

**MINUTES FOR THE MAY 27, 2025
REGULAR MEETING OF THE SSJID BOARD OF DIRECTORS**

The Board of Directors of the South San Joaquin Irrigation District (SSJID) met in person in regular session in the District Boardroom at 9:00 a.m., with public access provided via the online Zoom meeting platform. President Spyksma called the meeting to order. Director Roos led the flag salute. Upon roll call the following members were noted present:

DIRECTORS: ROOS SPYKSMA VAN RYN WESTSTEYN
ABSENT: HOLBROOK

Also present were General Manager Peter Rietkerk, General Counsel Mia Brown, Engineering Department Manager Forrest Killingsworth, and Clerk of the Board Danielle Barney.

Public Comment – None.

CONSENT CALENDAR

- A. Approval of Checks in the amount of \$407,031.68; Accounts Payable Wires in the amount of \$2,237,916.72; and Payroll dated April 18, 2025 in the amount of \$302,445.89, April 25, 2025 in the amount of \$3,691.54, May 2, 2025 in the amount of \$305,436.44, and May 16, 2025 in the amount of \$306,278.53.
- B. Approval of the Regular Board Meeting Minutes of April 22, 2025
- C. Approval of the Special Board Meeting Minutes of May 16, 2025
- D. Acceptance of Grant of Easement from Fields Farms LLP for Lateral “Oa”
- E. Acceptance of Grant of Easement from Fields Farms LLP for Lateral “Ra”
- F. Acceptance of Grant Deed and Authorization to sign Certificate of Acceptance for Property to be Acquired from The Wine Group LLC, in Association with the Q/Qc Regulation Reservoir Project
- G. Acceptance of the 2025 Water Supply Demand Assessment Report (Urban Customers)
- H. Financial Reports through April 30, 2025
- I. Investment Report for April 2025

MOTION: A motion was made by Director Roos and seconded by Director Weststeyn to approve the Consent Calendar as submitted.

The motion passed 4 to 0 by the following vote:

AYES: ROOS SPYKSMA VAN RYN WESTSTEYN
NOES: NONE
ABSTAIN: NONE
ABSENT: HOLBROOK

President Spyksma inquired if Public Comment is invited on the Consent Calendar, to which SSJID General Counsel Mia Brown responded in the affirmative. She added that the purpose of the Consent Calendar is to

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approve all listed items together in a single motion without extended discussion or consideration of a particular item. If one or more Board Members wish to discuss a particular Consent Calendar item at length, it should be moved to the Action Calendar for further discussion and action.

COMMUNICATIONS

Item #1 – Directors’ Reports

Director Van Ryn thanked the Division Managers and staff for their continuous hard work delivering water.

Director Van Ryn reported that he completed his Director Orientation of the Irrigation Operations & Engineering Tours #1 and #2. He thanked SSJID Engineering Department Manager Forrest Killingsworth, and SSJID Irrigation Services Supervisor Joe Hasten for conducting the informative, on-site visits to various District facilities including the Joint Supply Canal, Canyon Tunnel Project, Woodward Reservoir, Division 9, and the distribution system and operations.

Director Weststeyn reported that he attended the following meetings and/or events:

- April 28 – Attended several meetings between SSJID, State Legislators, and the District’s legislative advocates Shaw Yoder Antwih Schmelzer & Lange (SYASL). He stated that the meetings were productive, and that he appreciated the experience of participating at the State Government level.
- May 8 – Attended the San Joaquin Farm Bureau (SJFB) Dinner meeting at Rustic Ranch. The agenda included the SJFB Foundation for Ag Education’s annual scholarship recipient presentations.
- May 12 – Attended the San Joaquin Tributaries Authority (SJTA) Commission meeting on May 12. Discussion included a workplan for SJTA public relations and outreach.
- May 13-15 – Attended the Association of California Water Agencies (ACWA) 2025 Spring Conference in Monterey. He stated that it was a good conference, and noted the informative breakout sessions.
- Director Weststeyn stated that he had several meetings with growers, which he would discuss further in Closed Session.

Director Roos acknowledged the Memorial Day Holiday, on May 26, and expressed thanks to veterans and members of the armed forces for their service.

President Spyksma reported that he attended the ACWA 2025 Spring Conference in Monterey, noted the information received from state and federal levels, and opined that water agencies should unite to address future challenges regarding water issues. He attended the ACWA Joint Powers Insurance Authority (JPIA) Board meeting and acknowledged the well-run JPIA organization.

Item #2 – Various Reports

The Managers’ Reports were provided in electronic form to the Board on May 23, 2025.

Mr. Peter Rietkerk, SSJID General Manager, reported that on May 6, 2025, the City of Manteca (City) Council approved a Memorandum of Understanding (MOU), between the City and SSJID, regarding SSJID’s payments in lieu of franchise fees to mitigate any financial impacts resulting from the District’s Retail Electric Project. He acknowledged Ms. Brown for her coordination efforts with Manteca’s City Attorney David Nefouse to finalize

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the MOU for approval.

Mr. Rietkerk reported on his attendance at the legislative meetings in Sacramento, on April 28, which included discussions with Senator Jerry McNerney, Assemblymember Heath Flora's Chief of Staff Dylan Gray, and members of the Senate Energy & Utilities Committee. He added that, as identified in the District's Strategic Plan, staff intends to, periodically, touch base with all local elected officials to keep them abreast of SSJID's focus, future plans, and/or areas of concern.

Director Weststeyn addressed Water Treatment Plant (WTP) Manager Justin Ashworth, referenced the WTP Manager's Report dated May 27, 2025, Section WTP Production, 2024-2025 comparisons, and inquired on the lower 2025 water demand for the City of Tracy, as well as overall WTP lower water production and capacity. Mr. Ashworth responded that the City of Tracy has been utilizing their Water Treatment Plant, on a fluctuating month-by-month basis, contingent on the maintenance schedules of the Tracy facility.

ACTION CALENDAR

Item #3 – Consider Approval of Sierra Controls Task Order #3 – Main Distribution Canal Drops 6, 7, 8 & 10 Site Upgrades

Mr. Lance Martin, SSJID Telemetry Systems Supervisor, addressed the Board regarding approval of the Sierra Control, LLC (Sierra) Task Order #3. He stated that Task Order #3 is under the existing Master Professional Services Agreement (PSA) for the Irrigation SCADA Master Plan (SMP) Phase 2 site upgrade of the Main Distribution Canal (MDC) Drops 6, 7, 8 and 10.

Mr. Martin provided background of Sierra's successful completion of Task Order #2, which included implementation of SMP Phase 1 and site upgrades to the first three (3) MDC Drops 9, 11, and 12. He detailed the scope of work for Task Order #3 to replace control panel hardware at the MDC Drops 6, 7, 8 and 10 and integrate these sites into the new SCADA platform. In addition, four (4) deteriorated river spill gates at Drop 7 will be completely replaced.

Sierra submitted a proposal for Task Order #3, on a time and materials (T&M) basis, for an amount not to exceed \$193,480.86.

Discussion included the new sensors and touch-screen control functionality at the drop structures.

MOTION: A motion was made by Director Weststeyn and seconded by Director Van Ryn to authorize the execution of Task Order #3 with Sierra Controls, LLC, under the existing Master Professional Services Agreement, for Irrigation SCADA Master Plan Phase 2 site upgrades of MDC Drops 6, 7, 8 and 10, on a T&M basis, for an amount not to exceed \$193,480.86.

The motion passed 4 to 0 by the following vote:

AYES:	ROOS SPYKSMA VAN RYN WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HOLBROOK

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Item #4 – Consider Approval of Purchase of Two-Way Radio Equipment

Mr. Martin addressed the Board regarding approval of the purchase of two-way radio equipment from Ray's Radio, for the amount of \$110,194.76.

Mr. Martin provided background of the District's current two-way radio system, which is decades old, and prone to static, signal interference, poor voice quality, as well as obsolete replacement parts. He explained that a modern digital radio system will provide improved voice clarity, expanded coverage area, reduced interference, and future scalability and would be a critical component of the District's emergency response in the event of dam failure, or widespread communication and/or power outages. It was noted that the repeater would be relocated from Woodward Reservoir to the WTP, where it would benefit from a controlled climate and backup generator.

The equipment to be purchased will include one (1) digital repeater, two (2) base stations, ninety (90) mobile vehicle radios, and twelve (12) handheld radios. One base station will be located in Building B of the District Offices, and the other in the Control Room. Installation will be conducted in-house by District staff.

Board discussion included the amounts of functionality and benefits of utilizing a digital radio system.

MOTION: A motion was made by Director Weststeyn and seconded by Director Van Ryn to approve the purchase of two-way radio equipment from Ray's Radio for an amount of \$110,194.786.

The motion passed 4 to 0 by the following vote:

AYES:	ROOS SPYKSMA VAN RYN WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HOLBROOK

Item #5 – Consider Approval of Amendment to Service Abandonment Agreement for Adam & Whitney Nieweg (APN 261-210-22)

Mr. Anthony Podesto, SSJID GIS/Engineering Technician, addressed the Board regarding approval of the Agreement to Amend Irrigation Service Abandonment Agreement (SAA) for San Joaquin County Assessor's Parcel Number (APN) 261-210-22. He described the parcel size and location, and provided background of the previous owner entering into an SAA with the District in 1992 (Agreement #345), and Adam and Whitney Nieweg (Owner) requesting an amendment to the SAA so that the property can be eligible to receive District water. Lucas Van Duyn (Applicant) is the grower and plans to submit a structure permit application to install a new on-farm pressurized system on Lateral V, if the Abandonment Agreement is amended.

Mr. Podesto noted that there is a sump in place at this location on the District's Lateral V, and a pipe crossing under the canal is still in place and utilized by the well to irrigate the remainder of the property on the other side of the canal.

Mr. Podesto provided a detailed explanation of Lateral V including size, location, and service ratio. He explained serviceability and required improvements, existing easements, and encroachments. Specific conditions for approval were noted regarding flood irrigation, and sprinkler or drip irrigation, and the District's "Policy for Rescinding Irrigation Service Abandonment." Staff recommended that approval of the SAA Amendment include conditions for the Owner to grant the District an easement consistent with the District's standard form,

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and issuance of an Encroachment Agreement for the existing pipe crossing under Lateral V at APN 261-210-22.

Board discussion included concern regarding the operational capability of the existing sump pump, and to insert language into the SAA Amendment identifying a one (1) year trial period of the current sump system ensuring it meets SSJID's operational requirements. The Board also questioned the condition of the existing pipe crossing under Lateral V and suggested that issuance of an encroachment permit be subject to a visual inspection and confirmation that the pipe is in satisfactory condition.

MOTION: A motion was made by Director Roos and seconded by Director Weststeyn to conditionally approve the Agreement to Amend Irrigation Service Abandonment Agreement, consistent with staffs' recommendations, for Adam and Whitney Nieweg, APN 261-210-22; and to insert language into the SAA Amendment identifying a one (1) year trial period of the current sump system ensuring it meets SSJID's operational requirements.

The motion passed 4 to 0 by the following vote:

AYES:	ROOS SPYKSMA VAN RYN WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HOLBROOK

Item #6 – Consider Approval of Amendment to Service Abandonment Agreement for Bruce & Michelle Rankin (APN 245-290-07)

Mr. Podesto addressed the Board regarding approval of the Agreement to Amend Irrigation Service Abandonment Agreement (SAA) for APN 245-290-07. He described the parcel size and location, provided background of the current owner, Rankin Family Trust (Owner), entering into an SAA with the District in 2018 (Agreement #1702), and the Owner's request to amend the SAA so that the property can be eligible to receive District water. If the Abandonment Agreement is amended, the Owner plans to submit a structure permit application to install a new on-farm pressurized system at Lateral "U."

Mr. Podesto provided a detailed explanation of Lateral U including size, location, and service ratio. He explained serviceability and required improvements, existing easements, and encroachments. Specific conditions for approval were noted regarding flood irrigation, and sprinkler or drip irrigation, and the District's "Policy for Rescinding Irrigation Service Abandonment." Staff recommended that approval of the SAA Amendment include conditions for the Owner to grant the District an easement consistent with the District's standard form, and issuance of an Encroachment Agreement for the existing pipe crossing over Lateral U at APN 245-290-07.

Board discussion included that the Owner will install a new takeout to the sump, and the salinity levels of the Owner's well water.

MOTION: A motion was made by Director Weststeyn and seconded by Director Roos to conditionally approve the Agreement to Amend Irrigation Service Abandonment Agreement, consistent with staffs' recommendation, for Bruce and Michelle Rankin, APN 245-29-07.

The motion passed 4 to 0 by the following vote:

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AYES:	ROOS SPYKSMA VAN RYN WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HOLBROOK

Item #7 – Consider Approval of SSJID Policy for Electronic Signatures on Accounts Payable Checks

Ms. Sarah Bloom, SSJID Assistant Finance and Administration Manager, addressed the Board regarding approval of the proposed Policy for Electronic Signatures on Accounts Payable (AP) Checks (Policy). She noted that previous Board discussion expressed interest in modernizing the current process by which AP checks are signed.

Ms. Bloom provided background of the current AP check signing policy which requires two (2) wet signatures including one (1) Board Member and one (1) authorized staff. Directors' current check signing responsibilities rotate on a weekly basis.

Ms. Bloom explained that the parameters of the proposed Policy would still require two signatures on AP checks, with the Board President's signature electronically printed on each check, and a wet signature required from an authorized staff member. She further explained that the current accounting software cannot accommodate a weekly rotation of the Board's electronic signatures on AP checks, therefore staff recommended that the electronic signature only be that of the Board President.

Ms. Bloom detailed the proposed AP check "Review Process" whereby a weekly "AP Disbursement Packet" will be emailed to the Board Director assigned to the week's already established 2025 Check Signing Schedule. The packet will include PDF images of all checks, listings of all automated clearing house (ACH) payments, invoice documentation, a summary of disbursements, and a signature page. The signature page will be electronically signed by the designated Board Member via DocuSign. Staff will not mail checks until the approval e-signature is received.

Ms. Bloom listed the proposed three (3) options of the approval process including 1) Board President reviews disbursements and electronically signs signature page; 2) Board Member reviews disbursements and electronically signs signature page; or 3) All Board Members receive and review disbursements and any or all Directors sign the signature page.

Ms. Brown identified a potential Ralph M. Brown Act violation should Board Members discuss AP disbursements among themselves, outside of a board meeting.

Ms. Sonya Williams, SSJID Finance and Administration Manager, proposed that the AP Disbursement Packet could be forwarded, for weekly review, to the Director assigned per the 2025 Check Signing Schedule; and the Board President's signature would be electronically affixed to the AP checks. All Board Members could have the opportunity to review the AP Disbursement Packet at the next regularly scheduled board meeting.

Additional discussion included forwarding the AP Disbursement Packet via One-Drive versus as an e-mail attachment; opting for the Board President's electronic signature, and disbursements reviewed and approved by one (1) Board Member; and provide Board Members the option to physically review hard copy disbursements and sign via wet signature(s).

MOTION: A motion was made by Director Roos and seconded by Director Van Ryn to approve the SSJID Policy for Electronic Signatures on Accounts Payable Checks including amended language to forward the AP Disbursement Packet via One-Drive versus as an e-mail attachment; opt for the process whereby the Board President electronically signs, and disbursements are reviewed and electronically approved by one (1) Board Member; and

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provide Board Members the option to physically review hard copy disbursements and sign via wet signature(s).

The motion passed 4 to 0 by the following vote:

AYES:	ROOS SPYKSMA VAN RYN WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HOLBROOK

Item #8 – Consider Adoption of Resolution 25-10-P Amending the SSJID Annexation Policy and Superseding Previous Annexation Policy Resolutions; and Consider approval to Rescind Annexation Moratorium

Mr. Rietkerk provided a brief recap of having presented the proposed Resolution 25-10-P at the regular board meeting on April 22, 2025, and the Board’s decision to table the agenda item, direct staff to amend the proposed SSJID Annexation Policy (Policy) based on Board discussion, and to present the amended Policy for consideration at a future meeting.

Mr. Rietkerk gave a detailed explanation of the revisions made to the proposed Policy, per the Board’s direction, including requirements and procedures of the Feasibility Study, removal of the annexation “pre-application” process, inclusion of a three (3) step annexation application process, the annexation fee, and the District’s review of the 5-percent (5%) annexation fee escalator every 5-10 years.

Board discussion included adding language to the proposed Annexation Policy clarifying that the annual 5% escalator fee increase shall remain continuous, and that the Board would review the annual increase rate from time-to-time and adjust the rate as necessary.

MOTION: A motion was made by Director Weststeyn and seconded by Director Roos to adopt Resolution 25-10-P Annexation Policy Amending and Superseding Resolutions 90-18-0, 93-17-0, 00-21-0, 09-09-A, 14-11-P, and 16-16-P.

**SAN JOAQUIN IRRIGATION DISTRICT
RESOLUTION NO. 25-10-P**

**ANNEXATION POLICY
AMENDING AND SUPERSEDING RESOLUTIONS 90-18-0, 93-17-0, 00-21-0,
09-09-A, 14-11-P, AND 16-16-P**

WHEREAS, the South San Joaquin Irrigation District (“District”) receives annexation requests from time to time from Landowners whose land is not within the boundaries of the District; and,

WHEREAS, it is in the best interests of the District to annex land presently outside of District under terms and conditions as hereinafter set forth; and,

WHEREAS, District desires to adopt a uniform policy for the annexation of lands, reserving to District, however, the absolute right to accept or reject any parcel seeking annexation and further reserving to District the right to impose differing terms of annexation to such lands; and,

WHEREAS, in connection with District's consideration of said policy, District finds as follows:

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- A. There is an interest by landowners outside the South San Joaquin Irrigation District to have their lands considered for annexation into the District.
- B. Over the years since its inception, the District has developed, acquired, and purchased substantial and valuable assets, interests, and rights which benefit all of the members of the District.
- C. It would be unfair to Original Landowners to have new members of the District receive the benefits of those assets without paying their pro-rata share therefor.
- D. Through sound water management practices and the utilization of existing and new facilities, water can be delivered to certain parcels not currently within the boundaries of the District.
- E. Substantial future benefit will accrue to the District and serve to benefit all Landowners in the District, including those who are currently members of the District and those seeking membership in the District now and in the future.
- F. District intends to meet the water supply requirements of Original Landowners, District's contractual responsibilities to the five cities, and the requirements of Landowners in every year, subject to its available water supply, its water rights, its available water delivery facilities, except insofar as the Board of Directors finds Water Code section 22252.1 through 22252.3, 22255 or 22257 (granting the District authority, among other provisions, to establish equitable distribution of water, responses to water shortages, and rules and regulations for distribution and use of water) applicable.

WHEREAS, by Resolution 00-21-0, adopted on November 14, 2000, the District established two tiers of landowners; Tier I composed of landowners whose property was within the District as of November 14, 2000, and Tier II composed of landowners whose property is annexed any time after that date. Tier II landowners are entitled to equal benefits to the District's water supply to the extent of District's water supply, its water rights and its available water delivery facilities, except that the water supply of Tier II landowners is subject to reduction in order for the District to serve Tier I landowners and to satisfy the District's contractual obligations to the cities of Manteca, Escalon, Ripon, Lathrop and Tracy.

NOW, THEREFORE BE IT RESOLVED that the District policy as pertains to annexation of additional properties within the District is and shall be as follows:

1. DEFINITIONS

- 1.1. "Agreement" means the Annexation Agreement and Covenant Running with the Land described in Section 3.1.
- 1.2. "District" means the South San Joaquin Irrigation District.
- 1.3. "Existing Members of the District" and "Original Landowners" mean landowners whose property is within the District prior to the completion of the annexation of Landowners' property within the District.
- 1.4. "Tier I Landowners" means those landowners whose property was within the District as of November 14, 2000.

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1.5. "Landowner" and "Landowners" mean owners of real property not currently within the South San Joaquin Irrigation District who desire to become members of the South San Joaquin Irrigation District.

1.6. "LAFCo" means the San Joaquin Local Agency Formation Commission.

1.7. "Member" means a landowner whose property is within the District.

1.8. "New Capital Charges" is defined in Section 4.7.

1.9. "Tier II Landowners" refers to all landowners whose property is annexed to the District at any time after November 14, 2000. All Tier II Landowners are subject to the water supply limitations in Section 9.7.

2. APPLICATION BY LANDOWNERS

2.1.

(a). Any person desiring to annex land to District under terms and conditions set forth herein shall indicate such interest in writing to the District including details related to the subject property and desire for District service (i.e., APN, physical address, landowner, property acreage, preferred irrigation method, etc.). District staff will review the notice of interest and coordinate a meeting with potential annexation applicant to review the proposed annexation.

(b). If the District, in its initial review in Section 2.1(a) above, indicates that the proposed annexation may be possible, the Landowner may then request in writing that the District perform a full feasibility study to determine whether: (1) the District's existing facilities can provide irrigation service to Landowner's property; (2) any additional facilities may be required to service Landowner's property; and (3) there are any limitations that may exist or conditions that may need to be imposed in providing service to the Landowner's property in order to mitigate adverse impacts to existing Members of the District. Landowner may submit its request that District perform a feasibility study for serving Landowner's property by completing and delivering to the District its standard form for this purpose, supplying all required information requested therein, and paying a deposit for the District's anticipated administration and third-party costs. Landowner is responsible for paying any costs incurred by District staff and to third parties in making the preliminary determinations described above. The District may also request additional funds to maintain a positive balance from which to pay for such costs until the feasibility study is completed. Upon completing the feasibility study, the District will refund the balance to the Landowner.

The feasibility study shall describe the works necessary to deliver water from District's existing distribution system to irrigate the land seeking annexation, state the estimated cost thereof, and determine how and when such works will be constructed. Further, it shall include, among other things, the ability of the property to be served by the District, the appropriateness or need of additional facilities to deliver water to the property, drainage and drainage considerations, location of said property, uses of said property, whether or not said property is within the sphere of influence of District, and such other factors as might reasonably bear on the consideration of annexation. If annexation is feasible, then the study will also outline necessary next steps to effectuate the annexation, including any District, LAFCO, or regulatory requirements and procedures. District's feasibility study determinations are subject

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to change when District processes a later application for annexation of the same property.

Failure of the parties to complete the feasibility study within six months of the date of request to initiate the feasibility study shall result in cancellation of the feasibility study. Such cancellation shall not preclude Landowners from requesting a study in the future, or seeking an extension from the Board of Directors should an extension be justified by the circumstances.

(c). The District General Manager shall review the findings of the completed feasibility study and make a determination, in the District General Manager's discretion, whether the proposed annexation may proceed to annexation, subject to proposed terms and conditions of the feasibility study, and other such conditions deemed necessary to accommodate the proposed annexation. If the District General Manager determines that annexation of the subject property is not in the best interest of the District, the District General Manager shall notify the Landowner.

(d). If the General Manager determines that the subject property may be eligible for annexation, as described in Section 2.1(c), and the Landowner desires to proceed with the annexation process, the Landowner shall file an Annexation Application with the General Manager of the District, pay the Annexation Fee in accordance with Section 4.9(b)(1), and supply a cash deposit to cover charges expected to be paid to third parties to process and obtain approvals of the Annexation Application. The District's internal administrative costs to process the application will be paid from the Annexation Fee. Such Annexation Application shall be upon forms as may from time to time be developed by the District for such purposes. While this policy pertains to the initiation of annexation requests by landowners of property not currently within District, nothing in this policy precludes District, upon its own resolution, from initiating annexation requests.

2.2. Landowner's failure to complete the annexation within three (3) years of the date of approval of an Application for Annexation shall result in cancellation of the Application. Such cancellation shall not preclude Landowners from reapplying for annexation in the future, or seeking an extension from the Board of Directors should circumstances justify an extension. Any fees collected by District are not refundable under any circumstances, except that the Annexation Fee paid with the Application, less District's internal administrative costs to process the Application and less any other costs and expenses paid or incurred by the District and yet to be paid by the Landowner, are refundable without interest if the District General Manager rejects the Application or under the other circumstances described in Section 4.9(b)(1).

3. PROPOSAL FOR ANNEXATION

3.1. If the District General Manager approves the Application, the General Manager shall prepare and submit to the Landowner for signature, a form of the Agreement. The Agreement shall contain the terms, conditions, and elections prescribed for the Agreement throughout this policy, the terms and conditions of annexation to be included in the resolution of Application described in Section 3.2, and such other terms and conditions as the parties may agree upon.

3.2. Upon approval by District General Manager of an Annexation Application, payment of the part of the Annexation Fee described in Section 4.9 (b) (1), payment of the cash deposit described in Section 2.1 and the execution of an Agreement by the Landowner, the District Board may consider adoption of

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a resolution of application, proposing annexation of the lands described in the Agreement and approval of the Agreement.

3.3. The resolution of application shall state that the proposed annexation is to be made only under the terms and conditions set forth therein, and that if not approved in such form by LAFCo that the resolution will be deemed to be withdrawn unless both District and the Landowner agrees in writing to any modifications of such terms and conditions by LAFCo.

3.4. After the resolution of application has been approved by the District Board of Directors and Landowner has secured the subordination agreements described in Section 6.2, the resolution of application shall be filed by District with LAFCo.

3.5. The Landowner shall be responsible for payment of such fees as are required in connection with LAFCo proceedings, including filing and administrative fees and the costs and expenses of environmental review, title reports and recordation of documents. Additionally, the Landowner shall pay all fees and costs for soils reports, surveys, and such as necessary to fully complete the application for annexation. Further, the Landowner shall pay to District the District's reasonable costs and expenses for outside attorneys, engineering and consultants as may be reasonably incurred by District in considering said annexation. Landowner shall increase the cash deposit described in Section 2.1 as District determines will be reasonably necessary to cover such fees, costs and expenses.

3.6. The California Environmental Quality Act (CEQA) contains provisions which require environmental analysis and study of undertakings classed as "Projects". Environmental review shall evaluate pursuant to CEQA the potential impacts created by the annexation of the land, including construction of new facilities to serve the land and the importation and distribution of water to serve the land, and proposed mitigation measures, if necessary. All costs of environmental review will be that of the Landowner. However, District may reimburse Landowners for the costs of the environmental review to the extent that the District reasonably determines the environmental review is unusually complicated and costly due to issues of significance to the District beyond those raised by the annexation. If District reimburses Landowners for such costs, District shall consider this cost as a New Capital Charge and Landowners shall repay District as provided herein and within the Agreement. The timing of environmental review will be determined by District personnel in coordination with LAFCo.

4. TERMS AND CONDITIONS OF ANNEXATION

A. QUANTITY AND QUALITY OF WATER TO BE DELIVERED

41. District makes no representation to Landowners or anyone else of the availability, quantity, quality, or delivery times of the water conveyed by it.

42. Landowners who have lands which have rights to divert the natural flows of the Stanislaus River may be annexed on such terms and conditions as are mutually agreed on by District and such Landowners, which recognize such rights and provide for supplying water in satisfaction thereof. Such lands may receive water in amounts and times which Existing Members of the District and other Landowners do not receive.

43. At such time as additional water supplies may become available through sources other than existing or renegotiated contracts or existing District rights, Landowners shall be entitled to the same benefit with Existing Members of the District for the use of such additional District water supplies and

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will not be subject to the Section 9.7 restrictions for such additional water supplies. All lands within District receiving such water shall pay their proportionate share of the cost thereof.

B. CHARGES FOR WATER

44. Landowners will pay the same water rates charged to Existing Members of District. Landowners shall be assessed water charges and other amounts and charges of the District each year beginning in the year in which the annexed parcel is in a position to receive water from the District. Ordering water when available and payment therefore shall be in accordance with District rules and regulations.

C. ASSESSMENTS

45.

(a). Property of Landowners shall be assessed the same as similar lands of Original Landowners. Further, the lands of Landowners shall be given an assessed value on the same basis as Original Landowners.

(b). The assessment rate shall be fixed by the Board of Directors of District.

(c). Assessment of lands of Landowners shall be equalized in the same manner as assessments on lands of Original Landowners.

(d). Assessments for voter-approved indebtedness shall be applied by District to lands of Landowners in the year following a year in which the annexed lands are in a position to receive water from the District.

46. Assessments levied for new water supplies to which Landowners have equal entitlement with Original Landowners and assessments levied for improvement or distribution districts formed for the benefit of Landowners shall be paid each year whether or not water is received by Landowners.

D. NEW CAPITAL CHARGES

47.

(a). "New Capital Charges" means those charges incurred for distribution and drainage system improvements and other improvements to District facilities installed or constructed in whole or in part to serve property to be annexed as described in Section 4.11(a) and apportioned as described in Section 4.11(b). New Capital Charges shall also include capitalized construction period interest computed according to generally accepted accounting principles. Capitalized interest generally is an amount equal to interest expense on District debt during the construction period when debt is utilized by District to pay system improvements needed to effect the annexation. If the District utilizes its reserve funds instead of debt to finance improvements to serve property to be annexed, New Capital Charges shall include capitalized construction period interest computed using a fixed interest charge during the construction period calculated at a rate equal to the weighted average rate of return earned on District investments for the last calendar quarter before adoption by the Board of Directors of a resolution to file an application with the San Joaquin Local Agency Formation Commission ("LAFCo") to annex the land of Landowners.

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(b). Landowner may elect in the Annexation Agreement to pay the New Capital Charges in annual payments. In such event, the unpaid balance will accrue interest at 5% per annum. Annual installments will be billed and are due in accordance with Section 4.8. The first annual payment will be billed following the date that the property of a Landowner has been provided a District structure permit to connect to the District's irrigation system. Payments will be due annually thereafter until completely paid. No portion of any New Capital Charges will be allocated disproportionately to particular acres of the real property subject to annexation.

(c). The Agreement shall specify the time frame (not to exceed nine years of equal installments) during which time New Capital Charges are due and payable. The Board of Directors of District, upon consultation with Landowners, shall be solely responsible for establishing the number of years which Landowners will be given to make such New Capital Charges installment payments to District. New Capital Charges can be repaid at any time before the last installment is due.

48. Annual payments of assessments billed by the District are due on receipt and payable in two installments. The first installment is delinquent if not paid by 4:30pm on December 20 and the second installment is delinquent if not paid by 4:30pm on June 20. Water service will be denied to parcels having outstanding assessments in excess of 10 working days. Annual assessments levied on the county tax roll are to be collected at the same time, in the same manner, and subject to the same penalties for delinquency as county taxes. Volumetric and pressurized charges are billed monthly and are due upon receipt. Water service will be denied to parcels having outstanding volumetric or pressurized charges in excess of \$10.00 for 45 days or longer.

E. ANNEXATION FEE

49.

(a). Landowners shall pay the District an annexation fee of \$3,742 per acre for each acre of land to be included within District and said fee shall be increased annually by 5% on January 1 of each year, commencing on January 1, 2026. Said fee will be computed to the nearest tenth of an acre, and to include all of said lands, whether or not encumbered by easements, rights-of-way, or reservations. No portion of any Annexation Fee will be allocated disproportionately to particular acres of the real property subject to annexation. The District Board of Directors shall review the annual increase rate from time to time and shall adjust said rate as necessary.

(b). The Annexation Fee is payable as follows:

(1). Twenty-five percent (25%) is due when Landowner submits the Annexation Application to District, which is refundable without interest if the District General Manager rejects the Application or if the Board of Directors votes not to file an application with San Joaquin Local Agency Formation Commission to annex the Landowner's property. The amount refundable will be reduced by any costs related to the annexation which have been paid or incurred by the District and not yet reimbursed to the District by the Landowner.

(2). The remaining seventy-five percent (75%) of the Annexation Fee is due 14 days after the date on which LAFCo approves the annexation as evidenced by its adoption of a resolution approving the annexation and its issuance of a

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certificate of completion of the annexation. If in the Annexation Agreement, Landowner has elected to pay the balance of the Annexation Fee in a maximum of five (5) equal annual payments, the unpaid balance will accrue interest at 5% per annum upon LAFCo's approval of the annexation. Annual installments, including accrued interest, will be billed and are due in accordance with Section 4.8. The first annual payment will be billed following LAFCo's approval of the annexation.

(c). The Board of Directors of District may, from time to time, adjust the Annexation Fee per acre as set forth herein, based on the then-existing depreciated value of the net assets of the District.

(d). District reserves the right to change, from time to time, the Annexation Fee, costs, and expenses, including those charges reimbursable to District, as to any new annexation request before its approval by the District's Board of Directors.

(e). The Annexation Fee per acre determined as described in section (a) above, is the fee in effect when District receives Landowner's Annexation Application with all required information along with the initial payment of the Annexation Fee and the cash deposit for third party costs required by this policy, except as provided in Section 2.1(b).

4.10 If Landowner fails to make any required payment of the final 75% of the Annexation Fee or New Capital Charges when due, and such payment becomes delinquent as provided in Section 4.8, this shall be the same as the failure of a Landowner to pay for water charges or water deliveries to said property and until said payments are made, including fees, charges and penalties, i) the District may deny delivery of additional water or services to said property and ii) the District shall impose the fee, penalties, and charges authorized by the Collection Policy, and iii) if practicable, the District shall delay connection of annexed property to the District's distribution system until the past due amounts including interest and penalties are paid.

F. FACILITIES TO SERVE LANDOWNERS:

4.11.

(a). Landowners shall each bear their proportionate share of all capital costs and expenses for distribution and drainage system improvements to District facilities which are installed or improved in whole or in part to serve the property to be annexed. All such capital costs and expenses are considered New Capital Charges and are to be apportioned to Landowners as described in Section 4.11(b). These costs and expenses shall include, but not be limited to, easements, surveys, pipelines, canals, ditches, drains, drain lines, turnout structures, valves, gates, and permanently installed meters or other District approved "flow rate" measuring and monitoring devices. No annexation of a property shall be completed or approved by District without District's approval of a drainage plan for said property, when District determines such a plan is necessary.

(b). The prorated amount (rounded up to the nearest \$10.00) owed by a Landowner as New Capital Charges due as a result of the construction of new irrigation and drainage facilities necessary to serve the annexed lands and other land is determined as follows:

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(New Capital Charges divided by the total annexed parcel acreage served by the new or improved facilities) multiplied by the number of acres of the Landowner to be annexed.

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(a). District may require in the Annexation Agreement as a condition of annexation, the execution by Landowners of conveyance to District by fee deed or easement deed such facilities, rights of way, access, and authorities as may be necessary and reasonable for the District's operation in the delivery of water and the drainage of water to or from the parcels to be annexed. Such reasonable requests might include the existing facilities on said land or may include new facilities as hereinafter addressed in subsections (b), (c), (d), (e), and (f) below.

(b). The Annexation Agreement shall provide that where District facilities are presently located upon lands to be annexed, the costs of any and all additional activities required to make water available at the District service point provided for said lands for irrigation purposes (including but not limited to: surveys, easement, recording fees, land leveling, etc.) shall be the sole financial responsibility of the Landowners.

(c). The Annexation Agreement shall provide that where the delivery of water to or drainage of water from the land of Landowners involves facilities not located upon lands of the Landowners or District, Landowners shall obtain, at Landowner's expense, such surveys, easements, fee title, rights of way, and facilities as may, in District's sole opinion, be reasonably necessary for the conduct of District's services to said property. All such costs for District facilities shall be included in the New Capital Charges that are the responsibility of Landowners. These costs shall be prorated according to Section 4.11(b) and collected from Landowners as New Capital Charges as provided herein and within the Agreement. The costs for any privately owned facilities are the sole responsibility of Landowners, and do not qualify for the provisions herein concerning New Capital Charges.

(d). The Annexation Agreement shall provide that any and all distribution and drainage system improvements required by District in connection with service of the land of Landowners whether improvements to District facilities the cost of which are New Capital Charges, or privately owned facilities that are the sole responsibility of Landowners, shall be completed in accordance with District's terms, conditions, and specifications as may from time to time exist.

(e). District shall be the sole and final arbiter regarding the District's determination of what facilities are required, whether on property currently within District or on the property subject to annexation or others, and as to the nature, scope, and extent of said facilities. District's determination of such shall not, however, be unreasonable in view of the best interest of all the District's Members.

(f). The Annexation Agreement shall provide that District shall construct all distribution and drainage system improvements to District facilities required by District in connection with service of the land to be annexed and specify the time within which such works will be completed. The capital expenditures by District to serve the property to be annexed shall be paid by Landowners to District as provided above.

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4.13. Landowners may, at their own cost and expense, and in accordance with and subject to the Irrigation District Law in Division 11 of the California Water Code, and subject to approval of the District's Board of Directors, establish Distribution Districts and Improvement Districts for the financing, construction, operation, and maintenance of distribution systems and the acquisition of additional water.

4.14. When a Landowner's property is zoned to facilitate parcels of less than forty acres, Landowner may proceed with annexation provided suitable private easements and irrigation facilities are available and recorded, and rules and regulations governing their use, maintenance, and replacement, and such are likewise recorded in a form acceptable to District.

G. VOTING RIGHTS:

4.15. Subject to the provisions of Water Code Section 21608, all persons residing on land that is annexed shall have the same right to vote at District elections as Original Landowners.

H. AMENDMENT OF TERMS AND CONDITION'S OF ANNEXATION

4.16. The terms and conditions of annexation set forth in the Annexation Agreement shall not be modified or amended except by a recorded instrument in writing executed by District and the then owners of lands described in the Annexation Agreement.

5. COVENANT RUNNING WITH THE LAND

5.1. The Annexation Agreement shall constitute a covenant, both as to the benefits and burdens, running with the land described therein and shall be binding on Landowners and all successive owners of such land described in the Annexation Agreement, or any portion thereof, for the benefit of District and all landowners in District.

6. RECORDATION OF ANNEXATION AGREEMENT

6.1. The District shall cause the Annexation Agreement to be recorded immediately following the adoption of the Resolution Ordering Annexation by LAFCo and before recordation of the Certificate of Completion by the Executive Officer of the County of San Joaquin.

6.2. District, prior to the adoption of the Resolution Ordering Annexation by LAFCo, shall obtain from a title company of its choice and at Landowner's expense, a list of all liens and encumbrances which exist against the property described in the Agreement. District will select which liens and encumbrances are to be subordinated to the Annexation Agreement in order to establish the record priority of the Agreement. The Landowners, at their expense, shall secure a subordination agreement subordinating such liens and encumbrances to the Annexation Agreement in a form satisfactory to District. Such subordination agreements shall be recorded at the time of recordation of the Annexation Agreement, in priority determined by District. The Annexation Agreement shall provide that the Landowner, during the period between the receipt of the title report and the recordation of the Annexation Agreement, covenant not to subject the property to further liens or encumbrances than those listed prior to the recordation of the Annexation Agreement.

7. EFFECTIVE DATE OF THE AGREEMENT

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7.1. The Annexation Agreement shall become effective and binding upon the parties thereto when it has been signed by both parties and approved by the District's Board of Directors.

8. LAWS, RULES, AND REGULATIONS OF DISTRICT

8.1. Landowners and the lands so annexed shall be subject to all of the laws and regulations of the State of California, including Division 11 of the California Water Code and the rules and regulations of District, now existing or hereafter made.

9. GENERAL

9.1. By approving any annexation request, District makes no representation to Landowners or anyone else of the availability of water from time to time to said property, nor the quantity, quality, or delivery times of said water to said property, and Landowner agrees that all such is subject to the sound discretion of District and subject to the availability of water.

9.2. Each Landowner shall demonstrate to District an adequate groundwater supply or other alternative water resource.

9.3. All property, once included within the District, shall become subject to the rules and regulations of District and all resolutions, agreements, obligations, and responsibilities of District, both existing and as may be added or changed from time to time.

9.4. Landowner is required to install a flow meter according to District's specifications, at Landowner's expense. The meter will be dedicated to and owned and maintained by District. Landowners will be required to sign and deliver to District in recordable form, an agreement providing District with the right to access the land of Landowners to read and maintain the flow meter. The meter shall be operational at all times.

9.5. The approval by District of any one annexation request does not obligate the District to approve any subsequent, additional, or other annexation request. Approval of an annexation request is at the sole discretion of the District.

9.6. The initiation of annexation requests by Landowners shall be deemed by Landowners to be an irrevocable commitment by Landowners to District that Landowners' property, once included within District, shall be voted favorable to be a member of any subsequent improvement district, drainage district, water district, canal district, reclamation district, sewer district, groundwater recharge district, groundwater sustainability agency, or any same or similar district to which the District agrees to become a part, forms within the same or different boundaries, or achieves such powers through ballot, legislation, or otherwise.

9.7. Upon completion of the annexation of Landowner's property into the District, all Tier I and Tier II Landowners shall be, if not then in default of any payments due the District or of any terms and conditions of annexation or of the rules and regulations of the District, entitled to equal benefits to the District's water supply to the extent of District's water supply, its water rights and its available water delivery facilities, except that the water supply of all Tier II landowners is subject to reduction in any year by decision of the District's Board of Directors in order for District to serve Tier I landowners and to satisfy the District's contractual obligations to the cities of Manteca, Escalon, Ripon, Lathrop and Tracy as of the date of the Agreement.

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The foregoing Resolution was duly adopted at a meeting of the Board of Directors of the South San Joaquin Irrigation District held on the 27th day of May 2025, on the motion of Director Weststeyn and seconded by Director Roos on the following roll call vote:

AYES:	ROOS SPYKSMA VAN RYN WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HOLBROOK

MOTION: A motion was made by Director Weststeyn and seconded by Director Roos to rescind the moratorium on annexations, allowing landowners to apply for potential annexation per the SSJID Annexation Policy.

The motion passed 4 to 0 by the following vote:

AYES:	ROOS SPYKSMA VAN RYN WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HOLBROOK

Item #9 – 2024/2025 Winter Season Construction and Maintenance Report

Mr. Chad Parsons, SSJID Associate Civil Engineer, addressed the Board and provided a recap of operations, construction, and maintenance projects completed by the District’s Maintenance, Irrigation, and SCADA crews in the 2024/2025 winter season. The maintenance season ran from October 22, 2024 to March 13, 2025 for a total of seventy-six (76) working days. The Construction/Maintenance and SCADA departments performed 32,209 manhours during the period, with 13,509 manhours on budgeted Capital Improvement Projects (CIP) and 18,701 on general irrigation system and stormwater maintenance and repairs.

Mr. Parsons provided detailed explanations of the scope of work, budget, and expenses for each project category consisting of Stormwater Operations, Monitoring and Repairs; General Maintenance; and Construction. He noted positive high points to the season which included the change to a local vendor for a higher quality cement mix; utilizing temporary-hired employees; and a decrease in labor costs.

Mr. Parsons noted future projects in line with the District’s Water Master Plan (WMP); the success of the Project Tracker to monitor status, budget, and production; and conclusion of a safe winter season. He stated that the Mid-Year Project Update will be presented to the Board at the next board meeting.

Board discussion included streamlining maintenance; robotic sprayers; and future adjustments regarding the usage of Artificial Intelligence (AI), robotics, and drones.

Mr. Rietkerk thanked Mr. Parsons, Mr. Hasten, the Division Managers, and the Maintenance and Operations Crews for a successful winter season. He added that coordination is better than ever on teamwork, budgeting, and financial and operational goals and expectations.

Item #10 to be Discussed Following Closed Session

It was announced that all remaining items on the Closed Session agenda would be discussed. The Board took a brief recess at 10:27 a.m. and convened to Closed Session at 10:45 a.m.

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Item #11 – CLOSED SESSION

RETURN TO OPEN SESSION

The Board returned to Open Session at 1:04 p.m.

Item #12 – ANNOUNCEMENT OF REPORTABLE ACTION TAKEN IN CLOSED SESSION

Disclosure of reportable actions taken in Closed Session, pursuant to Government Code Section 54957.1:
There were no reportable actions taken in Closed Session.

Item #10 – Consider Approval of Engineering Department Staffing Recommendations

MOTION: A motion was made by Director Weststeyn and seconded by Director Roos to: 1) Approve the job description and compensation schedule for the proposed Senior/Associate/Assistant Engineer Job Classification for SSJID; 2) Authorize the General Manager to hire one (1) Associate Engineer, one (1) Senior Engineer, and promote one (1) existing engineer to Senior Engineer; and 3) Eliminate existing Associate Civil Engineer Job Classification.

The motion passed 4 to 0 by the following vote:

AYES:	ROOS SPYKSMA VAN RYN WESTSTEYN
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HOLBROOK

Item #13 – Brown Act Review – Deferred.

Item #14 - ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 1:05 p.m.

ATTEST:

Danielle Barney, Clerk of the Board