

A 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 15, 2008 AT NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Panizza called the meeting to order. The pledge of allegiance was lead by Director Watkins.

Present at roll call were Directors Cortopassi, Latimer, McGaughey, McGurk, Panizza, Sanguinetti and Watkins. Also present were Manager Kauffman, Assistant Manager Thomas, Superintendent Yoshimura, Finance Director Jamosmos, Office Manager Stephens, Legal Counsel Zolezzi and Consultant Barkett.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

Superintendent Yoshimura presented President Panizza with an award he received today for the district's participation in the Pacific Gas & Electric (PG&E) Industrial Energy Efficiency Program. Superintendent Yoshimura continues to look at various alternatives for making the water treatment plant more energy efficient. Director McGurk inquired on how many PG&E customers received like-awards which are involved in the same program. Superintendent Yoshimura will ask our representative with PG&E.

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 01/08/08 Regular Meeting Minutes

A motion was moved and seconded to approve the January 8, 2008 Regular Meeting Minutes, as presented.

Vote: Unanimous approval

President Panizza moved agenda item D5 to the beginning of the agenda to receive Water Conservation Coordinator Coon's 2006/2007 SAWS Water Education Program Annual Report presentation.

2. Resolution Supporting Statewide Planning and Opposing an Isolated Conveyance Facility

Manager Kauffman provided the Board with a draft Resolution encouraging statewide water planning focused on regional self-sufficiency and opposing any proposed ballot initiative which includes an ill-advised isolated conveyance facility. The Resolution was modified based on recommendations from the Board and Legal Counsel at the January 8, 2008 Board of Directors meeting. Director McGurk stated the second whereas of the Resolution makes reference to water imports and felt the Resolution should also reference water exports. Manager Kauffman stated this was an attempt to define regional self-sufficiency. It was suggested the Board could strike "as each hydrologic region in the State of California recognizing that their water supply is limited to the quantity of water that can be developed regionally plus that quantity of water imported from other regions during the 2007 water year" and add "as it is described in the June 23, 2007 white paper". Director Latimer stated the Delta receives its water from various sources and the Delta Mendota and California Aqueduct canals convey some of it to Southern California. Director Latimer feels

there is need for an isolated conveyance system due to the current Delta crisis and there is no way that building such a system can cause any more harm to the Delta. Manager Kauffman stated he could amend the Resolution based on direction from the Board.

A motion was moved and seconded to approve Resolution No. 07-08-12 Encouraging Statewide Water Planning & Funding Focused on Regional Self-Sufficiency & Opposing any Ballot Initiative or Legislative Bill that Includes an Ill-Advised Isolated Conveyance Facility, as amended by the suggested language detailed above.

Roll Call:

Ayes: Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti, Watkins
Noes: Latimer
Absent: None

3. Farmington Groundwater Recharge & Seasonal Habitat Program

Manager Kauffman provided funding information for the Farmington Groundwater Recharge & Seasonal Habitat Program. Patrick Dwyer has informed the district, USACE is reimbursing the Farmington Program for a portion of previously reprogrammed appropriations. Total funding for FY 2008 will be approximately \$1,108,000. Manager Kauffman will continue to work with Patrick Dwyer to finalize the work plan. The funding will need to be committed to contracts by September 2008. USACE is developing guidance on how to handle the district's WRDA 2007 language change.

4. Calaveras River Watershed Coordinator Grant Application

Manager Kauffman provided the Board with the narrative portion of the Calaveras River Watershed Coordinator Grant Application submitted to Department of Conservation. Due to lack of funding, the January 2008 Calaveras River Watershed Stewardship Group Meeting was cancelled. Director Watkins felt the quarterly meetings do not have enough attendance to continue the program. Director Latimer stated Watershed Coordinator Jim Inman also conducts river clean-up days and various educational tours. Director Latimer felt the outreach was inadequate and requires improvement to receive greater meeting involvement.

5. Stockton Area Water Suppliers Water Education Program (2006/2007 School Year) Annual Report

Water Conservation Coordinator Coon gave a presentation on the 2006/2007 SAWS Water Education Program (Program) Annual Report. The in-class Program has been modified by broadening applicable standards which appeal to various grade levels. Toothbrushes are provided to all first graders in conjunction with their hygiene education program. Also, sponges are given to the teachers to use in the classroom reminding the teacher and the students to turn the water off. The Program will be implemented into after school programs in 2008. This is a great place to access a lot of students at all age levels. SAWS sponsored 57 Great Water Mystery assemblies for the 2006/2007 school year and purchased an additional 100 performances which began in October 2007. Susan Webster has been hired part-time to assist Water Conservation Coordinator Coon with the Program, and has been a valuable addition. The Conservation Cottage was dedicated and opened to the public on June 25, 2007 and is a great success. The refrigerator is sparking learning and the implementation of a video game completes the experience in the Cottage. A nomination package was submitted to San Joaquin Council of Governments for the SAWS Water Education Program and will be receiving an honorable mention at the Regional Excellence Awards on February 22, 2008. Research on the implementation of the water treatment plant tour video will resume in 2008. Water Conservation

Coordinator Coon intends to expand participation in after-school programs, increase emphasis on conservation, replace the Sally Save Water mural at the Children's Museum, develop a grade 6 groundwater presentation, seek funding for a middle school traveling laboratory, promote "Tap Water Delivers", promote SAWS identity and highlight contributions to the community.

Director McGurk inquired if the attention level of the students is measured. Water Conservation Coordinator Coon replied students are remembering things from prior year's presentations, which allows the presentations to be stepped-up because they have already retained the basics.

Manager Kauffman reported Water Conservation Coordinator Coon gave a presentation to the SAWS group on January 7, 2008, and it was received very favorably. The 2006/2007 Annual Report will be presented to the Stockton City Council in April 2008, prior to Water Awareness Week.

E. COMMITTEE REPORTS

1. Mokelumne River Association Meeting, 01/04/08

Director Latimer reported on the January 4, 2008 Mokelumne River Association at the January 8, 2008 Board of Directors meeting.

2. Stockton Area Water Suppliers Meetings, 01/07/08 and 01/11/08

Manager Kauffman reported on the January 7, 2008 Stockton Area Water Suppliers Meeting. Courtney Vasquez gave an update on the City of Stockton's Water Conservation Program. The update will be presented to the City's Water Committee on January 24, 2008. The group discussed the OID/SSJID Water Transfer Agreement. SAWS is working on a Feasibility Study to capture unused SEWD agricultural water and make available to the SEWD water treatment plant (potential for 15,000 AFY). The group discussed draft language for modifying the Second Amended Contract. Manager Kauffman gave an update on SEWD annexations. Assistant Manager Thomas explained the process of a table top exercise on terrorism protection developed by the Department of Health Services. The SAWS group would like to do this type of exercise with local participation annually, and hold larger scale exercises once every 5 years.

Manager Kauffman reported on the January 11, 2008 Stockton Area Water Suppliers Meeting. The group discussed the various models in progress including the work by Avry Dotan on SEWDSIM. An environmental documentation process is likely needed for the Water Transfer Agreement. Mel Lytle discussed the concept of "One Voice for Water".

3. San Joaquin County & Delta Water Quality Coalition Steering Committee Meeting, 01/10/08

Director Latimer reported on the January 10, 2008 San Joaquin County & Delta Water Quality Coalition Steering Committee Meeting. Ruth Mulrooney gave an update on the enrollment status deposits and John Meek gave an update on the membership lists. Mike Johnson reported on the Monitoring Report Program. The group discussed the Landguard enzyme and how it is effective in removal of Lorsband. A joint Grant Application has been submitted for Proposition 50 funding for settling ponds and drainage improvements. The coalition has a new webpage (sjdeltawatershed.org) and will be setting up a booth at the Ag Fair. The next meeting is scheduled for Wednesday, February 6, 2008.

F. REPORT OF THE GENERAL MANAGER

1. M&O Superintendent's Report as of 01/10/08

Assistant Manager Thomas reported there is approximately 124,827 AF in storage at New Hogan and the top of conservation is 161,700 AF. There is approximately 1,465,485 AF at New Melones. The water treatment plant is currently processing 35 mgd of New Hogan Water and will switch to New Melones water on Thursday.

2. Information Items

Manager Kauffman noted items F2a-1, F2a-2, F2a-3, Fa-4, F2a-5, F2a-6, F2a-7, F2a-8, F2a-11 and F2a-12.

Manager Kauffman reported on the following issues:

- Manager Kauffman reported the district's dog (Luke) was attacked by two dogs on Saturday night and killed. During the event, one of the attacking dogs was also killed. Assistant Manager Thomas reported Animal Control was called and the incident was reported. Animal Control picked up the deceased animals on Sunday morning and set a trap for the remaining attack dog. The Board of Directors asked its General Manager to take the necessary steps to assure staff safety.

G. DIRECTOR REPORTS

Director McGaughey referred to a clip from a student in Water Conservation Coordinator Coon's Annual Report. The student stated they wanted to work for the water company some day; therefore, one of Kristin's stated messages appears to be getting through.

H. REPORT OF COUNSEL

1. Calaveras River Water Right Application

Legal Counsel Zolezzi provided the Board with correspondence from the Department of Water Resources relative to Water Right Applications 30603A and B, 31534 through 31541 and 30602. Legal Counsel will be responding to the correspondence.

I. COMMUNICATIONS (None)

J. AGENDA PLANNING FOR THE NEXT MEETING

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 1:00 p.m., 01/16/08

President Panizza adjourned the meeting to closed session at 2:16 p.m. to discuss closed session items. The regular meeting reconvened at 3:28 p.m. with no reportable actions.

K. ADJOURNMENT

The meeting was adjourned at 3:30 p.m.

Respectfully submitted,

Kevin Kauffman
Secretary of the Board

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