

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, FEBRUARY 22, 2022 AT 12:30 P.M.

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

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

Present at roll call at the District were Directors Atkins, Cortopassi, McGaughey, McGurk, Sanguinetti and Watkins. Also present were Manager Moody, Assistant Manager Hopkins, Finance Director Vega, Administrative Services Manager Carido, Administrative Clerk Feliciano, Legal Counsel Zolezzi and Consultant Barkett. Present at roll call via teleconference was Director Panizza.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 02/15/22 Regular Meeting

A motion was moved and seconded to approve the February 15, 2022 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 February 22, 2022 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

3. Stockton East Water District – Proposal for Budgeted Vehicle Purchase FY2022-2023 Memo, 02/22/22

Manager Moody provided the Board with a memo regarding the purchase of a replacement for Unit 69. Manager Moody reported due to the shortages in the automobile industry, Staff recommends approving next fiscal year’s vehicle purchase now to ensure delivery before the end of fiscal year 22-23. Staff determined the Dodge Ram 1500 Quad Cab 4x4 is the least expensive and best suited for the District’s needs. Manager Moody added the current Unit 69, a 2015 Ford F-150 does not need to be added to surplus and instead will be added to the District’s motor pool. Manager Moody reported a replacement for Unit 69 has been budgeted for \$45,000.00. Manager

Moody is requesting the Board authorize the purchase of a new 2022 Dodge Ram 1500 Quad Cab 4x4 in the amount of \$43,941.24 plus contingency for a total not to exceed \$45,000.00. Director Cortopassi inquired about the vehicle package. Manager Moody replied the vehicle has navigation and Bluetooth capabilities.

A motion was moved and seconded to authorize the General Manager to purchase a new 2022 Dodge Ram 1500 Quad Cab 4x4 in the amount of \$43,941.24 plus contingency for a total not to exceed \$45,000.00, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

4. Stockton East Water District – 2022 Annual Cost of Living Adjustment

Manager Moody provided the Board with the 2022 Annual Cost of Living Adjustment memo. Manager Moody reported according to the 2020-2026 Memorandum of Understanding (MOU) between the Stockton East Water District and its employees, certain positions would be eligible for a Cost of Living Increase based on the 2020 Salary Survey. The MOU provides for a salary adjustment equal to 80% of the CPI net change with a minimum increase of 2.5% and maximum increase of 6%. Manager Moody added the index for 2022 shows a net increase of 8.23% and 80% CPI net change is equal to 6.58% which is above the approved 6% increase.

Director McGaughey inquired about the Board's last salary increase. President Watkins replied it was October or November of 1998.

Director Cortopassi inquired about the positions that are not receiving the Cost of Living Adjustment. Manager Moody replied there are three positions that are not receiving the adjustment due to the percentage of over compensation. Director Cortopassi inquired if those positions will catch up to receive the adjustment in the future. Manager Moody replied yes, those positions will eventually even out.

A motion was moved and seconded to approve the 6.0% salary increase for eligible District positions effective April 1, 2022 under the terms of the 2020-2026 Memorandum of Understanding, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

5. Stockton East Water District – California Department of Fish & Wildlife Routine Maintenance Agreement CEQA Service Project Memo, 02/22/22

Manager Moody provided the Board with a memo regarding the Routine Maintenance Agreement (RMA) with California Department of Fish and Wildlife. Manager Moody reported the District conducts maintenance and operations under the current RMA to protect physical, natural and cultural resources in the maintenance areas. Manager Moody added Staff has identified the need to add locations to the RMA; the locations include Caprini Crossing at Mormon Slough, Central California Traction Railroad (CCTR) at Stockton Diverting Canal,

Sanguinetti Dam at Duck Creek, and three crossings at Whittle Ranch. Manager Moody reported adding these locations to the RMA requires California Environmental Quality Act (CEQA) compliance. Manager Moody explained adding the locations to the RMA will allow the District to save a significant amount of time by bypassing formal requests and permits in order to complete maintenance and operations in accordance with the RMA. Manager Moody requested the Board approve executing a Professional Services Agreement with Dokken Engineering to complete the CEQA Service Project for a proposed cost of \$31,640 plus a 10% contingency for a total amount of \$34,804.

Director McGurk inquired about the regulatory agencies being satisfied with the RMA or if they could contest the RMA. Manager Moody replied they could, however the RMA benefits and satisfies all involved agencies.

Director Cortopassi inquired if we can also add projects that the District is planning to complete like the Bellota Fish Screen and Passage Improvement Project. Manager Moody replied no, the locations in the RMA have to have a footprint in order to inspect them to determine what maintenance and operations are approved under the RMA.

Director McGurk inquired about Dokken Engineering and if they only serve the state of California. Assistant Manager Hopkins replied yes, they have multiple offices in California. Manager Moody inquired if Dokken Engineering executed the last RMA update. Assistant Manager Hopkins replied no they did not and could not recall who did.

A motion was moved and seconded to authorize the General Manager to execute a Professional Services Agreement with Dokken Engineering for the proposed cost of \$31,640.00 plus a 10% contingency, for a total amount of \$34,804.00, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

E. COMMITTEE REPORTS

1. ACWA Energy Committee Meeting – Quarterly Committee Forum, 02/16/22

Director Sanguinetti attended the February 16, 2022 ACWA Energy Committee Meeting – Quarterly Committee Forum. Director Sanguinetti reported discussion regarding committee structure as well as modernization efforts and outlook in 2022 for the Central Valley Project. Director Sanguinetti reported discussion on efforts to use more renewables to get up to 94%; the issue being trying to get rid of nuclear gas and coal. Discussion followed regarding renewables and gas. Director Sanguinetti reported the Committee discussed getting rid of all fleet trucks by 2035 to minimize the carbon issues and switch to electrical vehicles. Director Sanguinetti added there will be exemption for vehicles of public agencies. The next meeting is scheduled to take place during the ACWA Spring Conference.

2. San Joaquin County Flood Control & Water Conservation District Advisory Water Commission Meeting, 02/16/22

Director McGurk and Manager Moody attended the February 16, 2022 San Joaquin County Flood Control & Water Conservation District Advisory Water Commission Meeting. Director McGurk reported discussion regarding the Mitigation Banking Needs and Approaches for San

Joaquin County; South Delta Irrigation District is conducting a Habitat Restoration Project in Paradise Cut. Manager Moody added one of the benefits is mitigation banking; mitigation credits have to be purchased and if there isn't a local project to invest in and purchase credits, mitigation credits have to be purchased at the state or federal level at a much higher cost. Discussion followed regarding the Habitat Restoration Project. Director McGurk reported a presentation regarding drinking water and well drought impacts, issues and opportunities in order to comply with Senate Bill 552 from 2021. Director McGurk reported Commissioner John Holbrook, South San Joaquin Irrigation District suggested to DWR to add groundwater recharge as beneficial use, as it is currently not but in Southern California recharge is considered beneficial use; DWR was asked to explain why it is not a benefit in Northern California. Director McGurk reported the DWR Representative stated they would take the question back to headquarters and respond at a later date. Director McGurk stated the American River Water Right application was cancelled; State Water Resources Control Board Administrative Hearing Officer recommended cancellation of the application. Director McGurk reported the Eastern San Joaquin Groundwater Sustainability Agency and the Mokelumne River Water Right is involved in the Groundwater Sustainability Act; San Joaquin County announced three projects Mokelumne River Water Right Project, City of Stockton Recharge Project and the North San Joaquin Northside Project. Director McGurk reported San Joaquin Area Flood Control Agency (SJAFCA) is working on levee improvement projects on 5,100 acres in French Camp Slough, Manteca, Lathrop, and Lower San Joaquin River which will total ~\$275 million; John Holbrook inquired if Chris Elias would send the Commissioners a map of the locations in the project. Manager Moody added the project will begin in River Islands and follow the river north west. Manager Moody explained in the 200-year flood plan program if there is no progress towards flood control they can require flood insurance for all those that reside in that area. Director McGurk reported selection of a new Advisory Water Commission Chairman and Vice Chairman will be on next month's agenda. Director McGurk reported a comment was made about DWR using electromagnetic measurement of groundwater and inquired if those are the same satellites that were used at the District. Manager Moody replied President Watkins suggested using the electromagnetic measurement to determine the best groundwater recharge locations in the Basin. Manager Moody added there are two different instruments; the electromagnetic measurement to determine a potential location for recharge and satellites that can measure the current groundwater level which have been used for the last ~5-6 years. The next meeting is scheduled for March 16, 2022.

3. ACWA Groundwater Committee Meeting – Quarterly Committee Forum, 02/16/22
President Watkins, Manager Moody and Assistant Manager Hopkins attended the February 16, 2022 ACWA Groundwater Committee Meeting – Quarterly Committee Forum. President Watkins reported an update from Paul Gosselin with Department of Water Resources (DWR) regarding 8 Groundwater Sustainability Plans were approved out of the 20 submitted; the remaining 12 plans were incomplete plans and need modifications. President Watkins reported discussion regarding a recap of the plans and the required information. President Watkins reported Steve Springhorn discussed Groundwater Live and other programs for subsidence to include on the website with links and tools to use to better understand groundwater legislation. President Watkins stated Keith Wallace presented information regarding an enormous amount of funding for groundwater management efforts. President Watkins reported an update by the State Water Resources Control Board; Natalie Stork stated ~~they are planning to take over a basin or two which would require one year of all extractors reporting in those basins~~ the SWRCB is getting ready to take over a basin or two; which would require one year of all extractors reporting in those basins like a conservatorship, if DWR denies their Groundwater Sustainability Plan. Director Cortopassi inquired if the extractions would be measured by meters. President Watkins

replied yes, all extractors would be metered to acquire the information. Discussion followed regarding basin reporting. President Watkins reported discussion on Senate Bill 552 regarding groundwater shortage for small providers with less than 100 connections. The next meeting is scheduled to take place during the ACWA Spring Conference.

4. ACWA Agriculture Committee Meeting – Quarterly Committee Forum, 02/17/22
Directors Atkins, Sanguinetti, Watkins and Manager Moody attended the February 17, 2022 ACWA Agriculture Committee Meeting – Quarterly Committee Forum. Director Atkins reported Aaron Fukuda from Tulare Lake Basin Water Storage District is working with SGMA on limitation of groundwater pumping. Director Sanguinetti stated the Department of Resources is pushing the timeline up for the Groundwater Sustainability Agencies because of the drought. Director McGurk inquired about the regional agriculture issues update by Dennis Mayo with McKinleyville Community Services District. Director Sanguinetti replied the update was not given at the meeting. The next meeting is scheduled to take place during the ACWA Spring Conference.
5. ACWA State Legislative Committee Meeting, 02/18/22
Manager Moody attended the February 18, 2022 ACWA State Legislative Committee Meeting. Manager Moody reported the meeting was short with only 10 bills discussed. Manager Moody reported discussion on a State program for low income debt repayment for utilities and the utility agencies will be paid directly by the Community Services Department. Manager Moody reported two concerning bills that ACWA is opposing; Assembly Bill 1717 which would make the forest clearing project prevailing wage and Assembly Bill 1434, Indoor Water Use Standards which would change daily water use per household resident to 42 gallons. The next meeting is scheduled for March 11, 2022.
6. CVP Water Association – Executive and Financial Affairs Committees Meeting Schedule, 02/18/22
Finance Director Vega attended the February 18, 2022 CVP Water Association – Executive and Financial Affairs Committees Meeting Schedule. Finance Director Vega reported the meeting was a joint meeting between the Association and the Bureau of Reclamation to discuss the priorities list for the year; the Association presented the Bureau of Reclamation with the list and the Bureau then responded. When discussing future rates and rate-setting, Finance Director Vega reported the Bureau of Reclamation explained they are trying to be transparent but will be presenting estimates and will make sure the Contractors are well informed. Finance Director Vega reported with regard to the the extraordinary O&M rate which is for large projects, that the Bureau is trying to get the cost of repayment extended for more than a year to benefit Contractors. Finance Director Vega reported the Bureau of Reclamation stated the newest commissioner has received but has not yet commented on the Central Valley Project Improvement Act (CVPIA) Business Practice Guidelines (BPGs) and a response will come at a later date. Finance Director Vega reported discussion on the Final Cost Allocation True-up for the WIIN Act; before the WIIN Act conversions began there were \$533 million due to Bureau for allocated construction costs. However, after many of the conversions were applied, the amount went down to \$120 million which is close to being paid off. Finance Director Vega reported a presentation by Ernest Conant, Regional Director outlining his 2022 Priorities which included support area and division strategies to migrate to a post-COVID workplace and workforce, prepare for a third consecutive dry water year, conduct and support the environmental consultation processes for the Central Valley and Klamath projects, pursue and implement infrastructure projects and facilitate settlement obligations on the Klamath and San Joaquin rivers. Director McGurk inquired about

the available funds and whom decides where the funds are allocated. Finance Director Vega replied the Bureau of Reclamation will reach out to Stakeholders for suggestions to implement them, but the Bureau also has an aging infrastructure list that they would like to tackle. The next meeting is scheduled for March 18, 2022.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 02/21/22

Manager Moody 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 132,126 AF in storage at New Hogan Reservoir. Current releases are set at 58 cfs. Current release at Goodwin Dam to Stanislaus River are set at 804 cfs and release to all water users are set at 0 cfs. The water treatment plant is currently processing 30 mgd. The City of Stockton is currently processing 8 mgd.

2. Information Items:

Manager Moody noted item: F2a-1, F2a-2 and F2a-3.

3. Report on General Manager Activities

a. Stockton East Water District Activities Update

1. Stockton Area Water Suppliers (SAWS) Meeting, 02/18/22

Assistant Manager Hopkins attended the February 18, 2022 Stockton Area Water Suppliers (SAWS) Meeting. Assistant Manager Hopkins reported discussion regarding water conservation; Kristin Coon was unable to attend the meeting however; the City of Stockton's water conservation representative provided information on a program for children to grow salmon eggs in a fish tank and then release them into the river with 60 classrooms participating statewide. Assistant Manager Hopkins provided an update on our New Melones and New Hogan water supply. Assistant Manager Hopkins reported California Water Service and City of Stockton are working on projects related to drought response. Assistant Manager Hopkins stated the City of Stockton is looking to well head treatment for their SSS-8 Well in the South part of their system; California Water Service is conducting well site work to test for contaminants in order to screen the wells off. The next meeting is scheduled for March 18, 2022.

2. Conference Call with Congressman Jerry McNerney/Assemblymember Carlos Villapudua, 02/18/22

Manager Moody attended the February 18, 2022 conference calls with Congressman Jerry McNerney and Assemblymember Carlos Villapudua. Manager Moody reported he was invited by California Special Districts Association to have conference calls with both Congressman McNerney and Assemblymember Villapudua. Manager Moody reported discussion with Gary Prost with Congressman McNerney's office regarding the permit delays with the Army Corps of Engineers and Mr. Prost stated he would see what can be done. Manager Moody reported the conference call with Assemblymember Villapudua included himself and his staff which was appreciated. Manager Moody discussed Assembly Bill 656 supported by Senator Talamantes Eggman; Assemblymember Villapudua was not aware but his staff was. Manager Moody reported he invited Assemblymember Villapudua for a tour and he was interested for himself and

his staff; dates in April will be queried to the Board for the tour. This item was for information only.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. ACWA Region 4 Board Meeting, 11:00 a.m., 02/23/22
2. Bellota Project Committee Field Trip (Sunol, CA), 8:30 a.m., 02/25/22

J. REPORT OF THE COUNSEL

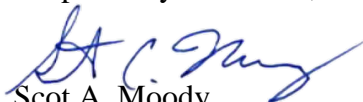
1. Closed Session – Potential Litigation
Government Code 54956.9 (c) two cases

President Watkins adjourned the meeting to closed session at 1:41 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:05 p.m., with no reportable action.

K. ADJOURNMENT

President Watkins adjourned the meeting at 2:06 p.m.

Respectfully submitted,


Scot A. Moody
Secretary of the Board

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