

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, JANUARY 8, 2019 AT 12:00 NOON

**A. PLEDGE OF ALLEGIANCE AND ROLL CALL**

President Panizza called the regular meeting to order at 12:23 p.m., and Director McGurk led the Pledge of Allegiance.

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

**B. CONSENT CALENDAR (None)**

**C. PUBLIC COMMENT**

Mike Callahan, San Joaquin County Department of Public Works introduced AmJad Masadeh, an Engineering student from the University of Pacific who is shadowing Mr. Callahan for the day to learn about water and flood controls.

**D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS**

1. Minutes 12/18/18 Regular Meeting

A motion was moved and seconded to approve the December 18, 2018 Regular Meeting Minutes, as presented.

Roll Call:

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

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the January 8, 2019 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

3. Warrants

- a. Fund 56 – Construction Fund
- b. Fund 68 – Municipal & Industrial Groundwater Fund
- c. Fund 70 – Administration Fund
- d. Fund 71 – Water Supply Fund
- e. Fund 91 – Vehicle Fund

- f. Fund 94 – Municipal & Industrial Fund
- g. Summary
- h. Short Names/Acronym List
- i. SEWD Vehicles & Heavy Equipment

Director Cortopassi inquired on the location of Duck Creek per multiple expenses listed on page 17. Manager Moody replied this specific location is near Director Sanguinetti's property. Assistant Manager Lee added the expenses were to pour a concrete pad where trash pulled from the canal can be placed until it is hauled away.

Manager Moody reported on the expense on page 17, line item 14 for Salazar Transportation Inc. to transport backhoe to Duck Creek-concrete slab installation in the amount of \$260.00, reporting when staff loaded the backhoe onto the trailer for hauling it broke the struts on the trailer.

Manager Moody reported on the expense on page 22, line item 26 for Overhead Door Co. of Stockton for parts and labor to repair Ops Basement roll-up door in the amount of \$608.00, reporting the springs on the roll-up door in the Basement had to be replaced. They were the original springs from 1977.

Manager Moody reported on the expense on page 19, line item 1 for American Truck & Trailer Body Co. for parts and labor for repair of Unit #56 in the amount of \$2,022.17, reporting the hoist motor on Unit #56 had to be replaced and load tested due to a wire burning up the motor.

Director Cortopassi inquired on the expense on page 22, line item 27 for PG&E 0908023195-5 for electricity 11/22/18-12/23/18 WTP east side feeder in the amount of \$15,323.64, inquiring if the District is seeing a decrease in cost from the solar panels. Assistant Manager Lee replied the panels are officially charged, but we will not see full impact for a few weeks.

Director Atkins inquired on the expense on page 21, line item 13 for Frank C. Alegre Trucking Inc. for delivery of 565.92 tons of class II AB in the amount of \$11,720.23. Manager Moody replied this delivery was for the levee along New Water Lane.

A motion was moved and seconded to approve the January 8, 2019 Warrants, as presented.

Roll Call:

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

4. Bond Presentation from Lender

Manager Moody reported staff initially received positive response from the lender in way of refinancing and staff shared term sheets with the Urban Contractors, to which, no negative responses were received.

Manager Moody reported on the afternoon of Friday, January 4<sup>th</sup> he was notified that the District's request for refinancing made its way to the executive level at the bank, where they

declined to refinance the District's bonds based on the District's current credit rating and the dollar amount to be refinanced.

Manager Moody reported staff is regrouping with Bond Counsel to determine if funds can be split to have a better chance with refinancing options. Manager Moody advised should this option work, the information will be brought to the Board at a later date.

5. United States Bureau of Reclamation – Response to 2019 Water Year Delivery Schedule Pursuant to Stockton East Water District Contract Number 4-07-20-W0329, East Side Division, Central Valley Project, California, 12/12/18

Manager Moody reported this letter is in response to the request the District sent to the United States Bureau of Reclamation (USBR) on October 9, 2018. The District has been initially approved for water deliveries from January through March 2019.

Manager Moody reported staff will be awaiting a follow-up letter in the next couple months that should advise the District's approval for water deliveries for the remainder of the year.

6. Tri-Dam Project – 2019 Budget Review

Manager Moody provided the Board with the Tri-Dam Project – 2019 Goodwin Dam Budget. President Panizza reported he, Directors Atkins and Cortopassi and staff met via conference call with Tri-Dam to discuss the 2019 Budget. President Panizza reported the Budget is generally static from year to year, unless there is a necessary upgrade or something unexpectedly occurs.

President Panizza reported there was not much of note other than the repair of the gate actuators on Goodwin Dam.

Director Atkins mentioned that Manager Moody inquired during the conference call who Tri-Dam was insured through. They responded that they are not members of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), but will do the research to see if they can get a better insurance premium by using them. Director McGurk inquired which insurance this is for. President Panizza replied it is for all insurance but the self-insured portion of the Dam itself.

A motion was moved and seconded to approve the 2019 Budget for the Tri-Dam Project – Goodwin Dam Budget, as presented.

Roll Call:

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

**E. COMMITTEE REPORTS (None)**

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

### **1. Water Supply Report as of 01/07/19**

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 154,823 AF in storage at New Hogan Reservoir. Current releases are set at 30 cfs. There is 1,798,471 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 218 cfs and release to all water users are set at 256 cfs. There are no irrigator(s) on New Hogan, New Melones or Out-of-District. The water treatment plant is currently processing 19 mgd. The City of Stockton is currently processing 13 mgd.

Director McGurk inquired what the drainage below New Hogan would be if the release is 30 cfs. Manager Moody replied it should be about equal. The U.S. Army Corps of Engineers will typically wait 3-4 days before they release water from the Reservoir after a storm.

Director Sanguinetti inquired on the Tainter Gate Project. Manager Moody replied the District is waiting to hear back from the letter that was sent last week.

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

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

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

- a. Stockton East Water District Activities Update  
Nothing to report.

## **G. DIRECTOR REPORTS**

### **1. Greater Stockton Chamber of Commerce Monthly Mixer – Heritage Dining & Provisions at the Waterloo Gun & Bocce Club, 01/03/19**

Manager Moody reported the date of this event was changed to Thursday, January 10, 2019.

## **H. COMMUNICATIONS**

### **1. U.S. Army Corps of Engineers – New Hogan Dam Infrastructure Improvements, 01/02/19**

Manager Moody provided the Board with correspondence mailed to the U.S. Army Corps of Engineers on January 2, 2019 regarding the New Hogan Dam Infrastructure Improvements. Manager Moody reported the correspondence is requesting the District be brought up to speed regarding their plans for the infrastructure improvement for the remainder of this year and next year. Director Cortopassi inquired if they are only working on one tainter gate. Manager Moody replied yes, as a test then they plan to work on two gates next year. This item was for information only.

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

### **1. Groundwater Sustainability Plan Advisory Committee (PAC) Meeting, 9:00 a.m., 01/09/19**

### **2. Cancelled – Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 10:30 a.m., 01/09/19**

3. Eastern San Joaquin Groundwater Authority Workgroup Meeting (SGMA Outreach Meeting), 4:00 p.m., 01/09/19
4. San Joaquin Farm Bureau Federation – Water Committee Meeting, 5:30 p.m., 01/14/19

**J. REPORT OF THE COUNSEL**

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Section 54956.9 (2 Cases)
2. Closed Session - Existing Litigation  
Central San Joaquin Water Conservation District  
vs. Stockton East Water District  
Government Code 54956.9 (a)
3. Closed Session - Potential Litigation  
Government Code 54956.9 (c) – one case
4. Closed Session – Personnel  
Government Code 54957

President Panizza adjourned the meeting to closed session at 12:51 p.m. to discuss closed session agenda items. District staff, with the exception to Manager Moody, were excused from the closed session meeting at 1:25 p.m. The regular meeting reconvened at 1:44 p.m., with the following reportable action:

A motion was moved and seconded for the Stockton East Water District to file suit against the State Water Resources Control Board challenging its adoption of an Amendment to the 2006 Sacramento San Joaquin River Bay-Delta Plan (Plan Amendment), and the accompanying Substitute Environmental Document (SED).

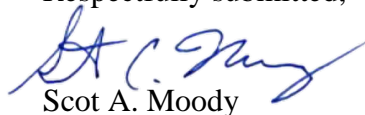
Roll Call:

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

**K. ADJOURNMENT**

President Panizza adjourned the meeting at 1:45 p.m.

Respectfully submitted,



Scot A. Moody  
Secretary of the Board

tbc

