



STANISLAUS REGIONAL WATER AUTHORITY

SRWA Governing Board Meeting Minutes

June 25, 2015

The Stanislaus Regional Water Authority (SRWA) Governing Board met June 25, 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, Gloriette Genereux, Judy Rosa
Ceres: Michael Brinton, Toby Wells
Modesto: Larry Parlin, Will Wong, Thomas Hedegard, Leslie Vaughn,
Turlock: Michael Cooke, Garner Reynolds
Others Present: Lyndel Melton – RMC, Anthea Hansen – Del Puerto Water District, Joe Alamo - TID

- 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 – It was moved by Vice Chair Gary Soiseth, seconded by Director Bill Zoslocki, and carried unanimously to approve the minutes of the May 28, 2015 Board meeting.
- IV. General Manager’s Report – Steve advised that Modesto has a new audit firm that will handle the audit for SRWA in September 2015. Discussion related to item VII.a. below ensued and is listed under that item.

Vice Chair Soiseth expressed his displeasure with how the drafts were distributed over the last month, and stated that he’s still confused on which is the correct draft and he didn’t appreciate the lack of clarity.
- 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 (WSA) Draft 4 – Steve stated that with the ongoing drought, he thinks that getting this agreement finalized will be difficult. Chair Vierra asked about the cities being able to bond if there’s no commitment from TID of an assured water supply and would that put cities at risk? Rolly stated that the final agreement would have to be circulated to the bonding agencies for review as the bonding agencies would need some guarantees over a long period of time. Rolly stated that Draft 5 covers more accurately what is needed. Steve advised that the Bylaws state that the SRWA cannot obligate the cities to expenditures without their consent. Since SRWA has no assets, cities would have to provide the guarantee to the bonding agencies for the SRWA. The interest rate may be a factor and be dependent upon the guarantees.

Chris stated that ideally he would like all the water to come from TID, but realizes that we may have to obtain other options for raw water purchases, so that there’s

water for the plant to run. He stated the more water we can get into the region, the better.

Vice Chair Soiseth asked for clarification on which version of the WSA was being discussed, 4 or 5? Rolly stated Draft 5 is more in line with providing the bond market the guarantees necessary. He stated that Draft 5 is more in line with what the bonding agencies would be in agreement with related to guarantees

Vice Chair Soiseth requested a 5 minute break at 10:20 a.m.

Vice Chair Soiseth said he believes all the issues were addressed in Draft 5, and he is ready to send onto TID. Rolly commented that he would be comfortable sending Draft 5 to TID with one update on 4.K. related to storage and the following verbiage added:

“Water purchased in this manner shall be stored for the purchasing member agency until the purchased surface water is used.”

Rolly reiterated that Draft 5 is from the SRWA’s perspective and said he feels it’s important to start out owning the facilities, whether that’s where it ends up, time will tell.

Joe Alamo provided information on the reason pumping might be necessary due to the possibility of increased restrictions on cold water habitats.

It was moved by Vice Chair Soiseth, seconded by Director Bill Zoslocki, and carried unanimously to accept Draft 5 and forward it to TID no later than close of business today, June 25, 2015.

VIII. New Business - None

IX. Matters Too Late for the Agenda – None

X. Board Comments – Vice Chair Soiseth said he wanted to thank Modesto, Turlock, Ceres’ staff for all the hard work on Draft 5, and believes it’s a good draft agreement to send to TID. He also asked that the Board be flexible and willing to meet sooner should a response from TID be received.

XI. Items for Next Agenda –

a. Review Response from TID on Draft 5 Water Sales Agreement

XII. Adjournment – The meeting adjourned at 10:36 a.m.