

MINUTES

Oakdale, California
May 5, 2009

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
 Steve Webb
 Frank B. Clark
 Tony Taro

Staff Present: Steve Knell, General Manager/Secretary
 Kathy Cook, Chief Financial Officer
 Gary Jernigan, Contract/Special Projects Manager
 John Davids, District Engineer
 Kevin King, Water Operations Manager

ADDITION OR DELETION OF AGENDA ITEMS

There were no additions to the Agenda

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. and the Board Meeting continued.

Director Webb requested that Item No. 8 be pulled from the Consent Calendar and Director Clark requested that Item No. 10 be pulled from the Consent Calendar.

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

ITEM NO. 2
APPROVE THE BOARD OF DIRECTORS' MINUTES
OF THE REGULAR MEETING OF APRIL 21, 2009
AND RESOLUTION NOS. 2009-29, 2009-30, AND 2009-31

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Board of Directors' Minutes of the Regular Meeting of April 21, 2009 and Resolution Nos. 2009-29, 2009-30 and 2009-31.

ITEM NO. 3
APPROVE OAKDALE IRRIGATION
DISTRICT STATEMENT OF OBLIGATIONS

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

ITEM NO. 4
APPROVE GENERAL FUND TRANSFER
TO DESIGNATED RESERVE ACCOUNTS

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the general fund transfer to designated reserve accounts.

ITEM NO. 5
APPROVE PURCHASE OF NEW
PRESSURE WASHER FROM D&D SPRAY

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the purchase of a new pressure washer from D&D Spray.

ITEM NO. 6
APPROVE GENERAL SERVICES
AGREEMENT FOR DENNIS WING TRUCKING

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the General Services Agreement for Dennis Wing Trucking.

ITEM NO. 7
APPROVE RESOLUTION ACKNOWLEDGING SOUTH
SAN JOAQUIN IRRIGATION DISTRICT'S CENTENNIAL

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Resolution Acknowledging South San Joaquin Irrigation District's Centennial.

ITEM NO. 9
APPROVE ENCROACHMENT AGREEMENT
ON THE RANEY PUMP PIPELINE (APN: 062-016-016 –LEV)

A motion was made by Director Bairos, seconded by Director Webb, and unanimously supported to approve the Encroachment Agreement on the Raney Pump Pipeline (APN: 062-016-016 –Lev).

ACTION CALENDAR
ITEMS NOS. 8, 10, 11, 12, 13,

ITEM NO. 8
APPROVE QUITCLAIM OF TAX DEED RIGHTS OF WAY
(APN: 132-047-067 – CENTRAL CALIFORNIA DISTRICT
ADVISORY BOARD CHURCH OF THE NAZARENE, A CORPORATION)

Director Webb asked why the District had not quitclaimed the reservations for tax deed rights of way on this piece of property until now. District Engineer John Davids stated that the District does not investigate each piece of property and it was discovered by the developer who did a title search of the property.

A motion was made by Director Webb, seconded by Director Clark, and unanimously supported to approve the Quitclaim of Tax Deed Rights of Way (APN: 132-047-067 – Central California District Advisory Board Church of the Nazarene, a Corporation).

ITEM NO. 10
APPROVE ENCROACHMENT AGREEMENT
ON THE CRANE PIPELINE (APN: 062-016-016 – LEV)

Director Clark stated that the District has an easement on this piece of property and this gentleman builds a fence and a gate on the easement. He asked what the difference is between this gentleman and the lady in Valley Home that built a fence on our easement and we advised her that she had to move the fence. District Engineer John Davids stated that the lady in Valley Home had just started to build the fence and this gentleman had built his entire fence without the District's knowledge. If the District approves this encroachment agreement it will give the District the right to remove the fence if and/or when it becomes necessary.

After further discussion a motion was made by Director Clark and seconded by Director Alpers to deny the request for an Encroachment Agreement on the Crane Pipeline (APN: 062-016-016 - Lev) and was voted as follows:

Ayes: Directors Webb, Clark, Alpers
Noes: Directors Bairos, Taro

ITEM NO. 11
REVIEW AND TAKE POSSIBLE ACTION ON FUNDING
CALPERS RETIREMENT PLAN'S UNFUNDED LIABILITY

The Finance Committee met on April 17, 2009 to review the effect of a lump sum payment to the unfunded portion of the District's CalPERS Employee's Retirement Plan.

The District, on an annual basis, pays 7.75% interest on this unfunded liability (debt) of \$1,661,232. OID's current rate of return on reserve investments is 0.5% with no outlook for greater returns in the near future. It makes sense to retire this debt, capture the benefits of reduced annual payments, and avoid long term interest expense.

Advantages of retiring this debt would be a reduction of future annual employer contributions of approximately \$230,000 and a savings of approximately \$410,000 in interest payments over the 9-year payment schedule.

The Finance Committee and Staff recommend that the District make a lump sum payment to fund its unfunded liability as shown on the attached CalPERS correspondence.

A motion was made by Director Bairos, seconded by Director Clark, and unanimously supported to approve funding the CalPERS Retirement Plan's Unfunded Liability.

ITEM NO. 12
REVIEW AND TAKE POSSIBLE ACTION
ON DRAFT 2009 REVISED BUDGET

As a result of the District's recent borrowing of \$33 million a draft of a revised 2009 Budget is being submitted for Board consideration.

Revenues increase by \$19.4 million due to the transfer of funds from bond proceeds (\$5.9 in reimbursement and \$13.5 in 2009 capital project funding.) Expenditures increased by \$12.8 million as a net result of:

- Bond interest expense of \$656,151
- Increase in Capital Projects funded by bond proceeds of \$13,347,000
- Increase in CalPERS retirement expense for a one-time lump sum payment towards the unfunded liability in the amount of \$1,661,300
- Reduction on "Pay-As-You Go" Capital Projects of \$3,033,000 (these projects are now funded by bond proceeds.)

A motion was made by Director Webb and seconded by Director Bairos to approve the 2009 Revised Budget and was voted as follows:

Ayes: Directors Webb, Clark, Alpers, Bairos
Noes: Director Taro

ITEM NO. 13
REVIEW AND TAKE POSSIBLE ACTION
ON GENERAL SERVICES AGREEMENT FOR THE
LEASING OF A FLEET GPS TRACKING SYSTEM

Staff solicited bids for the GPS Fleet Tracking System from seven (7) vendors. The seven vendors are Qualcomm Incorporated, Remote Dynamics, Inc., One Track, Inc., Advanced Tracking Technologies, Inc., Teletrac, Inc., Sage Quest, and Abbott Enterprises. The bids were received on April 17, 2009. Three proposals were received from, Teletrac, Inc., Qualcomm Incorporated and Abbott Enterprises.

Staff recommends award of bid to Teletrac, Inc. based on being the lowest qualified bidder meeting the District's requirements. The Qualcomm and Abbott bids were disqualified based on their inability to meet the District's specifications. Furthermore, Teletrac has proposed two options, a lease option and a purchase option. The advantage of a lease option is that Teletrac will provide software updates and support at no additional cost, whereas the purchase option charges for such services. In addition, the lease option has a \$1 purchase option at the end of the lease. Therefore, Staff recommends awarding the bid to Teletrac, Inc. with the selection of the lease option.

A motion was made by Director Webb, seconded by Director Alpers, and unanimously supported to approve the General Service Agreement for the Leasing of a Fleet GPS Tracking System.

DISCUSSION ITEM
ITEM NOS. 14

ITEM NO. 14
DISCUSSION ON THE
STATUS OF THE 100-YEAR CELEBRATION

The Board will be updated on the status of activities surrounding the 100-Year Celebration.

General Manager Steve Knell updated the Board of Directors on the status of the 100-Year Celebration.

ITEM NO. 15
COMMUNICATIONS

A. **GENERAL MANAGERS REPORT**

Safety Activities

1. 127 days without a lost time injury accident.

Administration Activities

1. Meeting with SSJID and TD GM's to review submitted Applications for Mr. Felte's position.
2. Submitted 6 job offer letters for 1 DSO and 5 C&M workers.

3. OID's contract for uniform services is up in June. Arranging meetings with staff on renewal options. Shorts?
4. First Employee's Newsletter went out with paychecks last week.
5. Meeting with Clint Walker on Lubbers matter Monday, May 4th.
6. Will be attending a USCID Planning Meeting in Sacramento May 5th in the afternoon.
7. City of Oakdale is hosting a Community Wide Public Forum on the City's financial situation May 7th at 6:30 at the Gene Bianchi Ctr.
8. SJ County Farm Bureau is hosting their annual dinner May 8th in Stockton.
9. Knights Ferry trial scheduled for May 12th – 15th. Large time commitment to this trial.
10. Oakdale Chamber of Commerce Chocolate Festival May 16th and 17th.
11. ACWA May 19th-22nd.
12. May 26th is SSJID centennial celebration.
13. Memorial Day is May 25th and OID's offices will be closed.

Contract and Special Project Activities

1. Cape Horn Tunnel – Final Contract Modification closing out the contract with Drill Tech is in preparation.
2. Little John Creek Dam Project – Final control installation to be completed by Sierra Controls for the SCADA system once the agreement has been signed by Brunkard for access to the signal relay tower. Final Contract Modification closing out the contract with Teichert Construction is in preparation.
3. Riverbank/South Main – Final Contract Modification closing out the contract with Sierra Mountain Construction is in preparation.
4. Fairbanks/Cometa Control Structure Rehabilitation – Final Contract Modification closing out the contract with Teichert Construction is in preparation.
5. Fairbanks/SSJID Main – The final invoice with remaining lien releases has not been received from Preston Pipeline.
6. South Main Canal and Tunnel Projects (CEQA) – The CH2M HILL CEQA team conducted the initial site investigation on February 12, 2009 followed up with a Biological Site Investigation on February 19, 2009. The initial Cultural Investigation was conducted on March 3, 2009 and another detail review of the area downstream of Wilms Road previously identified as a potential burrowing animal site was conducted on April 23, 2009. The last review by a certified biologist determined these areas would not present an issue for mitigation. The determination for the projects from Goodwin Dam to 2-Mile Bar (Segment I) and from Tunnel #7 to the second Concrete Flume downstream of Tunnel #7 (Segment II) will fall under a Category Exemption. CH2MHILL is in the process of completing and filing the necessary paperwork for the exemption.
7. South Main Canal and Tunnel Projects (Engineering) – Condor continues with the design and document completion to 100% for the South Main from Goodwin Dam to 2-Mile Bar (Segment I) and from Tunnel #7 to the second Concrete Flume downstream of Tunnel #7 (Segment II). Condor is also performing some preliminary engineering to support CH2MHILL on the CEQA evaluation on the 2-Mile Bar Tunnel. Condor conducted field investigations on section from Tunnel #7 to the second Concrete Flume downstream of Tunnel #7 (Segment II) for the final design and document preparation for the Bid Package. The bid package is being prepared now and will be completed for May 15th distribution for review. Bids will be sent out by June 15, 2009 to support an award date at the end of August, 2009.

8. Lessons Learned meetings in progress with Provost & Pritchard and Giuliani & Kull on the engineering and construction management of the recent projects.
9. Bids were received for the two RFP's sent out in March and April, one RFP is for the GPS system to be installed on the District Vehicles and the second RFP is for District Uniforms.
10. Contract Administration activities on issued contracts to be renewed and/or issued, Work Releases and Change Orders for all contracts.
11. Organizational plan is being assemble for all the project coordination for 2009/2010 projects.
12. Project coordination with Engineering Consultants.
13. Construction Management and Contracts Administration manuals being developed.
14. Contract Management course being prepare for OID personnel.

Construction & Maintenance Activities

1. Review of Job Set Up Forms
2. Various Landowner Meetings
3. Preparing Employee Evaluations
4. Assisting Engineering Department with constructability review of 2009/2010 Capital Improvement Projects.
5. On-going review of potential dirt sites.
6. Completed maintenance repair on Lynn Chappel's turnout on the Tulloch Lateral on Tuesday, April 28th.
7. Completed inspection and patch work of the Consoli/Lane Pipelines on the Hansen property on Wednesday, April 29th. Approximately 160lf of 24" CP will need to be removed and replaced with 24" PVC pipe.
8. Received a check from the State of California for \$74, 052.68 for reimbursement of the Air Resources Board Grant for the emission's particulate filter placement on three pieces of District equipment.
9. Will be attending a Hazardous Materials First Responder Operations Class May 5th thru May 7th in Modesto.

Engineering Activities

1. Working with V.A. Rodden on Lease Agreement for Phase I facilities, scope development for Phases II and III per the Board approved V.A. Rodden Agreement, Annexation per V.A. Rodden Agreement and outgoing construction issues associated with Phase I work.
2. P&P working on 50% design drawings for 2009/2010 Capital Projects.
3. Continuing to work with USACOE and USFWS as it pertains to environmental mitigation. DRAFT BO submitted to USFWS on 4/27/09. DRAFT Mitigated Negative Declaration was completed and mailed to the State Clearing House on 4/29/09.
4. Performing research of APN files and facility files for the 2009/2010 Capital Projects.
5. Setting up landowner meetings for the 2009/2010 Capital Projects.
6. Letter sent to Mr. Hansen for his illegal pump encroachment. Support Services has determined that approximately 160 LF of pipe needs to be replaced through the Hansen Property. Those leaks that could be addressed were addressed.
7. Water Committee meeting on 5/4/09 to discuss Willms Ranch Proposal.
8. Met with Condor on 4/29/09 to discuss Main Canal projects for this winter.

9. Brady Pipeline Encroachment Agreement for John Brichetto has yet to be signed by John and his wife.
10. Assistant Engineer, Eric Thorburn took his Professional Engineers exam on 4/24 and 4/25. Results should be here in about 13 weeks.
11. Ongoing project status meetings with Provost and Prichard, Inc.

Water Operations Activities

1. Processing out of district service agreements
2. Rotation 4 started on April 26th and will be a 14 day rotation. 12 day rotations will begin on May 10th.
3. Participated in a SJ River Salinity & Flow objective workshop on April 22nd in Sacramento.
4. Attended an Ag Water Management Council meeting on April 22nd in Sacramento.
5. Aquatic herbicide applications began on April 28th.
6. DSO interviews have been completed and offer letters were mailed on May 1st.
7. Responding to various landowner issues.
8. Assisting the Engineering Department with design criteria for 2009/2010 Capital Improvement Projects.
9. Water Utilities – Bob Nielsen attended the AWWA annual training seminar in S. Lake Tahoe during the week of April 27th.
 - a. ID 22 – Nothing to Report
 - b. ID 41 – Nothing to Report
 - c. ID 42 – Nothing to Report
 - d. ID 45 & 49 – Nothing to Report
 - e. ID 46 – Committee has asked OID to develop options for financing/funding.
 - f. ID 51 – Nothing to Report
 - g. ID 52 – Nothing to Report
 - h. RWS – Nothing to Report

Finance and Accounting Activities

1. Carol Arnold announced that she will be retiring on June 18, 2009.
2. Aetna insurance cards were mailed to employees on Tuesday, April 28, 2009.
3. Prepared an amended 2009 Budget and along with the General Manager met with the Finance Committee for review on April 17, 2009.
4. Met with the General Manager and Finance Committee to review the possible transfer of funds to the District's designated reserves.
5. Met with the General Manager and Finance Committee to review paying off the District's unfunded liability with CALPers.
6. Routine accounting functions (AP,AR, PR, billings, account reconciliations, etc.)

COMMITTEE REPORTS

Water/Engineering Committee Meeting, May 4, 2009

- Schonhoff Request (pasture to trees)
- Review Wilms Ranch Development Proposal
- Ohe Access Agreement as it Relates to Willms Development
- Annexation Fee Changes

Director Webb stated that the Committee met yesterday and denied Mr. Schonhoff's request; agreed that the Ohe and Willms matters are two separate issues and to advise Mr. Willms' attorney of this fact; and the annexation fees will be brought to the Board Meeting on May 19, 2009 and the fees will be adjusted based on the value of the District.

C. **DIRECTORS' COMMENTS/SUGGESTIONS**

Director Webb

Director Webb had no comments.

Director Clark

Director Clark had no comments.

Director Alpers

Director Alpers had no comments.

Director Bairos

Director Bairos had no comments.

Director Webb

Director Webb had no comments.

At the hour of 10:07 a.m. the Board adjourned to Closed Session

CLOSED SESSION
ITEM NO. 16

A. *Government Code §54957*

Public Employment

Title: Tri-Dam General Manager

B. *Government Code §54956.8 Conference with Real Property Negotiator*

Negotiating Parties: OID, Stockton East Water District, City of Stockton,
Westside Interests and City and County of San
Francisco

Property: Water

Agency Negotiators: General Manager and Water Counsel

Under Negotiations: Price & Terms

At the hour of 11:00 a.m. the Board adjourned to open session

General Manager Steve Knell stated that there was no reportable action from Closed Session.

OTHER ACTION
ITEM NO. 17

At the hour of 11:00 a.m. the meeting was adjourned. The next Regular Board Meeting of the **Oakdale Irrigation District Board of Directors** is scheduled for **Tuesday, May 19, 2009 at 9:00 a.m.** in the board room at 1205 East F Street, Oakdale, CA.

The next Joint Board Meeting for the **Tri-Dam Project** is scheduled for **Thursday, May 21, 2009 at 9:00 a.m.** in the board room of the South San Joaquin Irrigation District, 11011 East Highway 120, Manteca, CA.

Jack D. Alpers, President

Attest:

Steve Knell, P.E., Secretary