

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

Lodi Library Community Room, 201 West Locust Street, Lodi CA

Monday October 26, 2015

MINUTES

1. Call to Order/Roll Call - President Valente called the meeting to order at 2:04 PM

President Joe Valente	General Counsel Roger Masuda
Vice President Tom Flinn	Special Legal Counsel Jennifer Spaletta
Secretary David Simpson	Consultant Walt Sadler
Treasurer Hugh Scanlon	Deputy Secretary Shasta Burns
Deputy Secretary Marden Wilber	

2. Correspondence/Announcements

- A. President Valente received several phone calls with regarding the Sustainable Groundwater Management Act (SGMA).
- B. President Valente received a request from the auditor for signatures to complete the latest audit.
- C. President Valente announced the Woodbridge Winery Water Reuse Project Concept Presentation from the September meeting has been posted to the District's web site.

3. Action Items

A. Approval of Minutes

Motion to approve the Minutes of the September 28, 2015 Regular Board Meeting made by Secretary Simpson, second by Director Wilber. The motion passed unanimously.

B. Monthly Financial Reports and Invoice/Expense Payments

Treasurer Scanlon reviewed the financial reports and the proposed list of invoices and expenses to be paid. A transfer of funds was made in the amount of \$80,000 into the District Checking Account. Secretary Simpson expressed concern about standby charge payments to PG&E still being made for two pumps that are abandoned. Payments are still being made and will stop when the pump stations are demolished. Consultant Sadler will discuss demolition with Ford Construction. Motion to receive and file the monthly financial reports by Vice President Flinn, second by Director Wilber. The motion passed unanimously.

C. Tracy Lake Recharge Project

1. Tracy Lake Current Financial Reports

Treasurer Scanlon reviewed the current checks and balances with the Board. Consultant Sadler gave an update on the Tracy Lake Project and payments. Warrant C has been reissued. Construction of the Tracy Lake Project is almost

complete. The project is still under the projected budget. An Electrical Engineer has done an inspection, and the final inspection is coming soon. The next inspection will be a field inspection on Wednesday, October 28, 2015 at 10:00 a.m. A motion to accept current financial reports and checks payable for Tracy Lakes by Treasurer Scanlon, and second by Vice President Flinn. The motion passed unanimously.

D. Update on the DREAM Project - Demonstration Groundwater Banking Project

Recent efforts are focused on identification of potential sites for recharging facilities. Two potential sites are under consideration. Special Counsel Spaletta will be meeting with growers continually throughout the next month. At the November 20, 2015 DREAM team meeting, a site will be selected. The details of the plan are still in rough draft but will include four specific parts: 1) Funding Agreement; 2) Operating Agreement; 3) Sample Agreement with NSJWCD; 4) Monitoring Plan. The plan will be presented to the Board in November for review possible action.

E. Bear Creek and Pixley Creek Diversion Facilities

Consultant Saddler informed the Board that the Calif. Dept. F&WS 1600 Permit has expired. There is a need to have the permit renewed for the diversion facilities. The 1600 Permit is a 5-year permit and is a basic routine maintenance agreement. Special Counsel Spaletta and Consultant Sadler had a general discussion with Fish and Wildlife on Tuesday, inquiring about options and the most efficient and streamlined process to have the permit renewed so the diversion point can be used. The Army Corps of Engineers has a monthly scoping meeting and it would be beneficial to discuss the project there to get input prior to permitting.

F. Sustainable Groundwater Management Act (SGMA), including status of NSJWCD's Basin Boundary Modification request and new legislation

General Counsel Masuda distributed a letter from Stockton East Water District, and reviewed emerging Department of Water Resources (DWR) policy for Groundwater Sustainability Area (GSA) formation, overlap and basin boundary modifications. The basin boundary modification requested by NSJWCD was submitted to the Eastern San Joaquin County Groundwater Banking Authority (GBA) and accepted for processing to DWR on October 21, 2015. There are 3 NSJWCD diversion points serving the portion of the District north of the river. These are important to include in the Groundwater Sustainability Plan (GSP) for the District. DWR regulations for GSA formation are clear and straight forward, with a tight timeline for submittal of January 1, 2016 to March 31, 2016. There will be a cost estimate at the next meeting.

G. Sustainable Groundwater Management Act Public Outreach

The Board discussed the importance of public outreach for SGMA. Woodbridge Irrigation District held a public meeting that was well attended. Lodi District Grape Growers has scheduled a meeting for SGMA next month. The Board discussed ways of educating and informing the public. Special Counsel Spaletta stated that public outreach is important and that growers are more likely to respond favorably if informed of the issues surrounding SGMA. The idea of a newsletter with a few simple facts, emails, and information uploaded on the District website were also mentioned as positive ways of distributing information.

H. Quarterly Budget Analysis

Vice President Flinn reviewed the budget handout. A few items will be added to the budget. The Board will adopt budget in June and have a final budget for vote in July or August.

I. Proposal for Professional Services

Secretary Simpson proposed that the Board periodically examine expenditures for Professional Services. He recommended the Board use a RFQ/RFP process in 3-5 year intervals to evaluate professional services. Motion to form a RFQ/RFP committee for Engineering, Legal Services, Audit and Accounting services to be done on a 3-year basis made by Secretary Simpson, second by Vice President Finn. The motion passed unanimously. The subcommittee will consist Directors Simpson and Wilber.

J. 2016 Regular Meeting Schedule

No action necessary - Board meeting room reservations at the Lodi Library have been made. Documentation attached to the Board Meeting Agenda. December meeting will be held a week earlier. December 14, 2015 from 2:00 p.m.-4:00 p.m. due to the Christmas Holiday.

4. Discussion Items - No discussion items at this time

5. Director and Staff Reports

A. Presidents Report - No report at this time

B. General Counsel Masuda - Public Access Report January 10, 2010 - Report from the Accountant in QuickBooks for a charge of \$25 sent to Mr. Masuda.

C. Consultant Saddler - No report at this time

D. Committee Reports - No report at this time

E. Other - All Directors are invited out to Woodbridge Winery to look at the project.

6. Public Comment on Items not on the Agenda - No public comments at this time

7. Closed Session

The Board met in closed session to discuss anticipated litigation from 4:08 PM until 4:15 PM. At 4:15 PM President Valente reopened the regular meeting and reported the Board had discussed an unpaid bill for professional services and subsequent potential litigation during closed session and that no action was taken.

8. Motion to Adjourn

Regular meeting reconvened at 4:15 PM. Motion to adjourn by Scanlon, second by Simpson, motion passed unanimously.

Next Regular Board Meeting on November 30, 2015, 2:00 PM - 4:00 PM

ATTEST:

APPROVED:

David Simpson, Secretary

Joe Valente, President