

MINUTES

Oakdale, California
March 16, 2004

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
Jack Alpers
Louis Brichetto
Tony Taro

Staff Present: Steve Knell, P.E., General Manager/Secretary
Gary Jernigan, P.E., Support Services Manager
Kathy Cook, Chief Financial Officer/Treasurer

ADDITION OR DELETION OF AGENDA ITEMS

A motion was made by Director Brichetto, seconded by Director Taro and unanimously supported to delete Item No. 15 from the Agenda and to remove Item No. 5 from the Consent Calendar and moved to the Action Calendar.

ACTION TO TAKE VARIOUS ITEMS OUT OF SEQUENCE

There were no actions taken to take items out of sequence.

CONSENT ITEMS ITEMS NO. 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13

ITEM NO. 1 APPROVE THE BOARD OF DIRECTORS' MINUTES OF THE REGULAR MEETING OF MARCH 2, 2004

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to approve the Board of Directors' Minutes of the regular meeting of March 2, 2004.

ITEM NO. 2
APPROVE OAKDALE IRRIGATION DISTRICT'S
STATEMENT OF OBLIGATIONS

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

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

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

ITEM NO. 4
APPROVE THE CHIEF FINANCIAL OFFICER AND
TREASURER'S REPORT FOR THE
MONTH ENDING FEBRUARY 29, 2004

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to approve a the Chief Financial Officer and Treasurer's Report for the month ending February 29, 2004.

ITEM NO. 6
APPROVE A RESOLUTION ON AN
ALCOHOL AND CONTROLLED SUBSTANCE
MANDATORY TESTING PROGRAM

Federal law mandates that all agencies with commercially licensed drivers have an approved Alcohol and Controlled Substance Mandatory Testing Program and Policy for administration of this program. OID's policy was re-written and approved by the California Highway Patrol's Motor Carrier Specialist.

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to approve a Resolution on an Alcohol and Controlled Substance Mandatory Testing Program.

ITEM NO. 7
APPROVE A RESOLUTION ON A
DRUG AND ALCOHOL ABUSE POLICY

A revised policy was needed in order to establish rules, rights and obligations of both the employees and the District regarding the use, possession, sale or transport of alcohol and drugs on District property or while conducting business.

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to approve a Resolution on a Drug and Alcohol Abuse Policy.

ITEM NO. 8
APPROVE A RESOLUTION ON A
DRIVER LICENSE REQUIREMENTS POLICY

A revised policy was needed in order to establish procedures for all employees and other persons who operate vehicles borrowed, leased or owned by the Oakdale Irrigation District, or who operate a personal vehicle in the performance of District business.

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to approve a Resolution on a Driver License Requirements Policy.

ITEM NO. 9
APPROVE PURCHASE OF CARPET FOR OFFICE AREA

The carpet in the office is approximately 10 years of age; it is not cleanable and is disintegrating. An increase in the cost over that budgeted is due to an increase in square footage for additional staff and an increase in prices since last year. Three quotes were received. Abbey Carpet provided the lowest bid of \$8,727.00 which includes removal of old carpet, installation of new carpet and base boards.

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to approve the purchase of carpet for office area.

ITEM NO. 10
APPROVE DIRECTORS' ABSENCE RELATING
TO COMPENSATION AND BENEFITS

The policy establishing Directors' Compensation and Benefits which was adopted by the Board on June 4, 2002, states in part that:

“...All absences with a twenty-four (24) hour notice shall be submitted for Board approval at the subsequent meeting...”

Directors Alpers and Webb advised the General Manager and the Board President in advance that they would not be in attendance at the February 17, 2004 Board meeting.

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to approve Directors' absence relating to compensation and benefits.

ITEM NO. 11
APPROVE A RESOLUTION APPOINTING EMPLOYEES TO
REPRESENT THE OAKDALE IRRIGATION DISTRICT IN
SMALL CLAIMS COURT

The resolution adopted by the Board on January 22, 2002 included an employee that is no longer employed with the District. A new resolution should be adopted updated the information and was attached for Board review.

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to approve a Resolution Appointing Employees to Represent the Oakdale Irrigation District in Small Claims Court.

ITEM NO. 12
APPROVE ENCROACHMENT AGREEMENT ON THE
PAULSELL LATERAL FOR STEVE SPERRY

The requested encroachment was reviewed by staff, approval recommended for installation of irrigation lines crossing Paulsell Lateral per modified District Standard drawing. APN 010-015-058.

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to approve an Encroachment Agreement on the Paulsell Lateral for Steve Sperry.

ITEM NO. 13
APPROVE ENCROACHMENT AGREEMENT ON THE
FRYMIRE LATERAL FOR JOHN AND SUE STALEY

The requested encroachment was reviewed by staff, approval recommended for installation of concrete culvert and headwalls in Frymire Lateral per modified District Standard drawing. APN 002-031-034.

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to approve an Encroachment Agreement on the Frymire Lateral for John and Sue Staley.

ACTION ITEMS 5, 14, 16, 17

ITEM NO. 5

**APPROVE A RESOLUTION FOR A REVISED SERVICES
AND PURCHASING POLICY TO INCREASE THE
CONTRACT APPROVAL AUTHORITY FOR THE GENERAL MANAGER**

At the March 2, 2004 Board meeting, the Board approved a policy change to the Services and Purchasing Policy. Said change would amend the existing policy making the General Manager's approval authority as follows:

- \$25,000 for budgeted contracts
- \$10,000 for non-budgeted items
- \$5,000 for service contracts
- All consultants to come before the Board for approval.

A motion was made by Director Alpers, seconded by Director Webb to approve a Resolution for a Revised Services and Purchasing Policy to Increase the Contract Approval Authority for the General Manager and was voted as follows:

Ayes: Alpers, Clark and Webb
Noes: Brichetto, Taro

ITEM NO. 14

**REVIEW AND TAKE POSSIBLE ACTION ON A
REQUEST FROM CONDE FARMS FOR A
CHANGE IN DISTRICT WATER RATES**

A letter from Mr. Conde's attorney outlining the position of the family on this matter was submitted with the last paragraph outlining the specifics to this Agenda item.

Mr. Conde has been a recipient of out-of-district water since 1999 and has paid the out-of-district rate every year since that time. It is Staff's opinion that Mr. Conde's request is premature at this point and the Board should defer/deny any change in status until such time as the matter has been reviewed by staff and legal counsel.

Mr. Shawn Conde appeared before the Board to request the payment of in-district water rates.

A motion was made by Director Alpers, seconded by Director Webb to table this item for up to 60 days and was voted as follows:

Ayes: Alpers, Webb
Noes: Clark, Taro
Abstain: Brichetto

Motion not carried.

A motion was made by Director Clark, seconded by Director Alpers denying Mr. Conde's request to pay in-district rates and that the attorneys for both parties should meet and report back to the Board within 60 days with their findings. Said motion was voted as follows:

Ayes: Alpers, Clark, Webb
Noes: Taro
Abstain: Brichetto

ITEM NO. 16
REVIEW AND TAKE POSSIBLE ACTION ON THE
RELEASE OF AN RFP FOR THE
DEVELOPMENT OF A WATER RESOURCES PLAN

The release of the RFP for the development of a Water Resources Plan has been discussed previously by the Board and is an identified goal in OID's Strategic Plan. The RFP has had legal review by OID's Water Counsel and is brought to the Board for approval to be released.

A motion was made by Director Alpers, seconded by Director Webb to approve the release of an RFP for the development of a water resources plan and was voted as follows:

Ayes: Alpers, Clark, Webb
Noes: Brichetto, Taro

ITEM NO. 17
REVIEW AND TAKE POSSIBLE ACTION ON THE
PAYMENT OF AN INVOICE FROM
SAN JOAQUIN CONSERVATION DISTRICT FOR
COSTS RELATED TO THE AG WAIVER

The San Joaquin County and Delta Water Quality Coalition was formed to assist San Joaquin County agricultural water users in becoming compliant with the requirements of the Conditional Agricultural Waiver. The coordinating body for the Coalition is the Resource Conservation District (RCD) for that County. The OID service area incorporates approximately 8,663 acres within San Joaquin County.

OID has been invoiced for its pro-rata share of costs (based on "participating" acreage) from the RCD. The costs are for meeting the April 1 deliverables (Monitoring and Reporting Plan) required by the CVRWQCB. OID has been assisting the Coalition by participating in their Steering Committee meetings and contributing to some postage costs.

Staff supports assisting the Coalition in meeting the April 1 deliverables but urged caution to the Board in participating beyond the April 1 date. Legal counsel has urged no

participation in the Coalition for concern of being drawn into costly compliance issues at a future date and the limited direct benefits to the broader OID service area.

A motion was made by Director Brichetto, seconded by Director Alpers to approve payment of an invoice from San Joaquin Resource Conversation District for costs related to the Ag Waiver and was voted as follows:

Ayes: Alpers, Brichetto, Clark, Webb
Abstain: Taro

A. **GENERAL MANAGER'S REPORT**

Resource Issues

1. OID will begin the 2004 Water Season Thursday, March 18th. Town water deliveries will begin April 3rd.
2. Focus of staff is meeting the April 1st deliverable under the Conditional Ag Waiver.
3. At a meeting held March 2nd at SEWD it was the desire of Stockton East to begin negotiations sooner rather than later on the water transfer they have with OID, which will end in 2009. A meeting has been scheduled for March 31st to further discuss this issue.

Current Resource Contract Activities

1. Hazard Assessment of North and South Main Canals
 - a. The Main Canal Rehabilitation Project is complete. The \$5 million dollar project was a major shot in the arm to aging Main Canal System.

Current Internal Activities

1. Staff Training
 - a. DSO training on customer service occurred on Friday, March 5th.
 - b. Outcome from this is Managers and Supervisors will be working a weekend schedule every 4th week to learn the issues faced by DSO.
 - i. Looking for maintenance problems, operational problems, access issues, and greater customer interfaces and contacts.
 - c. Board members are encouraged to also participate.
2. Meet and confer with Joe Santella, Operating Engineers Union on policy changes OID is making.
3. Occu-med, now contracted with ACWA/JPIA, met with Mgrs. and staff and took physical requirements survey for all benchmark positions.
4. Working with Water Counsel on Delta Keepers lawsuit.
5. Working with Chamber of Commerce on Ag. Luncheon and Hershey Festival activities.

Current Construction/Maintenance/Engineering Activities

1. Hirschfeld Lateral – Work to be completed before water.
2. Fairbanks Pipeline – one of the pressure boxes for this is to be poured today, Friday the 11th.
3. Brady Pipeline – Split pipe replace at pump station.
4. Palmer Lateral – 1,000 feet has been completed.
5. DSO's are on their ditches getting ready for water. Maintenance people are busy trying to address their last minute needs.
6. LAFCO to meet with OID on Master Service Plan preparation.

PUBLIC COMMENTS

Mr. Ken Krause commented regarding the start of water season and whether or not Distribution System Operators (DSO) would be contacting irrigators and if the District would be sending out information relative to the beginning of water season. General Manager Steve Knell stated that the newspapers would publish information regarding the start of the water season, an OID Spring Newsletter would be mailed within the next week to approximately 6,000 property owners and that the DSO's have already begun calling their water customers.

Mr. Laurens Foard stated that he agreed with the surplus water at the end of the year. He questioned what happens to the water at that time, i.e., does the District lose it, get paid for it, who does it belong to?

Director Clark stated that it belongs to the District until October 1 and if it is not used, then it is lost. He further suggested that perhaps Mr. O'Laughlin could explain the reserve account during his next status report to the Board.

Mr. Tom Gookin questioned if the District was aware of a biologist doing research on his property relative to Squaw Fish. General Manager Steve Knell stated that no one at OID was aware of this. Mr. Gookin further commented about the PG&E and Tulloch Pipeline incident. He hoped that with a cooperative effort by all parties this could be resolved without going to court.

B. COMMITTEE REPORTS

Personnel Committee

Director Clark stated that the customer service training for the DSO's recently completed was well received. Most DSO's stated that they felt the need for more training in many areas covered under the District's Injury & Illness Prevention Plan. During the next year the Personnel Committee will work with staff and management to look at each position and identify what they do and make sure they are trained in every aspect of their job. He further

stated that the Committee would bring back to the Board this plan and get Board approval to move ahead on this.

Finance Committee

Director Clark stated that the goal given to the Committee was to try and identify the risks. The Committee will meet monthly. The next step is to assign dollar amounts to the risks that are identified, what District needs are and how to meet those needs financially. This will enable the District to identify as best they can what capital improvements will be done during the next year and how to prioritize those improvements. Discussed also were issues such as property tax revenues that the State may take from OID which would mean losses, and how would the District make up those losses in revenue, water transfers and the federal VAMP Program. After each monthly meeting the Committee will give a status report to the Board.

Tri-Dam Committee

Director Alpers reported that he and Director Taro met with Tri-Dam regarding salaries and power sales. The power sales information is confidential, but progress is being made and staff and the power experts are giving the Committee a lot to look at. The salaries would be discussed in closed session during the Tri-Dam meeting on Thursday.

C. DIRECTORS' COMMENTS

Director Brichetto

- Requested that a worksheet be made available to the entire board regarding the sphere of influence discussed with LAFCO.

Director Alpers

- Requested that Director Taro take good notes tomorrow during his meeting with San Joaquin County regarding the NAPA group.

Director Clark

- Commented that it is very important that water be conserved within the District and would like to see this put on the Agenda as a Discussion Item. Last year there was 10,000 acre feet of water left at the end of irrigation season that stayed at New Melones and is now gone. That is a lot of money that could be used in the District. He further stated that he wanted to see if the District could sell that water to the Bureau of Reclamation or Stockton East or that water could go back to the farmers. He would like to see the elimination of water charges in the District entirely on a year to year basis as long as the farmers have conserved water.

At the hour of 12:00 P.M. a motion was made by Director Alpers, seconded by Director Brichetto and unanimously supported to adjourn to the closed session to discuss existing litigation, the Cantal case, OID advs. Delta Keepers, OID advs. Goad. Also discussed would be conference with labor negotiator regarding Tri-Dam Employees.

ITEM NO. 19
CLOSED SESSION

- A. **Conference with Legal Counsel, Existing Litigation**– California Government Code 54956.9 – OID vs. Cantal, San Joaquin County Superior Court, Case No. CV006932.

No Action Taken

- B. **Conference with Legal Counsel, Existing Litigation**– California Government Code 54956.9 – OID advs. Goad, Stanislaus County Superior Court, Case No. 345771

No Action Taken

- C. **Conference with Legal Counsel, Existing Litigation** – California Government Code 54956.9 – OID, et al., advs. Delta Keepers, Sacramento County Superior Court, Case No. 04CS00188

No Action Taken

- D. **Conference with Labor Negotiator** – California Government Code Section 54957.6 - Agency Negotiator: Jack D. Alpers & Tony Taro, Unrepresented Employee: Tri-Dam Employees, Under Negotiation: Salary & Benefits

No Action Taken

A motion was made by Director Alpers, seconded by Director Webb and unanimously supported to adjourn the Closed Session and return to the Regular Meeting.

Director Clark announced that no action was taken during the closed session.

At the hour of 12:20 P.M. a motion was made by Director Alpers, seconded by Director Webb and unanimously supported to adjourn to the next **regular Board of Directors' Meeting** to be held on **Tuesday, April 6, 2004 at 9:00 A.M.** at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA 95361.

The next regular Joint Board Meeting for the Tri-Dam Project is scheduled for **Thursday, March 18**, at 9:00 A.M. at the Oakdale Irrigation District Office, 1205 East F Street, Oakdale, CA 95361.

Attest:

Steve Knell, P.E.
General Manager/Secretary