

**PATTERSON IRRIGATION DISTRICT
MONTHLY BOARD MEETING
MINUTES**

June 20, 2018

The Board of Directors of the Patterson Irrigation District met in its office at 948 Orange Avenue, Patterson, California for a regular monthly Board meeting. The meeting was called to order at 1:03 p.m. by President Azevedo.

Directors Present: John Azevedo, David Reichmuth, Richard Barbaste, David Fantozzi, Steve Prevostini

Directors Absent:

Others Present:	Vince Lucchesi	General Manager
	Toni Russell	Board Secretary
	Steve Trinta	Operations/Maintenance Supervisor

CORRECTIONS OR ADDITIONS TO THE AGENDA:

Correction to Item No.: 4 Minutes, changed to approval of the minutes from the May 17, 2018 Board Meeting.

PUBLIC COMMENT:

None

MINUTES:

The minutes of the May 17, 2018 Regular Board Meeting was reviewed by the Board.

Director Barbaste made a motion to approve May 17, 2018 board minutes as received. Second by Director Reichmuth and passed unanimously.

FINANCIAL REPORT:

Secretary/Treasurer Russell gave a report to the Board on bank accounts and fund balances the District holds in investment accounts. The report also included an accounts receivable aging summary report and a detailed list of cash disbursements for May 2018 for Board review. Secretary Russell gave a draft budget to actual report through May 31, 2018.

Director Fantozzi made a motion to approve the May 2018 Financial Report. The motion was seconded by Director Barbaste and passed unanimously.

CONSIDER ADOPTION OF RESOLUTION 02-2018 APPROVE AND ADOPT THE PATTERSON IRRIGATION DISTRICT'S RESERVE POLICY:

At the May 17, 2018 General Manager Lucchesi presented the Board with a draft reserve policy to establish Reserve Funds for PID operations. At the original inception, it discussed that the original methodology of setting aside a certain number of years operation would be the nexus of the reserve policy. Lucchesi developed a more transparent policy that would demonstrate to growers how money would be moved around to run the District and to also demonstrate that grower funds would not be allocated for capital improvements, where only transfer and wheeling revenue would fund these items. Furthermore, Lucchesi pointed out that this policy would be the genesis on how the Board would decide water rates into the future by looking at funds on hand rather than setting rates based upon the potential wheeling and transfer revenue that hasn't occurred. This new policy would be far more transparent and easy to understand.

Resolution 02-2018 approves and adopts the Reserve Policy and establishes Designated Reserves, Restricted Reserves and Unrestricted/Undesignated Reserves as set by the Board of Directors.

Director Reichmuth made a motion to approve and adopt Resolution 02-2018 Patterson Irrigation District Reserve Policy. Second by Director Prevostini and passed unanimously.

CONSIDER ACQUIRING VFD FOR PUMPING PLANT 6:

Lucchesi presented a quote from Rexel for the purchase of a backup VFD for Pumping Plant 6. Lucchesi stated that with the execution of the amendment to the PMA with Rockwell for the backup VFDS, the backup for PS6 will be sent back and that the purchasing the VFD would provide a permanent backup for PS 6. The amount of the backup VFD for Station 6 would increase the budget \$23,386.50.

Following a discussion Director Barbaste made a motion to approve the increase of budget in the amount of \$23,386.50, to include the purchase of a backup VFD for Pumping Plant 6. Second by Director Reichmuth and passed unanimously.

CONSIDER ADOPTION OF RESOLUTION 03-2018 ADOPTING CALPERS SUPPLEMENTAL INCOME 457 PLAN AND APPROVAL OF THE GENERAL MANAGER TO EXECUTE THE ADOPTION AGREEMENT:

Lucchesi presented information on the CalPERS Supplemental Income 457 Plan for the benefit of the employees. Lucchesi reported after researching the program and meeting with a CalPERS representative, he felt the program would provide a nice retirement option for District employees. The program is no cost to the District and would be funded 100% by the employees.

Following a thorough discussion, Director Barbaste made a motion to approve Resolution 03-2018 Adoption of the CalPERS 457 Plan for the benefit of PID employees and authorizes and directs the General Manager to execute the adoption agreement on behalf of Patterson Irrigation District. Second by Director Fantozzi and passed unanimously.

WATER DISTRIBUTION SYSTEM SUPERVISOR'S REPORT:

A verbal report was given to the Board on recent activities and maintenance in the District.

DIRECTORS BRIEFING:

None

MANAGER'S BRIEFING:

General Manager Lucchesi discussed various items that he was working on for the month. Discussion included, Pacheco Reservoir Project another reservoir project opportunity option for storage for the District, and the proposed development expansion of Keystone Park.

ETHICS TRAINING:

Secretary/Treasurer Russell reported all directors were in need of updating their Ethics Training and directed them to the Fair Political Practices Commission AB 1234 Local Ethics Training Portal for their convenience.

FISH BIO UPDATE:

Lucchesi gave an update on permitting issues staff has been up against in regards to fyke trap permits and that due to the permit requirements, Fishbio won't be able to sample for 2018.

DRAINAGE AUTHORITY UPDATE:

Lucchesi reported on water quality testing and exceedances found at Marshall Road Drain near River Road. A meeting is anticipated in July to discuss the discharge and to locate the potential discharger who applied the constituent. Testing for the drain wasn't very frequent due to the limited hits on constituents of concern, however, with this discharge being found, the Regional Board intends on periodic check-ins and visits with the area to inspect discharges. The important fact that was impressed, is that this constituent pesticide found (chlorpyrifos) is one that attaches to soil and is transported via sediment loaded waters. The pesticide affects fish and the insects they eat which as a result increases fish mortality. Lucchesi stated that with the hit of the pesticide the Regional Board is interested in the areas that drain into the Marshall Drain and where the drain discharges into the San Joaquin River. Furthermore, the Regional Quality Control Board is checking irrigation districts for possible sediment discharge into surface water, if found they will be issuing fines. Lucchesi encouraged the Board that the sediment issue is a big one for the District and that this situation is being impressed by the Drainage Authority and is a big concern affecting fish in the San Joaquin River. Therefore, any sediment is a big issue to the District.

SAN JOAQUIN RIVER REAL TIME MONITORING GRANT:

Lucchesi reported he had been approached by Joe McGahan of the Drainage Authority and Nigel Quinn of Lawrence Berkeley National Labs regarding the time monitoring of water quality in the lower SJR. SJVDA has received a Prop 84 Grant to implement the first phase of the Real Time Management Program, the grant amount was \$855,000 with a match from the SJVDA of \$400,000 for infrastructure and equipment. Both WSID and PID are going to be required in the coming years to provide real time data on water quality and flows off of their diversions, and that this grant is intended to aid with accomplishing that without a cost to the districts.

Joe and Nigel are requesting WSID and PID allow the SJVDA, through this grant, to install water quality probes in the respective diversions and to have access to the real-time diversion flow and water quality data to be used as part of the real time modeling. The Board had no issues by making flow and EC data available for the real time monitoring, since the District was already planning on installing a water quality sensor at the river station.

DEL PUTERTO CANYON RESERVOIR UPDATE:

Lucchesi reported they are still waiting for the feasibility study to be completed, which should be in a month or two.

SGMA UPDATE:

Lucchesi reported he had been appointed as the Representative for the Northern Delta Mendota Region at the GSP coordination level.

USBR 9d CONTRACT DISCUSSION:

Lucchesi stated he had received a response from USBR in regards to conversion to a 9d contract. The Bureau provided an estimate of the unpaid Central Valley Project construction costs allocated to the District. The illustration showed the total unpaid cost to the district as well as two (2) discounted repayment options. The Board provided direction to Lucchesi that they need to know the environmental constraints of the conversion and repayment options for the conversion.

PURCHASING POLICY DISCUSSION:

Lucchesi provided the Board with a Draft Purchasing Policy that would provide guidelines to staff to acquire goods and services for District. Lucchesi requested the board to review the policy to have another discussion at the July Board meeting with an anticipated adoption in August.

PROP 218 DISCUSSION:

Lucchesi provided a memo that has been developed to outline the necessary items, process and proposed timeline for implementation with a goal of having rates being set by February of 2019. Lucchesi stated Raftelis would be attending the July meeting to provide the board with their finding on the rate study.

WINTER OPERATIONS DISCUSSION:

Lucchesi stated his plan for the district is to continue to wheel water for Friant Water Authority, along with putting water in storage under its Warren Act Contract. Lucchesi also discussed options for providing water to isolated areas of the district during the district shut down for the Main Canal Rehabilitation Project construction. The Board appeared to be in agreement with the potential plan for implementation.

TRESPASSING ISSUES:

Lucchesi discussed remedies for trespassing issues in the District. One option regarding trespassing was suggested by Director Prevostini, was to execute a Sherriff as agent agreement to allow the Sherriff to Patrol District facilities. Lucchesi noted that he has concerns that if the District signs the document then the Sherriff would be able to pull anyone over on District facilities who isn't PID staff. This could present an issue regarding grower's staff when they are out opening and closing gates were they to get pulled over by the Sherriff, the worst-case scenario could be if

an employee ran off causing a pursuit and potential legal issues with the District. However, Director Prevostini understood the authorization to be different, where this allows the Sherriff to access PID facilities if called when there is a trespassing issue. The Board directed Lucchesi to find out what the Sherriff would do if the District were to agree to the Sherriff as agent form and report back to the Board in July.

ADMINISTRATION AND OPERATIONS REPORT:

A written report was included in the Board packet regarding administration, operations, and construction activities.

IT Services and Server Upgrade:

Lucchesi reported Sierra Controls came to the office on June 12th to setup the new office server and to restructure the District's skeleton file structure.

Villages of Patterson:

- Phase I construction appears to be complete
- 3N was shut down on 6/18 and 6/19 to perform the tie-ins and change over to the phase 1 construction
- If everything runs appropriately and no leaks occur, PID will sign a quit claim deed and process the final paperwork for the project to accept the facilities
- An issue arose prior to connections to the conversion from the old 3N system to the new. However, contractors and District staff were able to work around it so the connection should have no change in hydraulic ability.

Main Canal Rehab:

- Sent 2nd Claim to DWR for reimbursement
- Received the second invoice from Rados for the Project
- Rados is prepping for pipeline installation in straight runs
Vegetation and fencing have been moved out of the way
Dewatering wells have been drilled
- Orange Avenue Well has been decommissioned
- Potential Change Orders: (list provided)

CLOSED SESSION:

The Board announced the items that would be discussed in Closed Session. The Board convened into closed session at 3:50 p.m. to discuss the items below:

- a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Government Code Section 54956.8)
Property: Water
Agency Negotiator: Vince Lucchesi, General Manager
Under Negotiation: Instructions to Negotiator concerning price and payment terms
- b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

(Subdivision (b) of Government Code Section 54956.9)
1 potential case

- c. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
(Government Code Section 54957)
Title: General Manager

The Board returned to open session at 4:13 p.m. Upon return to open session and a brief discussion, Director Prevostini made a motion to approve an 8% salary increase for the General Manager, effective July 1, 2018.

Second by Director Barbaste and passed unanimously.

It was also reported, effective July 1, 2018 the Rules Committee would consist of Director Fantozzi, Director Reichmuth, and Director Azevedo as alternate.

With the completion of all agenda items the meeting was adjourned at 4:17 p.m.

Respectfully Submitted,

Toni Russell – Board Secretary