

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, NOVEMBER 15, 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., Administrative Clerk Curtis 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, Water Supply Supervisor Riojas, Administrative Services Manager Carido, Administrative Clerk Curtis, Consultant Barkett and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 11/08/16 Regular Meeting

Director McGurk made the following correction to the minutes:

- Page 3, section D-3, 1st paragraph, 2nd sentence – strike “recharge” and replace with “reuse”.

A motion was moved and seconded to approve the November 8, 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 November 15, 2016 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

3. Notice of Acceptance of Completion – Radial Gates Rehabilitation Project

Manager Moody provided the Notice of Acceptance of Completion (NOC) for the Rock Creek Diversion Radial Gates Rehabilitation Project. Manager Moody provided the Board with a handout of images detailing before, during and now finished work on the Radial Gates Rehabilitation Project. District Engineer Lee reported the work of staff supervised by Water Supply Supervisory Riojas, tremendously helped to complete the project ahead of schedule and finish the project \$10,000 under budget.

A motion was moved and seconded to approve the Notice of Completion for the Rock Creek Diversion Radial Gates Rehabilitation Project, as presented.

Roll Call:

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

4. Stockton East Water District Water Treatment Plant – Chemical Storage Tank Recommendation
Manager Moody provided the Board with information on the Water Treatment Plant Chemical Storage Tanks. Manager Moody reported at the September 6, 2016 Board Meeting the Board approved replacing the current Liquid Alum Storage Tank. Manager Moody reported it is staff's recommendation to add a second tank in the Alum (T2) Tank Replacement Project so the District would have the ability to store both aluminum chlorohydrate (ACH) and poly aluminum chloride (PACl) on site as necessary to treat a broader range of raw water quality. Staff further recommends specifying fiberglass reinforced plastic (FRP) as the tank material to be provided in the bid.

Director Cortopassi inquired on the containment of the new tank location. Manager Moody replied the tank will be added to the tank farm which has a full containment wall around the perimeter.

Director McGurk stated recommendations of this nature, presented to the Board should indicate the change in standards as reason for replacing equipment or the need to use new chemicals to treat the water. Director McGurk added regulations have become more stringent over the years and those changes should be available to the Board through staff recommendations.

Director Atkins inquired if there will be a company disposing of the cracked tank. Manager Moody replied yes.

A motion was moved and seconded to approve an additional tank in the Alum (T2) Tank Replacement Project to store both poly aluminum chloride (PACl) and aluminum chlorohydrate (ACH), as presented.

Roll Call:

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

E. COMMITTEE REPORTS

1. Sustainable Groundwater Management Act Work Group Meeting, 11/09/16
Manager Moody attended the November 9, 2016 Sustainable Groundwater Management Act (SGMA) Work Group Meeting. Manager Moody reported discussion focused on the Joint Powers Agreement (JPA). Manager Moody reported that a number of attorneys present at this meeting commented the SGMA Work Group should not alter the JPA written by the Attorney's Group on behalf of elected officials. Manager Moody reported Carolyn Lott, SGMA Work Group facilitator queried the group on which entities have not taken the JPA to their applicable elected officials. Manager Moody reported California Water Service Company (Cal Water) was the only entity who has not provided their elected officials with the draft JPA.

Manager Moody reported a Department of Water Resources (DWR) representative reviewed the recently released Best Management Practices for SGMA with the group.

Director Panizza reported it appears Cal Water has a problem with the way the legislation was originally written; however, they want to be part of the process and are currently trying to figure out how to make that happen. The next meeting is scheduled for December 14, 2016.

2. Agriculture Operations Committee Meeting, 11/10/16

Directors Cortopassi, Atkins and Watkins attended the November 10, 2016 Agriculture Operations Committee Meeting. Director Cortopassi reported there is money in the budget for outside water coming in from New Melones. Director Cortopassi reported last year the District purchased M&I and AG water from South San Joaquin Irrigation District (SSJID); given it is unclear at this time if that water will be available, the Committee recommends leaving the cost in the budget in the event water needs to be purchased.

Director Watkins commented the budget is balanced; staff did a good job of preparing it. There should be a substantial amount in the black at the end of the year and the District will not be operating in a deficit.

Director Cortopassi reported the Committee recommends someone from staff attend the Agricultural Commissioner's 2016 Fall Grower Meetings.

Director McGurk inquired how we could reach key constituents who do not attend the meetings; if staff should follow-up with them at a later date. Manager Moody replied perhaps partnering with the Linden Chamber of Commerce to get growers into their monthly meetings. Director Watkins added the Fall Grower Meetings are the ideal venue, as every operator in the County has to attend. Manager Moody added he will call the AG Commissioner before the end of the week to do a follow-up.

President Sanguinetti reported the San Joaquin County & Delta Water Quality Coalition will be holding meetings in January, which would provide another venue to speak at.

Director Panizza inquired on the future presentation of the entire Annual Budget. Manager Moody reported staff will be presenting the Annual Budget to the Board at a December Board Meeting. At which time the Board can decide if they would like to see the entire Budget or only specific sections. Manager Moody reported last year the Agriculture Operations Committee made a recommendation that the entire Budget be brought to the Board with a brief presentation. Director Cortopassi added the Agriculture Operations Committee meets to approve this portion of the budget to reduce the time spent discussing at a Regular Board Meeting; however, it will be presented to the entire Board for final approval at a December Board Meeting.

Director Cortopassi reported it is the recommendation of the Agriculture Operations Committee to approve the Agricultural division of the Fiscal Year 2017/2018 Annual Budget.

A motion was moved and seconded to approve the Agricultural division of the Fiscal Year 2017/2018 Annual Budget, as discussed.

Roll Call:

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

Nayes: None
Abstain: None
Absent: None

3. Delta Coalition Committee Meeting, 11/09/16
Consultant Barkett attended the November 9, 2016 Delta Coalition Committee Meeting. Consultant Barkett reported discussion focused on the State Water Resources Control Board (SWRCB) hearing on December 16, 2016 to receive input on the Supplemental Environmental Document (SED) regarding unimpaired flows. Consultant Barkett reported there seems to be a strong consensus of opposition. The next meeting is scheduled for December 14, 2016.
4. San Joaquin County & Delta Water Quality Coalition Meeting, 11/14/16
Director Atkins attended the November 14, 2016 San Joaquin County & Delta Water Quality Coalition Meeting. Director Atkins reported a financial report, membership update and Program Manager's Report were provided. Director Atkins noted the Program Manager's Report included discussion of removing dissolved oxygen from the agenda, as it has been found, the growers are not causing the dissolved oxygen. Director Atkins reported Sarah Luchetti provided an updated on Sediment and Erosion Control Plans, stating they removed members who did not need to be on the list. Director Atkins reported the Coalition had forty-(40) growers volunteer for nitrogen testing on their AG wells.

Director Atkins reported there was discussion on the Coalition joining CV Salts. It would cost \$45,000 to join CV Salts with an annual membership fee of \$25,000. Director Atkins added Michael Wackman advised the Coalition that CV Salts has been pressing the Coalition to join for some time. Julianne Phillips, San Joaquin Farm Bureau added Mike Johnson said CV Salts is pressing the Coalition to join because if discharges go below the root zone the Coalition can say they are part of the solution to manage the issue by being part of CV Salts.

Director Cortopassi inquired on what CV Salts is. Legal Counsel Zolezzi replied it is an advisory committee to the State Water Resources Control Board (SWRCB) about setting standards in the San Joaquin River, decide where to impose the standard and how to implement it.

Director Cortopassi inquired on the membership fees for CV Salts. Legal Counsel Zolezzi replied those fees pay state employees to attend their meetings. The next meeting is scheduled for December 12, 2016.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 11/07/16
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 76,182 AF in storage at New Hogan Reservoir. Current releases are set at 38 cfs. There is 512,956 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 201 cfs and release to all water users are set at 201 cfs. The water treatment plant is currently processing 20 mgd. The City of Stockton's water treatment plant is currently processing 14 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, F2a-10 and F2a-11.

3. Report on General Manager Activities

- a. Sustainable Groundwater Management Act – Best Management Practices – Department of Water Resources Webcast, 11/15/16

Manager Moody attended the November 15, 2016 Sustainable Groundwater Management Act (SGMA) – Best Management Practices (BMP) – Department of Water Resources (DWR) Webcast. Manager Moody reported the webcast was hosted by DWR to advise on the BMP for SGMA. Director Cortopassi inquired on the vagueness of what is outlined. Manager Moody replied they do not go into detail, as they are suggestive in nature. These BMPs give agencies an idea of how to set-up their Groundwater Sustainability Plans (GSP). Manager Moody added these BMPs also allow the Technical Advisory Committee what DWR will be looking for after the plans have been submitted.

Director Cortopassi inquired on the purpose of the water budget BMP. Manager Moody replied this BMP is to show how much water is coming into the basin versus how much water is leaving the basin. Legal Counsel Zolezzi added it is a standard of measurement to measure how much water you have. This item was for information only.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. Delta Region Area wide Aquatic Weed Project Public Outreach Meeting, 6:30 p.m., 11/15/16
2. Greater Stockton Chamber of Commerce – 2016 Athena Awards, 11:30 a.m., 11/17/16
3. Linden Peters Chamber of Commerce Meeting, 7:00 p.m., 11/21/16

J. REPORT OF THE COUNSEL

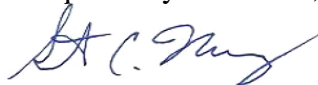
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case

President Sanguinetti adjourned the meeting to closed session at 1:18 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:58 p.m., with no reportable action.

J. ADJOURNMENT

President Sanguinetti adjourned the meeting at 1:59 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

