

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, APRIL 17, 2018 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President McGurk called the regular meeting to order at 12:26 p.m., and Legal Counsel Zolezzi led the Pledge of Allegiance.

Present at roll call were Directors Cortopassi, McGaughey, McGurk and Panizza. Directors Atkins, Sanguinetti and Watkins and Manager Moody were in Washington D.C. for the San Joaquin Council of Governments One Voice Trip. were absent. Also present were Assistant Manager Johnson, District Engineer Lee, Finance Director Vega, Administrative Services Manager Carido, Administrative Clerk Curtis and Legal Counsel Zolezzi and Consultant Barkett.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 04/10/18 Regular Meeting

A motion was moved and seconded to approve the April 10, 2018 Regular Meeting Minutes, as presented.

Roll Call:

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

2. Warrants

- a. Fund 68 – Municipal & Industrial Groundwater Fund
- b. Fund 70 – Administration Fund
- c. Fund 71 – Water Supply Fund
- d. Fund 91 – Vehicle Fund
- e. Fund 94 – Municipal & Industrial Fund
- f. Payroll
- g. Summary
- h. Short Names/Acronym List
- i. SEWD Vehicles & Equipment

Director Cortopassi inquired on the expense on page 9, line item 17 for Yosemite Ag Solutions for grind brush piles & spread along area at Escalon Bellota & Hwy-26 in the amount of \$10,750.00. Assistant Manager Johnson replied there were several brush and debris piles that have built up over the years. Yosemite Ag Solutions ground the piles and spread them across the land.

A motion was moved and seconded to approve the April 17, 2018 Warrants, as presented.

Roll Call:

Ayes: Cortopassi, McGaughey, McGurk, Panizza

Nayes: None
Abstain: None
Absent: Atkins, Sanguinetti, Watkins

3. Resolution No. 18-19-01 – Amending Resolution No. 01-02-18 Relating to Board and District Procedures and Organization

Assistant Manager Johnson provided the Board with Resolution No. 18-19-01 – Amending Resolution No. 01-02-18 Relating to Board and District Procedures and Organization. Assistant Manager Johnson reported paragraph “D” was added to the resolution, which states, in the case where an unexpected lack of a quorum should exist at a public meeting where warrants are being considered for payment, the Board President may approve payment of the warrants. If the Board President is unavailable, the Board Vice President may approve the warrants instead.

Director Panizza inquired what would dictate an unexpected lack of quorum. Assistant Manager Johnson replied in the event only four Directors were expected to attend a Regular Board Meeting and someone called in sick, there would be a lack of quorum and the warrants would go unapproved for an additional two weeks. This change would allow the Board President to approve the warrants and allow the administrative payment process to proceed.

Director Panizza advised the Board likes to review the warrants, if this were to be adopted, it would only allow for a few members to see the warrants prior to approval. Director Cortopassi agreed with Director Panizza and inquired what prompted this change. Assistant Manager Johnson replied nothing has happened, this is an effort of staff being proactive in the event this were to occur and there were warrants that needed to be paid on a timely basis.

Director McGaughey inquired if the District has established a mailing fee for Board Agenda Packets as is stated in the original resolution. Assistant Manager Johnson replied no fee has been established.

Director Cortopassi advised tabling this item and bring back to the Board for consideration and approval once the other Board members have returned from their One Voice Trip.

4. City of Stockton Economic Development Department – Master Agreement for Taxing Entity Compensation

Assistant Manager Johnson provided the Board with information on the Master Agreement for Taxing Entity Compensation from the City of Stockton Economic Development Department. Assistant Manager Johnson reported the Board approved Manager Moody to sign the agreement at the August 8, 2017 Regular Board Meeting. All signatures from taxing entities have been received, this is now a fully executed agreement.

Assistant Manager Johnson reported after Assembly Bills x1 26 and 1484 (Dissolution Law) dissolving all California redevelopment agencies Boards were enacted to determine dissolution strategies. Assistant Manager Johnson reported as the City has recently received six properties as the Successor Agency and are now required to enter into a compensation agreement with the taxing entities that receive a share of the property taxes, of which, the District is a taxing entity.

Assistant Manager Johnson as the properties are sold, the net proceeds will be remitted to the San Joaquin County Auditor-Controller for disbursement to the taxing entities in accordance with each taxing entity’s prorated share of the property.

Director Cortopassi inquired if the agreement means that the District will receive its predetermined percentage if properties sell. Assistant Manager Johnson replied yes, the District would receive 0.30% of the proceeds if we have a share in the property sold. This item was for information only.

5. Irrigation Season Update

Assistant Manager Johnson provided the Board with an update on the District's Irrigation Season. Assistant Manager Johnson reported McGurk Dam was successfully completed Monday, April 16th. Staff is currently preparing all items for the Bellota Weir today and will install the Bellota Weir on Wednesday, April 18th, then will be moving downstream with all installations.

E. COMMITTEE REPORTS

1. Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 04/11/18
Director Panizza and Manager Moody attended the April 11, 2018 Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority (JPA) Meeting. Director Panizza reported there was discussion on when the Advisory Committee should convene. By vote, it was decided to hold the Advisory Committee meeting prior to the JPA Meeting. The Advisory Committee will meet between 9:30 a.m. – 10:30 a.m. and the JPA will meet directly following from 11:00 a.m. – 12:00 Noon. Director Panizza reported there was discussion on the City of Lathrop's desire to disconnect from this water basin and connect to the less critically over-drafted basin in Tracy. The City of Lathrop's main argument for the proposed switch is Tracy's basin is not as critically over-drafted. This would allow the City of Lathrop a couple more years before they have to begin to comply with new regulations and would be less expensive. Director Panizza reported the City of Lathrop is currently split in the center by Interstate-5, with part of the city lying in the Eastern San Joaquin Sub-basin and the other portion in the Tracy Sub-basin. Director Panizza reported the City of Lathrop has six municipal wells, all of which reside in the Eastern San Joaquin Sub-basin, they also have a contract with South San Joaquin Irrigation District (SSJID) for surface water. The City of Lathrop will be conducting outreach with other agencies within our GSP to allow them to make the switch. Director Panizza reported, as of yet, the City of Lathrop has not received any letters in support of this switch. Director Panizza reported the City of Lathrop offered to pay their share of the costs of the Groundwater Sustainability Plan (GSP) for the first couple of years, even if they were to not be a part of it any longer. Director Panizza reported he spoke in opposition of this split to the JPA group. This topic will be brought back to the JPA for further discussion.

President McGurk inquired what would happen with the City of Lathrop's wells that are located in the Eastern San Joaquin Sub-basin. Director Panizza replied most of the recharge is going to occur when they take over a portion of the Army Depot and they intend on using existing facilities for recharge. They indicated they would be taking some commercial wells with them, but not sure how many domestic wells. Director Panizza reported the City of Lathrop will submit a letter to the State asking to be detached from the San Joaquin County Groundwater Sustainability Agency (GSA) and added to Tracy's. Other agencies can send in letters of objection, which will be reviewed by State staff. Director McGaughey inquired what the likelihood is of this split happening. Director Panizza replied it is unclear, but generally speaking, most of these requests are approved. Brandon Nakagawa added there have only been a couple denied, one of note being the Omochumne-Hartnell Water District that was split by the Consumnes River. Legal Counsel Zolezzi added if there is a protest, the Department of Water Resources (DWR) is more likely not to grant the split. Any oppositions should be put on record with the DWR.

Mr. Nakagawa commented that the City of Lathrop's potential exit should not affect the current process too much. Staff will recalculate with or without the City of Lathrop. It is known there is a

deficit and water needs to be put in the ground, and a decision needs to be made about the City of Lathrop so staff can move forward with the process. President McGurk inquired how likely it is for recharge to happen. Mr. Nakagawa replied the Eastern San Joaquin Sub-basin is projected to pump 8,672,950 AF per year; the City of Lathrop is only 0.4% of that. Staff would recalculate the figures and move forward.

Director Panizza inquired if there is a deadline for the City of Lathrop's submission. Mr. Nakagawa replied the deadline for submissions to the DWR will be sometime in June. The deadline is followed by a 30-day comment period for agencies to weigh on formally. Director Panizza suggested the Board may want to consider formally opposing the City of Lathrop's exit.

Mel Lytle, City of Stockton reported the City of Stockton is currently not taking a position on the City of Lathrop's switch to the Tracy Sub-basin. The concern is, would the City of Lathrop be creating a precedence for others to come after. Additionally, other agencies that border other basins may also want to switch. Mr. Lytle also mentioned the City of Lathrop's historic use of water should be evaluated for what the historic effect has been on the basin. The next meeting is scheduled for May 9, 2018.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 04/16/18

Assistant Manager Johnson 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 221,128 AF in storage at New Hogan Reservoir. Current releases are set at 23 cfs. There is 2,060,079 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 1,516 cfs and release to all water users are set at 2,047 cfs. The water treatment plant is currently processing 16 mgd. The City of Stockton is currently processing 13 mgd.

2. Information Items:

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

3. Report on General Manager Activities

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Advisory Commission Meeting, 1:00 p.m., 04/18/18

2. Central Valley Project Water Association – Executive & Financial Affairs Committee, 10:00 a.m., 04/20/18 [*This meeting has been cancelled*]

3. 29th Annual City of Stockton Earth Day Festival – Victory Park, 11:00 a.m., 04/22/18

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 1:15 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:45 p.m., with no reportable action.

K. ADJOURNMENT

President McGurk adjourned the meeting at 1:46 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

