

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, OCTOBER 25, 2016 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Sanguinetti called the regular meeting to order at 12:25 p.m., and Legal Counsel Zolezzi 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, District Engineer Lee, Finance Director Naray, Administrative Services Manager Carido, Administrative Clerk Curtis and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 10/18/16 Regular Meeting

A motion was moved and seconded to approve the October 18, 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 67 – Agricultural Fund
- b. Fund 68 – Municipal & Industrial Groundwater Fund
- c. Fund 70 – Administration Fund
- d. Fund 71 – Water Supply Fund
- e. Fund 91 – Vehicle Fund
- f. Fund 94 – Municipal & Industrial Fund
- g. Summary
- h. Short Names/Acronym List
- i. SEWD Vehicles & Heavy Equipment

Director Cortopassi inquired on the expenses on page 5, line 1 for US Bureau of Reclamation-Mid Pacific Region for 2015 Payments CVP-NM Water for AG in the amount of \$213,719.74 and page 16, line 35 for M&I in the amount of \$381,808.58. Manager Moody replied this is for the actual water for the 2015 water year. Finance Director Naray reported the invoice amount reflects a higher price for water than in the past because the USBR increased costs for O&M & the amount of less CVP Contractors using water due to the drought condition resulting in the invoice.

Director Cortopassi inquired on the expense on page 10, line 27 for Telepacific Communications for October 2016 telephone charges for SEWD in the amount of \$2,749.24. Manager Moody reported this is a monthly expense for the District's phone & internet services.

Director Cortopassi inquired on the expense on page 11, line 10 for PG&E for electricity (09/14/16-10/12/16) at the Bellota Blockhouse/Canal Gate in the amount of \$5,631.29. District Engineer Lee reported the Blockhouse holds water quality instrumentation and the potassium permanganate feed. Manager Moody advised staff will conduct a cost comparison from previous months for electricity at this location.

President Sanguinetti inquired on the expense on page 16, line 32 for US Bank Corporate Payment Systems for Tire Pressure Monitoring Sys (TPMS) for Mechanic (Coastal Tools) in the amount of \$307.66. President Sanguinetti commented it was unclear what "type" of tool was purchased and with a high cost. Finance Director Naray reported the purchase was for a calibration tool for tires. President Sanguinetti commented that the District often takes vehicles to a tire shop and questioned whether the tool was necessary.

Director Atkins inquired on the expense on page 16, line 39 for Water Quality & Treatment Solutions, Inc. for Watershed Sanitary Survey (WSS) Update thru September 30, 2016, in the amount of \$12,398.00. Manager Moody reported the Board approved procurement of Water Quality & Treatment Solutions at the February 16, 2016 Regular Board Meeting. Manager Moody reported the Watershed Sanitary Survey is required to be updated every 5-years and the District is sharing the costs of the Survey with other District/interests along the Calaveras & Stanislaus Rivers

A motion was moved and seconded to approve the October 25, 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 Agricultural Operations Committee – November 10, 2016 Draft Meeting Agenda

Manager Moody provided the Board with a draft Meeting Agenda for the Stockton East Water District Agricultural Operations Committee scheduled for November 10, 2016. Manager Moody reported this item serves as a reminder to the Committee members of the upcoming meeting & approval of the items as presented on the Agenda. Director McGurk inquired if this venue would be appropriate to discuss the potential to hold a meeting with growers regarding Sustainable Groundwater Management Act (SGMA). Director Cortopassi whom is the Ag Ops Committee Chairperson advised this item would be added under "Agenda Planning" for discussion. Manager Moody advised staff will edit the Agenda to include this discussion item and post/distribute as usual.

4. Solids Removal Project Update

Manager Moody provided the Board with an update on the Solids Removal Project. Manager Moody reported staff is requesting feedback from the Board directing how to proceed with this Project.

Director Cortopassi asked staff to contact Kjeldson, Sinnock and Neudeck (KSN) to see if they could use the materials. District Engineer Lee replied Kleinfelder stated the material must be certified, which would leave the District liable if the materials were to fail.

Director Watkins stated the solids should be left where they are and we should continue to add more solid material as necessary.

Director Panizza commented the classification of the solids makes the material a potential liability to keep onsite; by leaving the material on District property keeps the liability onsite longer. Director Panizza recommended hiring a Contractor to complete removal. President Sanguinetti agreed, stating it would be best to have a Contractor complete the Project versus in-house and will also keep the liability away from the District.

President Sanguinetti inquired if this cost for removal is budgeted. Manager Moody replied yes.

Manager Moody reported staff researched past practices of other Agencies and staff recommendation was based on research findings.

Director Cortopassi inquired if there is an agency requiring the District to move the solids. Manager Moody replied no. President Sanguinetti replied the Solids Removal Project should be put on hold until other projects are completed.

5. Stockton East Water District – Crane Operator & Qualified Rigger Signalperson Certified Training Update

Manager Moody provided the Board with an update on Crane Operator & Qualified Rigger Signalperson Certified Training. Manager Moody reported staff reached out to South San Joaquin Irrigation District (SSJID) to inquire about crane training conducted at their facility. SSJID advised District staff is welcome to join in training with them in February 2017 and split costs for training. The consensus of the Board was to move forward with training in February 2017 with SSJID.

E. COMMITTEE REPORTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 10/19/16

Director McGurk attended the October 19, 2016 San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting. Director McGurk reported Mike Cockrell provided an update on 2016 drought conditions. Director McGurk reported the conservation of water is slipping away from conservation and moving towards consumption; consumption is rising and the unit of measurement is gallons per person.

Director McGurk reported a presentation was given on the Bay-Delta Water Quality Control Plan Update: San Joaquin River Flow and Salinity Objectives, created by the State Water Resources Control Board (SWRCB). Director McGurk reported an audience member asked why the San Luis Aqueduct drain is left out. Legal Counsel Zolezzi commented there is no drain and will never be a drain.

Director McGurk reported there was a presentation on salinity issues in the South Delta and discussion of potential impacts of the SWRCB's 2016 Draft Revised Substitute Environmental Document (SED) in Support of Potential Changes to the Water Quality Control for the Bay Delta: San Joaquin River Flows and Southern Delta Water Quality. Director Watkins commented the District does not support the changing the standard; but, once changed we support the standard. Legal Counsel Zolezzi agreed it is not in our best interest to agree with the change, but will support the standard once in place.

Director Atkins inquired on the United States Bureau of Reclamation (USBR) being the only responsible water right holder. Legal Counsel Zolezzi replied today only the USBR has its Permit conditioned to meet the flow objective.

Director Cortopassi inquired on the reference by the SWRCB regarding the Calaveras River. Legal Counsel Zolezzi replied in Phase II, the SWRCB is proposing percentage of unimpaired flows on the Calaveras River however we are currently in Phase I. The next meeting is scheduled for November 16, 2016.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 10/17/16

President Sanguinetti provided a handout of the Water Supply Report that included storage, release, and production data collected from various sources as of midnight last night.

President Sanguinetti reported there is 76,278 AF in storage at New Hogan Reservoir. Current releases are set at 40 cfs. There is 516,330 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 1,355 cfs and release to all water users are set at 1,723 cfs. The water treatment plant is currently processing 22 mgd. The City of Stockton's water treatment plant is currently processing 16 mgd.

President Sanguinetti reported there are no irrigators on the New Hogan system and there are no irrigators pumping on 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 and F2a-10.

3. Report on General Manager Activities

a. ACWA State Legislative Committee Meeting, 10/21/16

Manager Moody attended the October 21, 2016 ACWA State Legislative Committee Meeting. Manager Moody reported the Committee Chair, Paul Bartkiewicz is retiring from ACWA and was Mr. Bartkiewicz's last SLC meeting. Director Atkins inquired on his replacement. Manager Moody replied Kathy Cole, who is currently the Committee's Vice Chair will replace Mr. Barkiewicz. Manager Moody reported there was discussion on long-term conservation mandates; ACWA is expecting the draft of the permanent conservation standards for the State. Manager Moody reported he volunteered to sit on the Committee that will review the Mandatory Conservation Standards for Agriculture. Manager Moody reported three (3) Legislative sponsorship Proposals submitted to the Committee. Manager Moody reported two (2) were denied. The Legislation sponsorship that passed (in support of the

Committee) was submitted by Calaveras County Water District regarding Biomass. The next meeting is scheduled for January 20, 2017.

G. DIRECTOR REPORTS

1. Greater Stockton Chamber of Commerce Agriculture Hall of Fame Awards, Robert J. Cabral Ag Center, 10/20/16
Directors McGaughey, McGurk, Panizza, Sanguinetti and Manager Moody and Assistant Manager Johnson attended the October 20, 2016 Greater Stockton Chamber of Commerce Agriculture Hall of Fame Awards. Director McGaughey reported it was a nice event and Paul Polk's son spoke on behalf of the family.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin Farm Bureau Federation – Water Committee Meeting, 5:30 p.m., 10/25/16
2. AD HOC Technical Review Committee Meeting for the Sustainable Groundwater Management Act Work Group, 2:00 p.m., 10/26/16
3. Cathleen Galgiani Event – Delicato Tasting Room, 5:30 p.m., 10/27/16

J. REPORT OF THE COUNSEL

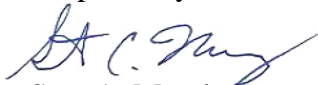
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – two cases

President Sanguinetti adjourned the meeting to closed session at 1:19 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:21 p.m., with no reportable action.

J. ADJOURNMENT

President Sanguinetti adjourned the meeting at 2:22 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

