



STANISLAUS REGIONAL WATER AUTHORITY

SRWA Governing Board Meeting Minutes

February 26, 2015

The Stanislaus Regional Water Authority (SRWA) Governing Board met Thursday, February 26, 2015, at City of Modesto, 1010 10th Street, 2nd Floor Conference Room 2001, Modesto, California.

Directors Present: Chris Vierra (Ceres), Bill Zoslocki (Modesto), Amy Bublak (Turlock)
Staff Present: SRWA: Steve Stroud, Gloriette Genereux, Rolly Stevens, Judy Rosa
Ceres: Michael Brinton, Toby Wells
Modesto: Larry Parlin, Will Wong, Thomas Hedegard, Leslie Vaughn,
DeAnna Espinoza
Turlock: Michael Cooke, Garner Reynolds, Roy Wasden
Others Present: Dave Kraska – Carollo

- I. Call to Order - The meeting was called to order at 10:03 a.m.
- II. Public Comments – None
- III. Consent Calendar
 - a. Approval of Minutes – The minutes for the October 23, 2014 Board Meeting were unanimously approved.
- IV. General Manager's Report – Steve Stroud stated that this past Tuesday (2/24/15) the TID Board had a closed session item on couple of items of interest. One Michael Cooke will report on as it relates to the City of Turlock, and the other was related to rates for our project, as TID plans to raise rates for their agricultural customers, and in turn it will affect our project's rates. Board Chair Vierra asked if TID had given us a raw water rate, and Steve said the official number is \$20/acre foot and doesn't included debt service or O&M on the facilities that will be owned by TID (infiltration gallery, raw water pump station, and raw water pipeline) and other fees. Steve reiterated that TID still wants tertiary-treated water as offset water during drier that normal water years. Steve also reported on OID that he had a conversation with Steve Knell, OID General Manager, and asked for an update, and was told OID is still waiting for answers from San Francisco Public Utilities Commission (SFPUC). A meeting between OID and SFPUC is scheduled about mid-March. Larry Parlin stated that Lyndel Melton from RMC had advised him that currently the SFPUC is looking at not repairing the pipeline, but building a new parallel pipeline, which would mean there would be no SFPUC project with OID for its water.
- V. Finance Director's Report – Gloriette Genereux reviewed the December 2014 financial information provided to the Board, and recommended that the cities might want to reduce budgets related to the project based on the budgeted amount in comparison to the expenses for the current fiscal year.
- VI. Written Communications – None

VII. Unfinished Business – None

VIII. New Business –

- a. SRWA Annual Audit – DeAnna Espinosa reported on the Audit ending June 30, 2014. It was moved by Director Bill Zoslocki, seconded by Director Amy Bublak, and carried unanimously to approve the SRWA Annual Audit.
- b. Annual Reports for 2013 and 2014 – The Board accepted the reports as written.
- c. Appointment of Vice Chair - It was moved by Director Amy Bublak, seconded by Chair Chris Vierra, and carried unanimously to approve Gary Soiseth as Vice Chair to replace Forrest White.
- d. TID Negotiations with Cities – Michael Cooke summarized what had transpired with TID negotiations over the last number of years, and that eventually reached an impasse. However, when the Turlock City Council was asked to approve an agreement with Del Puerto Water District (DPWD) for delivery of Turlock’s recycled water to DPWD via the North Valley Regional Recycled Water Program (NVRWP), in which the City of Modesto is also partner, he stated that TID decided to pursue recycled water as offset water for the SRWA project. The challenge with this is that TID wouldn’t want any offset water in the wet years, but would need a lot in the dry years. City of Modesto representatives let TID know that the NVRWP has been in the works for a long time and it was not willing to commit any of its recycled water to TID as offset water for the SRWA project. Michael explained that a subcommittee with representatives from the City of Turlock and TID met and discussed many issues between the two agencies, and offset water was also part of the discussion. Turlock doesn’t have the amount of recycled water that TID needs during the irrigation season, but through discussions at the staff level, cooling water might be acceptable as offset water also. Michael stated that it looks like TID is interested in getting things worked out with the cities, and the question is how this project affects the NVRWP. Michael recommended a strike team of City representatives to meet with TID staff, as each City representative knows about the specific assets for its City and what could possibly be available, and to develop a term sheet, which could then be passed onto the attorneys.

Chair Vierra stated that he would like staff to continue to pursue the other alternatives because of the delays in this project. He also recommended there be a deadline for the proposed term sheet to be worked out between TID and the Cities, with the suggestion of 90 days.

- e. Proposed Amendment to JPA and Bylaws to Reduce Number of Board Members needed for a Quorum from Three to Two – Chair Vierra stated this was put on the agenda by him, and since that time, he has talked with neighboring jurisdictions that may be interested in rejoining the SRWA. It was moved by Director Amy Bublak, seconded by Director Bill Zoslocki, and carried unanimously to continue this item and contact other cities to see if any are interested in participating, and address the quorum issue at that time.



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- IX. Matters Too Late for the Agenda – None
- X. Board Comments – Director Zoslocki asked about the Water Supply Alternatives Study and what the Board's direction was. It was decided that the General Manager will meet with the new Board members to provide an update on this study and to answer any questions they may have.
- XI. Items for Next Agenda – TID Update
- XII. Adjournment – The meeting adjourned at 11:10 a.m.