

MINUTES

Oakdale, California
July 20, 2016

The Board of Directors of the Oakdale Irrigation District invited all to recite the Pledge of Allegiance and then met in Special Session at the hour of 6:00 p.m. Upon roll call, there were present:

Directors: Steve Webb, President
Herman Doornenbal, Vice President
Gary Osmundson
Gail Altieri
Linda Santos

Staff Present: Steve Knell, General Manager/Secretary
Jason Jones, Support Services Manager
Kathy Cook, Chief Financial Officer/Treasurer
Eric Thorburn, Water Operations Manager

Also Present: Fred A. Silva, General Counsel
Kathy L. Monday, General Counsel

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 6:01 p.m. the Board welcomed public comment.

PUBLIC COMMENT ITEM NO. 1

Robert Frobose commented on the Confidential Memorandum that was released by the Board following Closed Session of the June 21, 2016 Board Meeting.

Deanne Dalrymple was present and thanked the General Manager Steve Knell for all of his years of hard work for the District. She stated that Director Santos was an elected official who should work and represent all of her constituents not just the ones that voted for her.

Unknown member of the public stated that if a Director wins by one vote they have the right to represent the District.

Tom Orvis on behalf of the Stanislaus County Farm Bureau stated that the Farm Bureau would be holding their hazardous material certification tomorrow. He stated that the CHP is doing the certification at their office in Modesto and it is free. Tom Orvis thanked Support Services Manager Jason Jones for all of his assistance with the School Farm Project. He stated that it is moving along very well. He also thanked Director Doornenbal for his donation and his assistance at the farm site. Tom Orvis also reminded the public that there is a Stanislaus County Water Advisory meeting next Wednesday, July 27, 2016 at 9:00 a.m.

There being no further public comment, public comment closed at 6:10 p.m.

Director Altieri requested that Item No. 2, 3, and 4 be pulled from the Consent Calendar.

CONSENT ITEMS
ITEM NOS. 5, 6, 7, 8, 9, 11

ITEM NO. 5
APPROVE AMENDMENT NO. 04 TO GENERAL
SERVICES AGREEMENT 2013-GSA-040 WITH HOLT OF
CALIFORNIA, INC. FOR REVISED HOURLY RATE SCHEDULE

A motion was made by Director Doornenbal, seconded by Director Santos, and unanimously supported to approve Amendment No. 04 to General Services Agreement 2013-GSA-040 with Holt of California, Inc. for revised hourly rate schedule.

ITEM NO. 6
APPROVE AWARD OF BID TO NETWORK BUILDERS IT FOR PROVIDING
INFORMATION TECHNOLOGY (IT) TECHNICAL SUPPORT AND
AUTHORIZE THE GENERAL MANAGER TO EXECUTE GENERAL SERVICES
AGREEMENT 2016-GSA-003 AND ANY SUBSEQUENT WORK RELEASES

A motion was made by Director Doornenbal, seconded by Director Santos, and unanimously supported to approve award of bid to Network Builders IT for providing information technology (IT) technical support and authorize the General Manager to execute the General Services Agreement 2016-GSA-003 and any subsequent work releases.

ITEM NO. 7
APPROVE AWARD OF BID FOR TWO (2) 16K
TILT-BED TRAILERS TO BONANDER TRAILER (BUDGETED)

A motion was made by Director Doornenbal, seconded by Director Santos, and unanimously supported to approve award of bid for two (2) 16K Tilt-Bed Trailers to Bonander Trailer (budgeted).

ITEM NO. 8
APPROVE PURCHASE OF ONE (1) NEW 60 GALLON
FIRE RATED CABINET FROM HD SUPPLY (UNBUDGETED)

A motion was made by Director Doornenbal, seconded by Director Santos, and unanimously supported to approve the purchase of one (1) new 60 gallon fire rated cabinet from HD Supply (unbudgeted).

ITEM NO. 9
APPROVE A ONE YEAR WAIVER OF OUT-OF-DISTRICT FEES FOR
ORANGE BLOSSOM PARK (APN: 010-027-007 – ARMY CORPS OF ENGINEERS)

A motion was made by Director Doornenbal, seconded by Director Santos, and unanimously supported to approve a one year waiver of out-of-district fees for Orange Blossom Park (APN: 010-027-007 – Army Corps of Engineers).

ITEM NO. 11
APPROVE ENCROACHMENT PERMIT ON THE BURNETT LATERAL
PIPELINE (APN: 006-003-044 – HENRY VAN DE POL AND HILARY VAN DE POL)

A motion was made by Director Doornenbal, seconded by Director Santos, and unanimously supported to approve the Encroachment Permit on the Burnett Lateral Pipeline (APN: 006-003-044 – Henry Van de Pol and Hilary Van de Pol).

The above consent items passed 5-0 by the following vote:

Ayes:	Directors Webb, Doornenbal, Osmundson, Santos, Altieri
Noes:	None
Absent:	None

CONSENT ITEMS
ITEM NOS. 2, 3, 4, 10

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS'
MINUTES OF THE REGULAR MEETING OF
JULY 5, 2016 AND RESOLUTION NOS. 2016-46 and 2016-47

Director Altieri requested that the Resolutions 2016-46 and 2016-47 be corrected to reflect the vote of Consent Item No. 5.

A motion was made by Director Santos, seconded by Director Alteiri, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of July 5, 2016 and Resolution Nos. 2016-46 and 2016-47 once Resolution Nos. 2016-46 and 2016-47 were corrected to reflect the correct vote of the Directors.

The above consent item passed 5-0 by the following vote:

Ayes: Directors Webb, Doornenbal, Osmundson, Santos, Altieri
Noes: None
Absent: None

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

Director Altieri had a question concerning the entry for Richardson & Company, LLP in the sum of \$11,667.50. Director Altieri asked if this sum included the \$2,000 that is being requested in Consent Item No. 4. Chief Financial Officer Kathy Cook stated that yes this sum is included; however, the check will not be released until the Amendment has been approved by the Board and signed by Richardson & Company, LLP.

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

The above consent item passed 5-0 by the following vote:

Ayes: Director Webb, Doornenbal, Osmundson, Santos, Altieri
Noes: None
Absent: None

ITEM NO. 4
APPROVE AMENDMENT NO. 02 TO PROFESSIONAL
SERVICES AGREEMENT 2013-PSA-001 WITH RICHARDSON
& COMPANY, LLP FOR REVISED FEE FOR THE 2016 ANNUAL AUDIT

Director Altieri requested that this item be pulled for discussion as it relates to Consent Item No. 3. Chief Financial Officer Kathy Cook stated that due to the implementation of GASB 68 additional fees were incurred that were not included in the original Professional Services Agreement.

A motion was made by Director Doornenbal, seconded by Director Santos, and unanimously supported to approve Amendment No. 02 to Professional Services Agreement 2013-PSA-001 with Richardson & Company, LLP for revised fee for the 2016 Annual Audit.

The above consent item passed 5-0 by the following vote:

Ayes: Directors Webb, Doornenbal, Osmundson, Santos, Altieri
Noes: None
Absent: None

ITEM NO. 10
APPROVE WAIVER OF OID PARCEL MAP POLICY DELIVERY
MEASUREMENT REQUIREMENTS AND APPROVE REQUEST FOR NEW
CONNECTION TO SUBSTANDARD PARCELS SERVED BY THE GRAY
PIPELINE (APNS: 010-010-034/035 – DONALD E. AND PATRICIA L. COOPER)

Director Altieri recused herself from this agenda item.

A motion was made by Director Doornenbal and seconded by Director Santos to approve the waiver of OID Parcel Map Policy delivery measurement requirements and approve request for new connection to substandard parcels served by the Gray Pipeline (APNS: 020-01-034/035 – Donald E. and Patricia L. Cooper), and was voted as follows:

The above item passed 4-0 by the following vote:

Ayes:	Directors Webb, Doornenbal, Osmundson, Santos
Abstain:	Director Altieri
Noes:	None
Absent:	None

ACTION CALENDAR
ITEM NOS. 12, 13

ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION TO AMEND THE
VOLUMETRIC RATE POLICY ADOPTED BY THE BOARD ON MARCH 1, 2016

A PowerPoint presentation was given by Steve Knell.

A motion was made by Director Webb, seconded by Director Osmundson, and unanimously supported to amend the Volumetric Rate Policy Adopted by the Board on March 1, 2016 and to bring back the Resolution Amending the Volumetric Rate Policy to the next Board Meeting scheduled for August 2, 2016 for adoption.

The above item passed 5-0 by the following vote:

Ayes:	Directors Webb, Doornenbal, Osmundson, Santos, Altieri
Noes:	None
Absent:	None

ITEM NO. 13
REVIEW AND TAKE POSSIBLE ACTION TO DIRECT STAFF TO
ADDRESS AN INQUIRY FROM STOCKTON EAST WATER DISTRICT
REGARDING A POTENTIAL WATER TRANSFER WITH SSJID AND OID

OID's Water Counsel has been contacted by SEWD Water Counsel expressing an interest in a water transfer with both SSJID and OID. SEWD has an interim supply contract with the

Bureau for M&I water out of New Melones. That contract ends sometime in early 2020 and there is concern that their interim supply may not be renewed due to the over prescription of New Melones for the UIF standard and WaterFix. That concern and others are driving these discussions.

Both OID and SSJID had a 10-year water transfer with SEWD beginning in 1999 that had two extensions and ended in 2011.

A motion was made by Director Santos, seconded by Director Altieri, and unanimously supported to authorize the General Manager and Water Counsel to address an inquiry from Stockton East Water District regarding a potential Water Transfer with SSJID and OID and was voted as follows:

Ayes:	Directors Webb, Doornenbal, Osmundson, Santos, Altieri
Noes:	None
Absent:	None

DISCUSSION ITEMS
ITEM NO. 14, 15, 16, 17, 18

ITEM NO. 14

DISCUSSION/PRESENTATION OAKDALE EDUCATION FOUNDATION

Theodore J. Thome on behalf of the Oakdale Education Foundation was present and thanked the District for its past donations and support and discussed how the money that is donated benefits the Oakdale Joint Unified School District.

ITEM NO. 15

**DISCUSSION/PRESENTATION ON TWO-MILE BAR TUNNEL
REHABILITATION PROJECT BY CONDOR EARTH TECHNOLOGIES, INC.**

Ron Skaggs of Condor Earth Technologies, Inc. gave a status / update on the Two-Mile Bar Tunnel Project.

ITEM NO. 16

**DISCUSSION ON OID VOLUMETRIC WATER DELIVERY TRACKING
PROCEDURES AND INQUIRIES DURING THE 2016 IRRIGATION SEASON**

Although mock volumetric water billing statements were issued throughout the 2015 irrigation season, volumetric billing in OID did not officially go into effect until the start of the 2016 irrigation season. The mock volumetric water billing statements were generated to allow water users to gain an understanding of what their water use was throughout the season and the associated costs incurred when volumetric water charges went into effect the following year. This process helped both the water users and OID's Finance and Water Department staff transition to the new process throughout the 2015 irrigation season. Many measurement questions were received during that time from both OID staff and/or OID's water users. These issues were able to be corrected or addressed throughout the season

and in other cases during the winter maintenance and construction period prior to the initiation of volumetric billing in the 2016 irrigation season.

The first volumetric water billing invoices for the 2016 water season were for the period March 1 to May 30th and payments were due on June 30th. As can be expected now that the volumetric rate has gone into effect, questions are continuing to be received after the issuance of the first volumetric billing invoice. During that period over 7,500 irrigation events occurred and a total of 54 inquiries that pertain to water operations were received and responded to. A summary of those inquiries received are as follows:

- 34 of the 54 total inquiries were from parcels that are 10 acres or less.
- 16 of the 54 total inquiries were from parcels that are between 10 and 40 acres.
- 4 of the 54 total inquiries were from parcels greater than 40 acres.

- 4 of the 54 total inquiries were related to incorrect parcel data in OID's Storm system.
- 20 of the 54 total inquiries were related to incorrect data input by DSOs (passed, flow rate or duration inconsistencies, etc.).
- 10 of the 54 total inquiries were related to volumetric apportionment processes (multiple deliveries on one turnout, ET calculations, etc.).
- 15 of the 54 total were related to flow measurement.
- 5 of the 54 total inquiries were miscellaneous water operations and delivery questions unrelated to volumetric billing.

- 15 of the 54 total inquiries were adjusted.
- 19 of the 54 total inquiries did not require any billing adjustment.
- 14 of the 54 total inquiries are still in the process of being reviewed.

ITEM NO. 17
DISCUSSION/PRESENTATION ON
SUSTAINABLE GROUNDWATER MANAGEMENT ACT

Water Operations Manager Eric Thorburn gave a PowerPoint presentation on the Sustainable Groundwater Management Act.

ITEM NO. 18
DISCUSSION ON BUSINESS ITEMS AS THEY APPEAR
ON THE TRI-DAM BOARD AGENDA FOR THURSDAY, JULY 21, 2016

This item is here for general discussion on items that appear on the Tri-Dam Agenda when it is made available.

The Board was also reminded that the Tri-Dam Board Meeting will be held at the Tri-Dam Project Office in Strawberry.

COMMUNICATIONS
ITEM NO. 14

A. GENERAL MANAGERS REPORT

Safety Activities

1. OID has gone 534 days without a lost time injury accident.

Administration Activities

1. Engaged nearly full time in legal matters pertaining to OID.
2. Continuing to preparing for the release of the Unimpaired Flow Standard from the State Water Resources Control Board. New release date is early August.
3. Court date on August 2nd for OID's Motion to Dissolve the Preliminary Injunction,
4. Court date on August 2nd regarding Motion to Produce Documents??
5. Court on August 9th for Demurrer Hearing on CEQA suit.
6. Lester Jenkins, Oakdale Police Chief's retirement party is July 22nd.
7. OID has received a letter from OE 3 to open contract negotiations for renewal of their labor that expires at the end of this year.
8. Director Altieri sent a letter to OID's insurance provider regarding coverage for her and Director Santos on the suit OID has brought against them. The JPIA's response is attached to the GM's report.
9. Working with CFO on background data for the refinancing of bonds as approved by the Board at the last meeting.

Legal Activities

1. Agee vs OID: Plaintiffs (Agee) lost in Superior Court. OID has filed a suit to recoup its attorney's fees. Waiting for hearing date to be set by the court.
2. OID is involved in a test claims case against the State of California's issuance of unfunded mandates, i.e. SBx7-7. The group is evaluating next steps after having a negative ruling by the court. Working with CSDA on next steps.
3. OID/SSJID vs the State Water Resources Control Board; this case is over the legal ability of the SWRCB to issue curtailment orders over senior water right holders, as was done in 2015.
 - a) Curtailment notice was outside the SWB's jurisdiction by regulating pre-1914 rights.
 - b) Curtailment notice violates the due process rights of curtailed parties
 - c) Curtailment notice violates the rules of water right priority
 - d) Curtailment notice was a decision not supported by substantial evidence; it was arbitrary and capricious
 - e) Curtailment amounts to a taking of property
 - f) Curtailment will result in an unreasonable use of water
 - g) Curtailment notice amounts to an unauthorized amendment to the water quality control plan
4. OGA/Brichetto/Frobose vs. OID:
 - a) This suit has taken a strange turn not normally seen in the legal arena. After Plaintiffs pressed for a TRO on these vital issues (April 4th) and then pressed for a Preliminary Injunction (April 18th), running up OID court costs as a result, they inexplicably dropped 4 of their 5 causes of action against OID on July 6th. OID attorneys had a case

management conference with Plaintiff's attorneys and they refused to reduce their court case against OID. Hence OID had to expend further funds in preparing defenses to all causes of action, only to find out that these actions will no longer be tried in court. As a result of Plaintiff's attorney's actions, OID will be seeking reimbursement from Plaintiffs for the public funds expended in preparing defenses for the causes of action they dropped.

- b) A Motion to Produce Documents was filed by Plaintiffs. Hearing set for August 2nd.
 - i. As an odd note, there is nothing in the legal profession known as a "Motion to Produce Documents."
 - ii. Plaintiff's attorneys have thousands of pages of documents OID has produced.
 - c) A Motion to Dissolve the Preliminary Injunction has been filed by OID. Hearing also set for August 2nd.
 - d) A Motion to Dissolve the Plaintiffs Preliminary Injunction in the OGA case to dismiss the case in its entirety is scheduled for August 9th.
 - e) A Mandatory Settlement Conference is scheduled for mid-August. No trial date set yet.
5. OID General Counsel secured a TRO against Directors Santos and Altieri. OID had asked them to excuse themselves from Closed Session due to a conflict they created by filing declarations against and in support of the OGA lawsuit. They refused to leave, leaving OID with little choice but to secure the TRO so it could strategize about its defenses in the case. A Preliminary Injunction hearing is set for September 21st.

Construction Activities

1. C&M crews and equipment are currently working on maintenance activities and JSF's completed by Water Dept. staff.
2. Assisting Water Ops./Eng. Dept. with various tasks and field review of potential projects.
3. Conducting Safety Coordinator tasks pertaining to all hands training, Safety Committee meetings and review of weekly tailgate safety meetings. Started to conduct CPR/First Aid/AED training to OID staff.
4. Conducting Contract Administration tasks pertaining to contracts that need to be renewed and work releases that need to be completed with the assistance of Lori.
5. Requested bids for janitorial services for the District offices. There is a mandatory walk through set for July 25th and bid closing date is August 9th. Upon closing of the bids, staff will review and present to the Board for award.
6. Currently working on specifications and bid packages for additional items included in the 2016 budget.
7. Conducting misc. landowner meetings in regards to capital projects and maintenance issues.
8. OID Pest Dept. continues to conduct magnacide applications to OID facilities to reduce aquatic growth issues.

Water Operations Activities

Engineering

1. Continued to process Encroachment and Ag Discharge Agreements along with field inspection during installation of the associated facilities.

2. Staff continued to work with landowners requesting deferred conditions of approval agreements, encroachment agreements and easements in accordance to OID's requirements for continued irrigation on recently completed lot line adjustments and parcel split projects.
3. Staff discussed the ACOE draft easement documents for the proposed tunnel as well as the 2-Mile Bar access road with ACOE staff. Final execution is anticipated in the next few weeks.
4. The second round of ET monitoring stations are scheduled to be installed on July 18th, July 20th and July 26th. The previously installed stations are continuing to actively collect data as part of the 2016 ETAW monitoring and measurement program.
5. Staff attended the ESJGBA meeting as well as the work group meeting that followed on July 13th. Many agencies have indicated their intent to likely form individual GSAs and anticipate confirming their intent and potentially having maps of their proposed GSA boundaries prepared by September for a complete mapping of the basin by SJ County staff.
6. The July 14th STRGBA meeting was cancelled. The next meeting is scheduled for August 11th.
7. Staff attended the July 14th TAC meeting at the Stanislaus Co. Farm Bureau offices. A presentation of the County's Workplan for the grant work related to the PEIR for implementation of the Stan. Co. GW Ordinance was presented and discussed.
8. The draft data submittal for the Additional Annexations and Fringe Annexations has been provided to LAFCO staff. Some comments and questions from LAFCO staff were received and addressed. These items are anticipated to be considered for approval at the August LAFCO meeting.
9. A draft City of Oakdale out of boundary service agreement with OID on behalf of ID 41 has been completed. A meeting with the ID 41 committee is scheduled for July 21st before the agreement is taken to City Council for approval.

Ag Water

1. Installation of a new SCADA tower on the southeast side of the District was initiated. A receiving antenna will be installed on the existing tower in OID's yard to establish radio communication from several sites around the new tower for integration into OID's existing SCADA system.
2. Staff continued to address water operations questions (i.e. flow measurement, hours, flow rate, etc.) after the first round of volumetric billing.
3. No announcements of grant application awards which include OID's application for the TCC Expansion Project have been made, but are anticipated any day now.
4. The Knights Ferry town pipeline was placed back in service again on July 14th after repairs were completed on the old concrete/steel section of pipeline.
5. The ninth rotation started on or about July 14th. This is a 12-day rotation and is anticipated to be followed by another 12-day rotation starting on or about July 26th.

Water Utilities

1. Improvement District No. 41:
 - Pumping Station No. 3 remains out of service due to high turbidity issues.
2. Domestic Water Pumping Stations:

- Monthly Coliform Bacteria samples were taken on Wednesday June 1st. No problems were detected.
 - ID 46 Pump #2 had a bad electronic sensor that helped regulate the flow of the pump. Don Pedro Pump Company came out on Monday July 11th and fixed the issue.
3. Domestic Water Systems:
- All water systems are operating without restrictions.
 - Performed quarterly blow-off valve exercising.
 - WUD has continued to test all backflow devices in accordance with our Cross Connection Control Policy.
 - Conducted inspections of all well head seals and continuing to replace them as needed.
4. On-Call Activities:
- There were no call outs to report.
6. Knights Ferry Pumping Station:
- a. On June 23rd the Knights Ferry Pump Station was reactivated to allow service to the WTP between repairs to the KF Town Pipeline as necessary.
7. Irrigation Pumping Stations:
- All of OID Ag pumps are operational.
 - WUD has been performing weekly routine inspection, servicing and security checks on the irrigation pumping stations. There was nothing unusual or out of the ordinary to report.

Finance Activities

1. Pulling data together for a potential refinancing the District 2009 Certificates of Participation.
2. Finance department busy answering questions regarding volumetric billing.
3. Preparation of the State Controllers Financial Report.

B. COMMITTEE REPORTS

There were no committee reports.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Altieri

Director Altieri asked when the full Board would have a discussion on the redistricting.

Director Santos

Director Santos had no comments.

Director Osmundson

Director Osmundson had no comments.

Director Doornenbal

Director Doornenbal had no comments.

Director Webb

Director Webb had no comments.

At the hour of 8:00 p.m. the meeting adjourned to Closed Session.

CLOSED SESSION
ITEM NO. 20

A. Government Code §54957 – Public Employment
Maintenance Supervisor

Directors Santos and Altieri left the Closed Session at the hour of 8:25 p.m.

B. Government Code §54956.9(d)(1) - Existing Litigation
Oakdale Groundwater Alliance; Frobose; Brichetto, et al. v. Oakdale Irrigation District, et al.

At the hour of 9:03 p.m. the meeting returned to open session. Directors Santos and Altieri returned to open session.

Coming out of Closed Session, Director Webb stated that there was no reportable action.

OTHER ACTION
ITEM NO. 21

The meeting was adjourned at the hour of 9:03 p.m. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, August 2, 2016 at 9:00 a.m.** in the board room at 1205 East F Street, Oakdale, CA.

The next Joint Board Meeting of the **South San Joaquin and Oakdale Irrigation Districts** serving the **Tri-Dam Projects and Tri-Dam Authority** and other joint business matters is scheduled for **July 21, 2016 at 9:00 a.m.** in the board room of the Tri-Dam Project, 31885 Old Strawberry Road, Strawberry, CA.

Steve Webb, President

Attest:

Steve Knell, P.E., Secretary