

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, DECEMBER 12, 2017 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

Vice President Panizza called the regular meeting to order at 12:20 p.m., and led the Pledge of Allegiance.

Present at roll call were Directors Atkins, Cortopassi, McGaughey, Panizza, Sanguinetti and Watkins. Director McGurk was 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 12/05/17 Regular Meeting

A motion was moved and seconded to approve the December 5, 2017 Regular Meeting Minutes, as presented.

Roll Call:

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

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the December 12, 2017 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

3. Consideration of Proposed Annual Budget Fiscal Year 2018/2019

a. Public Hearing

Vice President Panizza opened the Public Hearing at 12:22 p.m., to receive comments on the Proposed Annual Budget for Fiscal Year 2018/2019.

Manager Moody reported the District circulated the Draft Budget; received recommendation to approve from the Agriculture Operations Committee and published a notice of today’s public hearing in The Stockton Record. Manager Moody reported no comments were received.

Manager Moody reported there will be a ~\$500,000 increase in Fund 70 – Administration for the next fiscal year. ~\$250,000 is allocated to election expenses. The remainder of the increase is for Sustainable Groundwater Management Act (SGMA), Phases 1 & 2 of the Substitute Environmental Document (SED) and potential discussion for a long term water transfer deal.

Manager Moody reported there will be a ~\$60,000 increase in Fund 67 – Agricultural for the next fiscal year.

Manager Moody reported there will be a ~\$1,000,000 decrease in Fund 94 – M&I for the next fiscal year. The decrease is due to a better year for developer fees and estimation they will stay on track, as well as a prior year Base Monthly Payment (BMP) credit.

Manager Moody reported there will be a ~\$600,000 increase in Fund 71 – Water Supply O&M for the next fiscal year. The increase is due to anticipation of compliance for SB 88 and metering requirements.

Manager Moody reported a purchase of a new backhoe and replacement of two District trucks are budgeted in Fund 91 – Vehicles for the next fiscal year.

Manager Moody reported the budget was discussed with the Urban Contractors.

Director Watkins reported the recommendation of the Agriculture Operations Committee was to approve the budget.

Seeing there were no public comments, Vice President Panizza closed the Public Hearing at 12:27 p.m.

b. District Associations & Memberships List

Manager Moody provided the Board with a list of District Associations and Memberships that were paid in 2017. Manager Moody reported this list is provided to the Board annually for review and changes if necessary.

c. Resolution No. 17-18-10 Adopting The Proposed Budget For Fiscal Year 2018/2019

Manager Moody provided the Board with the Proposed Budget for Fiscal Year 2018/2019.

A motion was moved and seconded to adopt Resolution No. 17-18-10 – Adopting the Proposed Budget for Fiscal Year 2018/2019, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGurk

4. Association of California Water Agencies – Committee Consideration Form for Agricultural Committee Representative(s) for the 2018/2019 Term

Manager Moody provided the Board with a Committee Consideration Form to designate a representative for ACWA’s Agricultural Committee. Manager Moody reported while at the Fall ACWA Conference, the members voted to establish a standing Agriculture Committee. ACWA is now looking for volunteers to sit on the Committee.

Director Atkins inquired if there is a limit to the number of committee members. Manager Moody replied no.

Directors Atkins, Sanguinetti, Watkins and Manager Moody volunteered to sit on ACWA's Agriculture Committee.

5. Bellota Pipeline Repair Project – West Yost Associates Memo, 12/06/17

Manager Moody provided the Board with information on the Bellota Pipeline Repair Project. Assistant Manager Johnson reported the entire length of the pipeline on the parcel was uncovered and found no additional damage.

Assistant Manager Johnson reported there were six damaged areas. Four of them were perforated and two were surface scratches. The two scratched areas are repaired and covered back up. One of the perforated holes is now a manhole installation, which leaves three perforations left to repair.

Assistant Manager Johnson reported the West Yost memo considered replacing the damaged portion of the pipeline; however, an estimate for materials alone is ~\$42,000.

Assistant Manager Johnson reported the West Yost memo considered spot repairs as an option to replacement. The repairs would involve installing an internal seal at each hole location, filling the hole in the pipe wall with grout or concrete and then building a reinforced-concrete cap on top of the pipe.

Assistant Manager Johnson reported the West Yost memo considered slip lining as a third option for repair, which would involve installing a 48-inch diameter plastic pipeline within the existing 54-inch pipe. The memo considered this option the most expensive due to the extensive setup required and the short length of pipe to be lined.

Assistant Manager Johnson reported West Yost Associates and District staff recommend performing spot repairs for the three remaining damaged locations. These locations would require the internal seal and concrete cap.

Director Watkins inquired what the flow characteristics would be given repairs on the inside of the pipe and if flows will be restricted. Assistant Manager Johnson replied the repairs should not affect much as it is shallow and the water will not be pressurized.

Director Atkins inquired what the minimum depth of the pipe is supposed to be. Manager Moody replied 6-feet.

Director Atkins inquired if the concrete cap on top of the pipe will affect the depth of the pipe. Assistant Manager Johnson replied it will add 6-inches to the top of the pipe.

Director Sanguinetti recommended staff build a form and seal the holes in house.

Consensus of the board was to move forward with staff completing the work.

6. 2018 San Joaquin Council of Governments One-Voice Legislature Trip (04/15/18 – 04/19/18) – Call for Projects

Manager Moody provided the Board with the draft 2018 One Voice Call for Projects. The 2018 San Joaquin Council of Governments One Voice Legislature Trip is scheduled for April 15 -19, 2018. Manager Moody reported staff will need to submit the project information to the San Joaquin County Public Works Director for recommendation.

Manager Moody advised staff would like to submit the Bellota Fish Screen Project and the North Site Groundwater Recharge Project.

Director Cortopassi inquired how specific entities need to be with project submittals for the trip. Manager Moody advised all entities submitting projects need to submit detailed project descriptions and information so the legislators are prepared for discussion.

Consensus of the Board was to move forward with submitting project requests for the Bellota Fish Screen Project and the North Site Groundwater Recharge Project.

7. Lower Farmington Canal – Grader/Compactor Rental Equipment Expenses (pictures)

Assistant Manager Johnson reported ~2 ½ miles of road repairs, including 2-miles of road along the north side of Lower Farmington Canal from Farmington Dam to Hwy 4 and ½ mile of road between Fine Road and the Bird Cage. These roads required repairs due to deep ruts and long mud puddles. Assistant Manager Johnson reported neither of these sections of road had been previously maintained. This item was for information only.

8. Dr. Joe Waidhofer Drinking Water Treatment Plant – Operations Building Repurposing Project (Flooring)

Manager Moody provided the Board with information on the Operations Building Repurposing Project. Manager Moody reported a minute order and budget transfer will be needed for audit purposes.

Manager Moody reported that not all flooring was included on the initial walk-through of the Building. Since then, staff has received quotes that include the breakroom, supply closet and north hallway. The additional flooring increased the proposal by ~\$10,000; however, it can be absorbed in the budget without an additional transfer of funds.

Director Sanguinetti advised it would be best to replace all the flooring at the same time to ensure all material that is used is the consistent throughout the Building.

Director Cortopassi inquired what flooring is currently in the laboratory. Manager Moody replied a special nonconductive flooring.

Director Atkins inquired if night verses day work makes a difference and how it will interfere with District staff. Manager Moody replied the Contractor will need to accommodate the staff on duty at the time of work.

Vice President Panizza inquired if staff will bring a final contract to the Board for approval. Manager Moody replied yes.

A motion was moved and seconded to approve a Budget Transfer in the amount of \$55,000 from Account 10-5329-0: Sludge Disposal to Account 10-5326-0: Maintenance & Repair – Buildings increasing the Maintenance & Repair – Buildings Current Budget in the total amount of \$85,000, as presented.

Roll Call:

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

E. COMMITTEE REPORTS

1. San Joaquin County & Delta Water Quality Coalition Meeting, 12/11/17

Director Atkins attended the December 11, 2017 San Joaquin County & Delta Water Quality Coalition Meeting. Director Atkins reported discussion focused on the Program Manager Report. There was discussion on the Nitrate Management Plan and how long after testing is complete that the results are valid. The Plans are valid for 4-years and required an hour of training annually to remain certified. Director Atkins reported the Coalition is trying to go paperless and have members complete all documentation via a web portal. Meantime, papers will be color-coded based on their document type. Director Atkins reported there will be growers meetings and workshops held in January and February 2018. The next meeting is scheduled for January 8, 2018.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 12/11/17

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 152,049 AF in storage at New Hogan Reservoir. Current releases are set at 22 cfs. There is 1,981,810 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 758 cfs and release to all water users are set at 799 cfs. The water treatment plant is currently processing 16 mgd. The City of Stockton is currently processing 15 mgd.

2. Information Items:

Manager Moody noted items: F2a-1, F2a-2, F2a-3, F2a-4, F2a-5, F2a-6, F2a-7 and F2a-8.

3. Report on General Manager Activities

a. New Hogan Annual Emergency Action Plan Face-to-Face Meeting, 12/08/17

Water Treatment Plant Manager Wunderlich attended the December 8, 2017 New Hogan Annual Emergency Action Plan (EAP) Face-to-Face Meeting. Assistant Manager Johnson reported Mike Cockrell, San Joaquin County Office of Emergency Services has retired and there will be a new contact for the New Hogan EAP moving forward.

G. DIRECTOR REPORTS

1. Greater Stockton Chamber of Commerce Monthly Mixer – Haggin Museum, 12/07/17

Nothing to report.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 10:15 a.m., 12/13/17
[This meeting has been cancelled]
2. Ad-Hoc Committee Meeting (North Site Groundwater Recharge Project), 12:00 Noon, 12/13/17
3. San Joaquin County Board of Supervisors Holiday Open House, 11:30 a.m., 12/14/17

Manager Moody reported the annual Tri-Dam Budget Meeting will be Wednesday, December 20, 2017 at 2:00 p.m. Staff will be teleconferencing in for the meeting.

J. REPORT OF THE COUNSEL

1. Closed Session - Existing Litigation
Stockton East Water District vs. City of Stockton, et al.
Government Code 54956.9 (a)
2. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case

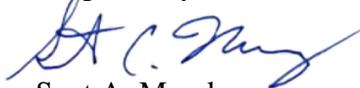
Vice President Panizza adjourned the meeting to closed session at 1:07 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:47 p.m., with the following reportable action:

Consensus of the Board to approve Change Order 5 – Tank Footing Retrofits, from TNT Industrial Contractors, Inc. in the amount of \$41,389.00 for the Alum & ACH Tank Replacement Project.

K. ADJOURNMENT

Vice President Panizza adjourned the meeting at 1:48 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

