



STANISLAUS REGIONAL WATER AUTHORITY

SRWA Governing Board Meeting Minutes

March 26, 2015

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

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

- I. Call to Order - The meeting was called to order at 10:10 a.m.
- II. Public Comments – None
- III. Consent Calendar
 - a. Approval of Minutes – It was moved by Director Bill Zoslocki, seconded by Chair Chris Vierra, with Vice Chair Gary Soiseth abstaining, and carried to approve the minutes of the February 26, 2015 Board meeting.
- IV. General Manager's Report – Steve advised that he made contact with Keyes Community Services District and that they are not interested in joining the SRWA at this time. He was not able to make contact with anyone from Denair yet.
- V. Finance Director's Report – Thomas Hedegard gave an update on the current expenditures related to consultant costs.
- VI. Written Communications – None
- VII. Unfinished Business –
 - a. TID Negotiations Update – Michael Cooke stated that the three city representatives met and determined that the last version of the draft water sales agreement from TID should be marked up and returned to them, and that the issue of offset water should be taken off the table. It was also decided that the issues between the City of Turlock and TID over recycled water and local use should be dealt with independently from the SRWA. The final decision was that the deal with Oakdale Irrigation District (OID) should be pursued to see if this is a viable alternative.

Based on Michael's conversation with Tou Her, TID's representative, TID is not in favor of any deal with SRWA that does not include offset water. Michael also stated that initially when TID requested offset water they were interested in pumped groundwater, but more recently their focus is only on recycled water. Chair Vierra stated that Ceres does not have any offset water to offer. Vice Chair Soiseth recommended that a portfolio of what is available from each city be presented to TID, showing that the recycled water has already been committed.

Toby Wells (Ceres) stated that three or four years ago, the cities collectively paid TID about \$9 million for work on the plant project, which included preliminary

design work and the infrastructure that is currently in place, and there was no mention of offset water at that time. The bar keeps changing, and there is nothing to show for it. Toby stated that the cities don't have the supply of offset water that TID is looking for.

Chair Vierra restated that this JPA was formed to build a water treatment plant and buy raw water to treat and be used by each of the jurisdictions. He stated that we should look at the other alternatives and see if any are viable, and not just continue on with TID.

Larry Parlin (Modesto) stated that Modesto has already committed its recycled water and is not willing to offer any offset water to TID. Chair Vierra stated he is okay with supplying TID with what the cities have available in offset water (Turlock and Ceres only), with a caveat that these amounts will need to be approved by each of the jurisdiction's Councils.

There was much discussion on whether a dollar amount per acre foot should be included in the draft agreement. There was concern that if a number was stated, it would be set. Michael Cooke stated that from the City of Turlock's perspective, if the deal can be made with offset water, why offer TID a dollar amount that could be four times more also.

It was decided that Toby Wells from the City of Ceres and Michael Cooke from the City of Turlock would meet with TID staff to discuss the amount of offset water available from Turlock, and whether increasing the dollar amount for raw water will be acceptable. They will then report back at April's Board Meeting.

- VIII. New Business – None
- IX. Matters Too Late for the Agenda – None
- X. Board Comments – None
- XI. Items for Next Agenda –
 - a. Final Direction on TID Negotiations
 - b. Potential Direction on OID
- XII. Adjournment – The meeting adjourned at 11:23 a.m.