

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 7, 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 led the Pledge of Allegiance.

Present at roll call were Directors McGaughey, McGurk, Panizza, Sanguinetti and Watkins. Directors Atkins and Cortopassi were absent. Also present were Manager Moody, Assistant Manager Johnson, District Engineer Lee, Finance Director Vega, Administrative Services Manager Carido, 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 10/31/17 Regular Meeting

A motion was moved and seconded to approve the October 31, 2017 Regular Meeting Minutes, as amended.

Roll Call:

Ayes: McGaughey, McGurk, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: Atkins, Cortopassi

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the November 7, 2017 Warrants, as presented.

Roll Call:

Ayes: McGaughey, McGurk, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: Atkins, Cortopassi

3. Stockton East Water District Committee Meeting(s) – Draft Budget Fiscal Year 2018/2019

Manager Moody provided the Board with information on the Proposed Schedule for Budget Adoption for Fiscal Year 2018/2019. Manager Moody reported this item serves as a reminder to discuss scheduling an Agriculture Operations Committee meeting to review the budget and determine if any other committees would like to meet.

Director Watkins suggested scheduling the Agriculture Operations Committee meeting on Monday, November 13, 2017. Manager Moody advised he will reach out to Directors Atkins and Cortopassi to determine if that date will work.

4. Stockton East Water District – Photovoltaic Solar System Project – Lot Line Adjustment
Manager Moody provided the Board with information on the Photovoltaic Solar System Project – Lot Line Adjustment. Manager Moody reported the two options presented show the options of merging all the lots into one large lot or maintain the number of existing lots, but the individual lot acreage would change.

Director Watkins inquired if the options of keeping multiple lots and changing acreage would cause the District to lose lots or if it is just reconfiguring. District Engineer Lee replied it is reconfiguring, no lots will be lost.

Director Watkins inquired if the size of the lots are 10-acres. District Engineer Lee replied yes, but lots 12 and 13 could be less once they are reconfigured.

Director Watkins inquired if these are existing non-conforming lots. Legal Counsel Zolezzi replied she believes so.

Manager Moody inquired if the Board would prefer to keep as many lots as possible. Director Watkins replied yes.

5. Base Monthly Payments Recap, 10/31/17

Manager Moody provided the Board with an update on the status of the Base Monthly Payment (BMP) year-to-date. Manager Moody reported the District received a payment from Cal Water several weeks ago without any description listed on the check so it was applied to their BMP. Upon further review, Finance Director Vega determined the check was for a groundwater charge. Staff removed it from the BMP and re-allocated it.

Manager Moody reported shortly after the City and Cal Water submitted payment for their BMP, which has currently left the District with no BMP deficit. This item was for information only.

6. Consideration to Support – Northern California Water Agencies Letter

Manager Moody provided the Board with a draft letter from the Northern California Water Agencies for consideration to support. Manager Moody reported this letter is being circulated to likeminded agencies to sign-on and send to the State Water Resources Control Board. The letter is regarding phase II unimpaired flows; it is well written and states nothing the District is opposed to.

Manager Moody advised staff's recommendation is for the Board to authorize staff to sign and send the letter in support.

A motion was moved and seconded to approve staff send a letter in Support of Northern California Water Agencies Regarding Unimpaired Flows, as presented.

Roll Call:

Ayes: McGaughey, McGurk, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: Atkins, Cortopassi

7. Water Supply Operations Memo

Manager Moody provided the Board with information on the Water Supply Operations for the District. Assistant Manager Johnson reported the work outlined in the memo provided to the Board was based on drying out the Bellota Pipeline to repair the deep rip leak. To do this, staff needed to divert water at the Constant Head Vault (located near Duncan Road) to the Peters Pipeline, and bypass the Bellota Pipeline.

Assistant Manager Johnson reported staff closed the 54-inch valve (located near Jack Tone Road) to fill the Bellota Pipeline all the way back to the Constant Head Vault (CHV) on Thursday, November 2nd. On Saturday morning, November 4th, staff discovered a leak at the air vent downstream of the CHV and an additional leak at a bell joint. Assistant Manager Johnson reported staff has already repaired the air vent leak.

Assistant Manager Johnson reported the bell joint leak eliminates the option of bypassing the Bellota Pipeline. To move forward with repairs on the bell joint and the deep rip leaks, the pipeline has to be completely dry, and staff needs to switch the District's water source to New Melones.

Director Sanguinetti inquired if staff will have to enter inside the pipeline. Assistant Manager Johnson replied staff will do what they can outside the pipeline, and plan to enter inside the pipeline for a visual inspection.

Manager Moody advised staff is waiting for the United States Army Corps of Engineers (USACE) to finish their inspections at Farmington Dam, and then we will switch to New Melones for the plant water supply. We can switch back to the New Hogan water source once the bell joint and deep rip repairs are complete, and may switch to New Hogan to complete the TOC Reduction additive alternative testing that started November 1.

Director Watkins inquired how many feet of pipe are in the field with the deep rip leak. Assistant Manager Johnson replied ~600-feet. Director Watkins stated it is probable the landowner deep ripped more pipe in addition to the three spots staff already identified. Assistant Manager Johnson replied the two spots thought to be leaks will be excavated, and if there seems to be a pattern, staff will excavate more pipeline to investigate.

Manager Moody reported one of the handouts provided to the Board is an explanation from Doug Demko, FISHBio as to why the New Hogan releases are higher in late November and not spread out over the entire month. Mr. Demko's explanation is that the Calaveras River management focus is on Steelhead, which migrate later than fall-run Chinook Salmon. Pulsing later increases the probability of benefitting steelhead and decreases the probability of attracting salmon.

Manager Moody reported on the chart on the last page of the handout, which displays Chris Neudeck (KSN) and Mary Hildebrand (USACE) concerns about New Melones and New Hogan, to some extent, of how much water is in the watershed and how to bring the numbers down or close to the target for the top of conservation (TOC). Manager Moody advised Mr. Neudeck and Ms. Hildebrand that the District is working with USACE and FISHBio to draw down the TOC.

Director Watkins inquired if the water supply schedule provided is the most current. Assistant Manager Johnson replied the releases beginning on November 14th are the projected figures from

FishBio's report. Director Watkins reported there must be a minimum of 350 cfs for the fish to go up the river.

E. COMMITTEE REPORTS

1. Stockton Area Water Suppliers Meeting, 11/06/17

Manager Moody and staff attended the November 6, 2017 Stockton Area Water Suppliers (SAWS) Meeting. Manager Moody reported the District's Draft Budget for Fiscal Year 2018/2019 was discussed. There were a couple questions, but nothing of significance and no objections from the group. Manager Moody informed the group to advise District staff should any comments arise so all information can be disclosed to the Board prior to approval.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 11/06/17

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 193,167 AF in storage at New Hogan Reservoir. Current releases are set at 47 cfs. There is 1,987,866 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 2,472 cfs and release to all water users are set at 2,472 cfs. The water treatment plant is currently processing 22 mgd. The City of Stockton is currently processing 23 mgd.

2. Information Items:

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

Finance Director Vega reported on F2a-6 stating there are two parts to the Central Valley Project (CVP) cost allocation; construction and restoration. The draft preliminary results for the CVP Cost Allocation Study are only for construction, because restoration is currently under discussion. Once the full draft study is released in a few weeks, contractors will have 90 days to review and submit comments. Finance Director Vega reported the restoration requirements for the Central Valley Project Improvement Act (CVPIA) are supposed to be worked out by spring of 2018.

Manager Moody reported the hydroelectric producers were carrying so much of the cost they are considering an option to walk away. Finance Director Vega added that due to the threat of power suppliers leaving, the Bureau is fast tracking this study. Finance Director Vega reported preliminary results show Ag will carry 1% less, M&I will carry 1% more and power suppliers should be virtually unaffected in regards to cost allocation for construction of the CVP.

3. Report on General Manager Activities

G. DIRECTOR REPORTS

1. ACWA Region 4 Board Strategic Workshop, 11/02/17

President McGurk attended the November 2, 2017 ACWA Region 4 Board Strategic Workshop. President McGurk reported the workshop was strategic planning with the new Region 4 Board, who have not yet been officially sworn in. President McGurk reported for the benefit of the new members, Mike Hardesty provided an overview of Region 4. Until the 1990's, ACWA was organized by water code categories, not regions. ACWA re-organized by regions to try to gain a Board Meeting – 11/07/17

wider spectrum of interest instead of having the same people in similar categories. There was discussion on ACWA's recruitment efforts for new members. They are considering recruiting Community Water Systems as well. President McGurk reported there was discussion on how to change the business meeting structure. Instead of just listening to reports, an interactive meeting was discussed to allow people in the audience to participate, and to expose other members of the board to different experiences and knowledge of those in the room. Director McGaughey inquired if the business meeting is for all divisions of just Region 4. President McGurk replied the discussion was only about changing the structure of the Region 4 meetings.

2. Greater Stockton Chamber of Commerce Monthly Mixer – Children's Museum of Stockton, 11/02/17
Nothing to report.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. California Special Districts Association Brown Act Workshop (Hosted at Stockton East Water District), 8:00 a.m., 11/08/17
2. Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 10:15 a.m., 11/08/17
3. District Holiday – Veteran's Day, 11/10/17
4. Delta Coalition Committee Meeting, 8:30 a.m., 11/13/17
5. San Joaquin County & Delta Water Quality Coalition Meeting, 9:00 a.m., 11/13/17

J. REPORT OF THE COUNSEL

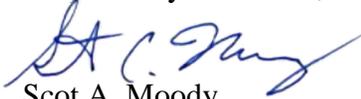
1. Closed Session – Potential Litigation
Government Code 54956.9 (c) – one case

President McGurk adjourned the meeting to closed session at 1:04 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:23 p.m., with no reportable action.

J. ADJOURNMENT

President McGurk adjourned the meeting at 1:24 p.m.

Respectfully submitted,


Scot A. Moody
Secretary of the Board

tbc

