



IRRIGATION

NEWSLETTER

WINTER 2024-25



UNCOMPROMISING VALUE:

INVESTING IN THE FUTURE OF YOUR IRRIGATION DISTRICT

At South San Joaquin Irrigation District (SSJID), we are dedicated to delivering exceptional irrigation services that enhance our agricultural community. Ensuring your water services are affordable is our top priority. The District continually evaluates opportunities to save local growers money and ensure their farms thrive with first-class irrigation water. Part of that process is to forecast our financial priorities.

The District has carefully reviewed all available funding resources to support reliable, resilient service for our customers. We have considered fully all funding sources, such as bonds, state and federal grants, and revenue options. Non-operating revenues, for example, save growers money on their irrigation expenses.

How Non-Operating Revenues Keep Costs Low

The District receives non-operating revenues that play a crucial role in subsidizing the cost of irrigation services for our customers, ensuring they receive reasonably priced irrigation water. These revenues come from property tax revenues, Tri-Dam power sales, and interest income. In 2024, SSJID's non-operating revenues are projected to total \$33.1 million, offsetting significant costs for local growers.

It is important to note that these revenues can be susceptible to fluctuation. For example, drought periods and market conditions can significantly reduce hydropower revenues from the Tri-Dam Project, and economic downturns can impact property tax revenues.



A Regional Comparison

Our commitment to affordability is clear when you compare SSJID's irrigation rates to other local districts. SSJID provides our customers with a competitive and cost-conscious service. Find the 2024 comparison of regional irrigation rates below:

2024 Irrigation Rates Comparison					
District		SSJID ¹	OID ²	TID ³	MID ⁴
Fixed Charges (per acre)		\$38.00	\$33.23	\$60.00	\$53.00
Volumetric Charges (per acre-foot)	Tier 1	\$5.00	\$3.81	\$2.00	\$2.00
	Tier 2	\$12.50	\$7.58	\$3.00	\$5.00
	Tier 3		\$10.07	\$15.00	\$11.25
	Tier 4		\$12.61	\$20.00	\$40.00

Notes: 1. SSJID 2024 Rates, 2. Oakdale Irrigation District, 3. Turlock Irrigation District, 4. Modesto Irrigation District

These comparisons highlight that SSJID's rates remain competitive and affordable, ensuring that our customers receive excellent value for their investment.



NEW OFFICE HOURS | MONDAY - THURSDAY 7:30 AM - 4:30 PM

UNCOMPROMISING VALUE

(Continued)



Adjusting Rates to Fund Reliable, Flexible Service

SSJID is constantly reviewing opportunities to minimize the cost of providing irrigation water to our customers. It is our goal to always provide you with the utmost value through our services. Through the financial forecasting process, SSJID identified a need to adjust rates to safeguard stable irrigation service for the farms and communities that rely on the District. In response, SSJID adopted rate changes in 2023 that address water delivery and ongoing critical infrastructure investments.

In 2022, the SSJID Board of Directors approved the Water Master Plan (WMP), a long-ranging roadmap for capital construction projects to promote reliability and improve service. The WMP balances rates and capital projects that deliver service improvements over time. During the drafting process, SSJID worked closely with an advisory group of irrigation customers who wanted to understand how the District could increase its maintenance responsibilities while continuing to fund critical projects.

Following the WMP, amidst a difficult agricultural outlook, SSJID irrigation customers approved a five-year irrigation rate increase plan in 2023. The rate increase is subject to annual board approval and the first increase took effect in 2024. Irrigation rates had not been changed since 2000.



Understanding Rate Revenues and Costs

The 2024 rate increases help ensure the completion of projects such as the Canyon Tunnel Project, a bypass tunnel for the District's Joint Supply Canal (JSC) that would increase water delivery reliability and create safer worker conditions into the next century. The first-year impact of these rate increases is far-reaching, working to enhance our infrastructure and provide long-term dependability and service quality for our customers.

Using projected 2024 financials, as we have not yet completed the fiscal year, customer irrigation revenues increased by more than \$1 million, to a total of \$2.7 million. This additional revenue is used to fund SSJID irrigation operations and improvements but is much lower in comparison to the total costs for irrigation service.

For example, the \$2.7 million in irrigation revenue amounts to:



16% of Irrigation Expenses:

The total cost of service for 2024 irrigation is projected to be \$17.3 million, and encompasses all costs associated with delivering irrigation water, including maintenance, operations, and administration costs.



45% of the 2024/25 Winter Construction Budget at more than \$6 million:

SSJID continues to increase its construction budget to advance system improvements identified in the WMP, including pipeline relining, main canal automation replacements, lateral interconnections, and other distribution system improvements. Also, this year's construction budget is 47% larger than last year's \$4.1 million construction expenditures. Irrigation revenues are being put to work now, to secure our future.



3.4% of the Canyon Tunnel Project:

SSJID's project to reroute a critical supply canal from the Stanislaus River Canyon into a more reliable tunnel system is estimated at approximately \$80 million. The District is working on construction and financing plans with a targeted construction start date in 2025.

When comparing expenses to the additional irrigation revenue generated in 2024, the revenue from rate increases alone is not sufficient to cover operational expenses or capital construction projects. These projects are crucial to realizing the District's mission to protect and deliver vital resources with exceptional service.

To fully serve our customers and bring the WMP to fruition, the District will seek out additional investment opportunities for these projects that support our long-term sustainability and resilience.

SSJID will continue to provide exceptional irrigation service at costs that are competitive with local irrigation districts. We will seek out support and ongoing investments in capital construction guided by the WMP. Most importantly, our top goal remains to improve service and reliability for all our customers, now and for the next 115 years.

****Note:**** All financial figures are projections for the 2024 fiscal year.



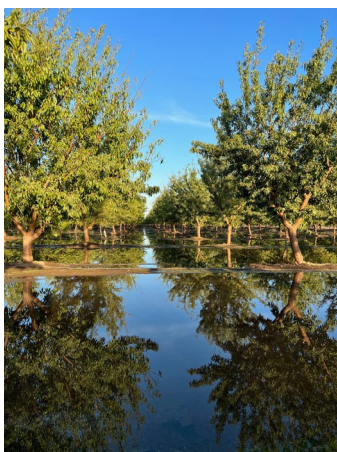
WATER SEASON

A CONVERSATION WITH OUR INTERIM IRRIGATION OPERATIONS MANAGER

Joe Hasten, Interim Irrigation Operations Manager

SSJID sits down with Joe Hasten, the Interim Irrigation Operations Manager who oversees critical daily irrigation activities and helps ensure our system continues to serve irrigation customers well. Learn more about Joe's background, SSJID's remarkable irrigation network, ways to help with unauthorized encroachments and upcoming winter projects.

How long have you been with SSJID and what positions have you held?



I have had the privilege of serving the District for nearly 22 years. My journey began as a Relief Day Manager in the Irrigation Department. I covered shifts for the MDC Operator and Division Managers across Divisions 1, 2, and the Main Canal during the irrigation season for the first three years. In the off-season, I took on various roles in the Maintenance and Telemetry Departments, including MDC Technician and Maintenance

Worker. In 2005, I was honored to be appointed as the full-time Division 1 Manager, a position in which I enjoyed working closely with growers in Escalon for the next 12 years. During the off-season, I further developed my skills by working in the Maintenance and Engineering Departments. I gained valuable construction experience and learned the inner workings of the District.

In 2017, I advanced to the role of Irrigation Services Supervisor, where I have dedicated the past seven years of my career. Most recently, following the retirement of our District Irrigation Operations Manager in March, I have been serving as the Interim Irrigation Operations Manager.

What is the most interesting or least understood aspect of our irrigation system?

It is amazing to consider that our entire irrigation system relies solely on gravity, drawing from the beautiful Stanislaus River. No pumps are needed, it is all surface water and the timeless force of gravity. Snowmelt from the Sierra Nevada flows downhill into the Stanislaus, which fills several reservoirs along the way, including Donnell, Beardsley, New Melones, and Tulloch.

From these reservoirs, the water is also diverted by gravity into our Joint Supply Canal, which we share with the Oakdale Irrigation District at Goodwin Dam in Tulloch's Forebay. This section of the canal fills Woodward Reservoir, which in turn supplies our Main Distribution Canal, stretching from 26 Mile Road in Oakdale to Wagner Road in Ripon and eventually reaching our growers' fields.

It is inspiring to think that over 115 years ago — before the internet and YouTube, I might add — a few visionary farmers laid the groundwork for what our District is today through insight, hard work, and dedication. Countless improvements have been made to our system over generations of District employees and Board Members, but the result is the same reliable, safe, and clean water for our customers.

- Joe Hasten, Interim Irrigation Operations Manager

Did SSJID experience any major issues with the system this irrigation season?

Not this season. We want to keep it that way!

Is there anything you need help from customers on?

Something we always need help with is unauthorized encroachments. To ensure the effective maintenance of our facilities, we must keep our easements and right-of-ways clear of burn piles, brush, staged equipment, and trees. This allows us to patrol our pipelines and canals efficiently. We need to promptly identify and address any issues, leaks, or other obstacles that could affect our ability to serve our growers. Some things are allowed to be in the easement if they are approved through our encroachment permitting process. When in doubt, contact our front office and we will be happy to assist you.

Are there any major projects planned for the winter season?

This winter, we are planning an extensive construction season to improve our infrastructure across the District. Our plans include relining 10,000 linear feet of aging or deteriorating concrete pipelines at 10 sites. These pipelines, ranging in size from 36" to 48", will be treated with a high-pressure gunite material that is spin-casted on the inside of the pipeline. This potentially extends the pipelines' lifespan by up to 50 years. In addition, we will be installing five new float valves and one new control box. The float valve locations were identified in our Water Master Plan and will benefit both growers and the District.

By stabilizing water levels in the pipelines, we will enhance reliability and flexibility for pressurized irrigation customers while reducing strain on the pipelines and prolonging their serviceable life. These projects are part of a broader maintenance and upgrade initiative throughout our irrigation system. The effort spans from our headworks in Knights Ferry to the west side of Manteca.



SOLAR UPDATE:

REPOWERING ENERGY EFFICIENCY AND RELIABILITY

Fifteen years ago, SSJID constructed an innovative solar project that tracked the sun. The Robert O. Schulz Solar Farm (Solar Farm), located on SSJID property next to the SSJID Water Treatment Plant, paid for itself at the time. The Solar Farm helped lower wholesale potable water rates and positively impacted the environment. Now, the aging Solar Farm needs an upgrade.

A \$4.5 million Solar Farm repowering project currently underway will use the existing tracking system of the Solar Farm and replace the aging system with new solar modules, new DC to AC inverters, and new wiring to give the successful project new life. With these upgrades, the Solar Farm can last 20 to 25 years.

The repowering will improve the efficiency of the Solar Farm and increase its capacity. This improvement will transform PG&E energy savings from an unreliable \$750,000 per year to a reliable \$1.5 million annually. The SSJID Solar Farm repowering project will be complete and at full power in Spring 2025.



EASEMENT & PERMITTING ANNOUNCEMENTS

PERMITS REQUIRED FOR EASEMENT ENCROACHMENTS

SSJID delivers water through a system of more than 300 miles of ditches, canals and underground pipelines throughout the District.

The District's easements for these facilities, whether recorded or unrecorded, require landowners to seek permission from the District before performing work within the easement area or installing improvements that might damage or interfere with the District's facilities or use of its easements. Easements around these facilities allow the District the space it needs to properly operate and maintain the infrastructure.

We are Here to Help

To prevent conflicts within District easements, please call before beginning an improvement project or new orchard development.

Call Dawn Driesen in the Engineering Department at 209-249-4619



The District will locate and mark District easements located within your property and determine if any permits are required. Structure permits are free and encroachment permits cost \$200 to cover county recording costs.

New Rates Protect Resilient Irrigation Service

The SSJID Board of Directors approved an irrigation rate increase on July 9, 2024. The rate increases will take effect in the following manner:

- ✓ The flat acreage rate will be collected on the 2024/2025 San Joaquin County Property Tax Bill
- ✓ The volumetric rate will be billed during the 2025 Irrigation Season

This does not change the way customers pay their irrigation bills. Customers will continue to pay the flat acreage rate on their property tax bills issued by San Joaquin County, and their volumetric bills via online payment or at the District's Office at 11011 E. Highway 120, Manteca, CA 95336.

The new water rates are included in the table to the right.

SSJID Standard Easements for Pipelines

Width = 30 feet, centered on pipeline

No tree or other deep-rooted crop shall be placed or permitted within 15 feet from the edge of the pipeline and no building, structure, explosive, well or guy wire shall be placed within the easement area. **Note, certain locations may have other restrictions or larger easements requirements.*

Encroachments made or placed within a District easement without a permit from the District may result in removal at the property owner's expense.

**DIAL 8-1-1
BEFORE YOU DIG**



California law requires that you call Underground Service Alert – Northern California (USA-North) at least two working days, but no more than 14 calendar days, prior to commencing excavation. Once you have notified USA-North, all utility owners (including SSJID) are required to locate and mark their facilities within the defined area.

Rates for Reliable Irrigation

Rate Category 2025	Rate
Flat – per acre	\$52.00
Volumetric – Tier 1 (<= 48") – per acre-feet	\$7.50
Volumetric – Tier 2 (> 48") – per acre-feet	\$15.00
Minimum Charge – Flat Rate	\$52.00

EMPLOYEE SPOTLIGHT

#TEAMSSJID



John Davis
DIVISION MANAGER/
MAINTENANCE WORKER



Matthew Espinola
DIVISION MANAGER/
MAINTENANCE WORKER



Dominic Pagnucci
DIVISION MANAGER/
MAINTENANCE WORKER



Chasity Qualls
ACCOUNTANT



Brandon Vrieling
DIVISION MANAGER/
MAINTENANCE WORKER

**WELCOME TO
THE TEAM**

