

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 17, 2017 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President McGurk called the regular meeting to order at 12:20 p.m., and led the Pledge of Allegiance.

Present at roll call were Directors Cortopassi, McGaughey, McGurk, Panizza and Watkins. Directors Atkins and Sanguinetti were absent. Also present were Manager Moody, Assistant Manager Johnson, Finance Director Vega, Administrative Services Manager Carido, Administrative Clerk Curtis, Legal Counsel Harrigfeld and Consultant Barkett.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 10/10/17 Regular Meeting

A motion was moved and seconded to approve the October 10, 2017 Regular Meeting Minutes, as presented.

Roll Call:

Ayes: Cortopassi, McGaughey, McGurk, Panizza, Watkins

Nays: None

Abstain: None

Absent: Atkins, Sanguinetti

2. Warrants

- a. Fund 70 – Administration Fund
- b. Fund 71 – Water Supply Fund
- c. Fund 91 – Vehicle Fund
- d. Fund 94 – Municipal & Industrial Fund
- e. Payroll
- f. Summary
- g. Short Names/Acronym List
- h. SEWD Vehicles & Heavy Equipment

Manager Moody reported on the expense on page 9, line item 1, for Autozone Stores Inc. for fuel cap for Unit #47 in the amount of \$15.60. Manager Moody reported this is the first fuel cap of the year.

Director Panizza inquired on the expense on page 5, line item 20, for Malcolm Hearon for travel expenses Ocean Open Water Dive class in the amount of \$706.47. Manager Moody reported there are two District divers phasing out and two that will be added into rotation. This is reimbursement for one of the divers who recently attended the Open Water Dive class which is required as part of the certification. Director Cortopassi inquired how often employees dive. Manager Moody replied several times per year.

A motion was moved and seconded to approve the October 17, 2017 Warrants, as presented.

Roll Call:

Ayes: Cortopassi, McGaughey, McGurk, Panizza, Watkins

Nayes: None

Abstain: None

Absent: Atkins, Sanguinetti

3. Stockton Area Water Suppliers (SAWS) Education Program Annual Report – 2016-2017 School Year (Presentation by Water Conservation Coordinator Kristin Coon)

Water Conservation Coordinator Coon presented the SAWS Education Program Annual Report for the 2016-2017 School Year to the Board. Water Conservation Coordinator Coon provided a handout of the Annual Report and gave an overview that included; Report Summary, Full Report, Program Statistics and Feedback. Water Conservation Coordinator Coon reported last school year was the 13th year this Program has been serving Stockton area schools. Water Conservation Coordinator Coon reported the Program visited 58 Stockton area schools/event venues, presenting or staffing a booth in 376 classrooms/events for 18,670 students and citizens.

Water Conservation Coordinator Coon reported the SAWS group was a principal sponsor of Stockton's Earth Day Festival held at Victory Park, which was a successful event for the group as they were able to connect with people who were interested in where their water comes from and the water process.

Water Conservation Coordinator Coon reported that, compared to past years, the substantially reduced number of participants this last school year is because of the lack of funding for the Zun Zun assembly program. Water Conservation Coordinator Coon reported Zun Zun is an environmental troop based out of Santa Cruz, California that provides assemblies on a variety of topics, such as; drought, water conservation, watershed protection, water reclamation and water pollution. Water Conservation Coordinator Coon reported that, SAWS restored a portion of the funding (\$10,000) in the current budget for Zun Zun to return in the 2017/2018 school year.

Water Conservation Coordinator Coon reported the Program Statistics section provides a quantitative breakdown of the number of students, grade level and presentation type served within the Urban Contractors and the District's service areas.

Water Conservation Coordinator Coon reported that she recently contracted work with the Water Education Group, LLC that customized a book for this Program that details the water treatment process specifically for the Stockton area. This book is a good follow-up for students to the water cycle explained during presentations. Water Conservation Coordinator Coon reported the book also explains the wastewater process, which is helpful as she receives questions on where the water goes, not only where it comes from. The book stresses the role utilities play in providing safe drinking water to citizens and discusses the value of tap water versus bottled water.

Water Conservation Coordinator Coon reported her Program fills up almost a year in advance for classroom visits. This year, all slots were booked in less than a week.

Water Conservation Coordinator Coon reported Stockton did really well during the drought and was one of the few cities in the state in which drastically reduced water consumption by ~30%. Water Conservation Coordinator Coon believes this is partly a result of the Water Education Program.

Water Conservation Coordinator Coon reported students learn that even a wet winter does not mean the drought is over. California is a dry state and residents should lead a life of conservation.

President McGurk inquired if the Water Education Group, LLC is a governmental group. Water Conservation Coordinator Coon replied no. She was interested in this group because of their ability to customize the book to her needs. Water Conservation Coordinator Coon reported that twice a year she attends a conference with other Water Conservation Educators. She will be showing them the book she made, as she knows there is interest in the product, but she is the first to participate.

President McGurk inquired if Water Conservation Coordinator Coon ever receives questions on the tunnels. Water Conservation Coordinator Coon replied it is rare and if she receives questions, she directs individuals to board meetings they can attend and advises she is there to educate on the water cycle.

Water Conservation Coordinator Coon thanked the Board for their time and the District for the use of their facilities.

4. Proposed Schedule for Budget Adoption – Fiscal Year 2018/2019

Manager Moody provided the Board with information on the Proposed Schedule for Budget Adoption for Fiscal Year 2018/2019. Manager Moody reported the schedule may be modified if the Urban Contractors of Budget Committee members have adjustments to the Budget. Manager Moody will keep the Board advised of any changes to this schedule. This item was for information only.

5. Oakdale Irrigation District/South San Joaquin Irrigation District/Stockton East Water District – Stanislaus River Basin Plan Technical Memorandum Prepared by CH2M, 10/02/17

Manager Moody provided the Board with information on the Stanislaus River Basin Plan Technical Memorandum. Manager Moody reported Oakdale Irrigation District (OID) hired CH2M to conduct a basin overview for the Stanislaus River. The objective of this is to develop and cooperatively implement a regional water resources basin plan to address anticipated regulatory and resource challenges to protect water rights and support continued responsible water management.

Manager Moody reported OID, South San Joaquin Water Conservation District (SSJID) and the District are Basin Partners and would like to collaborate to develop a coordinated and integrated approach to cooperatively manage the Stanislaus River Basin's water resources. There is currently no cost to the District to participate, as OID will be covering the cost for this plan. Manager Moody reported there could be monetary needs of the District after this has concluded if the District chooses to take further action of implementation.

Legal Counsel Harrigfeld reported the final plan will represent the Stanislaus River Basin's plan for maximizing the beneficial use of water in the basin, protecting beneficial uses in the Stanislaus River, and sustainable groundwater management in the region.

Director Panizza reported OID's Board Agenda Report offers a strong view of the future and stresses the District's need to participate.

Legal Counsel Harrigfeld reported OID would like the District and SSJID to get commitment from their applicable Boards to move forward.

A motion was moved and seconded expressing Board support of the District's participation in the Oakdale Irrigation District/South San Joaquin Irrigation District/Stockton East Water District – Stanislaus River Basin Plan Technical Memorandum preparation, as presented.

Roll Call:

Ayes: Cortopassi, McGaughey, McGurk, Panizza, Watkins

Nays: None

Abstain: None

Absent: Atkins, Sanguinetti

6. Association of California Water Agencies – 2017 Fall Conference General Session Membership Meeting(s)

Manager Moody provided the Board with information on the Association of California Water Agencies (ACWA) 2017 Fall Conference General Session Membership Meeting(s). Manager Moody reported there will be an all members meeting on Wednesday, November 29th at the ACWA Fall Conference to nominate a new President and Vice President.

During this meeting, they will also be voting to change some of the bylaws. Manager Moody will bring this information back to the Board as a reminder prior to the ACWA Fall Conference. This item was for information only.

7. United States Bureau of Reclamation – New Melones Deliveries 2018 Water Year – Request for Approval of Delivery Schedule

Manager Moody provided the Board with correspondence mailed to the United States Bureau of Reclamation (USBR) for the 2018 Water Year Delivery Schedule. Manager Moody advised this request is sent to USBR annually and given how much water is currently in New Melones, the District has a good chance of getting the requested amount of 75,000 AF.

Director Cortopassi inquired if the USBR approved this request last year. Manager Moody replied yes, and the District received 75,000 AF of water.

Director Cortopassi inquired what would happen if the District did not use all of the requested water. Manager Moody replied it would not be favorable for the District. The District currently has water remaining because the City of Stockton is not taking water and people are conserving.

Director Cortopassi inquired out of the water requested how much do the Urban Contractors take. Manager Moody replied a fair estimate would be ~15,000 AF. Director Cortopassi inquired if that amount would come out of the 47,000 AF requested for M&I. Manager Moody replied yes.

Director Cortopassi added the City of Stockton is not taking the amount of water for which the infrastructure was created. Manager Moody replied correct, and there is real risk to not using the water we are given. This item was for information only.

8. Dr. Joe Waidhofer Drinking Water Treatment Plant – Water Quality Improvements Update

Manager Moody provided the Board with information on the water quality improvement update at the District. Assistant Manager Johnson reported staff tested potassium permanganate as a replacement for chlorine for pre-oxidation. Results are mixed as fine manganese particles remain suspended in the treated water, causing turbidity spikes in the finished water compliance sampling point.

President McGurk inquired where the particles deposit themselves. Assistant Manager Johnson replied in the clear well. The deposit particles are not unheard of, but can be avoided. Manager Moody added this is an undesirable result.

Assistant Manager Johnson reported in November, staff will test a different dosage scheme to evaluate the effectiveness and the cost of potassium permanganate.

Assistant Manager Johnson reported another treatment process to reduce disinfectant byproducts (DBPs) is the use of chloramines as a disinfectant. Staff is evaluating the cost of chloramination and will provide the Board with recommendations for all DBP control measures when the evaluations are complete.

President McGurk inquired on the consultants assisting staff with this research. Manager Moody replied the District has retained the services of Water Quality Technology Solutions (WQTS), Inc. who are respected and familiar with the District's water quality issues.

Manager Moody reported staff is researching the most cost effective and reasonable way to solve the problem without creating other issues.

9. Eastern San Joaquin Groundwater Joint Powers Authority – Technical Advisory Committee (TAC) Member Designation

Manager Moody provided the Board with information on the Eastern San Joaquin Groundwater Joint Powers Authority (JPA) – Technical Advisory Committee (TAC) Member Designation. Manager Moody reported the JPA Board has formally established a TAC. The meeting District Engineer Lee has been attending was established by the Groundwater Banking Authority (GBA).

Manager Moody reported the JPA is requesting to have designated members on the TAC who are not on the JPA Board, to avoid having a quorum during meetings. Per discussion with Director Panizza, District Engineer Lee will be the primary member and Manager Moody will be the alternate. This item was for information only.

E. COMMITTEE REPORTS

1. Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 10/11/17
Directors Panizza and Watkins, Manager Moody and District Engineer Lee attended the October 11, 2017 Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority (JPA) Meeting. Director Panizza reported there was a presentation on the Groundwater Sustainability Plan (GSP) Application, the original estimate for the GSP has been reduced from \$3 million to \$2,176,660. The Board was asked not to approve these as final numbers, rather, approve moving ahead using this as a blueprint to submit to the State Water Resources Control Board (SWRCB) in early November. If the disadvantaged communities waiver is approved and zone 2 contributed \$450,000, this would mean each Groundwater Sustainability Agency (GSA) would be required to pay \$13,318 over a 3-year period. The group approved moving forward with this approach. Legal Counsel Harrigfeld inquired what the disadvantaged community waiver is. Director Watkins replied the JPA would receive 75% grant funding instead of 50%. The next meeting is scheduled for November 8, 2017.

F. REPORT OF GENERAL MANAGER

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

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

There is 194,937 AF in storage at New Hogan Reservoir. Current releases are set at 17 cfs. There is 2,018,654 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 805 cfs and release to all water users are set at 1,291 cfs. The water treatment plant is currently processing 29 mgd. The City of Stockton is currently processing 24 mgd.

Manager Moody reported staff submitted a release schedule to the United States Army Corps of Engineers (USACE) requesting 20% encroachment. The District does not yet have a definitive answer from USACE. Richard Marmalejo with the USACE contacted Manager Moody advising he wanted to open the floodgates and flush the river. Manager Moody advised dams have not been removed from the system yet.

Director Watkins inquired if there would be any value in leaving the dam in at Mosher Slough to have the ability to divert water into Mosher for percolation.

2. Information Items:

Manager Moody noted items: F2a-1, F2a-2, F2a-3, F2a-4, F2a-5 and F2a-6.

3. Report on General Manager Activities

Manager Moody advised the Board that Assembly Member Flora will be visiting the District on Monday, October 30th at 2:00 p.m. for a tour of the Plant. Director McGaughey inquired what area he represents. Manager Moody replied he is everything east and south of the diverting canal, he replaced Kristin Olsen.

Manager Moody advised the Board he is scheduled to attend a focus group discussion on the preliminary survey results from the Public Policy Institute of California's San Joaquin Valley Groundwater Recharge Survey in Fresno on Monday, October 30th at 10:00 a.m. Given the conflict with Assembly Member Flora's visit, Manager Moody may send another member of staff in his place to this meeting.

Manager Moody advised the Board that the John Deere 6420 tractor (Unit #38) blew the motor and cannot be hauled by District vehicles because of the counter weight. John Deere picked up the tractor and took it to their facility to evaluate the issue and determined the connections came loose and unfiltered air was sucked into the motor. Manager Moody advised staff will bring a recommendation back to the Board to include the number of hours on the current unit, also considering what tier the engine is and how many more years it can be used.

G. DIRECTOR REPORTS

H. COMMUNICATIONS

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Advisory Commission Meeting, 1:00 p.m., 10/11/17
2. Greater Stockton Chamber of Commerce Agriculture Hall of Fame Awards, Robert J. Cabral Ag Center, 5:30 p.m., 10/19/17

3. ACWA State Legislative Committee Meeting, 10:00 a.m., 10/20/17
4. Mokelumne River Association Meeting, 10:00 a.m., 10/20/17

J. REPORT OF THE COUNSEL

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

President McGurk adjourned the meeting to closed session at 1:52 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:26 p.m., with no reportable action.

J. ADJOURNMENT

President McGurk adjourned the meeting at 2:27 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

