

THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF STOCKTON EAST WATER DISTRICT WAS HELD AT THE DISTRICT OFFICE
6767 EAST MAIN STREET, STOCKTON, CA
ON TUESDAY, DECEMBER 12, 2023 AT 12:30 P.M.

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Atkins called the regular meeting to order at 12:30 p.m., and Legal Counsel Zolezzi led the Pledge of Allegiance.

Present at roll call at the District were Directors Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti and Watkins. Also present were Manager Hopkins, Assistant Manager Vega, Finance Director Ram, District Engineer Evensen, Maintenance Manager Higares, Administrative Clerk Rodriguez, Legal Counsel Zolezzi and Consultant Barkett.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 12/05/23 – Regular Meeting

A motion was moved and seconded to approve the December 5, 2023 Regular Board Meeting Minutes, as presented.

Roll Call:

Ayes: Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti, Watkins
Nays: None
Abstain: None
Absent: None

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the December 5, 2023 California Public Employees’ Retirement System, as presented.

Roll Call:

Ayes: Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti, Watkins
Nays: None
Abstain: None
Absent: None

3. State Water Resources Control Board – 2023/2024 Water Right Fees

Manager Hopkins provided the Board with a listing of invoices from the State Water Resources Control Board for the District’s annual water rights fees in the total amount of \$236,556.94. Manager Hopkins reported the District receives yearly bills from the State Water Resources Control Board for all of the District’s pending water right applications, permits and licenses.

Director Atkins inquired if the amount has been the same every year. Finance Director Ram replied the difference from 2022 water rights fees was about \$6,000.

Director Watkins inquired why there is a big difference between New Hogan and New Melones. Manager Hopkins replied staff will investigate the difference with the State Water Resources Control Board. Discussion followed.

A motion was moved and seconded to approve the State Water Resources Control Board – 2023/2024 Water Right Fees, as presented.

Roll Call:

Ayes: Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: None

4. Stockton East Water District – Fleet Policy Actions – Proposed Vehicle Purchases and Budget Amendment Memo

Manager Hopkins provided the Board with the Fleet Policy Actions – Proposed Vehicle Purchases and Budget Amendment Memo. Assistant Manager Vega reported per the Fleet Management Policy criteria, the District’s Maintenance Manager evaluated all 26 vehicles in the District’s fleet shown in Table 1. Assistant Manager Vega reported based on the evaluation seven different District vehicles are within the criteria set by the policy to be replaced, those vehicles are units 16, 36, 37, 47, 49, 55 and 64. Assistant Manager Vega also reported there is no current budget in this current fiscal year to make these purchases because the policy was not set in place at the time the budget was developed, therefore a proposed budget transfer will be necessary as shown in table 3. Staff respectfully recommends the Board to authorize the budget amendment delineated in Table 3 and authorize the General Manager to purchase seven vehicles for a cost of up to \$427,596, as delineated in Table 2, and make all necessary approvals. The replaced vehicles will be presented before the Board at a future meeting to authorize disposal of surplus equipment.

Director Watkins inquired if the dump truck is also part of the vehicles being replaced. Assistant Manager Vega replied no, the dump truck will not be getting replaced at this time. Director Atkins inquired if the F-450 had major problems. Assistant Manager Vega replied, the F-450 has been out of service due several repairs the vehicle needs. Discussion followed.

A motion was moved and seconded to authorize a budget transfer from accounts 10-5162-0 Legal Fees-Section 15 – M&I (87% Share) in the amount of \$372,360 and 10-5203-0 NH General Maint. – AG – 8 Mile Dam (13% Share) in the amount of \$55,640 to account 10-8021-0 Transfer In/Out – Other Funds – Vehicle Replacement and authorize the General Manager to purchase seven vehicles for a cost of up to \$427,596 and make all other necessary approvals, as presented.

Roll Call:

Ayes: Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti, Watkins

Nays: Atkins

Abstain: None

Absent: None

5. Consideration of Proposed Annual Budget Fiscal Year 2024/2025

a. Public Hearing

President Atkins opened the Public Hearing at 12:50 p.m., to receive comments on the Proposed Annual Budget for Fiscal Year 2024/2025. Seeing there were no public comments, President Atkins closed the Public Hearing at 12:51 p.m.

b. Resolution No. 23-24-14 – Adopting Proposed Budget For Fiscal Year 2024-2025, as presented.

Board Meeting – 12/12/23

Draft Approved

Manager Hopkins presented the Board with the Resolution No. 23-24-14 – Adopting Proposed Budget For Fiscal Year 2024-2025. Manager Hopkins reported the Agricultural Operation Committee and the Municipal Operation Committee has reviewed the proposed budget for fiscal year 2024-2025 and recommended the Board consider approval of the proposed budget being presented.

A motion was moved and seconded to approve the Resolution No. 23-24-14 – Adopting the Proposed Budget for Fiscal Year 2024-2025, as presented.

Roll Call:

Ayes: Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: None

6. Stockton East Water District – Action on Government Claim – Claim Of Phillip Magaña, Dated 11/30/2023 Memo

Manager Hopkins provided the Board with the Action on Government Claim – Claim of Philip Magaña, Dated 11/30/23 Memo. Manager Hopkins reported the District recently received a liability claim from an employee who was injured on a project on August 4th,2023. The California Tort Claims Act protects government from liability and states a public entity is not liable for an injury caused by the public entity or any of its employees. Staff recommends the Board take action to reject the claim for two reasons; the District believes the claim has no merit and rejection will shorten the statute of limitation for the claimant to file suit from two years to six months. Upon rejection, a letter must be sent to counsel advising them of the rejection and their rights under the law.

A motion was moved and seconded to approve rejection of the Stockton East Water District – Action on Government Claim – Claim Of Phillip Magaña, Dated 11/30/2023, as presented.

Roll Call:

Ayes: Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: None

7. Statement of Consistency Pursuant to Execute Order N-7-22 and Findings of Fact Stockton East Water District Groundwater Sustainability Agency Statement of Consistency Pursuant to Executive Order N-7-22 – Well Permit Application for 3199 N. Beecher Rd, Stockton, CA 95215

Manager Hopkins presented the Board with the Statement of Consistency Pursuant to Execute Order N-7-22 and Findings of Fact Stockton East Water District Groundwater Sustainability Agency Statement of Consistency Pursuant to Executive Order N-7-22 – Well Permit Application for 3199 N. Beecher Rd, Stockton, CA 95215. Manager Hopkins reported the District received the notice of a well permit application from San Joaquin County Environmental Health Department for a new well on 3199 N. Beecher Rd which will be used as a backup source for an existing irrigation well.

Director Cortopassi inquired if the applicant is using surface water, Manager Hopkins replied no, the applicant has an existing well in the property. Discussion followed.

A motion was moved and seconded to approve Statement of Consistency Pursuant to Execute Order N-7-22 and Findings of Fact Stockton East Water District Groundwater Sustainability Agency Statement of Consistency Pursuant to Executive Order N-7-22 – Well Permit Application for 3199 N. Beecher Rd, Stockton, CA 95215, as presented.

Roll Call:

Ayes: Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: None

E. COMMITTEE REPORTS

1. Eastern Water Alliance (EWA) Meeting/Dream Monitoring Committee Meeting, 11/22/23
Vice President McGurk, Director Watkins, Manager Hopkins and District Engineer Evensen attended the Eastern Water Alliance (EWA) Meeting/Dream Monitoring Committee Meeting on November 22nd. Vice President McGurk reported the EWA Committee replaced a Dream Monitoring Committee member and introduced Steve Schwabauer as the new North San Joaquin Water Conservation District general manager. Director Watkins reported East Bay Municipal Utility District (EBMUD) will start DREAM pilot project extraction this week.
2. San Joaquin County and Delta Water Quality Coalition, 12/11/23
Director Atkins reported this meeting was cancelled.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 12/05/23
Manager Hopkins provided a handout of the Water Supply Report for information only that included storage, release, and production data collected from various sources as of midnight last night.

There is 173,0710 AF in storage at New Hogan Reservoir. Current releases are set at 153 cfs. There is 1,957,5827 AF in storage at New Melones Reservoir. Current releases are set at 5 cfs. Current release at Goodwin Dam to Stanislaus River is set at 204 cfs and release to all water users is set at 0 cfs. The District water treatment plant (WTP) is currently processing 34 mgd. North Stockton is currently utilizing 8 mgd. South Stockton is currently utilizing 5 mgd. Cal Water is currently utilizing 21 mgd. The City of Stockton WTP is currently processing 0 mgd.

Director Panizza inquired how long the City of Stockton be offline. Manager Hopkins replied Woodbridge Irrigation District stopped their deliveries on Friday and the City of Stockton is still dealing with the sunken tugboat issue.

2. Information Items:
Manager Hopkins noted items: F2a-1, F2a-2 and F2a-3
3. Report on General Manager Activities
 - a. San Joaquin Farm Bureau Federation Water Advisory Committee Meeting, 11/28/23
Assistant Manager Vega attended the San Joaquin Farm Bureau Federation Water Advisory Committee Meeting. Assistant Manager Vega reported the meeting was lightly attended. East Bay Municipal Utility District (EBMUD) reported they have ongoing hiring for the Community Affairs Officer. Assistant Manager Vega also reported North San Joaquin Water Conservation District (NSJWCD) discussed the DREAM Project and the EWA Monitoring Committee meeting. Hydro graphs showed certain areas recovering water levels in the last year. NSJWCD's Legal Counsel Jennifer Spaletta is closing up her practice and will work for a firm in Sacramento. She will continue to work with North San Joaquin Water Conservation District (NSJWCD). Discussion followed.
 - b. CVP Water Association Executive and Financial Affairs Committee, 12/08/23

Finance Director Ram attended the CVP Water Association Executive and Financial Affairs Committee. Finance Director Ram reported the meeting was started with the announcement to register for the upcoming Mid-Pacific Water Users' Conference in Reno, NV January 24-26, 2024. The scheduled presentation was moved by Kevin to 2024. Finance Director Ram also reported Sabir mentioned the February meeting will discuss overpayment with the contractors. Finance Director Ram plans to attend this meeting in person.

- c. Stockton Area Water Suppliers (SAWS) Meeting, 12/08/23
Manager Hopkins reported this meeting was cancelled.

 - d. Stockton East Water District Activities Update
Manager Hopkins reported the District received High Service Pumping Station Pump (HSPS) P25 back from the vendor who rebuilt the pump and during the startup testing, an issue was identified with the variable frequency drive (VFD). Manager Hopkins reported due to the VFD failing, the water treatment plant was down on Saturday to clean all of the conductors in HSPS to make sure everything was safe and properly insulated.
Manager Hopkins also reported he met with some growers who have historically accessed surface water from the District and are not currently using it. Manager Hopkins reported the reasons are easy to address and will be working with the growers to submit an application to the SWEEP grant program. Manager Hopkins also reported the District submitted the One Voice Project application for the Bellota Weir and the One Voice group stated if the District would like to continue to participate in the One Voice trip, they would include the project as an informational reference in the packet.
4. Stockton East Water District Finance Update
Finance Director Ram presented a Finance Update to the Board members. Finance Director Ram reported the District's investments to date have yielded about \$450,000 in interest with an interest rate of 5.57% with California Class and 3.59% with Local Agency Investment Fund (LAIF). Finance Director Ram reported she ran a report for the first six months which is 50% of the District's budget and the District has expensed 42%.

G. DIRECTOR REPORTS

1. Association of California Water Agencies 2023 Fall Conference, Indian Wells, CA 11/28/23 – 11/30/23
President Atkins, Director Watkins, Director Sanguinetti and Manager Hopkins attended the Association of California Water Agencies 2023 Fall Conference. Director Atkins reported a rough estimate of seventeen hundred people attended the conference. Director Atkins reported he attended a media presentation which talked about how to deal and present yourself to the media. Director Atkins also attended a different presentation about weather prediction. Manager Hopkins reported the Region Four Board thanked Director McGurk for all of his years of service as a board member and welcomed Director Watkins as the new board member. Discussion followed.
2. Greater Stockton Chamber of Commerce-Chamber Networking Event, 12/07/23
Director Atkins reported no one attended this event.
3. Stockton East Water District – Elected Officials Tour, Water Treatment Plant and Bellota Weir Site, 12/07/23
Director Atkins, Director Cortopassi, Director Panizza, Director McGurk, Director Watkins, Manager Hopkins, Assistant Manager Vega and Finance Director Ram attended the Stockton East

Water District – Elected Officials Tour, Water Treatment Plant and Bellota Weir Site. Director Atkins reported Stockton Mayor Lincoln attended the tour. Director Atkins also reported Water Operations Manager Jim Wunderlich provided the elected officials a tour of the Stockton East Water District WTP following a tour of the Bellota Weir Site. Director Cortopassi reported Manager Hopkins did an amazing job on his presentation. Discussion followed.

4. North San Joaquin Water Conservation Facilities Tour, 12/08/23

Director Atkins and Director McGurk attended the North San Joaquin Water Conservation Facilities Tour. Director Atkins reported the tour started at John and Gail Kautz house and headed to the northside pumping plant, the Costa Recharge vineyard, and then toured the South Pump Station and participants were shown the fish screens. The tour ended at the DREAM Project site. Discussion followed.

H. COMMUNICATIONS

1. State Water Resources Control Board – Temporary Permit 21454 (Application T033387) Letter To Appropriate Water From Rock Creek In San Joaquin County, 11/27/23

Manager Hopkins provided the Board with a letter from the State Water Resources Control Board regarding the District’s Temporary Permit 21454 (Application T033387). Manager Hopkins reported the District received notice from the State Water Resources Control Board approving the application for a temporary permit to divert flood water off Rock Creek.

2. Association of California Water Agencies/Joint Powers Insurance Authority President’s Special Recognition Award Letter – (Liability, Property, and Workers’ Compensation Program Low Loss Ratio), 11/27/23

Manager Hopkins provided the Board with an award letter form the Association of California Water Agencies/Joint Powers Insurance Authority President’s Special Recognition Award Letter – (Liability, Property, and Workers’ Compensation Program Low Loss Ratio). Manager Hopkins reported the District received a recognition award letter from ACWA/JPIA recognizing a low loss ratio for liability and property.

I. AGENDA PLANNING/UPCOMING EVENTS

1. Eastern San Joaquin Groundwater Steering Committee Meeting, 8:30 a.m., 12/13/23

2. Eastern San Joaquin Groundwater Authority Board Meeting, 10:30 a.m., 12/13/23

This meeting was cancelled

3. Holiday Open House & Toy Drive – Assemblymember Carlos Villapudua, 11:30 a.m., 12/14/23

4. Stockton East Water District – Holiday Potluck, Noon, 12/15/23

J. REPORT OF THE COUNSEL

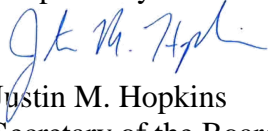
1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED - LITIGATION Potential exposure to litigation – Government Code Section 54956.9 – three cases

President Atkins adjourned the meeting to closed session at 1:51 p.m. The regular meeting reconvened at 2:38 p.m., with no reportable action.

K. ADJOURNMENT

President Atkins adjourned the meeting at 2:39 p.m.

Respectfully submitted,



Justin M. Hopkins
Secretary of the Board

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