

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, FEBRUARY 23, 2016 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Sanguinetti called the regular meeting to order at 12:20 p.m. General Manager Moody 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 Naray, District Engineer Lee, Water Supply Manager Lozano, Administrative Services Manager Stephens, Administrative Assistant Lopez, Consultant Barkett and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

President Sanguinetti informed the Board and attendees that the District's newly designed website has been finalized and launched. Administrative Services Manager Stephens reported after several months of coordination with SEWD's Website Committee and Port City Marking, the website development was finally complete. The newly designed website offers a fresh, new look with a responsive design that is interactive with all devices such as computers, lap tops, tablets and smart phones. Administrative Services Manager encouraged all to visit the site and provide comments or suggestions for improvement. Administrative Assistant Lopez reported the District used Adobe Dreamweaver to administer the previous website. This software was expensive and included a single-user license. The new website was designed and will be maintained in WordPress, a web-based platform which is easier to maintain and will provide enhanced communication and services to the public and District customers.

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 02/16/16 Regular Meeting

A motion was moved and seconded to approve the February 16, 2016 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 February 23, 2016 Warrants, as presented.

Roll Call:

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

3. United States Bureau of Reclamation – 2016 Central Valley Project Water Rates

Board Meeting – 02/23/16

1

~~Draft~~ Approved

Manager Moody provided the Board with information on the United States Bureau of Reclamation (USBR) 2016 Central Valley Project Water Rates. Manager Moody conveyed the three (3) factors contributing to the District's 2016 rates: "Permanent Contractor" status now applies; "fixed rate" payment; loss of the Ability-to-Pay (ATP) credit and the increase from USBR adjustment to ensure repayment of cumulative O&M deficit. Finance Director Naray reported Ag is now responsible for its allocated portion (\$524,000 for Fiscal Year 2015/2016). Finance Director Naray reported Legal Counsel advised staff to meet with the CVP Water Users Association to discuss the 2016 rates. A meeting has been scheduled for February 25, 2016. In addition, Legal Counsel Zolezzi recommended hiring a Consultant to review calculations and be active in the rate-setting process with USBR.

Director Cortopassi inquired why the USBR is applying the fixed rate to the District. Finance Director Naray replied because the District now has "Permanent Contractor" status. Legal Counsel Zolezzi added the District must have this status to renew its Contract with the USBR.

Manager Moody asked the Board if they would like District staff to begin researching Consultants to provide services for the 2016 Central Valley Project Water Rates. President Sanguinetti replied Manager Moody has direction to proceed with researching Consultants and costs for these services.

4. Watershed Sanitary Surveys (Calaveras & Stanislaus Rivers) – Water Quality and Treatment Solutions, Inc.

Manager Moody provided the Board with information on the Watershed Sanitary Surveys (Calaveras & Stanislaus Rivers). This item was brought back to the Board to re-approve because the motion and approval amount from the prior meeting was incorrect. Manager Moody requested the Board re-approve procurement of Water Quality and Treatment Solutions, Inc. (WQTS, Inc.) to conduct the 2016 Watershed Sanitary Survey (Calaveras & Stanislaus Rivers) Update in the amount of \$150,000.

A motion was moved and seconded to approve procurement of Water Quality and Treatment Solutions, Inc. (WQTS, Inc.) to conduct the 2016 Watershed Sanitary Survey (Calaveras & Stanislaus Rivers) Update in the amount of \$150,000.

Roll Call:

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

5. North & South Well Rehabilitation Update

Manager Moody provided the Board with the status on the North & South Well Rehabilitation. Manager Moody reported at the February 22, 2016 Stockton Area Water Suppliers Meeting, the Urban Contractors will be provided information regarding the four (4) options for well rehabilitation: well abandonment in the amount of \$30,000/each; installation of submersible pumps in the amount of \$20,000/each; redevelopment of the North Well in the amount of \$60,000 or drilling new Wells in the amount of \$300,000/each. The Urban Contractors were requested to give the District feedback as soon as possible. Manager Moody also reported staff has not received any new information from Purviance Drillers, Inc. Director Cortopassi inquired on the well rehabilitation information provided to the UC's during the SAWS meeting and expressed District staff should keep moving forward with Project efforts.

E. COMMITTEE REPORTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 02/17/16

Director McGurk attended the February 17, 2016 San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting. Director McGurk reported the Commission elected officers for 2016 and reported he was re-elected as Chairman; Will Price was re-elected as Vice-Chairman and Brandon Nakagawa was re-elected as Secretary. Director McGurk reported Commission Officers will meet with San Joaquin County Public Works Director, Kris Balaji and Deputy Director, Fritz Buchman to discuss strategic planning and member participation. Director McGurk reported Brandon Nakagawa gave a presentation on the Demonstration Recharge Extraction & Aquifer Management (DREAM). An update was also given on Senator Feinstein's Drought Relief Legislation; Sustainable Groundwater Management Act (SGMA) Work Group activities and a reminder for the 2015/2016 Statement of Economic Interests Form 700 filing. The next meeting is scheduled for March 16, 2016.

2. Stockton Area Water Suppliers Meeting, 02/22/16

Manager Moody and staff attended the February 22, 2016 Stockton Area Water Suppliers (SAWS) Meeting. The City of Stockton reported the Municipal Utilities Department hired an Outreach Coordinator, Marie Fiore. Manager Moody reported staff provided information on the operation plan projections. Contract discussions primarily focused on TOC/DBP reduction efforts and Base Monthly Payment (BMP) reconciliation. The City of Stockton gave an update on their chloramine conversion and reported of a chloroform exceedance after conversion. The City re-tested with no further findings. John Freeman reported on Cal Water's water conservation gift card incentive program for Stockton customers. The next meeting is scheduled for March 21, 2016.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 02/16/16

Water Supply Manager Lozano reported there is 80,543 AF in storage at New Hogan Reservoir. Current releases are set at 20 cfs. There is 444,297 AF in storage at New Melones Reservoir. Current releases at Goodwin Dam are set at 201 cfs. The water treatment plant is currently processing 18 mgd. The City of Stockton's water treatment plant is currently processing 9 mgd of 100% Delta water. Water Supply Manager Lozano reported the District Wells total water extraction is 4,743 gpm (~6.87 mgd).

Water Supply Manager Lozano reported the Water Treatment Plant received 0.60-inches; New Hogan received 0.86-inches; and New Melones received 0.80-inches of rain in the latest rainfall event.

2. Information Items:

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

3. Report on General Manager Activities

Manager Moody reported February 19, 2016 was the deadline for Bills to be introduced to the California State Legislature. Manager Moody reported ~2,086 Bills were submitted. Manager Moody reported he will be attending the February 26, 2016 ACWA State Legislature Meeting and Assistant Manager Johnson will be attending the California Special District Association (CSDA) Legislative Committee meeting on the same day.

Manager Moody reported Senator Wolk introduced SB-1317 – Conditional Use Permit: Groundwater Extraction Facility on February 19, 2016. Manager Moody was hopeful SB-1317 would have no impact on the District’s new extraction well.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Commission Meeting, 1:00 p.m., 02/17/16
2. Stockton Area Water Suppliers Meeting, 3:00 p.m., 02/22/16

J. REPORT OF THE COUNSEL

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

President Sanguinetti adjourned the meeting to closed session at 1:17 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:26 p.m., with no reportable action.

K. ADJOURNMENT

President Sanguinetti adjourned the meeting at 1:27 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

kml

