

Manteca, California
March 22, 2016

The Board of Directors of the South San Joaquin Irrigation District met in regular session in their chambers at 9:00 a.m. President Holmes called the meeting to order and led the flag salute. Upon roll call the following members were noted present:

DIRECTORS: HOLBROOK HOLMES KAMPER KUIL ROOS
ABSENT: NONE

Also present were General Manager Peter M. Rietkerk, General Counsel Steve Emrick, Engineering Department Manager Sam Bologna, and Julie Vrieling.

Public Comment – None

CONSENT CALENDAR

- A. Approval of South San Joaquin Irrigation District’s warrants and payroll.
- B. Approval of Board Meeting minutes of March 8, 2016.
- C. Approval of consent to SSJID’s entry of property to read and to maintain flow meter for Henry, Dale, and Daryl Van Groningen, APN 228-080-10.

Director Kuil noted on Page 10 of the minutes, under #6 of the conditional approval section, “retains the right of way” needs to be added.

A motion was made by Director Holbrook and seconded by Director Roos to accept the Consent Calendar with the changes noted above. The motion passed 5 to 0 by the following roll call vote:

AYES: HOLBROOK HOLMES KAMPER KUIL ROOS
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

ACTION CALENDAR

Item #1 – Approval of Irrigation Service Abandonment agreement from Oakdale Irrigation District on the Water Treatment Plant and Solar Farm Properties.

Mrs. Robin Giuntoli addressed the Board stating that the District currently pays annual irrigation water service fees to Oakdale Irrigation District for the Water Treatment Plant and Solar Farm parcels. Access to irrigation water, for these properties, has been severed. There is currently a \$460 fee for the Abandonment; this will go before Oakdale Irrigation District’s board with a request to waive the fee. She said that they have traditionally waived fees for public agencies

and that at this time they allow, with provisions, for owners to cancel abandonment agreements should they desire to receive irrigation service in the future.

A motion was made by Director Kamper and seconded by Director Kuil to go with staff recommendation to authorize the Board President and General Manager to sign the documents required to abandon water service to parcels 002-001-075 and 002-001-076. The motion passed 5 to 0 as follows:

AYES:	HOLBROOK HOLMES KAMPER KUIL ROOS
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	NONE

Item #2 – 2016 Stanislaus River Operations/Temporary Urgency Change Petition.

Mr. Peter Rietkerk presented the following water supply update and stated that we've received significant rainfall in our area recently:

Water Supply Update

- Precipitation
 - Sacramento River 8-Station Index measured 50.7 inches or 129-percent of average to date
 - San Joaquin River 5 Station Index measured 35.0 inches, 111-percent of average to date
 - Beardsley measured 36.7 inches as of 3/21/2016, nearly 96-percent of annual rainfall average of 38.09 inches.
 - Stockton Airport cumulative precipitation measured 13.39 inches, 116% of average to date, 95-percent of annual rainfall average of 14.06 inches.
- Snow
 - Northern Sierra snow measured **96%** of normal, **96%** of April 1st average at **27.5 inches** of water content.
 - Central Sierra snow measured **90%** of normal, about **89%** of April 1st average at **25.9 inches** of water content.
 - Statewide snowpack is tracking at **88%** of normal
- Storage
 - New Melones storage was 576,859 acre-feet, approximately 24-percent of capacity.

Mr. Peter Rietkerk and Mr. Ken Robbins, Special Water Counsel, reported on 2016 Stanislaus River Operations planning and a pending Temporary Urgency Change Petition that will be submitted by the Bureau of Reclamation (Reclamation).

The District routinely tracks hydrology on the Stanislaus River, and has focused significant effort this year to understand and develop operational expectations as early as possible, and to coordinate District operations with Reclamation.

Given current hydrology, the Oakdale Irrigation District and South San Joaquin Irrigation Districts (Districts or OID/SSJID) estimate that under a 90-percent exceedance scenario, approximately 1.05 MAF of unimpaired runoff would flow in the Stanislaus River Watershed. Based on operations of upstream storage at Tri-Dam facilities, and at New Spicer Reservoir, approximately 996,000 acre-feet would flow into New Melones for the water year ending September 30, 2016. As a result, the Districts were expecting to receive their full entitlements in 2016.

Reclamation has requirements to meet Table 2e flows per the 2009 Biological Opinions. Under the current hydrology for the New Melones Index, Table 2e releases are estimated to total approximately 185,000 AF of instream flow releases throughout the year, with 41,000 acre-feet released in a 31 day April-May pulse flow period and another 23 TAF released in an October pulse flow, similar to 2015.

Reclamation is also receiving pressure from the State Water Resources Control Board (SWB) to meet D1641 flow requirements on the main stem of the San Joaquin River. The only means for Reclamation to meet these flow requirements at Vernalis is by operating New Melones. Absent additional releases, flow past Vernalis are expected to be minimal in 2016 because most tributary reservoirs are in refill operations and regulatory flow requirements on these facilities are at a minimum.

Because San Joaquin River Hydrologic (60-20-20) Index is expected to track at Below Normal, D1641 calls for a San Joaquin River pulse flow schedule varying from 2,280 to 4,880 cfs from April – June at Vernalis. The current gap between expected river flows and the D1641 requirement is approximately 360,000 acre-feet. If Reclamation was expected to meet the baseflow and pulseflow requirements in D1641 from New Melones, this could result in New Melones storage dropping to 140,000 acre-feet by the end of September 2016.

The District worked collaboratively with Reclamation on a 2016 Stanislaus River operations package that mutually respects the District's water rights, Reclamation's release requirements, the SWB and National Marine Fisheries Service concerns, and attempts to reserve and refill some storage in New Melones this year. Rietkerk noted that this is balanced package not only keeps the District and its water users whole, but also provides water toward fulfilling other regulatory and instream fishery needs. This package included the following:

- Up to 75,000 acre-foot release of water during April-May Table 2E pulse flow period to bridge the gap between baseflow (inclusive of Table 2e) and D1641 pulse flow requirements. This would include 32,500 acre-feet per District, and an additional 10,000 acre-feet from OID under an on-farm conservation program.
- The schedule for this release would be coordinated and shaped by NMFS and the Stanislaus Operation Group. NMFS would be asked for concurrence to allow this water to be pumped at CVP and/or DWR export facilities with an E:I ratio of 1:1.
- After the water has met its environmental needs on the Stanislaus and San Joaquin Rivers, it would be conveyed via delta export facilities to San Luis & Delta Mendota Water Authority Member agencies and State Water Contractors. The exporters would compensate the Districts for the releases at \$300 per acre-foot for the first 65,000 AF and \$400 per acre-foot for the additional 10,000 acre-foot of OID's on-farm conservation program water.

- Under a separate arrangement, the District's would consider a 10,000 acre-foot transfer to Stockton East Water District (SEWD). SEWD has indicated a need from their urban water contractors for water this year. This local transfer will help bolster water supplies for neighbors within the East San Joaquin Sub-basin and assist in reducing reliance on groundwater. Rietkerk noted that his transfer would be a good example of a program that can be used to remedy local groundwater conditions and achieve sustainability in the future. The water would be transferred during June – August 2016 and the purchase price would be set at \$200 per acre-foot.

With this suite of actions, New Melones would likely retain between 400,000 to 500,000 acre-feet of storage by September 30, 2016, based on the 90 and 50-percent exceedance forecasts. The results of this package would include additional releases of water above the Table 2E requirements, but less than the D1641 objective. This provides an opportunity to improve storage in New Melones in 2016. The Districts are also planning on maximizing upstream storage in Donnell and Beardsley to carryover additional water into the next water year to the fullest extent possible.

Mr. Ken Robbins stated that the odds of the Bureau expecting to meet the baseflow and pulseflow requirements in D1641 are close to 0%. He also said that the District is in a positive position because our upper storage allows us to carryover water for use in 2017.

Director Roos stated that our upper reservoirs are a lifesaver for us.

Director Kuil questioned the price of water per acre foot; Mr. Ken Robbins approximated the cost at \$200 per acre foot locally, and \$300 per acre foot for outside sales due to pumping costs, etc. Director Kuil commented that we were lucky to be getting paid for something we may have to give up anyway.

Mr. Ken Robbins noted that these coordinating efforts don't meet all requirements, but relieve the potential for federal and state trouble. Director Holbrook also agreed and said that coordinating with these agencies gives us a better chance of keeping our water rights.

Director Roos feels it is wrong that they think they can take our water rights because of their unimpaired flows.

This item was presented to gain an understanding of the requirements and regulations and to promote discussion, no action was taken.

Item #3 – Discussion and/or approval of Agreement to Purchase Release of Water by and Among the Oakdale Irrigation District, the South San Joaquin Irrigation District, the San Luis & Delta Mendota Water Authority, and the California Department of Water Resources.

Mr. Peter Rietkerk circulated and presented the agreement in light of the discussions in Item # 2 – 2016 Stanislaus River Operations/Temporary Urgency Change Petition. The Agreement consists of a voluntary release of up to 65,000 acre-feet for the April – May pulse flow at a purchase price of \$300 per acre foot. OID will release an additional 10,000 acre-foot generated through its land fallowing/on-farm conservation program under the same agreement, and the water will be managed in the same manner as the 65,000 acre-feet.

Mr. Ken Robbins feels the agreement keeps leverage with the agencies.

The motion was made by Director Holbrook and seconded by Director Kamper to authorize General Manager to enter into and sign Agreement when accepted by agencies, subject to non-substantive changes staff deems necessary. The motion passed 5 to 0 as follows:

AYES:	HOLBROOK HOLMES KAMPER KUIL ROOS
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	NONE

Item #4 – Discussion and/or approval of 2016 Temporary Water Transfer Agreement by and Between Oakdale Irrigation District, South San Joaquin Irrigation District, and Stockton East Water District.

Mr. Peter Rietkerk presented the agreement in light of the discussions in Item #2 - 2016 Stanislaus River Operations/Temporary Urgency Change Petition. The Agreement consists of a transfer by OID and SSJID for a total of 10,000 acre feet prior to August 31, 2016 for a purchase price of \$200 per acre foot.

The motion was made by Director Kuil and seconded by Director Holmes to authorize General Manager to enter into and sign the Agreement subject to any non-substantial changes staff deems necessary. The motion passed 4 to 1 as follows:

AYES:	HOLBROOK HOLMES KAMPER KUIL
NOES:	ROOS
ABSTAIN:	NONE
ABSENT:	NONE

Item #5 – Discussion and/or action confirming the start date of Water Season 2016.

Mr. Peter Rietkerk presented the outlook to the Board.

At the March 8, 2016 Regular Board meeting, the SSJID Board of Directors set the start of the irrigation season for March 25, 2016, understanding that March rainfall coupled with additional anticipated rainfall would likely push irrigation demand off further than the original March 16th start date.

Since March 1, 2016, Stockton Airport has recorded 3.51 inches of rainfall on the valley floor. Since March 8th, the District received between 1.0 and 1.5+ inches of rainfall, with the storm that continued from Friday, March 11th through March 13th. The Stockton Airport rain gage reported 1.14 inches during that same period.

Current NOAA forecasts predict another 0.1-0.2 inches of rainfall by March 24th. The extended forecast shows a 40-percent chance of rain between March 20-22, and another 40-percent chance

around March 28th.

Director Kuil preferred putting the season off until Wednesday or Thursday of the week following the Board meeting, allowing for the Division Managers to give the growers a heads up. He felt no urgent need for water this week; the only concern he has heard from growers was in regards to fertilizer. He said that if Water & Operations Superintendent Joe Catanzarite had put too much time and effort into the current schedule, he would understand and agree to start as scheduled, Friday, March 25.

Director Kamper would like to stay with the original date of March 25.

Director Roos would like to begin the season as planned giving the chance for runs to even out and to spread things out a bit.

Director Holmes agreed and would like to start the season Friday, March 25 to give the Division Managers a chance to ease into the season rather than beginning with the push we did last year.

All Board Members agreed to move forward and begin the 2016 irrigation season Friday, March 25th.

This item was for discussion purposes only, no motion required.

Item #6 – Discussion and possible action regarding the City of Ripon’s request to purchase a portion of District property located adjacent to the City property on River Road to accommodate proposed improvements in that area.

Mr. Sam Bologna stated that at the February 9, 2016 Board Meeting, the Board considered a request from the City of Ripon to acquire a 50-foot-wide strip of land consisting of approximately 0.75 of an acre. Subsequently, closed session discussions occurred to establish value and terms of the transfer, which are still under consideration. A Draft Purchase Agreement was prepared based on the closed session discussions and negotiations with the City and the County Assessor records, which shows that the strip of land is owned by the District. The proposed sale is subject to confirmation that the District owns the property. A Draft Resolution has also been prepared which makes necessary findings relative to the sale.

Mr. Peter Rietkerk explained that the City of Ripon received a grant for pedestrian improvements near Mistlin Park; the City needs to move forward with this land purchase to make those said improvements. He stated that the grant monies are not being used for the land purchase, but for the improvements only. He noted that the City would be responsible for splitting the parcel, surveys, and title report issues.

Director Kuil questioned the guidelines used when transferring to growers; Mr. Sam Bologna responded saying we use a formula calculating 100% market value, noting that in this situation it is for public use, not development or agriculture.

Mr. Steve Emrick said they look at the underlying existing use when considering appraisal of a

strip of land that would be dedicated for street widening if the adjacent property developed.

Mr. Bere Lindley added that there is a development potential factor depending on how soon to anticipate development.

Director Kamper suggested we make a trade to get back our easement on Garrison, it's an option.

Director Holbrook disagreed with the appraised amount and felt the situation was similar to the sale of land to the City of Manteca and should be sold as such. Mr. Sam Bologna stated that the uses are considered different.

Director Roos said we have a relationship with the City of Ripon, the property is worthless to us, we should just give it to the City as a gesture of goodwill.

Director Holbrook asked that the last sentence in the Draft Purchase Agreement be changed; the work "extend" should be changed to "extent".

The motion was made by Director Kuil and seconded by Director Kamper to authorize approval as recommended based on average price as stated, rounded up to \$41,000. The motion passed 4 to 1 as follows:

AYES:	HOLMES KAMPER KUIL ROOS
NOES:	HOLBROOK
ABSTAIN:	NONE
ABSENT:	NONE

Item #7 – Presentation of Financial Statements for February, 2016.

Mr. Bere Lindley presented the February, 2016 Financial Statements and responded to several Board questions. He noted that the \$51.5 Million in Cash and Investments is a \$2.4 Million increase from one year ago. District reserves are also looking good.

He indicated that there is an issue with the budget figures in the year to date Income Statement comparing actual numbers to budget numbers. The Springbrook software is not working correctly; the transfer process from the budget input to the General Ledger is malfunctioning. Bere stated that we cannot put out decent Financial Statements because of the Springbrook issues. He is very disappointed and finds it unfortunate that we may have the need to change accounting software programs in the near future.

This item was for information only and no action was taken.

Item #8 – Presentation of Investment Reports for February, 2016.

Mr. Bere Lindley presented the February, 2016 Investment Reports and responded to several Board questions. He noted that the average yield of 0.83% is the highest he's seen in years. The reason for this increase is primarily because of a taxable municipal investment with yields of

1.75% to 2%. He was appreciative of Kevin Martin who discovered this investment.

Director Roos was glad to see that this investment does not expire until November, 2016.

Director Holbrook stated that this was close to the Treasury Average.

This item was for information only and no action was taken.

Item #9 – Communications

Director Roos attended the TuCare Dinner in Sonora; the speaker was a gentleman who emigrated here from Russia, where they had no freedoms. He noted that he was very enjoyable to listen to and very interesting. He also attended a fundraiser at John Kamps' residence for Ken Vogel, who is running for Assembly. Director Roos encouraged everyone to support Vogel and said he was a good man, a fine gentleman, good to the Irrigation District, and wished him much success.

Director Holbrook also attended the True Care Dinner and said the speaker talked about how the U.S. was moving towards being more like Russia with its' regulations and all of the liberties being taken away from American citizens. He also recently drove over the pass on Highway 88 and was amazed at the amount of snow as compared to last year.

Director Holmes reported that Teresa is doing well after surgery and thanked everyone for the flowers and card.

Mr. Ed Erisman, Water Treatment Manager, reported the following:

- Divers are scheduled to repair the corrosion on the M2 storage tank on Monday, March 28th.
- We are finishing up the WTP Fiscal Year Ending 2017 budget. Right now it is being reviewed by Mr. Bere Lindley and Mr. Peter Rietkerk. We hope to present the Draft Budget to the Operating Committee soon and discuss it at our April 4th meeting. We will then bring it to the Board for review.
- WTP staff fixed another break in the log booms last week.
- We conducted a test of our Emergency Response Plan last week with a simulated water quality event. WTP staff and City of Tracy staff were included in the drill. WTP staff performed very well. The incident was handled just as it should have been.

Mrs. Troylene Vallow, Communication Coordinator, reported the following:

- Manteca Chamber Coffee is here at the District tomorrow morning, Wednesday, March 23.
- Joined the Manteca Government Relations Committee, they meet monthly to keep updated on issues in our community.
- "Evening of Honor" will be held Friday, April 1, this is a fundraiser for the "Not Forgotten Memorial Event" that the District sponsors
- Boys & Girls Club Golf Tournament is Friday, May 6.

- Handed out various thank you notes from non-profit organizations; she thanked the Board for being so generous and allowing her the budget to reach out to our community in this way.

Mr. Sam Bologna, Engineering Department Manager, reported the following:

- MDC investigation: Performed surveying and internal work near Drop 2 to explore some of the viable options to canal lining.
- Miscellaneous meetings and conference calls: Will participate in an Ad Hoc Committee meeting at San Joaquin County tomorrow. Participated in a meeting with DWR regarding their new regulations. Public comment period ends April 1st.
- City of Manteca staff is taking the amended storm drainage agreement that we have been working on to their City Council meeting for approval on April 5th. The agreement calls for meters to be installed on all stormwater discharged to District facilities.
- Well project: have made some progress on the well projects at the east pond and have nailed down three quotes for the pumps and are working on securing quotes for the electrical work to connect the pumps. Also spoke with Brocchini and have obtained information from him regarding his domestic pump and well.
- Have been working with both San Joaquin County and Stanislaus County for their plans to replace bridges on the MDC. San Joaquin County for Sexton Road and Stanislaus County for Pleasant Valley Road.
- Keith is working on revising District maps to reflect some changes that were made to divisions. Also, Julie is working on getting all changes made in True Point in preparation for the start of water.

Mr. Peter Rietkerk, General Manager reported the following:

Sustainable Groundwater Management Act

Department of Water Resources released Draft Regulations for Sustainable Groundwater Management on February 18, 2016. Valerie Kincaid is reviewing the draft regulations for the District. Comment deadlines have been extended to April 1, 2016. Some of the highlights of the draft regulations include:

- Identification of a “submitting agency” that will be the single point of contact for DWR within the Basin. Submitting Agency will be responsible for submitting contact with DWR, as well as collection of annual reports and periodic evaluations or submittal to DWR. Additionally, submitting agency will compile all data and produce a single report of the basin conditions and prove integration of the various GSA efforts within a sub-basin.
- Notable Definitions:
 - Critical Parameter: chronic lowering of groundwater levels which, if continued, will lead to (1) reduced groundwater storage; (2) sea water intrusion; (3) degraded water quality; (4) land subsidence; and (5) depletions of surface water.
 - Minimum Threshold: point at which one of the “critical parameters” becomes significant and unreasonable – basically the trigger point at which an undesirable result occurs.

- Reporting standards, requirements including development of a 5-year best management plan, periodic review milestones, Plan contents and outline, timelines which DWR will use as a guideline for reviewing Groundwater Sustainability Plans including a 2-year timeline for DWR to determine whether a submitted plan is adequate. There are also annual reporting requirements to assure compliance and tracking with the Groundwater Sustainability Plans.
 - DWR leaves discretion to local agencies to determine which “undesirable results” are most critical for their sub-basin, and allows them to set their own milestones to achieve or maintain sustainability within 20 years of plan implementation.

Meetings/Events/Other

- Groundwater Basin Authority March 9 – The County discussed the new DWR Groundwater Sustainability Plan draft regulations and introduced a new concept that included the formation of a new, independent, GSA that would provide basin-wide coordination and “submitting agency” requirements as outlined in the SGMA GSP regulations. The new GSA form under a JPA and have limited enforcement powers, primarily coordinating basin-wide planning, data collection and modeling efforts, and submittal of GSP and annual or other plan efforts and requirements.
- Maintenance Superintendent Interviews March 16, 2016
- TriDam Meeting March 17, 2016
- SSJID was handed a favorable decision on March 7, 2016 by SJ County Superior Court Judge Carter Holly regarding PG&E v. LAFCO.

The following Structure Permits were approved:

Charles Sawyer, APN 205-060-15, Lateral “Bf”
 Mark Van Groningen, APN 228-080-10, Lateral “Ta”
 Brocchini Family Partnership, APN 226-100-16, Lateral “We”

The following Encroachment Agreements were approved:

Henry, Dale, and Daryl Van Groningen, APN 228-080-10
 Brocchini Family Partnership, APN 226-100-16
 Alan, Robin, Hugo DeGraaf, APN 206-050-14

Item #10 – Closed Session

It was announced that items a-c below would be discussed in closed session:

- a. Conference with Legal Counsel – Anticipated Litigation
 Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9
 - 4 cases
- b. Conference with Legal Counsel - Anticipated Litigation
 Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9
 - 1 case

- c. Conference with Legal Counsel – Existing Litigation
Paragraph (1) of subdivision (d) of
Government Code Section 54956.9
- 1 case

Pacific Gas and Electric Company v. San Joaquin LAFCo
San Joaquin County Superior Court
Case No. 39-2015-00321743 – CU-JR-STK

- d. Conference with real property negotiator
California Government Code Section 54656.8

Property: Water
Negotiating Parties: SSJID, United States Bureau of Reclamation, and
Department of Water Resources, San Luis and
Delta Mendota Water Authority, Stockton East
Water District
District Negotiator: General Manager
Terms: Price and terms of payment of sale

- e. Conference with real property negotiation
California Government Code Section 54656.8

Property: 0.75 acre strip of land on the east side of
Mistlin Park access road
Negotiating Parties: SSJID and City of Ripon
District Negotiator: General Manager
Terms: Price and terms of payment of sale

Upon returning from closed session, Director Holmes, Board President, announced that no reportable action was taken in closed session.

Mr. Peter Rietkerk, General Manager also announced that he and several staff and board members planned to attend the CMUA conference and, as a result, would out of the office and unavailable for the next regular meeting scheduled for April 12. The president requested that the general manager still schedule the meeting for April 12, for which the agenda should include as actions items, the setting of a special meeting for April 19 and the cancellation of the regular meeting scheduled for April 26.

Item #11 Adjournment

There being no further business, it was moved by Director Holbrook and seconded by Director Kamper to adjourn the meeting.

The motion passed 5 to 0 with the following vote:

AYES:	HOLBROOK HOLMES KAMPER KUIL ROOS
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	NONE

ATTEST: _____
Julie Vrieling