

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, APRIL 4, 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 Director Sanguinetti 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, Administrative Clerk Mendoza, Consultant Barkett and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes

a. Minutes 03/21/23 Regular Meeting

Director Panizza made the following correction to the minutes:

Page 1, section A, 1st paragraph, 1st sentence – strike “Sanguinetti” and replace with “Atkins”.

A motion was moved and seconded to approve the March 21, 2023 Regular Board Meeting minutes, with amendments.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

2. Warrants

- a. Fund 68 – Municipal & Industrial Groundwater Fund
- b. Fund 70 – Administration Fund
- c. Fund 71 – Water Supply Fund
- d. Fund 89 – Fish Screen Improvement Fund
- e. Fund 91 – Vehicle Fund
- f. Fund 94 – Municipal & Industrial Fund
- g. Summary
- h. Short Names/Acronym List
- i. SEWD Vehicles & Heavy Equipment

Director Cortopassi inquired on the expense on page 15, line item 50 for Stockton Fence & Material Co. for fence repairs at Bellota/Shelton-Flood repairs. Manager Hopkins replied a tree had fallen on the fence.

Director Cortopassi inquired on the expense on page 21, line item 56 for Aztec Technology Corporation for two, 40ft storage containers for maintenance shop improvements. Director Cortopassi inquired if the storage containers has doors. Assistant Manager Vega replied yes, the containers have the standard end doors.

Director Panizza inquired on the expense on page 22, line item 76 for USALCO for PACL delivered on 10/18/22-03/15/23. Manager Hopkins replied the line item was for multiple invoices for the delivery of the treatment plant's coagulant chemical.

Director Cortopassi inquired on the expense on page 15, line item 39 for McCrometer, Inc. for 14" UltraMag meter for meter replacement. Assistant Manager Vega clarified the meter was purchased because the current meter does not report to our AMI.

A motion was moved and seconded to approve the April 4, 2023 Warrants, as presented.

Roll Call:

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

Nayes: None

Abstain: None

Absent: None

3. Warrants – California Public Employees' Retirement System

A motion was moved and seconded to approve the April 4, 2023 Warrants – California Public Employees' Retirement System, as presented.

Roll Call:

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

Nayes: None

Abstain: None

Absent: None

4. Stockton East Water District – Support of CSDA Sponsored AB 557 Memo

Manager Hopkins presented a Support of CSDA Sponsored AB 557 Memo. Manager Hopkins explained the California Special District's Association is sponsoring AB 557, which follows the passage of AB 361 allowing local agencies' governing bodies to meet remotely. AB 557 would extend AB 361 indefinitely as AB 361 is set to expire at the end of 2023. AB 557 would also change the renewal resolution timeframe from every 30 days to 45 days to allow agencies sufficient time to meet once a month and renew their resolution stating a state of emergency still exists.

a. Stockton East Water District – AB 557 Support Letter

Manager Hopkins requested the Board approve a letter of support for AB 557 stating if the assembly bill does not pass the Board would lose the ability to resume remote meetings should any other states of emergency occur that prevent the Board from safely convening in person.

A motion was moved and seconded to approve Stockton East Water District – AB 557 Support Letter, as presented.

Roll Call:

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

Nayes: None

Abstain: None
Absent: None

5. State Water Resources Control Board – Notice of Water Right Application A033342
Manager Hopkins presented the Board with a State Water Resources Control Board – Notice of Water Right Application A033342. Manager Hopkins stated the District received the notice of a water right application on an Unnamed Stream which is tributary to the North Fork Calaveras River. The maximum amount of water requested for diversion is 42 acre-feet per year from November 1st to April 30th. The purposes for the use of water are recreational and incidental stockwatering for two different ponds. Manager Hopkins stated the Board has previously protested water right applications however, he could not locate any documentation or policies for protesting. Manager Hopkins queried the Board if they would like to protest the application.

Legal Counsel Zolezzi stated the District would protest in the past for Water Right Applications on the Calaveras but the State Water Resources Control Board would dismiss the protests. Director McGurks suggested the Board continue to protest these applications.

There was further discussion on what exactly the 42 acre-feet of water would be used for. There was a consensus of the Board to bring back next week with more information.

6. Stockton East Water District – Agricultural Master Plan Memo
Assistant Manager Vega reported as part of the Strategic Plan process, the Master Plan identifies a general direction on potential water supply infrastructure needs by: assisting with maintaining and improving its long-term operational reliability; and providing a sufficient technical basis to support future project priorities and justifications. The better named, Water Supply Master Plan will prioritize specific projects over the next twenty years. Assistant Manager Vega stated the current fiscal year budget does not include funding for a Water Supply Master Plan however, it does include a Water Treatment Plant Master Plan.

Director Watkins inquired if the Agriculture Operations Committee can review this in more detail at the April 6, 2023 meeting and Director Panizza supported committee review. There was a consensus of the Board to bring this item back for review after the Agriculture Operations Committee Meeting has reviewed this further.

7. Stockton East Water District – Report on FY 2022-2023 Projects and Associated Budgets Memo
Assistant Manager Vega presented a list of projects that were scheduled to be completed during the Fiscal Year 2022-2023. The list is presented on page 40 and page 41 of the agenda packet which included information on how much was budgeted for each project, what was actually spent, and if the projects were completed and a reason as to why some projects were not completed. Assistant Manager Vega reported 18 of 35 projects have been completed. Many projects did not reach completion due to vendor, permitting and weather delays. Further discussion followed regarding various projects.
8. Stockton East Water District – WTP Disinfection Systems Project FY23-24 Budget Amendment Memo
Assistant Manager Vega presented the Stockton East Water District – WTP Disinfection Systems Project FY23-24 Budget Amendment Memo. Assistant Manager Vega reported the WTP Disinfection Systems Project is taking longer than anticipated due to supply chains issues and

weather, therefore the expected completion of the project has been pushed back from April of this year to August of this year.

The Fiscal Year 23-24 Project Budget is currently budgeted with \$500,000. Based on the items remaining in the construction schedule, the Fiscal Year 23-24 Budget would need an additional \$1,724,886. Staff proposes the Board approve an amendment to the current budget for a total of \$2,224,886 and a budget transfer from Fund 94, account 10-8021-0 Transfer to Bellota Fish Screen Project, to Fund 94, account 10-5323-0 Maintenance and Repair – Treatment Plant, in the amount of \$1,724,866.

Director Watkins inquired how much funds will be unused from the Fiscal Year 23-24 Budget. Manager Hopkins stated it would be \$1,724,886. Manager Hopkins clarified the District has the funds however, it needs to be transferred to the appropriate fund in the current fiscal year.

A motion was moved and seconded to approve to amend the FY 23-24 Budget for the project by \$1,724,886 bringing the total budget to \$2,224,886, including the \$500,000 previously approved, and authorize a budget transfer from Fund 94, account 10-8021-0 Transfer to Bellota Fish Screen Project, to Fund 94, account 10-5323-0 Maintenance and Repair – Treatment Plant, in the amount of \$1,724,866, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

a. WTP Disinfection Systems Project Update

District Engineer Evensen presented a PowerPoint presentation to Board on the WTP Disinfection Systems Project update. The presentation included pictures of the Chemical Storage Building, the Chemical Feed Building, and Tank Farm Area.

9. Stockton East Water District – PLC/SCADA Projects Memo

Manager Hopkins provided the Board with information on the PLC/SCADA projects. Manager Hopkins reported on the overall progress that has been made on the SCADA Projects. Manager Hopkins mentioned the projects began in 2019 which saw the development of the backbone infrastructure and the integration of the North Raw Water Project. Then in 2020, obsolete filter PLC hardware were replaced with new redundant PLCs and a new filter control panel. Manager Hopkins further stated, in 2021 obsolete PLC hardware was replaced in the High Service Pump Station and last year, upgrades were done for the Low Lift Pump Station. Manager Hopkins reported that the project is progressing as planned and the memo is not only giving an overview of the progress made, but also to discuss the upcoming projects to complete the overall SCADA project.

Assistant Manager Vega reports that the projects that are upcoming are automating WB1, WB2, DB1 gates, Compliance Reporting Phase 1, Sedimentation Basin 1&2 and Sedimentation Basin 3&4 Integration, Particle Counters Integration and the Basement Chemical Systems projects. Assistant Manager Vegas also reported that Control Point Engineering submitted a proposal to upgrade and integrate the above projects into the District's SCADA system which will cost a total amount of \$882,090.

Director Cortopassi inquired about how much has been spent on the SCADA project so far and how long has the project been going on for.

Assistant Manager Vega commented it has been multi-year projects that have, so far, spanned four phases. Assistant Manager Vega estimated \$5M has been spent during the four phases, which originally was budgeted for about \$10M.

A motion was moved and seconded to approve authorization for the General Manager to execute a contract with ControlPoint Engineering for the amount of \$882,090, plus a 5% contingency, for the total amount of \$926,195, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

10. Stockton East Water District – Opposition of Water Rights Bills Memo

Manager Hopkins provided the Board with information on a series of bills being opposed by ACWA. Manager Hopkins reports that the three bills, AB 460, AB 1337 and SB 389 are seeking to fundamentally change the way California’s water rights system is implemented and enforced and have been introduced in the Legislature for the 2023 legislative session. Manager Hopkins reported ACWA’s State Legislative Committee has taken an oppose position on all three bills and is asking ACWA agencies to join a coalition in opposition.

Manager Hopkins mentioned that AB 460 would grant the State Water Resource Control Board new and sweeping authority to issue interim relief orders against water diverters and enforce the orders without a hearing, AB 1337 would authorize the State Water Board to adopt wide-ranging regulations and enforce them through curtailing diversions or use of water under any claim of right without a hearing, and SB 389 would authorize the State Water Board to investigate and determine the scope and validity of any water right claim. In any proceeding to evaluate the basis of a water right, the water right holder would have the burden of proving the basis of the right.

A motion was moved and seconded to approve joining ACWA’s coalition in opposition of the water rights bills, authorize the Board President to approve all related correspondence, as presented, and direct Manager Hopkins and Consultant Barkett to engage the District’s state representatives.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

11. Stockton East Water District – Support of AB 345 Memo

Manager Hopkins provided the Board with information on the support of AB 345. Manager Hopkins reports the bill would authorize DWR to provide advance payments, as defined, to local agencies for projects that restore habitat for threatened and endangered species under state or federal law or improve flood protection, as provided.

Manager Hopkins mentioned the District anticipates additional funding for the Bellota Weir Modification Project and the proposed bill would allow the District to receive advanced payment.

a. Stockton East Water District – AB 345 Support Letter

Manager Hopkins requested the Board approve a letter of support for AB 345.

A motion was moved and seconded to approve the Stockton East Water District – AB 345 Support Letter, as presented.

Roll Call:

Ayes: Atkins, McGaughey, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: Cortopassi, McGurk

Absent: None

12. ACWA/JPIA Executive Committee Nomination – Humboldt Bay Municipal J. Bruce Rupp

Manager Hopkins presented a nomination request from Humboldt Bay Municipal Water District Director J. Bruce Rupp for a position on the ACWA/JPIA Executive Committee.

a. Resolution No. 23-24-01 – A Resolution of the Board of Directors of Stockton East Water District Concurring in Nomination to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority (“ACWA/JPIA”)

Manager Hopkins presented Resolution No. 23-24-01 supporting the nomination of the nomination to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority (“ACWA/JPIA”).

A motion was moved and seconded to approve Resolution No. 23-24-01 – A Resolution of the Board of Directors of Stockton East Water District Concurring in Nomination to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority (“ACWA/JPIA”), as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

13. Raftelis – Draft Strategic Framework

Manager Hopkins presented the Board with a summary on the Strategic Framework that was developed during a retreat to draft a Vision, Mission and Outcome Areas. Manager Hopkins and Staff are working closely with the consultant, Raftelis, on the continued development. Manager Hopkins advised the draft framework includes strategies to accomplish each outcome area and requested the Board provide any feedback by April 7.

14. California Governor’s Office of Emergency Services – Designation of Applicant’s Agent Resolution for Non-State Agencies

Manager Hopkins presented the California Governor’s Office of Emergency Services – Designation of Applicant’s Agent Resolution for Non-State Agencies.

A motion was moved and seconded to approve the California Governor's Office of Emergency Services – Designation of Applicant's Agent Resolution for Non-State Agencies application, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

E. COMMITTEE REPORTS

1. ESJ Groundwater Authority Technical Advisory (TAC) Meeting, 03/23/23
This meeting was cancelled
2. San Joaquin Farm Bureau Federation Water Advisory Committee Meeting, 03/28/23
This meeting was cancelled

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 04/04/23
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 210,057 AF in storage at New Hogan Reservoir. Current releases are set at 307 cfs. There is 1,404,807 AF in storage at New Melones Reservoir. Current releases are set at 1,801 cfs. Current release at Goodwin Dam to Stanislaus River are set at 1,508 cfs and release to all water users are set at 53 cfs. There are 0 irrigators on New Hogan, 0 irrigators on New Melones, and 0 irrigators out of District. The water treatment plant is currently processing 16 mgd. The City of Stockton is currently processing 14 mgd. Manager Hopkins reported the District wells total water extraction is 0 gpm (~0 mgd).

2. Information Items:
Manager Hopkins noted item: F2a-1, F2a-2 and F2a-3.
3. Report on General Manager Activities
 - a. CVP Water Association – Executive and Financial Affairs Committee Meeting, 03/22/23
Finance Director Ram reported she attended the CVP Water Association – Executive and Financial Affairs Committee Meeting on March 22nd.

Finance Director Ram reported that the new Deputy Regional Director of Operations will be Kristin White. the five high level regional director priorities for 2023 will be; 1) attract and retain high quality personnel, 2) establish clear plans of operations for extreme weather conditions, 3) conduct environmental compliance plan, 4) develop an infrastructural plan over 5-year term periods, and 5) figuring out San Joaquin and Plymouth settlements.

Finance Director Ram reported that there would be a possible budget review workshop that will be discussed on April 7th.

- b. ACWA State Legislative Committee Meeting, 03/24/23

Manager Hopkins reported the committee reviewed 19 bills of which seven bills were related to groundwater or water policy. ACWA has opposed AB 429 and AB 1563 which are groundwater bills. ACWA has also opposed AB 560 which would require a court to refer a proposed groundwater adjudication judgement for the State Water Board for an advisory determination. ACWA opposed AB 754, AB 676 and AB 779 as well. ACWA did support SB 366 which would amend an existing law that requires DWR to develop the California Water Plan include a water supply planning target of 15M more acre-feet of supply by 2050 with an interim target of 10M more acre-feet supplied by 2040. ACWA reviewed AB 1469 which would provide Valley Water the authority to provide solutions or improve outcomes of the unsheltered individuals.

Director McGaughey inquired if there was any discussion on how the unsheltered individuals have impacted our water. Manager Hopkins responded none of the legislation covered that however, the regulatory side has discussed how encampments have impacted water quality.

c. Stockton East Water District Activities Update

Manager Hopkins reported the State Water Resources Control Board has rescinded their standing curtailment order related to the drought so the monthly reporting and projection requirements are no longer required to be submitted.

The District received confirmation from California Department of Fish and Wildlife approving our amendment to our Routine Maintenance Agreement which added five crossings that were not included before. The District can now maintain the three Whittle's Crossings, Central California Traction Railroad Crossing and Caprini Crossing.

Manager Hopkins reported he will be taking Monday, April 10th off.

G. DIRECTOR REPORTS

1. San Joaquin Farm Bureau 30th Annual Wine Tasting, 03/23/23

Directors Atkins, Director Watkins, Director Sanguinetti and Manager Hopkins attended the San Joaquin Farm Bureau 30th Annual Wine Tasting on March 23rd. Director Atkins reported the event hosted a silent auction, had great food and many different wines to taste.

2. Stockton East Water District Washington DC Lobbying Trip, 03/25/23 – 03/31/23

Director Atkins, Director Watkins, Director Sanguinetti, Manager Hopkins, and Consultant Barkett attended the Washington D.C. Lobbying Trip. Manager Hopkins reported the trip was very eventful. Manager Hopkins reported they had the chance to meet with congressmen Harder and other public officials to discuss District projects and gained support for funding opportunities.

President Atkins added the congressmen were very receptive of our efforts and stated he believes the trip was very successful.

H. COMMUNICATIONS

1. United States Bureau of Reclamation 2023 Water Rates – Stockton East Water District – Contract No. 4-07-20-W0329-P (Contracts), East Side Division – Central Valley Project (CVP), California

Manager Hopkins reported the District received a letter from the United States Bureau of Reclamation regarding the 2023 Water Rates which are shown in Exhibit B on page 82. Manager

Hopkins reported the Irrigation Water rate is \$43.16 and the M&I Water Rate is \$32.75. Director Watkins identified there are surcharges of \$12.02 and \$24.05 in addition to the irrigation and M&I rates, respectively. There was discussion on the changes in water rates.

Finance Director Ram added the USBR informed her the water rates are based on water delivery. If there are less water deliveries then the rates will be higher to help recoup the costs of the deficit in water deliveries. Finance Director Ram requested they send her a breakdown explaining the rates in more detail.

Director Watkins suggested the District send a letter requesting a payment capacity study.

I. AGENDA PLANNING/UPCOMING EVENTS

1. Agricultural Operations Committee Meeting, Noon, 04/06/23
2. Greater Stockton Chamber of Commerce – Stockton Ports Opening Day Ribbon Cutting Event, 1:00 p.m., 04/06/2023
3. Greater Stockton Chamber of Commerce Networking Mixer and Delta Protective Services Ribbon Cutting Event, 4:45p.m., 04/06/23
4. San Joaquin County and Delta Water Quality Coalition Meeting, 8:30 a.m., 04/10/23

J. Closed Session

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 2:40 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:54 p.m., with no reportable action.

K. ADJOURNMENT

President Atkins adjourned the meeting at 2:55 p.m.

Respectfully submitted,



Justin M. Hopkins
Secretary of the Board

hmw

