

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, MARCH 13, 2018 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 Director Sanguinetti led the Pledge of Allegiance.

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

**B. CONSENT CALENDAR** (None)

**C. PUBLIC COMMENT** (None)

**D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS**

1. Minutes 03/06/18 Regular Meeting

A motion was moved and seconded to approve the March 6, 2018 Regular Meeting Minutes, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGaughey

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the March 13, 2018 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGaughey

3. Association of California Water Agencies/Joint Powers Insurance Authority – Refund Check Presentation

Manager Moody introduced Dianna Sutton, Finance Manager with ACWA/JPIA. Ms. Sutton attended the meeting to present the Board with a refund check from the ACWA/JPIA Insurance Programs (Liability, Property and Workman’s Compensation). Ms. Sutton informed the Board the District has done a good job keeping insurance claims to a minimum and participating in ACWA/JPIA training, which also contributes to reduced claims. Ms. Sutton presented the District with a check in the amount of \$71,486. Manager Moody thanked Ms. Sutton for the presentation and the refund check.

4. Business Consultant Agreements 04/01/18 – 03/31/19

a. Anthony Barkett

Manager Moody advised the Board that staff has modified the agreement for one-year term, opposed to six-months.

A motion was moved and seconded to approve Business Consultant Agreement with Anthony M. Barkett for a one-year period from April 1, 2018 through March 31, 2019.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGaughey

b. Doyce Boesch

Manager Moody advised the Board that staff has modified the agreement for one-year term, opposed to six-months.

Director Cortopassi inquired on the frequency in which the District is in contact with Consultant Boesch. Manager Moody replied he is in contact with Consultant Boesch regularly and he schedules meetings for the District during the Washington D.C. trips. Director Sanguinetti added, he too has frequent communication with Consultant Boesch.

Consultant Barkett encourages the District to take more advantage of Consultant Boesch as he is a good resource and can provide information upon questions that are asked by the District.

Director Panizza advised Consultant Boesch has been to the District a couple times, he is a knowledgeable resource to have and is a good contact to have in Washington D.C.

A motion was moved and seconded to approve Business Consultant Agreement with Doyce Boesch for a one-year period from April 1, 2018 through March 31, 2019.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGaughey

5. Association of California Water Agencies – 2018-2019 Agriculture Committee

Manager Moody provided the Board with information on the ACWA 2018/2019 Agriculture Committee selection. Manager Moody reported Directors Atkins, Sanguinetti, Watkins and Manager Moody have been selected for the Agriculture Committee. This item was for information only.

6. United States Department of the Interior – Central Valley Project Water Rates for the 2018 Water Year

Manager Moody provided the Board with information on the United States Department of the Interior – Central Valley Project Water Rates for the 2018 Water Year. Finance Director Vega reported AG increased 23.9% and M&I increased 6.5%. Finance Director Vega reported the AG increase is sizeable this year because of the USBR issued credits of roughly \$14 per acre-foot last year.

Finance Director Vega reported the AG cost of service for 2018 is \$34.21 and the M&I cost of service for 2018 is \$27.10 and the Trinity Surcharge is \$0.30 per acre-foot of water delivered.

Finance Director Vega reported the USBR is in the process of conducting a cost allocation study, which has the potential to change the charges, minimally.

Director Cortopassi inquired on the AG total charges and if there is justification for the USBR's rate increase over the last couple of years. Manager Moody replied after looking at the repayment plan for capital expenses the USBR was advised they would not be able to cover costs if they continued to charge the amounts they were, so they increased ~~costs~~ charges.

Director Cortopassi inquired if \$44.98 is the total AG charge for 2018. Manager Moody replied yes. Director Cortopassi advised the water rates the District sets should be enough to cover all costs. Manager Moody replied all costs will be covered and this information will be provided to the Agriculture Operations Committee at their meeting on March 19<sup>th</sup>.

Director Cortopassi suggested Consultant Boesch schedule a meeting to meet with the USBR in Washington D.C. Manager Moody advised Legal Counsel Harrigfeld met with the USBR on her recent trip to Washington D.C. and the San Joaquin Council of Governments attendees will also try to schedule a meeting for the trip in April.

Legal Counsel Zolezzi suggested the District start a new Ability to Pay Study, which is something Consultant Boesch could assist the District with. Manager Moody advised staff will research. This item was for information only.

7. Tri-Dam Project – Annual True Up (Calendar Years Ending 2015 & 2016)  
Manager Moody provided the Board with information on the Annual True Up for Calendar Years Ending 2015 & 2016 from the Tri-Dam Project. Manager Moody reported the District received a refund check in the amount of \$8,318.42. This item was for information only.

## **E. COMMITTEE REPORTS**

1. Delta Coalition Committee Meeting, 03/12/18  
Consultant Barkett attended the March 12, 2018 Delta Coalition Committee Meeting. Consultant Barkett reported there was discussion on the Coalition's travel around the delta and throughout the state to visit other Coalitions to discuss the Twin Tunnels Project. Representatives reported to have good meeting in Orange County and San Diego. Tom Zuckerman brought the Coalition a new issue regarding Paradise Cut and recommended this be taken to San Joaquin Area Flood Control Agency (SJAFC). The next meeting is scheduled for April 9, 2018.
2. San Joaquin County & Delta Water Quality Coalition Meeting, 03/12/18  
Director Atkins attended the March 12, 2018 San Joaquin County & Delta Water Quality Coalition Meeting. Director Atkins reported there was discussion on the Financial Report. The Coalition is over on their Stationary & Printing budget due to the printing of Sediment Erosion Plans that were printed in color, which drove the cost up. Director Atkins reported there was discussion on the Program Manager's Report, which showed everything being clean since October, with only a little dissolved oxygen. The turnout for the certification workshop for nitrates has resulted in ~10 attendees. The online portal for the Farm Management Plan and Nitrate Management Plans is up and running. ~20-25% of people have signed up for the first year; the Coalition hopes that number increases in the coming years. There was discussion on any landowners that have rental properties

on their land, must test their wells for nitrates beginning in 2019. If the well does not pass, the property owner must supply fresh drinking water to the tenants. Additionally, well testing must be outsourced. Director Cortopassi added the well testing is for those who provide household water to someone. Director Atkins reported there are currently 27 wells on well monitoring, with the hope of adding an additional 60 wells to that number. Manager Moody inquired what they are being monitored for. Director Atkins replied nitrogen. The next meeting is scheduled for April 9, 2018.

## **F. REPORT OF GENERAL MANAGER**

### **1. Water Supply Report as of 03/12/18**

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 161,762 AF in storage at New Hogan Reservoir. Current releases are set at 26 cfs. There is 1,911,813 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 205 cfs and release to all water users are set at 557 cfs. The water treatment plant is currently processing 19 mgd. The City of Stockton is currently processing 13 mgd.

### **2. Information Items:**

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

### **3. Report on General Manager Activities**

## **G. DIRECTOR REPORTS**

### **1. Annual Ag BBQ At The Lodi Grape Festival Grounds Hosted By F&M Bank, 03/08/18**

Directors Atkins, Cortopassi, Sanguinetti, Watkins and Manager Moody attended the March 8, 2018 Annual Ag BBQ At The Lodi Grape Festival Grounds Hosted By F&M Bank. Director Cortopassi reported the new CEO of F&M Bank spoke about the future and gave a moment of silence for Bruce Mettler. It was very well attended. Director Watkins reported F&M Bank plans to expand into Berkeley and the Bay Area and holds the largest Ag portfolio. Manager Moody reported there was ~300 people in attendance.

## **H. COMMUNICATIONS**

### **1. Linden and Colledgeville Farm Centers – Annual Dinner Meeting, 03/29/18**

Manager Moody provided the Board with correspondence regarding the March 29, 2018 Linden and Colledgeville Farm Centers – Annual Dinner Meeting. President McGurk and Manager Moody will attend the dinner.

## **I. AGENDA PLANNING/UPCOMING EVENTS**

### **1. Greater Stockton Chamber of Commerce and the Green Team San Joaquin REXPO & Keynote Luncheon – Waterloo Gun & Bocce Club, 03/14/18**

### **2. Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 9:30 a.m., 03/14/18**

### **3. Bob Foy Memorial Building Dedication, 5:30 p.m., 03/15/18**

### **4. San Joaquin Farm Bureau Foundation for Agricultural Education – 27<sup>th</sup> Annual Wine Tasting Event: Featuring a “Taste of San Joaquin County”, 6:00 p.m., 03/15/18**

5. Central Valley Project Water Association – Executive & Financial Affairs Committee, 10:00 a.m., 03/16/18
6. iHub of San Joaquin – 3<sup>rd</sup> Annual H2O Hackathon, 03/17/18
7. Agricultural Operations Committee Meeting, Noon, 03/19/18
8. Delta Water Users Association Annual Membership Meeting, 6:00 p.m., 03/21/18 (Tentative)

**J. REPORT OF THE COUNSEL**

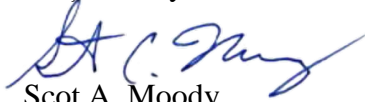
1. Closed Session - Existing Litigation  
Stockton East Water District vs. City of Stockton, et al.  
Government Code 54956.9 (a)

President McGurk adjourned the meeting to closed session at 1:05 p.m. to discuss closed session agenda items. All District staff, with the exception of Manager Moody was excused from the closed session meeting at 1:24 p.m. The regular meeting reconvened at 1:37 p.m., with no reportable action.

**K. ADJOURNMENT**

President McGurk adjourned the meeting at 1:38 p.m.

Respectfully submitted,



Scot A. Moody  
Secretary of the Board

tbc

