

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, SEPTEMBER 18, 2007 AT NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

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

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, Consultant Barkett and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 09/11/07 Regular Meeting

Director McGurk made the following correction to the minutes:

- Page 3, section E2, paragraph 1, sentence 8, strike “County Board of Supervisors” and add “Board of Supervisors Water Committee”.

Director Cortopassi made the following correction to the minutes:

- Page 3, section E1, paragraph 2, sentence 3, add “of active ingredient” after “amount”.

A motion was moved and seconded to approve the September 11, 2007 regular meeting minutes, as amended.

Vote: Unanimous approval

2. DWTP - Efficiency Enhancement Project - Finished Water Pumping Station

Manager Kauffman provided the Board with communications between the construction manager, contractors and sub-contractors regarding cost modifications for the Finished Water Pump Station Modification Project. The construction manager is asking the general contractor to wrap up all outstanding issues so the project can be closed-out. Work Change Directive’s # 15 & 16 were valid and accepted by the district.

Superintendent Yoshimura reported the air conditioner unit failed on the Variable Frequency Drives (VFD’s) for pump’s # 27 & 28. The contractor has been notified of the failure. The water treatment plant has sufficient back-up to continue processing water.

E. COMMITTEE REPORTS

1. Northeastern San Joaquin County Groundwater Banking Authority Board & Coordinating Committee Meeting, 09/12/07

President Panizza and Manager Kauffman attended the September 12, 2007 Northeastern San Joaquin County Groundwater Banking Authority Board & Coordinating Committee Meeting. President Panizza reported the GBA Board approved release of the Integrated Conjunctive Use Program EIR Notice of Preparation. In addition, the Board approved GBA’s participation in the draft Governance Agreement for the Mokelumne Forum’s Integrated Regional Conjunctive Use Project Study.

Manager Kauffman reported Chairman Guterrez ran a good meeting with good discussion. Tim Quinn from ACWA will be in attendance at the next meeting scheduled for Wednesday October 10, 2007. Mel Lytle stated there will be a change in venue due to attendance. Director McGaughey reported the minutes from the July 25, 2007 Northeastern San Joaquin County Groundwater Banking Authority Board Meeting reflected p.m. as opposed to a.m. for the adjournment time.

2. Eastern Water Alliance Meeting, 09/14/07

Director McGurk reported on the September 14, 2007 Eastern Water Alliance Meeting. Main discussion focused on agenda item E "Principles of Agreement between San Joaquin Interests and EBMUD". North San Joaquin Water Conservation District voiced concerns regarding withdraw of protest's to EBMUD's Petition for Extension of Time without receiving anything in return. Manager Kauffman went over each Principal with a brief explanation. Manager Kauffman is working on setting up a meeting with the negotiating team (Kevin Kauffman, Tom Flinn, Andy Christensen, Richard Prima and Ed Steffani) and EBMUD representatives. Director McGurk reported the Northeastern San Joaquin Groundwater Banking Authority (GBA) Proposition 50 Grant Application has a better chance of receiving funding if it includes additional projects to become a more regional application. The four projects include: City of Stockton Delta Water Supply, North San Joaquin Water Conservation District, Bellota Intakes and Micke Grove Recharge Site. In addition, the application will be increased from \$7 million to \$8 million. Bob Granberg stated the GBA agreed a joint application would stand a better chance for funding. The Alliance supported the GBA's Grant Application with the additional projects. The Alliance discussed the upcoming Water Bond Act issues. The Alliance representatives of Central and SEWD met with Senator Machado on September 13, 2007, to receive input and guidance. The Governor's Plan includes specific storage reservoirs, a peripheral canal, delta improvements and groundwater recharge. Senator Kuehl's committee is pushing for more focus on the delta, groundwater storage, and general funding of surface storage projects. The Alliance General Managers were directed to meet with the South and Central Delta Water Agencies to discuss their input on an Alliance Canal type project as an alternative to a through delta canal.

3. Green Team San Joaquin Meeting, 09/12/07

Director Latimer reported on the September 12, 2007 Green Team San Joaquin Meeting. Congressman McNerney was the featured speaker and discussed the present and future of San Joaquin County. Discussion items included downtown improvements, education resources, employment opportunities, transportation bond issues, Port of Stockton import/export opportunities, Stockton Airport, levees, air quality improvements, Port of Stockton Business Park, energy and agriculture industry, high speed rail from Stockton to the Bay Area and gang violence. Congressman McNerney stated he is opposed to a peripheral canal. A presentation was given by Dan Geiger with the US Green Building Council-Northern California Chapter and Paul Disario from the Stockton Unified School District.

F. REPORT OF THE GENERAL MANAGER

1. M&O Superintendent's Report as of 09/13/07

Superintendent Yoshimura reported there is approximately 131,595 AF in storage at New Hogan. Current releases are set at 125 cfs. There is approximately 1,463,102 AF in storage at New Melones.

Manager Kauffman reported that by the district taking more water from New Melones at this time will result in draining the poor water quality ponds in the Jenny Lind area of the Calaveras system. This will help to get rid of the poor water quality before the district begins taking New Hogan water again for the drinking water treatment plant.

2. Information Items

Manager Kauffman noted items F2a-1, F2a-2, F2a-3, F2a-4, F2a-5 and F2a-10.

Manager Kauffman reported on the following issues:

- Manager Kauffman reported Metropolitan Water District has issued a statement indicating without implementation of a peripheral canal or an isolated facility they will not be able to take their full State Contract water allocation. In addition, ACWA has launched a major Statewide Public Education Program, “California’s Water: A Crisis We Can’t Ignore”.
- Manager Kauffman reported despite his request to postpone the vote, San Joaquin County Board of Supervisors unanimously approved a resolution opposing the peripheral canal. The Board of Supervisors did indicate they would be willing to consider future resolutions as new developments on this issue occur. The Legislature is currently working on a counteroffer to the Governor’s proposal.
- Manager Kauffman reported the City Council tonight will consider selection of CDM (Civil Engineering Consulting Firm) to design the City’s water treatment plant.
- Manager Kauffman reported a meeting is being scheduled for further discussions on the OID/SSJID Water Transfer Agreement.
- Manager Kauffman reported Water Conservation Coordinator Coon has drafted her Annual Water Conservation Update Report. It will be presented to SAWS on September 24, 2007. President Panizza asked that a copy be mailed to the management of the Urban Contractors, including individual copies to the members of the City Council.

G. DIRECTOR REPORTS (None)

H. REPORT OF COUNSEL (None)

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., 09/19/07
2. Industrial & Technology Barbecue, 7:00 p.m., 09/19/07
3. SAWS Meeting, 3:00 p.m., 09/24/07

President Panizza adjourned the meeting to closed session at 1:24 p.m. to discuss closed session items. The regular meeting reconvened at 3:23 p.m. with no reportable actions.

K. ADJOURNMENT

The meeting was adjourned at 3:23 p.m.

Respectfully submitted,

Kevin Kauffman
Secretary of the Board

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