

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 22, 2016 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Sanguinetti called the regular meeting to order at 12:23 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, District Engineer Lee, Finance Director Naray, 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 11/15/16 Regular Meeting

Director Atkins made the following correction to the minutes:

- Page 4, section E-4, 1st paragraph, 3rd sentence – strike “there has been no shown presence” and replace with “it has been found, the growers are not causing the dissolved oxygen”.

A motion was moved and seconded to approve the November 15, 2016 Regular Meeting Minutes, as amended.

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 Atkins inquired on the expense on page 16, line item 27 for Holt of CA for rental of loader to clean out sludge pond in the amount of \$3,586.10. Manager Moody replied the District does not own a loader, which requires the rental of a loader annually when the ponds are cleaned.

Director Atkins inquired on the expense on page 13, line item 12 for George W. Lowry Inc., for bulk oil for District vehicles in the amount of \$733.58. Finance Director Naray replied this purchase was for

~100-gallons of oil. Director Cortopassi mentioned staff should pay close attention to new regulations that come along with servicing District vehicles, like disposal of oil and filters.

Director Atkins inquired on the expense on page 16, line item 34 for NTU Technologies, Inc., for dry filter aid delivered on 11/03/16 in the amount of \$6,160.00. Assistant Manager Johnson replied filter aid is a chemical addition for the water treatment process.

President Sanguinetti inquired on the expense on page 13, line item 10 for Chase Chevrolet Co., for parts to replace brake pads and rotors on Unit 48 in the amount of \$2,295.80, specifically if the expense was the cost for parts or labor. Manager Moody replied expense was for parts but advised staff will research.

A motion was moved and seconded to approve the November 22, 2016 Warrants, as presented.

Roll Call:

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

3. State Water Resources Control Board – Water Rights Fees – Payment Under Protest

Manager Moody provided the Board with a listing of invoices from the State Water Resources Control Board for the District’s 2016-2017 Water Rights Invoices for fees in the total amount of \$140,238.69. Director Cortopassi inquired if the water rights payments are to allow the United States Bureau of Reclamation (USBR) to retain water in the Dam. Legal Counsel Zolezzi replied yes, the water belongs to the USBR, the District is paying for its share of the water.

A motion was moved and seconded to authorize payment of the State Water Resources Control Board Division of Water Rights invoice for the District’s 2016-2017 Water Rights Further, the Board directed District staff to pay the invoices “under protest”.

Roll Call:

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

4. San Joaquin County Presidential General Election – Unofficial Final Results

Manager Moody provided the Board with information on the San Joaquin County Presidential General Election – Unofficial Final Results. Director Watkins advised staff research the elected officials results at the state level, outside of San Joaquin County as the District is a multi-county agency.

Director Cortopassi inquired of whom will receive the letters. Manager Moody replied the letters will be sent to the elected/re-elected officials who represent the District. At the consensus of the Board, staff was advised to send letters to elected officials.

5. Resolution of Appreciation

Manager Moody provided the Board with Resolution No. 16-17-10 – Appreciation of Kelly A. Stephens. Manager Moody commented with Ms. Stephens’ retirement approaching, it would be a gesture of good will to send Ms. Stephens a Resolution of Appreciation for her years of service. Director McGaughey agreed and thanked Manager Moody for presenting this to the Board.

A motion was moved and seconded to approve Resolution No. 16-17-10 – Appreciation of Kelly A. Stephens, as presented.

Roll Call:

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

E. COMMITTEE REPORTS (None)

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 11/21/16

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 76,011 AF in storage at New Hogan Reservoir. Current releases are set at 26 cfs. There is 518,337 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 209 cfs and release to all water users are set at 209 cfs. The water treatment plant is currently processing 16 mgd. The City of Stockton's water treatment plant is currently processing 13 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 and F2a-9.

Director McGaughey inquired on F2a-6 asking if the article is referring to an increase in prices. Manager Moody replied yes, rates could potentially increase if the City of Stockton has to change their filtration process, which would happen if the tunnels were put into operation.

3. Report on General Manager Activities

Manager Moody provided the Board with a handout of the draft agenda for the Thursday, December 8, 2016 Special Meeting of the Board of Directors. Manager Moody reported due to this being an election year, this is the Board of Directors Organizational Meeting as the Directors whose terms were up this year, have been appointed by the San Joaquin County Board of Supervisors.

A motion was moved and seconded to approve holding a Special Meeting of the Board at 11:00 a.m., on Thursday, December 8, 2016.

Roll Call:

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

Manager Moody reported the per direction of the Board at the November 15, 2016 Regular Board Meeting, he made contact with the AG Commissioner, who is allowing Agencies to speak about Unimpaired Flows

and the Sustainable Groundwater Management Act (SGMA) Legislation following the Grower Meetings. Manager Moody reported there will be staff representation at each of the Grower Meetings; and, both Brandon Nakagawa, San Joaquin County and Julianne Phillips, San Joaquin Farm Bureau plan attending as many meetings as possible.

Manager Moody reported after discussion with President Sanguinetti, they believed it would be advantageous for the District to send newsletters; out of sequence from the District's semi-annual newsletter, the topics would primarily focus on SGMA Legislation, Unimpaired Flows, and what the District is doing in regards to both. President Sanguinetti added the District should also host a Town Hall Meeting for Growers. Director McGurk inquired if we should track the Town Hall meeting attendees. Manager Moody replied yes, we can provide a sign-in sheet at the meeting.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. District Holiday – Thanksgiving, 11/24/16 & 11/25/16
2. Cancelled Stockton East Water District Regular Board Meeting, 11/29/16
3. Association of California Water Agencies – 2016 Fall Conference Anaheim, CA, 11/29/16 – 12/02/16

J. REPORT OF THE COUNSEL

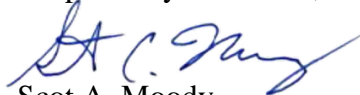
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case

President Sanguinetti adjourned the meeting to closed session at 1:02 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:26 p.m., with no reportable action.

J. ADJOURNMENT

President Sanguinetti adjourned the meeting at 1:27 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

