

Manteca, California
December 16, 2015

The Board of Directors of the South San Joaquin Irrigation District met in special session in their chambers at 8:30 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 Executive Secretary Betty Garcia.

Public Comment - None

CONSENT CALENDAR

- A. Approval of Warrants in the amount of \$799,000.88; A/P wires in the amount of \$338,586.98; payroll dated November 27 and December 11 in the amount of \$382,748.07.
- B. Approval of the regular board meeting minutes of November 24, 2015.
- C. Approval of consent to SSJID's entry of property to read and to maintain flow meter for Robert G. Bandoni, APN 206-080-06.
- D. Approval of consent to SSJID's entry of property to read and to maintain flow meter for Edward and Sharon Bruno, APN 245-220-11.
- E. Approval of consent to SSJID's entry of property to read and to maintain flow meter for John and Mary Franzia, APN 205-100-06.
- F. Approval of consent to SSJID's entry of property to read and to maintain flow meter for Longstreth Family LP, APN 229-210-01.
- G. Approval of consent to SSJID's entry of property to read and to maintain flow meter for Geneva Martin, APN 249-120-12.
- H. Approval of consent to SSJID's entry of property to read and to maintain flow meter for William and Kathleen DeJong, APN 226-150-02.
- I. Approval of consent to SSJID's entry of property to read and to maintain flow meter for Norcal Assets LLC, APN 247-030-05.

Mr. Sam Bologna, Engineering department manager, noted on item #7, Milner Terrace, the motion on page 6 should read as follows: A motion was made by Director Holbrook and seconded by Director Kuil to accept the engineer's cost estimate of \$39,765 in lieu of replacing SSJID Lateral X170DD, to accept Lot A and to require the developer to improve Lot A with a sound wall and electric services unless District decides not to install a well on Lot A to replace pump #40.

He also noted on page 7 of the minutes, under Joe Catanzarite's comments, the "Vd" line should be "Bd" line.

A motion was made by Director Kuil and seconded by Director Roos to accept the consent calendar with the changes listed above 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 – Adopt Resolution #15-12-W approving the updated Agricultural Water Management Plan considered at the board meeting on November 24, 2015.

Mr. Bologna explained that the plan had been reviewed by the board and staff and that the edits to the plan requested by the board have been made. Mr. Steve Emrick suggested changes to be made in section 5-23 of the plan.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION 15-12-W
ADOPTION OF AGRICULTURAL WATER MANAGEMENT PLAN**

WHEREAS, the Agricultural Water Management Planning Act (Act) , codified in section 10800 et seq.,of the Water Code (CWC), requires all agricultural water suppliers equal to or greater than 10,000 acres in size to update its Agricultural Water Management Plan by December 31, 2015 and every five years thereafter; and

WHEREAS, South San Joaquin Irrigation District (District) prepared an agricultural water management plan in accordance with the Act in 2013 (AWMP or Plan) and has prepared an updated Plan in accordance with the requirements of Section 10826 of the CWC and the regulations implementing the Plan adopted by the Department of Water Resources (DWR's Regulations); and

WHEREAS, the District provided notice of the November 24, 2015 hearing in accordance with Government Code section 20841 by published notice in the Manteca Bulletin, a newspaper of general circulation for two consecutive weeks and notified each of the three cities and the

County of San Joaquin in accordance with Government Code section 20821, of the availability of the Plan and of the time and place for a public hearing to be held on the Plan at the November 24, 2015 meeting of the District's Board of Directors; and

WHEREAS, the District held a public hearing at the November 24, 2015 meeting of the District's Board of Directors and no public comments were made,

NOW, THEREFORE BE IT RESOLVED AND ORDERED, by the Board of Directors of the South San Joaquin Irrigation District as follows:

The 2015 update to the District's Agricultural Water Management Plan is hereby adopted and ordered filed with the District;

The District's Water Conservation Coordinator is hereby authorized and directed within 30 days to distribute copies of the Plan to the California Department of Water Resources and the other entities described in Section 10843 of the CWC and to cause the Plan to be posted on the District's website in accordance with Section 10844 of the CWC;

The General Manager is hereby authorized and directed to take appropriate action to implement the updated Plan in accordance with the Act and DWR's Regulations, as such may be modified from time to time;

A motion was made by Director Roos and seconded by Director Kamper to adopt the plan with the changes noted by Mr. Emrick and to approve Resolution #15-12-W and within 30 days of adoption, submit the amended plan to the DWR, cities within the County; groundwater management agency, local and state libraries, San Joaquin LAFCo, and post the plan on the District's website. The motion passed 5 to 0 by the following roll call vote:

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

Item #2 – Consider approval of Woodward Estates project

Mr. Bologna said there are not a lot of improvements needed on this project. One of the major issues is the round-about will need to be replaced and the pipeline must be re-routed. The District will need additional easements for easy access to its facilities.

Development Analysis

1. Location and nature of project:

The Woodward Estates project is a planned residential development located on the south side of Woodward Avenue and west of Union Road in Manteca. The project subdivides approximately 17 acres into 72 residential lots and a storm basin. The property is being developed by Woodside Homes.

2. District facilities involved:

Lateral “Ya” and “We”-134 DD

3. Acreage serviced by District facility:

The property is currently on the water rolls. Irrigation service to this property will be eliminated with this phase of development.

4. Improvements to be performed /facilities to be replaced:

The plans call for the installation of approximately 120 LF+/- new pipeline on Lateral "Ya" located on the north side of Woodard Avenue to accommodate the installation of a proposed roundabout. The new pipe will be 42” diameter which will be rerouted slightly but remain in the existing easement. A private irrigation valve will also be relocated as part of this work. The Lateral “We”134 DD is located on the west side of the project but has previously been replaced and can remain in its current location which is designated to be a park/bikeway corridor. A vent pipe will also need to be relocated as part of the project.

5. Easements to be conveyed and abandoned:

New easements for the pipeline were previously conveyed when the pipeline was previously replaced, however new easements for access along the meandering corridor will need to be conveyed to allow the District to drive the paved areas.

6. Type of Encroachments:

Encroachments will consist of typical development improvements including fencing, sidewalks, utilities, landscaping, and pavement. A separate landscape plan will also be provided for review and approval.

7. Irrigation services:

All existing irrigation services will be removed with project and an Irrigation Service Abandonment Agreement will need to be signed with project approval.

8. Storm drainage:

Storm drain runoff will be directed to new Woodward Estates detention basin and will be linked to the Oleander Estates basin west of the project. Storm water from this area will be directed to the City’s drain located within Woodward Avenue and will ultimately be lifted into Drain 8 west of Airport way.

Additionally, our current agreement with the City allows for the use of irrigation facilities subject to the City providing metering, controls and telemetry, as normally required, which will limit the discharges so as not to exceed the existing capacity of our system. Ultimately, the City will be responsible for approval of the Developer's storm drainage plan to make sure that it is in compliance with the District's requirements and agreement with the City. Further, the City shall provide the District with a standardized acknowledgment letter that analyzes the storm drainage aspect of the project and verifies that it meets all of the terms and condition of our master storm drain agreement requirement as to water quality standards.

9 Ground water issues:

Groundwater does appear to be an issue and the plans call for a dewatering system to be located in the basin. It has been made clear that the District will not accept any groundwater discharge for this project and that they will need to find an alternate method to provide permanent dewatering for the project.

10 Status of Improvement Plans and Final Map:

There are several modifications that will need to be made to the plans before we can call the plans complete and in conformance to District standards. Modifications include drainage discharge changes to eliminate permanent dewatering discharge to District facilities, pipeline replacement modifications at the roundabout to provide adequate access, modifications for access along the bikeway/corridor and a number of detail changes and notations on plans that address all concerns that were raised in the plan check comments that were previously provided. The engineer for the project has agreed to make all requested modifications and wished to obtain conditional approval so that they can expedite the approval of the project.

11 Property Interest Transfer request:

Not applicable to this project.

12. Developer's Agreement:

The Developer's Agreement specifies the conditions and obligations that the owner is to comply with as it relates to those improvements shown on the approved plans, including bonding requirements. Exhibit "C" of the agreement spells out the special conditions and requirements that apply to the project as referenced above.

13. Special conditions and requirements (Exhibit "C" of Developer's Agreement):

- a) Owner/developer shall submit improvement plans and final maps for the Woodward Estates development to the Engineering Department for approval and comply with all standard requirements concerning replacement of all facilities located within the development and modification of plans as required by the District's Engineering Department and as specified in the tentative map conditions adopted for the project.
- b) Owner/developer shall not build or develop within District easement until the replacement of the District's facilities has occurred in accordance with approved plans.
- c) Owner/developer shall convey new easements and enter into an Encroachment Agreement with the District for all proposed encroachments.

- d) Owner/developer shall notify District at least 48 hours prior to commencement of work. Work shall be complete and pipeline operational as specified by District. The deadline for work is typically February 15th of any given year.
- e) Owner/developer acknowledges that acceptance of storm water discharge for this project will be subject to the terms and conditions of the Storm Drainage Master Agreement between the District and the City. Further, the District shall be provided with a storm drainage analysis letter from the City that verifies that all storm requirements have been adequately satisfied prior to signature of plans by the District. Developer also acknowledges that permanent discharge of groundwater for dewatering purposes to District facilities will not be permitted.

A motion was made by Director Holbrook and seconded by Director Kuil to authorize conditional approval and signature of the Development project subject to compliance with those special conditions and requirements referenced in item # 13 above, that will be included in the Developer’s Agreement and the Board finds this project ineligible for reimbursement. In addition authorize staff to approve the items listed below subject to all additional plan modifications being made as required by the Engineering Department:

- 1) Improvement plans
- 2) Final map
- 3) Developer’s agreement
- 4) Encroachment agreement
- 5) Grant of easement
- 6) Irrigation service abandonment agreement

The 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 Sun Valley Meat expansion project

Mr. Bologna said the expansion project requires additional parking and modification and expansion of the existing storm retention and treatment system. An additional 100 foot wide easement will be conveyed to the District in the area that will expand to the north and will require an encroachment agreement for a new discharge line. He stated the City of Manteca will provide an analysis letter that verifies the storm drain system that is being installed meets all required water quality standards.

Mr. Emrick expressed concerns regarding water quality issues in regards to water discharge since this is an industrial company. The board asked Mark Houghton, from the City of Manteca, if the City will do annual water testing on this company. Mr. Houghton stated that he had visited the company approximately three weeks ago and their organization is very sanitary and under tight restrictions from the Food and Drug Administration. He said the company must meet NPDES (National Pollutant Discharge Elimination System) requirements and is monitored annually.

A motion was made by Director Holbrook and seconded by Director Roos to accept staff's recommendations and authorize conditional approval and signature on the items listed below, subject to compliance with the Engineering department requirements:

- 1) Improvement plans
- 2) Grant of easement (authorize acceptance of easement)
- 3) Encroachment agreement

The motion passed 5 to 0 as follows:

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

Item #4 – Consider conditional approval of Union Ranch #9 project

Mr. Bologna said the first phase of this development was approved by the board in October 2010 and the pipeline had been replaced along with all the storm drainage infrastructure improvements. This phase of the development will require that a manhole gets raised and access be provided to District facilities west of the development.

A motion was made by Director Kamper and seconded by Director Kuil to accept staff's recommendation to authorize conditional approval and signature of the items listed below, subject to compliance with the Engineering department requirements:

- 1) Final map
- 2) Improvement plans
- 3) Grant of easement (acceptance of easement)
- 4) Encroachment agreements (as needed to deal with any new proposed encroachments that were not previously authorized)

The motion passed 5 to 0 as follows:

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

Item #5 – Consider approval of amendment to Irrigation Service Abandonment agreement for Albert and Wanda Bruns, APN 245-140-32

Mr. Bologna stated this property is located on Murphy and Mello roads and they have been using their own well. The owner would like to construct a sprinkler sump system to be integrated into his existing irrigation system.

Specific conditions for approval that staff recommends are outlined as follows:

- a) Lateral “Ra” is capable of delivering flood water to the Subject Property through existing valve structures. If Owner desires to receive flood water, Owner shall be responsible for verifying that the valves are in operable condition and free of leaks. If improvements are necessary, Owner shall be required to obtain a structure permit from the District prior to proceeding with construction or modification.
- b) Sprinkler water can be made available to irrigate the Subject Property through SSJID Lateral “Ra” so long as District can regulate water deliveries to its satisfaction. The Owner shall be required to install private facilities necessary to connect to the SSJID facility and construct a private sprinkler sump consistent with District’s Standard Plans and Specifications (“District Specifications”). Because Lateral “Ra” is a dead end line, Owner will be required to spill any excess water on Owner’s property. The sprinkler sump will be required to have a spill outlet per District Specifications. Owner shall be required to obtain a Structure Permit from District prior to receiving District water.
- c) If the Subject Property is irrigated by flood, water use will be measured based on a time vs. flow calculation as determined by the District. The District shall reserve the right to require flow meter/meters, meeting the District Specifications, to be installed at the Owner’s expense to accurately measure the delivered water to each parcel comprising the Subject Property. The District will notify the Owner when the District requires the Owner to install the meter/meters. The Owner will be required to install the meter/meters according to the District’s specifications within the time frame given in the notice, which shall not be less than 30 days. The District may deny water to Owner until the Owner installs the meter/meters.
- d) If the Subject Property is irrigated by sprinkler, a meter per District Specifications will be required on the pumping system to keep a running total of water delivered. The total water delivered will be calculated based on before and after meter readings. If multiple parcels are serviced by one meter, the District shall determine the amount of water delivered to the Subject Property based on the proportional percentage of irrigated acreage, until such time as District requires a meter to be installed to measure water deliveries to each separate parcel comprising the Subject Property as described above.
- e) Owner is responsible for all costs related to providing service to the Subject Property, including standard water charges and back fees consistent with District policy.
- f) Conditions stated above shall be incorporated into the amended agreement.

A motion was made by Director Holbrook and seconded by Director Roos to accept staff recommendations to approve the Agreement to Amend Irrigation Service Abandonment Agreement subject to the above stated recommendations and a revision to the standard agreement that further reflects those conditions. Approval shall be subject to the terms and conditions specified in the revised policy entitled “Policy for Rescinding Irrigation Service

Abandonment”. By action dated January 13, 2015 which amended the Policy for Rescinding Irrigation Service Abandonment, Owner is not subject to a one year waiting period for the Subject Property to receive District water. The motion passed 5 to 0 as follows:

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

Item #6 – Consider approval of amendment to Irrigation Service Abandonment agreement for Paul & Anna Borbeau, APN 245-060-21

Mr. Bologna said the owner is currently irrigating with a sprinkler system supplied by his own well. He will need to install a private line in order to connect to Lateral “Qc” and does not intend to flood irrigate.

Specific conditions for approval that staff recommends are outlined as follows:

- a) Lateral “Qc” is capable of delivering flood water to the Subject Property; however, private improvements including irrigation valves will be required to allow flood irrigation. If Owner desires to receive flood water, and as a condition to receiving water, Owner is responsible for installing all improvements necessary to deliver flood irrigation to the Subject Property. Owner is required to obtain a Structure Permit from District before installing any facilities that will connect to District’s facilities.
- b) Sprinkler water can be made available to irrigate the Subject Property through SSJID Lateral “Qc”. The Owner shall be required to install facilities necessary to connect to the SSJID facility and construct a private sprinkler sump consistent with District Standard Plans and Specifications (“District Specifications”). Owner shall be required to obtain a Structure Permit from District prior to receiving District water.
- c) If the Subject Property is irrigated by flood, water use will be measured based on a time vs. flow calculation as determined by the District. The District shall reserve the right to require flow meter/meters, meeting the District Specifications, to be installed at the Owner’s expense to accurately measure the delivered water to each parcel comprising the Subject Property. The District will notify the Owner when the District requires the Owner to install the meter/meters. The Owner will be required to install the meter/meters according to the District’s specifications within the time frame given in the notice, which shall not be less than 30 days. The District may deny water to Owner until the Owner installs the meter/meters.
- d) If the Subject Property is irrigated by sprinkler, a meter per District Specifications will be required on the pumping system to keep a running total of water delivered. The total water delivered will be calculated based on before and after meter readings. If multiple parcels are serviced by one meter, the District shall determine the amount of water delivered to the Subject Property based on the proportional percentage of irrigated

acreage, until such time as District requires a meter to be installed to measure water deliveries to each separate parcel comprising the Subject Property as described above.

- e) Owner is responsible for all costs related to providing service to the Subject Property, including standard water charges and back fees consistent with District policy.
- f) Conditions stated above shall be incorporated into the amended agreement.

A motion was made by Director Roos and seconded by Director Kamper to accept staff recommendations to approve the Agreement to Amend Irrigation Service Abandonment Agreement subject to the above stated recommendations and a revision to the standard agreement that further reflects those conditions. Approval shall be subject to the terms and conditions specified in the revised policy entitled "Policy for Rescinding Irrigation Service Abandonment." By action dated January 13, 2015 which amended the Policy for Rescinding Irrigation Service Abandonment, Owner is not subject to a one year waiting period for the Subject Property to receive District water. The motion passed 5 to 0 as follows:

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

Item #7 – Consider approval of the proposal from GE to supply one train of modules for the Water Treatment Plant

Mr. Ed Erisman, Manager of the Water Treatment Plant, said six of the eight membrane trains have been upgraded from V3 to V4 modules. Trains 5 and 6 are equipped with V3 modules and show signs of wear and fiber breakage. He said labor costs to repair the breakage of fibers in the V3 modules continues to rise.

A motion was made by Director Holbrook and seconded by Director Roos to grant the General Manager authority to purchase the V4 modules to replace the V3 modules in Train 6 at a cost not to exceed \$739,077.51. The motion passed 5 to 0 as follows:

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

Item #8 – Consider approval of bid from Provost and Prichard to provide consulting services for the Urban Water Management Plan

Mr. Erisman stated that four (4) bids were sent out but only one (1) bid came back. Three engineering firms refused to bid on the project.

A motion was made by Director Holbrook and seconded by Director Kuil to accept the bid from Provost and Prichard to prepare the Urban Water Management Plan at a cost not-to-exceed \$39,660.

The motion passed 4 to 1 as follows:

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

Item #9 – Discussion and possible action regarding water supply reductions to the Cities of Manteca, Lathrop, and Tracy from the Water Treatment Plant

Mr. Rietkerk noted the SSJID Board had approved strict water reductions on agricultural customers in April 2015. The State requires that Districts apply the same restrictions to the each of the City’s water deliveries. The Water Treatment Plant staff tracked City usage weekly in 2015 to assure the Cities met their 20-percent reduction requirement. The Cities fell significantly below the monthly allotment targets. Because the Cities fell below their monthly allotments, they are asking to temporarily increase deliveries from the Water Treatment Plant through the end of the year to make up for foregone deliveries during the April – November period. The Cities are also questioning the continuance of the 20-percent reduction criteria in 2016. The Board took no action at this time but will need to consider discontinuing or augmenting the current City reductions as the District considers water supply conditions.

Ed Erisman, Water Treatment Plant Manager

- He reported that WTP staff has been working on repairing an 18” control valve on train #3 of the Zenon system. The plant was shut down for the afternoon and the valve was removed and inspected. The problem was found to be a spiral wound, metal gasket that had come apart. The un-coiled wire was fouling the valve seat and causing it to leak. The bad gasket was replaced and the valve put back into production. The valve seat is made of rubber and no visible damage was noticed. Staff will continue to monitor for leaks.
- Started the last quarterly cleans for 2015.
- Staff is experimenting with an option of recycling the last two tank drains of the high dose, citric acid clean. This option would allow staff to directly recycle approximately 20,000 gallons per clean rather than to haul it to the City of Tracy Waste Water Treatment Plant. The experiments are being performed entirely in the lab. Samples of the waste are being tested to determine the effects of the waste on the Aluminum Chlorohydrate (ACH) that is used as a coagulant. Also being tested are the Total Organic Carbon (TOC) levels and Disinfection by-product formation (DBP). DBPs are compounds regulated by the Federal and State Drinking Water Standards. The goal is to recycle the last two drains using the in-service drying bed rather than to haul away the waste. If successful, the WTP could save approximately \$70,000 per year.

Item #13 – Approve authorized signers on bank signature card and adopt Resolution #15-15-F that documents that action

The District signature card and wire authorization need to be updated due to the title change for Bere Lindley and the retirement of Jeff Shields.

**SOUTH SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION 15-15-F
UPDATE SIGNATURE CARDS WITH UNION BANK OF CALIFORNIA**

WHEREAS, the SOUTH SAN JOAQUIN IRRIGATION DISTRICT (District) must update its signature cards with its financial institutions.

RESOLVED, that any one of the following named officers,

John Holbrook
Robert Holmes
Dave Kamper
Dale Kuil
Ralph Roos

and one of the following named District staff,

Peter M. Rietkerk, General Manager/Secretary
Bere Lindley, Assistant General Manager
Robin Giuntoli, Finance Supervisor

are authorized to co-sign checks, drafts or other orders for and on behalf of the District from the bank designated as the District's Business Checking Account.

RESOLVED FURTHER, that any one of the above noted staff is authorized to sign payroll checks, drafts, direct deposits, ACH transactions, wires or other orders for and on behalf of the District from the bank designated as the District's Business Checking Account.

A motion was made by Director Kamper and seconded by Director Kuil to adopt Resolution #15-15-F listed above and was passed by the following 5 to 0 roll call vote:

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

Item #10 – Consider adopting Resolution #15-14-B to authorize execution of an escrow account in 2015 to pay the 2012A bonds maturing October 1, 2016

Mr. Lindley stated the debt service for 2016 is just over \$2.6 million. If the District establishes and funds an escrow account in 2015 to pay the 2012A bonds maturing October 1, 2016, and the interest thereon when due April 1 and October 1, 2016, in effect, this would be a prepayment of part of the 2012A bonds outstanding. The establishment and funding of this escrow will require the District to make an entry in the books of account for December, 2015 to remove the liability for the principal amount of bonds maturing in 2016. The amount to be paid into the escrow is \$2,350,400 (\$2,260,000 for principal, and \$90,400 for interest). The District has ample cash to prepay this debt and it will have a favorable effect on the debt service coverage ratio in 2016.

RESOLUTION NO. 15-14-B

RESOLUTION OF THE SOUTH SAN JOAQUIN IRRIGATION DISTRICT AUTHORIZING THE EXECUTION OF A 2015 ESCROW AGREEMENT (SERIES 2012A) AND APPROVING CERTAIN ACTS IN CONNECTION THEREWITH AND CERTAIN OTHER MATTERS

WHEREAS, the South San Joaquin Irrigation District (the “District”), an irrigation district duly organized and existing under and pursuant to the Constitution and laws of the State of California, proposes to undertake the defeasance of certain bonds;

WHEREAS, the Board of Directors of the District (the “Board”) has previously issued certain refunding revenue bonds (the “Bonds”) pursuant to an Indenture of Trust, dated as of April 1, 2012, by and between the District and Union Bank, N.A., as Trustee;

WHEREAS, the Board has determined that it is in the best interest of the District to cause the defeasance of the portion of the Bonds maturing on October 1, 2016 (the “Defeased Bonds”) and to approve an escrow agreement in connection therewith;

NOW, THEREFORE, the Board of Directors of the South San Joaquin Irrigation District does hereby resolve as follows:

1. The 2015 Escrow Agreement (Series 2012A) (“Escrow Agreement”), in substantially the form attached hereto as Exhibit A, is hereby approved. The President of the Board or the designee thereof is hereby authorized and directed to execute and deliver the Escrow Agreement with such changes, insertions and omissions as may be recommended by General Counsel or Stradling Yocca Carlson & Rauth, as Bond Counsel, and approved by the officer executing the same, said execution being conclusive evidence of such approval.
2. The President of the Board or the General Manager, the Assistant General Manager or the designee thereof and any other proper officer of the District, acting singly, is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the defeasance of the Defeased Bonds, the Escrow Agreement and this resolution.
3. This resolution shall take effect immediately.

A motion was made by Director Roos and seconded by Director Kamper to adopt Resolution #15-14-B listed above. The motion passed by a 5 to 0 roll call vote as follows:

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

Item #11 – Discussion and action regarding Proposition 218 hearing to consider increasing Division 9 pressurization rates, set new rate to be considered for discussion and approval at hearing, set date for hearing and instruct staff to provide notice in compliance with proposition 218

Mr. Lindley stated that on March 10, 2015, the Board held a Proposition 218 public hearing on a proposal to increase the Division 9 pressurization rate to \$55 per acre-foot. This was protested by a sufficient number of Division 9 customers to prevent adoption of the proposed rate. On November 3, an ad hoc committee consisting of Directors Holmes and Kuil met with six or seven Division 9 customers. After discussion and open expression of frustrations, concerns, and interests on both sides, a constructive disposition prevailed and there was a consensus among all present that a new rate in the range of \$42 - \$45 per acre-foot would be acceptable. On November 30, another ad hoc committee was held with Directors Holmes and Holbrook and four Division 9 customers, two of whom had attended the first committee meeting. Again, a consensus was reached that \$42 - \$45 per acre-foot would be an acceptable compromise.

A motion was made by Director Roos and seconded by Director Kuil to accept staff's recommendation to:

- 1) Schedule the public hearing for Tuesday, February 23, 2016 to consider a new proposed rate for Division 9 pressurization service and direct staff to provide public notice as required by Proposition 218;
- 2) In 2016, the proposed rate should be \$44 per acre-foot consisting of \$34 per acre-foot for recovery of electricity expense and \$10 per acre-foot for replacement of capital assets;
- 3) For each of 2017, 2018, 2019, and 2020 the electric component of the rate should be adjusted for inflation in accordance with the provisions of Proposition 218 (Government Code §53756 (b) and the \$10 capital asset replacement component should not change;
- 4) The electricity cost inflation index should be the actual electric costs paid by the District.

The motion passed 5 to 0 as follows:

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

Item #12 – Adoption of 2016 Investment Policy

Mr. Lindley stated the current Investment Policy lapses on December 31, 2015 and the Board's delegation of investment authority of the Treasurer as the District's investment officer also expires on December 31.

A motion was made by Director Roos and seconded by Director Holbrook to adopt the proposed investment policy for 2016 and re-authorizing the Treasurer as the investment officer for the year 2016. The motion passed 5 to 0 as follows:

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

Item #14 – November Financial Statements

This item was information only and no action was taken.

Item #15 – November Investment Reports

This item was information only and no action was taken.

Item #16 – Directors reports from ACWA conference

Director Kamper reported that he attended a session regarding the SMART grid. He also attended a luncheon with speaker John Laird who did a good job on groundwater. The energy committee was made up of representatives from Southern Edison and Santa Barbara PUC. The speakers were very good and it was noted that public power is less expensive but public water is higher priced. He had a good visit with Stockton East Water District and the Westlands Water District. He attended an ethics class.

Director Kuil attended the JPIA meetings on Monday and Tuesday. The meetings were good and one of the meetings on health care discussed how to prevent accidents and injuries. They discussed the importance of ergonomics, carpal tunnel, shoulder strains and a good chair. He stated that Walt Luihn is doing a good job as safety officer of the District. The JPIA has a team that they will send out on our annual safety day to review issues. He attended a class on ethics and sexual discrimination. Mr. Emrick noted that it is a good idea for all directors to attend the sexual discrimination classes. He also attended a session where James Richie discussed ground water and environmental hazards such as uranium, nitrates, and micro-beads, and even shampoo causes problems with the water.

Director Roos attended classes on energy, green energy, hydro, solar and batteries. The PUC says that the net energy metering has been disastrous. He also attended a meeting on water resources mapping. They said in Denmark, water is not treated and they do not chlorinate it. He also attended the JPIA meetings. Throughout the conference, there was no discussion on water storage.

Item #17 – COMMUNICATIONS

Director Holbrook visited with Frank Avila at the control station and was amazed at all of the advancements in technology over the past 10 years. He said that he appreciates the employees who work hard to improve District facilities. He also attended the Water Advisory Commission meeting.

Director Kuil agreed with the idea of the Water Treatment Plant recycling the cleanse waters to be able to re-use it and put into the District's canals. He suggested they seek a consultant to perform a study on how to recycle the water.

Director Holmes announced there is a Tri-Dam meeting tomorrow at 9:00 a.m. here at the District. He said that 2015 was a very eventful year tasked with added challenges. He thanked the Board for their hard work and said he is extremely proud of all SSJID employees and wished everyone a Happy New Year.

Troylene Vallow, Communications

- The Ripon Chamber of Commerce selected SSJID to be the grand marshal of the Almond Blossom festival. January 14 will be their kick-off dinner at Spring Creek and she encouraged the Board to attend. On February 11 they will hold the fashion show at the Ripon Community Center. They will wind up the festival on February 27 with the parade, with Peter Rietkerk and Jeff Shields, and said the District could enter a float for the parade.
- Boys & Girls Club will host their annual Crab Feed on January 16. She said Quincy Engineering is one of the sponsors.

Sam Bologna, Engineering Department Manager

- He attended a quarterly meeting with the City of Manteca regarding storm water and development issues and has been working on addressing comments on the draft amendment which he plans to give to the City for their acceptance. He attended a GBA meeting on December 9 and the workgroup meeting session that followed and will serve as an alternate for Peter Rietkerk when he is unable to attend.
- He has nothing new to report from the labs on the East Basin well project but believes the odor was from the contractors sounding tube. They are installing the test pump which has been delayed due to weather conditions. He hopes they will finish up development this week and finish testing this week or early next week.
- District received a report from Kleinfelder on the test borings they performed on the MDC. The report contained recommendations for possible improvements to the canal to help with the seepage issues. District is currently looking at cost options and effectiveness of each of the recommended options and will report back to the Board with possible recommendations to solve the problem.
- During the preparation of the executive summary of the Feasibility study, a miscalculation of water savings that could be attributed to the project was discovered. It will be necessary to revise some of the previous work to reflect the latest discovery. The additional work for the last two weeks (at no cost to the project) is to review and evaluate the project future without-project conditions to determine whether the most appropriate assumptions have been made about SSJID's future without-project conditions. Some intangible benefits may also need to be considered as part of the study which are difficult to quantify from an economic standpoint. Staff plans to do some internal reviews of the information being provided before any formal presentations are made to the Board.
- He attended several informative sessions at the ACWA conference including topics on groundwater & SGMA, weather forecasting technology, water conservation methodology and forums discussing water supply, regulations, project financing opportunities, and water transfer information.
- District received an application and deposit from Bob Miller for possible annexation of land on Wagner Road. The engineering department is reviewing the application to determine if the parcel can be serviced.

Peter Rietkerk, General Manager

- He reviewed the water supply conditions and said that the valley is expecting a storm that should produce over an inch of rain and much more in the mountains. He reviewed the

San Joaquin River 5 station index and stated approximately 9.5 inches of rain to date or about 99 percent of average.

- He attended the SJC Board of Supervisors meeting on December 15. The supervisors approved a Resolution approving their application to DWR for the County to become a Groundwater Sustainability Agency over the entire County boundary. This application, once filed, will invalidate SSJID's application for GSA. SSJID asked that the County exclude its current election boundaries but was denied. The County did express through resolution, and through remarks from supervisors, that their intentions are not to take-over the GSA process, but to allow local agencies to form, and to provide a coordination role on topics including boundary conflicts, data acquisition, and groundwater modeling efforts to support a Groundwater Sustainability Plan. Representatives from Woodbridge Irrigation District, Stockton East Water District, Central Delta, City of Lodi, and the SJ Farm Bureau expressed concerns about the County's action to file.
- He met with Mark Houghton, City of Manteca, in an introductory meeting on December 7 regarding long term issues.
- Current Congressional efforts to provide drought relief appear to have failed as a result of disagreements between house Republicans and California Senator Boxer and Feinstein. Notable items included in the Drought bill language for the Stanislaus included predation programs to study suppression of striped bass populations in the tributary, and opportunities for passing New Melones operations onto the Districts relying on water from reservoir.
- California Public Utilities Commission decided to retain the current Net Energy Metering program with regards to solar installations and distributed generation, declining proposals for fixed charge fees from PG&E and others. The PUC did allow for payment of a reasonable interconnection fee. Commissioners stated that more time was needed to evaluate the current Net Energy Metering proposal and are requiring the issue to be evaluated again in 2019.
- At the ACWA Conference, he attended several meetings:
 - Met with Bureau of Reclamation regarding 2015 Stanislaus River drought year operations
 - Meeting with consortium of state agency representatives, Northern California agricultural water users, Stanislaus River interests and Metropolitan Water District discussing the concept of settlement agreements and the nexus with the upcoming Bay Delta Water Quality Control plan. State representatives have expressed a commitment to rolling up sleeves and discussing these issues to avoid protracted litigation.
 - Met with Westlands and Del Puerto Water District regarding water transfers.
 - Attended luncheon where Bruce Babbitt discussed SGMA, mandatory reporting by the state; and groundwater issues in Arizona
 - Attended a workshop on Smart Grids and how utilities are evaluating incorporation of solar and other renewables into existing distribution grids. The main takeaways included the fact that distribution planning is changing now to incorporate solar on a larger scale, and technology such as smart inverter and monitoring devices will play a key role in bringing incorporating Distributed Energy Resources when they are most beneficial.
 - He attended an ethics class.

Structure Permits:

- Robert Bandoni, APN 206-080-06 & 206-110-07, LATERAL “QK”
- Geneva Martin, APN 249-120-12 & 13, Lateral “I”
- John Franzia, APN 205-100-06, Lateral “Bf”
- Norcal Assets LLC, APN 247-030-05, Lateral “Oa”

Structure Abandonments:

- BS Family Partnership, APN 228-020-12, Lateral “T”

Encroachment Agreements:

- Robert Bandoni, APN 206-080-06
- Geneva Martin, APN 249-120-12 & 13

At this time, General Counsel announced that items 18 a & b would be discussed in closed session.

Item #18 – Closed Session

- Conference with Legal Counsel – Anticipated Litigation
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9
 - 3 cases
- Conference with Legal Counsel – Existing Litigation
Paragraph (1) of subdivision (d) of Government Code Section 54956.9
 - 1 case

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

Upon their return from Closed Session, it was reported there was no reportable action.

Item #19 – 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 12:46 p.m. The motion passed 5 to 0 as follows:

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

ATTEST: _____
Betty Garcia, Executive Secretary