

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, AUGUST 15, 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, Finance Director Vega, District Engineer Lee, Administrative Services Manager Carido, Administrative Clerk Curtis and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 08/08/17 Regular Meeting

A motion was moved and seconded to approve the August 8, 2017 Regular Meeting Minutes, as presented.

Roll Call:

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

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the August 15, 2017 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

3. Stockton East Water District – Photovoltaic Solar System Project Update

Manager Moody provided the Board with information on the Photovoltaic Solar System Project. Manager Moody reported the initial penetration study failed, thus Onyx Renewable Partners L.P. (Onyx) is recommending solicitation of PG&E to conduct a further study on their system, to test whether or not PG&E’s circuit can handle the power that will be sent through it from the District’s solar.

Director Watkins reported the Public Utilities Commission (PUC) is changing the peak hours for time of use from 12:00 Noon – 6:00 p.m. to 5:00 p.m. – 10:00 p.m. and inquired if the solar would still generate energy during 12:00 Noon – 6:00 p.m. which is the cheapest unit of power.

Director Cortopassi inquired who will be paying PG&E to transfer power from the solar panel to the meter if the District is using electricity in lieu of PG&E power. Manager Moody replied the District will pay.

Director Watkins reported there were two programs presented to the Board for solar use. The first program would produce solar power to be used within a confined area. If there is extra power produced it goes back on the grid and at the end of the year a true-up is completed. The second program entails putting the power back on the grid and using it for up to six (6) meters within a certain area. This power would be used to offset the meters on the adjacent parcels and the District would pay a little extra. Director Cortopassi inquired which program is better for the District. Director Watkins replied, the first program, using it within a confined area.

Director Atkins inquired when the PG&E study is estimated to be completed. District Engineer Lee replied September. This item was for information only.

4. Draft Agreement Between the Eastern Water Alliance and the North San Joaquin Water Conservation District for Operation of the Demonstration Recharge Extraction and Aquifer Management (DREAM) Project

Manager Moody provided the Board with a draft agreement between the EWA, NSJWCD and San Joaquin County. Manager Moody reported this item serves as a placeholder to discuss scheduling a EWA meeting to discuss this agreement further.

Manager Moody queried the Board as to when they would like to schedule a EWA meeting. Director Sanguinetti replied Wednesday, August 23, 2017 or Thursday, August 24, 2017 at 10:00 a.m. Manager Moody advised staff will email EWA members with a meeting date and time. This item was for information only.

5. Discussion Regarding District Rules Nos. 131 – Stockton East Water District Procedures and Regulations for Establishing Flat Rate and Special Class Water Production; 120 – Required Notice to District By Owner of Diversion of Stream Delivered Water and District Ordinance 21

Manager Moody reported staff will be reviewing the rules and ordinance this week and bringing back the information to the Agriculture Operations Committee. Manager Moody reported staff believes there is potential to combine the three documents and information to make it easier to understand.

Manager Moody suggested the Agriculture Operations Committee convene for a working session to go over the concepts of what should be added to these documents or consolidated.

President McGurk inquired if these ordinances and rule will focus solely on water or on crops too. Manager Moody replied staff would like to look at the abnormal diversions and start addressing how those should be handled in the future. This is also the time to encompass the requirements that will be put in effect with SB-88.

Director Cortopassi inquired if the District is trying to determine the volume of water usage and not rates. Manager Moody replied, in some respect staff is evaluating volume of water used in addition to rates.

Manager Moody advised staff will query to Board next week on scheduling a Agriculture Operations Committee Meeting. This item was for information only.

E. COMMITTEE REPORTS

1. Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 08/09/17
Directors Panizza and Watkins and Manager Moody attended the August 9, 2017 Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting. Director Panizza reported there was discussion on future funding for the JPA and the bylaws. There was a public hearing held to adopt the Conflict of Interest Code, which was approved by the group. Director Panizza reported the group approved authorization of entering into contract with GEI Consultants, Inc. for preparation of the Groundwater Sustainability Plan (GSP). There was discussion on how to spread expenses out between the agencies to cover the cost of the GSP. It is estimated the initial cost for drawing up the GSP is ~\$1.5 million. Director Panizza reported there was argument from the Delta Water Agency representatives because they would not benefit as much as other agencies, there was discussion to divide the costs by population. Director Panizza reported there was a working meeting scheduled for August 23, 2017 for staff to discuss how to construct the methodology to extract money from the public. Julianne Phillips, San Joaquin Farm Bureau reported there was discussion on allocating costs based on population and acres, to keep Ag Districts from being hit the hardest. If population is coupled with acreage it does not remove responsibility from the Ag Districts, but helps spread it more economically among the constituents throughout the County. The next meeting is scheduled for September 13, 2017.
2. San Joaquin County & Delta Water Quality Coalition Meeting, 08/14/17
Director Atkins attended the August 14, 2017 San Joaquin County & Delta Water Quality Coalition Meeting. Director Atkins reported there was discussion on the financials remaining status quo. Membership dues are now at \$1.8 million and were budgets for \$2.1 million. The Coalition will be sending out late notices to those who have not paid on September 1, 2017. Director Atkins reported the Program Manager's Report included no toxicity found. It is estimated the State Water Board will be increasing their fees between \$0.75-\$0.90 per acre-foot. Director Atkins reported the Biostimulatory/BioIntegrity Project is evaluating what bugs and plants should inhabit creeks, as there should be a certain amount of bugs and vegetation. This Project is funded by late fees and penalties. The next meeting is scheduled for September 11, 2017.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 08/14/17
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 217,822 AF in storage at New Hogan Reservoir. Current releases are set at 242 cfs. There is 2,090,060 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 1,508 cfs and release to all water users are set at 2,987 cfs. The water treatment plant is currently processing 36 mgd. The City of Stockton is currently processing 26 mgd.
2. Information Items:
Manager Moody noted items: F2a-1, F2a-2, F2a-3, F2a-4, F2a-5 and F2a-6.
3. Report on General Manager Activities
 - a. Stockton East Water District Employee BBQ & Potluck, 08/25/17

Manager Moody provided information to the Board for the Employee BBQ & Potluck scheduled for Friday, August 25, 2017.

G. DIRECTOR REPORTS

1. Customer Appreciation BBQ at F&M Bank – Linden Branch, 08/15/17
Director Watkins attended the August 15, 2017 Customer Appreciation BBQ at F&M Bank – Linden Branch. Director Watkins reported there was a good size crowd.

H. COMMUNICATIONS

1. Association of California Water Agencies 2018/2019 Term President – Request for Support for Nomination of Brent Hastey
Manager Moody provided the Board with correspondence from Yuba County Water Agency – Request for Support of Brent Hastey to succeed Kathy Tiegs as the President of Association of California Water Agencies (ACWA) for the 2018/2019 Term. President McGurk queried the Board if they would like to support the nomination for Mr. Hastey. The consensus of the Board was to remain non-committal at this point.

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Advisory Commission Meeting, 1:00 p.m., 08/16/17

J. REPORT OF THE COUNSEL

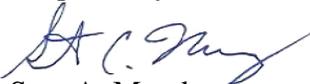
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case

President McGurk adjourned the meeting to closed session at 1:08 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:22 p.m., with no reportable action.

J. ADJOURNMENT

President McGurk adjourned the meeting at 1:23 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

