

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, JANUARY 24, 2017 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President McGurk called the regular meeting to order at 12:25 p.m., Administrative Clerk Curtis led the Pledge of Allegiance.

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

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 01/17/17 Regular Meeting

A motion was moved and seconded to approve the January 17, 2017 Regular Meeting Minutes, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGaughey

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the January 24, 2017 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGaughey

3. Stockton East Water District – Alum (T2) and Aluminum Chlorohydrate (T6) Tank Project Request for Bid

Manager Moody provided the Board with information on the Alum (T2) and Aluminum Chlorohydrate (T6) Tank Project Request for Bid (RFB). District Engineer Lee reported staff is finalizing bid documents. District Engineer Lee reported the RFB will be sent to vendors on January 30, 2017 and are due March 16, 2017. District Engineer Lee reported construction is expected to take 145-days due to the detail of the tanks. This item was for information only.

4. Stockton East Water District – Photovoltaic Solar System Project Update – 30% Design
Manager Moody provided the Board with information on the Photovoltaic Solar System Project Update – 30% Design. District Engineer Lee reported the Solar Project site location will be located on the southeast corner of the North Site. District Engineer Lee reported the power lines will run down New Water Lane and connect to the PG&E meter on the south side of the road near East Main Street.

Manager Moody inquired on the location of power lines down New Water Lane. District Engineer Lee replied the power lines will be on overhead power poles.

District Engineer Lee reported staff has provided feedback on the preliminary design and will continue to work with SunEdison to assure all proposed infrastructure meets the District’s current and future needs. District Engineer Lee reported the next step is for SunEdison to incorporate staff’s comments on the design and submit the conceptual layout to PG&E for approval. After PG&E’s approval, SunEdison will complete the design with details. District Engineer Lee reported staff hopes to have comments back from PG&E by the end of February.

Director Cortopassi stated contractors need to be made aware of the existing pipeline as to not damage the pipeline. Manager Moody replied yes, contractors will be made aware of the existing pipeline.

Director Atkins inquired if the design had been changed to square the panels. District Engineer Lee replied they are at an angle because of the sun.

Manager Moody inquired when they are supposed to break ground. District Engineer Lee reported they are planning for June 2017. This item was for information only.

5. Notice of Acceptance of Completion – Replacement of the Maintenance Building Roll-up Doors
Manager Moody provided the Board with the Notice of Acceptance of Completion (NOC) for Replacement of the Maintenance Building Roll-up Doors.

A motion was moved and seconded to approve the Notice of Completions for the Replacement of the Maintenance Building Roll-up Doors, as presented.

Roll Call:

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

6. Final Draft Joint Exercise of Powers Agreement – Establishing the Eastern San Joaquin Groundwater Authority, 01/12/17

Manager Moody provided the Board with the Final Draft Joint Exercise of Powers Agreement (JPA) – Establishing the Eastern San Joaquin Groundwater Authority. Manager Moody reported Legal Counsel Zolezzi reviewed the JPA and had no opposition to the language.

Manager Moody requested the Board endorse the JPA language, in preparation of the Sustainable Groundwater Management Act Work Group on February 8, 2017.

A motion was moved and seconded to endorse the language of the Final Draft Joint Exercise of Powers Agreement – Establishing the Eastern San Joaquin Groundwater Authority, as presented.

Roll Call:

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

Nayes: None
Abstain: None
Absent: McGaughey

E. COMMITTEE REPORTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 01/18/17

Director McGurk attended the January 18, 2017 San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting. Director McGurk reported discussion focused on the update on the 2017 Central Valley Flood Protection Plan. Christopher Williams, Engineer for Department of Water Resources (DWR) presented on the topic and mentioned there is \$30 billion worth of work that needs to be completed across the Central Valley over the next 30-years. The state thinks they may be able to come up with \$3-5 billion over the next 30-years.

Manager Moody reported within the 2017 Central Valley Flood Protection Plan there are \$100 million worth of flood protection projects that could be eliminated by more off-stream storage on the Calaveras River. This would go a long way in complying with the 200 year flood plan.

Director Cortopassi inquired on the area for the flood protection projects. Manager Moody replied, these projects are located in the North Stockton area as it relates to the Calaveras.

Director McGurk reported the overall plan is broken down into six smaller plans. Three plans for the Sacramento Region and three for the San Joaquin Region.

Director McGurk reported to get the \$30 billion funded, Mr. Williams projected by 2019 they would try to get a General Obligation Bond to fund this project.

Manager Moody reported a way this Plan could have been more successful is if DWR had included water agencies in the discussion. DWR's focus is flood control, not necessarily, where to redirect the water where it could be beneficial, rather protecting an asset. Manager Moody reported there should be a way to bring the two parties together to satisfy more than one objective.

Director McGurk inquired if Manager Moody should work with John Maguire, San Joaquin County, to achieve a more prosperous end goal. Fritz Buchman replied yes, in addition to the State Water Board.

Director McGurk inquired on the monies to be spent from this plan. Mr. Buchman replied part of the County is working on a plan to include Reclamation District No. 17 (RD 17) that would administer limitation of improvements to protect the RD 17 area. There is a state grant for a feasibility study to identify mutually agreeable alternatives between the locals and the state.

Manager Moody inquired if this study is part of a reaction towards RD 17 being left out of the 200-year flood plan. Mr. Buchman, replied yes.

Consultant Barkett reported currently there is no discussion for using storage as a solution, the plan for RD 17 is levee work.

Director Cortopassi inquired on agenda item 2-A, "Obama Says Full Speed Ahead on Delta Tunnels Project". Manager Moody replied President Obama advised the Environmental Protection Agency to speed up the Environmental Review for the California Water Fix. The next meeting is scheduled for February 8, 2017.

2. ACWA State Legislative Committee Meeting, 01/20/17

Director Atkins attended the January 20, 2017 ACWA State Legislative Committee Meeting. Director Atkins reported there was emphasis put on the members missing the State Legislative Committee Meetings as there is a waiting list for those that would like to be part of the Committee. Director Atkins reported if there are two unexcused absences, members will be removed from the Committee. Director Atkins reported there was discussion on the ACWA Ag Initiative and how ACWA will be looking to get the Ag community more involved with ACWA. Director Atkins reported there was discussion on SGMA and unimpaired flows and how they will affect the Ag communities in the area. Director Cortopassi inquired on ACWA's comments on unimpaired flows. Director Atkins replied ACWA is remaining neutral and does not take a position on unimpaired flows. Director Atkins reported there was discussion on Proposition 218, there will be a draft at the next meeting. Manager Moody added ACWA tried to get support for a constitutional amendment last year to allow storm water to conduct a protest hearing to raise rates, versus requiring a 2/3 vote as it stands now, to raise their income in flood control. Manager Moody reported the struggle with Proposition 218 is that the Governor wants to initiate a fee to support disadvantaged communities, causing some to pay more, which violates Proposition 218, which requires the fees to be the same for everyone. Director Atkins reported the Governor wants to keep the Drought Emergency Plan in place, which allows the State Water Resources Control Board to remain in power. Director McGurk inquired if it becomes apparent it is no longer an emergency, but the Governor continues to keep the Plan in place could that open up lawsuits. Legal Counsel Zolezzi replied, it may not only be at the discretion of the Governor or if there are limits on what constitutes an emergency. Director Atkins reported comments on the Substitute Environmental Document (SED) are due March 19, 2017. The next meeting is scheduled for March 8, 2017.

3. Stockton Area Water Suppliers Meeting, 01/23/17

Manager Moody reported this meeting was cancelled. The next meeting is scheduled for January 30, 2017.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 01/23/17

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 194,292 AF in storage at New Hogan Reservoir. Current releases are set at 3,639 cfs. There is 950,101 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 640 cfs and release to all water users are set at 640 cfs. The water treatment plant is currently processing 17 mgd. The City of Stockton's water treatment plant is currently processing 12 mgd.

2. Information Items:

Manager Moody noted items: F2a-1, F2a-2, F2a-3, F2a-4, F2a-5, F2a-6, F2a-7, F2a-8, F2a-9, F2a-10, F2a-11, F2a-12, F2a-13, F2a-14 and F2a-15.

3. Report on General Manager Activities

Manager Moody reported staff has been invited to participate in the SED Phase 2 meetings to discuss the Phase 2 scientific data and strategy to move forward as a group against Phase 2 of the SED. The meeting will be held at the Farm Bureau.

Manager Moody reported staff will be touring the Jenny Lind Treatment Plant on January 26, 2017 to see if they face the same issues the District does as they are in the same watershed and how they are dealing with the Total Organic Carbon issues.

Manager Moody reported Administrative Services Manager Carido will be inquiring with the Board on times that work best for their schedules to schedule an Eastern Water Alliance meeting.

Manager Moody reported he has an upcoming meeting with John Freeman and staff from Cal Water to discuss Phase 1 and 2 of the SED and how it would affect the District and consequently effect Cal Water.

G. DIRECTOR REPORTS

Director Cortopassi inquired with Gerald Schwartz, East Bay Municipal Utility District, on the Demonstration Recharge Extraction & Aquifer Management (DREAM) Project. Mr. Schwartz replied EBMUD is willing, ready and able to move forward. Director Cortopassi inquired if Pardee Dam is always kept full. Mr. Schwartz replied yes, it is always kept full because that is where the drinking water comes from. Director Cortopassi inquired if EBMUD also operates Lake Camanche. Mr. Schwartz replied yes, and they are releasing 5,000 cfs as that is the maximum the Army Corps of Engineers will allow them to release.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin Farm Bureau Federation – Water Committee Meeting, 5:30 p.m., 01/24/17
2. AD HOC Technical Review Committee Meeting for the Sustainable Groundwater Management Act Work Group, 2:00 p.m., 01/25/17
3. ACWA Federal Affairs Committee Meeting, 10:00 a.m., 01/27/17
4. San Joaquin Farm Bureau Foundation for Agricultural Education – 26th Annual Wine Tasting Event: *Featuring a “Taste of San Joaquin County”*, 6:00 p.m., 03/16/17

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 1:16 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:36 p.m., with no reportable action.

J. ADJOURNMENT

President McGurk adjourned the meeting at 1:37 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

