

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, JANUARY 4, 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 Director McGurk 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, District Engineer Evensen, Administrative Services Manager Carido, Legal Counsel Freeman and Consultant Barkett. Director Panizza joined the meeting via teleconference at 12:31 p.m.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Action Item: Stockton East Water District Board of Directors Reconsidered the Circumstances of the State of Emergency and Determine that
 - (i) The State of Emergency continues to directly impact the ability of the members to meet safely in person and/or
 - (ii) State or Local Officials continue to impose or recommend measures to promote social distancing.

A motion was moved and seconded to approve the Action Item: Stockton East Water District Board of Directors Reconsidered the Circumstances of the State of Emergency and Determine that (i) The State of Emergency continues to directly impact the ability of the members to meet safely in person and/or (ii) State or Local Officials continue to impose or recommend measures to promote social distancing, as presented.

Roll Call:

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

2. Minutes 12/28/21 Regular Meeting

A motion was moved and seconded to approve the December 28, 2021 Regular Board Meeting minutes, as presented.

Roll Call:

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

3. Warrants
 - a. Fund 56 – Construction Fund
 - b. Fund 70 – Administration Fund
 - c. Fund 71 – Water Supply Fund
 - d. Fund 89 – Fish Passage Improvements 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 Atkins inquired on the expense on page 17, line item 84 for California Service Tool Inc., for a pipe threader and ridged stand in the amount of \$10,759.39. Manager Moody replied approving the expense for a power rigid pipe threader after years of the staff inquiring to purchase.

Director Panizza inquired on the expenses on page 5, for all line items regarding the Whittles' bridge project and inquired on the status of project completion. Manager Moody replied there is some work remaining to be done such as smoothing out the approach aprons but the physical work is all done and the crossing can be used.

Director Atkins inquired on the expense on page 15, line item 75 for Holt of CA for Forks for Unit 73 in the amount of \$1,071. Manager Moody replied staff needed a heavy forklift and for the cost of renting it was more cost-effective to buy a set of forks that fit the backhoe.

Director Atkins inquired on the expense on page 17, line item 91 for Frank A. Olsen Co., for purchase of plug valves for lagoon solids handling improvement project in the amount of \$5,418.49. Manager Moody replied this expense is for the sludge lagoon project, which will help move the sludge between ponds.

Director Atkins inquired on the expense on page 11, line 58 for Jensen Precast for Culvert box for Cooks low water crossing replacement project 2226 in the amount of \$147,185.73; and, if this is the same type of culvert used for the Whittles'. Manager Moody replied yes. District Engineer Evensen added there are six culverts total, two-culverts wide and three-culverts deep. Manager Moody inquired on what the width is of the bridge. District Engineer Evensen replied the bridge is 20-feet wide by 60.

Director Cortopassi inquired on the expense on page 7, line item 11 for CA State Water Resources Control Board for Annual Drinking Water Program Fees 07/01/21-06/30/22 in the amount of \$26,976.61; and, what the District gets for these fees. Manager Moody replied they fund the Department of Drinking Water (DDW) and this division monitors our test results and oversees District compliance.

Director Cortopassi inquired on the expense on page 7, line item 16 for Giuliani & Kull Inc., for the Topographic survey for lower Farmington canal at Rock Creek in the amount of \$5,500. Assistant Manager Hopkins replied this expense was for a drone survey of a portion of lower Farmington Canal where there was some overland runoff, to see what drainage improvements could be made to prevent adjacent property water from coming in.

Director Cortopassi inquired on the expense on page 13, line item 72 for Kjeldsen, Sinnock & Neudeck Inc., for Prof Services for the Fish Screen Improvement Proj Nov 2021 in the amount of \$128,474.39. Assistant Manager Hopkins replied being close to final design but have CEQA and permitting to do. Director Cortopassi commented that at the Ad-Hoc Committee Meeting this Project total amount of \$77 Million and inquired why money is being spent on design. Manager Moody replied the CEQA and permitting has to be completed to keep the project moving and added the \$3.5 million design is being funded by the grant. Director Cortopassi inquired if the Grant is a Matching Funds Grant. Manager Moody replied yes.

A motion was moved and seconded to approve the January 4, 2022 Warrants, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

4. Stockton East Water District – Surface Water Incentive Program Interpretation Memo, 01/04/22

Manager Moody provided the Board with information on the Stockton East Water District Surface Water Incentive Program (SWIP). Manager Moody reported when the Board and Committee were revising this policy, Legal Counsel advised that the Board not be involved with any specific landowner issue. Manager Moody reported in this case, the irrigator inquiring on the SWIP is not a new conversion from groundwater to surface water but has been using groundwater for many years and is committing to using surface water for the next 15 years. Manager Moody wanted to bring this to Board for Board opinion. Director Cortopassi commented on effort(s) to inform irrigators of SWIP and that he encouraged an irrigator to talk to the District regarding the SWIP. Manager Moody reported a total of 1,800 acre-feet between the two land parcels.

Director Panizza commented that this is one of these issues that would rather see referred to the Ag Committee to work through it versus have the Board. Manager Moody replied Legal Counsel advised that the Board not get involved with any particular diversion; and is bringing this to the Board for opinion on Policy and if this type of project should be considered or not for the Program. President Watkins commented if the irrigator is using groundwater and converting to surface water then that should be the threshold. President Watkins commented in accordance to what Legal Counsel advised, the Board established this Policy that we have this Program and it has to be the same for all the growers in the system.

Director McGurk commented on the verge of new legislation to remove the rate-cap and on the verge of consolidation; and, if this or any irrigator is intent on raising the value of their lands to sell, does that make the new owners keep the 15-year agreement. Director McGurk commented going from an old pump to a pressurized pump is a big difference in price and it is more than just switching from well to surface water. Manager Moody added the Program requires the irrigator to use surface water for 15 years but recoup costs for only 7 years.

Director McGurk inquired if the District will have to install a new check-dam. Assistant Manager Hopkins replied he did not think so. Director McGurk inquired if a streambed alteration permit was needed. Manager Moody replied the District is interested to continue discussing this with the irrigator but conveyed the District was not sure if the project would fit into the Program guidelines and needed to discuss with the Board to see if this Project would fit within the intent

of the Policy. Director McGurk inquired on which Fiscal Year would this project be priced at, noting at some point the groundwater rate will be higher. President Watkins replied if the District were to change the rates so the incentive program will work, the Board will have review and revise the Policy. Discussion followed regarding SWIP agreement terms and the future of groundwater and surface water rates. Director Sanguinetti commented the Program is to lock it in now for the going rate and we will have to change things if we change rates.

Director Atkins commented the Program is an incentive for people to use surface water instead of groundwater and try to keep the incentive as simple as possible.

Director McGurk inquired is there guidance in the SGMA documents and in the GSP for funding infrastructure to convert from groundwater. Manager Moody replied there is no funding in the GSP noting the District is not funding these projects, the District is only charging the cheaper rate (groundwater rate) in order for the farmer to use surface water. Director McGurk inquired on the revenue for the Ag division and on the possibility of having a lot of groundwater converters; will the existing customers' backfill the hole in our Budget. Manager Moody replied the Budget will not lose money and the District will still charge the surface water rate for the remainder of 7-years. Manager Moody added the cost for the new infrastructure is on the irrigator and staff works with the irrigator to double-check the new infrastructure being put into place.

5. Dr. Joe Waidhofer Drinking Water Treatment Plant – Contract Amendment for Bid Phase Services and Design of Bulk Sodium Hypochlorite System Memo, 01/04/22

Manager Moody provided the Board with information for the contract amendment for bid phase services and design of Bulk Sodium Hypochlorite System. Manager Moody reported the Board was provided a presentation of the 95% Sodium Hypochlorite design and staff will be going to Bid this fiscal year for upcoming construction. Manager Moody reported Carollo, whom designed the Project has provided the District with a Proposal for Bid Phase Services in the amount of \$35,044. Manager Moody added because of the Project amount being \$5 million plus, it makes sense to have the same Consultant provide Bid Phase Services for the Project. Manager Moody reported the total budgeted amount for the Project is \$410,000 and currently the Project is under budget by ~\$11,000; and, the contract amendment would increase the original budget ~\$20,000 to cover the contract amendment Proposal of \$35,044.

Director McGurk inquired if Carollo did a generic job were there other Engineering companies that could provide the same bid phase services. Director Sanguinetti commented Carollo is already familiar with the Project's design and to put someone else in their place would cost more money and time. District Engineer Evensen added value engineering is where they identify flaws or apparent cost savings and does not believe this project requires that type of value engineering at this point. Director Sanguinetti commented what we are paying now to have Carollo provide these additional services will help so we do not have any change orders, which are not cheap.

Director Cortopassi inquired on the City of Stockton having a different water treatment system and if the Sodium Hypochlorite System will be compatible. Manager Moody replied it will be exactly the same as it is now and will be compatible with the new chloramines facility that the City of Stockton has built.

A motion was moved and seconded to approve the contract amendment to the existing contract with Carollo Engineers in the amendment amount of \$35,044, and increasing the total project amount by \$20,000 from \$410,000 to \$430,000.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

E. COMMITTEE REPORTS (None)

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 12/27/21

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 128,469 AF in storage at New Hogan Reservoir. Current releases are set at 42 cfs. Current release at Goodwin Dam to Stanislaus River are set at 205 cfs and release to all water users are set at 0 cfs. The water treatment plant is currently processing 24 mgd. The City of Stockton is currently processing 8 mgd.

Director Sanguinetti commented the news last week reported Farmington Dam had as much as 7,500 acre-feet of water.

2. Information Items:

Manager Moody noted item: F2a-1.

3. Report on General Manager Activities

a. Stockton East Water District Activities Update

Manager Moody reported an OSHA inspector showed up for a surprise inspection on December 30, 2021 and was primarily focused on the chlorine system. Assistant Manager Hopkins escorted the inspector on a tour of the facilities. The inspector submitted a data request; interviewed Water Operations Manager Jim Wunderlich; Assistant Manager Hopkins and requested to interview a few more members of the treatment plant staff. Manager Moody reported the inspector did note a few things at the time of visit; the number of SCBA equipped Operators present when changing chlorine cylinders; noted needing a seal on the chlorine B kit and adding an eye wash station. Manager Moody reported being happy with staff response that day. Director McGurk inquired if there is a mobile eyewash station. Manager Moody replied not mobile but there are portable eye wash station. Director McGurk inquired if the mobile eye wash station can be used in the new Sodium Hypochlorite area. Manager Moody replied yes.

Manager Moody reported on the upcoming USBR Mid-Pacific Water Users Conference on January 19th – 21st and voiced concern about attending given the current rise in COVID cases. Director Sanguinetti advised cancelling the trip.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. Eastern San Joaquin Groundwater Authority Ad-Hoc Technical Advisory Committee (TAC) Meeting, 10:30 a.m., 01/06/22
2. Association of California Water Agencies – State Legislative Committee Meeting, 10:00 a.m., 01/07/22

J. REPORT OF THE COUNSEL

1. Closed Session - Real Property Negotiations
Government Code 54956.8

President Watkins adjourned the meeting to closed session at 1:14 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:43 p.m., with the following reportable action:

A motion was moved and seconded to approve the Memorandum of Understanding Between Stockton East Water District, San Joaquin Area Flood Control Agency, And the State of California Department Of Water Resources For the Acquisition Of Borrow Material To Construct A New Lower San Joaquin River Levee-Tenmile Slough TS30L.

Roll Call:

Ayes: Atkins, McGaughey, McGurk, Sanguinetti, Watkins

Nays: None

Abstain: Cortopassi, Panizza

Absent: None

K. ADJOURNMENT

President Watkins adjourned the meeting at 1:44 p.m.

Respectfully submitted,



Scot A. Moody

Secretary of the Board

kmc

