

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, JUNE 14, 2016 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Sanguinetti called the regular meeting to order at 12:31 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, District Engineer Lee, Water Supply Manager Lozano, Finance Director Naray, Administrative Assistant Lopez, Consultant Barkett and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 06/07/16 Regular Meeting

A motion was moved and seconded to approve the June 7, 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 June 6, 2016 Warrants, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

3. Dr. Joe Waidhofer Drinking Water Treatment Plant – Chemical Storage Tank (T-2) Replacement
Manager Moody provided the Board with information regarding the Dr. Joe Waidhofer Drinking Water Treatment Plant Chemical Storage Tank (T-2) Replacement. Manager Moody advised Tank (T-2) capacity of 180,000-gallons was incorrect; and the correct capacity is 18,000-gallons. Director Watkins suggested replacement of to include another type of tanks such as steel; stainless steel, etc. Manager Moody replied advising staff to include this in the Bid. Director McGurk inquired on the necessity to use 18,000-gallon size tanks. Manager Moody replied the two (2) tanks provide continuous operations and advised staff will research the basis explaining tank size. Manager Moody requested the consensus of the Board to begin putting together the Request for Bid for the Dr. Joe Waidhofer Drinking Water Treatment Plant – Chemical Storage Tank (T-2) Replacement to bring back to the Board for approval. Manager Moody also noted T-2 Replacement is an expense included in the Fiscal Year 2016/2017 Budget. The consensus of the Board was to move forward.

4. Greater Stockton Chamber of Commerce – Leadership Stockton Class of 2015/2016 Graduation
Board Meeting – 06/14/16

Manager Moody provided the Board with information on the June 9, 2016 Greater Stockton Chamber of Commerce – Leadership Stockton Class of 2015/2016 Graduation. Manager Moody reported District Engineer Lee participated in this Leadership Stockton Class and noted her name on the list of graduates. District Engineer Lee reported the graduation ceremony was nice and included honoring previous Alumni. The graduates received many different certificates noting one was from the California State Assembly. District Engineer Lee thanked the Board and staff who donated to the Leadership Class Project.

E. COMMITTEE REPORTS

1. Eastern San Joaquin County Groundwater Banking Authority Board Meeting, 06/08/16
Director Panizza and Manager Moody attended the June 8, 2016 Eastern San Joaquin County Groundwater Banking Authority Board Meeting. Director Panizza reported Brandon Nakagawa provided an update on SGMA activities. The GBA Board approved the Fiscal Year 2016-2017 Budget as presented with no significant difference except for SGMA. Discussion primarily focused on future Budget funds to account for SGMA and the draft response letter to comments submitted regarding the San Joaquin County's Request for Basin Modification. Director Panizza reported the GBA will be sponsoring the July 13, 2016 Groundwater 101 Workshop from noon to 2:00 p.m. The next meeting is scheduled for July 13, 2016.
2. Sustainable Groundwater Management Act Workgroup, 06/08/16
Director Panizza reported the Workgroup had to provide the status of GSA issues (overlapping boundaries). Director Panizza reported to the Workgroup of District discussion with the City of Stockton. Manager Moody added the City is discussing with the District on behalf of Cal Water because they are a private company and per SGMA private entities cannot file as a GSA.

Director Watkins inquired on the interactions of the City, Cal Water and Central San Joaquin Water Conservation District (Central) as they all overlap on page 28 map. Manager Moody reported Central reported they are intending to file as a GSA. Director Watkins expressed his understanding is the City is Central's Board 7th Director and inquired on the future of land annexations that are within the District's boundary. Discussion followed regarding Cal Water service areas within the County and other areas on the map. Director Watkins suggested adding Central's boundaries to the map. Director Panizza inquired on the governing body if Cal Water cannot be GSA partner. Manager Moody advised on previous discussion with Mel Lytle regarding this issue however, at this point the Workgroup goal is to settle boundary issues in order to meet requirement date set by SGMA.

Manager Moody commented on the GBA Budget presented (page 18) noting the Districts who pay the least amount of GBA dues; and inquiring how they can file as a GSA considering GBA membership whom pay lesser dues is because they are financially burdened. Director Panizza commented on Woodbridge Irrigation District status and payment of their dues set by the GBA. Manager Moody also reported Walter Ward provided a presentation on Stanislaus County and Peter Martin provided a presentation on Calaveras County Water District (CCWD). Manager Moody noted CCWD's presentation included groundwater recharge Project potentially located in the Valley Springs area. The next meeting is scheduled for July 13, 2016.

3. San Joaquin County & Delta Water Quality Coalition Meeting, 06/13/16
[This meeting has been cancelled]

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 06/07/16

Water Supply Manager Lozano reported there is 124,954 AF in storage at New Hogan Reservoir. Current releases are set at 175 cfs. There is 684,901 AF in storage at New Melones Reservoir. Current releases at Goodwin Dam are set at 502 cfs. The water treatment plant is currently processing 30 mgd. The City of Stockton's water treatment plant is currently processing 25 mgd of 100% Woodbridge Irrigation District water. Water Supply Manager Lozano reported the District Wells are offline.

Water Supply Manager Lozano reported there are 20 irrigators on the New Hogan system and two (2) irrigators on the New Melones system.

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 and F2a-14.

3. Report on General Manager Activities

a. United States Bureau of Reclamation – Ability to Pay Study Conference Call, 06/08/16

Director Watkins, Manager Moody and Legal Counsel Harrigfeld participated on the June 8, 2016 USBR Ability to Pay Study Conference Call. Manager Moody reported David Murillo, USBR Mid-Pacific Regional Director personally stated to re-review the District's issues and data appealing the USBR's decision of the District not qualifying for relief under the Ability to Pay Study. Director Watkins reported the same issues remain unanswered in regards to crop-types and land values. The USBR process is determined on the end number and not of the entire formula, which is what it should be per their regulation. Legal Counsel Zolezzi commented the District should make a forceful argument to the USBR based on this reason. Manager Moody reported staff is working on a spreadsheet (containing actual land sales in the District) to submit to Mr. Murillo. Manager Moody reported Mr. Murillo advised upon receipt, a final ruling will be issued. More information to follow.

b. ACWA State Legislative Committee Meeting, 06/10/16

Manager Moody attended the June 10, 2016 ACWA State Legislative Committee Meeting. Manager Moody reported primary discussions focused on the Public Utilities Commission (PUC) setting water conservation limits for for-profit businesses. Director McGurk inquired if Legislature has the power to override this ability of the PUC. Legal Counsel Zolezzi replied yes. Additional discussion focused on ACWA's position regarding water markets. Manager Moody reported ACWA already expressed committing to support legislation if amended before bringing this to ACWA committees. The next meeting is scheduled for July 8, 2016.

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., 06/15/16

2. Water Education Foundation – Bay Delta Tour – Stockton Area Water Suppliers Sponsored Dinner, 6:00 p.m., 06/15/16

3. Demonstration Recharge Extraction & Aquifer Management (DREAM) Project – Technical Advisory Committee Meeting, 12:00 p.m., 06/17/16

[This meeting has been cancelled]

Board Meeting – 06/14/16

4. ACWA Region 2 Program in Collaboration with ACWA Region 4 – “*SGMA: The View From Above*,” 9:30 a.m., 06/21/16

J. REPORT OF THE COUNSEL

1. Closed Session: REAL PROPERTY – GOVERNMENT CODE SECTION 54956.9 – Property: Water Rights
Agency Negotiator: Scot A. Moody/Karna E. Harrigfeld
Negotiating Parties: Oakdale Irrigation District/South San Joaquin Irrigation District
Under Negotiation: Water Transfer
2. Closed Session - Potential Litigation
Government Code 54956.9 (c) – three cases

President Sanguinetti adjourned the meeting to closed session at 1:38 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:46 p.m., with no reportable action.

K. ADJOURNMENT

President Sanguinetti adjourned the meeting at 2:47 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

kml

