

THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF STOCKTON EAST WATER DISTRICT WAS HELD AT THE DISTRICT OFFICE
6767 EAST MAIN STREET, STOCKTON, CA
ON TUESDAY, MARCH 14, 2017 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President McGurk called the regular meeting to order at 12:24 p.m., Legal Counsel Zolezzi led the Pledge of Allegiance.

Present at roll call were Directors Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti and Watkins. Also present were Manager Moody, District Engineer Lee, Finance Director Naray, Administrative Services Manager Carido, Accountant Vega, Administrative Clerk Curtis, Legal Counsel Zolezzi and Consultant Barkett.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 03/07/17 Regular Meeting

A motion was moved and seconded to approve the March 7, 2017 Regular Meeting Minutes, as presented.

Roll Call:

Ayes: Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti, Watkins
Nays: None
Abstain: None
Absent: None

2. Warrants

- a. Fund 68 – Municipal & Industrial Groundwater Fund
- b. Fund 70 – Administration Fund
- c. Fund 71 – Water Supply Fund
- d. Fund 91 – Vehicle Fund
- e. Fund 94 – Municipal & Industrial Fund
- f. Summary
- g. Short Names/Acronym List
- h. SEWD Vehicles & Heavy Equipment

Director Cortopassi inquired on the expense on page 9, line item 2 for ACWA Joint Powers Insurance Authority for property insurance for SEWD 04/01/17-04/01/18 in the amount of \$53,744.00. Accountant Vega replied this is property insurance to cover District vehicles, buildings and structures. Finance Director Naray will report back to the Board with the District's liability coverage.

Director Atkins inquired on the expense on page 13, line item 7 for Valley Pacific Petroleum Services, Inc. for 1405 gals diesel @ \$2.48642/gal delivered on 01/08/17 in the amount of \$3,493.41, inquiring if this is clear diesel. Manager Moody replied yes. Director Atkins inquired if the District's 10,000-gallon diesel tank is full. Manager Moody advised staff will research.

Director Atkins inquired on the expense on page 15, line item 4 for Bills Mower and Saw for chainsaw and case for TP grounds maintenance in the amount of \$329.03. Finance Director Naray replied a chainsaw and carrying case was purchased.

Director Sanguinetti inquired on the expense on page 15, line item 22 for Grainger, Inc. for battery recycling bucket in the amount of \$138.26. Finance Director Naray replied it is a container for disposal of household type batteries for recycling.

A motion was moved and seconded to approve the March 14, 2017 Warrants, as presented.

Roll Call:

Ayes: Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: None

3. Business Consultant Agreements 04/01/17 – 09/30/17

a. Anthony Barkett

A motion was moved and seconded to approve Business Consultant Agreement with Anthony M. Barkett for a six-month period from April 1, 2017 through September 30, 2017.

Roll Call:

Ayes: Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: None

b. Doyce Boesch

Director Watkins reported the District revised Consultant Boesch's agreement a number of years ago when projects slowed down and there were no congressional add's. Director Watkins suggested re-evaluating Consultant Boesch's agreement and revising, as there are now more projects of which, Consultant Boesch can help facilitate in Washington D.C.

Director Sanguinetti was in agreement with Director Watkins, adding if the District intends on spending time on upcoming projects, which will incur an additional cost for Consultant Boesch.

Consultant Barkett agreed it is time to re-evaluate the agreement listing a higher level of services consistent with services needed by the District.

Director McGaughey inquired if Consultant Boesch has requested any changes to his agreement. Consultant Barkett replied, not directly, but during conversations with Consultant Boesch over the last couple of months, there has been discussions on the additional work to be performed.

Director Sanguinetti recommended Manager Moody contact Consultant Boesch, update the agreement, and bring back to the Board for consideration and approval.

Director Panizza agreed with Director Sanguinetti as the agreement is not effective until April 1, 2017.

E. COMMITTEE REPORTS

1. Sustainable Groundwater Management Act Work Group, 03/08/17
Director Panizza, Manager Moody and District Engineer Lee attended the March 8, 2017 Sustainable Groundwater Management Act (SGMA) Work Group Meeting. Manager Moody reported discussion focused on the roadmap, where the group is and where they should be at this point. Manager Moody reported there was a roundtable discussion on the Joint Powers Agreement (JPA). The deadline to submit JPA's may be extended to allow agencies who do not meet on a weekly basis to submit for Board approval. Manager Moody reported the Groundwater Sustainability Agencies (GSA) boundary map is near completion. Manager Moody reported RMC Water and Environment gave a presentation on the status of the modeling effort. The next meeting is scheduled for April 12, 2017.
2. Delta Coalition Committee Meeting, 03/13/17
Consultant Barkett attended the March 13, 2017 Delta Coalition Committee Meeting. Consultant Barkett reported it was a quick meeting with few attendees; Thomas Zuckerman spoke on the recent flood control items the Governor has released. Consultant Barkett reported there was discussion on the portion of the ~\$200 million Proposition 1 money for the Delta levees, named system wide benefits; this money would benefit the Yolo Bypass and Paradise Cut. Consultant Barkett reported there is fear that Yolo Bypass would get most of the funding, as Paradise Cut is not ready. However, the Yolo Bypass funds was mitigation money for what would be the tunnels project. Currently, there are groups meeting to determine how this system wide benefits funding from Proposition 1 should be spent, and most specifically will not be spent on mitigation for the tunnels project. Consultant Barkett reported there has been discussion to combine the Delta Coalition meetings in with other groups as it is not well attended and similar topics surface throughout other committee meetings. President McGurk inquired who would lead the proposal of a merger with another committee. Consultant Barkett replied County staff, specifically, Supervisors Winn or Miller. The next meeting is scheduled for April 10, 2017.
3. San Joaquin County & Delta Water Quality Coalition Meeting, 03/13/17
Director Atkins attended the March 13, 2017 San Joaquin County & Delta Water Quality Coalition Meeting. Director Atkins reported the financial report remains status quo. Director Atkins reported the Coalition will be joining CV Salts and pay \$45,000; next year this assessment will be cut in half in following years. Director Cortopassi inquired as to where the CV Salts fees go once paid. Legal Counsel Zolezzi replied the money goes towards studies and salaries of the California Regional Water Quality Control Board (RWQCB); studies include determination of what standards should be set for salinity in the rivers. Manager Moody added there has been discussion of if the District still needs to participate in CV Salts, as both the County and Coalition do. Legal Counsel Zolezzi replied the downside of that is the District would then lose their seat at the table. Director Atkins reported there was a discussion on membership; the RWQCB is assessing landowners membership status with the Coalition. Director Atkins reported being a member of the Coalition is voluntary, however, if landowners are not members they are required to apply for a Waste Discharge permit through the RWQCB. Failure to become a member of the Coalition or apply for a permit through the RWQCB, can result in fines of up to \$1,000 per day. Director Atkins reported there was discussion on the challenges of obtaining water quality results because of the recent flooding and excess water in the rivers. Currently, there is an argument being made that dissolved oxygen is not the responsibility of the farmer. Director Cortopassi inquired if landowners must submit a Sediment Erosion Plan annually. Director Atkins replied no, submission is only required once, unless the landowner changes their crop, then they must re-submit. The next meeting is scheduled for April 10, 2017.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 03/13/17

Manager Moody provided a handout of the Water Supply Report that included storage, release, and production data collected from various sources as of midnight last night.

Manager Moody reported there is 196,586 AF in storage at New Hogan Reservoir. Current releases are set at 291 cfs. There is 1,679,403 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 1,016 cfs and release to all water users are set at 1,016 cfs. The water treatment plant is currently processing 17 mgd. The City of Stockton's water treatment plant is currently processing 11 mgd.

Director Cortopassi inquired on the target time for weirs to be installed. Manager Moody replied April 15, 2017.

2. Information Items:

Manager Moody noted items: F2a-1, F2a-2, F2a-3, F2a-4, F2a-5, F2a-6 and F2a-7.

3. Report on General Manager Activities

a. Lower Farmington Canal at Rock Creek, 02/23/17

Manager Moody presented the Board with aerial footage of Lower Farmington Canal at Rock Creek showing the recent storm damage. Director Watkins advised dig out and compact the area, add better soil, rebuild the area and add some bait stations for the rodents. Manager Moody advised staff will work on this.

b. Stockton East Water District Agricultural Operations Committee Meeting Discussion (Setting Water Rates)

Manager Moody inquired with the Board on setting a date for the an Agricultural Operations Committee Meeting. The Board agreed to schedule the meeting for Monday, March 20, 2017 at 12:00 Noon.

Manager Moody reported he has received a number of calls over the last couple weeks regarding concern of Governor Brown using money from the storage fund money to repair dams. Manager Moody advised he would like to take this issue to ACWA's State Legislative Committee to gauge whether or not ACWA will oppose what Governor Brown is doing.

Manager Moody reported he received an email that Senator Feinstein is looking for groundwater projects for percolation. Manager Moody replied he has attempted getting ahold of her, but has been unsuccessful. Staff is prepared to submit the general description for the North Site Project that was submitted for the upcoming One-Voice Trip. Director Sanguinetti advised sending the information to Consultant Boesch to try and have him contact Senator Feinstein directly.

G. DIRECTOR REPORTS

1. Association of California Water Agencies – Region Nominating Committee Training, 03/13/17

Director Atkins reported this will be his third year being a member of ACWA's Nominating Committee. Director Atkins reported the training covered the important of region leadership; an overview of the election process and deadlines; region board responsibilities; region rules and regulations and roles of the Nominating Committee. Director Atkins reported the deadline for completing the nomination form is June 30, 2017. Director Atkins reported the Nominating Committee will filter through candidates of all regions and determine who will be nominated for the

official ballot. Director Cortopassi inquired when the election will be. Director Atkins replied the election will be on August 1, 2017. Director Sanguinetti inquired how many positions will need to be filled for Region 4. President McGurk replied seven; a Chairman, Vice Chairman and five members.

H. COMMUNICATIONS

1. Water Education Foundation – Letter of Appreciation of Contributions for Calendar Year 2017, 03/02/17
Manager Moody provided the Board with correspondence from the Water Education Foundation expressing appreciation for the District’s \$1,000 contribution for 2017.
2. Community Center for the Blind and Visually Impaired – Pedaling Paths to Independence, 03/03/17
Manager Moody provided the Board with correspondence from the Community Center for the Blind and Visually Impaired thanking the District for allowing the group to use the Bellota Intake Facility as a rest stop during their bicycling event. Manager Moody reported they had 314 registered riders and 70 volunteers for the events.
3. United States Bureau of Reclamation – Response to Request for Consideration as Designated Non-Federal Representative in the Consultation Process Regarding Coordinated Long-Term Operations of the Central Valley Project & State Water Project, 03/03/17
Manager Moody provided the Board with correspondence from the USBR indicating the District will have a Designated Non-Federal Representative (DNFR) that will be able to participate in updating portions of the biological assessment during the information Endangered Species Act (ESA) consultation process.
4. United States Bureau of Reclamation – Response to 2017 Water Year Delivery Schedule Pursuant to Stockton East Water District Contract Number 4-07-20-W0329, East Side Division, Central Valley Project, California, 02/28/17
Manager Moody provided the Board with correspondence from the USBR stating the District will be receiving its full allotment this water year, except for the 2,656 AF of unauthorized CVP water the District took in January and February 2015. Given the approval of the 2017 schedule, this unauthorized amount will be accounted for against the District’s 2017 CVP water supply.

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Advisory Commission Meeting, 1:00 p.m., 03/15/17
2. Delta Water Users Association Annual Membership Meeting, 6:00 p.m., 03/15/17

J. REPORT OF THE COUNSEL

1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – three cases
2. Closed Session – Personnel
Government Code 54957

President McGurk adjourned the meeting to closed session at 1:35 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:33 p.m., with no reportable action.

J. ADJOURNMENT

President McGurk adjourned the meeting at 2:34 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

