

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 24, 2019 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Panizza 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, Assistant Manager Lee, Finance Director Vega, Administrative Services Manager Carido, Administrative Assistant Curtis, Legal Counsel Zolezzi and Consultant Barkett.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

Mike Callahan, San Joaquin County reported this past Saturday was the Counties annual Coastal Cleanup. The volunteers picked-up ~30,000 pounds of garbage from the waterways. They had cleanup crews in places like Acampo, Lodi Lake, Duck Creek and Calaveras.

Director McGurk inquired if the total amount of garbage collected includes from the City of Stockton. Mr. Callahan replied yes, places like Yosemite Lake in Stockton were cleaned as well.

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

Manager Moody requested the Board to make an emergency addition to the agenda (Item D-2b) relative to an invoice from California Public Employees' Retirement System (CalPERS) for fees for a GASB-68 Reports and Schedules. This need arose subsequent to the posting of the agenda and requires a super majority vote for payment.

1. Minutes 09/17/19 Regular Meeting

A motion was moved and seconded to approve the September 17, 2019 Regular Meeting Minutes, as presented.

Roll Call:

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

2. California Public Employees' Retirement System

a. Warrants – California Public Employees' Retirement System

A motion was moved and seconded to approve the September 24, 2019 Warrants – California Public Employees' Retirement System, as presented.

Roll Call:

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

Nayes: None
Abstain: None
Absent: None

b. California Public Employees' Retirement System Invoice for Fees for GASB-68 Reports & Schedules (Emergency Item)

A motion was moved and seconded to approve the Invoice dated August 20, 2019 for GASB-68 Reports and Schedules, as presented.

Roll Call:

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

3. Preliminary Base Monthly Payment – Fiscal Year 2020/2021

a. Public Hearing

President Panizza opened the Public Hearing at 12:26 p.m., to receive comments on the Preliminary Base Monthly Payment (BMP) for Fiscal Year 2020/2021.

Manager Moody provided proof of publication of the public hearing. Manager Moody reported this process is dictated by the Second Amended Contract.

Manager Moody reported staff will meet with the Urban Contractors in the near future to discuss a more thorough representation of actual BMP figures prior to bringing back the final figures prior to December 15th.

Manager Moody reported the Base Monthly Credit is ~\$667,000, which is much lower than usual. This reduction is due to the Board of Directors voting in favor of a budget amendment last fiscal year to pay down the Accrued Unfunded Liability with CalPERS.

Seeing no public comment, President Panizza closed the Public Hearing at 12:28 p.m.

b. Resolution No. 19-20-07 – Setting the Preliminary Base Monthly Payment for Fiscal Year 2020/2021

A motion was moved and seconded to adopt Resolution No. 19-20-07 – Setting the Preliminary Base Monthly Payment for Fiscal Year 2020/2021, as presented.

Roll Call:

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

4. California Department of Fish & Wildlife – Proposition 68 Rivers & Streams Restoration Grant for Bellota Fish Screen & Passage Improvement Project

Manager Moody provided the Board with information on Proposition 68 Rivers and Streams Restoration Grant. Manager Moody reported this grant was awarded to the District in May 2019 and staff has received information regarding the terms of the grant.

Manager Moody reported this is a matching grant in the total of \$1.925 million. The District will spend the money and be reimbursed as well as match the grant amount.

Manager Moody reported staff has been working with the District's attorneys regarding the contract language.

Manager Moody is asking the Board to consider authorizing Manager Moody to sign the contract on behalf of the District. Staff will confirm with the Department of Fish & Wildlife (CDFW) if they require a Resolution. If so, a Resolution will be brought back to the Board next week for consideration and approval.

Director McGurk inquired what this grant covers aside from feasibility and CEQA. Manager Moody replied it is also for the design of the Project. The intent is by the end of the grant, there will be a design in place to begin the Project.

Manager Moody reported generally agencies like CDFW do not fund design or feasibility studies unless they decide to help fund the Project in the future. This is not a guarantee, but is typical.

Director McGurk inquired on the role of the Central Valley Flood Protection Board. Assistant Manager Lee replied they are part of the CEQA component.

A motion was moved and seconded to authorize Manager Moody to sign the contract for the Proposition 68 Rivers & Streams Restoration Grant for the Bellota Fish Screen & Passage Improvement Project on behalf of the District, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

5. Stockton East Water District – ELAP Accreditation – Certificate No. 1286, 09/19/19
Manager Moody provided the Board with correspondence mailed on September 19, 2019 regarding the District's ELAP Accreditation. Manager Moody reported the last inspection would require the District to redo flooring, remove the dogs, replace countertops, and other items in the lab to remain certified. Manager Moody reported there is no benefit for the District to have a certified lab at this point as all lab work is outsourced to a lab who sends the findings to the Division of Drinking Water.

Manager Moody reported the District lab will still be functional for in-house testing purposes only.

Director Atkins inquired how often the District would have to have an inspection and re-certify. Assistant Manager Lee replied it has been 5-years.

Legal Counsel Zolezzi inquired if the changes they are requesting the District to make became requirements since the last inspection. Assistant Manager Lee replied they seem to be looking

more closely at these areas, especially for entities who are going through the re-certification process.

President Panizza inquired if all lab work is currently being outsourced. Manager Moody replied yes, the District's lab is only used by our staff to manage water quality at the plant. .

Director Cortopassi inquired if what the District is using the lab for is still in compliance. Manager Moody replied yes.

Director Watkins inquired if in the future, the District decides to certify the lab, can the upgrades be made and can the District re-apply to certify the lab. Manager Moody replied yes. This item was for information only.

E. COMMITTEE REPORTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 09/18/19

Director McGurk attended the September 18, 2019 San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting. Director McGurk reported there was discussion on the Integrated Regional Water Management (IRWM) MOU. Five entities have signed the MOU, the District being one of them. Other entities include, SSJID, Reclamation District 274, South Delta Water Agency and Central Delta Water Agency. Director McGurk reported it is expected that more agencies will be signing the MOU in the near future. There was discussion that decisions will be based on a consensus. The idea is for it to be unanimous; however, if there is disagreement, a 75% vote will work. Director McGurk reported the County has contracted with Mark Williamson of GEI Inc. for work on the IRWM Plan. The County is quickly approaching their 2019 deadline to have the update submitted as it is due every 5-years. There was discussion of cloning the GSP boundaries to match the IRWM, however, there is not enough time to complete this work prior to the deadline. Director McGurk reported the Commission will be in communication with decided to invite the San Joaquin County & Delta Water Quality Coalition regarding joining the Commission in this effort. to sign the MOU. There was discussion on the effects of homelessness on the waterways. The homeless have excavated hundreds of cubic yards out of the levees and created bunkers and caves in the levees below high water level, which is a threat to flood control. There was discussion on AB 137 (Cooper) being worked on in Sacramento. Currently, local municipalities cannot cite the homeless for violations of the law; AB 137 intends to address that issue. Supervisor Winn has requested a month to work on building a cohesive program to include water district, state, city and the sheriff's office and bring this potential program to the Commission to help correct homelessness on the waterways. The next meeting is scheduled for October 16, 2019.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 09/23/19

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 153,037 AF in storage at New Hogan Reservoir. Current releases are set at 138 cfs. There is 2,034,159 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 401 cfs and release to all water users are set at 1,291 cfs. There

are 8 irrigator(s) on New Hogan, 2 irrigator(s) on New Melones and 2 irrigator(s) Out-of-District. 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

Director McGurk inquired on the expense from the September 17, 2019 Regular Board Meeting for crane services. Manager Moody reported this was a purchased piece of equipment, not a rental. It has an a-frame and chain fall to help with mower repairs.

a. Central Valley Project Water Association – Executive & Financial Affairs Committee, 09/20/19

Finance Director Vega attended the September 20, 2019 Central Valley Project Water Association – Executive & Financial Affairs Committee. Finance Director Vega reported an updated was provided on employment openings, one being the Deputy Regional Director. This person is the primary representative for the USBR in committee meetings. They hope to fill the position in the next couple of weeks. There was discussion on Shasta Dam Raise and who would receive the additional water. Because it is a federal match project, whomever matches federal funding would receive the benefits of that water. Finance Director Vega reported there was discussion on the CVPIA re-work for crediting power contractors. The USBR has committed to putting numbers in the next presentation so attendees can see figures. Agencies will then have 30-days to provide comments. There was discussion on the difference between converting with the WIIN Act and converting after the Cost Allocation Study is finished. One main benefit going through the WIIN Act is there is no National Environmental Policy Act requirements, so long as the agency follows the guidelines set by Congress for WIIN. The next meeting is scheduled for October 18, 2019.

b. Stockton Area Water Suppliers (SAWS) Meeting, 09/23/19

Manager Moody, Assistant Manager Lee and Water Operations Manager Wunderlich attended the September 23, 2019 Stockton Area Water Suppliers (SAWS) Meeting. Manager Moody reported only representatives from the City of Stockton attended. The County and Cal Water were not present. Manager Moody reported they are trying to make this an operations level type of meeting. There was discussion on projects each entity is working on. The City discussed their ammonium project off Cardinal Avenue. When this project is complete, they will be able to begin taking the District's water. This project is in the final design stage and should be going out to bid soon. Manager Moody reported Mel Lytle introduced himself as the Assistant Director of MUD Water and he is no longer working from City Hall, rather works from the Treatment Plant. The next meeting is scheduled for October 28, 2019.

c. Stockton East Water District Activities Update

Manager Moody queried the Board on who would like to attend the Pardee BBQ on Friday, October 4, 2019. Directors McGurk, Sanguinetti, Watkins and Manager Moody will attend.

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., 09/24/19
2. Rhonda’s Retirement Luncheon, Noon, 09/27/19
3. Eastern San Joaquin Groundwater Authority Ad Hoc Meeting, 3:00 p.m., 09/30/19

J. REPORT OF THE COUNSEL

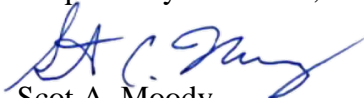
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – two cases

President Panizza adjourned the meeting to closed session at 1:07 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:55 p.m., with no reportable action.

K. ADJOURNMENT

President Panizza adjourned the meeting at 1:56 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

