

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, NOVEMBER 19, 2019 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Panizza called the regular meeting to order at 12:22 p.m., and Director Sanguinetti 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 and Legal Counsel Harrigfeld.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 11/12/19 Regular Meeting

A motion was moved and seconded to approve the November 12, 2019 Regular Meeting Minutes, as presented.

Roll Call:

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

Nayes: None

Abstain: None

Absent: None

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the November 19, 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

3. State Water Resources Control Board – 2019/2020 Water Rights Fees

Manager Moody provided the Board with a listing of invoices from the State Water Resources Control Board for the District’s annual water rights fees in the total amount of \$185,705.21.

Director McGurk inquired if there was inflation. Finance Director Vega replied nothing major.

Director Cortopassi inquired if these fees were previously paid under protest. Manager Moody replied yes and no longer are.

A motion was moved and seconded to authorize payment to the State Water Resources Control Board Division of Water Rights for the District's annual water rights fees.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

Director Watkins inquired if the last fee for the New Hogan contract is the District's share only or the whole amount. Manager Moody replied staff will research and bring this information back to the Board.

4. Stockton East Water District – Surveying Services – North Site Fencing Project Memo
Manager Moody provided the Board with a memo regarding surveying services for the North Site Fencing Project. Manager Moody reported this work to survey legal boundaries for the new fence, including the railroad easement property.

Manager Moody reported staff received proposals from Sousa Land Surveys, Inc. in the amount of \$8,520; NorthStar Engineering Group, Inc. in the amount of \$11,320; Ridgeline Engineering in the amount of \$18,860 and KSN, Inc. in the amount of \$41,680.

Director McGaughey inquired if there was something significant that led to KSN, Inc.'s proposal being so much larger than the other Consultants. Assistant Manager Lee replied staff inquired with KSN and they believe there was a misunderstanding of the proposed work. They knew they likely would still not come in with a lower proposal so they opted to not change their bid amount.

A motion was moved and seconded to approve entering into contract with the lowest bidder, Sousa Land Surveys, Inc. in the amount of \$8,520, plus a 10% contingency of \$852 for a total not to exceed \$9,372 for surveying services for the North Site Fencing Project.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

5. San Joaquin Farm Bureau – State Water Efficiency & Enhancement Program (SWEEP) Grant Program (Application Period 10/21/19 – 12/16/19)

Manager Moody provided the Board with information on the State Water Efficiency & Enhancement Program (SWEEP) Grant Program. Manager Moody reported he distributed this information at the SGMA Outreach Meeting in Linden on November 14th.

Manager Moody reported there is still time for interested parties to submit an application for the SWEEP Grant Program, and the Farm Bureau will assist those interested in applying. This item was for information only.

E. COMMITTEE REPORTS

1. Groundwater Sustainability Plan Advisory Committee (PAC) Meeting, 11/13/19
Director Watkins and Manager Moody attended the November 13, 2019 Groundwater Sustainability Plan Advisory Committee (PAC) Meeting. Director Watkins reported there was discussion on each GSAs contribution. The payment distribution has been sent back to the Ad Hoc Committee for further review. Director Watkins reported there was an update provided on the grant application, discussion on the dates that each GSA will adopt the plan and the required notice prior to adoption. There was a discussion on governance and plan administration and who will oversee the GSP once it has been adopted. Director Watkins reported there was discussion on the budget only being for 6-months and expiring in June 30, 2020. The next meeting is scheduled for December 11, 2019.
2. Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 11/13/19
Directors Panizza and Watkins and Manager Moody attended the November 13, 2019 Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting. President Panizza reported this meeting was a walk-through of the previous PAC meeting. The JPA Board voted to move forward with a 6-month budget. There was discussion on some GSAs not being able to afford their portion of the costs. President Panizza reported there was discussion on the costs associated with state intervention should GSAs be unable to come to an agreement. An example was provided that for 150-acres of alfalfa landowners would need to pay \$30,300 to the state just for their administrative fees to intervene. The next meeting is scheduled for December 11, 2019.
3. Agricultural Operations Committee Meeting, 11/18/19
Director Atkins, Cortopassi, Watkins and Alternate Sanguinetti attended the November 18, 2019 Agricultural Operations Committee Meeting. Director Cortopassi reported Finance Director Vega reviewed the Fiscal Year 2020/2021 Budget page by page and did a good job explaining each line item. Director Cortopassi reported there were some typographical errors, which Finance Director Vega will correct. Other than that, the Committee was okay with what was presented. Director Cortopassi reported this will be brought before the Board at the December 10th Regular Board Meeting for consideration and approval. Director Cortopassi inquired if any Board Members that were not present at the Committee Meeting would like to see the Budget prior to the December 10th Meeting. Finance Director Vega will send the Budget to Directors McGaughey, McGurk and Panizza.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 11/18/19
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 145,729 AF in storage at New Hogan Reservoir. Current releases are set at 58 cfs. There is 1,992,612 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 502 cfs and release to all water users are set at 506 cfs. There are 0 irrigator(s) on New Hogan, 0 irrigator(s) on New Melones and 1 Out-of-District irrigator. The water treatment plant is currently processing 24 mgd. The City of Stockton is currently processing 20 mgd.

2. Information Items:

Manager Moody noted items: F2a-1, F2a-2, F2a-3, F2a-4 and F2a-5.

3. Report on General Manager Activities

a. Greater Stockton Chamber of Commerce Green Team – SGMA Presentation, 11/13/19

Manager Moody presented at the November 13, 2019 Greater Stockton Chamber of Commerce Green Team meeting. Manager Moody reported there were ~30-35 people in attendance. Manager Moody used Dave Fletcher's, Linden County Water District Vice President, presentation from the SGMA Outreach Meeting. Manager Moody presented on what SGMA is, where we are with SGMA, where this basin is headed and how we got where we are. There were a lot of questions, many focusing on how SGMA will impact businesses.

b. Linden County Water District & Stockton East Water District Informational SGMA Outreach Event, 11/14/19

Manager Moody attended the November 14, 2019 SGMA Outreach Event hosted by Linden County Water District & SEWD. Manager Moody reported Dave Fletcher, Linden County Water District Vice President, provided a presentation on SGMA and Manager Moody followed leading discussion on the Districts vision of how to move forward to correct the low groundwater level issue. Director Atkins reported there were ~five people in attendance that were not affiliated with either agency. Manager Moody reported it was a good presentation, but a small crowd. There was discussion from the crowd on how businesses and home may be effected by SGMA. Director Watkins reported Dan Purviance reported the hold north of Comstock Road did not recover last winter as it usually would. He also mentioned there are areas near Calaveras River and Podesta Lake that are good areas for recharge.

c. Central Valley Project Water Association – Executive & Financial Affairs Committee, 11/15/19

Finance Director Vega attended the November 15, 2019 Central Valley Project Water Association – Executive & Financial Affairs Committee. Finance Director Vega reported there was discussion on the San Luis Project for distributing power to facilities south of Tracy. There was previously a contract in place with PG&E for 50-years that cost \$55,000 a year. Once it expired, costs jumped to \$9 million one year and \$11 million the next. The USBR collaborated with a private entity that would help build power transmission lines that will cost ~\$18 million a year for 30-years. After the 30-year period, the USBR will own the power and it is estimated this project would save ~\$200 million over the life of the project. Finance Director Vega reported the USBR is working to finalize the Cost Allocation Study, then will begin working on true-ups. The USBR advised this process is taking longer as they are trying to increase transparency. There is a meeting on Thursday, November 21st to discuss CVPIA and Croffsets and the additional credits the USBR wants to give the power customers. The USBR has updated their operating procedures and will explain the changes at this meeting. The next meeting is scheduled for December 13, 2019.

d. Stockton East Water District Activities Update

Manager Moody reported it is time to submit nominations for the San Joaquin County Flood Control and Water Conservation District Advisory Water Commission. Manager

Moody inquired if Directors McGurk and Sanguinetti and interested in remaining on the Commission. They both replied yes. Manager Moody reported staff will take the necessary steps to submit the information.

Manager Moody inquired if Director Sanguinetti will be traveling with Manager Moody and Directors Atkins and McGurk to the ACWA Fall Conference. Director Sanguinetti replied yes. Director Watkins will travel separately and head to San Diego either Sunday, December 1st of Monday, December 2nd.

G. DIRECTOR REPORTS (None)

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., 11/20/19
2. Stockton Area Water Suppliers (SAWS) Meeting, 3:00 p.m., 11/25/19

J. REPORT OF THE COUNSEL

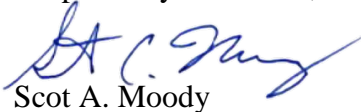
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case

President Panizza adjourned the meeting to closed session at 1:00 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:17 p.m., with no reportable action.

K. ADJOURNMENT

President Panizza adjourned the meeting at 1:18 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

