

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, MARCH 15, 2016 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Sanguinetti called the regular meeting to order at 12:28 p.m. Director Watkins 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 and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 03/08/16 Regular Meeting

A motion was moved and seconded to approve the March 8, 2016 Regular Meeting Minutes, as presented.

Roll Call:

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

2. Warrants

- a. Fund 68 – Municipal & Industrial Groundwater Fund
- b. Fund 70 – Administration Fund
- c. Fund 71 – Water Supply Fund
- d. Fund 91 – Vehicle Fund
- e. Fund 94 – Municipal & Industrial Fund
- f. Summary
- g. Short Names/Acronym List
- h. SEWD Vehicles & Heavy Equipment

Director McGurk inquired on the expense on page 9, line item 7 (for Anthony Barkett Consulting Fees in the amount of \$2,000.00) and page 9, line item 14 (for Doyce Boesch Lobbying Services in the amount of \$5,500.00). Director McGurk commented the amounts are incorrect and should be reversed. Manager Moody confirmed the error.

Director Atkins inquired on the expense on page 13, line item 6 for Pape Kenworth for replacement of the diesel particulate filter (PDF) element on Unit #16. Water Supply Manager

Lozano replied the purchase was not for Unit #16. Finance Director Naray added the purchase was for Unit #53. District staff will correct the error.

A motion was moved and seconded to approve the March 15, 2016 Warrants, as amended.

Roll Call:

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

3. Business Consultant Agreements 04/01/16 – 09/30/16

a. Anthony M. Barkett

A motion was moved and seconded to approve Business Consultant Agreement with Anthony M. Barkett for a six-month period from April 1, 2016 through September 30, 2016.

Roll Call:

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

b. Doyce Boesch

A motion was moved and seconded to approve Business Consultant Agreement with Doyce Boesch for a six-month period from April 1, 2016 through September 30, 2016.

Roll Call:

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

4. Watershed Sanitary Survey (Calaveras & Stanislaus Rivers) Cost Share Agreement

Manager Moody provided the Board with information on the Watershed Sanitary Survey (Calaveras & Stanislaus Rivers) Cost Share Agreement. Manager Moody indicated staff was aware of various typos in the agreement that will be corrected prior to distribution. Manager Moody reported District Engineer Lee provided cost share responsibility for the entities participating in the Survey. Director Watkins inquired if South San Joaquin Irrigation District (SSJID) is participating in the Survey because of their use on the Stanislaus River. Manager Moody replied yes.

A motion was moved and seconded to approve, with corrections, the Cost Sharing Agreement regarding Contracting and Apportionment of Costs for Calaveras River and Stanislaus River Water Shed Sanitary Survey 2016 Update between Stockton East Water District (SEWD); South San Joaquin Irrigation District (SSJID); Calaveras County Water District (CCWD); Tuolumne Utilities District (TUD); City of Angeles (COA); California Department of Forestry & Fire Protection (CDFFP); United States Forest Service (USFS); Sierra Conservation Center (SCC); Knights Ferry Community Services District (KFCSD) and Union Public Utility District (UPUD).

Further, each agency will pay their cost-share based on the amount of water used by each water system with a minimum cost usage of 1,000 AF.

Roll Call:

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

5. Demonstration Recharge Extraction and Aquifer Management (DREAM) and North San Joaquin Water Conservation District South System Improvements Project – Notice of Intent
Manager Moody provided the Board with information on the Demonstration Recharge Extraction and Aquifer Management (DREAM) and North San Joaquin Water Conservation District South System Improvements Project – Notice of Intent. Manager Moody advised agencies which are in support of the Project have been contacted to participate on a tour scheduled for March 18, 2016. Manager Moody advised if any Directors are interested in the tour to contact him.

Additionally, Manager Moody reported during the March 9, 2016 Eastern San Joaquin County Groundwater Banking Authority Board (GBA) Meeting, Woodbridge Irrigation District (WID) expressed their unhappiness with the DREAM Project process specifically being excluded throughout the Project's development process and of the Project potentially infringing on WID water rights. Manager Moody noted Andy Christensen, WID General Manager did convey WID is not opposing the Project, but has concerns.

6. North & South Well Rehabilitation Update
Assistant Manager Johnson provided the Board with a status update regarding the North & South Wells Rehabilitation. Assistant Manager Johnson reported staff has received a Proposal from Purviance Drillers, Inc., for installation of open impeller pumps for both the North and South Well. Additionally, staff has made the request for a Proposal to drill a new Extraction Well (location near Well Nos. 74-01 & 74-02) and staff has begun the California Environmental Quality Act (CEQA) process.

Director Watkins inquired if staff has an update on the status of the Cal Water Well located on Cardinal Avenue. Assistant Manager Johnson replied it was confirmed their Well is in service.

E. COMMITTEE REPORTS

1. Eastern San Joaquin County Groundwater Banking Authority Board Meeting, 03/09/16
Director Panizza and District staff attended the March 9, 2016 Eastern San Joaquin County Groundwater Banking Authority (GBA) Board Meeting. Director Panizza reported discussion primarily focused on San Joaquin County (SJC) Request for Basin Boundary Modification to merge a portion of the Cosumnes Subbasin into the Eastern San Joaquin Subbasin. The reported cost for Basin modification is ~\$8,000.00 for the filing and the required paperwork. Director Panizza reported DREAM Project discussions were reported out by Manager Moody in the previous agenda item (D-5). The next meeting is scheduled for April 13, 2016.
2. Sustainable Groundwater Management Act Workgroup, 03/09/16
Manager Moody and District Engineer Lee attended the March 9, 2016 Sustainable Groundwater Management Act (SGMA) Workgroup Meeting. Manager Moody reported discussion primarily

focused on the PowerPoint Presentation given by County staff and the Department of Water Resources (DWR) draft Groundwater Sustainability Plan (GSP) Regulations. Manager Moody reported in an attempt to settle Groundwater Sustainability Agency (GSA) issues and begin to address the GSP, the Workgroup created a self-imposed deadline of September 30th to finalize all GSA issues. Manager Moody reported the District is currently in discussion with the County and the City of Stockton regarding GSA filings.

Director Panizza reported Linden County Water District indicated being in attendance to observe discussions and Mike Henry, Lockeford Community Services District (LCSD) indicated their desire become a GSA. Director McGurk inquired if LCSD is within boundaries of another GSA. Manager Moody replied LCSD is within the boundaries of North San Joaquin Water Conservation District. The next meeting is scheduled for April 13, 2016.

3. San Joaquin County & Delta Water Quality Coalition Meeting, 03/14/16

Director Cortopassi attended the March 14, 2016 San Joaquin County & Delta Water Quality Coalition Meeting. Director Cortopassi reported staff gave a Financial Report indicating the budget was under by ~\$1 million of the \$2.74 million Budget. The Membership Report indicated results from the State of California Regional Water Quality Control Board (RWQCB) Task Force identified 80 parcels whom are not current members in their respective Coalition. Eighteen (18) of these parcels were within the Coalition's Boundaries. Director Cortopassi reported the Coalition was informed they must join the Central Valley Salinity Alternatives for Long-Term Sustainability (CV Salts) and the membership expense was not a budgeted item.

Director Cortopassi reported the Coalition was advised by the RWQCB they are doing a good job of reporting and their excess of funds should be utilized to assist funding for disadvantaged communities. Legal Counsel Zolezzi reported this is a result of the Governor's effort and has already occurred in Monterey County where 19 of the largest growers were advised to voluntarily participate. Legal Counsel Zolezzi added the logic applied is; nitrates are contributed by AG, therefore AG should fund for contamination.

Julianne Phillips, San Joaquin Farm Bureau Federation commented Kern County Coalition is fighting the same issue and added instead of utilizing funds from Proposition 1 (and not promoting working together) the state is further fragmenting in effort to create another revenue source. Ms. Phillips also added this is the second occasion the Coalition was noticed by the RWQCB to comply. Director Watkins inquired if any disadvantaged communities are within our area. Ms. Phillips reported the community of Victor is within SJC. Legal Counsel Zolezzi inquired if there are reports indicating water contamination in Victor. Ms. Phillips replied no.

Ms. Phillips also reported the East San Joaquin Coalition was the first Coalition and has first order, so the state started with them. Additionally Ms. Phillips advised the state is revising their order removing the distinction between High & Low Vulnerability Reporting and all would report the same; growers to report directly to the state rather to local "Coalitions" and requiring semi-annual testing on your property including domestic wells. Ms. Phillips reported East San Joaquin Coalition is struggling with these requirements by RWQCB conveying there is no way to administer. The next meeting is scheduled for April 11, 2016.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 03/08/16

Water Supply Manager Lozano reported there is 123,417 AF in storage at New Hogan Reservoir. Current releases are set at 20 cfs. There is 541,137 AF in storage at New Melones Reservoir. Current releases at Goodwin Dam are set at 216 cfs. The water treatment plant is currently processing 16 mgd. The City of Stockton's water treatment plant is currently processing 10.0 mgd of 100% Woodbridge Irrigation District water. Water Supply Manager Lozano reported the District Wells total water extraction is 4,786 gpm (~6.93 mgd).

Water Supply Manager Lozano reported the Treatment Plant received 1.27-inches, New Hogan Reservoir received 1.64-inches and New Melones Reservoir received 3.13-inches of rain in the latest rainfall event.

Director Atkins inquired on New Hogan Reservoir's Top of Conservation. Water Supply Manager Lozano replied it is ~181,945 AF.

Director Cortopassi reported to the Board being contacted by a grower who is preparing for his irrigation and inquired if the District will provide a regular irrigation schedule (not limited to 10-days/per month). Staff was advised to provide recommendation for the 2016 irrigation season as an agenda item for the next Regular Board Meeting.

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

Manager Moody reported a flyer was provided to the Board for the upcoming Chili Cook-off & Board Appreciation luncheon. The event will be held in the Boardroom at noon on Friday April 15, 2016.

a. REXPO El Niño, 03/10/16

Manager Moody reported District staff attended the March 10, 2016 REXPO El Niño Event. Assistant Manager Johnson reported participating as the Moderator to Panel Two – Recharge, Reduce and Reuse. Assistant Manager Johnson reported Lynn Hoffman, San Joaquin County provided a PowerPoint Presentation.

Lunch Keynote Speaker was Assembly Member Susan Talamantes-Eggman who credited the REXPO for providing her educational basis on water. It was a good event with ~140 in attendance.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS

1. Community Center for the Blind and Visually Impaired – Pedaling Paths to Independence, 03/08/16

Manager Moody provided the Board with correspondence from the Community Center for the Blind and Visually Impaired. President Sanguinetti reported the District received a nice letter thanking for their use of the Bellota Intake Facility as a rest stop during their bicycling event.

Director McGurk advised the March 16, 2016 San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting has been cancelled and he will be meeting with San Joaquin County Public Works Department Director, Kris Balaji and County staff on this day.

I. AGENDA PLANNING/UPCOMING EVENTS

1. Cancelled – San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 1:00 p.m., 03/16/16
2. Delta Water Users Association Annual Membership Meeting, 6:00 p.m., 03/16/16
3. Agriculture Operations Committee Meeting, 12:00 p.m., 03/17/16
4. ACWA State Legislative Committee Meeting, 10:00 a.m., 03/18/16
5. Demonstration Recharge Extraction & Aquifer Management (DREAM) Project – Technical Advisory Committee Meeting, 12:00 p.m., 03/18/16
(Potential Tour of DREAM Project)
6. Stockton Area Water Suppliers Meeting, 3:00 p.m., 03/21/16

J. REPORT OF THE COUNSEL

1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – three cases

President Sanguinetti adjourned the meeting to closed session at 1:28 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:29 p.m., with no reportable action.

K. ADJOURNMENT

President Sanguinetti adjourned the meeting at 2:30 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

kml

