeting held and noted that working group will be formed to continue work on ordinance. Evident that numerous discussions had taken place but no real progress had been made in moving it forward.
14. Engineering processing numerous requests for work approval and preparing designs for the winter work season.
15. JBD attended ACWA Conference in San Diego 12/4 → 12/7.

Water Operations Activities

Ag Water

1. Continued to research and respond to irrigation inquiries regarding new connection possibilities on parcels for sale throughout the District.
2. Continued storm water operations throughout the District as necessary.
3. Coordinated Sconza water conveyance and/or deliveries with C&M activities and private landowner requests.
4. Winter SCADA maintenance continued on all remote monitoring and automation sites.
5. Worked with PG&E to proceed with easement acquisition, finalization of the plans and contract documents for power supply to the NSRR Deep Well.
6. The Pest Department continued post-emergent weed control, began pre-emergent applications and continued squirrel control processes. Pest Department Staff also assisted in clearing brush and vegetation on windy and rainy days along District facilities in which access was becoming restricted.
7. Continued to work with the OID Contracts and Special Projects Manager as needed to progress with the south side outflow and MID conveyance analysis by CH2M Hill.

Water Operations Activities

Water Utilities

1. Improvement District No. 41:
 - Pumping Station No. 3 remains out of service due to high turbidity issues.
 - Continued to monitor small leak on the water storage tank at the Well No. 1 Station. The tank remains in service and under observation.
2. Domestic Water Systems:
 - Monthly Coliform Bacteria water quality samples were collected on Monday, December 3rd. No problems were detected. All domestic systems under OID's jurisdiction are operating without restrictions.
 - Performed bi-monthly exercising and flushing of each water distribution system's blow off valves and vacuum relief / air vents.
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.
 - Conducted monthly testing of the stand-by electrical generator in OID's Rural Water System #1.
4. On-Call Activities:
 - 5:15 pm on Thursday, November 28th, staff responded to call from the OPD asking for access gates to be unlocked to assist them in a police activity.
 - Saturday, December 1st, staff received a call regarding problems with an irrigation ditch in the Escalon area. Caller was given the Ag Water 24 hour phone number.
 - Sunday, December 2nd, staff received several calls regarding street flooding. Callers were told to call the City of Oakdale or Stanislaus County.
5. Irrigation Pumping Stations:
 - Staff continues to conduct routine inspection, servicing and security check of the pumping stations in use as winter drain pumps.
 - S. Main #2 Deep Well Pump – Finished master electrical disconnect switch installation.
 - Furtado Deep Well Pump – The new VFD motor canal has been installed and programmed.

B. COMMITTEE REPORTS

There were no Committee Meetings.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Webb

Director Webb stated that he attended a seminar on the Obama care while attending the ACWA Fall Conference in San Diego.

Director Bairos

Director Bairos had no comments.

Director Clark

Director Clark had no comments.

At the hour of 10:14 a.m. the Board moved to Closed Session.

CLOSED SESSION
ITEM NO. 18

- A. Government Code §54957.6 - Conference with Labor Negotiator**
Agency Negotiator: Board of Directors
Unrepresented Employee Organization: IBEW and All Employees of the
Tri-Dam Project

At the hour of 10:25 a.m. the Board returned to open session.

Coming out of Closed Session Director Clark reported that there was no reportable action.

OTHER ACTION
ITEM NO. 26

At the hour of 10:25 a.m. the meeting was adjourned. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, January 15, 2012 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, January 20, 2012 at 9:00 a.m.** in the board room of the Oakdale Irrigation District, 1205 East F Street, Oakdale, CA.

Frank Clark, President

Attest:

Steve Knell, P.E., Secretary