

Manteca, California
November 11, 2003

The Board of Directors of the South San Joaquin Irrigation District met in regular session in their chambers at the hour of 9:00 a.m.

Upon roll call the following members were noted present:

DIRECTORS: DEGROOT KAMPER SCHULZ ROOS KUIL

Also present were Secretary/Manager Stroud, District Counsel Emrick, and District Engineer Gilton.

President Schulz called the meeting to order and asked for public comment. There being none he asked the Board to consider approving the Consent Calendar as submitted.

CONSENT CALENDAR

- A. SSJID Warrants of \$1,634,380.90 and Payrolls of \$273,258.86.
- B. Regular Adjourned Board Meeting Minutes of October 28, 2003.
- C. 2003 Holiday Gift Certificates. \$50.00 per all employees, officers and directors.

Motion by Roos, seconded by Kuil, to approve the Consent Calendar Items as presented above.

PASSED AND ADOPTED this 11th day of November 2003 by the following roll call vote:

Ayes:	DeGroot	Kamper	Schulz	Roos	Kuil
Noes:	None				

Consider approval of contracts with electrical consultants, Glenn Reddick, and Boris Prokop. Glenn Reddick and Boris Prokop addressed the Board telling them about their current status and going over their resumes. Stroud said their hourly rates were \$135 for Mr. Reddick and \$130 for Mr. Prokop. Mr. Reddick and Mr. Prokop will review the financial assumptions prepared by Chevron, and work on the design of the system. Mr. Reddick will also assist with the technical points on CEQA. Reddick said they should have a recommendation for the Board by early 2004. He also said the District could be delivering power by mid 2005. Stroud asked the Board to approve the contracts. Motion by Kamper, seconded by Kuil, and unanimously carried, to approve the contracts of Glenn Reddick and Boris Prokop.

President Schulz called for Manager's reports:

Stroud reported the following:

A pickup that the District leased to The City of Manteca, for their CAPS program, will be returned to us within the next couple of weeks.

The International 125 which was sent to Miller Track for repairs. Miller found cracks in the front hub. Additional cost to repair hidden damage in the hubs was \$1,535.40, for a total cost of \$9,910.42. The tractor is repaired and back in service.

Stroud said the employee recognition dinner is scheduled for January 10, 2004. It will be at the Ripon Community Center. Cost to rent the center, which is normally \$250, will be \$75.

Relative to State Water Board and water right fees. Historically the Board has been funded by the State's General Fund. However, this year the legislature cancelled that and told the Board they would have to charge fees. The first six months of 2004 the rate is 3

cents per acre foot of water rights. For us, we calculate the fee on the District's water rights to be approximately \$9,000. The second half of 2004 is set to be 6 cents per acre foot, and would increase to approximately \$18,000. Some water is counted more than once, for instance if the same water is diverted to storage under multiple licenses, for instance under separate licenses for irrigation and power. Allen Short, Modesto ID's General Manager, represented the members of the River Group at a hearing. Basically, subject to each Board's approval, he agreed not to contest the first half fee. However, he told the panel, after that we must have a fee schedule with a nexus to actual cost of service or we will contest the fees. It was the consensus of the Board to go along with the River Group and not contest the first half of 2004 fees. He noted additional fees will be charged by Safety and Dams and other State agencies.

River Group is also preparing the CEQA Study for Water Quality for the use of Magnacide in 2004.

Met last week with Leroy Ornallis, County Supervisor relative to the Construction on the Water Treatment Plant. He said he is pleased with the progress, and to date he has had no negative public comment.

Reported that on the Water Treatment Plant Project, there will be two change orders. 1) \$125,000 for widening the pavement on French Camp Road at the Murphy Road intersection. 2) \$135,000 is for changes to the existing private pipelines.

The work on the reservoir pipeline has started. As of Friday, October 8th they had laid approximately 400 feet.

On November 24th Congressman Cardoza's Ag Water Advisory Committee is having a meeting at 7:30 a.m. on Ag drainage, the tiger salamander, and air quality. If any directors want to attend they should contact Stroud.

Relative to ACWA Conference, we need to appoint a voting delegate. President Schulz appointed Director Roos.

Relative to the Ram Pump which provides water for cattle on the Joint Supply Canal is broken and needs to be replaced. We are looking at ways to get materials to the site.

USBR/Fish & Wildlife are going to cut 1/2 million from their budget of \$5,000,000 for VAMP. If they honor obligations as the agreement stipulates, we are not concerned. However, this could effect the \$420,000 we receive if they fail to honor their obligations.

The River Group Authority's budget for 2003 was \$75,000 plus \$30,000 for water quality, testing, etc. 2004 their budget will be \$80,000 plus \$60,000.

Handed out a brochure prepared by Shannon & Associates, for the Water Treatment Plant Manager. Stated so far he knows of two applicants, the final filing date for the position is November 26, 2003.

Directors' reports:

DeGroot asked the status of construction on the Yosemite Avenue. Gilton said they will start construction next week and finish in mid December.

Schulz asked about piles of concrete left along the Q line which was gunnited last year. Gilton said he will take care of it.

Schulz asked about the K line in Escalon. Emrick said it is in the hands of the lawyers for the contractor and the pipe supplier. He said he will put a demand on the Developer's bonds. Gilton said he will find out the status of negotiations and advise the Board at the next meeting.

Schulz asked about the Darrell Voortman property. He said Mr. Voortman had a valve we fixed last year on Jones Rd., and it still leaks. He said this is delaying work on River Road with Munn & Perkins and George Reed. If we could get the valve fixed he feels

Mr. Voortman would cooperate. Gilton said he would see what can be resolved with the landowner.

Roos asked about the 2004 budget. Stroud said he hoped to have it ready for Board consideration by the next meeting.

President Schulz called for closed session relative to litigation matters, personnel matters, and labor update as follows: General Counsel Emrick reported the Board will be discussing items a) and b) in closed session.

- a) Conference with legal counsel, existing litigation, Gov. Code, S. 54956.9.
 - 1. Delta Keeper v OID.
 - 2. Sierra Club et al v SSJID
 - 3. Chevron/Texaco v SSJID
 - 4. Rulemaking Proceeding No 02-01-011 before the CPUC.
- b) Conference with labor negotiator. Gov. Code, S. 54957.2 (a)
Agency designated representative, Stevan Stroud.
Employee Organization, Management Unit.

Upon returning from closed session General Counsel Emrick reported there was no reportable action taken in closed session.

There being no further business to come before the Board it was moved by DeGroot, seconded by Roos, and unanimously carried to adjourn to November 25, 2003 at 9:00 a.m.

ATTEST:

John Stein, Assistant Secretary