

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, DECEMBER 27, 2016 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President McGurk called the regular meeting to order at 12:23 p.m., Director Atkins 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 and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 12/20/16 Regular Meeting

Director Panizza made the following correction to the minutes:

- Page 5, section D-4, 1st paragraph, 4th sentence – strike the entire 4th sentence and replace with “Director Panizza reported Tri-Dam is finished with the process of re-negotiating with the Union that represents their workers and; as a result includes a retroactivity clause for any raises that are granted through negotiations back to the start of negotiations.”

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 December 27, 2016 Warrants, as presented.

Roll Call:

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

3. Notice of Acceptance of Completion – Bozzano North & South Wells Repair

Manager Moody provided the Board with a draft Notice of Acceptance of Completion (NOC) for the Bozzano North & South Wells Repair. Manager Moody reported the date the NOC is filed with the San Joaquin County Recorder’s Office; it then begins the clock on the statues of limitations for the contractors who performed the repair work. Manager Moody added the repair consisted of installation of submersible pumps on the Bozzano North & South Wells, and the Wells are now operational.

A motion was moved and seconded to approve the Notice of Completion for the Bozzano North & South Wells Repair, as presented.

Roll Call:

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

4. Stockton East Water District – Notice of Intention to Amend the Conflict of Interest Code
Manager Moody provided the Board with the Stockton East Water District – Notice of Intention to Amend the Conflict of Interest Code. (COIC) Administrative Services Manager Carido reported the Notice of Intent is a requirement of the amendment to the District’s COIC (approved by the Board in August 2016); amendment submitted to the Fair Political Practices Commission (FPPC) consisted of updating the list of Designated Positions only. Additionally, per the FPPC the Notice of Intent was also circulated via email to all District employees and Board of Directors on December 23, 2016 and after a 45-day comment period is completed, the District’s amended COIC will go before the FPPC for final approval. Manager Moody noted this item satisfies a step to amend the District’s COI and is administrative in nature. This item was for information only.
5. Tri-Dam Project – 2017 Goodwin Dam Budget
Manager Moody provided the Board with the Tri-Dam Project – 2017 Goodwin Dam Budget. Manager Moody reported the changes to the 2017 Goodwin Dam Budget included increases primarily in payroll and overhead. Manager Moody requested the Board consider approving the 2017 Goodwin Dam Budget as presented, so staff can provide report back to Tri-Dam.

President McGurk inquired for further clarification on the revenues portion of the Goodwin Dam Budget. Director Panizza replied the Budget is only a portion of entire Budget for Goodwin Dam; and, reflects what the District is responsible for in order to operate our share of the Goodwin Dam. Director Cortopassi added the Tri-Dam Project is the original project and we share the Goodwin Dam. Director Panizza added some personnel allocates portion of their wages in the Goodwin Dam Budget and theses costs are broken-out carefully, similar to how District staff allocates time.

A motion was moved and seconded to approve the 2017 Budget for the Goodwin Dam Further, Manager Moody was directed to notify Tri-Dam of Board approval.

Roll Call:

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

6. Dr. Joe Waidhofer Water Treatment Plant – Tour of the District Facilities
Manager Moody provided a list of elected and re-elected officials resulting from the November 8, 2016 General Election. Manager Moody inquired with the Board for their comments on planning a Dr. Joe Waidhofer Water Treatment Plant Tour of the District facilities for the recently elected officials. Director Sanguinetti commented the elected officials are getting ready to take office and giving the unknown weather condition(s); suggested holding a Tour in May 2017. Manager Moody also reported congratulation letters were mailed to the officials elected and re-elected. Director Watkins suggested if representatives from Washington D.C. will be attending the tour, to consider planning the Tour during Congress’ Easter Break.

Manager Moody advised bringing this item back to the Board in March 2017 for further discussion & planning.

E. COMMITTEE REPORTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 12/21/16

Director McGurk attended the December 21, 2016 San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting. President McGurk reported the Discussion Item: (I-A – Updated on the proposed changes to the Water Quality Control Plan for the Bay Delta Estuary: San Joaquin River Flows and Southern Delta Salinity Objectives) focused primarily on the potential economic impacts as a result; and, in addition if the salt build-up was considered in the Economic Analysis of the Impacts of Reallocating Unimpaired Flows from Tributaries to the Lower San Joaquin River by Rod Smith, Principal of Stratecon, Inc. President. President McGurk re-stated San Joaquin County (SJC) entered into agreement with Stanislaus County to conduct this Analysis for ~90,000; and, SJC’s financial responsibility for the Analysis was ~\$20,000. President McGurk reported San Joaquin County has hired a separate Economist to evaluate the salt build-up impacts further. Legal Counsel Zolezzi inquired how the County paid the \$20,000 portion. Brandon Nakagawa replied this was from the County’s General Fund.

President McGurk also reported discussions focused on Substitute Environmental Document (SED) related activities such as the recent December 20, 2016 State Water Resources Control Board Hearing in Modesto California; Supervisor Winn working with other County Supervisors through California State Association of Counties (CSAC) and a handout was provided with an update on SGMA activities. President McGurk reported George Hartmann, Ombudsman to SGMA Workgroup reported the Joint Powers Agreement (JPA) template is a high caliber document and used as a template for other entities. The next meeting is scheduled for January 18, 2017.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 12/19/16

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

Manager Moody reported there is 95,274 AF in storage at New Hogan Reservoir. Current releases are set at 25 cfs. There is 616,174 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 202 cfs and release to all water users are set at 202 cfs. The water treatment plant is currently processing 16 mgd. The City of Stockton’s water treatment plant is currently processing 13 mgd.

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.

3. Report on General Manager Activities (None)

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS

1. ACWA State Legislative Committee Alert – Assembly Bill No. 401 (Dodd) – Low-Income Water Rate Assistance Program, 12/21/16

Manager Moody provided the Board with an ACWA State Legislative Committee Alert regarding Assembly Bill No. 401 (Dodd) – Low-Income Water Rate Assistance Program. Manager Moody Board Meeting – 12/27/16

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reported this Alert is a result from the Brown Administration effort to subsidize low-income customers. Manager Moody reported it is estimated that ~\$0.5 billion – \$1.0 billion would be needed to fund discounted rates for low-income customers and a discount of 35% for qualifying customers. This item was for information only.

2. State Water Resources Control Board Comment Letter to the Bay-Delta Phase II Working Draft Science Report (SED), 12/16/16
Manager Moody provided the Board with the December 16, 2016 State Water Resources Control Board Comment Letter regarding the Bay-Delta Phase II Working Draft Science Report (SED). Manager Moody reported comments were from by Legal Counsel Harrigfeld and included supporting FISHBIO documentation. Manager Moody commented FISHBIO did a good job on their reports. Director Sanguinetti commented he agreed with Manager Moody. This item was for information only.

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin Farm Bureau Federation – Water Committee Meeting, 5:30 p.m., 12/27/16, no meeting in December.
[This meeting was Cancelled]
2. District Holiday – New Year’s Day, 01/02/17

J. REPORT OF THE COUNSEL

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

President McGurk adjourned the meeting to closed session at 1:09 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:30 p.m., with no reportable action.

J. ADJOURNMENT

President McGurk adjourned the meeting at 1:31 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

kmc

