

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, JULY 16, 2019 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Panizza called the regular meeting to order at 12:25 p.m., and Director Atkins 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 Manager Moody, Assistant Manager Lee, Finance Director Vega, Administrative Services Manager Carido, Administrative Assistant Curtis and Legal Counsel Harrigfeld.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 07/09/19 Regular Meeting

A motion was moved and seconded to approve the July 9, 2019 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 July 16, 2019 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGurk

3. Pacific Gas & Electric Company – Rates & Solar Savings Discussion

Manager Moody provided the Board with information on Rates & Solar Savings Discussion Pacific Gas & Electric Company (PG&E). Manager Moody reported when the solar project was turned on, PG&E begun charging the District a “Generation Charge”. Staff has been attempting to make contact with PG&E to get answers on this new charge, but have not had too much success at this point. Manager Moody reported Onyx Renewables (Onyx) is also helping District staff work through this unexpected charge with PG&E.

Manager Moody reported the District is still saving a significant amount of money this year, ~\$200,000 per year. However, when the District signed the agreement for this project, the saving

was around \$325,000 per year. The concerns would be; what is this charge, why is the District being charged and is this charge being applied fairly across all industries with solar.

Manager Moody reported he wanted to make the Board aware of this charge now and will continue to keep them in the loop, as more information is available.

Director Watkins inquired if there is a clause in the agreement between the District and Onyx about guaranteed savings and Onyx covering any other costs that arise to ensure we receive all savings. Manager Moody replied staff will look into the contract again and discuss with Onyx.

Director Watkins suggested Manager Moody reach out to Dylan George, Government Relations Representative at PG&E about this issue. Mr. George attends the One Voice Trip with District attendees annually.

Director Atkins inquired if staff has reached out to other entities with solar. Staff is hoping to find other customers, comparable to the District who have solar and who have experienced this same billing practice.

Director Cortopassi suggested staff speak with an energy consultant who might be able to explain this information. Manager Moody replied he is the Board President for Lathrop Irrigation District and inquired with their Engineer, who is also an energy consultant, and their General Manager and neither of them were familiar with the charge.

Director Watkins inquired if there was a bill submitted with this statement, as his understanding is solar is a yearly billing. Assistant Manager Lee replied the District has been paying monthly charges to PG&E. This item was for information only.

E. COMMITTEE REPORTS

1. Groundwater Sustainability Plan Advisory Committee (PAC) Meeting, 07/10/19
Manager Moody and Assistant Manager Lee attended the July 10, 2019 Groundwater Sustainability Plan Advisory Committee (PAC) Meeting. Manager Moody reported there was discussion of the Ad Hoc Committee that Director Watkins is seated on. Legal Counsel Harrigfeld inquired if the Ad Hoc Committee meetings are led by a Consultant like the PAC. Director Watkins replied yes, they have been so far. Manager Moody reported there was a discussion on how each GSA will approve the GSP when the time comes. There was a discussion that the best way to vote would be for each GSA Board give authority to their JPA Board Member to vote on their behalf. Manager Moody reported there was discussion on inter-basin coordination and whether the JPA Board should pursue grant funding. The next meeting is scheduled for August 14, 2019.
2. Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 07/10/19
Director Watkins and Manager Moody and Assistant Manager Lee attended the July 10, 2019 Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting. Director Watkins reported there was discussion on the comments received on the draft GSP. The comments focused on minimum depth-to-water requirement for groundwater level minimum thresholds; use of municipal wells in criteria for groundwater level minimum thresholds for municipalities; user of isocontour line for seawater intrusion measureable objective and updates to monitoring network. There was discussion on the Proposition 68 application. Manager Moody

reported DWR has 2-years to review and approve the GSP; however, the annual report is due within 60-days after its first submission. Manager Moody reported he has called ACWA and spoke to this report deadline at the ACWA State Legislative Committee meeting, to see if ACWA can help try to delay the date the report is due. President Panizza inquired if there was discussion on hiring a Plan Manager. Manager Moody reported the Committee did not make it to that item of the agenda. The next meeting is scheduled for August 14, 2019.

3. Eastern San Joaquin Groundwater Authority Workgroup Meeting (SGMA Outreach Meeting), 07/10/19
This meeting was cancelled.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 07/15/19

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 192,654 AF in storage at New Hogan Reservoir. Current releases are set at 327 cfs. There is 2,201,816 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 2,047 cfs and release to all water users are set at 3,606 cfs. There are 14 irrigator(s) on New Hogan, 4 irrigator(s) on New Melones and 1 irrigator(s) Out-of-District. The water treatment plant is currently processing 35 mgd. The City of Stockton is currently processing 26 mgd.

2. Information Items:

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

3. Report on General Manager Activities

- a. ACWA State Legislative Committee Meeting, 07/12/19

Manager Moody attended the July 12, 2019 ACWA State Legislative Committee Meeting. Manager Moody reported he was asked to participate on the nomination committee in relief of Director Atkins. There was discussion on polyfluoroalkyl substances (PFAS), which are minute particles and a form of “Teflon”. There are thousands of different known forms, however, currently, it is only known how to identify and test for 12 of them. The SWRCB is pushing fast to require agencies to test for PFAS. ACWA is pushing back on this as only 12 of them can be identified at this point. Manager Moody reported there was a lot of congratulating in the room for the Safe Drinking Water tax being opposed. The next meeting is scheduled for August 23, 2019.

- b. Stockton East Water District Activities Update

Manager Moody reminded the Board he will be on vacation the week of July 22nd.

G. DIRECTOR REPORTS

1. South San Joaquin Irrigation District Pressurized System Tour, 07/11/19

Directors McGurk, Watkins, Manager Moody and Assistant Manager Lee took a tour of South San Joaquin Irrigation District’s (SSJID) Pressurized System on July 11, 2019. Manager Moody reported it was a nice, yet expensive system. SSJID admitted that it does not pencil out to have a pressurized system. Director Atkins inquired what their pressure is. Manager Moody replied 60psi. Director Watkins reported they said if they had to redesign their system they would make

it in the 20-gallon per acre per minute range. SSJID has received positive feedback from their growers on the system. Director Watkins reported SSJID maintains 10-pounds of pressure all winter. Legal Counsel Harrigfeld inquired what the landowners had to pay for this system. Assistant Manager Lee replied they had to pay a \$2,500 hook-up fee. Manager Moody added that SSJID paid for everything else. Director Cortopassi inquired how many acres the system covers. Assistant Manager Lee replied it was designed for 5,800 acres; however, they are currently servicing ~4,000 acres. Manager Moody reported the group was told that SSJID installed this system because groundwater in their area is high in salt.

2. Greater Stockton Chamber of Commerce Monthly Mixer – Heritage Dining and Provisions at the Waterloo Gun & Bocce Club Hosted By Delta Humane Society & SPCA, 07/11/19
Nothing to report.
3. Eastern San Joaquin Groundwater Authority Ad Hoc Committee Meeting, 07/15/19
Director Watkins attended the July 15, 2019 Eastern San Joaquin Groundwater Authority Ad Hoc Committee Meeting. Director Watkins reported there was discussion on the “Survey of Intent”. There was discussion on the County filling out the surveys ahead of time then distributing to GSAs. A County representative will be calling all GSAs to review the surveys and discuss any concerns. There was discussion on determining governance after the GSP has been submitted and who will be responsible for what and how the annual reports will be submitted. The County will be distributing the new surveys over the next couple of weeks and hope to receive all comments prior to the next Ad Hoc meeting. Director Watkins reported there was brief discussion on Proposition 68 and grant guidelines. Brandon Nakagawa, SSJID spoke about requirements for a grant-writing proposal. Director Watkins reported to split the grant-writing costs; it would be ~\$3,000 per GSA. The County will be working on the RFP this week to try to lower the cost. The consensus of the Committee was to move forward with applying for the grant. Mr. Nakagawa’s concern is that if entities do not apply for the grant it looks as if they do not need the money. There was discussion on using the money for a Mokelumne River piezometer study or using the money on monitoring wells. President Panizza inquired if there was discussion on funding or administrative structures. Director Watkins replied these topics will be covered in the survey. The next meeting is scheduled for August 5, 2019.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 1:00 p.m., 07/17/19
2. Eastern San Joaquin Groundwater Authority Open House (SGMA Outreach), 5:00 p.m., 07/18/19
3. Central Valley Project Water Association – Executive & Financial Affairs Committee, 10:00 a.m., 07/19/19

Director Cortopassi inquired if the Surface Water Incentive Policy will be on the Regular Board Meeting agenda next week. Manager Moody replied if the Agricultural Operations Committee agrees. Staff made the recommended changes the last time the Board reviewed the document.

President Panizza inquired if the Committee is satisfied with the changes. Director Cortopassi replied he did not hear any objections. Manager Moody added he will ensure it is added to next week's agenda packet.

Julie Eilers-Clarey inquired what the next steps are for this Policy. Director Cortopassi replied the item has to be added to the agenda and sent to the Board for review and approval. Manager Moody added after the Policy and Agreement have been approved Assistant Manager Lee will be in touch with Mrs. Eilers-Clarey after the Regular Board Meeting next week to finalize the Agreement between she and the District.

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

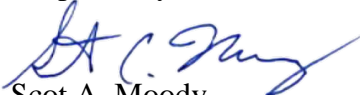
2. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case

President Panizza adjourned the meeting to closed session at 1:19 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:03 p.m., with no reportable action.

K. ADJOURNMENT

President Panizza adjourned the meeting at 2:04 p.m.

Respectfully submitted,


Scot A. Moody
Secretary of the Board

tbc

