

Manteca, California
August 25, 2015

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 Director Holbrook 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 Jeff Shields, General Counsel Steve Emrick, Engineering Department Manager Sam Bologna, and Executive Secretary Betty Garcia.

Public Comment - None

CONSENT CALENDAR

- A. Approval of Warrants in the amount of \$406,028.13; A/P wires in the amount of \$242,361.27; payroll dated August 21 in the amount of \$194,482.37.
- B. Approval of the regular Board meeting minutes of August 11, 2015.

President Holmes noted on page 2 of the minutes, the word “data logger” should be changed to flow meter.

A motion was made by Director Roos and seconded by Director Kuil to accept the Consent Calendar with the above noted change and 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 – 2015 Water Supply Forecasts

Mr. Jeff Shields, General Manager, stated that New Melones should hit 300,000AF by tomorrow. He said the generators will be shut down and water will be pulled out from the bottom of the reservoir and released to cool off the river. He distributed the updated water budget for 2015, Tri-Dam daily operations reports, SSJID’s water usage reports, and the reservoir condition reports to the board. He said by the end of September, New Melones should be at 257,000AF and the conservation account should be between 90,000 and 100,000AF for next year. Tri-Dam increased generation on July 17.

Item #2 – Approval of hardware purchase and accept quotes from Energy Systems Engineering in the amount of \$392,796.04 for On-Farm meter reading system

Mr. Frank Avila, Telemetry Systems and MDC Supervisor addressed the board stating that he is proposing an upgrade to the flow meter systems. He said the District has approximately \$3 million of installed equipment that is not being monitored due to lack of man power. Currently, the flow meters are monitored manually. With the purchase of the On-Farm meter reading system, the meters will work with our SCADA system and allow us to monitor the flow meters remotely. The information obtained can be used for billing purposes as well as water measurement as required by State law.

A motion was made by Director Holbrook and seconded by Director Holmes to go with staff's recommendation to accept the quote from Energy Systems Engineering in the amount of \$392,796.04 to purchase Solar Powered Wireless SCADA Monitoring System – programmed and pre-configured for client installation. Motion passed 5 to 0 as follows:

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

Item #3 – Consider conditional approval of Fiore Development

Mr. Sam Bologna, Engineering Department Manager, stated the Fiore Development is located on Lathrop Road. The project consists of approximately 8 acres of land divided into 5 separate parcels for eventual commercial development. He said the District's Drain 3a is located on the property. The development plans call for the removal and replacement of 100 feet of the District's Drain 3a and a manhole in the parking area. The plans also call for the installation of a storm drain filtrations system for all inlets to the drain. The developer (owner) will also be providing the District with a new 30 foot wide easement along the southern border of the project to serve as a replacement of an unrecorded 60 foot wide easement. The northern 30 feet is unnecessary and will be quitclaimed.

It is recommended that the Developer's Agreement for the project shall contain the following requirements:

1. Owner/developer shall submit improvements plans to the Engineering Department for approval and comply with all standard requirements concerning improvements to District facilities.
2. Owner/developer shall convey new easements of adequate widths acceptable to District and enter into an Encroachment Agreement with the District for all proposed encroachments. The easement shall be exclusive and shall have priority over any other dedications.
3. Owner/developer shall not build or develop in District easement until the replacement of the District's facilities has occurred.
4. Owner/Developer shall insure that work involving District facilities shall be in accordance with District requirements and shall provide all supplemental plans and secure all required permits necessary to complete the project. Bonds shall be supplied

as required to assure that the District is made whole and that the project will be constructed per approved plans without delay to water operations.

5. Owner/developer shall notify District at least 48 hours prior to commencement of work. Work shall be complete and pipeline operational prior to deadlines established by District on approved plans.
6. Owner/developer shall comply with all storm drainage requirements and shall obtain written certification by the City of Manteca that it is in compliance with regulations regarding storm drainage discharge in accordance with the agreement between the District and the City.

A motion was made by Director Kamper and seconded by Director Holbrook to authorize conditional approval and signature of items listed below, subject to compliance with Engineering Department requirements specified in the above referenced Developer's Agreement conditions.

1. Parcel Map
2. Improvement plans
3. Grant of Easement
4. Quitclaim
5. Encroachment agreement
6. Developers Agreement

Motion passed 5 to 0 as follows:

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

Item #4 – Consider authorizing staff to initiate process to form a Groundwater Sustainability Agency (GSA)

Mr. Jeff Shields reviewed a power point presentation with the board that was an update to that presented by Valerie Kincaid with O'Laughlin & Paris law firm and Grant Davids with Davids Engineering at the May 12 board meeting. The Sustainable Groundwater Management Act (SGMA) of 2014, is state law that will allow local agencies to achieve sustainable management of groundwater basins and to improve data collection. Mr. Shields explained that a Groundwater Sustainability Agency (GSA) must be formed for the basin underlying the District by June 30, 2017. He said if the District does not become a GSA, then the County or State will control our groundwater. A member of the audience agreed with Mr. Shields that local control is better. Director Holbrook agreed that it is best to have local control rather than to have the State make decisions that affect the District. Mr. Shields stated that the District has only 17 months to work through what could be a contentious process so the earlier we initiate the process the more likely the District will be able to complete the formation of the GSA by the end of 2016.

A motion was made by Director Holbrook and seconded by Director Kuil to authorize staff to initiate the process, including required notice and public hearings, to establish a GSA covering the territorial boundaries of SSJID's existing service area.

Motion passed 4 to 1 as follows:

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

Item #5 – Consider disposal of surplus equipment items and adopt Resolution #15-05-Q which documents that action

Mr. Michael O’Leary, IT Systems Administrator, stated the District has accumulated several electronic items that are no longer used and are taking up valuable storage space. He said because of the age of the equipment, it is the District’s intention to put all eligible items in the trash or in the City of Manteca’s e-waste bin, or donate of the functional equipment to a school or charity. Director Kamper said he will contact a local agency about donating the functional equipment to them.

A motion was made by Director Roos and seconded by Director Holbrook to adopt Resolution #15-05-Q declaring surplus property and authorizing disposal of said property. Motion passed by roll call vote, 5 to 0 as follows:

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

Item #6 – Consider approval of a newly created document retention schedule and adopt Resolution #15-04-Y which documents that action

Mr. Bere Lindley, Manager of Finance and Administration, addressed the board stating that the resolution that was before the board is incorrect. He asked that action on this item be postponed and that he have an opportunity to bring it back to the board for consideration at a later meeting.

Item 7 – Presentation of quarterly Financial Statements

Mr. Lindley reviewed the financial statements in detail with the board. He discussed the revenues, expenses, and changes in net assets. He also reviewed changes to cash and investments.

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

Item 8 – Presentation of quarterly Investment Reports

Mr. Lindley thoroughly reviewed the cash and investments through July 31, 2015 with the board. He discussed LAIF, debt service reserves, checking, certificates of deposits, money market and accrued interest receivable.

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

Item 9 – Consider approval of employment contract with Peter Rietkerk to serve as General Manager (after closed session)

Upon their return from closed session, the following action was reported.

A motion was made by Director Holbrook and seconded by Director Roos to authorize board president Robert A. Holmes to sign on the board’s behalf, the employment contract in the form that was distributed at the meeting after closed session and that Peter Rietkerk be offered employment as General Manager on the terms in the contract. Motion passed 5 to 0 as follows:

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

Item #10 – Approve third amendment to District’s employment contract with Jeff Shields (after closed session)

Upon their return from closed session, the following action was reported.

A motion was made by Director Holbrook and seconded by Director Kamper to approve the third amendment to Jeff Shields’ contract in the form distributed at the meeting, which provides that his last physical day at work will be on Friday, October 16, 2015. Motion passed 5 to 0 as follows:

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

Item #11 – Consider approval of new job description and adjustment in compensation and benefits for Finance and Administration Manager (after closed session)

Upon their return from closed session, the following action was reported.

A motion was made by Director Holbrook and seconded by Director Kamper to approve the change in job description for Mr. Bere Lindley, from Finance and Administration Manager to Assistant General Manager effective immediately, and adjust his compensation to \$166,250. Motion passed 5 to 0 as follows:

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

Item #12 – COMMUNICATIONS

Director Kuil said that he attended the Groundwater Basin Authority (GBA) meeting on Wednesday, August 12. He indicated there was a lot of discussion regarding the formation of the Groundwater Sustainability Agencies (GSA). He stated the Eggman bill is dead.

Director Roos stated that reports of “El Nino” weather patterns are unlike any others from past history. He said there is a lot of typhoon activity in Asia.

Director Holbrook attended the West Coast Hydro Users conference that was hosted by Tri-Dam on Thursday, August 13. They provided lots of good information. He visited Lake Tahoe this past weekend and noted there is no out flow of water.

Director Holmes attended a meeting at the District on Wednesday, August 19 regarding the District-wide pressurization study.

Ed Erisman, Water Treatment Plant Manager

- Several crews of local fire fighters toured the Water Treatment Plant last Friday. The tours were set up to familiarize these crews with the WTP and the hazards involved in responding to emergencies at the plant.
- Staff will be sending “no bodily contact” notices to Stanislaus County at the end of this week. The letter is required 30 days prior to posting the “no bodily contact” restrictions at Woodward Reservoir. Bodily contact at Woodward will be banned effective October 1, 2015.

Don Battles, Utility Systems Director

- He distributed the PG&E energy metering statements and had followed up on the June 2015 true up bills for the solar farm. It turns out that the previous bills on Phase 1 were incorrect and the District has received a credit in the amount of \$1,654.46.

Troylene Vallow, Communications

- Manteca Morning Rotary will be hosting a golf tournament on September 24 at the Elkmore Golf course at 10:00 a.m.
- Agape Villages Foster Families will host a golf tournament on Friday, September 25 in Manteca at 8:00 a.m. Director Holbrook plans to participate in this event.
- San Joaquin County Housing Authority will host a tournament at the Elkhorn Golf course in Stockton on October 5.
- Manteca Pumpkin Fair will be held on Saturday, October 3.
- Great Valley Book Fest will be held on Saturday, October 10.
- Ripon Main Street Day will be held on Saturday, October 17.
- AG Venture Day will be held on Thursday, November 5.
- Retirement farewell party will be held for Jeff Shields and the District employees on October 15 at 2:30 p.m. A formal reception will be held at Spring Creek on Friday, November 6 at 5:00 p.m.
- Boys & Girls Club annual telethon will be one day only held on Friday, November 13 with a mystery dining event.

Joe Catanzarite, Operations Water Superintendent

- He reported on an invoice that was paid to Animal Damage Control, Inc. He said these services were paid to trap animals at Woodward Reservoir. The District is charged each time the traps are checked.
- He met with a farmer last Sunday in regards to fish dying in his pond. Tests were done on the pond and no magnacide was found.
- Staff cleaned up an oil spill last week and San Joaquin County inspectors are satisfied with the results.
- John Briggs and Tony Encalade are looking at the water transfers allotments.

Sam Bologna, Engineering Manager

- No updates for Conservation program.
- There are 101 Master account agreements; 21 Water allotment transfer agreements; and 4 agreements for transfer of water through District facilities.
- He attended the GBA meeting on August 12. Much of the meeting involved formation of GSA and the requirements that each agency to become a GSA within the basin governed by the GBA.
- SJC Environmental Health issued a permit for the two wells at the East Basin well project; thanks to the aid of County Supervisor Chuck Winn. The contractor mobilized on August 24 and started drilling.
- A workshop was held on August 19 to refine the pressurization study before making a formal presentation to the board.
- AG Water Management Plan workshop will be held on September 1 to help the consultant complete their task of preparing the plan that needs to be completed by the end of this year.
- Met with owner of Sunny Valley Meat Company and his engineers on August 17 to discuss modifications to their plant that will involve changes to the drainage discharge to the FCOC.
- Met with City of Manteca staff on August 24 regarding the Family Entertainment Zone (FEZ) and the Great Wolf Lodge (GWL) projects. Due to budgetary restrictions, they plan to scale down the replacement of the FCOC by constructing facilities in two phases. The Great Wolf Lodge portion of the project will be constructed first, which will consist of replacing Drain 8 and a portion of Drain 7 and connecting them to the FCOC.
- Plan to meet with the City of Manteca staff on September 3 to discuss drainage issues.

Jeff Shields, General Manager

- San Joaquin Farm Bureau meeting today at 5:30 p.m.
- District will be advertising for the Accounting Technician position.
- He continues to monitor state legislation being introduced by Congressman Jared Huffman which includes a range of short and long term solutions to stretch water supplies.
- ACWA supports SB 1319 which would enact the Sustainable Groundwater Management Act and provide a framework for improved management of groundwater supplies by local authorities. The bills also would provide a mechanism for limited state intervention when necessary to protect groundwater resources.

- Mosaic Islam Center invited the board to attend the dedication ceremony of a 50 foot mural

It was announced that items 13a, b, c, and d would be discussed in Closed Session.

Item #13 – Closed Session

- a. Public Employment
Government Code Section 54957
Title: General Manager
- b. Public Employment Performance Evaluation
Government Code Section 54957
Position: Finance and Administration Manager
- c. Conference with Legal Counsel – Anticipated Litigation
Initiation of litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9
- 1 case
- d. Conference with Legal Counsel – Existing Litigation
Paragraph (1) of subdivision (d) of Government Code Section 54956.9
- 2 cases

Case Name: Martha Bonde vs. South San Joaquin Irrigation District
Superior Court for San Joaquin County
Case No. 39-2013-00300234-CU-MC-STK

Case Name: Pacific Gas & Electric vs San Joaquin LAFCo
Superior Court for San Joaquin County
Case No. 39-2015-00321743-CU-JR-STK

- e. Conference with Real Property Negotiators
Pursuant to Section 54956.8
Property: Water
Agency Negotiator: General Manager
Negotiating Parties: SSJID, San Luis and Delta Mendota Water Authority
Under Negotiation: Water Transfer price and Terms

Upon their return from closed session, President Holmes reported the following action on item #13d.

A motion was made by Director Holbrook and seconded by Director Kuil to approve the settlement of the Bonde case on terms in the settlement agreement subject to the following conditions:

- 1) San Joaquin County Board of Supervisors approval of the settlement agreement.
- 2) Completion of agreement with San Joaquin County on subject property to be acquired by the County as part of the settlement, and for mutual use of subject property for drainage.

Motion passed 5 to 0 as follows:

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

Item #14 – ADJOURNMENT

There being no further business to come before the Board, it was moved by Director Holbrook and seconded by Director Kuil to adjourn the meeting at 1:07 p.m.

Motion passed 5 to 0 as follows:

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

ATTEST: _____
 Betty Garcia, Executive Secretary