

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, MAY 23, 2017 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President McGurk called the regular meeting to order at 12:21 p.m., and Director Cortopassi 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, Administrative Services Manager Carido, Accountant Vega, Administrative Clerk Curtis, Legal Counsel Zolezzi and Consultant Barkett.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

Nancy Whittle reported Tom Whittle is scheduled to place a temporary bridge on the Whittle Property, Wednesday, May 24, 2017. The crane is scheduled and the bridge will be placed where the District had marked to install a bridge. Mrs. Whittle requested staff contact Mr. Whittle if this will not work.

Mrs. Whittle reported she has a Balance Hydrologics report for May 2016, but is missing the Fall 2016 report. Assistant Manager Johnson reported there was no report for Fall 2016.

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 05/16/17 Regular Meeting

A motion was moved and seconded to approve the May 16, 2017 Regular Meeting Minutes, as presented.

Roll Call:

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

2. Central Valley Project Revised Rates, 05/08/17

Manager Moody provided the Board with information on the United States Bureau of Reclamation (USBR) 2017 Central Valley Project (CVP) Revised Water Rates. Manager Moody reported this letter details the lower CVP water rates. Accountant Vega reported there are three components to determining the rate; restoration, O&M and Trinity. Accountant Vega reported O&M rates were lowered by ~\$12.00.

Accountant Vega reported the overall impact from the original to the revised rates provide a savings of \$357,670 in M&I and \$70,695 in Ag.

Accountant Vega reported the O&M charges are subject to a true up after the USBR's Fiscal Year end in September. This item was for information only.

3. Issuing Contract for Expert Design of Water Quality System

Manager Moody provided the Board with a memorandum for issuing a contract for expert design of the Water Quality System. Manager Moody reported the District experienced a total organic carbon (TOC) violation ~3 years ago and was required to conduct a study for the Department of Drinking Water to explain what occurred and how it will be addressed in the future. Manager Moody reported as a result of the study, staff began experimenting with Potassium Permanganate, which has worked positively for the District.

Assistant Manager Johnson reported Water Quality Technology Solutions (WQTS), Inc. was a sub-consultant in the District's TOC Reduction Study and specializes in developing innovative and cost effective solutions to water quality and treatment challenges. Assistant Manager Johnson reported staff is recommending WQTS to assist in evaluation of the system engineering design of the Potassium Permanganate Chemical Feed System and evaluate alternative disinfection by-product (DBP) control strategies.

A motion was moved and seconded to award Water Quality Technology Solutions (WQTS), Inc. for design review services and alternative evaluations for disinfection by product in an amount not to exceed \$75,000, as presented.

Roll Call:

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

4. Dr. Joe Waidhofer Water Treatment Plant – Paving Contract Summarization

Manager Moody provided the Board with a paving contract summary to reseal asphalt throughout the Water Treatment Plant. Manager Moody reported staff received Bids from three Contractors; D.L. Cathcart in the amount of \$76,978, Dryco Construction in the amount of \$47,265 and Scott Valley Seal Coating in the amount of \$42,991.

Assistant Manager Johnson reported the District sealed the asphalt in 2002 for ~\$47,000 and resurfaced the asphalt in 2011 for ~\$176,000. This proposal is for the asphalt maintenance and repair work.

Director Atkins inquired if the Contractor will put oil in the cracks or seal them. Manager Moody replied they will fill the cracks, apply sealer and re-strip.

Manager Moody advised the Board this Project would also include a budget transfer, which will be brought back to the Board for consideration and approval.

Director Watkins inquired if the contract should be changed from a paving contract to a seal coating contract. Manager Moody advised the contract documents will reflect an accurate contract title.

A motion was moved and seconded to approve awarding the contract to Scott Valley Seal Coating in the amount of \$42,991.38, as presented.

Roll Call:

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

Nayes: None
Abstain: None
Absent: None

E. COMMITTEE REPORTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 05/17/17
Nothing to report.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 05/22/17
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 247,298 AF in storage at New Hogan Reservoir. Current releases are set at 152 cfs. There is 2,056,139 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 5,031 cfs and release to all water users are set at 6,241 cfs. The water treatment plant is currently processing 25 mgd. The City of Stockton's water treatment plant is currently processing 16 mgd.

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. California Special Districts Association Legislative Days – Sacramento, CA, 05/16/17 – 05/17/17

Assistant Manager Johnson attended the May 16-17, 2017 California Special Districts Association (CSDA) Legislative Days in Sacramento, California. Assistant Manager Johnson reported the group met with staff for Assembly Member Eggman and Senator Galgiani. Assistant Manager Johnson reported there was discussion on AB 979 (Lackey), which promotes the process to streamline special district representation under Local Agency Formation Commissions (LAFCo); there was no opposition to this bill. President McGurk inquired if there was any news from Assembly Member Eggman on groundwater storage and beneficial use. Legal Counsel Zolezzi replied this bill will be going to the Appropriations Committee. Manager Moody added ACWA's State Legislative Sub-Committee will determine how to support this bill. Manager Moody reported those who are in favor should submit the issues they are trying to resolve to the Committee so they can drill down and determine what needs to be fixed and how it will be fixed.

- b. ACWA State Legislative Committee Meeting, 05/19/17

Manager Moody attended the May 19, 2017 ACWA State Legislative Committee Meeting. Manager Moody reported ACWA recently completed a storage study and is looking at major potential storage projects across the state. Manager Moody reported there was discussion on the Water Service Affordability (AB 401 Implementation) and how it is proposed now, 34% of households in California would qualify for the lifeline rate. Manager Moody reported there are six bills out on lead testing in various forms, at this point ACWA is 100% opposed on all of them. Manager Moody reported ACWA is 100% opposed to all conservation bills currently on the table. There is concern the Brown Administration will put it in a budget trailer bill and push it through. Manager Moody reported there was discussion on AB 947 (Gallagher) which is

attempting to reign in Fish & Wildlife as they are trying to interpret their own laws and enforce action in areas they have never had authority. Currently, ACWA is not in support of this bill, however, this bill is sponsored by the California Farm Bureau, California Chamber of Commerce, California Cattlemen's Association and Rural Counties Representatives of California. The next meeting is scheduled for June 9, 2017.

Manager Moody reported Consultant Barkett was forwarded an email from Congressman Denham's office requesting a meeting at 3:00 p.m. on May 31, 2017 with water agencies in the area. Manager Moody queried the Board if the District could host the meeting of 60+ attendees. The Board agreed; Manager Moody will reach out to Congressman Denham's office.

G. DIRECTOR REPORTS

1. Greater Stockton Chamber of Commerce – 2017 State of the City, 05/18/17
Directors Cortopassi, Sanguinetti, Watkins and Manager Moody, Assistant Manager Johnson, District Engineer Lee, Administrative Services Manager Carido and Accountant Vega attended the May 18, 2017 Greater Stockton Chamber of Commerce – 2017 State of the City. Manager Moody reported there were more attendees at this event than in past years. Director Cortopassi reported there was a free, second forum held at Delta College for those who wanted to hear Mayor Tubbs' thoughts.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin Farm Bureau Federation – Water Committee Meeting, 5:30 p.m., 05/23/17
2. Stockton East Water District – Conveyance Tour, 8:30 a.m., 05/24/17
3. AD HOC Technical Review Committee Meeting for the Sustainable Groundwater Management Act Work Group, 2:00 p.m., 05/24/17
4. District Holiday – Memorial Day, 05/29/17

J. REPORT OF THE COUNSEL

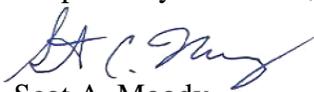
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – two cases

President McGurk adjourned the meeting to closed session at 12:59 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:48 p.m., with no reportable action.

J. ADJOURNMENT

President McGurk adjourned the meeting at 1:49 p.m.

Respectfully submitted,


Scot A. Moody
Secretary of the Board

tbc

