

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 30, 2019 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Panizza called the regular meeting to order at 12:24 p.m., and led the Pledge of Allegiance.

Present at roll call were Directors Atkins, Cortopassi, McGurk, Panizza, Sanguinetti and Watkins. Director McGaughey was absent. Also present were Manager Moody, Assistant Manager Lee, Finance Director Vega, Administrative Services Manager Carido, Administrative Assistant Curtis and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 07/23/19 Regular Meeting

A motion was moved and seconded to approve the July 23, 2019 Regular Meeting Minutes, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGaughey

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the July 30, 2019 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGaughey

3. Concurrent Resolution No. 19-20-03 – Concurrent Resolution of Application by Stockton East Water District and Central San Joaquin Water Conservation District

Manager Moody provided the Board with Resolution No. 19-20-03 – Concurrent Resolution of Application by Stockton East Water District and Central San Joaquin Water Conservation District (CSJWCD). Manager Moody reported he, Legal Counsel Zolezzi, Reid Roberts, Legal Counsel for CSJWCD and both Ad Hoc Committees have been working on this document, as this is the first step in beginning the Local Agency Formation Commission (LAFCo) process.

Manager Moody reported Exhibit “C” of the resolution has the most pertinent information to the merge of the Districts and has been agreed upon by all parties.

Manager Moody reported CSJWCD has not officially identified the two Directors who will be seated on the Board. The resolution outlines that the two (2) Directors will continue for one election cycle of four (4) year and then terminate. Prior to the end of the four-year term, the nine member Board in accordance with law shall redraw the divisions of the consolidated District into seven (7) divisions.

Manager Moody reported the Resolution states that the consolidated District shall retain one operations employee and one administrative employee of CSJWCD. The administrative employee will be retained for a period of one (1) year, with the determination of permanent employment being made by the consolidated District. Manager Moody reported recruitment information for the soon to be vacant Accounts Clerk position at the District has been sent to Mr. Roberts to pass on to his administrative employee.

Manager Moody reported CSJWCD has a Capital Improvement Program (CIP), of which CSJWCD will provide all updated information to SEWD prior to consolidation.

President Panizza reported to the Board that the Committee that led the discussion with CSJWCD was chaired by Director McGurk and it appears that its attempt that consolidation is heading down a successful path and Director McGurk deserves credit for his efforts. President Panizza thanked Director McGurk.

Director Watkins inquired if the Board elected to remain a nine person Board, can they opt to do so or does the concurrent Resolution control the Board capacity. Legal Counsel Zolezzi replied LAFCo controls the Board limit. If the Board decides that they would like to remain with nine Directors, the resolution can be modified before LAFCo gives its final stamp of approval.

Director Atkins inquired if the Board will determine the new boundary lines for the split of divisions or if that would be LAFCo. Legal Counsel Zolezzi replied the Board makes that determination.

President Panizza inquired if LAFCo is bound to the terms of this concurrent resolution. Legal Counsel Zolezzi replied yes.

A motion was moved and seconded to approve Resolution No. 19-20-03 – Concurrent Resolution of Application by Stockton East Water District and Central San Joaquin Water Conservation District, as presented.

Roll Call:

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

4. Resolution No. 19-20-04 – Adopting Appropriations Limit for Fiscal Year 2019-2020

Manager Moody provided the Board with Resolution No. 19-20-04 – Adopting Appropriations Limit for Fiscal Year 2019-2020. Manager Moody reported this was brought to the Board at the July 9, 2019 Regular Board Meeting for review and was made available to the public for the required 15-day window.

Manager Moody reported this Resolution sets appropriations limits. The limits for 2019/2020 Fiscal Year is \$1,464,967 and the estimated property tax revenue for the District is \$450,000.

A motion was moved and seconded to approve Adopting Appropriations Limit for Fiscal Year 2019-2020, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGaughey

5. California Public Employees' Retirement System – CalPERS Unfunded Accrued Liability (UAL) Financing Memo

Manager Moody provided the Board with information on the California Public Employees' Retirement System – Unfunded Accrued Liability (UAL) Financing Memo. Manager Moody reported he wanted to provide the Board with an update on the UAL that the Board voted to pay down at the June 12, 2018 Regular Board Meeting.

Manager Moody reported staff provided information to a placement agent to review the figures to finance the debt on the District's behalf. Manager Moody reported based on the report received by the placement agent; it does not seem advantageous for the District to pursue this option.

Manager Moody reported based on current figures the District is on track and by the end of the District's contract with the Urban Contractors in 2035, the debt will be paid off. Manager Moody thanked the Board for moving in this direction last year and suggested continuing to move forward as the District has been doing. This item was for information only.

E. COMMITTEE REPORTS

1. San Joaquin Farm Bureau Federation – Water Committee Meeting, 07/23/19

Director Sanguinetti attended the July 23, 2019 San Joaquin Farm Bureau Federation – Water Committee Meeting. Director Sanguinetti reported it was a short meeting with a small crowd. There were no new updates provided on SGMA or nutria; only a few District reports were provided. The next meeting is scheduled for August 27, 2019.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 07/29/19

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 181,120 AF in storage at New Hogan Reservoir. Current releases are set at 593 cfs. There is 2,153,008 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 2,050 cfs and release to all water users are set at 3,642 cfs. There are 12 irrigator(s) on New Hogan, 3 irrigator(s) on New Melones and 2 irrigator(s) Out-of-District. The water treatment plant is currently processing 37 mgd. The City of Stockton is currently processing 27 mgd.

2. Information Items:

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

3. Report on General Manager Activities

a. Stockton East Water District – Sandwiches for Safety, 07/29/19

Manager Moody reported on the Sandwiches for Safety event hosted by the District’s Safety Committee on July 29, 2019. The Safety Committee was provided a check from the Association of California Water Agencies Joint Insurance Power Authority for the work it has done at the District. Manager Moody reported the Committee bought sandwiches for all staff and thanked them for being safe and discussed District safety matters.

b. Stockton East Water District Activities Update

Nothing to report.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. Greater Stockton Chamber of Commerce Monthly Mixer – Premier Staffing, 5:15 p.m., 08/01/19
2. Eastern San Joaquin Groundwater Authority Ad Hoc Meeting, 3:00 p.m., 08/05/19

J. REPORT OF THE COUNSEL

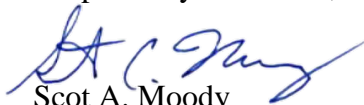
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case

President Panizza adjourned the meeting to closed session at 12:51 p.m. to discuss closed session agenda items. The regular meeting reconvened at 12:59 p.m., with no reportable action.

K. ADJOURNMENT

President Panizza adjourned the meeting at 1:00 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

