

MINUTES

Oakdale, California
June 3, 2008

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: Jack D. Alpers, President
Al Bairos, Jr., Vice President
Frank B. Clark
Tony Taro
Steve Webb

Staff Present: Steve Knell, P.E., General Manager/Secretary
Kevin King, Water Operations Manager
Gary Jernigan, Contract/Special Projects Manager
John Davids, District Engineer
Kathy Cook, Chief Financial Officer/Treasurer
Jason Jones, Support Services 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. 2

There being no Public Comment; Public Comment closed at 9:01 a.m. and the Board Meeting continued.

CONSENT ITEMS
ITEM NOS. 2, 3, 4

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS'
MINUTES OF THE REGULAR MEETING OF MAY 20, 2008
AND RESOLUTION NOS. 2008-19, 2008-20, AND 2008-21

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of May 20, 2008 and Resolution No. 2008-19, 2008-20, and 2008-21.

ITEM NO. 3
APPROVE OAKDALE IRRIGATION
DISTRICT STATEMENT OF OBLIGATIONS

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

ITEM NO. 4
APPROVE PROFESSIONAL SERVICES
CONTRACT FOR VARIOUS VENDORS
AND CONTRACTORS (GIULIANI & KULL, INC.)

A motion was made by Director Clark, seconded by Director Webb, and unanimously supported to approve the Professional Services Contract with Giuliani & Kull, Inc.

ACTION CALENDAR
ITEMS NOS. 5, 6, 7

ITEM NO. 5
REVIEW AND TAKE POSSIBLE ACTION TO
AMEND THE CONDITIONAL WILL SERVE
LETTER FOR A LOT SPLIT ON BLACK OAK
COURT IN IMPROVEMENT DISTRICT NO. 46

On September 5, 2006, the developer was issued an OID "Will Serve Letter" for a proposed new residential lot located at 9806 Black Oak Court (APN: 010-025-071). The new lot was to be created by splitting the existing oversized lot into two (2) smaller parcels. Both of these lots lie within the boundaries of the Improvement District (ID) No. 46 domestic water system. However, the ID 46 water system does not have the surplus capacity to supply the newly created lot with domestic water. Therefore, the developer is requesting this new lot be allowed to merge into OID's Rural Water System.

The Domestic Water Committee met on May 20, 2008 to discuss the request and the Committee recommended that this matter be brought to the Board for approval at the next Board Meeting on June 3, 2008.

A motion was made by Director Webb, seconded by Director Clark, and unanimously supported to amend the Conditional Will Serve Letter for a Lot Split on Black Oak Court in Improvement District No. 46.

ITEM NO. 6
REVIEW AND TAKE POSSIBLE ACTION
ON RECOMMENDATION OF THE WATER/ENGINEERING
COMMITTEE REGARDING OUT-OF-DISTRICT AGREEMENTS

At the May 6, 2008 Board of Directors meeting the Board voted to suspend all out of district service agreements effective May 31, 2008, with the exception of the Army Corps of Engineers and Manuel Conde. At that time the Board directed the staff to send out notifications of the Board's decision as well as set up a Water/Engineering Committee to discuss the decision with the Water Users and come up with a solution if possible. The notifications were sent on May 12, 2008 and the Water/Engineering Committee meeting was held on May 20, 2008.

The only out of district water users that the committee heard from were the following: Hoekstra Dairy, Golden West Nuts, and Charlie Smith. All others were non-responsive to the notification sent out on May 12, 2008 and therefore were not considered for re-activation of the agreement.

The recommendation of the committee is as follows:

Hoekstra Dairy – Allow the Hoekstra Dairy to continue to irrigate the out of District lands provided that they use their private deep well on a portion of their land within the District. The Hoekstra Dairy will forego irrigating approximately 120 acres of land within the District and continue to irrigate approximately 260 acres out of the District. The Hoekstra's in District annual water demand is approximately 720 acre-feet. The out of District demand is estimated to be 655 acre-feet. This arrangement is for the remainder of the 2008 irrigation season only and shall establish no precedence for future situations.

Golden West Nuts – Allow Golden West Nuts to continue irrigation on the 425 acres of ground outside the District boundaries, provided that they receive no irrigation water for 425 acres of ground within the District. Golden West Nuts would not be permitted to take water off the South Main Canal for their in district lands located to the south of the South Main Canal. This arrangement is for the remainder of the 2008 irrigation season only and shall establish no precedence for future situations.

Charlie Smith – Mr. Smith has no other means to exchange water with the District and therefore the District cannot meet his needs. The recommendation is no change from the May 6, 2008 Board decision.

The committee further recommended that all out of district water users be prorated back the water service fees that have been paid, with the exception of The Army Corps of Engineers and Manuel Conde.

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the recommendations of the Water/Engineering Committee set forth above.

ITEM NO. 7
REVIEW AND TAKE POSSIBLE ACTION
ON WATER CONSERVATION EFFORTS FOR
THE REMAINDER OF THE 2008 WATER SEASON

At the May 20, 2008 Board of Directors meeting a discussion item was placed on the agenda in regard to the possible surface water shortfall for the 2008 irrigation season. The Board referred the issue to the Water/Engineering Committee and encouraged staff to develop and send out a water user notice. A Water/Engineering Committee Meeting was held May 20, 2008 wherein this issue was discussed and a Water User Notice was mailed on May 23, 2008.

The committee recommended the following:

- Provide 12 Day Rotations through July – meaning there will be no 10 Day Rotations
- Provide updates to the Board at every Board meeting
- Contact SSJID regarding their 2008 water use projections
- Develop a survey letter to be mailed to Water Users to inquiry about private groundwater pumping capabilities
- Consider implementation of diversion limits at Goodwin Dam starting sometime in June

Staff will have an agenda item on all agendas for the remainder of the 2008 season, so that the Board can react quickly and direct staff to manage the water resources of the District as new information becomes available.

Bill Hummer was present at the Board Meeting and stated that the District is on the right track and everybody has to give and take. He feels that going to a 14-day rotation would be a stretch, but he sees no need in going to a 10-day rotation especially if the District would save water during a year like this.

A motion was made by Director Webb, seconded by Director Bairos, and unanimously supported to approve the recommendations of the Water/Engineering Committee set forth above.

COMMUNICATIONS
ITEM NO. 8

The General Manager Steve Knell introduced Jason Jones the District's new Support Services Manager to the Board of Directors.

A. **GENERAL MANAGERS REPORT**

Safety Activities

1. 40 days without a lost time injury accident.

Administration Activities

1. Legal Issues;
 - a. Goad –Another letter of requested changes came though. Items were addressed.
 - b. Knight's Ferry – no items to report
 - c. Chappell Drain- moving to reclaim relocated system
 - d. Clark Pipeline-looking at a quiet title action to secure rights
 - e. Moushilou v. OID: no items to report.
 - f. Ed Perez and OE3 vs. OID and Steve Knell: a demur hearing was held on May 6th.
2. Admin Issues;
 - a. Negotiations with SEWD – awaiting material from City of Stockton.
 - b. P.R. &R. review status – No activity
 - c. OUSD WET Program – No activity
3. Committee Meetings-upcoming
 - a. Two Water/Engineering Committee Meetings are pending.
4. Personnel
 - a. Jason Jones, Support Services Manager began work on May21, 2008

Contract and Special Project Activities

1. The Campbell Pipeline – Still operating without any apparent leaks. Letter sent to RTC with invoice for back charges and request for a warranty bond for future repairs. RTC responded with a request to address the Finance Committee. Letter sent back to RTC stating OID position and advising RTC can address the Finance Committee as soon as a date is confirmed.
2. Finalizing the 5-Yr WRP CIP plan based on the Board's direction. Will present to the GM the week of June 12, 2008.
3. Assisting Condor with preparing construction documents for the Cape Horn Tunnel Rehabilitation Project.
4. Working with the Land Owners for access to the Cape Horn Tunnel work this and the subsequent years.
5. CH2MHILL continuing to prepare documents for the Cape Horn Tunnel and the North Side Reservoir CEQA process.
6. Provost & Pritchard continued with the North Side Reservoir detail design phase of the project. Provost & Pritchard continues with the lot line adjustments for the site purchase during the discovery period.
7. Sent out RFP for the Arc Flash Hazard Analysis to several firms in the area.
8. Contract Administration activities on issued contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.
9. Project coordination with Engineering Consultants

Construction Activities

1. Routine C&M summer duties.
2. Trash pick-up on north and south sides.
3. Posted In-house for one (1) C&M Senior Position.
4. Working to fill various other vacancies within the Support Services Department.
5. Constructability review of 2008/2009 Capital Projects.

Engineering Activities

1. Ongoing Suspense Forms.
2. Board Agenda Report preparation.
3. Master Encroachment Agreement preparation and internal review.
4. OID Standard Detail Review.
5. Plan check and design review on Engineering in progress:
 - a. Albers I/II Split
 - b. Riverbank/Crane Split
 - c. Dry Creek/ South Split
 - d. Fairbanks Crossing at SSJID
 - e. Fairbanks/Cometa Split
 - f. Johnny Creek Headworks Rehabilitation Project
 - g. Riverbank/South Rehabilitation Project
 - h. Diliberto Long Crested Weir
 - i. Lone Tree Creek – ITRC Flap Gate Review
 - j. Burnett Lateral Rehabilitation Project
6. Service Standard Review
7. Performance Evaluation preparation
8. Continued North Side Reservoir project management.
9. CEQA preparation for Johnny Creek Rehabilitation Project
10. CEQA preparation for Riverbank/South Rehabilitation Project

Water Operations Activities

1. Currently on 12 Day Rotations
2. Water Operations Manager, Kevin King, was video interviewed by the Ag Water Management Council on June 2, regarding our automation and modernization project on the South Main. Video is being produced to demonstrate what progressive districts are doing.
3. Attended a DWR Grant Open House on June 2. OID submitted a grant application on behalf of the Stanislaus & Tuolumne Rivers Groundwater Basin Assoc.
4. John Scheftic, DSO, began work on Tuesday, May 20
5. Nate Erlenbusch, Temp DSO, began work on Thursday, May 22
6. Water User Notice was mailed to all Water Users on May 23. Currently receiving a lot of feedback from Water Users on areas where improvement is needed.
7. Conducting various landowner meetings
8. Coordinating with Support Services on repairs to the distribution system
9. Troubleshooting SCADA integration as situation arise
10. VAMP repayment to MID will resume beginning June 4 and go until the obligation has been met.

Finance and Accounting Activities

1. Begin preparation on 2009 budget.
2. Continue working on the Installment Sale Agreement – ID52
3. Blue Shield Insurance cards have been sent.

B. COMMITTEE REPORTS

Water/Engineering Committee

Tuesday, May 20, 2008 @ 1:00 p.m.

- Out-of-District Water Agreements (meeting with individual out-of-district water users)
- Harmelink Claim
- Sikkema
- Surface Water Shortage Policy

Director Webb reported on the Harmelink Claim and stated that the Committee recommended a site visit to Mr. Harmelink's property. Mr. Harmelink was sent a letter requesting him to contact the District when he is ready for the site visit.

Director Webb reported on the Sikkema matter and stated that Mr. Sikkema agreed to pay the necessary fees for an encroachment agreement for the pump house and to remove the rails from his fencing and remove the panels around the pump facility.

C. DIRECTORS' COMMENTS/SUGGESTIONS

Director Taro

Director Taro stated that he was pleased to see that the Water Committee went off the 14-day rotation. However, Director Taro does not think that there are very many crops that can survive with a 14-day rotation. He realizes that the District is short of water; however, a 10-day rotation would have been nice for about a month when the weather was hot.

Director Bairos

Director Bairos wished Kevin King, Water Operations Manager, good luck this season. He also asked about the water at the corner of Shell and Sonora Roads. Kevin King stated that it is a SSJID leak and they are unable to locate it. He stated that some of that water is being reused by OID at the Wills Pond.

Director Clark

Director Clark had no comments.

Director Webb

Director Webb stated that he has basically the same comment that he has been making over the last few months, and he is going to make the same comment with a different twist. Director Webb stated that he truly believes that the District's guarantee for dry water out of New Melones is being violated because of the way that the Bureau is managing the water out of there, especially water in the spring for water quality water, is not as agreed. He believes that the District's Water Attorney needs to send a letter stating that they are violating our agreement. General Manager, Steve Knell, stated that he would ask Tim O'Laughlin to comment on this issue when he next reports to the Board.

Director Alpers

Director Alpers agreed that we need to discuss the New Melones issue with Tim O'Laughlin. Director Alpers also commented regarding the purchase of water for \$2,000 per acre foot in Colorado. He stated that he sat down at his computer and tried to figure out what OID water is worth if somebody were to purchase OID personally and he came up with \$13,800 per acre. Director Alpers stated that of course this was a very rough calculation.

OTHER ACTION
ITEM NO. 9

At the hour of 11:25 a.m. the meeting was adjourned to the next **Board of Director's Meeting on Tuesday, June 17, 2008, at 9:00 a.m.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA 95361.

The next **Joint Board Meeting for the Tri-Dam Project** has been scheduled for **Thursday, June 19, 2008 at 9:00 a.m.** in the Board Room of the South San Joaquin Irrigation District, 11011 East Highway 120, Manteca, California.

Jack D. Alpers, President

Attest:

Steve Knell, P.E., Secretary