

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, FEBRUARY 26, 2019 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Panizza called the regular meeting to order at 12:22 p.m., and Legal Counsel Zolezzi led the Pledge of Allegiance.

Present at roll call were Directors McGaughey, McGurk, Panizza and Watkins. Directors Atkins and Cortopassi were absent. Director Sanguinetti and Manager Moody were at the ACWA Washington, D.C. Conference. Also present were 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 (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 02/19/19 Regular Meeting

A motion was moved and seconded to approve the February 19, 2019 Regular Meeting Minutes, as presented.

Roll Call:

Ayes: McGaughey, McGurk, Panizza, Watkins

Nays: None

Abstain: None

Absent: Atkins, Cortopassi, Sanguinetti

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the February 26, 2019 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

Ayes: McGaughey, McGurk, Panizza, Watkins

Nays: None

Abstain: None

Absent: Atkins, Cortopassi, Sanguinetti

3. Tully Road Dam – Safety Enhancement

Assistant Manager Lee provided the Board with pictures of the safety enhancement at Tully Road Dam. Assistant Manager Lee reported after dam removal, staff came up with an idea for construction of steps and manufactured a removable ladder system. These steps provide more footing and allow staff members to walk past each other with less hazard.

Director Watkins inquired if this ladder system can be used at all dams. Assistant Manager Lee replied yes, it is retractable and can be used at additional dam locations. This item was for information only.

4. Dr. Joe Waidhofer Drinking Water Treatment Plant – Master Backwash Plug Valve Replacement

Assistant Manager Lee provided the Board with a Memo regarding the Master Backwash Plug Valve Replacement. Assistant Manager Lee reported the backwash valve regulates the flow of the backwash water flow rate to individual filters from the backwash pumps and the finished water clear well.

Assistant Manager Lee reported there have only been two valves; the original, which was installed with the Plant in 1974, and a replacement, which was installed in 2004 and has leaked from the beginning. Assistant Manager Lee reported staff attempted to replace the seal in 2005, but noticed severe rust/corrosion within the center shaft.

Assistant Manager Lee reported there is a steady stream of water that flows from the valve that empties into a bucket beneath the valve that staff empties daily.

Assistant Manager Lee reported staff is requesting to enter into contract with West Yost and Associates in an amount of \$32,281 for an assessment and design to replace the existing backwash valve. These efforts would require a 2-day shutdown of the Plant and backwash water for filters would be unavailable. Assistant Manager Lee reported the hope is to redesign for a smaller different type of valve, however, that would require hydraulic modeling.

Assistant Manager Lee reported a second option is to replace the valve with a similar plug valve or a different valve for ~\$70,000 with a 17-week lead-time plus the cost of installation.

President Panizza inquired what the lead-time is if the District were to work with West Yost and Associates. Assistant Manager Lee replied the work will be done by March 31st, the end of the District's Fiscal Year. Assistant Manager Lee added there was \$50,000 budgeted for valve repair this Fiscal Year, however, that may not stop the leak. Staff believes it could be a better use of money to have an engineer assess the equipment for a complete replacement.

Director McGurk inquired where the funds will come from if the Board approves working with West Yost and Associates and they recommend purchasing new equipment. Assistant Manager Lee reported the hope is to replace with a more common valve which should be cheaper and there will be funds in next year's budget for this item.

Director McGurk expressed his concerns for the Plant needing to shut down for 2-days for this project.

Director McGurk inquired if the Plant will still need to shut down if the Board chooses to purchase a valve and not have the equipment evaluated. Assistant Manager Lee replied yes, due to the weight of the valve there will be specific equipment needed to conduct the work which will cause a plant shut down.

Director Watkins expressed his opinion that the leak could be caused by a faulty valve given the District was able operate with the first valve for 30-years.

Director McGurk inquired if staff knows the brand name and origin of valve manufacturing for the original valve installed in 1974 and the current valve. Assistant Manager Lee replied the current plug valve is Milliken. The original valve information is unknown as it was not included in the plan sets.

Director Watkins inquired if there is a rush on this item. Assistant Manager Lee replied no.

A motion was moved and seconded to table the Dr. Joe Waidhofer Drinking Water Treatment Plant – Master Backwash Plug Valve Replacement item and bring back to the Board at the March 5, 2019 Regular Board Meeting. Staff should also bring additional information on the different valve brands.

Roll Call:

Ayes: McGaughey, McGurk, Panizza, Watkins

Nays: None

Abstain: None

Absent: Atkins, Cortopassi, Sanguinetti

5. Reclamation Announces The 2019 Water Supply Allocation For The Central Valley Project, USBR Mid-Pacific Region News Release, 02/20/19

Assistant Manager Lee provided the Board with a news release from the United States Bureau of Reclamation (USBR) regarding the announcement of the 2019 water supply allocation for the Central Valley Project. Assistant Manager Lee reported our region received 100% allocation. This item was for information only.

E. COMMITTEE REPORTS

1. Association of California Water Agencies Agriculture Committee Meeting, 02/20/19

Directors Sanguinetti and Watkins and Manager Moody attended the February 20, 2019 Association of California Water Agencies (ACWA) Agriculture Committee Meeting. Director Watkins reported there was not a lot of attendees; however, there were a number of people who teleconferenced in to the meeting. Director Watkins reported there was discussion on many topics, some of the longer discussion topics were the State Water Resources Control Board (SWRCB) Dredge and Fill/Waters of the State and groundwater recharge and replenishment. Under the dredge and fill/Waters of the State topic there was discussion on what it would take to be considered a wetland and how the state and federal regulations are contradicting each other. There was in-depth discussion on recharge and the SWRCB not relinquishing control over recharge. Director Watkins reported there was discussion on the 5-year exemption on accidental take for the state endangered species. It has been renewed every 5-years since its existence and is currently in the comment period of the renewal process. Legal Counsel Zolezzi reported Assemblymember Eggman recently introduced another bill for beneficial use, which would allow 5-year permits for recharge. Director McGurk inquired if these items will be discussed in other ACWA committees. Director Watkins replied yes, many of the issues are being worked through with other ACWA committees. Director McGurk inquired what the Cultivate California information was in reference to. Director Watkins reported it was Mike Wade's, California Farm Water Coalition, presentation on the new Consumer Education Program. Director Watkins reported there was discussion on a bill for fertilizer tax and safe drinking water. The bill would take payments from municipal drinking water and change it to a general fund, to allow fertilizer to be added to the tax. However, there

will be no coverage for contaminated water for growers. The ACWA southern California representatives stated they do not know if they can support an Ag exemption on the ESA Law, so ACWA will take a neutral position because of southern California's position. The next meeting is scheduled for May 7, 2019.

2. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 02/20/19

Director McGurk attended the February 20, 2019 San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting. Director McGurk reported there was an Election of Officers during the meeting and he was renewed as the Commission's Chairman. The Vice Chair and Secretary were also renewed. Director McGurk reported the March Commission meeting will be cancelled as it will overlap with the 2019 Flood Forum, which will be held on March 20th at the Dante Club in Sacramento. Director McGurk reported there was discussion on the recommendation of consultant services to remedy the \$2 million funding shortfall for the channel and levee maintenance services. There will be a Proposition 218 vote in October regarding funding for this maintenance. Director McGurk reported the City will be holding a protest vote in the Spring to raise the sewage fee to update the plant on Navy Drive. The County thought if both votes went out in spring they would both be denied, so they moved their Proposition 218 vote back to October. Director McGurk reported the County requested the Commission vote on hiring a consultant for the maintenance services and recommend their position to the Board of Supervisors. The Commission voted in favor of hiring a consultant. Director McGurk reported the Board of Supervisors will be hosting a water workshop in early April. The next meeting is scheduled for April 17, 2019.

3. Agricultural Operations Committee Meeting, 02/21/19

President Panizza advised this report will be brought back to the March 12, 2019 Regular Board Meeting as Directors Atkins, Cortopassi and Sanguinetti are absent.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 02/25/19

Assistant Manager Lee 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 189,719 AF in storage at New Hogan Reservoir. Current releases are set at 600 cfs. There is 2,003,891 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 1,505 cfs and release to all water users are set at 1,505 cfs. There are no irrigator(s) on New Hogan, New Melones or Out-of-District. The water treatment plant is currently processing 18 mgd. The City of Stockton is currently processing 7 mgd.

2. Information Items:

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

3. Report on General Manager Activities

a. Stockton East Water District Activities Update

Assistant Manager Lee reported Finance Director Vega participated in a conference call on February 21, 2019 for the Central Valley Project (CVP) final cost allocation study.

Finance Director Vega reported the USBR has been working on this study since 2010; the last study performed was in 1975. There was discussion on the broad aspects of the study and contractors have 90-days to provide responses from its release date on January 17, 2019. Finance Director Vega reported, as it stands without comments, the final cost allocation would decrease irrigation construction obligations by \$66 million, would increase M&I obligations by \$16 million, and would decrease commercial power obligations by \$33 million. This would increase taxable reimbursement from federal taxes by \$83 million. As it stands right now, it would be good for irrigation and power. Finance Director Vega reported there are some comments to change how the study is done. Western Area Power Administration (WAPA) wants a methodology used that would benefit them, assuming they will follow-up with a written response. USBR is trying to finalize the study this year to have in place for payment by 2030.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin Farm Bureau Federation – Water Committee Meeting, 5:30 p.m., 02/26/19

J. REPORT OF THE COUNSEL

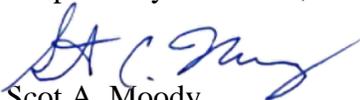
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – two cases

President Panizza adjourned the meeting to closed session at 1:17 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:01 p.m., with no reportable action.

K. ADJOURNMENT

President Panizza adjourned the meeting at 2:02 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

