

**MINUTES FOR THE MAY 22, 2018
REGULAR MEETING OF THE SSJID BOARD OF DIRECTORS**

The Board of Directors of the South San Joaquin Irrigation District met in regular session in the City of Ripon Council Chambers at 9:00 a.m. President Kuil called the meeting to order and led the flag salute. Upon roll-call the following members were noted present:

DIRECTORS: HOLBROOK HOLMES KAMPER KUIL
ABSENT: ROOS

Also present were General Manager, Peter M. Rietkerk; General Counsel, Mia Brown; Assistant General Manager, Bere Lindley; Engineering Department Manager, Forrest Killingsworth, and Clerk of the Board, Betty Garcia.

Public Comment - None

CONSENT CALENDAR

- A. Approval of Warrants in the amount of \$335,699.64; Accounts Payable Wires in the amount of \$321,008.61; and Payroll dated May 11 in the amount of \$210,678.79 and special payroll date May 18 in the amount of \$104,359.91 .
- B. Approval of the regular Board Meeting Minutes of May 8, 2018.
- C. Approval of the Special Board Meeting Minutes of May 15, 2018.
- D. Approval of Professional Services Agreement with Steve Emrick and authorize the General Manager to sign the agreement.

Director Holmes noted on page 10 of the Regular Meeting Minutes of May 8 on item #6, that it was he who voted “no” at the meeting and not Ralph Roos.

Director Kamper noted on page 1 of the Special Meeting Minutes of May 15 that he does not own property in the Central San Joaquin Water Conservation District.

A motion was made by Director Holmes and seconded by Director Holbrook to approve the Consent Calendar with the corrections to the respective meeting minutes as noted above.

The motion passed 4 to 0 by the following roll-call vote:

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

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Item #1 – Communications

Director Holbrook:

- He attended the San Joaquin County Advisory Water Commission meeting on Wednesday, May 16. One of the items discussed was the Integrated Regional Water Management Plan and Grant Program guidelines.
- He attended the Manteca Hall of Fame 26th Annual Induction Ceremony on Saturday, May 19 at the Manteca Senior Center. Everett Rankins was inducted for Agriculture. He is described as a man that has baled more hay than anyone else in the history of San Joaquin County. It was not uncommon for him to bale as much as one million in a peak season. He also baled more hay than anyone in the industry. The South San Joaquin Irrigation District is a Legacy Member.

Ed Erisman, Water Treatment Plant Manager:

- He is working on the project to repaint the tops of the treated water storage tanks at the water treatment plant. Interested contractors were able to visit the site for a walkthrough May 21. The bid opening will be on Friday, June 8.
- PG&E true up bill for the water treatment plant was higher than years past. The roughly \$140,000 difference in solar plant production vs water treatment plant usage was caused by the problems with panel tracking motors at the solar farm. The problem has been corrected and we should see the production be closer to normal and the next years true up bill should be less.
- He will be meeting with a sales rep for Scinor at the water treatment plant tomorrow. Scinor is a fiber membrane producer that claims to make a direct retrofit for our existing Zenon fiber membranes. We will see what they have to offer. It will be helpful to have an option when looking at fiber module replacements in the future.
- The City of Lathrop will be breaking ground on the new L2 tank and booster pump site sometime this week. He will keep the Board posted on the progress of this project.

Bere Lindley, Assistant General Manager:

- PG&E true up bill was more expensive this year than in past years. Historically, the bills are recorded in May. Maria Gikas and Mr. Lindley noticed net metering statements are issued monthly and they have decided to use that information to record the increment in the true-up amount every month.
- Annual audit should have been completed by now but unfortunately staff has been busy working on a project that the auditors discovered related to the District's fixed assets. When a developer removes a pipe or other fixed asset and then builds another, the District has occasionally failed to record the new fixed asset and the retirement of the old asset. The questions Mr. Lindley is asking staff include:
 - How did this happen?
 - How far back does it go?
 - How will we fix the numbers?
 - How will we fix the process?

Bere stated that Maria is developing a work-flow management process using Smartsheet to assure that accounting acquires the necessary information when new assets are contributed to the

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District. This will allow the Engineering Department to assist the Accounting Department to fix the problem. Staff will probably need to go back through 20 years of records in order to identify these issues of retiring an old asset and adding a new asset. He hopes to finish the project and the audit by the end of June.

Forrest Killingsworth, Engineering Department Manager:

Staffing:

- Chad Parsons, registered Professional Engineer, started employment with the District on April 30. Mr. Parsons has a broad degree of experience ranging from construction management through employment with Knife River Construction to public service as an Associate Engineer with the Tuolumne Utility District (TUD). He is doing quite well in his new role and we look forward to working with him in the future.

SSJID Water Master Plan:

- District Staff distributed the Water Master Plan RFP to potential respondents on May 10. Proposals are due June 8, at which point the selection process will start.

Upcoming Projects:

- Cathodic Protection testing of the Hilt Sag Siphon – Chad Parsons has taken the lead in developing an RFP to procure professional services to test the siphon for potential corrosion issues. The 132” reinforced concrete CP pipeline was installed in 1992 and the last inspection occurred in 1996 at which point they recommended repeating the test once every 5 years. Our goal is to have this report completed by the end of November. The RFP will likely be distributed this week.
- Float Valve Fencing – Chad Parsons is developing a Notice Inviting Informal Bids to construct fence enclosures around each of the six float valve sites. We hope to have the fence enclosures installed during this water season. The Invitation for Informal Bids will likely be distributed this week.

Engineering Area Office Improvements:

- Dawn Driesen has been coordinating an effort to have the carpet replaced and walls painted in the Engineering Department Area. We plan to start this work in July or August after the Board Room remodel is completed.

Frank Avila, Irrigation Operations Manager:

Water Department:

- Woodward Reservoir Level is at 209.47; the total in-flows from Tri-Dam are 450 cfs.
- Both Power plants continue to be on-line, no problems so far.
- The Magnacide application was on May 17th , and occurred without incident.

Maintenance Department:

- The Maintenance Department continues to be busy keeping up with the maintenance and the relief needs of the Water Department.

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Shop Report:

- James Ferguson has returned from vacation; Bill Emslie provided coverage while James was out and did an excellent job.
- The two new Ford F-150's are in; they are in the process of being outfitted and will be assigned to Division #1 and #5.
- Congratulations to Derek Adams and his wife on the birth of their daughter Lilly, born May 16. Both mother and baby are healthy and doing well.
- All the products are in and we are using the maintenance program for the fleet. Mr. Avila encourages anyone that would like to stop by the shop for a brief "Show and Tell" of the new program to do so; it is very nice.
- The bids are in for the new Fueling System and Mr. Avila is planning to present the matter for Board Approval at the next meeting.

MDC / Telemetry:

- All the staff are busy with day-to-day operations, and they have a long list of things to do.

Additional Information:

- The following employees have new responsibilities at SSJID and are moving into new positions:
Randal Welch, was awarded the SCADA Technician position.
Kent Gabrielson, was awarded the Pest Control Applicator position.
- As a result of the position changes there were new opportunities on job assignments:
Christopher Looney, was assigned to Nights as the Main Distribution Canal Operator:
Andrew Teicheira, was assigned to Nights on Division 1-2 Relief Operator
- Tony Encalade and Scott Puckett will be attending a tower climbing safety class on June 5-6 in Sacramento.
- Interviews were performed on May 18 to fill the three Water/Maintenance positions. We are prepared to offer the positions to individuals that we believe will be a good addition to our organization.

Mia Brown, General Counsel:

- She is working on quite a few Professional Services Agreements.
- The District received a notice regarding a Class Action lawsuit concerning Ductile Iron Pipe Fittings; the Division 9 has approximately \$300,000 of this pipe that was used in development of this project.
- A demand letter has been filed with San Joaquin County Recorder/Clerk's Office for a reimbursement of fees paid related to SB 2. Governor Brown signed AB 110 which is a bill that exempts Governmental entities from paying recording fees related to SB 2. The District anticipates a refund of approximately \$1200.

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Peter Rietkerk, General Manager:

Water Supply:

- Reservoir Storage:
 - New Melones inflow for Water Year 2017-2018 is 618,000 acre-feet and storage is 1,998,687 AF, or 83 percent of capacity.

- Stanislaus River Operations:
 - Flows in the Stanislaus River are 3,000 cfs and expected to continue through the end of May 2018 as part of a coordinated pulse flow action between Reclamation and the Oakdale and South San Joaquin Irrigation Districts, intended to provide multiple benefits. First, these releases are intended to support the out-migration of young salmon to the ocean. Second, OID and SSJID are supplementing the pulse flows with surplus water supplies beyond that which is necessary to meet local water needs this year, and the Districts' contributions to the pulse flows will also be purchased and used by to Central Valley Project and State Water Project contractors faced with reduced water supply allocations in 2018.
 - Districts are coordinating the schedule with Reclamation for "ramp-down" of the pulse flows at the end of May in order to finalize flow and power scheduling.

News:

AB 1668 (Friedman) and SB 606 (Hertzberg) were approved by both houses of the State legislature last week, and now face one more procedural vote before an expected approval by the Governor. Below are highlights of the two bill package:

- Authorizes State Water Resources Control Board to establish water use efficiency standards by June 30, 2022, including water use standards for indoor and outdoor residential use (separately), requires dedicated irrigation meters for commercial institutional, and industrial water use, and computation of a volume for water loss, as specified.
- Requires DWR/SWB to study, investigate, and recommend guidelines and methodology for calculating urban water use objectives by October 1, 2021, including indoor and outdoor use recommendations.
- Establishes indoor water use standard of 55 gallons per capita daily until 2025, with reductions to 50 gpcd by January 1, 2030.
- Clarifies the reporting deadlines for farm-gate metering to DWR.
- Requires a provision for county/small water suppliers and rural communities to report on drought and water shortage contingencies.
- Additional requirements within Ag Water Management Plans (AWMPs), including an annual water budget, quantification of measures to increase agricultural efficiency of water use, and a drought preparedness and management plan.
- Requires DWR to submit summaries and evaluations of AWMP's by specific deadlines.

Rietkerk also reported on two sessions he attended at the Association of California Water Agencies conference, one on the State Water Resources Control Board regulatory initiative on Waste and Unreasonable use, the other discussing settlements related to the Water Quality

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Control Plan and Substitute Environmental Document. Tim O’Laughlin, water counsel to OID and special counsel to TriDam, participated on panels in both sessions.

ACTION CALENDAR

Item #2 – Consider conditional approval of CenterPoint Container Yard 1

Mr. Forrest Killingsworth, Engineering Department Manager, said this is a continuation of the CenterPoint Development located west of Airport Way and south of Roth Road. He said the project will involve the construction of improvements on 6.04 acres for a trailer yard containing 152 trailer stalls. Improvements consist primarily of underground utilities, concrete, and paving. The Rgc pipeline is currently located within an existing recorded 30 foot easement. The location of the pipeline in its current and proposed location is on the extreme north edge of the existing easement. As a result, staff is requesting that CenterPoint properties grant an additional 15 foot easement to accommodate the actual location of the District’s facility. Staff does not recommend quitclaiming any portion of the original Rgc easement at this time. However, the District could consider a partial quitclaim if/when the adjacent property to the south develops in the future.

A motion was made by Director Kamper and seconded by Director Holmes to authorize conditional approval of the items listed below related to the CenterPoint Container Yard 1 project, subject to compliance with the District’s standard requirements and to the satisfaction of District staff:

- a) Staff signature of Improvement Plans
- b) Developers Agreement
- c) Encroachment Agreement
- d) Grant of Easement
- e) Quitclaim of Abandoned Easement (previously Board approved in 1946)
- f) Irrigation Service Abandonment Agreement

The motion passed 4 to 0 by the following vote:

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

Item #3 – Consider request to file a mutual agreement to Terminate Drainage Agreement associated with DeJong Estates and involving APN’s 224-050-14, 15, 17, 37, 38, 39, 40, 41

Mr. Forrest Killingsworth, Engineering Department Manager, explained that the preliminary title report for the property associated with the DeJong Estates subdivision included reference to a 1964 Drainage Agreement involving three separate parcels. The parties involved include the associated landowners (Charles and Claire Karlson, Pauline Betschart, and Walter Betschart) and SSJID. The purpose of the agreement was to facilitate a request by Karlson and the Betscharts to

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install a sub-surface drainage system to benefit their properties. District staff has reviewed the request from Mr. DeJong and has found no objections to terminating the Agreement.

A motion was made by Director Kamper and seconded by Director Holmes to authorize staff to prepare, execute, and record a mutual Agreement to Terminate a Drainage Agreement recorded in Book 3185, Page 571 of San Joaquin County Official Records.

The motion passed 4 to 0 by the following vote:

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

Item #4 – Consider encroachment agreement from PG&E to install an underground electric line under the Main District Canal (MDC) at Victory Road

Mr. Forrest Killingsworth, Engineering Department Manager, acknowledged that Mr. Chad Parsons, the District’s new Associate Civil Engineer, is the person who wrote the staff memo and did the research. PG&E has requested to cross the District’s Main Distribution Canal with an underground electrical line service in a previously installed 4-inch conduit to serve the Leemac, LLC property.

A motion was made by Director Holbrook and seconded by Director Kamper to approve encroachment request from PG&E to install an underground electrical line service across the Main Distribution Canal to serve the Leemac, LLC property.

The motion passed 4 to 0 by the following vote:

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

Item #5 – Consider encroachment request from PG&E to install an underground gas and electric service across Lateral “Z” at Tesoro Apartments in Manteca

Mr. Forrest Killingsworth, Engineering Department Manager, said that PG&E has requested to cross the District’s Lateral “Z” with a joint trench 2-inch gas line service and a 4-inch underground electrical line service to serve the property located at Atherton Drive and Van Ryn Avenue, known as the Tesoro Apartments. He said that staff reviewed the plans and verified that they comply with District standard requirements.

A motion was made by Director Holbrook and seconded by Director Holmes to approve encroachment request from PG&E to install a joint trench with a 2-inch underground gas line service and a 4-inch underground electrical line service across Lateral “Z” at Tesoro Apartments.

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The motion passed 4 to 0 by the following vote:

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

Item #6 – Monthly Financial Statements for April (Information only)

This item was for information only, however, Mr. Bere Lindley, Assistant General Manager, was available to answer questions from the Board.

Item #7 – Monthly Investment Reports for April (Information only)

This item was for information only, however, Mr. Bere Lindley, Assistant General Manager, was available to answer questions from the Board.

The Board took a break at 10:20 a.m. and then went into Closed Session at 10:30 a.m.

Item #8 – Closed Session

General Counsel, Mia Brown, announced that all items would be discussed, and the Board adjourned to Closed Session at 10:40 a.m.

8. a. Conference with Legal Counsel – Anticipated Litigation
 Initiation of litigation pursuant to paragraph (4) of subdivision (d) of
 Section 54956.9
 - 2 cases
- b. Conference with Legal Counsel – Anticipated Litigation
 Significant exposure to litigation pursuant to paragraph (2) of
 Subdivision (d) of Section 54956.9
 - Phase 1 hearings on San Joaquin River/Delta Water Quality Control Plan before
 State Water Resources Control Board
 - 1 case
- c. Conference with Legal Counsel – Existing Litigation
 Paragraph (1) of subdivision (d) of Government Code Section 54956.9
 - 3 cases

SSJID vs. PG&E

Appeal from Judgment of Dismissal Pending;

In the Court of Appeal for the State of California, Third Appellate District

Case No. C086319

Superior Court for San Joaquin County

Case No. STK-CV-UED-2016-0006638

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PG&E vs. San Joaquin LAFCo; SSJID, Real Party in Interest
In the Court of Appeal for the State of California, Third Appellate District
Case No. C086008
Superior Court for San Joaquin County
Case No. STK-CV-UJR-2015-0001266

SSJID vs. Lakeview Ranch Partners
Superior Court for Stanislaus County
Case No. 2028441

Director Kamper left the meeting at 10:50 a.m.

The Board returned to open session at 10:55 a.m.

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 #9 – ADJOURNMENT

There being no further business to discuss, a motion was made by Director Holbrook and seconded by Director Holmes to adjourn the meeting at 11:00 a.m.

The motion passed 3 to 0 by the following vote:

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

ATTEST: _____
Betty L. Garcia, Clerk of the Board