



STANISLAUS REGIONAL WATER AUTHORITY

SRWA Governing Board Meeting Minutes

May 28, 2015

The Stanislaus Regional Water Authority (SRWA) Governing Board met Thursday, May 28, 2015, at City of Modesto, 1010 10th Street, 4th Floor Conference Room 4601, Modesto, California.

Directors Present: Chris Vierra (Ceres), Bill Zoslocki (Modesto), Gary Soiseth (Turlock)
Staff Present: SRWA: Steve Stroud, Rolly Stevens, Gloriette Genereux, Judy Rosa
Ceres: Michael Brinton, Toby Wells, Daryl Jordan
Modesto: Larry Parlin, Will Wong, Thomas Hedegard, Leslie Vaughn,
Turlock: Michael Cooke, Garner Reynolds
Others Present: Lyndel Melton - RMC

- I. Call to Order - The meeting was called to order at 2:09 p.m.
- II. Public Comments – None
- III. Consent Calendar
 - a. Approval of Minutes – It was moved by Director Bill Zoslocki, seconded by Vice Chair Gary Soiseth, and carried unanimously to approve the minutes of the March 26, 2015 Board meeting.
- IV. General Manager’s Report – Steve advised Oakdale Irrigation District (OID) has confirmed that it will not be making a decision about what it will do with all of its water until they receive a response San Francisco(SFO). SFO has not indicated when it plans to provide a response to OID questions.
- V. Finance Director’s Report – Gloriette provided an update on the current expenditures.
- VI. Written Communications – None
- VII. Unfinished Business –
 - a. Review of TID Water Sales Agreement Draft 4 – Michael Cooke stating that last year TID Board passed a resolution stating that offset water was a requirement for the water sales agreement with the SRWA, at a ratio of 2:1 based on the cutbacks the SRWA Board would receive in a water-short year. In January 2015 TID meet with staff and stated that offset water needed to be recycled water.

Michael and Toby Wells met with TID staff as directed by the Board, and TID is now willing to accept pumped in groundwater for a part of the offset water requirement. This would require the City of Turlock to provide 2,000 acre-feet of recycled water every year to TID. With this guarantee, TID would not oppose any future recycled water projects. In a dry year, the offset water would be pumped in groundwater from Ceres, Modesto, and Turlock. TID has also agreed to keep the raw water cost at Tier 4, which is the same price farmers pay to TID for the most expensive water (\$25 – \$30/a-f).

The only issue that really hasn’t been resolved is the cost of construction for the conveyance of recycled water to TID. TID would like to use spots in its distribution

system which is somewhat remote from Turlock's city limits. Michael stated there are closer locations within the City of Turlock that the City of Turlock would prefer. City of Turlock is okay with the deal points discussed with TID. TID staff would like the SRWA Board to take a formal action so that TID staff could then they can take to the TID Board in Closed Session for consideration.

Vice Chair Gary Soiseth stated he would like to take it one small step at a time (offset water) and make sure the Board is good with that, then work on the next item (infrastructure).

Vice Chair Soiseth entertained a motion that SRWA Board approve the 2-1 concept of offset water as outlined in the staff report, and ask the additional question as to whether we can start at 42"; and further moved that SRWA staff develop a complete draft counter proposal to TID's Draft 4 of the Water Sales Agreement for SRWA Board review and potential action no later than two weeks from May 28, 2015. The motion was seconded by Director Zoslocki, unanimously approved.

VIII. New Business

a. 2015/16 Budget Review/Adoption – the General Manager presented three options: A, B, and C from \$92,730 to \$1.27 million. A question was asked if Option A was adopted and it needed to amend the budget at a later date once a water sales agreement has been reached, and it was determined that this was possible.

It was moved by Director Bill Zoslocki, seconded by Vice Chair Gary Soiseth, to adopt Option A for the 2015/16 Budget, unanimously approved.

IX. Matters Too Late for the Agenda – None

X. Board Comments – Vice Chair Soiseth stated he was proud of the Board moving forward and hopefully there will be some response from TID. It was decided to have the draft counter proposal to the Board by June 11, 2015, with the review at the next meeting on June 25, 2015.

XI. Items for Next Agenda –

a. Review of Draft Counter Proposal to TID's Draft 4 of the Water Sales Agreement

XII. Adjournment – The meeting adjourned at 2:52 p.m.