

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, NOVEMBER 21, 2017 AT 12:00 NOON

**A. PLEDGE OF ALLEGIANCE AND ROLL CALL**

President McGurk called the regular meeting to order at 12:23 p.m., and Director Atkins led the Pledge of Allegiance.

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

**B. CONSENT CALENDAR**

President McGurk requested the Board to make an emergency addition to the agenda (Item D-6) relative to the State Water Resources Control Board – Water Rights Fees – Payment Under Protest, as it arose subsequent to the posting of the agenda.

A motion was moved and seconded to add an item to the November 21, 2017 Regular Board Meeting Agenda as Agenda Item No. D-6, State Water Resources Control Board – Water Rights Fees – Payment Under Protest (Emergency Item)

Roll Call:

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

**C. PUBLIC COMMENT**

Gerald Schwartz, East Bay Municipal Utility District (EBMUD) reported ~15,000 salmon swam up the river to spawn, which is good news. Most of the identified salmon are ~2-3 years old. Manager Moody inquired if this is good for the long term. Mr. Schwartz replied it should be.

**D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS**

1. Minutes 11/14/17 Regular Meeting

A motion was moved and seconded to approve the November 14, 2017 Regular Meeting Minutes, as amended.

Roll Call:

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

2. Warrants – California Public Employees’ Retirement System/ and US Bank 1997-A Bond Payment

A motion was moved and seconded to approve the November 21, 2017 Warrants – California Public Employees’ Retirement System/ and US Bank 1997-A Bond Payment, as presented.

Roll Call:

Board Meeting – 11/21/17

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

3. Eastern San Joaquin Groundwater Joint Powers Authority – Proposed Local Cost Share Allocation for the Groundwater Sustainability Plan – (Agenda Item: A.2., Attachments “A & B” of the November 8, 2017 JPA Meeting)

Manager Moody provided the Board with information on the Proposed Local Cost Share Allocation for the Groundwater Sustainability Plan. Director Panizza reported after the \$450,000 Zone 2 contributions, the JPA is proposing to evenly split the remaining costs among the 16 Groundwater Sustainability Agencies (GSAs).

Director Panizza reported the JPA needs to approve the proposed Cost Share Allocation so the grant application can be submitted.

Manager Moody reported all GSAs will pay \$11,664, with the exception of the Eastside GSA who will pay \$39,789 as they do not qualify for Zone 2 funding.

Director McGaughey inquired what would happen if a GSA did not pay their portion. Manager Moody replied they would not be able to participate.

President McGurk inquired if the cost for each GSA can be made in two equal payments. Director Watkins replied yes, they can be split by fiscal year.

A motion was moved and seconded to designate Director Panizza as the voting representative at the Eastern San Joaquin Groundwater Joint Powers Authority to vote in favor of the Proposed Local Cost Share Allocation for the Groundwater Sustainability Plan.

Roll Call:

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

4. Bellota Pipeline Project Update

Manager Moody provided the Board with information on the Bellota Pipeline Project Update. Assistant Manager Johnson reported during inspection of the pipeline, staff found there is an additional perforation 15-feet further down the pipeline from where the original perforations are displayed in the Board Packet. There was no other visible perforation found from the inside of the pipe, only external scratches.

Director Panizza inquired if there is any potential danger the District could be facing with more leaks in the future. Assistant Manager Johnson replied yes, it is an unknown risk. District Engineer Lee added staff is in the process of contracting a structural engineer to evaluate the damage.

Director Atkins inquired if staff will be fixing the rebar in the pipe. Assistant Manager Johnson replied staff will be covering the perforations to keep earth and debris out. The pipe can be used temporarily; however, it will not be completely filled. Manager Moody added staff would like a structural engineer to evaluate before covering the pipeline.

Director Cortopassi inquired how long the pipeline is. Assistant Manager Johnson replied ~600-feet is under the parcel that was deep ripped.

Director Cortopassi inquired if staff has spoken with the landowner yet. Manager Moody replied no, staff first wanted to assess the damage and suggest a fix to the Board prior to calling the landowner.

Director Sanguinetti inquired who originally made the pipe. District Engineer Lee replied that is unknown, but staff will research.

Director Cortopassi inquired on how deep the pipeline sits. Assistant Manager Johnson replied 5 ½ - 6-feet. Manager Moody added the easement agreement states the land cannot be penetrated more than 30-inches.

Assistant Manager Johnson reported in order to dig up the rest of the pipeline staff would need to dig up ~19 more trees that were planted on top of the pipeline. Director Atkins inquired how old the trees are. Assistant Manager Johnson replied 1 ½ - 2 years old.

Director Atkins inquired if there is signage around the property about the pipeline being underground. Assistant Manager Johnson replied there are a few signs. This item was for information only.

#### 5. North Site Groundwater Recharge Project Design Amendment

Manager Moody provided the Board with a memo regarding the North Site Groundwater Recharge Project Design Amendment. Manager Moody reported Nexgen Utility Management, Inc. (Nexgen) is the contractor that was retained for Design and Construction Management Services on the North Site Raw Water Storage and Groundwater Recharge Project. Nexgen has been working on the design of the North Site as well as piping changes to allow operational flexibility to use both New Hogan and New Melones water sources to simultaneously recharge all percolation ponds and supply existing storage ponds.

Manager Moody reported staff recommends a contract amendment in the amount of \$162,300, which includes \$24,480 for the additional archeology investigation and \$137,820 for the Pipeline Improvement Project Design and Construction Management Services. The amended not to exceed contract total would be \$410,890.

Manager Moody reported due to the size and depths of excavation required for the pipeline improvement and the need to increase operations flexibility, the Pipeline Improvement Project, will be designed as a separate Project for bidding purposes. Nexgen will develop plans and specifications for the pipeline improvement work in addition to the original contracted services for the North Site dual-purpose pond(s).

District Engineer Lee reported the \$137,820 increase includes the design to redirect piping for the extraction wells, changing the water discharge at the South Pond.

Manager Moody reported all changes will be brought back to the Ad Hoc Committee for approval.

President McGurk inquired on the valve issue. Manager Moody replied the new design includes a new valve between the North pond and Raw Water intake reservoir and a new below grade vault that will drain into the South reservoir.

Director Cortopassi reported the AD HOC Committee made suggestions to Nexgen's original design to enhance versatility to allow specific water into the Treatment Plant and it is important those suggestions are incorporated. Manager Moody replied the suggestions from the Committee were submitted to Nexgen.

A motion was moved and seconded to amend the contract for the North Site Groundwater Recharge Project Design with Nexgen Utility Management, Inc. for a contract total not to exceed \$410,890.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

6. State Water Resources Control Board – Water Rights Fees – Payment Under Protest (Emergency Item)

Manager Moody provided the Board with a handout of the State Water Resources Control Board (SWRCB) Division of Water Rights invoice for the District's 2017-2018 Water Rights. Director Watkins inquired if the payments are to remain status quo as in past years. Manager Moody replied yes.

Director Cortopassi inquired if the Districts payment "under protest" indicates we have won the court battle. Legal Counsel Zolezzi replied no, the SWRCB has the legal authority to charge the District for the water rights, however, their methodology for charging was incorrect and the District was overcharged. Currently, we are waiting for a ruling from the Supreme Court.

Director Cortopassi inquired why the SWRCB will not issue water rights to the District. Legal Counsel Zolezzi replied the payments are for existing water rights. Director Watkins added, although in "pending" status, once the application for water rights are approved the District will still be required to pay the same amount.

A motion was moved and seconded to authorize payment of the State Water Resources Control Board Division of Water Rights invoice for the District's 2017-2018 Water Rights Further, the Board directed District staff to pay the invoices "under protest".

Roll Call:

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

Nays: None

Abstain: None

Absent: None

**E. COMMITTEE REPORTS**

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 11/15/17

President McGurk attended the November 15, 2017 San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting. President McGurk reported Mike Cockrell provided a report on the Reservoir Storage Update and an interactive discussion on the

emergency services for San Joaquin County. Manager Moody reported there was a lot of tension and concern in the room regarding the status of New Hogan and the top of conservation. Manager Moody reported there was discussion on diverting flood control flows for groundwater recharge and some in the room were unaware flood control water could be diverted without a right. Legal Counsel Zolezzi replied flood flows can be diverted if you are protecting for flood damage. The water cannot be stored, claimed as groundwater recharge or claimed later. Water cannot be taken from any natural watercourse without a permit. President McGurk inquired about diverting water in January and February. Director Watkins replied that is riparian water that is already permitted. Manager Moody reported staff has been working on flow release schedules and working with the United States Army Corps of Engineers (USACE) and FishBio for encroachment purposes. Brandon Nakagawa reported the USACE will only entertain form requests for encroachment now. President McGurk reported on a scale of 1 – 10, 10 being the worst, San Joaquin County is now a class 6 in readiness for flood protection. The County is working to move down to a class 5. President McGurk reported the National Oceanic and Atmospheric Administration (NOAA) is going to deploy a C-130 aircraft that flies around to develop statistical analysis for storms on the west coast. The next meeting is scheduled for December 20, 2017.

## **F. REPORT OF GENERAL MANAGER**

### **1. Water Supply Report as of 11/20/17**

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

There is 187,059 AF in storage at New Hogan Reservoir. Current releases are set at 1,100 cfs. There is 1,987,535 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 606 cfs and release to all water users are set at 652 cfs. The water treatment plant is currently processing 19 mgd. The City of Stockton is currently processing 17 mgd.

### **2. Information Items:**

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

### **3. Report on General Manager Activities**

## **G. DIRECTOR REPORTS**

### **1. Greater Stockton Chamber of Commerce – 2017 Athena Awards, 11/16/17**

Director McGaughey attended the November 16, 2017 2017 Athena Awards hosted by the Greater Stockton Chamber of Commerce. Director McGaughey reported it was a nice luncheon at Stockton Golf & Country Club and it was a sold out event. Director McGaughey reported Gillian Murphy was the named recipient. Ms. Murphy is a good community advocate. Director McGaughey noted Legal Counsel Zolezzi is a past Athena award recipient.

## **H. COMMUNICATIONS**

## **I. AGENDA PLANNING/UPCOMING EVENTS**

### **1. District Holiday – Thanksgiving, 11/23/17 & 11/24/17**

### **2. Cancelled Stockton East Water District Regular Board Meeting, 11/28/17**

### **3. Lodi Grape Growers Association Water Seminar, Lodi Grape Festival Grounds, 11/28/17**

4. Association of California Water Agencies – 2017 Fall Conference Anaheim CA, 11/28/17 – 12/01/17

**J. REPORT OF THE COUNSEL**

1. Closed Session - Existing Litigation  
Central San Joaquin Water Conservation District  
vs. Stockton East Water District  
Government Code 54956.9 (a)
2. Closed Session - Potential Litigation  
Government Code 54956.9 (c) – one case

President McGurk adjourned the meeting to closed session at 1:19 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:55 p.m., with no reportable action.

**J. ADJOURNMENT**

President McGurk adjourned the meeting at 1:56 p.m.

Respectfully submitted,



Scot A. Moody  
Secretary of the Board

tbc

