

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, SEPTEMBER 11, 2018 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

Vice 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 Atkins, Cortopassi, McGaughey, Panizza, Sanguinetti and Watkins. Director McGurk was absent. Also present were Finance Director Vega, District Engineer Lee, Administrative Services Manager Carido, Administrative Clerk Curtis and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 09/04/18 Regular Meeting

A motion was moved and seconded to approve the September 4, 2018 Regular Meeting Minutes, as presented.

Roll Call:

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

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the September 11, 2018 Warrants, as presented.

Roll Call:

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

3. Central San Joaquin Water Conservation District Discussion

Ray Lial, CSJWCD customer reported CSJWCD customers are pushing their Board to keep moving forward with SEWD regarding merger discussions. Director Panizza replied the AD HOC Committees from both Districts have decided to meet every two weeks to continue discussions.

Mr. Lial reported CSJWCD seems to have a positive outlook on the discussions. He also inquired what SEWD’s outlook is. Director Panizza replied currently the most trouble would be confirming numbers and adjustments from other governmental agencies. Everyone is putting their best effort forward.

Director Panizza thanked Mr. Lial for his input.

4. Stockton Area Water Suppliers (SAWS) Education Program Annual Report – 2017-2018 School Year (Presentation by Water Conservation Coordinator Kristin Coon)
Water Conservation Coordinator Coon presented the SAWS Education Program Annual Report for the 2017-2018 School Year to the Board. Water Conservation Coordinator Coon provided a handout of the Annual Report and gave an overview that included; Report Summary, Full Report, Program Statistics and Feedback. Water Conservation Coordinator Coon reported the Program visited 66 Stockton area schools/event venues, presenting or staffing a booth in 354 classrooms/events for 22,538 students and citizens.

Water Conservation Coordinator Coon reported the SAWS Program is entering its 15th year in Stockton under the guidance of Water Conservation Coordinator Coon.

Water Conservation Coordinator Coon reported the SAWS group was a principal sponsor of Stockton's Earth Day Festival held at Victory Park, which was a successful event for the group as they were able to connect with people who were interested in where their water comes from and the water process.

Water Conservation Coordinator Coon reported the Program mainly focuses on grades K – 5th/6th as the content is most effective for students in this age bracket.

Water Conservation Coordinator Coon reported this school year was better than last as she had three (3) full time presenters. In addition to classroom visits the Program also participates in Ag Venture and the Children's Festival. Water Conservation Coordinator Coon reported the Program visits the Ag Ventures in South County, Stockton and Lodi. Between these three locations, every 3rd grader in San Joaquin County is able to attend.

Water Conservation Coordinator Coon reported Zun Zun is an environmental troop based out of Santa Cruz, California that provides assemblies on a variety of topics, such as; drought, water conservation, watershed protection, water reclamation and water pollution. Water Conservation Coordinator Coon reported Zun Zun was able to perform at 5 schools in the Stockton area, which reached 2,725 students and 136 teachers.

Water Conservation Coordinator Coon reported she also participates in Lincoln High School's "Window on Your Future" career path development event. This event consists of mock interviews and allows the students to discuss different career paths.

Water Conservation Coordinator Coon reported other events the Program participated in were: Stockton First Five Parent Club; Stockton's Black Family Day; Stockton Rotary Read-In; San Joaquin UC Master Gardeners Event and the Bear Creek Community Church Summer Day Camp.

Water Conservation Coordinator Coon reported she attends seminars sponsored by the Department of Water Resources twice a year with water educators from around California. This year the seminars were held in Calabasas and Santa Cruz.

Water Conservation Coordinator Coon reported the "Conservation Cottage" exhibit at the Children's Museum of Stockton was funded by a Department of Water Resources (DWR)

Water Use Efficiency grant in 2005. The exhibit is 13 years old and starting to show its age. Water Conservation Coordinator Coon reported the Children's Museum Coordinator plans to work with DWR to add another component to the exhibit in the coming year.

Water Conservation Coordinator Coon reported not all schools have funding to take field trips, but the activities this Program puts on in the schools allows the field trip to be brought to the students. The Program teaches students about gravity and where the water comes from and where it goes once it leaves their homes.

Water Conservation Coordinator Coon reported some schools schedule tours of the Plant which are extremely educational. However, not all schools can afford a bus for a field trip to the Plant or have enough volunteers to coordinate driving the students. Water Conservation Coordinator Coon reported she has applied for educational grants to pay for bussing students to the Plant for tours.

Water Conservation Coordinator Coon thanked the Board for their time and support.

5. United States Department of the Interior – Fiscal Year 2017 Central Valley Project Contractor Annual Accounting Analysis for Irrigation and Municipal and Industrial Water
District Engineer Lee provided the Board information from the United States Department of the Interior (USBR) regarding the Fiscal Year 2017 Central Valley Project Contractor Annual Accounting Analysis for Irrigation and Municipal and Industrial Water. Finance Director Vega reported this is the annual accounting analysis from the USBR.

Finance Director Vega reported Part-1 of the accounting analysis are charges that are broken down in 3 categories, which are: Water Charges (Contract Rate *A/F), Contractor Allocated O&M Expenses – FY 2017 and Contractor Cost Recovery – FY 2017. Overall the charges for the year were \$521,308.48, which includes irrigation.

Finance Director Vega reported Part-2 shows the payments that the District made to the USBR. The payments were matched against the charges, which in turn, resulted in overpayments shown on the analysis. The USBR explains in the correspondence that overpayments indicate that water charges were paid as required by the provisions of the contract. Finance Director Vega further explained that certain overpayments may be either refunded or applied to future charges while others may only be applied to future charges.

Director Panizza inquired specifically on the overpayment of the Central Valley Project Improvement Act (CVPIA) and Trinity Public Utilities District (TPUD) portion of the billing analysis. if the District is overbilled every year. Finance Director Vega reported ~~no~~, the contract states we must pay 2-months in advance, which the analysis shows as overpayments. Director Panizza inquired if the District would be in violation of the contract if they paid less than typically paid. Legal Counsel Zolezzi confirmed ~~replied~~ technically, yes.

Director Cortopassi inquired if the \$552,055.00 amount paid under Water Charges (IRR) is a bill. Finance Director Vega replied no, it is what the District paid based on the estimated amount of water the District assumed would be used each month. The District provided advanced payments based on estimated use.

Director Cortopassi inquired what the charges are for. Finance Director Vega replied the charges are based on USBR rates and the amount of water the District actually received, not the estimated amount.

Director Cortopassi inquired why we are asking for more water than we are using. Legal Counsel Zolezzi replied the District does not know how much it will use in a water year and if we ask for less water, we cannot increase that amount. It is better to ask for the maximum amount and be refunded or credited at the end of the year. This item was for information only.

E. COMMITTEE REPORTS

1. San Joaquin County & Delta Water Quality Coalition Meeting, 09/10/18

Director Atkins attended the September 10, 2018 San Joaquin County & Delta Water Quality Coalition Meeting. Director Atkins reported there was discussion on the Financial Report, Membership and the Program Manager's Report. As far as Membership, not all farmers have complete their Farm Management Plans. There are ~300 outstanding, which is inclusive of ~800 parcels. A final letter will be sent to the landowners with outstanding reports by September 12th. If the reports are not completed in the period of time disclosed in the letter, the Regional Board will start fining landowners. Director Atkins reported under the Program Manager's Report, recent sampling was conducted, nothing new has been found. There were no results from the last report in July ran in July. They are worried about E. Coli in streams from animals and the homeless population living along the water. Director Atkins reported there was discussion on Norman's Nursey as they have been conducting tests on nitrogen and have monitoring wells that are 10-feet deep. Director Atkins reported there will be a Delta Regional Monitoring Program Meeting on Thursday, September 13th. And discussion on CV Salts implementing a Nitrogen Management Plan that could make their costs rise. The next meeting is scheduled for October 8, 2018.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 09/10/18

District Engineer 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 168,479 AF in storage at New Hogan Reservoir. Current releases are set at 150 cfs. There is 1,809,909 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 303 cfs and release to all water users are set at 1,211 cfs. There are currently 11 irrigators on New Hogan, 1 irrigators on New Melones and 1 Out-of-District irrigator(s). The water treatment plant is currently processing 32 mgd. The City of Stockton is currently processing 26 mgd.

2. Information Items:

District Engineer Lee noted items: F2a-1, F2a-2, F2a-3, F2a-4 and F2a-5.

3. Report on General Manager Activities

G. DIRECTOR REPORTS

1. Greater Stockton Chamber of Commerce Monthly Mixer – Somerford Place, 09/06/18

Nothing to report.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. Groundwater Sustainability Plan Advisory Committee (PAC) Meeting, 9:00 a.m., 09/12/18
2. Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 10:30 a.m., 09/12/18
3. Association of California Water Agencies Agriculture Committee Meeting, Willows, California, 1:00 p.m., 09/12/18
4. Greater Stockton Chamber of Commerce – 54th Annual Industrial Technology Barbeque, 5:00 p.m., 09/12/18

J. REPORT OF THE COUNSEL

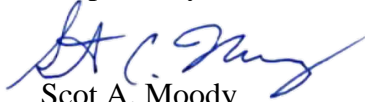
1. Closed Session - Existing Litigation
Central San Joaquin Water Conservation District
vs. Stockton East Water District
Government Code 54956.9 (a)
2. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case

Vice President Panizza adjourned the meeting to closed session at 1:16 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:50 p.m., with no reportable action.

K. ADJOURNMENT

Vice President Panizza adjourned the meeting at 1:51 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

