

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, JUNE 26, 2018 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President McGurk called the regular meeting to order at 12:21 p.m., and Legal Counsel Zolezzi led the Pledge of Allegiance.

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

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

Danny Trejo, City of Stockton introduced himself as the new Water Resources Program Manager III who will be working with Mel Lytle.

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 06/19/18 Regular Meeting

Director Panizza made the following correction to the minutes:

- Page 4, section D-8, 9th paragraph, 2nd sentence – add “of the purchase of the Bozzano Property” if the District were to store water underground “and how this would benefit them.”
- Page 4, section D-8, 9th paragraph, 2nd sentence – strike “about how this would benefit them,”

A motion was moved and seconded to approve the June 19, 2018 Regular Meeting Minutes, as amended.

Roll Call:

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

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. Summary
- g. Short Names/Acronym List
- h. SEWD Vehicles & Equipment

Manager Moody reported on the expense on page 8, line item 4 for Central Valley Project Water Association for share CVPWA litigation costs for SWRCB fees-03/01/17-03/30/18 in the amount of \$1,365.73. Manager Moody reported this cost is for litigation against the State for water rights fees. Manager Moody queried the Board on interest to continue pursuing litigation efforts with CVPWA. Board consensus is to stay with the Central Valley Project Water Association.

Director Atkins inquired on the expense on page 15, line item 14 for Energy Systems for filters and belts to service High Service emergency generator in the amount of \$1,453.68. Manager Moody reported this expense was for in-house maintenance to change the oil and filters. An outside vendor performs load tests on the equipment annually.

Director Atkins inquired on the expense on page 15, line item 23 for Grainger, Inc. for grease gun for shop inventory in the amount of \$106.11. Director Atkins suggested naming this expense to pneumatic grease gun.

Manager Moody reported on the expense on page 16, line items 27 & 28 for Holt of CA for rental of dump truck for sludge pond clean up in the amount of \$5,954.75 and rental of loader for sludge pond clean up in the amount of \$4,535.82. Manager Moody reported due to late dam installation staff rented an additional dump truck to speed up the sludge removal process and the loader to assist as there is more sludge than there has previously been due to the chemicals the Treatment Plant has been using.

A motion was moved and seconded to approve the June 26, 2018 Warrants, as presented.

Roll Call:

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

3. Central San Joaquin Water Conservation District Discussion

Director Watkins inquired if the District installed a dam for the upstream user. Manager Moody replied no.

President McGurk inquired if the District has received all financial information from CSJWCD. Manager Moody replied yes and they have ours. We are currently waiting for both entities to review and then schedule another meeting. This item was for information only.

4. Resolution No. 18-19-02 – Adopting Appropriations Limit for Fiscal Year 2018-2019

Manager Moody provided the Board with Resolution No. 18-19-02 – Adopting Appropriations Limit for Fiscal Year 2018-2019. Manager Moody reported this is brought before the Board for consideration and approval annually.

A motion was moved and seconded to approve Resolution No. 18-19-02 – Adopting Appropriations Limit for Fiscal Year 2018-2019.

Roll Call:

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

Nayes: None
Abstain: None
Absent: None

5. Conflict of Interest Code – 2018 Multi-County Agency Biennial Notice

a. Stockton East Water District

Manager Moody provided the Board with a handout on the Stockton East Water District Conflict of Interest Code for 2018. Manager Moody reported there are no changes since the last submittal, however, the Board must review and approve it biannually for compliance purposes.

b. Eastern Water Alliance

Manager Moody provided the Board with information on the Eastern Water Alliance (EWA) Conflict of Interest Code for 2018.

A motion was moved and seconded to approve the Stockton East Water District Conflict of Interest Code for 2018 and the Eastern Water Alliance Conflict of Interest Code for 2018, as presented.

Roll Call:

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

6. Discussion Regarding Budget Transfer Request

Manager Moody provided the Board with a budget transfer request for the Raw Water Reliability and Improvement Project. Manager Moody reported staff is requesting the Board approve a budget transfer moving funds from Fund 89 to Fun 94 to fund the Raw Water Reliability and Improvement Project

A motion was moved and seconded to approve a Budget Transfer in the amount of \$3,546,440 from Account 10-1120-0: Bellota Fish Screen Project Fund to Account 10-5323-0: Maintenance and Repair – Treatment Plant increasing the Maintenance and Repair – Treatment Plant Budget to a total amount of \$5,266,440, as presented.

Roll Call:

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

7. Potential Surface Water Users – New Hogan & New Melones Systems

Manager Moody provided the Board with information on the Potential Surface Water Users on the New Hogan & New Melones Systems. Manager Moody reported staff started looking at the conveyance system and identified parcels that either have or could potentially have access to surface water. Staff only evaluated landowners who own parcels that abut the conveyance system. This would be a snapshot as to how many potential users the District could convert to surface water use.

Manager Moody reported if the New Hogan groundwater users were converted to surface water, the District could potentially supply 21, 564 of irrigated acres for surface water and 21, 277 irrigated acres of surface water for New Melones water users.

Manager Moody reported this is encouraging information because surface water users could be picked up without spending millions of dollars to install a new conveyance system.

Director Cortopassi inquired on the structure of the maps provided. Manager Moody replied the green data are users pumping groundwater and the blue data represents users pumping surface water.

Legal Counsel Zolezzi inquired on New Melones, how many of the water users are in District. District Engineer Lee replied pages 43 & 44 identifies those out of District parcels.

President McGurk suggested adding a category to the list identifying the number of users the District was successful in converting. President McGurk inquired if the District were to convert could we deliver all necessary water. Manager Moody replied yes, however, the issue is two-fold. Both the drought and unimpaired flows need to be considered. The biggest gain would be on the New Melones side as most of those users are out of District.

Director Watkins suggested looking at incentives for surface water use and the Department of Fish & Game for permitting purposes. Manager Moody replied hopefully as a basin group we could help with offering incentives. Manager Moody added this is worthy of a presentation at the SGMA group level.

Legal Counsel Zolezzi suggested adding a column for estimated acre-feet. Manager Moody replied staff will add this information.

Director Watkins suggested staff and interested Board members take a tour of South San Joaquin Irrigation District's system and look at their pressurized lines and inquire how the growers are using it and how efficient it is.

Legal Counsel Zolezzi suggested changing the color of the boundary lines or specify the GSA boundaries to make a distinction of Linden's location.

Manager Moody reported this information is currently being fed into the GSP planning process. President McGurk replied he would prefer the District was working on this simultaneously and not waiting for the GSP to be finished.

Director Watkins advised the Agricultural Operations Committee will need to convene to determine incentives and funding. Legal Counsel Zolezzi added staff should come up with recommendations for the Committee and Board.

Manager Moody reported this will be brought to the Agricultural Operations Committee Chairman to determine the next steps. This item was for information only.

E. COMMITTEE REPORTS

1. Groundwater Sustainability Plan Advisory Committee (PAC) Meeting, 06/13/18
Manager Moody attended the June 13, 2018 Groundwater Sustainability Plan Advisory Committee (PAC) Meeting. Manager Moody reported there was discussion on baseline data and looking at the threshold minimums and undesirable results for sustainability indicators. Manager Moody reported Groundwater Sustainability Agencies (GSAs) have the ability to note that the sustainability indicators are not applicable to that GSA, however, they must justify the inapplicability. There was discussion on determining what benchmark the Committee will hold themselves to, either the 1992 drought or the 2015 drought. Manager Moody reported the model has been populated now the thresholds will be determined. The next meeting is scheduled for July 11, 2018.
2. Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 06/13/18
Directors Panizza and Watkins and Manager Moody attended the June 13, 2018 Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting. Director Panizza reported there was a presentation provided by RD38 Staten Island to discuss breaking off and forming their own water area. Director Panizza reported the Board approved this as their use of groundwater is entirely different in their area than the groundwater aquifer issues seen in this area. The Reclamation's removal from this GSA will not affect anyone in the County. Director Panizza reported the Board approved the 2018-19 budget. The next meeting is scheduled for July 11, 2018.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 06/25/18
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 201,380 AF in storage at New Hogan Reservoir. Current releases are set at 193 cfs. There is 1,914,400 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 428 cfs and release to all water users are set at 1,743 cfs. There are currently 13 irrigators on New Hogan, 5 irrigators on New Melones and 1 Out-of-District irrigators. The water treatment plant is currently processing 34 mgd. The City of Stockton is currently processing 27 mgd.
2. Information Items:
Manager Moody noted items: F2a-1, F2a-2, F2a-3 and F2a-4.
3. Report on General Manager Activities
Manager Moody provided the Board with a handout from San Joaquin County requesting support for the City of Brentwood's Basin Boundary Modification. Manager Moody reported he is unsure why the County is requesting support as the City of Brentwood is not part of this basin. Manager Moody reported he recommends replying to the County and advising, as the City of Brentwood is not part of this basin the District chooses not to respond.

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., 06/26/18
2. Greater Stockton Chamber of Commerce – Annual Installation and Awards Dinner, 6:00 p.m., 06/28/18
3. ACWA State Legislative Committee Meeting, 10:00 a.m., 06/29/18

J. REPORT OF THE COUNSEL

1. Closed Session: REAL PROPERTY – GOVERNMENT CODE
SECTION 54956.9 – Property: Water Rights
Agency Negotiator: Scot A. Moody /Karna E. Harrigfeld
Negotiating Parties: Oakdale Irrigation District/South San Joaquin Irrigation District
Under Negotiation: Water Transfer

President McGurk adjourned the meeting to closed session at 1:28 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:52 p.m., with no reportable action.

K. ADJOURNMENT

President McGurk adjourned the meeting at 1:53 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

