

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, MAY 31, 2016 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Sanguinetti called the regular meeting to order at 12:24 p.m. 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, Finance Director Naray, District Engineer Lee, Water Supply Manager Lozano, 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 05/24/16 Regular Meeting

Director Panizza made the following correction to the minutes:

- Page 3, section E-2, 1st paragraph, 6th sentence – strike “Supervisors Winn and Zapien attended” and replace with “all Supervisors were in attendance except for Supervisor Villapudua”.
- Page 1, section B, motion approved by the Board to amend the order of presented items on the agenda to hear agenda item D-3 – United States Army Corps of Engineers – Invoice for New Hogan Operation & Maintenance (2016-2020) before Agenda Item D-2 – Warrants, the approved minutes should also reflect this agenda item order.

Director Cortopassi made the following correction to the minutes:

- Page 4, section G, 1st paragraph, 1st sentence, after “Manager Moody” insert “Finance Director Naray”.

A motion was moved and seconded to approve the May 24, 2016 Regular Meeting Minutes, as amended.

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 May 31, 2016 Warrants as presented.

Roll Call:

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

3. Stockton East Water District – Revised 2016 Water Rates

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a. Public Hearing

President Sanguinetti opened the Public Hearing at 12:27 p.m., to receive comments on the revised water rates for calendar year 2016.

Manager Moody reported the Board of Directors authorized the purchase of Out-of-District water and directed staff to revise the water rates for calendar year 2016 to add the water rate for sales of Out-of-District water. Manager Moody reported this water rate for Out-of-District water is the cost of the water designated by the contract plus the New Melones Conveyance System wheeling rate of \$35.04 per acre-foot of water.

Director Cortopassi commented on Section 6 of Ordinance No. 42 and suggested editing this Section by adding “purchase” in front of “contract”.

Seeing there were no public comments, President Sanguinetti closed the Public Hearing at 12:29 p.m.

b. Ordinance No. 42

Manager Moody reported that Ordinance No. 42 as presented, contains an error (“Section 6” listed twice) and advised a corrected version will be provided to the Board President for signature. The Board directed staff to include the word “purchase” in front of “contract” in Section 6.

A motion was moved and seconded to adopt Ordinance No. 42 establishing municipal groundwater production assessment at \$333.58/AF (\$329.98/AF municipal groundwater rate equalization plus \$3.60/AF municipal groundwater assessment); agricultural groundwater assessment at \$5.06/AF; domestic unit assessment at \$43.00/domestic unit; agriculture surface water assessment at \$23.00/AF; out-of-district water from New Hogan Reservoir or New Melones Reservoir pursuant to the District’s Central Valley Project Contract water rate at \$58.04/AF (\$23.00/AF stream-delivered rate plus \$35.04/AF New Melones Conveyance System wheeling rate) and out-of-district water from other sources water rate as (the cost of water designated under the purchase contract plus \$35.04/AF New Melones Conveyance System wheeling rate), as amended.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

c. Rule 168

Manager Moody provided the Board with Rule No. 168, adopted April 12, 2016. Manager Moody reported the Rule is included because the notice of public hearing before the Board of Directors of Stockton East Water District ad that was ran included language “to consider a Rule for Rate Equalization”. Legal Counsel Zolezzi advised clarifying the Rule that has already been adopted. Manager Moody reported Rule No. 168; as presented, was approved by the Board on April 12, 2016.

4. Update on Current Water Supply Efforts

Manager Moody provided the Board with a status update on current District water supply efforts. Manager Moody reported Tri-Dam confirmed New Melones water supply will begin at 12:01 a.m., June 1, 2016. District staff will be available to facilitate this operation. Director McGurk inquired on the initial water release and the debris along this conveyance. Manager Moody replied trash racks are in place. Water Supply Manager Lozano gave a report on the locations of three (3) trash racks and staff will adjust levels as necessary. Director McGurk inquired on the timing of this water supply. Manager Moody

replied conveyance is ~3 days. Water Supply Manager Lozano added 3-days is ideal but could be more (3-5 days) considering the processes of merging the two canals; blending the two water sources at Peters Pipeline and debris & trash rack operations.

Director Cortopassi inquired on the treatment processes at the plant and the occurrence of blending the two (2) water sources prior to entering the water treatment plant. Director Cortopassi expressed his concern of the operations conveying New Melones water supply to the District's recharge ponds considering its purchased price of \$200.00/AF. Water Supply Manager Lozano replied mixing the two water sources is typical operating process and is due to the first bulk of water supply sent thru the system is not good. Water Supply Manager Lozano added that after that initial conveyance water supply gets better and expressed the best option would be to bring this water supply into the District's North Pond. Director Atkins inquired on the amount of water releases to the water treatment plant. Water Supply Manager Lozano replied ~50 cfs from New Melones and ~50 cfs from New Hogan, which could increase or decrease pending adjustments to facilitate trash rack operation.

Director Cortopassi inquired on the status of the irrigation notification letter (presented to the Board last week). Manager Moody replied the mailing went out last week (Thursday, May 26, 2016) and had communicated with President Sanguinetti prior to sending. President Sanguinetti commented the letter was sent prior to beginning water releases from New Melones. Director Watkins commented that the letter was mailed to the "owner" and not to the "operator". Water Supply Manager Lozano replied operators were also contacted by phone.

E. COMMITTEE REPORTS

1. Sustainable Groundwater Management Act Workgroup AD HOC Technical Review Committee Meeting, 05/25/16

District Engineer Lee attended the May 25, 2016 Sustainable Groundwater Management Act Workgroup AD HOC Technical Review Committee Meeting. District Engineer Lee reported discussions primarily focused on ground water basin model efforts regarding hiring a Consultant to perform analysis and assist with additional data gathering to determine the best-suited ground water model for use. Director McGurk inquired on the ground water models are accessible online (via the Cloud) or downloadable software. District Engineer Lee replied the latter. District Engineer Lee explained most models are software-based and have many different enhancements such as GIS interactive mapping. Director McGurk inquired if the ground water model is an independent model. Manager Moody reported the District will not have their own ground water model. SEWD is their own GSA however; and, is working with the County because all data and modeling will be Basin wide. Manager Moody reported the County is able to hire Consultants to assist with modeling efforts as they received Grant funding.

Director Panizza expressed being conscious of the SGMA timelines and if the ground water model process can be accomplished by the deadline. District Engineer Lee replied both SEWD and the County have the resources to meet the deadline noting, modeling is more of a technical process.

Director Cortopassi commented on the source of the figures used as the base upon which determines the over (or under) draft of the Basin. Legal Counsel Zolezzi replied our figures has to agree with the model.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 05/24/16

Water Supply Manager Lozano reported there is 130,325 AF in storage at New Hogan Reservoir. Current releases are set at 225 cfs. There is 623,483 AF in storage at New Melones Reservoir. Current releases at Goodwin Dam are set at 708 cfs. The water treatment plant is currently processing 25 20 mgd. The

City of Stockton's water treatment plant is currently processing 22 mgd of 100% Woodbridge Irrigation District water. Water Supply Manager Lozano reported the District Wells are offline.

Water Supply Manager Lozano reported there are 42 irrigators on the New Hogan system and there are no irrigators pumping 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 and F2a-11.

3. Report on General Manager Activities

Manager Moody informed the Board on the June 23, 2016 Chamber of Commerce Installation Dinner at Stockton Golf and Country Club at 6:00 p.m. Manager Moody inquired if the Board would like staff to RSVP as usual for this event, the Board agreed.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin County Agricultural Drought Task Force Meeting, 9:00 a.m., 06/01/16
2. Greater Stockton Chamber of Commerce Monthly Mixer – Business Showcase & Tradeshow Mixer – Hilton Hotel, 5:30 p.m., 06/02/16

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) – one case

President Sanguinetti adjourned the meeting to closed session at 12:58 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:05 p.m., with no reportable action.

K. ADJOURNMENT

President Sanguinetti adjourned the meeting at 1:06 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

kml

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~~Draft~~ Approved

