

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, JANUARY 28, 2020 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Panizza called the regular meeting to order at 12:27 p.m., and Director Watkins 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 Zolezzi. Consultant Barkett arrived at 1:10 p.m.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 01/21/20 Regular Meeting

A motion was moved and seconded to approve the January 21, 2020 Regular Meeting Minutes, as presented.

Roll Call:

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

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the January 28, 2020 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

3. 2020 One Voice Trip Project Submissions

Manager Moody reported at that at the January 21, 2020 Regular Board Meeting the Board agreed to sponsor the One Voice Trip. Manager Moody inquired if the Board is interested in participating in the One Voice Trip this year as some of the Board will be in Washington D.C. at the end of February on the ACWA D.C. Trip.

Director Sanguinetti advised he will not participate on the One Voice Trip this year as he will be participating in the Farm Bureau’s D.C. trip at the end of April.

Director Watkins suggested not submitting Projects at this point and if any of the Board decides to participate at a later date they can schedule meetings with Representatives outside of the One Voice Trip.

4. Resolution No. 19-20-15 – Re-Authorizing Yearly Investment Policy – Investment Policy No. 6020

Manager Moody provided the Board with Resolution No. 19-20-15 – Re-Authorizing Yearly Investment Policy. The District is mandated by law to have an Investment Policy in place and be revised and approved by the Board annually. Finance Director Vega reported there were no substantive changes to this Policy.

Manager Moody added the District is required to have this Policy in place should it choose to seek bond funding.

A motion was moved and seconded to approve Resolution No. 19-20-15 – Re-Authorizing Yearly Investment Policy, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

5. Stockton East Water District – United States Bureau of Reclamation Central Valley Project Cost Allocation Study – Summary of Results Memo

Manager Moody provided the Board with a memo on summary results from the United States Bureau of Reclamation Central Valley Project Cost Allocation Study. Manager Moody reported the USBR recently released the lengthy Cost Allocation Study and due to its size, Finance Director Vega summarized it in the provided memo for the Board’s review.

Finance Director Vega reported the when the Central Valley Project (CVP) was brought into service, it was supposed to have Cost Allocation Studies performed every 5-years. However, the last full study performed was in 1975 and last update to the full study was completed in 2001. Finance Director Vega reported in 2001 Irrigation was responsible for 44.87% of the construction portion and M&I was responsible for 13.27%.

Finance Director Vega reported when the USBR started this process back up in 2013, there was more urgency to complete the Study because all construction costs need to be paid by 2030.

Finance Director Vega reported costs which can be directly allocated to a single purpose are so allocated, but costs which serve multiple purposes go through a Separable Costs-Remaining Benefit Analysis (SCRB) process to ensure costs are allocated correctly.

Finance Director Vega reported given USBR policy and the need to update the study to better match current conditions of the project, the USBR performed this Study using two basis of analysis. One basis is a historical approach covering 1975-2013 and the other is a forward-looking approach covering 100-years after initial in-service date. Both periods were melded together to come up with a final cost allocation. The final results of the study show M&I is responsible for 4.53% while irrigation is responsible for 41.36% of the construction portion of the CVP.

Director Cortopassi inquired why in the 1999 table does it show a total of \$3,290,200, but in the 2013 table there is a total of \$2,784,300. Finance Director Vega reported there is \$1,115,880 that has been identified for other purposes. This item was for information only.

6. Stockton East Water District – AB 1234 Ethics Training Memo

Manager Moody provided the Board with a memo regarding scheduling Board training for AB 1234 Ethics. Manager Moody reported the Board agreed at the January 21, 2020 Regular Board Meeting to take this training as a group prior to a future Board Meeting.

Manager Moody inquired if February 18, 2020 is a good date for training. Consensus of the Board was to move forward with scheduling training for Tuesday, February 18th. Manager Moody advised staff will send a reminder to the Board prior to this date.

E. COMMITTEE REPORTS (None)

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 01/27/20

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 151,655 AF in storage at New Hogan Reservoir. Current releases are set at 65 cfs. There is 1,983,130 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 803 cfs and release to all water users are set at 843 cfs. The water treatment plant is currently processing 18 mgd. The City of Stockton is currently processing 10 mgd.

2. Information Items:

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

3. Report on General Manager Activities

a. Greater San Joaquin County Regional Water Coordinating Committee Meeting (Disadvantaged Communities), 01/15/20

Manager Moody provided the Board with Disadvantaged Communities information from the January 15, 2020 Greater San Joaquin County Regional Water Coordinating Committee Meeting. Manager Moody reported the Committee is asking all agencies to review their recent Project submission lists and make sure they are updated.

b. Stockton East Water District Activities Update

Manager Moody reported there will be an ACWA Agriculture Committee Meeting on February 12, 2020 and inquired who from the Committee is interested in attending. Directors Atkins, Sanguinetti, Watkins and Manager Moody will attend this meeting.

Manager Moody reported the District is hosting its annual Souper Bowl Cook-Off this Friday, January 31, 2020 and the Board is invited to attend.

Manager Moody provided the Board with a handout of the surveying work conducted by Sousa Land Surveys, Inc. on the North Site property for the fencing project. Manager Moody

reported the District's property lines go out further than expected and there are grapes and potentially trees that may need to be removed. Staff has spoken with all landowners who border the District's property and they are amenable to the needs of the District.

Manager Moody inquired if the railroad easement on the north side of the property is inside the District property line. Director Watkins further inquired if the District has an APN for that property. Assistant Manager Lee replied yes to both.

Director Atkins inquired if the trees that border the District's property are planted in an angle. Assistant Manager Lee reported the trees themselves are not over the District's property line; rather the canopy hangs over the property line and will need to be trimmed. Assistant Manager Lee added the smallest difference in space between the trees and fence is at least 7-feet.

Director McGurk inquired on the District's security measures if a landowner is harvesting and their crop is blown onto the District property; how will the landowner be able to retrieve their crops remains. Manager Moody replied that the District has a sign-in procedure for any visitors or vendors who must check-in in the Administration Building, sign-off on emergency evacuation areas, and acknowledge safety measures the District takes in the event of an emergency.

Director Sanguinetti inquired if the fence can be inset from the District's property line. Legal Counsel Zolezzi replied it could, but it will continue to perpetuate the problem and eventually, the fence could serve as the new boundaries of the District.

Director Atkins inquired if someone could sue the District if they were injured on the District's property while harvesting their crops. Legal Counsel Zolezzi replied yes.

Director Atkins inquired if the surveying company marked the property lines with stakes. Manager Moody replied yes.

Manager Moody inquired with the Board if they want the fence placed on the property line or inset. Director McGurk replied the fence should be placed on the property line.

Director Watkins inquired on the timeframe staff is looking at to complete the work. Assistant Manager Lee replied as soon as possible to limit the amount of time trespassers have to remove the stakes from the ground. Manager Moody added staff would like this Project completed before the next Fiscal Year as well to keep the money within the current budget.

Assistant Manager Lee reported if the fence is not put on the property line than the District will incur an additional expense from the surveyor to draw new lines.

Director Cortopassi confirmed that all landowners have been informed of the line location. Manager Moody replied yes and they were okay. Assistant Manager Lee added all six landowners have been advised of the property line and only one, who owns a piece of property within our boundaries does not want his land enclosed, so the fence will go around that area.

Director Sanguinetti reported if the landowners have been notified and they have agreed to the property line then move forward with the project.

G. DIRECTOR REPORTS

1. United States Bureau of Reclamation – 2020 Mid-Pacific Water Users’ Conference Reno, NV, 01/22/20 – 01/24/20

Directors Atkins and Sanguinetti and Manager Moody attended the 2020 Mid-Pacific Water Users’ Conference. Director Sanguinetti reported it was a good conference, very different from the ACWA Conferences the Board attends. Directors Atkins and Sanguinetti provided an overview of the discussions that took place during the panel sessions they attended. Director McGurk inquired if the weather forecasting the USBR spoke about using was the same that the USACE has spoken about at the ACWA Conferences. Manager Moody replied yes. Director McGurk inquired if the weather forecasting could be put on the District’s website for landowners to use. Director Watkins inquired on the General Session: Clean Water Act Expansions. Legal Counsel Zolezzi replied Legal Counsel Harrigfeld is looking into Waters of the United States because the State of California follows its own set of rules. Director Atkins reported that Manager Moody asked a question during the SGMA panel. Manager Moody added that when he addressed the panel, he inquired why the State Board has not heard the collective outcry from GSAs of money spent on reports that are due before GSPs will even be approved. He then followed up with a question regarding if the State Board will still consider a hole in an over-drafted basin an undesirable results because it does not replenish quickly enough. The response from the State Board was that they hope staff will assess all those variables when reviewing GSPs.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin Farm Bureau Federation – Water Committee Meeting, 5:30 p.m., 01/28/20

J. REPORT OF THE COUNSEL

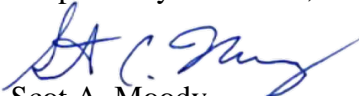
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case

President Panizza adjourned the meeting to closed session at 1:24 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:24 p.m., with no reportable action.

K. ADJOURNMENT

President Panizza adjourned the meeting at 2:25 p.m.

Respectfully submitted,


Scot A. Moody
Secretary of the Board

tbc

