



REGULAR BOARD MEETING

NOVEMBER 14, 2023



**STOCKTON
EAST WATER
DISTRICT**

PROVIDING SERVICE SINCE 1948
www.sewd.net

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Division 6

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Vice President
Division 7

STAFF

Justin M. Hopkins
General Manager

Juan M. Vega
Assistant General Manager

LEGAL COUNSEL

Jeanne M. Zolezzi
General Counsel

Phone 209-948-0333
Fax 209-948-0423

E-mail sewd@sewd.net

6767 East Main Street
Stockton, CA 95215

Post Office Box 5157
Stockton, CA 95205

MEETING NOTICE

THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE STOCKTON EAST WATER DISTRICT WILL BE HELD AT 12:30 P.M., TUESDAY, NOVEMBER 14, 2023 AT THE DISTRICT OFFICE, 6767 EAST MAIN STREET STOCKTON, CALIFORNIA 95215

Assistance for the Disabled: If you are disabled in any way and need accommodation to participate in the meeting, please contact Administrative Staff at (209) 948-0333 at least 48-hours in advance for assistance so the necessary arrangements can be made.

FOR CONTINUED CONVENIENCE STOCKTON EAST WATER DISTRICT BOARD MEETINGS WILL BE AVAILABLE BY TELECONFERENCE.

Please call (669) 444-9171/Meeting ID: 876 5902 3782#/Passcode: 847846# to be connected to the Regular Board Meeting, to begin at 12:30 p.m. Agendas and minutes are located on our website at www.sewd.net.

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- K. Adjournment**

Certification of Posting

I hereby certify that on November 9, 2023 I posted a copy of the foregoing agenda in the outside display case at the District Office, 6767 East Main Street, Stockton, California, said time being at least 72 hours in advance of the meeting of the Board of Directors of the Stockton East Water District (Government Code Section 54954.2).

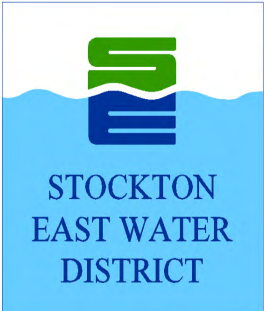
Executed at Stockton, California on November 9 2023.



Heather Wood, Administrative Assistant
Stockton East Water District

Any materials related to items on this agenda distributed to the Board of Directors of Stockton East Water District less than 72 hours before the public meeting are available for public inspection at the District's office located at the following address: 6767 East Main Street, Stockton, CA 95215. Upon request, these materials may be available in an alternative format to persons with disabilities

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STOCKTON EAST WATER DISTRICT

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT

MARCH 31, 2023 AND 2022

STOCKTON EAST WATER DISTRICT

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JWT and Associates, LLP

Certified Public Accountants

1111 East Herndon, Suite 211, Fresno, CA 93720

Voice: (559) 431-7708 Fax: (559) 431-7685

Independent Auditor's Report

To the Board of Directors
Stockton East Water District

Opinion

We have audited the accompanying financial statements of the business-type activities of Stockton East Water District (the District), as of and for the years ended March 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the business-type activities of Stockton East Water District, as of March 31, 2023 and 2022 and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Districts's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

MW & Associates, LLP

Fresno, California

November 14, 2023

STOCKTON EAST WATER DISTRICT

Management's Discussion and Analysis

March 31, 2023

The following is a narrative overview and analysis by the management of Stockton East Water District (the District) of the financial activities of the District for the fiscal year ended March 31, 2023. Readers should consider the information presented here in conjunction with the financial statements.

Financial Highlights

- Total assets of the District were \$146,182,551 with capital assets (Utility Plant in Service) at \$87,623,869, net of accumulated depreciation. Current and other assets were \$47,726,947 and \$102,577, respectively.
- Total liabilities were \$51,779,135 consisting of long-term liabilities of \$36,506,927 and current liabilities of \$12,774,919.
- Assets of the District exceeded liabilities at the close of the most recent fiscal year by \$94,403,417 (net position). Of this amount, \$29,487,754 (unrestricted net position) may be used to meet the District's ongoing obligations and \$57,962,937 represents the District's net investment in capital assets.
- The District's net assets increased by \$4,446,927 from \$89,956,490 in FYE 2022 to \$94,403,417 in FYE 2023.
- Total operating revenues for the fiscal year 2022-2023 were \$27,405,192, which is a decrease of 13.9% from the prior year or \$4,409,088. Surface and groundwater sales and assessments decreased significantly due to the comparison to one-time surface water sale to the San Luis & Delta-Mendota Water Authority for \$3,000,000 in the prior year. Base Monthly Payments from the District's Urban Contractors decreased by \$263,224. Rate of equalization charges to other municipal and industrial (M&I) customers decreased by \$1,758,773 as a result of water customers a reduced amount of water usage. In FYE 2021, the District supplied 31,609 AF while FY 2022 the number decreased to 17,926 AF.
- Total operating expenses for the fiscal year 2022-2023 were \$27,405,192. This figure shows an increase of 13.5% or \$3,211,541 from the prior fiscal year figure of \$23,846,871. Several factors contributed to the significant increase of operating expenses which were offset by some decreases in other broad expense categories.

Water treatment costs increased by \$171,703. The increase was offset with fluctuations in other expense categories. For instance, employee and benefit expenses decreased by \$558,068 while chemicals increased by \$443,329, electricity increased by \$489,074 and filter media costs decreased by \$167,787.

Transmission and distribution costs increased by \$873,302 due to increased expenses in canal and distribution system maintenance.

STOCKTON EAST WATER DISTRICT

Management's Discussion and Analysis

March 31, 2023

Sources of supply expenses saw an increase of \$1,539,863. The increase was due to increased water transfers from South San Joaquin Water District (SSJID), Oakdale Irrigation District (OID), and Rock Creek Water District.

Administrative expenses increased by \$783,073 which was largely due to an increase in property liability insurance, increase in retirement, increase in water conservation education efforts, and an increase in general legal expenses.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District is an independent special District formed by the California Legislature and follows enterprise fund reporting. There are three main divisions to the District's operations: 1) the Municipal and Industrial (M&I) Division is primarily funded by base monthly payments from the Urban Contractors and ground water rate equalization charges from other municipal and industrial customers; 2) the Agricultural (Ag) Division derives its revenues from fees and assessments charged to agricultural irrigators within District boundaries; and 3) the Administration Division is non-revenue generating division that provides administrative support to the M&I and Ag divisions.

Accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The District's basic financial statements are comprised of three components: 1) Statement of Net Position; 2) Statement of Revenues, Expenses and Changes in Net Position; and 3) Statement of Cash Flows. This report also contains other supplemental information in addition to the basic financial statements themselves.

The *Statement of Net Position* presents the current and long-term portions of assets and liabilities separately and may provide a useful indicator of whether the financial position of the District is improving or deteriorating over time. This statement includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to the District's creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing profitability and credit worthiness as well as how the District's net position changed during the most recent fiscal year. This statement shows revenues and expenses from operations, non-operating revenues and expenses, and capital contributions, and reconciles the change from one fiscal year to the next. This statement measures the success of the District's operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and other charges.

STOCKTON EAST WATER DISTRICT

Management's Discussion and Analysis

March 31, 2023

The *Statement of Cash Flows* is prepared using the direct method and is concerned solely with input and outlay of cash from operating activities, noncapital financing activities, capital and related financing activities and investing activities. This statement also includes a reconciliation of operating profit (loss) to cash from operating activities. The primary purpose of this statement is to provide information about the District's cash receipts and cash payments during the reporting period.

Notes to the Basic Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Financial Analysis

Net Position

As noted earlier, net position may serve as a useful indicator of the District's financial position. As shown in Figure 1, the District's assets exceeded liabilities by \$94,403,417 on March 31, 2023, an increase of \$4,446,927 from the District's net assets at March 31, 2022.

By far the largest portion of the District's net assets reflects its net investment in capital assets (e.g., land, buildings, conveyance facilities, water treatment plant, pipelines and equipment), less related outstanding debt used to acquire those assets. The District uses these assets to provide water services to its customers; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from services to customers or other sources, since capital assets themselves cannot be used to liquidate these liabilities.

Figure 1

Net Position				
	3/31/2023	3/21/2022	Variance	%
Current and other assets	\$ 55,791,300	\$ 56,057,828	\$ (266,528)	-0.5%
Property, plant and equipment, net	87,623,869	84,539,430	3,084,439	3.6%
Total assets	143,415,169	140,597,258	2,817,911	2.0%
Current liabilities	12,774,919	9,704,804	3,070,115	31.6%
Long-term liabilities	36,506,927	38,961,849	(2,454,922)	-6.3%
Total liabilities	49,281,846	48,666,652	615,194	1.3%
Net investment in capital assets	57,962,937	51,570,473	6,392,464	12.4%
Restricted	6,952,726	7,447,361	(494,635)	-6.6%
Unrestricted	29,487,754	30,938,654	(1,450,900)	-4.7%
Total net position	\$ 94,403,417	\$ 89,956,490	\$ 4,446,927	4.9%

STOCKTON EAST WATER DISTRICT

Management's Discussion and Analysis

March 31, 2023

A portion of the District's net position (\$6,952,726) represents resources that are subject to external restrictions on how they may be used. These net positions consist of funds dedicated to specific purposes, e.g., urban contractors' directives, capital construction and dry year reserves. The remaining balance of the District's net assets is unrestricted and may be used to meet the District's ongoing obligations and creditors.

Change in Net Position

As shown in Figure 2, the District's operating, non-operating activities and developer fees increased net assets by \$4,446,927 as compared to a \$13,890,027 increase in net assets in the prior year. The District's net position increase is due to the combined changes of the following major components:

- The District's FYE 2023 operating profit of \$346,780 (that portion of the District's operating revenues in excess of its operating expenses) represents a decrease of \$7,620,626 from FYE 2022's operating profit of \$7,967,409.
- Non-operating expenses, net decreased \$545,420 from \$796,755 in FYE 2022 to \$251,335 in FYE 2023.

Operating Revenues. Operating revenues decreased by 13.9% or \$4,409,088. This is mainly due to the aforementioned surface water sale in the previous year and a decline in groundwater rate of equalization assessment revenue and a slight decrease in the Base Monthly Payments (BMP) from the Urban Contractors. The Second Amended Contract between the District and the Urban Contractors calls for the Urban Contractors to make payments to the District in the amounts necessary to cover the District's cost of all municipal and industrial expenses. Said costs include costs related to sources of supply, transmission and distribution, water treatment plant operation and maintenance costs, debt payments on certificates of participation, an installment purchase agreement, state revolving fund loan used for construction of the treatment plant and transmission system, and a share of conveyance and storage facilities, in addition to ground water rate equalization charges paid by other municipal and industrial customers.

Operating Expenses. Operating expenses increased 13.5% or \$3,211,539 made up mostly of increases in sources of supply expenses of \$1,539,863, increased water treatment expenses of \$171,703, increased transmission and distribution expenses of \$873,302, and increased general and administrative expenses of \$651,305.

Non-operating Revenues (Expenses). Total net non-operating revenues (expenses) for FYE 2023 decreased \$545,422 from 796,755 in FYE 2022 to \$251,333 in FYE 2023. This decrease is composed of a decrease in grant reimbursements of \$666,316, a decrease in interest expense of \$348,540, an increase in property taxes of \$55,843, and a decrease in GASB 68 pension expense of \$319,634 offset by increase in interest and other income of \$36,145.

Developer Fees. During FYE 2023, the District received \$3,841,811 in developer fees representing capital contributions compared to \$5,125,865 in FYE 2022 for a decrease of \$1,277,054.

STOCKTON EAST WATER DISTRICT

Management’s Discussion and Analysis

March 31, 2023

Figure 2

Changes in Net Position

	3/31/2023	3/21/2022	Variance	%
Operating revenues	\$ 27,405,192	\$31,814,280	\$ (4,409,088)	-13.9%
Operating expenses	27,058,412	23,846,874	3,211,538	13.5%
Operating profit	346,780	7,967,406	(7,620,626)	-95.7%
Nonoperating revenues (expenses)				
Property taxes	613,804	557,961	55,843	10.0%
Interest, LAIF	173,576	102,748	70,828	68.9%
Interest, investments and other	24,376	59,058	(34,682)	-58.7%
Grant Reimbursements	171,486	837,802	(666,316)	-79.5%
Interest expense	(1,009,315)	(1,357,856)	348,541	-25.7%
GASB 68 pension expense	277,408	597,042	(319,634)	-53.5%
Total non-op revenues/(exp)	251,335	796,755	(545,420)	-68.5%
Developer fees	3,848,812	5,125,865	(1,277,053)	-24.9%
Change in net position	\$ 4,446,927	\$13,890,027	\$ (9,443,100)	-68.0%
Net position -- beginning of period	89,956,490	76,066,464		
Net position -- end of period	\$ 94,403,417	\$89,956,490		

Budget Comparisons

The following table compares actual operating revenues and expenses to the 2022-2023 budget:

Figure 3

	Budgeted	Actual	Variance
	2022-2023	2022-2023	
Operating Revenues	\$ 29,212,776	\$ 27,405,192	\$ (1,807,584)
Operating Expenses	28,905,713	22,167,888	(6,737,825)
Net Operating Income	\$ 307,063	\$ 5,237,304	\$ 4,930,241

For FYE 2023, operating revenues were \$1,807,584 lower than budgeted. The difference is mainly due to a decrease in groundwater assessments of \$1,758,773.

STOCKTON EAST WATER DISTRICT

Management's Discussion and Analysis

March 31, 2023

Capital Asset and Debt Administration

Capital Assets Activity

The District's net investment, after depreciation, in capital assets as of March 31, 2023 amounted to \$89,623,869. The District's capital assets include all land, buildings, conveyance facilities, water treatment plant, pipelines and equipment owned by the District. The total increase in the District's investment in capital assets for the current fiscal year was 3.6% or \$3,084,439. This represents capital additions of \$6,734,121 offset by \$3,649,682 of depreciation.

Additional information on the District's capital assets can be found within the audited financial statements.

Long Term Debt Activity

On July 15, 2019 the District refunded previously issued Certificates of Participation with Pacific Western Bank as a taxable debt issuance via a note payable. The refunding did not extend repayment terms but rather lowered the cumulative interest rate being paid over the same period. Refunding is estimated to yield \$3,757,786 in savings. Principal indebtedness of the refunded debt on March 31, 2022 was \$28,520,000. The District completed a rate reset amendment with Pacific Western Bank on November 2021 that is estimated to net additional savings of \$1,137,963 over the life of the debt and which reset the principal owed to 28,710,000. The District paid down principal indebtedness according to the terms of the note during the fiscal year ending March 31, 2022 in the amount of \$3,373,000. Principal indebtedness as of March 31, 2023 is \$20,813,000.

The District entered into a funding agreement with the State of California Department of Public Health during FYE 2013 to assist the District in financing the construction of a 10 million gallon finished water reservoir and repair of the District's existing finished water reservoir. The funding agreement consists of a \$15,000,000 revolving loan, equal to the estimated total cost of construction and repairs. The revolving loan carries no interest and is amortized over a 20-year term. The loan is due to be retired in 2035.

Total outstanding indebtedness as of March 31, 2023 of \$7,163,055 related to the state revolving fund loan is included in the District's financial statements.

On July 15, 2014, the District entered into a \$3,325,000 note payable with the Bank of Stockton to provide financing relative to the purchase of real property adjacent to the District's treatment plant property, consisting of approximately 230 acres. The term of the note was 5 years with an option to renew the note after the initial term. On July 15 2019, the District renewed the note for an additional 5 years. As of March 31, 2023 total principal outstanding indebtedness of \$2,155,292 is included in the District's financial statements.

Note 7 in the Notes to the Financial Statements contains information showing the debt transactions for notes and loans payable for the year, the status of the debt as of March 31, 2023, and schedules of future debt service requirements. In addition, further detailed information regarding debt maturities is contained in the Other Supplemental Information subsection.

STOCKTON EAST WATER DISTRICT

Management's Discussion and Analysis

March 31, 2023

Future Financial Outlook

The California Legislature imposed rate limitations for the District's Agricultural Division when it provided the District with additional powers in 1979. Therefore, by design, the District has limited ability to raise revenues in its Agricultural Division. In 2022 the Legislature approved SB 656, which provides relief from this revenue limitation, and is awaiting the Governor's signature. The Second Amended Contract between the District and its Urban Contractors establishes a base monthly payment by the Urban Contractors that, in addition to ground water rate equalization charges paid by other municipal and industrial customers, covers 100% of the cost of the Municipal Division-Treatment Plant.

The District's water treatment plant is currently rated by the California State Water Resources Control Board – Division of Drinking Water (DDW) to treat 65 million gallons of water per day (mgd). On May 18, 2012, the District entered into an agreement to receive funding through the California Department of Public Health's State Revolving Fund Loan Program in the amount of \$15,000,000 for the construction of an additional 10 million gallon finished water reservoir. The 10 million gallon finished water reservoir was completed in November 2013, and represents a step toward expanding future treatment plant capacity.

In FY 2023, payments from the Urban Contractors have been made correctly in accordance with the Second Amended Contract. In 2017, the District filed a lawsuit against the Urban Contractors in an effort to ensure the terms of the Second Contract are followed. The parties are participating in mediation hearings to attempt to resolve the issue.

The District will continue to focus its efforts in achieving its mission of restoring and protecting the Eastern San Joaquin Groundwater Basin by implementing projects to reach sustainability in accordance with the Eastern San Joaquin Groundwater Basin Groundwater Sustainability Plan submitted to DWR. By encouraging a dual surface and groundwater supply system among the Urban Contractors, land developers, and the District's agricultural customers, the District can address the problems created by the region's critically over-drafted basin, retard saline intrusion, provide seasonal habitat for migratory waterfowl, and ultimately provide a sustainable long-term reliable water supply for its customers.

Joint efforts are ongoing to develop and undertake groundwater recharge/banking projects to achieve a sustainable conjunctively managed surface and groundwater supply for the region. The focus of these projects is the construction of surface water distribution, storage, and recovery systems that store unused surface water and ultimately put it to beneficial use when surface water shortages occur.

Requests for Information

The financial report is designed to provide the reader with a general overview of the District's finances. Questions concerning any of the information provided herein or requests for additional information should be addressed to the Finance Director, Stockton East Water District, P.O. Box 5157, Stockton, California 95205.

Stockton East Water District

Statement of Net Position

March 31,

Assets	2023	2022
Current assets		
Cash and cash equivalents	\$ 9,251,136	\$ 10,468,493
Water assessments receivable	588,695	852,324
Investments	34,606,061	34,435,468
Interest and other receivables	2,742,960	979,859
Current maturities of contract receivable	54,680	54,680
Prepaid expenses and supplies	483,415	419,644
Total current assets	47,726,947	47,210,468
Restricted assets		
Cash and cash equivalents	604,871	604,871
Investments	6,886,492	6,857,832
Developer fees receivable	470,413	1,225,939
Total restricted assets	7,961,776	8,688,642
Property, plant and equipment, net of depreciation	87,623,869	84,539,430
Other assets		
Contract receivable and other assets	102,577	158,718
Total assets	143,415,169	140,597,258
Deferred outflows of resources	2,767,383	1,481,298
Total assets and deferred outflows of resources	\$ 146,182,551	\$ 142,078,556
Liabilities and net position		
Current liabilities		
Accounts payable and accrued liabilities	\$ 5,535,444	\$ 3,177,517
Compensated absences payable	584,558	662,050
Customer prepaid water tolls	2,426,140	1,768,108
Current portion of long-term debt	4,228,776	4,097,128
Total current liabilities	12,774,919	9,704,804
Long-term debt, less current portion		
State revolving fund	6,590,010	7,163,055
Other loans payable	19,312,561	22,934,714
Post employment benefits	4,428,658	5,725,841
Net pension liability	6,175,698	3,138,239
Total liabilities	49,281,846	48,666,653
Deferred inflows of resources	2,497,289	3,455,414
Total liabilities and deferred inflows of resources	51,779,135	52,122,067
Net position		
Invested in capital assets	57,962,937	51,570,473
Restricted for urban contractors	4,644,732	5,414,768
Restricted for capital projects	1,953,160	1,693,657
Restricted for dry year reserves	354,835	338,937
Unrestricted	29,487,753	30,938,655
Total net position	94,403,417	89,956,490
Total liabilities and net position	\$ 146,182,551	\$ 142,078,556

See accompanying notes to the financial statements

Stockton East Water District

Statement of Revenues, Expenses and Changes in Net Position

For the Years Ended March 31,

Operating revenues	<u>2023</u>	<u>2022</u>
Surface water sales and ground assessments	\$ 2,128,254	\$ 5,136,871
Municipal and industrial water	24,177,104	26,199,102
Source of supply charges	378,110	478,307
Distribution charges	721,724	-
Total operating revenues	27,405,192	31,814,280
Operating expenses		
Source of supply	5,166,196	3,626,333
Transmission and distribution	3,474,698	2,601,396
Water treatment	9,983,117	9,943,183
General and administrative	4,784,719	4,001,646
Depreciation and amortization	3,649,682	3,674,313
Total operating expenses	27,058,412	23,846,871
Operating profit	346,780	7,967,409
Nonoperating revenues (expenses)		
Property taxes	613,804	557,961
Interest and investment income	197,952	161,806
Grant and other revenues	171,486	837,802
Interest expense	(1,009,315)	(1,357,856)
Developer fees	3,848,812	5,125,865
Total nonoperating revenues	3,822,739	5,325,578
Net pension expense	277,408	597,042
Increase in net position	4,446,927	13,890,026
Total net position, beginning of year	89,956,490	76,066,464
Total net position, end of year	\$ 94,403,417	\$ 89,956,490

See accompanying notes to the financial statements

Stockton East Water District

Statement of Cash Flows

For the Year Ended March 31,

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Cash received from customers	\$ 26,563,752	\$ 31,817,248
Cash payments for goods and services	(14,029,504)	(18,124,005)
Cash payments to employees	(5,648,319)	(8,525,851)
Net cash provided by operating activities	<u>6,885,929</u>	<u>5,167,392</u>
Cash flows from non-capital and related financing activities		
Property taxes	613,804	557,961
Grant revenues	171,486	837,802
Net cash provided by non-capital and related financing activities	<u>785,290</u>	<u>1,395,763</u>
Cash flows from capital and related financing activities		
Interest paid	(1,009,315)	(1,357,856)
Developer fees received	3,848,812	5,125,865
Proceeds from long-term contract receivable	37,350	37,350
Change in other loans payable	(4,672,981)	(1,549,971)
Purchases of capital assets, net	(6,734,121)	(4,074,808)
Net cash used in cap and related financing activities	<u>(8,530,255)</u>	<u>(1,819,420)</u>
Cash flows from investing activities		
Net change in restricted assets	(726,866)	(382,971)
Net change investments	170,593	(35,156)
Interest income	197,952	161,803
Net cash used in investing activities	<u>(358,321)</u>	<u>(256,324)</u>
Net (de)/increase in cash and cash equivalents	<u>(1,217,357)</u>	<u>4,487,411</u>
Cash and cash equivalents, beginning of period	11,073,364	6,585,953
Cash and cash equivalents, end of period	<u>\$ 9,856,007</u>	<u>\$ 11,073,364</u>

See accompanying notes to the financial statements

Stockton East Water District

Statement of Cash Flows

For the Year Ended March 31,

	<u>2023</u>	<u>2022</u>
Reconciliation of operating income to net cash provided by operating activities		
Income from operations	\$ 346,780	\$ 7,967,409
Adjustments to reconcile income from operations to net cash provided by operating activities		
Depreciation and amortization	3,649,682	3,646,869
Other non-cash adjustments	(737,199)	(2,997,862)
Changes in operating assets and liabilities		
Water assessments and other receivables	(1,499,472)	35,557
Prepaid expenses and supplies	(63,771)	178,439
Accounts payable	2,869,003	(104,089)
Accrued payroll and related liabilities	1,662,874	(3,526,343)
Customer prepaid water tolls	658,032	(32,588)
Net cash provided by operating activities	<u>\$ 6,885,929</u>	<u>\$ 5,167,392</u>

See accompanying notes to the financial statements

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies

This summary of significant accounting policies of Stockton East Water District (the District) is presented to assist in understanding the District's financial statements.

Description of reporting entity

The District was organized on June 7, 1948 under the provisions of the California Water Conservation District Act of 1931.

The District's principal functions are:

- a. Develop and operate groundwater recharge and banking facilities to restore and protect the underground water supply,
- b. Contract for and regulate the flow of water from the New Hogan Dam on the Calaveras River to provide maximum benefit to the underground water supply,
- c. Contract for a supply of water from New Melones Dam on the Stanislaus River and regulate the diversion flow at Goodwin Dam through the New Melones Conveyance System for use within the Stockton East Water District and the Central San Joaquin Water Conservation District,
- d. Distribution of an agricultural surface water supply to more than 26,000 acres by use of check dams in natural channels,
- e. Operation of a drinking water treatment plant to supplement the supply of potable water to the metropolitan Stockton area, and
- f. Develop additional water supply contracts to provide future supplemental sources for the ultimate water needs of the area.

The governing board of the District consists of seven directors elected by the registered voters to represent specific areas within the District.

District management considered all potential component units for inclusion in the reporting entity by applying the criteria set forth in accounting principles generally accepted in the United States of America. The District concluded that there are no potential component units which should be included in the reporting entity.

Basis of accounting

The financial statements have been prepared on the economic resources measurement focus and the accrual basis of accounting. As allowed by Governmental Accounting Standards Board (GASB) Statement No. 56, *Codification of Accounting and Financial Reporting Guidance* the District's proprietary funds follow all GASB pronouncements and accounting standards set by the Financial Accounting Standards Board (FASB) and included in the Accounting Standards Codification (ASC), except those that conflict with a GASB pronouncement.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Basis of accounting

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The District's operating revenues include all revenues derived from the District's principal functions. Operating expenses include all costs related to the District's principal functions, general and administrative expenses, depreciation on capital assets and amortization on certificates of participation and installment purchase agreement issuance costs. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses, except for developer fees which are reported separately and represent capital contributions charged by the District relative to water service area annexation.

The District combines the accounts of all divisions. Interdivision transactions are eliminated in combination.

Fund accounting

The District utilizes proprietary funds to account for its activities, which are similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration.

Budgetary accounting

The District utilizes formal budgetary procedures as required by District contracts, but is not required to adopt such procedures by law. The District adopts a budget annually which is approved by the Board of Directors.

Cash and cash equivalents

For purposes of the statement of cash flows, the District considers cash on hand, amounts due on demand from financial institutions within three months to be cash and cash equivalents.

Investments

Investments with an original maturity of three months or less when purchased are reported at cost, which approximates fair value. Investments that mature beyond six months when purchased are reported at fair value. Fair value is determined by examining quoted market prices. The change in fair value is included in nonoperating revenues and expenses in the statement of revenues, expenses and changes in net assets.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Water assessments receivable

Water assessments receivable includes all amounts invoiced and not received by the District for surface water sales and groundwater assessments and municipal and industrial water. District management considers all accounts receivable from water users and others to be fully collectible. Accordingly, an allowance for doubtful accounts has not been recorded in these financial statements.

Prepaid chemicals and supplies

The District's prepaid supplies, which includes chemicals, fuel and laboratory supplies is stated at the lower of cost or market using the first-in, first-out (FIFO) method of valuation.

Restricted assets

Restricted assets recorded in the financial statements consist of cash and cash equivalents, investments, interest receivable and developer fees receivable restricted for the following:

- Repayment of certificates of participation
- Urban Contractors' (City of Stockton, California Water Service Company, Lincoln Village Maintenance District and Colonial Heights Maintenance District) directives
- New Melones Conveyance System construction and improvements originating from certificates of participation issuances
- Treatment plant repairs and replacement
- Dry year reserves

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Capital assets

All capital assets are valued at historical cost. The District's policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding two years.

GASB Statement No. 34 requires that all capital assets with limited useful lives be depreciated over their estimated useful lives. Depreciation has been provided on capital assets and is charged as an expense against operations each year. The total amount of depreciation taken over the years is reported on the balance sheet as a reduction in the book value of capital assets.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The District has assigned the useful lives listed below to capital assets.

Water contracts and rights	40 years
Wells and equipment	5 – 20 years
Groundwater recharge projects and pipelines	10 – 50 years
New Melones Conveyance System	5 – 50 years
Ponding dams	15 – 50 years
Bridges and crossings	5 – 33 years
Treatment plant	10 – 50 years
Treatment plant equipment	5 – 30 years
Automotive equipment	5 – 15 years
Administration building	10 – 25 years
Furniture and office equipment	5 – 10 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Amortization of cost of issuance and refunding costs

Issuance costs related to certificates of participation and installment purchase agreements are capitalized and amortized using the effective interest method over the life of the respective certificates of participation and installment purchase agreement. Refunding costs related to the issuance of certificates of participation used to advance refund other certificates of participation are capitalized and amortized using the effective interest method over the remaining life of the old debt (had it not been refunded) or the life of the new debt, whichever is shorter. All is recorded in accordance with GASB 65.

Reclassifications

Certain prior year amounts have been reclassified to conform to current year financial statement presentation. Net positions was unaffected.

Deferred outflows/inflows of resources

In addition to assets and liabilities, the statement of net position will sometimes report a separate section for deferred outflows and inflows of resources. This separate financial statement element, deferred outflows and inflows of resources, represents a consumption and acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow or inflow of resources (expense/expenditure) until then. The District reported \$2,767,383 and \$1,481,298 and \$2,497,289 and \$3,455,414 of deferred outflow and inflows, respectively, as of March 31, 2023 and 2022.

Due from other divisions

Expenses incurred by each division are occasionally paid by another division, upon authorization by the Board of Directors pursuant to its authorizing legislation.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Net position

Equity in the financial statements is classified as net position and displayed in three components as follows:

- a. Net investment in capital assets – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.
- c. Unrestricted net position – Consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Net position restrictions

Net position restricted for Urban Contractors' directives, New Melones Conveyance System construction and improvements, treatment plant repairs and replacements and dry year reserves, are recorded in the financial statements as restricted net position.

Surface water sales and ground water assessments

Surface and ground water revenues result from assessments by the District and are based upon acres irrigated or actual usage for agricultural or municipal and industrial purposes.

Municipal and industrial water

Municipal and industrial water revenues are primarily derived from fees charged under the Second Amended Contract. In addition, ground water rate equalization charges levied on ground water users within the municipal and industrial water service area are also included in municipal and industrial water revenue.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Property taxes

Property taxes levied January 1, 2022 were payable in two installments on December 10, 2022 and April 10, 2023. Property taxes levied January 1, 2021 were payable in two installments on December 10, 2021 and April 10, 2022. The County of San Joaquin bills and collects property taxes on behalf of the District.

The District is allocated a portion of property taxes collected by San Joaquin County. Property taxes receivable represents a portion of the July 1 to June 30 property taxes earned but uncollected at March 31.

Grant revenues

Income from grant agreements is recognized over the periods in which performance under the respective grant agreement relates. Determination of the classification of grant revenues as operating or nonoperating is based on the capital or operating nature of the related expenditures.

Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Recent accounting pronouncements-

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, issued April 2018, improves the information that is disclosed in notes related to debt. Statement No. 88 simplifies which liabilities government should include when disclosing information related to debt. It requires that additional information related to debt be disclosed. This statement is effective for fiscal years beginning after June 15, 2022. Management is currently evaluating the impact of the provisions of GASB 88 on the financial statements

GASB Statement No. 94, *P3s and Availability Payment Arrangements* The new statement is effective for reporting periods beginning after June 15, 2022. Management is currently evaluating the impact of the provisions of GASB 88 on the financial statements

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

GASB 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Distinctions are made regarding the particular requirements for employers based on the number of employees whose employees are provided with pensions through the pension plan and whether pension obligations and pension plan assets are shared. In addition, this Statement details the recognition and disclosure requirements for employers with liabilities (payables) to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions. This Statement also addresses circumstances in which a nonemployer entity has a legal requirement to make contributions directly to a pension plan.

The District recognized additional liabilities for outstanding defined pension benefit obligations as of March 31, 2023.

Note 2 – Cash and Cash Equivalents

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The District's bank deposits are not held in public deposit accounts and are, therefore, not collateralized in accordance with the California Government Code.

Cash held by the San Joaquin County Treasury is pooled with other County deposits for investment purposes by the County Treasurer in accordance with the investment policy of the County Treasurer. The Pool has established a treasury oversight committee to monitor and review the management of public funds maintained in the Pool. Participants' equity in the investment pool is determined by the dollar amount of the participant deposits, adjusted for withdrawals and distributed investment income. Investment income is prorated to individual funds based on their average daily cash balances. The value of the District shares in the Pool, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the District's position in the Pool. The District's investment in the Pool is unrated, stated at amortized cost which approximates fair value, available upon demand and considered cash equivalents. The District is not required to and does not maintain a formal investment policy.

Note 3 – Investments

The District is a voluntary participant in the following external investment pool: Local Agency Investment Fund (LAIF). LAIF is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investments in these pools are reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the pools for their entire portfolio (in relation to the amortized cost of that portfolio).

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 4 – Restricted Assets

The following is a summary of restricted assets along with the purpose of each restriction as of March 31,

	<u>2023</u>	<u>2022</u>
Urban Contractors' directives	\$ 4,644,732	\$ 5,414,768
New Melones Conveyance System construction and impro	728,422	818,024
Treatment plant repairs and replacement	1,224,738	1,121,702
Dry year reserves	354,835	338,937
	<u>\$ 6,952,727</u>	<u>\$ 7,693,431</u>

Note 5 – Capital Assets

Capital asset activity for the year ended March 31, 2023 is as follows:.

	<u>March 31, 2022</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfer</u>	<u>March 31, 2023</u>
Non-depreciable capital assets					
Land and land rights	\$ 7,610,338	\$ -	\$ -	\$ -	\$ 7,610,338
Construction in progress	4,205,492	4,742,858	-	-	8,948,350
Total nondepreciable capital assets	<u>11,815,830</u>	<u>4,742,858</u>	<u>-</u>	<u>-</u>	<u>16,558,688</u>
Depreciable capital assets					
Water contracts and rights	3,142,139	-	-	-	3,142,139
Wells and equipment	1,709,839	-	-	-	1,709,839
Groundwater recharge projects	2,297,775	-	-	-	2,297,775
Pipeline	17,869,310	-	-	-	17,869,310
New Melones Conveyance	77,257,508	-	-	-	77,257,508
Ponding dams	712,576	-	-	-	712,576
Bridges and crossings	671,018	375,405	-	-	1,046,423
Treatment plant	46,603,992	-	-	-	46,603,992
Conveyance/Plant Equipment	3,030,316	793,043	-	-	3,823,359
Automotive equipment	1,393,278	122,627	-	-	1,515,905
Administration building	282,831	-	-	-	282,831
Furniture and office equipment	246,646	700,188	-	-	946,834
Total depreciable assets	<u>155,217,228</u>	<u>1,991,263</u>	<u>-</u>	<u>-</u>	<u>157,208,491</u>
Less accumulated depreciation	<u>(82,493,629)</u>	<u>(3,649,682)</u>	<u>-</u>	<u>-</u>	<u>(86,143,311)</u>
Total depreciable assets, net	<u>72,723,600</u>	<u>(1,658,419)</u>	<u>-</u>	<u>-</u>	<u>71,065,181</u>
Total capital assets, net	<u>\$ 84,539,430</u>	<u>\$ 3,084,439</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,623,869</u>

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 5 – Capital Assets (continued)

Capital asset activity for the year ended March 31, 2022 is as follows:

	Balance <u>March 31, 2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	Balance <u>March 31, 2022</u>
Nondepreciable capital assets					
Land and land rights	7,610,338	-			7,610,338
Construction in progress	2,128,483	2,858,098		(781,089)	4,205,492
Total nondepreciable capital assets	7,985,868	2,858,098	-	(781,089)	11,815,830
Depreciable capital assets					
Water contracts and rights	3,142,139				3,142,139
Wells and equipment	1,709,839				1,709,839
Groundwater recharge projects	2,297,775				2,297,775
Pipeline	17,869,310	-			17,869,310
New Melones Conveyance	77,257,508				77,257,508
Ponding dams	712,576			-	712,576
Bridges and crossings	200,624	352,922		117,472	671,018
Treatment plant	46,095,184	508,808			46,603,992
Treatment plant equipment	2,011,720	354,979		663,617	3,030,316
Automotive equipment	1,393,278	-	-		1,393,278
Administration building	282,831	-			282,831
Furniture and office equipment	246,646	-			246,646
Total depreciable capital assets	153,219,430	1,216,709	-	781,089	155,217,229
Less accumulated depreciation	(78,846,760)	(3,646,869)	-	-	(82,493,629)
Total depreciable capital assets, net	74,372,670	(2,430,160)	-	781,089	72,723,600
Total capital assets, net	<u>\$ 84,111,491</u>	<u>\$ 427,938</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,539,430</u>

Capital asset activity for the year ended March 31, 2023 is as follows:

Stockton East Water District is in process of designing a new fish ladder at Bellota Weir, reconstructing the Bellota Weir itself, screening the Bellota intake, and constructing a fish exclusion at the Old Calaveras River headgate structure. As of March 31, 2023, the District has expended \$3,047,605 towards the design, which is included in the March 31, 2023 construction in progress account. The District estimates costs to complete the design will be \$3,452,225, which will be funded out of the Treatment Plant budget and grants for this purpose. Design is expected to be completed in FY 2023-2024.

The District is in the process of replacing its current gas chlorine disinfection system with a Sodium Hypochlorite (liquid) disinfection system which necessitates the construction of a facility to house the chemical with the corresponding instrumentation. The changeover will allow for greater supply chain resiliency as there are more vendors which sell Sodium Hypochlorite than gaseous chlorine. As of March 31, 2023, the District has expended

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 5 – Capital Assets (Continued)

\$4,257,661 towards the design, which is included in the March 31, 2023 construction in process account. The District estimates costs to complete the design and construction to be about \$6,170,000 which will be funded out of the Treatment Plant budget. Design and construction is expected to be completed in FY 2023-2024.

The District began work on the Goodwin Tunnel outlet meter project which will provide conditions for accurate flow measurement and mitigate the effects of the overgrown aquatic life. The second phase consists of constructing a concrete flume in the canal with further shotcrete canal lining as an option. As of March 31, 2023, the District has expended \$370,711 towards the construction, which is included in the March 31, 2023 construction in process account. The District estimates costs to complete the design and construction to be about \$2,968,000. The project is expected to be completed in FY 2023-2024.

Note 6 – Long-Term Contract Receivable

Under terms of the “District Contract” dated August 25, 1970, between Stockton East Water District and Calaveras County Water District, the payment of all obligations under the “New Hogan Contract” is the responsibility of Stockton East Water District. The District Contract provides for payment by Calaveras County Water District to Stockton East Water District for 43.5% of the construction costs of New Hogan Dam exclusive of recreation features. The original amount receivable was determined by reference to the final construction cost of \$15,362,636. The contract also provides for payment to Stockton East Water District for Calaveras County Water District’s share of expense for operation, maintenance, replacement, contract administration and water-master expense. Total remaining balance at March 31, 2023 and 2022, (including current portion) was \$147,900 and \$204,398, respectively.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 7 – Long-Term Debt

In 2019, the District entered in three notes payable with Pacific Western Bank to provide financing for the retirement and repayment of all Certificates of Participation and Installment Agreement as noted in Note 7. The interest rates range from 4.31% to 4.90%, ten year amortization period. Future principal payments for the five succeeding years of March 31, 2023 are as follows: \$3,501,000 in 2024; \$3,632,000 in 2025, \$3,229,000 in 2026, \$3,352,000 in 2027 and \$3,486,000 in 2028.

The District entered into a funding agreement with the State of California Department of Public Health. The purpose of the funding agreement is to assist the District in financing the construction of a 10 million gallon finished water reservoir and repair of the District's existing finished water reservoir. The funding agreement consists of a \$15,000,000 revolving loan, equal to the total estimated construction cost and repairs. The revolving loan carries no interest, and, upon completion of construction and repairs, is amortized over a 20-year term and payable in semi-annual payments each January 1 and July 1, beginning July 1, 2020. The District will fund the repayment of the revolving loan with municipal and industrial water revenues. The balance of the state revolving fund loan was \$7,163,055 and \$7,735,729 as of March 31, 2023 and 2022, respectively. Future principal payments for the five succeeding years of March 31, 2023 are as follows: \$573,044 in 2024; \$573,044 in 2025; \$573,044 in 2026, \$573,044 in 2027, and \$573,044 in 2028.

In 2014, the District entered into a \$3,325,000 note payable with the Bank of Stockton to provide financing relative to the purchase of real property adjacent to the District's treatment plant property, consisting of approximately 230 acres. The note is payable in 19 quarterly installments of \$59,966, with interest at 3.95%, collateralized by a deed of trust on real property, with all remaining principal and accrued interest due July 15, 2024. The District will fund the repayment of the Bank of Stockton note payable with municipal and industrial water revenues. Future principal payments for the succeeding years from March 31, 2023 are as follows: \$154,731 in 2024, \$2,000,561 in 2025.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 8 – Net Position

Reconciliations of net investment in capital assets and restricted net position classifications in the financial statements as of March 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Net investment in capital assets		
Developer fees receivable	\$ 470,413	\$ 1,225,939
Capital assets, net of accumulated depreciation	87,623,870	84,539,430
Current liabilities (payable from restricted assets)	(4,228,775)	(4,097,128)
Long-term debt	(25,902,571)	(30,097,769)
Total net investment in capital assets	<u>\$ 57,962,937</u>	<u>\$ 51,570,472</u>
Restricted for urban contractors		
Cash and cash equivalents – restricted	10,000	10,000
Investments and interest receivable, restricted	4,634,732	5,404,768
Total net position restricted for urban contractors	<u>\$ 4,644,732</u>	<u>\$ 5,414,768</u>
Restricted for capital projects		
Cash and cash equivalents – restricted	584,871	584,871
Investments and interest receivable, restricted	1,368,289	1,108,785
Total net position restricted for capital projects	<u>\$ 1,953,160</u>	<u>\$ 1,693,656</u>
Restricted for dry year reserves		
Cash and investments – restricted	355,835	338,937
Total net position restricted for dry year reserves	<u>\$ 355,835</u>	<u>\$ 323,444</u>

Note 9 – Compensated Absences

As of March 31, 2023 and 2022, the District’s accrued liabilities for accumulated unused vacation and sick leave were \$584,558 and \$662,052, respectively. Employees accrue vacation and sick leave benefits based on length of service and current compensation. Accumulated vacation days are subject to a maximum accrual of 240 hours. Accumulated unused sick leave is 25% vested upon five years of continued service and 50% vested upon ten years of continued service. Employees are paid for their accumulated unused vacation and sick leave upon separation of service.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 10 – Developer Fees

Developer fees are collected to repay debt associated with the New Melones Conveyance System, which is currently expected to be thru 2029. Fees collected are recorded in the statement of revenues, expenses and changes in net assets. A schedule of the changes in total developer fees collected during the years ended March 31, 2023 and 2022 is as follows:

	<u>City of Stockton</u>	<u>San Joaquin County</u>	<u>Total</u>
Total developer fees collected as of March 31, 2021	<u>\$ 75,964,970</u>	<u>\$ 5,508,259</u>	<u>\$ 81,473,229</u>
Developer fees collected during the year ended March 31, 2022	<u>4,163,235</u>	<u>962,630</u>	<u>5,125,865</u>
Total developer fees collected as of March 31, 2022	<u>\$ 80,128,205</u>	<u>\$ 6,470,889</u>	<u>\$ 86,599,094</u>
Developer fees collected during the year ended March 31, 2023	<u>3,552,832</u>	<u>295,980</u>	<u>3,848,811</u>
Total developer fees collected as of March 31, 2023	<u>\$ 83,681,037</u>	<u>\$ 6,766,869</u>	<u>\$ 90,447,905</u>

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 11 – Defined Benefit Pension Plan

Plan description

The District's defined benefit pension plan provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The plan is part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an cost-sharing multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements are established by State statutes within the Public Employees' Retirement Law. The District selects optional benefit provisions from the benefit menu by contract with CalPERS. CalPERS issues a separate comprehensive annual financial report. CalPERS maintains all plan documents on a June 30 fiscal year basis. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

California Public Employees Pension Reform Act of 2012

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2022 (PEPRA) into law. PEPRA took effect January 1, 2013.

Key components of the legislation are as follows:

- Establishes PEPRA, which will apply to all public employers and public pension plans on and after January 1, 2013 (Except specific exemptions);
- Establishes new retirement tiers/benefits for new public employees;
- Requires that new employees pay at least 50% of the total annual normal cost and that current employees approach the same goal through collective bargaining;
- Increases retirement age for all new public employees.

Separate tiers based on employee classification (Miscellaneous 2% at 55 and PEPRA Miscellaneous 2% at 62) are maintained and reported by CalPERS on behalf of the District. Both tiers are under the scope of GASB 68.

Funding policy

Active plan members who are part of the Miscellaneous 2% at 55 tier are required to contribute 7% of their annual covered salary which the District pays as a component of the employees' benefit package. Active plan members who are part of the PEPRA Miscellaneous 2% at 62 tier are required to contribute 50% of the total normal cost. District contributions on behalf of active plan members who are part of the PEPRA Miscellaneous 2% at 55 tier will continue until March 31, 2026, at which time the current memorandum of understanding with employees expires.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 11 – Defined Benefit Pension Plan (continued)

The Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions*, became effective for 2014 fiscal years. The statement established accounting and financial reporting standards for the recognition and disclosure requirements for employers with a liability to a defined benefit pension plan. GASB 68 requires that the District's liability be measured as the portion of the present value of projected benefit payments to be provided to current and inactive employees that is attributed to the employee's past periods of service, less the amount of the plan's net position. The statement also requires employers to present information about the changes in net pension liability. The District is also required to present a ten year schedule containing the net pension liability and certain related ratios, and information about statutorily or contractually required contributions and related ratios. Until a full ten year trend is compiled, the District will present information for only those years for which information is available.

The following is information the District is required to disclose under GASB 68.

Pension liabilities: At March 31, 2023, the District reported a liability of \$6,175,698 for its proportionate share of the net pension liability. The District's proportion of the net pension liability was based on the District's share of contributions in the plan relative to the total contributions of all participating employers. At June 30, 2022, the District's proportion was .00007 percent. The District's liability as of March 31, 2023 was measured as of June 30, 2022, for the measurement period of June 30, 2020 to June 30, 2022.

Employees covered by benefit terms: There are currently 38 active participants in the plan, and 38 participants receiving benefits, also one is no longer employed by the District but is vested.

Contributions: The recommended contribution for the 2023 plan year is \$759,850 (assuming contributions will be deposited throughout the plan year). The overall contributions to the plan as a percentage of covered-employee payroll was 17.3%.

Actuarial assumptions: Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earning of the individual between entry age and assumed exit age. The total pension liability in the June 30, 2022 measurement date actuarial valuation was determined using the following assumptions, applied to all periods in the measurement: 1) Inflation of 2.30%; 2) Payroll growth of 7.11%; 3) 6.90% investment rate of return.

Mortality rates were based on the CalPERS experience Study for a eighteen year period reported in December 2017.

Sensitivity of the net pension liability to changes in the discount rate: It is estimated that a 1% increase in the discount rate would decrease the net pension liability by approximately \$2.98 million dollars and a 1% decrease in the discount rate would increase the net pension liability by approximately \$3.64 million dollars.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 11– Defined Benefit Pension Plan (continued)

Discount rate: The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan’s net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Deferred Outflows and Inflows of Resources: The following table presents deferred outflows and inflows of resources related to pensions as of March 31, 2023:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	632,829	-
Differences between Expected and Actual Experience	124,020	83,063
Differences between Projected and Actual Investment Earnings	1,131,224	-
Differences between Employer's Contributions and Proportionate Share of Contributions	-	209,870
Change in Employer's Proportion	13,278	962,665
Pension Contributions Made Subsequent to Measurement Date	739,558	-
	2,640,909	1,255,598

Deferred outflows and inflows of resources will be amortized in pension expense in future years as required.

Note 12 – Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all permanent District employees, permits them to defer a portion of their compensation until future years, and is strictly voluntary on behalf of the employees, and is not mandated by the District. The deferred compensation is available to employees upon termination, retirement, death or unforeseeable emergency.

Note 13 – Subsequent events

The District has evaluated all events and transactions that occurred after March 31, 2023, and through the date the financial statements were available to be issued.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 14 – Other Post-Employment Benefits

The District provides post-employment health benefits, in accordance with a negotiated memorandum of understanding with employees and adoption by the Board of Directors, for retired employees who meet the eligibility requirements and elect the option. Benefits are recognized as claims are paid. The District implemented GASB 75. The required disclosures from the new standard are as follows:

Plan description

Plan administration. The District administers the Other Post-Employment Benefit (OPEB) Plan, a single employer defined benefit plan.

Benefits provided. The District provides post-employment health benefits, in accordance with a negotiated memorandum of understanding with employees and adoption by the Board of Directors, for retired employees who meet the eligibility requirements and elect the option.

In order to be eligible to retire with District-paid health benefits, an employee must have been hired before April 1, 2015, completed five years of service with the District, and have retired under CalPERS. For retirements occurring before the effective date of the MOU dated August 19, 2008, the District will pay full medical premiums for the lifetime of the retiree. For retirements occurring after the effective date of the MOU, the following two additional provisions apply:

1. Retirees over age 65 must enroll in Medicare to preserve their eligibility for lifetime District-paid benefits; and
2. The District will contribute a percentage of a covered spouse's medical premium based on years of service of the retiree as follows: 0% for less than 20 years of service, 50% for at least 20 years but less than 30 years of service, and 100% for 30 or more years of service.

Benefits are recognized as claims are paid.

Plan membership. At March 31, 2023, membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	19
Active plan members	14

Contributions. The District pays 100% of the cost of the OPEB plan. The District funds the plan on a pay-as-you-go basis.

Net OPEB Liability

The District's Net OPEB Liability was measured as of March 31, 2023 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of April 1, 2022. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Actuarial assumptions. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 14 – Other Post-Employment Benefits (continued)

Salary increases	3.00 percent
Inflation rate	2.50 percent
Healthcare cost trend rate	4.00-6.20 percent for 2023-2069

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Actuarial assumptions used in the April 1, 2022 valuation were based on a review of plan experience during the period April 1, 2021 to March 31, 2022.

Discount rate. GASB 75 requires a discount rate that reflects the following:

- a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan’s fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan’s projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the District’s Total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Municipal Bond 20-Year High Grade Rate Index	Discount Rate
March 31, 2022	March 31, 2022	2.83%	2.83%
March 31, 2023	March 31, 2023	3.78%	3.78%

The components of the net OPEB liability were as follows:

Total OPEB liability	\$4,428,658
Plan fiduciary net position	0
Net OPEB liability	\$4,428,658

Measurement date	March 31, 2023
Reporting date	March 31, 2023

Covered payroll	\$1,606,444
Net OPEB liability (asset) as a percentage of covered payroll	275.68%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 14 – Other Post-Employment Benefits (continued)

Schedule of Changes in Net OPEB Liability (April 1, 2022 to March 31, 2023)

Total OPEB Liability	
Service Cost	\$ 71,821
Interest	139,684
Changes of benefit terms	0
Difference between expected and actual experience	(1,203,944)
Changes of assumptions	(101,213)
Benefit payments ¹	(203,531)
Net change in total OPEB liability	(1,297,183)
Total OPEB liability – April 1, 2022 (a)	\$ 5,725,841
Total OPEB liability – March 31, 2023 (b)	\$ 4,428,658
Plan fiduciary net position	
Contributions – employer ¹	203,531
Net investment income	0
Benefit payments ¹	(203,531)
Trustee fees	0
Administrative expense	0
Net change in plan fiduciary net position	0
Plan fiduciary net position – April 1, 2022 (c)	\$0
Plan fiduciary net position – March 31, 2023 (d)	\$0
Net OPEB liability – April 1, 2022 (c) – (a)	\$ 5,725,841
Net OPEB liability – March 31, 2023 (d) – (b)	4,428,658

¹ Amount includes implicit subsidy associated with benefits paid.

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.78%)	Discount Rate (3.78%)	1% Increase (4.78%)
Net OPEB liability (asset)	5,004,593	4,428,658	3,952,46

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Trend Rate	1% Increase
Net OPEB liability (asset)	3,893,514	4,428,658	5,083,505

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 14 – Other Post-Employment Benefits (continued)

Net OPEB Expense

The District’s Net OPEB expense for March 31, 2023 was \$226,526.

Net OPEB Liability - beginning (a)	\$ 5,725,841
Net OPEB Liability – ending (b)	\$ 4,428,658
Change in Net OPEB Liability [(b)-(a)]	(1,297,183)
Change in Deferred Outflows	218,591
Change in Deferred Inflows	852,066
Employer Contributions	203,531
Net OPEB Expense – April 1, 2022 to March 31, 2023	\$ (22,995)

Service Cost	71,821
Interest Cost	139,684
Recognition of Deferred Outflows and Inflows	
Differences between expected and actual experience	(314,582)
Changes of assumptions	80,085
Differences between projected and actual investments	0
Total	(234,500)
Net OPEB Expense – April 1, 2022 to March 31, 2023	\$(22,995)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At March 31, 2023, the District’s deferred outflows of resources and deferred inflows of resources to OPEB from the following sources are:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	0	(889,362)
Changes in assumptions or other inputs	37,296	(218,591)
OPEB Liability/Credit	1,093,652	(22,995)
Total	\$ 1,130,948	\$1,130,948

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Fiscal Year ending March 31:	Deferred Outflows of Resources	Deferred Inflows of Resources
2024	115,614	(453,091)
2025	10,863	(438,435)
2026	0	(318,331)

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 15 – Joint Venture (Joint Powers Agreement)

The District is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In order to insure for risks of loss, the District participates in a joint venture under a joint powers agreement with the Association of California Water Agencies Joint Powers Insurance Authority (JPIA). The relationship between the District and the JPIA is such that the JPIA is not a component unit of the District for financial reporting purposes.

The JPIA arranges for and provides self-insured programs for liability, property, workers' compensation and underground storage tank pollution liability coverages for member districts. Each district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the JPIA. The District's share of surpluses and deficits cannot be determined, although District management does not expect such amounts, if any, to be material in relation to the financial statements.

The latest audited financial information for the JPIA is for the fiscal year ending September 30, 2022 and the condensed financial information of the JPIA is as follows:

Total assets and deferred outflows	\$ 252,723,776
Total liabilities and deferred inflows	<u>(139,939,855)</u>
Net position	<u>\$ 112,783,923</u>

The entity did not have long-term debt outstanding at September 30, 2022. The District's share of the year-end assets, liabilities or fund equity has not been calculated by the JPIA.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 16 – Commitments and Contingencies

Second Amended Contract

The District is a party to the Second Amended Contract with City of Stockton, California Water Service Company, San Joaquin County, Lincoln Village Maintenance District, and Colonial Heights Maintenance District (Urban Contractors) in which the District agreed to make available to the Urban Contractors a minimum of 20,000 acre-feet of treated water. The contract calls for the Urban Contractors to make payments to the District in the amounts necessary to reimburse the District for all municipal and industrial source of supply and transmission and distribution expenses, operation and maintenance costs of the treatment plant, principal and interest payments on certificates of participation used for the construction of the treatment plant and for the municipal and industrial share of conveyance and storage facilities and other items as specified under the Second Amended Contract. The Contract remains in effect until April 1, 2035.

New Melones Contract

The District constructed the New Melones Conveyance System (the “System”) which transports water from the New Melones Reservoir to the District’s water treatment plant, as well as providing water for irrigation. This water provides a surface water supply in addition to the District’s existing surface supply from the New Hogan Reservoir and wells pumping ground water. The System consists of the purchase of an undivided one-third interest in Goodwin Dam, a diversion structure at Goodwin Dam, the Goodwin Tunnel, and the Upper Farmington Canal Improvements to Shirley, Hoods and Rock Creeks for conveyance, the Lower Farmington canal, Peters Pipeline and improvements to the existing District water treatment plant. The System contains both single-use facilities, to be used exclusively by the District, and facilities that may be used to provide New Melones water to the Central San Joaquin Water Conservation District.

New Hogan Dam Contract

Under terms of a contract known as the “New Hogan Contract” dated August 25, 1970, between the United States of America, Stockton East Water District and Calaveras County Water District, the two districts contracted to receive the full yield of the New Hogan Project in exchange for repaying the United States of America a portion of the construction costs of New Hogan Dam, excluding recreation features. This repayment obligation was paid in 2011.

The District now continues to pay for a portion of the annual operation, maintenance, replacement and contract administration costs. This payment is determined every five years based on estimated costs as determined by the U.S. Army Corps of Engineers and adjusted for the differences between the actual costs and estimated costs of the prior five years.

STOCKTON EAST WATER DISTRICT

Notes to Financial Statements

March 31, 2023 and 2022

Note 16 – Commitments and Contingencies (Continued)

New Melones Conveyance System

The District constructed the New Melones Conveyance System (the “System”) which transports water from the New Melones Reservoir to the District’s water treatment plant, as well as providing water for irrigation. This water provides a surface water supply in addition to the District’s existing surface supply from the New Hogan Reservoir and wells pumping ground water. The System consists of the purchase of an undivided one-third interest in Goodwin Dam, a diversion structure at Goodwin Dam, the Goodwin Tunnel, and the Upper Farmington Canal Improvements to Shirley, Hoods and Rock Creeks for conveyance, the Lower Farmington canal, Peters Pipeline and improvements to the existing District water treatment plant. The System contains both single-use facilities, to be used exclusively by the District, and facilities that may be used to provide New Melones water to the Central San Joaquin Water Conservation District.

Merger with Central San Joaquin Water Conservation District

The District is currently pursuing consolidation with its neighbor district to the south, the Central San Joaquin Water Conservation District. The districts came to terms on a merger agreement, and have filed a joint application with the San Joaquin Local Agency Formation Commission (LAFCO). LAFCO is now preparing a Municipal Services Review, which is the first step in moving towards consolidation. No formal timeline is available with regards to approval by LAFCO or completion of the consolidation, and District management does not expect material changes to the financial statements or operations as a result of the potential merger.

Note 17 – Governing Board

As of March 31, 2023, the seven members of the District’s Board of Directors were as follows:

<u>Director</u>	<u>Division</u>	<u>Term expires</u>
Richard Atkins	1	December 2024
Andrew Watkins	2	December 2026
Alvin Cortopassi	3	December 2024
Melvin Panizza	4	December 2024
Paul Sanguinetti	5	December 2026
Loralee McGaughey	6	December 2026
Thomas McGurk	7	December 2026

COMBINING FINANCIAL STATEMENTS

Stockton East Water District

Combining Statement of Net Position

March 31, 2023

	Admin	Agricultural	Municipal Division		Consolidated Total	2022 Consolidated Total
			Groundwater	Treatment Plant		
Assets						
Current assets						
Cash and cash equivalents	3,462,067	1,089,347	46,491	4,653,232	9,251,136	10,468,493
Water assessments receivable	-	586,055	2,641	(0)	588,695	852,324
Interest receivable	-	-	-	-	-	21,604
Investments	14,882,001	2,497,869	1,975,624	15,250,567	34,606,061	34,435,468
Other receivables	492,188	59,862	(3,916)	2,194,825	2,742,960	958,255
Due to other divisions	(3,599,000)	22,393	212,128	3,364,479	-	-
Contract receivable, current	54,680	-	-	-	54,680	54,680
Inventory	33,256	-	-	128,242	161,498	130,625
Prepaid expenses	263,594	-	-	58,323	321,917	289,017
Restricted assets						
Cash and cash equivalents	6,330	5,000	5,000	588,541	604,871	604,871
Investments	722,092	213,474	86,774	5,864,152	6,886,492	6,857,832
Developer fees receivable	-	-	-	470,413	470,413	1,225,939
Total current and restricted assets	16,317,208	4,474,000	2,324,741	32,572,773	55,688,722	55,899,109
Property, plant and equipment, net	42,825,306	487,930	6,083,143	38,227,491	87,623,869	84,539,430
Other assets						
Water assessments receivable	-	-	-	-	-	-
Long term contract receivable	\$102,577	-	-	-	102,577	158,718
Total assets	59,245,090	4,961,930	8,407,884	70,800,263	143,415,169	140,597,258
Deferred outflows	2,670,754	30,117	-	66,512	2,767,383	1,481,298
Total assets and deferred outflows	\$ 61,915,845	\$ 4,992,047	\$ 8,407,884	\$ 70,866,775	\$ 146,182,551	\$ 142,078,557
Liabilities and net position						
Current liabilities						
Accounts payable and accrued liabilities	2,739,850	17,421	368,647	2,409,526	5,535,444	3,177,517
Compensated absences payable	227,132	-	-	357,426	584,558	662,051
Customer prepaid water tolls	-	-	-	2,426,140	2,426,140	1,768,108
Current portion of long-term debt	2,996,000	-	154,731	1,078,044	4,228,776	4,097,128
Total current liabilities	5,962,982	17,421	523,378	6,271,137	12,774,918	9,704,804
Long-term debt, less current portion						
State revolving fund loan	-	-	-	6,590,010	6,590,010	7,163,055
Other loan payable	16,790,000	-	2,000,561	522,000	19,312,561	22,934,714
Accrued post-employment benefits	1,697,709	564,158	-	2,166,791	4,428,658	5,725,841
Net pension liability	6,175,698	-	-	-	6,175,698	3,138,239
Total liabilities	30,626,389	581,579	2,523,939	15,549,938	49,281,845	48,666,652
Deferred inflows	1,764,197	75,361	-	657,731	2,497,289	3,455,414
Net position						
Invested in capital assets	23,039,306	487,930	3,927,851	30,507,850	57,962,937	51,570,473
Restricted for urban contractors	-	-	-	4,644,732	4,644,732	5,414,768
Restricted for capital projects	728,422	-	-	1,224,738	1,953,160	1,693,657
Restricted for dry year reserves	-	259,735	95,100	-	354,835	338,937
Unrestricted	5,757,531	3,587,442	1,860,994	18,281,786	29,487,753	30,938,655
Total net position	29,525,259	4,335,107	5,883,945	54,659,106	94,403,417	89,956,490
Total liabilities and net position	\$ 61,915,845	\$ 4,992,047	\$ 8,407,884	\$ 70,866,775	\$ 146,182,551	\$ 142,078,557

Stockton East Water District

Combining Statement of Revenues, Expenses and Changes in Net Position

March 31, 2023

	Admin	Agricultural	Municipal Division		Eliminations	Consolidated Total	2022 Consolidated Total
			Groundwater	Treatment Plant			
Operating revenues							
Surface water sales and assessments	-	-	30,470	248,640	-	2,128,254	5,136,871
Municipal and industrial water		1,849,144		24,177,104	-	24,177,104	26,199,101
Source of supply charges	378,110					378,110	478,307
Transmission and distribution charges	721,724					721,724	0
Total operating revenues	1,099,834	1,849,144	30,470	24,425,744	-	27,405,192	31,814,280
Operating expenses							
Source of supply	1,110,366	891,527	363,292	2,801,011		5,166,196	3,626,333
Transmission and distribution charges	2,741,444	139,232	250,527	343,496		3,474,698	2,601,396
Water treatment			260,519	9,722,599		9,983,117	9,943,183
General and admin	4,819,493	(34,773)				4,784,720	4,001,646
Depreciation	1,999,115	30,519	46,462	1,573,586		3,649,682	3,646,869
Amortization	-					-	27,444
Total operating expenses	10,670,416	1,026,505	920,800	14,440,692		27,058,413	23,846,870
Operating profit (loss)	(9,570,582)	822,639	(890,329)	9,985,052		346,780	7,967,409
Nonoperating revenues (expenses)							
Property taxes	613,804	-	-	-		613,804	557,961
Interest income	65,844	11,297	8,583	87,852		173,576	102,748
Interest, investments and other	2,767	-	20,000	1,608		24,375	59,058
Grant and other revenues	131,358	-	-	40,127		171,486	837,802
Interest expense	(833,208)	-	(122,360)	(53,747)		(1,009,316)	(1,357,856)
Developer fees	-			3,848,811		3,848,811	5,125,865
Net profit prior to other items	(9,590,017)	833,936	(984,107)	13,909,704		4,169,516	13,292,988
Net change in pension expense	277,408					277,408	597,042
Interdivision transfers- debt service	\$11,081,033	426,289	1,397,030	(12,904,352)		-	-
Interdivision transfers- other	1,768,425	1,260,224	412,923	1,005,352		4,446,926	13,890,030
Change in net position							
Net position, beginning of year	27,756,834	3,074,883	5,471,022	53,653,754		89,956,490	76,066,464
Net position, end of year	\$ 29,525,258	\$ 4,335,107	\$ 5,883,945	\$ 54,659,106		\$ 94,403,417	\$ 89,956,490

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, OCTOBER 31, 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 McGurk 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 Higaes, Administrative Assistant Wood, Administrative Clerk Rodriguez and Legal Counsel Zolezzi. Consultant Barkett was absent.

B. CONSENT CALENDAR (None)**C. PUBLIC COMMENT****D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS**

1. Minutes 10/24/23 – Regular Board Meeting

A motion was moved and seconded to approve the October 24, 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 October 31, 2023 Warrants, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

3. Stockton East Water District – Administrative Building HVAC Improvements and Proposed Budget Transfer Memo

Manager Hopkins presented the Board with a memo regarding the Administrative Building HVAC Improvements and Proposed Budget Transfer. Manger Hopkins reported the Administration Building has experienced inadequate heating and cooling from the building’s HVAC system mainly the General Manager’s office and the Finance Director’s office. On October 29, 2019, the District’s Board of Directors approved the District staff recommendation of purchasing a new split unit for those two offices, however staff identified and replaced the fan belt with the expectation it would improve the circulation of air in those offices. The circulation improvement was negligible and the heating and cooling issues continued to be experienced with a 4-6-degree difference between the main office area in the building and the Finance and General Manager’s offices. District staff requested three quotes for addressing the issue. The quotes received are from Comfort Air, Inc.,

Heating and Air Conditioning Experts and A-1 Heating and Cooling. After evaluating the quotes received, staff determined the quote from Comfort Air Inc. would resolve the long-standing issue. Manager Hopkins reported this project is not budgeted in this current fiscal year, however funds are available from the original Ozonation Design budget. Staff propose a transfer of \$15,600 into the Maintenance and Repair Buildings account for a total ending balance of \$22,460. Staff recommends the Board to authorize the budget amendment and authorize the General Manager to execute an agreement with Comfort Air, Inc. in the amount of \$9,731 plus a 10% contingency of \$973 for a total of \$10,704.

Director Watkins inquired if a new unit was installed in the treatment plant within the last few years. Manager Hopkins replied there was a new unit installed in the treatment plant, but he could not recall when it was installed since he was not working at the District at the time.

Manager Hopkins reported part of the issue is also the narrow ducting in the General Manager's office and Finance office.

Director Atkins inquired if the units being proposed were all wall units. Manager Hopkins responded that the units being proposed by all three consultants are split units.

A motion was moved and seconded to authorize the General Manager to do a budget transfer from account 10-5323-0 Maintenance and Repair TP- Ozonation Design in the amount of \$15,600 to account 10-5326-0 Maintenance and Repair Buildings - Admin with an ending balance of \$22,460 and authorize the General Manager to execute an agreement with Comfort Air, Inc. in the amount of \$9,731 plus a 10% contingency of \$973 for a total of \$10,704 and make all other necessary approvals, as presented.

Roll Call:

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

4. Stockton East Water District – Bellota Weir Modifications Project Funding Memo
Manager Hopkins presented the Board with a memo regarding the Bellota Weir Modifications Project Funding. Manager Hopkins reported the District received approval of our Habitat Conservation Plan (HCP) and the Incidental Take Permit (ITP) which allows the District to continue operations on the Calaveras River. The flagship project within the HCP is the Bellota Weir Modifications Project (Project) to provide more reliable water supply infrastructure, improve conditions for upstream migration of adult salmon and steelhead, reduce juvenile fish entrainment at the existing Bellota intake, and reduce juvenile fish movement down the Old Calaveras River Channel. The District has ten years to complete the activities related to the Bellota Project. The engineering design is complete and the permitting almost complete; the District expects the final permitting to be complete early next year. District staff has applied for nine grants to fund the Project and the District recently received \$12.2M of grant funding from the California Department of Water Resources' Urban Community Drought Relief Program. The objective is to secure sufficient grants to fund 75% of the Project's cost, however the District remains obligated to fund the entire Project if grant funding is insufficient. District staff has investigated different funding options, including grants, community project funding, pay-as-you-go options, bonds and loans. The loans were found to be the most feasible solution but have a complicated application process. Since the loan programs

have complex applications, District staff has solicited three consultants for proposals to assist with the loan application process. District staff reached out to HDR, CDM Smith and NHA. HDR presented the best, overall proposal and they were selected based on their qualifications and also on being the lowest cost. The Bellota Project Fund has sufficient funding to cover the HDR proposal cost. of \$106,253 plus a 10% contingency of \$10,626 for a total of \$116,879.

Director Cortopassi inquired what the success rate is of the three companies being proposed as far as securable financing. Manager Hopkins replied District staff met with these three companies before soliciting a proposal and discussed their success in securing grant funding. Assistant Manager Vega reported HDR was part of the team which worked on the Bellota design. HDR has a specialized team which has completed upwards of \$2B worth of Water Infrastructure Finance and Innovation Act (WIFIA) loans and has a dedicated team for the Drinking Water State Revolving Fund (DWSRF) loan process. Assistant Manager Vega reported HDR was very knowledgeable and answered all the questions being asked by staff.

Manager Hopkins reported Assistant Manager Vega and himself met with staff from National Oceanic and Atmospheric Administration (NOAA) and U.S. Fish and Wildlife and discussed the District's previous grant applications, improvements the District can make on future grant applications and potential funding opportunities. The District received more feedback from some of the staff in Washington D.C., stating the staff reviewing the application have some hesitancy to award small amounts of money since they believe their funding will not get the District any closer to completing the project. The feedback received from the staff in Washington D.C. stated if the District had the money to complete a project phase, then the District's application would be more competitive.

Director Cortopassi commented that the District should provide the Urban Contractors with a procedure of how the District will pay back the money. Finance Director Ram replied there is a twenty-year re-payment loan for the DWSRF with a current interest rate of 2.1%. Once the District submits for the DWSRF, the timeline is a year to get the submittal listed and another year for finalizing the selection. The WIFIA loan funding would be a year and a half after it is submitted. WIFIA and DWSRF have the lowest interest rates when comparing them with bonds and private loans. The District currently has a DWSRF loan at 0% interest rate.

Director McGurk inquired if the payback of any of the loans being proposed goes beyond the Second Amended Contract with Urban Contractors. Manager Hopkins replied, yes. Director McGurk inquired if applying for a loan would put the District in a bind to negotiate an extension on the contract with the Urban Contractors. Manager Hopkins replied, the District will apply for any loan term available and the District will recalculate the payment based on a payback period which ends before the Second Amended Contract. Finance Director Ram reported the entire loan amount would have to be paid back by 2035 even with high interest rates.

A motion was moved and seconded to authorize the General Manager to execute a Professional Service Agreement with HDR for the amount of \$106,253 plus a 10% contingency of \$10,626 for a total of \$116,879, and make all necessary approvals, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

5. Stockton East Water District – District Website – ADA Accessibility Compliance Memo
Manager Hopkins presented the Board with a memo regarding the District’s Website and ADA Accessibility. Manager Hopkins reported the Stockton East Water District is required to maintain a website by law, that has certain information available and the website is required to be compliant with the Americans with Disabilities Act (ADA) under Title 2. Websites are required to allow access to persons with disabilities. This requires the website to be formatted properly and compatible with screen reader software, which enables vision impaired users who rely on the software to listen to, use and navigate the website. The District recently realized the website is not ADA complaint. Staff identified two approaches to ensuring an ADA complaint website. The first alternative was upgrading the District’s existing website appropriately and the second alternative was the development of a new website. Through conversations with the District’s current website provider, staff was advised the District’s existing website platform lacked sufficient upgrade capability, is no longer supported, and cannot be upgraded. As a result, staff solicited proposals from the following website service providers for a new website: Streamline, Powerful Web, and GoDaddy. Streamline is a CSDA recognized vendor which specializes in local special district websites specifically for ADA compliance. The second vendor is Powerful Web and they specialize more on power utility websites. The last vendor is GoDaddy, which is our current website provider. Services included in the implementation of the website upgrades would consist of website design and migration, ADA Compliance, Secure Sockets Layer (SSL) Certificate, website security and monitoring, web support, and staff training. Of the three website platform providers, Streamline ensures the District’s website substantially complies with ADA requirements; whereas the other vendors require the District to determine the website compliance with ADA requirements. The District’s approved fiscal year 2022-2023 budget does not include funding for website compliance management. Staff proposes to fund the initial website migration and development from the General Manager’s Professional Services account, which has sufficient funding for the \$2,500 development fee, \$11,700 annual fee, and 10% contingency, for a total amount of \$15,620. Ongoing annual website maintenance costs will be budgeted within the appropriate technology account. Staff respectfully recommends the Board authorize the General Manager to approve a contract with Streamline to implement website services in the amount of \$15,620 and make all other necessary approvals.

Director Atkins inquired once approved when the website will become effective. Manager Hopkins replied, Streamline has a 2-4-week lead time.

Director Panizza inquired how many gigabytes will be used to provide for all of the other language and vision impaired services. Manager Hopkins replied the website and the file storage space is hosted by the service provider. Streamline servers store all of the information and as it grows, it will grow on the Streamline server. Manager Hopkins inquired with Administrative Assistant Wood if there are any website size limitations. Administrative Assistant Wood replied there are no size limitations.

Director Cortopassi inquired who will be maintaining the website, will there be a need to hire additional staff. Manager Hopkins responded Administrative Assistant Wood currently updates the website. Administrative Assistant Wood reported Streamline has a built-in tool to constantly analyze the District’s website for ADA compliance. For example, if the District were to upload a document that was not ADA compliant, Streamline would notify the District what exactly is out of compliance and how to fix the issue.

Director Watkins inquired how much the District pays now and if the information we have on the current website is proprietary to the current website we have. Manager Hopkins replied the District is paying about \$600 a year for the current platform. Assistant Manager Vega replied everything stored in our domain sewd.net is hosted by GoDaddy. The District is paying GoDaddy to allow the District to upload information to the website. The District is still owner of the information on the website.

Director Panizza inquired if the contract will contain language stating the website provider will be compliant with Federal and State regulations. Manager Hopkins replied he was unsure on what the contract language is with Streamline, however, with Powerful Web and GoDaddy options it is up to the District to notify them when our website is not ADA compliant. Streamline has a tool which is constantly running a report and notifies the District when something is not in compliance.

A motion was moved and seconded to authorize the General Manager to approve a contract with Streamline to implement website services in the amount of \$15,620 and make all other necessary approvals, as presented

Roll Call:

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

6. Letter of Nomination for San Joaquin County Flood Control and Water Conservation District Advisory Water Commission, (Term 2024-2028)
 - a. San Joaquin County Application for Appointment to Boards, Commissions and Committees.
Manager Hopkins presented the Board with the Letter of Nomination for San Joaquin County Flood Control and Water Conservation District Advisory Water Commission. Manger Hopkins reported every four years Stockton East Water District (SEWD) must re-nominate one of the District's Board members to sit on the San Joaquin County Flood Control and Water Conservation District Advisory Water Commission, which is currently held by Director McGurk with Director Sanguinetti as the alternate. Staff is recommending the Board approve submission of a nomination letter to re-nominate Director McGurk as the representative and Director Sanguinetti as the alternate.

A motion was moved and seconded to approve the Letter of Nomination for San Joaquin County Flood Control and Water Conservation District Advisory Water Commission, (Term 2024-2028) and San Joaquin County Application for Appointment to Boards, Commissions and Committees, as presented.

Roll Call:

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

7. Stockton East Water District Policy Manual – Reserve Policy No. 6040
Manager Hopkins presented the Board with a handout of the Stockton East Water District Policy Manual – Reserve Policy No. 6040. Manager Hopkins reported the intent of the Reserve Policy is to identify specific amounts and reasons for maintaining District reserves. The reserve policy will be brought back for Board approval at the November 14th board meeting.

Director Atkins inquired if the District knows the amount the State thinks is too much. Manager Hopkins replied if there is no defined amount then there is not a defined need.

Director Watkins inquired where the Goodwin Dam Reserve for \$75K originated from. Manager Hopkins responded upon review of the agreement with Tri Dam it is explicit in the agreement Oakdale Irrigation District (OID) and South San Joaquin Irrigation District (SSJID) are responsible for all the operations, maintenance, replacement, construction, and re-construction of the dam. Legal Counsel Zolezzi reported it is Oakdale Irrigation District (OID) and South San Joaquin Irrigation District (SSJID) responsibility to do all of the operations, maintenance, replacement, construction and re-construction of the dam and the District pays one third of it. Assistant Manager Vega reported the reason why it originated was because the District's insurance provider does not insure this category of the District's infrastructure. Therefore if something were to happen, it was decided to have some reserves because it is not insured.

Director Watkins inquired if the money is to replace the tunnel and the intake structure or is the money to replace the dam. Legal Counsel Zolezzi replied it is to replace the dam.

Director Cortopassi inquired how much the reserve amount the District currently has. Finance Director Ram replied the District currently has \$3M in the reserve account.

Legal Counsel Zolezzi inquired why the present value of the tunnel and intake was used opposed to the Goodwin Dam. Manager Hopkins replied the Finance Director and himself will have to look more in depth in the Tri Dam agreement since it stated Oakdale Irrigation District (OID) and South San Joaquin Irrigation District (SSJID) are fully responsible.

Director Cortopassi inquired on the 3rd page, 1st paragraph of the handout "Maintenance Repair and Replacement Reserve" if the 100K deposited has a reserve account already. Manager Hopkins replied it is identified as a reserve in the contract which the District already has a fund for.

E. COMMITTEE REPORTS

1. San Joaquin Farm Bureau Federation Monthly Water Committee Meeting, 10/24/23
Assistant Manager Vega attended the San Joaquin Farm Bureau Federation Monthly Water Committee Meeting on October 24th. Assistant Manager Vega reported the meeting began with a discussion with Steve Bestolarides, the County Tax Collector. Many of the attendees pointed out the forms were deficient with regards to crop use and also in many cases the records were way too high when it came to updating them. East Bay MUD provided an update on the DREAM Project and extraction is scheduled start again in December. North San Joaquin Water Conservation District touched on trying to bring more land into underground water banking. South and Central Delta Districts mentioned the state plans for 2023 for the flood season are "horrible". The Reclamation Districts reported the reservoirs are fuller compared to last year. Oakdale Irrigation District (OID) mentioned they are shutting off their irrigation at the end of the month as well as South San Joaquin (SSJID) ending at the end of the month. San Joaquin County and Delta Water Quality Coalition state they are having a meeting November 16th. San Joaquin County will continue their efforts to fill the position for Water Resources Management.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 10/24/23
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 185,016 AF in storage at New Hogan Reservoir. Current releases are set at 100 cfs. There is 1,889,064 AF in storage at New Melones Reservoir. Current releases are set at 730 cfs. Current release at Goodwin Dam to Stanislaus River are set at 752 cfs and release to all water users are set at 0 cfs. The water treatment plant is currently processing 42 mgd. North Stockton is currently processing 12 mgd. South Stockton is currently processing 8 mgd. Cal Water is currently processing 17 mgd. The City of Stockton is currently processing 8 mgd. Extraction Well #1 is producing 3,160 gpm.

Director Cortopassi inquired if the District is producing 42 mgd at the treatment plant, how much of 3,160 gpm from the extraction well is being produced in mgd.

Manager Hopkins replied extraction well #1 is producing 4.5 mgd.

2. Information Items:

Manager Hopkins noted items: F2a-1

3. Report on General Manager Activities

a. ACWA State Legislative Committee Meeting, 10/27/23

Manager Hopkins attended the ACWA State Legislative Committee Meeting. Manager Hopkins reported Executive Director Dave Eggerton gave an update stating the water community needs to get together as a whole and push back on the probation status of some of the groundwater basins. ACWA will try to coordinate a coalition to push back on the water board probations for the SGMA basins. ACWA also advised their primary priority for 2024 is to continue to fight the water rights bills and focus on the bond bill and try to make sure as much money is benefited to water agencies as possible. There were two pieces of proposed legislation for ACWA to support, the first one was discontinuation of residential water service amendment, and the second item was Environmental Lab Accreditation Program (ELAP).

b. CVP Water Association – Executive and Financial Affairs Committee Meeting, 10/27/23

Finance Director Ram attended the CVP Water Association – Executive and Financial Affairs Committee Meeting. Finance Director reported Kevin Kasberg commented on the 2023 FAC Issues Matrix and mentioned that most of the Matrix issues have already been resolved. Duane Stroup & Robert Wade were not present at the meeting to present or discuss topics related to the FAC Issues Matrix. Ed Young, Program Budget Officer, presented the following on the 2024 Fall Budget Workshop. t. The USBR budget is funded from the following sources Water and Related Resources, Central Valley Project Restoration Fund, California Bay-Delta Restoration, Policy and Administration, San Joaquin River Restoration Fund and Bipartisan Infrastructure Law (BIL). The next CVP is a rate setting kick-off meeting and will be held on December 8th.

c. Stockton East Water District Activities Update

Manager Hopkins reported the District donated candy to the Garden Acres Community Center to pass out to the kids for Halloween.

Manager Hopkins reported the Hosie Project is complete as far as construction goes, and hydro seeding was done too. The dam removal for this year is complete.

Manager Hopkins reported he has been in contact with Doyce and now that there is a speaker of the house there should be an appropriations bill soon for the federal government's current fiscal

year. Manager Hopkins also reached out to the City of Stockton mayor's office and invited the mayor and city council on a tour of the Bellota site, the two dates the mayor will be available are December 7th and 14th.

Manager Hopkins reported the 2024 One Voice Projects application is out and the District staff has been working to put together a submission package for the Bellota project to be considered as one of the One Voice Projects for next year.

4. Stockton East Water District Maintenance Update

Maintenance Manager Higaes provided the Board with an update on the District's maintenance.

Maintenance Manager Higaes reported Electrical Maintenance update staff has recently upgraded the fish screens at Bellota, reinstalled MACE flowmeter for accurate data and SCADA integration for real time monitoring at Bellota headworks. Maintenance Manager Higaes reported staff is currently working on Water Supply Trash Racks and staff has completed Duck Creek, Copperopolis, Birdcage and Funk Road with standardizing electrical controls including alarms. Staff has started the 4000 Amp automatic transfer witch construction; High Service Pump Station AC unit installation is also being worked on staff poured the pads and the electrical work is currently ongoing. Fiber optic installation at Extraction Well No.1 was completed, staff recently upgraded the Omni base station enhancements, Panel PMs and VFD PMs are constantly on going. Staff is also working with Control Point on SCADA. Maintenance Manger Higaes also reported staff has completed spill site monitoring at McAllen, Main Street and Bear Creek. Maintenance Manager Higaes reported the District's constructions milestones, Tulley Dam, Hosie Crossing Replacement have been completed and currently working on Stagnero Crossing and Lower Farmington Canal repairs. Staff is currently working on the Tom Allen recharge pond and the south overflow percolation pond. Maintenance Manager Higaes reported an update on mechanical maintenance, staff has repaired all the vehicles in the District's fleet and has serviced all vehicles as well as all of the heavy equipment. Staff recently removed P-25 out of the High Service Pump Station, serviced all the trash racks, maintenance staff helped with the New Melones canal trash racks repair as well as installing new fish screens at the Bellota intake. Staff also refurbished the motor at Potter Creek pump station for the 4000.

Director Watkins inquired if the 4000 pumps on Potter Creek Pump station electric motor burnt up. Maintenance Manager Higaes replied no, the original motor bearings were getting loud, the efficiency was off, and staff decided to refurbish the motor.

G. DIRECTOR REPORTS

1. 2023 Special District Leadership Academy Conference, California Special District Association, 10/22/23-10/25/23

Director Watkins and Manager Hopkins attended the 2023 Special District Leadership Academy Conference, California Special District Association. Manager Hopkins reported the conference provided useful information for current and new Board members. The conference was more of a training than conference, since there were high level topics discussed for half a day each. The program initiated with building a foundation for governance. Manager Hopkins reported the conference also touched on defining staff and Board roles relationship and how the Board should be involved in Human Resources. Manager Hopkins reported the following day began discussion with fulfilling the District's mission and creating a vision on how important the Board's role is which rolled into communication and outreach to the community to help the community understand what the directions is.

Director McGurk inquired what is community. Manager Hopkins replied community is your constituents.

Director McGurk inquired how the Board would create outreach to the community. Director Watkins replied there are outreach programs and tours. The reason is to educate and have an impression prior to the problem. Manager Hopkins reported one of the methods which were discussed to support community outreach was developing relationships with the local news and T.V reporters. Director Atkins inquired how many people attended the conference. Manager Hopkins responded about 200 people.

H. COMMUNICATIONS

I. AGENDA PLANNING/UPCOMING EVENTS

1. AgVenture Days, 9:00 a.m., 11/02/23

Director Watkins reported the AgVenture event took place on October 19, 2023.

2. Greater Stockton Chamber of Commerce – Chamber Networking Event, 5:00 p.m., 11/02/23

J. REPORT OF THE COUNSEL

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

President Atkins adjourned the meeting to closed session at 2:03 p.m. The regular meeting reconvened at 2:14 p.m., with no reportable action.

K. ADJOURNMENT

President Atkins adjourned the meeting at 2:15 p.m.

Respectfully submitted,

Justin M. Hopkins
Secretary of the Board

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**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
NOVEMBER 14, 2023**

Vendor name	Account #	Description	Amount	Invoice No.
		ADMIN FUND 70		
1 ACWA Joint Powers Insurance Authority	10-5128-0	2023-2024 SEWD Liability Insurance 10/01/23-10/01/24	143,109.00	2023/2024 Liability
2 Andrew Watkins	10-5104-0	Mileage reimbursement for 28th Annual Pardee BBQ	35.37	Watkins28thPardeeBBQ
3 Andrew Watkins	10-5104-0	Mileage reimbursement for ACWA Region 4 Tour	61.57	Watkins ACWA
4 Andrew Watkins	10-5104-0	Mileage reimbursement for CSDA Leadership Academy	161.13	WatkinsCSDALeadership
5 ACWA/JPIA (Health Benefits)	10-5062-0	December 2023 medical, dental, vision, & life insurance-DIR	9,030.97	07011154
6 ACWA/JPIA (Health Benefits)	10-5047-0	December 2023 medical, dental, vision, & life insurance-Admin	13,545.83	07011154
7 ACWA/JPIA (Health Benefits)	10-5050-0	December 2023 medical, dental, vision, & life insurance-RET Admin	2,824.12	07011154
8 ADT Security Services	10-5141-0	11/18/23-12/17/23 Alarm monitoring services for Admin Bldg	51.66	1025328078
9 Availability Professional Staffing	10-5044-0	Temporary labor for Finance week ending 10/8/23-10/22/23	2,563.12	8770/8827/8798
10 Boutin Jones Inc.	10-5162-0	Legal services 09/13/23-10/09/23	3,910.50	170908/169245
11 California Rural Water Association	10-5105-0	2023 CRWA membership 11/01/23-10/31/24	240.00	2023-2024 Dues
12 California Special Districts Association	10-1710-0	2024 CSDA membership dues (01/01/24-12/31/24)	9,275.00	640-2024
13 CCT Telecommunications, Inc.	10-5141-0	Fix overhead PA system in Admin/Adjustment of phones in Admin	325.00	228530/228951
14 Cerida Investment Corp.	10-5141-0	Answering service from 10/24/23-11/20/23	149.60	112-87198

**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
NOVEMBER 14, 2023**

Vendor name	Account #	Description	Amount	Invoice No.
		ADMIN FUND 70		
15 Darrel Evensen	10-5104-0	Reimbursement for travel expense for USCID 2023 Conference	248.13	Reimb USCID 2023
16 Employee Relations Network	10-5154-0	Background check for new hire	142.44	96071
17 Herum, Crabtree,Suntag	10-5190-0	September 2023-SEWD v. SWRCB (Triennial Review)	27,978.60	109761
18 Herum, Crabtree,Suntag	10-5150-0	September 2023 General Matters	4,666.50	109753
19 Herum, Crabtree,Suntag	10-5150-0	September 2023-Bureau-New Hogan Permit	2,167.50	109756
20 Herum, Crabtree,Suntag	10-5190-0	September 2023-GSA	928.20	109759
21 Herum, Crabtree,Suntag	10-5165-0	September 2023-Stanislaus River Matters	321.30	109752
22 Herum, Crabtree,Suntag	10-5162-0	September 2023-Second Amended Contract Amendment	178.50	109758
23 Herum, Crabtree,Suntag	10-5150-0	September 2023-Audit Letter File	178.50	109755
24 Herum, Crabtree,Suntag	10-5176-0	September 2023-Waer Right Applications [Master File]	107.10	109757
25 Jan-Pro of the Greater Bay Area	10-5154-0	October/November 2023 monthly janitorial services-Admin	950.00	20562-Admin/20153
26 Johnston Lim Co., M.D.	10-5102-0	Pre-Employment exam	480.00	00184709-00/00185901
27 Kristin V. Coon	10-5131-0	Water Conservation Education December 2023	16,416.66	2023-12
28 Linden Peters Chamber of Commerce	10-5105-0	2024 membership dues Linden-Peters Chamber of Commerce	50.00	2024 Membership
29 MSDS Online Inc. dba Velocity EHS	10-5140-0	MSDS Online 7th year subscription 10/25/23-10/24/24	3,299.00	289023
30 Orkin Pest Control	10-5154-0	Annual Pest Control services 11/01/23-10/31/24	1,151.88	32113264 23-24
31 Quadient Finance USA Inc./Neofunds	10-5126-0	Postage for the postage machine 2023 Progress Billing	1,916.00	10/24/23
32 Quill Corporation	10-5125-0	Office supplies ordered on 09/27/23-10/11/23	1,087.94	18619/30/99/88/60/80
33 Quill Corporation	10-5146-0	Printer for SCADA	492.41	34998712
34 Red Wing Shoe Store	10-5101-0	2023 Safety shoe allowance for Imbrunetti, Blevins, VanViet	740.87	823-1-95874/733/854
35 Robert Half Finance & Accounting	10-5044-0	Temporary labor for Admin week end 10/13/23	2,874.64	62713182/2328/3505
36 San Joaquin County Area Flood Control Agency	10-5114-0	FY 23/24 Levee Construction & Maintenance Installment 1 & 2	34.42	2023-10096/105/097
37 San Joaquin County Farm Bureau Federation	10-5105-0	2024 Membership dues-SJC Farm Bureau Federation	450.00	Membership2024-93124
38 SEWD Vehicle Fund	10-5181-0	Sept 2023 - Vehicle Mileage Reimbursement-Admin	391.50	September 2023-Admin
39 Smart & Final	10-5127-0	Board rooms supplies ordered on 10/06/23	371.71	4031310013802
40 Standard Insurance Co.	10-5047-0	December 2023 long term insurance-Admin	358.19	December 2023
41 Stockton Windustrial Co.	10-5101-0	Pipe fitting for install of eye wash station in Hypochlorite building	20.63	367167 01

**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
NOVEMBER 14, 2023**

Vendor name	Account #	Description	Amount	Invoice No.
		ADMIN FUND 70		
42 Telcion Communications Group	10-51146-0	Supply & install server cabinet for Extraction Well 1-SCADA	19,458.37	38153
43 The Record	10-5106-0	The Record subscription renewal 9/14/23-9/13/24	498.38	2023 Sub Renewal
44 The Record	10-5133-0	Notice of public hearing for 2024-2025 Preliminary BMP	126.04	0005915297
45 Thumbs Up Enterprises	10-5103-0	Crane Operator training & testing for WS & Maintenance	9,950.00	0923016
46 US Bank-Amazon	10-5124-0	Office chairs for new employees (Qty 2)	355.12	Cahoon8501-102323a
47 US Bank Corporate Payment Systems	10-5127-0	Meeting expense on 10/13/23	52.02	Cahoon8501-102323be
48 US Bank-Amazon	10-5124-0	HDMI cables (Qty 3)	32.28	Cahoon8501-102323f
49 US Bank-Paypal Walmart	10-5106-0	NFPA 70 2023 Electrical code book	53.88	Cahoon8501-102323i
50 US Bank-California Special District	10-5103-0	2023 CSDA Leadership academy Sonoma County- Hopkins/Watkins	1,050.00	Celestin3887-102323ab
51 US Bank-CSDA Career Center	10-5133-0	Online job posting CSDA for WS Supervisor	155.00	Celestin3887-102323c
52 US Bank Corporate Payment Systems	10-5127-0	Meeting expense on 09/26/23-10/13/23	1,393.99	Cele3887-102323djkmp
53 US Bank-California Special District	10-5103-0	CSDA-HR Boot Camp for Special Districts-J. Hopkins	200.00	Celestin3887-102323e
54 US Bank-Walmart	10-5127-0	Office expense on 09/28/23	13.95	Celestin3887-102323f
55 US Bank-Amazon	10-5124-0	Headset for Admin Workstation	306.33	Celestin3887-102323g
56 US Bank-Instacart	10-5127-0	Boardroom supplies ordered on 09/28/23	64.30	Celestin3887-102323h
57 US Bank-Hilton	10-5104-0	CSDA Conference lodging	369.36	Celestin3887-102323i
58 US Bank-CSU SAC	10-5103-0	2023 Flood-Mar Forum- J. Vega	290.00	Celestin3887-102323l
59 US Bank-Zoom	10-5141-0	Standard Pro Zoom 10/04/23-11/03/23	106.00	Celestin3887-102323o
60 US Bank-Greater Stockton Chamber	10-5133-0	AG Hall of Fame (Qty 2 tickets)	130.00	Celestin3887-102323q
61 US Bank-Amazon	10-5127-0	Office expense on 10/10/23	53.86	Celestin3887-102323r
62 US Bank-Fort Collins Hilton	10-5104-0	Lodging USCID 2023 Conference-Donis, Evensen	994.00	Celestin3887-102323st
63 US Bank Corporate Payment Systems	10-5104-0	Meal expense for 2023 UCSID Conference	224.09	Donis5937-102323abd
64 US Bank-Saccodetof Airports	10-5104-0	Parking expense for 2023 UCSID Conference	60.00	Donis5937-102323c
65 US Bank-SJC County	10-5114-0	SJC Fish and Game filling for GW Recharge project	54.50	Evensen7245-102323a
66 US Bank Corporate Payment Systems	10-5104-0	2023 USCID Meal expense	237.43	Evens7245-102323bcdffh
67 US Bank-Air Garage Parking	10-5104-0	2023 USCID Parking expense	60.00	Evensen7245-102323e
68 US Bank Corporate Payment Systems	10-5104-0	2023 USCID Fuel expense	21.18	Evensen7245-102323g
69 US Bank Corporate Payment Systems	10-5127-0	Meeting expense on 09/22/23	41.00	Hopkins7237-102323a
70 US Bank-City of Sac-Park Mobile	10-5104-0	Parking for ACWA State Legislature Committee	6.67	Hopkins7237-102323bc

**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
NOVEMBER 14, 2023**

Vendor name	Account #	Description	Amount	Invoice No.
		ADMIN FUND 70		
71 US Bank-1550 K Street Parking	10-5104-0	Parking for ACWA State Legislature Committee	24.00	Hopkins7237-102323c
72 US Bank-Eminence Printing	10-5127-0	Office expense on 10/02/23	33.00	Ram8035-102323a
73 US Bank Corporate Payment Systems	10-5127-0	Meeting expense on 10/06/23-10/17/23	1,341.36	Ram8035-102323bcefilm
74 US Bank-Smart & Final	10-5127-0	Boardroom supplies	8.48	Ram8035-102323d
75 US Bank-Amazon	10-5125-0	Heater, laptop case, phone charger, Engineering pads	164.31	Ram8035-102323g
76 US Bank-Greater Stockton Chamber	10-5133-0	2023 AG Hall of Fame	130.00	Ram8035-102323hn
77 US Bank-Amazon	10-5125-0	Office supplies ordered on 10/16/23-10/19/23	69.53	Ram8035-102323jkp
78 US Bank-Best Name Badges	10-5125-0	Name tags for Board of Directors & Managers	116.90	Ram8035-102323o
79 US Bank-Amazon	10-5125-0	Lumbar support pillow for Admin	21.53	Ram8035-102323q
80 US Bank-UDEMY: Online Courses	10-5103-0	Microsoft Office training-12 Employees	299.88	Vega2302-102323a-l
81 US Bank-Parcel Quest	10-5110-0	Parcelquest report	5.00	Vega2302-102323m
82 US Bank-DMI Dell Bus.	10-5142-0	Laptop for AGM	1,785.81	Vega2302-102323n
83 US Bank Corporate Payment Systems	10-5127-0	Meeting expense on 10/16/23	55.07	Vega2302-102323o
84 US Bank Trust National Association	10-5152-0	Trustee fees-Safe Drinking Water StateRevolving100123-093024	1,102.50	7099123
85 Verve Networks	10-5146-0	Updating server for SCADA/Expand storage for SCADA Hist01 & Hist02	807.50	28013/28014
86 Wille Electric Supply Co, Inc.	10-5147-0	Steal strapping to mount vega sensor for Copperopolis trash rack integration	104.64	S2168152.001
87 Wille Electric Supply Co, Inc.	10-5147-0	Clamps/conduit hangers, cable ties-radio tower at TP prj 2224	99.65	S2167966.001
88 XRoads Networks, Inc	10-5141-0	Monthly StarLink SD-WAN by ZeroOutages ISP Oct 2023	345.00	ZO19896
		ADMIN FUND 70 TOTAL	\$296,157.40	

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**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
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Vendor name	Account #	Description	Amount	Invoice No.
		WATER SUPPLY FUND 71		
89 7-11 Material Inc	10-5205-0	Hosie Crossing Replacement prj 2319-Concrete	6,583.51	410116623/410117498
90 Acme Saw & Supply	10-5205-0	Chain & oil for repair on chain saw for Hosie prj 2319	205.81	420613
91 ACWA/JPIA (Health Benefits)	10-5047-0	December 2023 medical, dental, vision, & life insurance-NM	23,163.93	0701154
92 ACWA/JPIA (Health Benefits)	10-5050-0	December 2023 medical, dental, vision, & life insurance-RET WS	5,220.78	0701154
93 ACWA/JPIA (Health Benefits)	10-5056-0	December 2023 medical, dental, vision, & life insurance-NH	10,628.90	0701154
94 Balance Staffing Workforce LLC	10-5205-0	Hosie Crossing Replacement prj 2319-Temporary labor 10/01/23-10/15/23	3,121.44	1006685/378/035
95 California Surveying & Drafting Supply	10-5205-0	Total station for surveying prj 2320	42,715.85	91374799
96 Capital Rubber Co., Ltd.	10-5205-0	Hosie Crossing Replacement prj 2319-Hoses, nozzles, fittings	1,290.69	S161530/1578/1696
97 Central Valley Flood Protection Board	10-5205-0	408 Permit for George Watkins Low-Water Crossing	3,500.00	Permit WatkinsLowWater
98 Contract Coatings Corp.	10-5213-0	Paint & supplies for maintenance along NM system	829.37	00061250
99 Edges Electric Group	10-5202-0	Starter for water quality monitoring station pump at Bellota	500.96	S5975679.001
100 Edges Electric Group	10-5202-0	Connectors for maintenance at Potter Creek Pump Station	213.96	S5978467.001
101 F.T.G. Construction Materials Inc.	10-5205-0	Hosie Crossing Replacement prj 2319-2x4 rock	19,343.38	0165585
102 F.T.G. Construction Materials Inc.	10-5205-0	Hosie Crossing Replacement prj 2319-1-1/2" AB Rock	14,938.67	0165582

**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
NOVEMBER 14, 2023**

Vendor name	Account #	Description	Amount	Invoice No.
		WATER SUPPLY FUND 71		
103 F.T.G. Construction Materials Inc.	10-5205-0	Hosie Crossing Replacement prj 2319-12" Minus Rock	10,068.64	0165584/0164680
104 F.T.G. Construction Materials Inc.	10-5205-0	Hosie Crossing Replacement prj 2319-1/4 Rip rap	6,485.06	0165814
105 F.T.G. Construction Materials Inc.	10-5205-0	Hosie Crossing Replacement prj 2319-Haul off of debris	7,302.25	166059/60/65/62/63
106 Geiger Manufacturing, Inc.	10-5202-0	Pins and bushings for maintenance on Bellota trash rack	1,349.27	96127
107 Grainger, Inc.	10-5213-0	Motor for Funk Road Trash Rack	882.38	9868115768/69071
108 Grainger, Inc.	10-5202-0	Overloads for Bellota WQMS	115.34	9859618903
109 Herc Rentals Inc.	10-5205-0	Hosie Crossing prj 2319-Rental of pipes, fittings, flange adaptor, switches	10,968.88	33927110-005
110 Holt of CA	10-5205-0	Hosie Crossing Replacement prj 2319-Rental cab/air excavator	18,929.50	ER7206715030/22010
111 Holt of CA	10-5205-0	Hosie Crossing Replacement prj 2319-Rental of Thumb Excavator	18,798.75	ER7206592040/31030
112 Holt of CA	10-5205-0	Hosie Crossing Replacement prj 2319-Rental of water truck	3,681.21	ER7206594030
113 Holt of CA	10-5205-0	Hosie Crossing Replacement prj 2319-Rental of Hex WHL link excavator	3,157.33	ER7207527010
114 Holt of CA	10-5205-0	Hosie Crossing Replacement prj 2319-Rental of B link excavator	3,119.62	ER7207527020
115 Holt of CA	10-5205-0	Hosie Crossing Replacement prj 2319-Rental of light tower	1,787.85	ER7206628030
116 In-Situ, Inc.	10-5202-0	Replacement IO Card for Mace Meter at Bellota	929.62	INV102075
117 J. Milano Company, Inc.	10-5202-0	Hoses/clamps/adhesive/regulator/fittings-maintenance on bubbler at Bellota	143.38	634200
118 Kludt & Sons, Inc.	10-5205-0	Hosie Crossing Replacement prj 2319-Red diesel	3,695.04	310418
119 Kludt & Sons, Inc.	10-5205-0	Hosie Crossing Replacement prj 2319-Pump fuel transfer to TP	362.50	310729
120 LaborMax Staffing	10-5205-0	Hosie Crossing Replacement prj 2319-Temporary labor 09/22/23-10/27/23	6,293.74	9373/938/061/457/682
121 McMaster-Carr Supply Co	10-5202-0	Rubber seal for spill site cabinets	96.03	15064530
122 PG 0530302291-6	10-5213-0	Electricity 09/29/23-10/30/23 Birdcage trash rack	44.92	05303022916-10/31/23
123 PG 3117175782-1	10-5213-0	Electricity 09/18/23-10/17/23 Escalon Bellota trash rack	367.91	31171757821-10/18/23
124 Platt Electric Supply Inc.	10-5202-0	Fasteners/strut cover/electrical connectors-Eilers Rubicon Meter	240.76	4M14398
125 Platt Electric Supply Inc.	10-5202-0	Fittings, hangers & hammer for maintenance on Bellota WQMS Mace Meter	61.37	4L66907
126 RAT Inc.	10-5202-0	Rental of portable restroom-Stagnaro low Water Crossing prj	210.00	INV/2023/12508
127 Rexel USA Inc	10-5213-0	Circuit breakers & contacts-Funck Rd trash rack	2,482.46	S137819743.001
128 Rexel USA Inc	10-5202-0	Circuit breakers for maintenance on fish screens (Qty 2)	646.78	S137850825.001

**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
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Vendor name	Account #	Description	Amount	Invoice No.
		WATER SUPPLY FUND 71		
129 Rexel USA Inc	10-5213-0	Wire pulling lubricant for Funck Rd trash rack	17.92	S137819743.002
130 Rexel USA Inc	10-5213-0	Conduit hanger for Funck Rd trash rack	3.77	S137819743.003
131 SEWD Vehicle Fund	10-5207-0	Sept 2023 - Vehicle Mileage Reimbursement-NH	18,970.87	September 2023-NH
132 SEWD Vehicle Fund	10-5218-0	Sept 2023 - Vehicle Mileage Reimbursement-NM	12,056.42	September 2023-NM
133 Standard Insurance Co.	10-5047-0	December 2023 long term insurance-NM	328.72	December 2023
134 Standard Insurance Co.	10-5056-0	December 2023 long term insurance-NH	137.78	December 2023
135 Stockton Pipe & Supply	10-5205-0	Hosie Crossing Replacement prj 2319-Pipes (Qty 21)	283.15	389668
136 Stockton Windustrial Co.	10-5203-0	Metal channels for radio installations on NH System (Qty 40)	676.62	367467.01
137 Stockton Windustrial Co.	10-5203-0	Aluminum piping for radio installations on NH System	641.33	367519.02
138 Target Special Products	10-5213-0	Herbicide for weed abatement along Lower Farmington Canal	9,451.18	P501306117/115/935
139 Terracon Consultants, Inc	10-5205-0	Hosie Crossing Replacement prj 2319-Density & soil testing	718.00	TK17854
140 The Home Depot	10-5202-0	Buckets for removal & installation of Bellota Weir	39.07	1021685
141 Titan Crane & Rigging, Inc.	10-5205-0	Hosie Crossing Replacement prj 2319-Rental of truck crane	6,270.00	8583
142 Uline Inc	10-5205-0	Hosie Crossing Replacement prj 2319-Delineators (4)	217.15	168892511
143 UniFirst Corporation	10-5213-0	Weekly Uniform & Laundry Service Week 10/05/23-10/26/23	391.83	2360028690/64/15/86
144 United Equipment Company	10-5205-0	Hosie Crossing Replacement prj 2319-Rental of CAT 938M wheel loader	7,683.53	23345
145 United Rentals North America Inc	10-5202-0	Rental of variable reach forklift-removal of weir/fish ladder at Bellota	2,767.60	225566556-001
146 United Rentals North America Inc	10-5205-0	Hosie Crossing Replacement prj 2319-Rental of Bridle & shield panel	2,220.15	225727780-001
147 United Rentals North America Inc	10-5205-0	Hosie Crossing replacement prj 2319-Rental of hoses & fittings	1,339.87	223572463-003/005
148 United Rentals North America Inc	10-5205-0	Hosie Crossing prj 2319-Rental of tread cleaning plate	954.17	222786737-003/004
149 US Bank-The Home Depot	10-5205-0	Hosie Crossing Repl. prj 2319-Screwdriver, bit set, & siding	112.55	Riojas0385-102323a
150 Wille Electric Supply Co, Inc.	10-5202-0	Control boards for 8000GPM Pump soft start repair	2,458.06	S2165437.001
151 Wille Electric Supply Co, Inc.	10-5202-0	LCD display,antenna,surge suppressor for Eilers Rubicon meter	1,378.23	S2163243.002
152 Wille Electric Supply Co, Inc.	10-5202-0	Conduit/fuses/adhesives/fittings-Maintenance on bubbler at Bellota	325.42	S2166779.001
		WATER SUPPLY FUND 71 TOTAL	\$303,921.23	

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**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
NOVEMBER 14, 2023**

Vendor name	Account #	Description	Amount	Invoice No.
		VEHICLE FUND 91		
153 American Valley Waste Oil, Inc	10-5182-0	Pick up & disposal of used oil & hazardous waste	123.00	208860
154 Autozone Stores Inc.	10-5182-0	Battery for Unit 64	139.26	4036621020
155 Bagley Enterprises, Inc	10-5182-0	Replace register on gasoline fuel tank/pump	1,367.45	14077
156 Delta Cable & Supply, Inc.	10-5343-0	Lifting bridle and slings for Unit 31	915.50	48637
157 Fastenal Company	10-5182-0	Windshield wash, bathroom tissue & paper towels	27.99	CAGO11695
158 Fresno Oxygen	10-5343-0	Service and repair welder on Unit 48	445.91	0063263765
159 J. Milano Company, Inc.	10-5182-0	Hub kits & fasteners for maintenance on Unit 72	196.94	633605
160 Kludt & Sons, Inc.	10-5182-0	Propane for Unit 70	52.43	524093
161 Larry's Auto Repair	10-5182-0	Replace PCM and program on Unit 76	1,125.25	34292
162 Morgan Tire of Sacramento, Inc	10-5182-0	Tire mounting for Unit 69/Flat tire repair on Unit 80	214.90	4007752/40007293
163 Motive Energy, LLC/ Battery Bill, Inc.	10-5182-0	Cable & lugs for maintenance on Unit 63	77.04	STK049711
164 Stockton Auto & Truck	10-5182-0	Filters, DEF, and wheel nuts for shop stock	189.28	005035
165 US Bank-California Custom Powers	10-5182-0	Diagnose and repairs on Unit 63	720.03	Cahoon8501-102323g
166 US Bank-Delta Truck Center	10-5182-0	Parts for maintenance on unit 31	148.14	Higares1333-102323a
167 US Bank-Lowes	10-5343-0	Tools for Unit 65	399.90	Higares1333-102323c
168 US Bank-Harbor Freight Tools	10-5182-0	Light bars & wiring for Unit 60 & 63	359.66	Higares1333-102323d
		VEHICLE FUND 91 TOTAL	\$6,502.68	

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**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
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Vendor name	Account #	Description	Amount	Invoice No.
		MUNICIPAL & INDUSTRIAL FUND 94		
169 Acme Saw & Supply	10-5344-0	Lubrication for chainsaws	42.77	421097
170 ACWA/JPIA (Health Benefits)	10-5047-0	December 2023 medical, dental, vision, & life insurance-M&I	48,903.56	0701154
171 ACWA/JPIA (Health Benefits)	10-5050-0	December 2023 medical, dental, vision, & life insurance-RET M&I	9,136.57	0701154
172 Aqua Metrology Systems	10-5325-0	THM meter maintenance 11/13/23-11/12/24	21,496.13	INV11012417
173 Availability Professional Staffing	10-5044-0	Temporary labor for Finance week ending 10/8/23-10/22/23	2,563.12	8770/8827/8798
174 Carollo Engineers, Inc	10-5323-0	Hypochlorite disinfection progress bill through 09/30/23	7,032.49	FB42643-18
175 Charlie's Day & Nite, Inc.	10-5326-0	Rekeyed doors to Admin building	113.00	525234
176 Chemtrade Chemicals US LLC	10-5301-0	Acidified alum delivered on 10/12/2023	13,212.05	93614342/93614341
177 Cummins Sales And Service	10-5321-0	Configure alarms on emergency generators at Low Lift	1,532.28	Y5-92150
178 Fastenal Company	10-5344-0	Windshield wash, bathroom tissue & paper towels	348.00	CAGO11695
179 FGL Environmental	10-5308-0	Coliform bacti monitoring sampled on 10/01/23-10/07/23	689.00	353544A-354002A
180 Golden State Irrigation Services	10-5324-0	ADH & pipe fitting for WTP irrigation system	1,485.21	0033873-IN
181 Grainger, Inc.	10-5321-0	Valves, floats and float rods to test wells	577.42	9886042705/42697
182 Grainger, Inc.	10-5321-0	Air & water separators to service air compressor	447.21	9878258608

**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
NOVEMBER 14, 2023**

Vendor name	Account #	Description	Amount	Invoice No.
		MUNICIPAL & INDUSTRIAL FUND 94		
183 Grainger, Inc.	10-5343-0	Measuring wheel	256.07	9882971089
184 Grainger, Inc.	10-5323-0	Tool bag for general maintenance on TP	144.73	9873515721
185 Grainger, Inc.	10-5343-0	Screw driver set & nut driver set	121.78	9873515739/46783
186 Grainger, Inc.	10-5323-0	Rework structural project-Tube cutter, hammer masonry drill head and bit	88.46	9871642667
187 Grainger, Inc.	10-5341-0	Protective gear-Rain coat	26.18	9882046791
188 Grainger, Inc.	10-5321-0	Tools for general maintenance at TP	13.64	9871642675
189 HDS White Cap Construction Supply	10-5323-0	Rework Structural project-Drill bit, rebar, wire mesh to install concrete pad	1,160.25	10018868386
190 HDS White Cap Construction Supply	10-5323-0	Rework Structural & HVAC for HSPS-Rebar holders	208.96	10018868652
191 HDS White Cap Construction Supply	10-5341-0	Face shields/safety glasses/gloves for grinding & cutting	55.19	10018967070
192 HDS White Cap Construction Supply	10-5321-0	Grease maintenance on MOV-2	13.72	10018879751
193 Holt of CA	10-5321-0	Rental of Hex 320 cab/air excavator-South Overflow Pond Trench prj	7,204.74	ER7208216010
194 Holt of CA	10-5321-0	Replacement water tank lid for vacuum trailer	253.69	ER7207392011
195 Horizon	10-5324-0	Valves & fittings for maintenance of TP irrigation system	1,330.00	2B211995/2B212174
196 Horizon	10-5324-0	Fittings & solenoid for repairs to TP irrigation system	274.41	2B212419
197 Horizon	10-5324-0	Pipe fittings & pipe cutter for repairs to TP irrigation system	263.24	2B212296
198 IUT Corporation	10-5321-0	Pump for High Service Pump Station ball valve system	3,826.03	9583
199 J. Milano Company, Inc.	10-5323-0	Nuts & thread locker for the carts at TP	100.28	637923
200 J. Milano Company, Inc.	10-5344-0	Treatment plant consumables on 10/11/23	83.24	635318
201 Jan-Pro of the Greater Bay Area	10-5326-0	November 2023 monthly janitorial services-Ops	403.00	20562-Ops
202 JCI Jones Chemicals, Inc	10-5301-0	Chlorine delivered on 10/16/23 & 10/27/23	24,479.50	925799/926698
203 Morrill Industries, Inc.	10-5323-0	Valves, fasteners, flange for South Overflow Pond Trench prj	1,055.16	INV00169727
204 Norbryhn Equipment Company, Inc.	10-5323-0	Rework Structural & HVAC for HSPS-HVAC units	112,819.64	30488/30455
205 Northstar Chemical	10-5301-0	ACH delivered on 10/24/23 & 10/26/23	48,396.60	266507/266889
206 PG 0908023195-5	10-5302-0	Electricity 09/20/23-10/19/23 WTP East Side Feeder	30,411.97	09080231955-10/23/23
207 PG 2544904013-5	10-5302-0	Electricity 09/20/23-10/19/23 TP HS @6749 E Main	154,741.16	25449040135-10/23/23
208 PG 7493068226-0	10-5302-0	Electricity 09/15/23-10/16/23 Outdoor Light-TP	12.84	74930682260-10/16/23
209 Ryan Process, Inc.	10-5321-0	Flowline Ultrasonic sensor for T-15	1,037.48	2310018-INV
210 Salazar Transportation Inc	10-5329-0	Transport loader from Hosie to TP for Sludge Lagoon cleaning	566.40	40940
211 San Joaquin County Sheriff Dept.	10-5324-0	Sept 2023 Temp workers-Weed abatement & tree trimming at TP	2,896.00	41730-41733

**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
NOVEMBER 14, 2023**

Vendor name	Account #	Description	Amount	Invoice No.
		MUNICIPAL & INDUSTRIAL FUND 94		
212 SEWD Vehicle Fund	10-5181-0	Sept 2023 - Vehicle Mileage Reimbursement-M&I	6,745.89	September 2023-M&I
213 Standard Insurance Co.	10-5047-0	December 2023 long term insurance-M&I	1,481.37	December 2023
214 Stockton Windustrial Co.	10-5321-0	Plugs for maintenance on chemical feed pump for Alum (Qty2)	10.47	366838 01
215 Stoneridge Roofing	10-5326-0	Remove & replace roofing on Admin building	86,700.00	11/6/23
216 Terracon Consultants, Inc	10-5329-0	Soil sampling & testing of Sludge Lagoons-Solids prj 2309	980.00	TK19215
217 The Home Depot	10-5323-0	Rework Structural & HVAC for HSPS-Lumber to pour pad	238.36	3010417
218 The Home Depot	10-5326-0	Fasteners, caulk, wood & adhesive for mods in Admin Bldg.	148.72	10158
219 The Home Depot	10-5326-0	Receptacles & covers for Admin Ethernet modification	20.43	4361770
220 UniFirst Corporation	10-5342-0	Weekly Uniform & Laundry Service Week 10/05/23-10/26/23	1,115.22	2360028690/64/15/86
221 United Rentals North America Inc	10-5321-0	Mini excavator rental-Maintenance around transformers LLPS	990.28	226365586-001
222 Univar USA Inc.	10-5301-0	Caustic soda delivered on 10/17/23-11/02/23	38,675.96	51562142/41/28/21/20
223 US Bank-Paypal Sportsman's Warehouse	10-5341-0	Hip Waders (Qty 2)	83.91	Cahoon8501-102323c
224 US Bank-Paypal Show Me Cable	10-5344-0	Radio cable connectors (Qty 10)	85.92	Cahoon8501-102323d
225 US Bank-Amazon	10-5307-0	Filters for RO water filtration system in lab	125.14	Cahoon8501-102323h
226 US Bank-Bennys Spray Center	10-5343-0	Pressure washer evaluation for repairs	123.60	Higares1333-102323b
227 USA Blue Book	10-5307-0	Buffer solution for lab	535.30	INV00152790
228 Verve Networks	10-5326-0	Setting up new workstations & phones	237.50	27941
229 Wille Electric Supply Co, Inc.	10-5323-0	Rework Structural & HVAC for HSPS-Tape/bushings/anti oxidant compound	1,626.78	S2168753.001
230 Wille Electric Supply Co, Inc.	10-5323-0	Rework structural & HVAC for HSPS-Conduit hub/gaskets/bushings/cover	1,493.74	S2168515.001
231 Wille Electric Supply Co, Inc.	10-5323-0	Rework Structural & HVAC-Adhesives/conduit/fittings/fasteners/channels	3,358.64	S2167589.001/7860
232 Wille Electric Supply Co, Inc.	10-5323-0	Rework structural & HVAC for HSPS-Steel strap/conduit/fittings/tool pouch	557.19	S2168335.001
233 Wille Electric Supply Co, Inc.	10-5323-0	Adhesive/conduit/fittings/hand tools-120/208V Distribution & lighting project	430.96	S2170070.001
234 Wille Electric Supply Co, Inc.	10-5323-0	Rework Structural & HVAC for HSPS project-Conduit couplings & connections	300.67	S2168586.001
235 Wille Electric Supply Co, Inc.	10-5343-0	Hand tools for new Electricians	186.22	S2167025.001/9800
236 Wille Electric Supply Co, Inc.	10-5323-0	Rework Structural & HVAC for HSPS-UGLY Electrical reference book 2023	41.97	S2167860.002
237 Wille Electric Supply Co, Inc.	10-5326-0	Modification to power supply for monitors in MCB	37.51	S2167219.001
238 Wille Electric Supply Co, Inc.	10-5321-0	Breakers for modifications in MCB	23.28	S2167965.001
		MUNICIPAL & INDUSTRIAL FUND 94 TOTAL	\$646,178.20	

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**STOCKTON EAST WATER DISTRICT
PAYROLL EXPENSES NOVEMBER 14, 2023**

Vendor name	Description	Amount
	ADMIN FUND 70	
1 SEWD Fund 01-General Fund	Payroll Date - 10/13/23	30,035.35
	Payroll Date - 10/27/23	32,107.73
	ADMIN FUND 70 PAYROLL TOTAL	\$ 62,143.08
	WATER SUPPLY FUND 71	
2 SEWD Fund 01-General Fund	Payroll Date - 10/13/23	32,492.98
	Payroll Date - 10/27/23	39,584.60
	WATER SUPPLY FUND 71 PAYROLL TOTAL	\$ 72,077.58
	MUNICIPAL & INDUSTRIAL FUND 94	
3 SEWD Fund 01-General Fund	Payroll Date - 10/13/23	128,598.12
	Payroll Date - 10/27/23	141,503.24
	MUNICIPAL & INDUSTRIAL FUND 94 PAYROLL TOTAL	\$ 270,101.36
	TOTAL FOR RBM 11/14/23	\$ 404,322.02

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**STOCKTON EAST WATER DISTRICT
 INVOICES AND PAYROLL FOR BOARD PACKAGE
 NOVEMBER 14, 2023**

Fund Number	Fund Summary	AP Amount	Payroll Amount
Fund 70	Administration Fund	296,157.40	62,143.08
Fund 71	Water Supply Fund	303,921.23	72,077.58
Fund 91	Vehicle Fund	6,502.68	
Fund 94	Municipal & Industrial Fund	646,178.20	270,101.36
	TOTAL FUND SUMMARY	\$1,252,759.51	\$404,322.02

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Short Names/Acronym List

ACH	Aluminum Chlorohydrate
ACWA	Association of California Water Agencies
Admin	Administration
Ads	Advertisement
AF	Acre Feet
AG	Agriculture
AR	Accounts Receivable
AWP	Alternative Work Program
CEQA	California Environmental Quality Act
Chgs	Charges
CM	Construction Management
COP	Certificate of Participation
CSDA	California Special District Authority
CSJWCD	Central San Joaquin Water Conservation District
CVPWA	Central Valley Project Water Association
CWS	California Water Services Company
DB	Distribution Box
DBCP	Dibromochloropropane
DDTS	Direct Distance Telephone Service
DL	Direct Line
EDB	Ethylene Dibromide
Educ	Education
ESA	Endangered Species Act
FCC	Federal Communications Commission
FCCU	Financial Center Credit Union
FOIA	Freedom of Information Act
FWPS	Finished Water Pump Station
GM	General Manager
HCP	Habitat Conservation Plan
HP	Hewlett Packard
HVAC	Heating, Ventilating Airconditioning
LD	Long Distance
LFC	Lower Farmington Canal
LT2	Long Term 2 -Enhanced Surface Water Treatment Rule
M&O	Maintenance & Operations
MCC	Master Control Center
MIB	Methylisoborneol
Misc.	Miscellaneous
mtg	Meeting
NH-	New Hogan
NM	New Melones
NH3-N	Ammonia
NMCF	New Melones Conveyance Facility
NWRP	New Water Reservoir Project
OBA	Oxygen Breathing Apparatus
PACL	Poly Aluminum Chloride
PM	Preventive Maintenance
Prof	Professional
PSM	Process Safety Management
PVC	Polyvinyl Chloride
RMP	Risk Management Plan
SCADA	Supervisory Control And Data Acquisition
SCBA	Self Contained Breathing Apparatus
SEWD	Stockton East Water District
SWRCB	State Water Resources Control Board
St	Street
T5	Water Treatment Operator Certificate Grade 5
Tel	Telephone
THM	Trihalomethane
TO	Task Order
TP	Treatment Plant
UFC	Upper Farmington Canal
UPS	Uninterrupted Power Supply
VAMP	Vernalis Adaptive Management Plan
VFD	Variable Frequency Drive
WMP	Water Management Plan
WQMS	Water Quality Monitoring System
WS	Water Supply
WSEP	Water Supply Enhancement Project
WTP	Water Treatment Plant

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Vehicles	
Unit 36 2004 Chevy Pickup 2500hd Silverado	Pickup Truck
Unit 37-2004 Jeep Grand Cherokee Laredo	Automobile
Unit 47 2008 Chevy Pickup Silverado 2500 4x4	Pickup Truck
Unit 49 2009 Ford Edge AWD - Ltd	Automobile
Unit 55 2010 Ford F150 Pickup	Pickup Truck
Unit 57 2011 Ford F150 Pickup Long Bed	Pickup Truck
Unit 64 2015 Ford F250 S-Duty 4wd	Pickup Truck
Unit 65 2015 Ford F250 S-Duty 4wd	Pickup Truck
Unit 66 2015 Ford F250 S-Duty 4wd	Pickup Truck
Unit 67 2015 Ford F250 S-Duty 4wd	Pickup Truck
Unit 69 2015 Ford F150 4x4 Supercrew Pickup	Pickup Truck
Unit 74 2019 Ford F250 S-Duty 4wd	Pickup Truck
Unit 75 2019 Ford F250 S-Duty 4wd	Pickup Truck
Unit 76 2020 Ford Escape	Automobile
Unit 79 2022 Ford F150	Pickup Truck
Unit 80 2022 Ford F150	Pickup Truck
Unit 81 2022 Ram 1500	Pickup Truck
Unit 82 2023 Toyota Tacoma	Pickup Truck
Unit 83 2023 Toyota Tacoma	Pickup Truck
Light equipment	
Genie GS 1930 Scissor Lift	Lift
Unit 70 2016 Cat Forklift	Forklift
Unit 58 2014 Polaris Ranger EV- Maintenance	Utility Vehicle
Unit 59 2014 Polaris Ranger EV- Maintenance	Utility Vehicle
Unit 60 2014 Polaris Ranger EV- Operations	Utility Vehicle
Unit 61 2014 Polaris Ranger EV- Water Supply	Utility Vehicle
Unit 62 2014 Polaris Ranger EV- Water Supply	Utility Vehicle
Unit 63 2014 Polaris Ranger EV- Operations	Utility Vehicle
Heavy equipment	
Mower-walker	Tractor
Unit 16 2003 Ford 450 -- diesel	Heavy Truck
Unit 26 1990 International Dump Truck	Heavy Truck
Unit 29 Caterpillar Backhoe	Heavy Equip.
Unit 31 1998 Freightliner Boom Truck 15 ton	Heavy Truck
Unit 38 John Deere 6420 Tractor	Tractor
Unit 41 Case Tractor 570mxt Turbo	Tractor
Unit 45 2008 Ford F650 Flatbed Truck (diesel)	Heavy Truck
Unit 48 2008 Chevy Kodiak C4500 (diesel)	Heavy Truck
Unit 52 Kubota Tractor	Tractor
Unit 53 2011 Kenworth T300 Dump Truck (dsl)	Heavy Truck
Unit 56 2010 Ford F450 Truck	Heavy Truck
Unit 73 2018 Caterpillar Backhoe	Heavy Equip.
Unit 77 2022 CAT Long Reach Excavator	Heavy Equip.
Accessories	
Dive Boat	Accessory
Boat Trailer	Trailer
Allis-Chalmers Disc	Accessory
Pak Flail Mower (orange)	Accessory
Alamo Articulate Mower Attachment	Accessory
Landpride RCR2596 Rotary Mower	Accessory
Unit 30 Big Tex Equipment Trailer /25,900gvwr	Trailer
Unit 34 2000 Cartaway Tank Trailer /6000gvw	Trailer
Unit 43 2007 Wells Cargo Trailer Model TW122	Trailer
Unit 44 1996 Genie Lift TZ-34/20 Knuckleboom	Trailer
Unit 50 6 Diesel Pump	Trailer
Unit 51 12 Diesel Pump	Trailer
Unit 68 2015 Welding Trailer	Trailer
Unit 71 2017 Utility Landscaping Trailer	Trailer
Unit 72 2002 Utility Trailer	Trailer
Unit 73 2002 Utility Trailer	Trailer
Unit 78 Utility Trailer	Trailer

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**STOCKTON EAST WATER DISTRICT
INVOICES FOR BOARD PACKAGE
CALPERS EFT REQUEST
NOVEMBER 14, 2023**

Vendor name	District Fund#	Account #	Description	Amount	Invoice No.
1 CA Public Employees Retirement System (CalPERS)	70	10-5049-0	Retirement Contributions for Payroll 11/10/23-Admin	5,334.60	11/10/23 1245106351
			Total Fund 70 Admin	\$ 5,334.60	
2 CA Public Employees Retirement System (CalPERS)	71	10-5049-0	Retirement Contributions for Payroll 11/10/23-WS-NM	5,598.92	11/10/23 1245106351
3 CA Public Employees Retirement System (CalPERS)	71	10-5058-0	Retirement Contributions for Payroll 11/10/23-WS-NH	1,363.02	11/10/23 1245106351
			Total Fund 71 Water Supply	\$ 6,961.94	
4 CA Public Employees Retirement System (CalPERS)	94	10-5049-0	Retirement Contributions for Payroll 11/10/23-M&I	21,502.07	11/10/23 1245106351
			Total Fund 94 Municipal & Industrial	\$ 21,502.07	
Grand Total for Electronic Funds Transfer Request on RBM 11/14/2023				\$ 33,798.61	

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STOCKTON EAST WATER DISTRICT Policy Manual

No. 6040

Reserve Policy

Adopted:

November 14, 2023

Contents

- A. Purpose1
- B. Reserve Fund Types.....2
- C. SEWD Reserve Funds and their Specific Purposes2
- D. Transfers to/from Reserves.....4
- E. Policy Review and Revision4

A. Purpose

The purpose of the Stockton East Water District’s (District) Reserve Policy is to promote financial stability of the District by setting guidelines for fund balances in accordance with Generally Accepted Accounting Principles (GAAP). Another critical aspect of fiscal responsibility is to not only anticipate and prepare for future funding requirements for ongoing operations and maintenance expenses and capital expenditures, but also to prepare for disasters and other unforeseen events. In addition, reserves need to be maintained when defined by statute, court determinations, contractual agreements, or bond resolutions.

The term “fund balance” refers to the difference between assets and liabilities under the modified accrual basis of accounting for governmental funds. Unrestricted fund balance refers to the categories of fund balances that include only resources without a constraint on spending unless the constraint on spending is imposed by the government itself. Unrestricted fund balance is a measure of economic stability, and adequate levels of unrestricted fund balance will assure liquidity and will mitigate the risks associated with revenue volatility and unanticipated expenditures.

Reserves will be managed in a manner that allows the District to fund costs consistent with its Capital Improvement Program as well as other long-term plans (such as the Water Supply Master Plan, Water Treatment Master Plan, etc.), while avoiding significant rate fluctuations due to changes in cash flow requirements.

The Reserve Policy covers all reserve funds of the District. At the end of each fiscal year compliance with the Reserve Policy will be reported to the District’s Board of Directors as part of each Fiscal Year-End Financial Report.



STOCKTON EAST WATER DISTRICT Policy Manual

B. Reserve Fund Types

The District maintains two types of reserve funds:

1. Restricted Reserves are reserves that are restricted by an outside source, such as by statute, court determination, or contract.
2. Designated Reserves are reserves that are established and set aside to be used for a specific, Board designated purpose.

The Board of Directors (Board) have the authority to redirect the use of these reserve funds, as the outside requirements or the needs of the District change. Unrestricted Reserves are planned for use in each update to the Capital Improvement Program to assist in providing for minimal orderly rate increases, consistent with law.

C. SEWD Reserve Funds and their Specific Purposes

- Dry Year Reserve: The Board is authorized by the District Act to establish a reserve fund financed by the transfer of up to ten cents (\$0.10) for each acre-foot of water to which the ground water assessment rate or the stream delivered surface water charges levied, in addition to ten cents (\$0.10) for each acre-foot of treated water sold by the district under either an existing or future water service contract. Such amounts transferred into a reserve fund shall be a part of, and not in addition to, the above-referenced ground water assessment rates, stream-delivered surface water charges, and contract prices. The reserve fund established under the authority of this section shall be a limited-purpose reserve fund. Expenditures out of such fund shall only be made for the purpose of constructing, leasing or purchasing, maintaining, and operating ground water pumping facilities capable of delivering ground water into the existing district watercourses, water supply, or distribution facilities for the purpose of ensuring the availability, to the extent possible, of a full supply of water to all users during dry years. There are two types of dry year reserves:
 - AG Dry Year Reserve
 - M&I Dry Year Reserves
- Bond Reserve: Account(s) held as a reserve fund by the District, and used by the District in accordance with a Bond Resolution (upon bond issuance).
- Water Treatment Facilities Reserve: The District has established pursuant to the Second Amended Contract (Contract) a Water Treatment Facilities Reserve Fund. At the end of each Year the District deposits into that fund the sums paid to the District pursuant to subparagraphs 5A (10) of the Contract. The District may, at any time, make withdrawals from said Water Treatment Facilities Reserve Fund and expend such funds as the District determines, provided that such expenditures are limited to the following purposes:



STOCKTON EAST WATER DISTRICT Policy Manual

- Debt Service: Debt service, including the call and redemption of loans and/or bonds prior to fixed maturity date.
 - Operation and Maintenance: Operation, maintenance, and repair of the water treatment facilities including the actual administration, maintenance and repair cost directly attributed to Water treatment facilities.
 - Replacement and Expansion: Necessary or desirable replacement, expansion, improvement, modification, and increase in the capacity of the water treatment facilities.
- Repair and Replacement Reserve: The District has established pursuant to the Contract a reserve account for the purpose of covering the cost of repairs and replacement of items scheduled and required during the life of the Contract in order to maintain the water treatment facilities in good order and at all times able to meet efficiently the production of the water to be supplied pursuant to the Contract. The fund is supported by an annual payment under the Contract in the amount of \$100,000.00, which may be adjusted from time to time by the District to meet actual operating expenses in the manner set forth in the Contract.
 - Water Deficiency Reserve Fund: In order to furnish its Urban Contractors with a minimum of 20,000-acre feet of water per year, the District will establish, consistent with the Contract, a Water Deficiency Reserve Fund into which it shall deposit annually a sum set by the Board, which will not exceed an amount equal to ten cents multiplied by the total number of acre feet of water delivered to the water treatment plant during the subject Year. Funds in said Water Deficiency Reserve Fund may from time to time be applied by the District as appropriate for the construction or other acquisition of such wells, pumps, conduits, and related facilities, and to do any other acts necessary on the part of the District in its judgment to furnish the base supply of treated water to Contractors annually.
 - Emergency Reserves: The Emergency Reserve is a designated reserve fund set aside for emergencies and these funds must remain liquid. The ability of the District to quickly restore facilities and services is critical to the public health and safety of residents. The Emergency Reserves shall be expended solely for the purpose of responding to and maintaining the District operations during a natural disaster and/or emergency. AWWA recommends an emergency reserve amount equal to the cost of the most expensive critical equipment that may fail. The District will make annual deposits based on an itemized schedule of equipment, listing the equipment type, the original cost, and the expected service life, to the equipment replacement fund. The total annual deposit is the sum of the annual deposits for each asset. When an asset on the equipment replacement fund list is replaced, the amount is drawn from the fund, and the schedule of annual deposits is adjusted accordingly to reflect the value and service life of the new asset(s).
 - Capital Reserve: The Capital Reserve is a designated reserve, which has been established by the Board to maintain a minimum level of funding to meet the cash flow requirements of the Capital Improvement Program and fund up to one-year of capital improvements. Capital improvements are designed to meet regulatory requirements, improve system reliability, and address future water demand in the District. The District



STOCKTON EAST WATER DISTRICT

Policy Manual

is to set an amount aside for the future replacement of worn-out equipment. The Capital Reserve will be established to support the future capital needs of the District water. This may include replacements costs for of existing facilities or equipment as it reached the end of its useful life and funding major repairs that extend useful life of facilities/equipment. The District's current source of funding for capital improvements is from water charges and one-time revenues.

- Goodwin Dam Reserves: The District shall put reserves aside annually to a fund dedicated to Goodwin Dam replacement, as outlined within Section 5 and 5.1 of the Tri-Dam Agreement (AGR 0007). The amount reserved each year shall be approved by the Board and determined by proration of replacement cost less current reserve balance over projected replacement period. The fund balance and interest income generated in this account shall only be used for Goodwin Dam operation, maintenance and capital improvements. The intent is to add sufficient funding year until such time that the District collects one-third of the Goodwin Dam reconstruction costs.
- Operating reserves: The District will maintain at a minimum level equal to six months of budgeted operating costs, consistent with the District Act. Adequate reserves and sound financial policies promote the District's bond ratings in the capital markets; provide financing flexibility; avoid potential restrictive debt covenants; and ensure the District's customers of stable rates.

D. Restrictions on Transfers to/from Reserves

The District shall keep distinct accounts for each of the reserve types outlined above. Funds in the reserve accounts will not be used for any other purpose than they were intended as set forth above unless approved by the Board.

- Interest Received on Reserve Funds: All interest income received by the District by virtue of the investment of the funds on hand in any reserve fund, shall be added to the respective reserve fund generating the interest and shall be expended for the purpose of the fund.
- Debt Reserve: Funds in the reserve can be transferred only when the associated debt is paid off or the lender authorizes a reduction in Debt Reserve. At that time the Debt Reserve is returned to the operating account and redistributed.
- Emergency Reserve: Funds in the Emergency Reserve can be transferred only for emergency purposes. Emergencies are limited to disasters, drought, fire or any other unforeseeable event. The funds are not to be used for operating capital, debt payments, capital improvements or replacements, maintenance or any other foreseeable event.
- Capital Reserve: Funds in the Capital Reserve account can be transferred only for capital replacement projects for the designated enterprise. The funds are not to be used for operations, refurbishing, debt payment, or emergencies.



STOCKTON EAST WATER DISTRICT Policy Manual

E. Policy Review and Revision

This Reserve Policy shall be reviewed annually by the General Manager and the Administration Committee, and may be amended by the Board of Directors as conditions warrant. This Reserve Policy was approved by the Board of Directors on November 14, 2023 and replaces any previous reserve policies of the District.

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Memorandum

To: Board of Directors
From: Justin M. Hopkins – General Manager
Juan M. Vega – Assistant General Manager
Darrel Evensen – District Engineer
Date: November 14, 2023
Re: Approval of Professional Services Agreement with GEI Consultants for Water Supply Master Plan

Background

To meet changing customer service needs and expectations, the Stockton East Water District (District) aims to continue to improve and upgrade its facilities while replacing old infrastructure as it ages or becomes obsolete. Plans for modernizing and expanding the District's systems and facilities must be developed to conjunctively use surface water and achieve groundwater sustainability. Plans must also be adaptable to support management and protection of the District's valuable resources including: water rights, contractual water via the United States Bureau of Reclamation, vital groundwater supplies, and District funds and reserves. Water supplies are especially vital as they may be impacted by current and future regulation by State and other agencies.

On April 18, 2023, the Board of Directors (Board) of the District approved a budget amendment to the Fiscal Year (FY) 23-24 budget to fund a portion of a Water Supply Master Plan as recommended by the District's adopted Strategic Plan.

On July 20, 2023, the District released a Request for Qualifications from five engineering firms for the Water Supply Master Plan. Proposals were received on August 2, 2023, from three consultants.

Summary

District Staff reviewed the proposals from the three engineering design firms and recommended GEI Consultants, Inc. (GEI) and Davids Engineering present to the selection committee. After the presentations and negotiations with both firms, the selection committee recommendation was to contract with GEI. GEI's proposal was presented at \$529,956 for the scope of work detailed below.

The Scope of Work for the Water Supply Master Plan includes the following. Task 1 through Task 7 will be completed during FY 23-24. The remaining tasks are planned for completion during FY 24-25.

- Task 1.0: Summary and Description of the Existing State of the District
- Task 2.0: Public Outreach with Board Members and Staff
- Task 3.0: Identification of the Strategies, Goals and Objectives
- Task 4.0: Water Supply Analysis
- Task 5.0: Water Demand Analysis

- Task 6.0: Asset Management
- Task 7.0: Water Delivery Infrastructure and Modernization Plan
- Task 8.0: Capital Improvement Plan (to be completed by September 30, 2024)
- Task 8.1: Identify Environmental Requirements
- Task 8.2: Capital Improvements and Modernization Alternatives Analysis
- Task 8.3: Preferred Capital Improvement and Modernization Alternatives
- Task 8.4: Explore Financing and Implementation Options
- Task 8.5: Water Transfer Analysis
- Task 8.6: Assemble Plan

Financial Impact

The Water Supply Master Plan is included in the FY 23-24 budget at \$250,000 via a Board-approved budget amendment. The remaining funding proposed in the FY 24-25 budget for \$350,000.

Recommendations

1. District Staff respectfully recommends the Board authorize the General Manager to approve a Professional Services Agreement with GEI Consultants, Inc. to provide services for the Water Supply Master Plan in the amount of \$529,956, plus a 10% contingency of \$52,996, for a total of \$582,952, and make all other necessary approvals.

Memorandum

To: Board of Directors
From: Justin M. Hopkins – General Manager
Juan M. Vega – Assistant General Manager
Darrel Evensen – District Engineer
Date: November 14, 2023
Re: Approval of Professional Services Agreement with Stantec for Water Treatment Plant Master Plan

Background

The Stockton East Water District (District) must continue to improve and upgrade its facilities to meet the current and future needs of customers. This includes the replacement of existing infrastructure as it ages or becomes obsolete, as well as planning for expansion of the District's systems and facilities. The District must also merge long-range plans for the management and protection of its historical water rights, contractual water from the U.S. Bureau of Reclamation, groundwater supplies, and financial resources as they may be impacted by ever increasing regulation by the State and other agencies.

To address these issues, the District has identified, as a strategic priority, the need to develop a comprehensive, integrated 50-year Master Plan including a 20-year Capital Improvement Plan (CIP) for both the near- and long-term approaches to:

- Manage, optimize, sustain and protect its surface and groundwater resources.
- Operate, maintain, modernize, and capital replacement needs of its water treatment plant processes and facilities.
- Condition assessment

As part of the Fiscal Year (FY) 23-24 budget, the Board of Directors (Board) of the District approved funding for a Water Treatment Plant Master Plan in alignment with the District's adopted Strategic Plan. Also included in the approved FY 23-24 budget are assessments of the major conveyance pipelines.

- In July 2023, the District released a Request for Qualifications from eight engineering firms for the Water Treatment Plant Master Plan. One proposal was received on August 31, 2023.

Summary

District Staff reviewed the proposal from Stantec and, after negotiating Scope of Work and Budget, recommend Stantec to complete the Water Treatment Plant Master Plan.

Stantec is well-known as a water treatment firm with extensive experience in master planning, design and project implementation in the Western United States for many years, particularly in California. Stantec personnel have been actively involved in many of treatment plant planning projects including large and small water treatment plants in the San Francisco Bay Area and throughout California, the Pacific Northwest and Canada. Their project team is

comprised of individuals with national and international experience directly related to water treatment plant planning, analysis, and design, and they offer perspectives from working at other, similar treatment plants. In their proposal, Stantec listed more than 10 water treatment plant master plan projects over the past several years as well as water treatment plant design projects in California using the same technologies being used at the District’s treatment plant.

The proposal was presented at \$684,014 for the scope listed below.

The Water Treatment Plant Master Plan Scope of Work for FY23-24 will include Task 1 through portions of Task 5 and Task 6. All of the Peters Pipeline assessment will be performed this fiscal year while the pipeline is out of service. The remaining Scope of Work would be performed during FY 24-25. The Scope of Work for the Water Treatment Plant Master Plan includes the following:

- Task 1: Project management including meetings with Board Members and Staff
- Task 2: Review of available data
- Task 3: Water demand analysis
- Task 4: Process evaluation
- Task 5: Facilities evaluation
- Task 6: Capital Improvement Plan
- Task 7: Master Plan report preparation
- Task 8: Pipeline condition assessment – 1.4 mile section of Peters Pipeline

Financial Impact

The Water Treatment Plant Master Plan is partially funded in the FY 23-24 budget at \$350,000 and the Pipeline assessments for Peters and Bellota Pipeline are included at \$160,000. The remaining amount is proposed in the FY 24-25 budget for \$350,000.

Staff investigated the cost of pipeline assessment separately and found the costs to be anywhere from \$300,000 to upwards of \$1,000,000. Given the funding constraints only the most critical pipeline (in this case the 1.4 mile section of Peters Pipeline) could be fit with pre-planned funding. As such to accommodate the work a budget amendment such as the one presented in Table 2 would be required.

Item	Fund	Account	Purpose	Beginning Balance	Transfer	Ending Balance
Transfer To	71	10-5225-0	<i>Peters Pipeline Assessment</i>	\$ 80,000	\$ 80,000	\$ 160,000
Transfer From	71	10-5206-0	<i>Bellota Pipeline Assessment</i>	\$ 80,000	\$ (80,000)	\$ -

Table 2. Proposed Budget Amendment

Recommendations

District Staff respectfully recommends the Board:

1. Approved the budget amendment as delineated in Table 2.
2. Authorize the General Manager to approve a Professional Services Agreement with Stantec to provide services for the Water Treatment Plant Master Plan in the amount of \$684,014 plus a 10% contingency of \$68,401, for a project total of \$752,415, and make all other necessary approvals.

Memorandum

To: Board of Directors
From: Justin Hopkins – General Manager
Juan Vega – Assistant General Manager
Darrel Evensen – District Engineer
Manuel Verduzco – Senior Engineer
Date: November 14, 2023
Re: Approval of Contract with Comfort Air for High Service Pump Station HVAC Ducting Retrofit and Proposed Budget Amendment

Background

As a part of the Stockton East Water District's (District) FY 23-24 budget, the Board of Directors (Board) approved a \$150,000 budget to rework the High Service Pump Station HVAC system. As explained in a previous Board Memo, VFD failures occurred due to numerous factors including – inoperable fans, insufficient ducting for air conditioning and additional heat output from newer VFDs. The purchase of three new 20-ton Air Conditioning (AC) units was approved by the Board on January 03, 2023, for a not to exceed amount of \$132,000. In order to complete the installation of the units it is also necessary to install new ducting and venting. The new AC system is designed to maintain a temperature of 85°F during the summer months.

The addition of new ducting and vents for the three new units are specifically sized to effectively remove heat generated inside the building. In doing so, the AC system will protect the VFDs from experiencing abnormal rises in temperature which would cause equipment failure, unexpected shutdowns, and reduced overall longevity.

Summary

Staff has consulted with three HVAC contractors for quotes for the installation of the ducting and vents for the new AC units. Comfort Air Inc., James Long Construction Inc., and J & J Heating & Air. Both Comfort Air Inc. and James Long Construction Inc. provided quotes, as shown in **Table 1**. The lowest quote was for Comfort Air Inc., at \$140,155.

Table 1. HVAC Contractor Quotes

Contractor	Amount
Comfort Air Inc.	\$140,155
James Long Construction Inc.	\$173,200

Financial Impact

This project is budgeted in FY 23-24 for \$150,000. Purchase of the AC units and other materials to install the system has resulted in expenditures of \$133,810, leaving \$16,190 in the project budget which is insufficient to complete the proposed ducting and venting. As such, staff proposes a budget amendment, presented in Table, to allow completion of the project this fiscal year.

Item	Fund	Account	Purpose	Beginning Balance	Transfer	Ending Balance
Transfer To	94	10-5326-0	WTP Maintenance - Rework Structural and HVAC HSPS	\$ 16,190	\$ 170,000	\$ 186,190
Transfer From	94	10-5323-0	WTP Maintenance - Filter Basin Paint Rehabilitation	\$ 210,000	\$ (170,000)	\$ 40,000

Table 2. Proposed Budget Transfer

The *Filter Basin Paint Rehabilitation - Epoxy Paint for Pipes & Valves Project*, was slated to be done this fiscal year, but staff is having a difficult time finding vendors to provide quotes and said project is lower priority regardless. The proposed transfer would leave sufficient funds for unforeseen costs, should they be necessary. Staff recommends completing the project prior to next summer.

Recommendations

District staff respectfully recommends the Board:

1. Approve the proposed budget transfer as detailed in Table 2.
2. Authorize the General Manager to approve a contract with Comfort Air, Inc. to install ducting and venting for the 20-ton AC units in the amount of \$140,155 plus a 20% contingency of \$28,031, for a total of \$168,186, and make all other necessary approvals.

STATEMENT OF CONSISTENCY
PURSUANT TO EXECUTIVE ORDER N-7-22
AND FINDINGS OF FACT
STOCKTON EAST WATER DISTRICT
GROUNDWATER SUSTAINABILITY AGENCY

WHEREAS, Stockton East Water District is the Groundwater Sustainability Agency for that portion of the Eastern San Joaquin Groundwater Basin (Basin); and

WHEREAS, on December 17, 2019, Stockton East Water District Groundwater Sustainability Agency (GSA) adopted the Eastern San Joaquin Groundwater Subbasin Groundwater Sustainability Plan (GSP); and

WHEREAS, on March 29, 2022 Governor Newsom adopted Executive Order N-7-22, which prohibits any county or other public agency from approving a permit for a “new groundwater well or for alteration of an existing well”

without first obtaining written verification from a Groundwater Sustainability Agency managing the basin or area of the basin where the well is proposed to be located that groundwater extraction by the proposed well would not be inconsistent with any sustainable groundwater management program established in any applicable Groundwater Sustainability Plan adopted by that Groundwater Sustainability Agency and would not decrease the likelihood of achieving a sustainability goal for the basin covered by such a plan.

WHEREAS, the GSP provides in Section 1.1.2:

The sustainability goal description for the Eastern San Joaquin Subbasin is to maintain an economically-viable groundwater resource for the beneficial use of the people of the Eastern San Joaquin Subbasin by operating the Subbasin within its sustainable yield or by modification of existing management to address future conditions. This goal will be achieved through the implementation of a mix of supply and demand type projects consistent with the GSP implementation plan (see Chapter 6: Projects and Management Actions).

WHEREAS, the GSP provides in Section 3.1:

Groundwater levels in the Subbasin may continue to decline during the implementation period. However, as projects are implemented and basin operations are modified, sustainable groundwater management will be achieved, and levels will stabilize on a long-term average basis. The Subbasin will be managed to prevent undesirable results throughout the implementation period, despite the possible decline of groundwater elevations. This sustainability goal is supported by locally-defined minimum thresholds that will avoid undesirable results. Demonstration of stable groundwater levels on a long-term average basis combined with the absence of undesirable results will ensure the

Subbasin is operating within its sustainable yield (see Section 2.3.6) and the sustainability goal will be achieved.

WHEREAS the GSP provides in Section 6.1:

Achieving sustainability in the Subbasin requires implementation of projects and management actions. The Eastern San Joaquin Subbasin will achieve sustainability by implementing water supply projects that either replace (offset) or supplement (recharge) groundwater to achieve the estimated pumping offset and/or recharge need of 78,000 acre-feet per year (AF/year), identified as the sustainable yield estimate. . . . Currently, no pumping restrictions have been proposed for the Subbasin; however, Groundwater Sustainability Agencies (GSAs) maintain the flexibility to implement such demand-side management actions in the future if need is determined.

WHEREAS the GSP provides in Section 6.3:

Management actions are generally administrative, locally implemented actions that the GSAs could take that affect groundwater sustainability. Management actions typically do not require outside approvals, nor do they involve capital projects. No management actions currently related to pumping activities or groundwater allocations have been proposed for the Subbasin; however, GSAs maintain the flexibility to implement such demand-side management actions in the future if need is determined.

WHEREAS the GSP provides in Section 7.5:

Each of the 16 GSAs are administered independently and involve meetings and oversight of individual GSA projects and programs. . . . Other administrative actions may involve tracking and evaluating GSP implementation and sustainability conditions as well as assessing the benefit to the Subbasin.

WHEREAS, the GSP provides in Section 7.6:

SGMA requires that GSPs be evaluated regarding their progress towards meeting the approved sustainability goals at least every 5 years and to provide a written assessment to DWR. An evaluation must also be made whenever the GSP is amended.

WHEREAS the GSP provides in Section 7.1 that annual reports required by SGMA will continually monitor movement towards sustainability and will:

. . . contain a description of current groundwater conditions for each sustainability indicator and will include a discussion of overall Subbasin sustainability. Progress towards achieving interim milestones and measurable objectives will be included, along with an evaluation of groundwater quality and groundwater elevations (being used as direct or proxy measures for several sustainability indicators) in relation to minimum thresholds.

. . . describe the current status of project and management action implementation since the previous 5-year report.

WHEREAS, in Section 7.6 of the GSP it is clear that each 5-year report:

will include a reconsideration of GSP Elements. As additional monitoring data are collected during GSP implementation, land uses and community characteristics change over time, and GSP projects and management actions are implemented, it may become necessary to revise the GSP. This section of the 5-year report will reconsider the basin setting, management areas (if applicable), undesirable results, minimum thresholds, and measurable objectives. If appropriate, the 5-year report will recommend revisions to the GSP. Revisions would be informed by the outcomes of the monitoring networks, and changes in the Subbasin, including but not limited to, changes to groundwater uses or supplies and outcomes of project implementation.

WHEREAS in Section 7.6.7 of the GSP it is clear that each GSA may take enforcement or legal actions to support sustainability.

WHEREAS, Section 7.6.8 of the GSP notes that “[a] description of amendments to the GSP will be provided in the 5-year report, including adopted amendments, recommended amendments for future updates, and amendments that are underway during development of the 5-year report”; and

WHEREAS, Section 10726.4(b) of the Water Code provides that GSAs are not authorized to issue permits for the construction, modification, or abandonment of groundwater wells, except as authorized by a county with authority to issue those permits; and

WHEREAS, Section 10726.8(b) of the Water Code provides that GSAs do not have the authority make a binding determination of the water rights of any person or entity; and

WHEREAS, on October 30, 2023 the Stockton East GSA received from San Joaquin County a well permit application for a well on 10816 E. Fairchild Rd, Stockton, CA;

WHEREAS, this document constitutes written verification pursuant to Executive Order N-7-22;

WHEREAS, nothing in this Statement shall be read as interfering with the authority of San Joaquin County to approve, disapprove, or condition any groundwater well permit project pursuant to its permitting authority.

NOW, THEREFORE,

1. Be it resolved that based on the projects and management actions set forth in the GSP, the continual monitoring and 5 years updates to the GSP, and Stockton East GSA's commitment to implementing all projects, management actions or pumping restrictions required to achieve sustainability, the Board of Directors of the Stockton East Water District Groundwater Sustainability Agency makes the following findings:
 - A. Groundwater extraction by the proposed well would not be inconsistent with any sustainable groundwater management program established in the GSP; and
 - B. Groundwater extraction by the proposed well would not decrease the likelihood of achieving a sustainability goal for the Basin.
2. Be it further resolved that all well owners within the GSA shall be aware that if projects and management actions do not achieve the desired sustainability goals outlined in the GSP, the GSA may be forced to implement demand-side management actions in the future if need is determined, including, but not limited to, pumping restrictions.

PASSED AND ADOPTED at regular meeting of the Board of Directors of Stockton East Water District on November 14, 2023 by the following vote:

Ayes:
Nays:
Absent:
Abstain:

Draft

Richard Atkins, President
Board of Directors
Stockton East Water District

ATTEST:

Draft

Justin M. Hopkins, Secretary
Board of Directors
Stockton East Water District



PROGRAM COORDINATORS

Jeff Carruesco, REHS, RDI

Willy Ng, REHS

Steven Shih, REHS

Elena Manzo, REHS

Natalia Subbotnikova, REHS

November 2, 2023

MEMORANDUM

TO: Justin Hopkins, Stockton East Water District GSA

FROM: Steven Shih, Program Coordinator (209) 468-9850; ssih@sjgov.org

SUBJECT: **GSA Verification Statement for Proposed Well at 10816 E. Fairchild Rd., Stockton**

State of California Executive Order N-7-22, effective on March 28, 2022, states that to protect health, safety, and the environment during this drought emergency the County shall not approve a permit for a new groundwater well or for alteration of an existing well within a basin subject to the Sustainability Groundwater Management Act and classified as medium or high-priority without first obtaining written verification from that basin's Groundwater Sustainability Agency (GSA). The GSA's written verification must include a determination that the extraction would not be (1) inconsistent with any sustainable groundwater management program established in any applicable Groundwater Sustainability Plan (GSP) adopted by that GSA, and (2) would not decrease the likelihood of achieving a sustainability goal for that basin covered by such a plan.

This written verification is not required for permits for wells that will provide less than two acre-feet per year of groundwater for individual domestic users, or that will exclusively provide groundwater to public water supply systems as defined in section 116275 of the Health and Safety Code.

Pursuant to Executive Order N-7-22, we request that you complete the verification statement below regarding this proposed well and return it by email to ssih@sjgov.org with the following subject line: GSA Verification Statement.



10816 E. Fairchild Rd., Stockton

To: Steven Shih, Program Coordinator

San Joaquin County – Environmental Health Department

Proposed Well at 10816 E. Fairchild Rd., Stockton

GSA: Stockton East Water District GSA

1. Consistency with the GSP:

- The proposed well is consistent with the GSP applicable to the basin area managed by the GSA named above.
- The proposed well is inconsistent with the GSP applicable to the basin area managed by the GSA named above.

2. Impact on GSP Sustainability Goal(s):

- The proposed well will not decrease the likelihood of achieving a sustainability goal for the basin area managed by the GSA named above.
- The proposed well will decrease the likelihood of achieving a sustainability goal for the basin area managed by the GSA named above.

By: _____; Date: _____

Title: _____

Enclosures: Well Permit Application

Well Permit Application Parcel Map

Drought Executive Order N-7-22

Department of Water Resources, Fact Sheet re Drought Executive Order N-7-22
(Action 9)

1

WELL/PUMP PERMIT

SAN JOAQUIN COUNTY ENVIRONMENTAL HEALTH DEPARTMENT

1868 EAST HAZELTON AVENUE - STOCKTON CA 95205 - (209) 468-3420

NON-REFUNDABLE PERMIT

CALL (209) 953-7697 FOR INSPECTIONS

EXPIRES 1 YEAR FROM DATE ISSUED

JOB ADDRESS 10816 E Fairchild RD CITY/ZIP Stockton, CA 95212

CROSS STREET Vignolo APN 08908053 PARCEL SIZE 48.86 LAND USE APPLICATION# _____

OWNER NAME Lawrence Sambado PHONE 209-931-2568

OWNER ADDRESS PO Box 461 CITY/STATE/ZIP Linden, CA 95236

CONTRACTOR Purviance Drillers, Inc PHONE 209-887-3554

CONTRACTOR ADDRESS PO Box 64 CITY/STATE/ZIP Linden, CA 95236

SUBCONTRACTOR _____ PHONE _____

SUBCONTRACTOR ADDRESS _____ CITY/STATE/ZIP _____

LICENSE C-57 C-61 D-09 Other _____ NUMBER 377923 EXPIRATION DATE 7/31/25

SITE ADDRESS:

DOMESTIC WELL SAMPLING: General Mineral/Coliform Bacteria (4391) Dibromochloropropane (4392) Arsenic (4393)

INTENDED USE Domestic/Private Irrigation/Agricultural Industrial Water Quality Monitoring Soil Sampling/Characterization

Public Water System _____

If different from Owner: Water System Name _____ Contact Name or Phone Number _____

TYPE OF WORK New Well Replacement Well Well Alteration/Modification Other _____

Monitoring Well(s) _____ # of wells Soil Boring(s) _____ # of borings Geotechnical _____ # of borings

Out-Of-Service Well Out-Of-Service Well Renewal Cross-Connection Repair

New Pump Pump Replacement Pump Repair Raise Well Casing

WELL CONSTRUCTION

Drilling Method Mud Rotary Air Rotary Auger Cable Tool Push Point Other _____

Proposed Well Depth 550 ft Excavation 19'2 in diameter Open Bottom Gravel Pack/Gravel Size _____ in diameter

Conductor Casing N/A in diameter / Conductor Casing Depth _____ ft

Well Casing Diameter 2 3/4 in Thickness/Gauge/ASTM Sched .250 Steel Plastic Stainless Steel Other _____

Grout Seal Depth 250(+/-) ft Neat Cement (94 lb bag/5-10 gal water) Sand Cement 10.3 sack mix/7 gal water

Bentonite (20% solids) Other _____

Grout Placement Method Pumped Free Fall Other _____ Retardant / Accelerator (name) _____

PEDESTAL Installed By Driller Pump Contractor Other _____

Concrete Pedestal Dimensions: Width 5 ft Length _____ ft Thick Round

Christy Box Stove Pipe

PUMP Submersible Turbine Other _____ HP _____ Pump Set _____ ft Standing Water Level _____ ft

Plot Plan Requirements: Attach a plot plan with the exact location of water well with respect to the following items: GPS Coordinates, property lines, adjoining properties, water bodies or courses, drainage pattern, roads, existing wells, structures, potential sources of contamination, sewers or private disposal systems. Include distance from two property lines. For Domestic, Agriculture, Industrial well, provide location of any water wells or surface water within 200' radius of proposed well.

MINIMUM 24 HOUR ADVANCE NOTICE REQUIRED FOR INSPECTIONS - PLEASE CALL (209) 953-7697

DEPARTMENT USE ONLY

Application Accepted By _____ Date _____ Area _____ Employee ID# _____

Grout Inspection By _____ Date _____ SPECIAL Well Permit

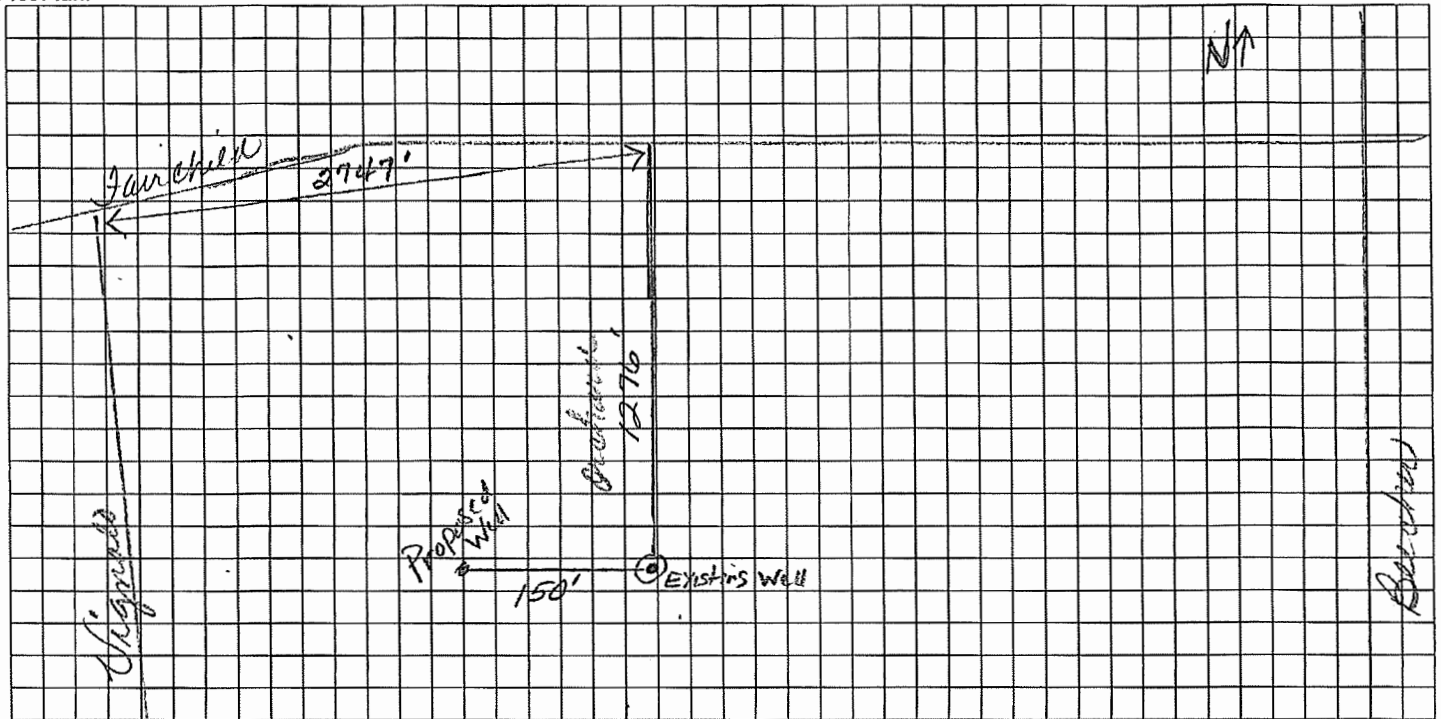
Pump Inspection By _____ Date _____ WAIVER Received

Soil Boring Inspection By _____ Date _____ Constructed Well Depth _____ ft

COMMENTS _____

PE Codes	SC Info	Received By	Check#/Cash	Amount Remitted	Date	Permit/Service Request #	Invoice #	Well ID#
4369	180			\$420				

Plot Plan:



GIS Coordinate: Latitude: _____ Longitude: _____

I, the Owner/Applicant/Licensed Well Driller/Pump Contractor agrees to indemnify, defend with counsel reasonably approved by County, and hold harmless the County and its officers, officials, employees, agents, boards, and commissions (collectively "County") as follows:

1. Indemnity:
 - a. From and against any and all claims, demands, actions, proceedings, lawsuits, losses, damages, judgments and/or liabilities arising out of, related to, or in connection with the application and applied for well or pump or to attack, set aside, void, or annul, in whole or in part, approval or denial of the applied for permit by the County, and any environmental review documents related to the applied for permit;
 - b. For any and all costs and expenses incurred by the County on account of any Claim, except where such indemnification is prohibited by law, including but not limited to damages, costs, expenses, attorney's fees, or expert witness costs that may be asserted by any person or entity, private attorney general fees claimed by or awarded to any party against the County, and the County's costs incurred in preparing an administrative record which are not paid by the petitioner.
 - c. Except as to the County's sole negligence or willful misconduct.
2. Defense:
 - a. The County may participate or direct the defense of any Claim. The County's actions in defense of any claim shall not relieve me of any obligation to indemnify, defend, and hold harmless the County.
 - b. In the event of a disagreement between County and me regarding defense of any Claim, the County shall have the authority to control the litigation and make litigation decisions, including, but not limited to, the manner in which the defense is conducted.

If County reasonably determines that having common counsel presents such counsel with a conflict of interest, or if I fail to promptly assume the defense of any Claim or to promptly employ counsel reasonably satisfactory to the County, then County may utilize the Office of the County Counsel or employ separate outside counsel to represent or defend the County, and I shall pay the reasonable attorneys' fees and costs of such counsel.

I HEREBY CERTIFY THAT I HAVE PREPARED THIS APPLICATION AND THAT THE WORK WILL BE DONE IN ACCORDANCE WITH SAN JOAQUIN COUNTY ORDINANCES, STATE LAWS, AND RULES AND REGULATIONS. I ALSO CERTIFY THAT MY REQUIRED LICENSE IS CURRENT AND ACTIVE WITH THE CALIFORNIA CONTRACTORS STATE LICENSE BOARD AND THAT I AM IN COMPLIANCE WITH ALL WORKERS COMPENSATION LAWS.

PROPERTY OWNER (SIGNATURE IS REQUIRED FOR WATER EXTRACTION WELL ON PRIVATE PROPERTY):

SIGN: _____ PRINT: _____ DATE _____

LICENSED WELL DRILLER/PUMP CONTRACTOR:

SIGN: Paula Purviance PRINT: Paula Purviance DATE 10/30/23

AUTHORIZATION FOR OTHER THAN C-57 SIGNING PERMIT APPLICATION

I, _____, hereby authorize _____, Name of C-57 Licensed Authorized Representative Print Name of Authorized Agent to sign this San Joaquin County Well & Boring Permit Application on my behalf. I understand this authorization is valid for one year and is limited to the work plan dated on the front page of this application.



New Well Information

Pursuant to California Water Code, Section 13808, all new wells that do not meet the exemption criteria must submit the following required information, to the extent that can be reasonably known. The Environmental Health Department must collect this information before a new well permit is issued and must post the information on the Department's website for public information.

WELL LOCATION AND OWNER INFORMATION			
Well Location Address:	10816 E Fairchild	City:	Stockton
Well Location APN:	08908053		
Well Latitude:		Well Longitude:	
Flood Plain Designation:		Well Elevation:	
Applicant Name:	Lawrence Sambado	Applicant Title:	owner
Applicant Address:	PO Box 461	City:	Linden
Applicant Phone:	209-931-2568	Applicant email:	Lawrences@PV-PF.com
Property Owner Name:	same		
Property Owner Address:		City:	
Property Owner Phone:		Property Owner email:	

PROPOSED WELL INFORMATION			
Well Total Depth (ft):	550'	Acres to be Served by Well:	49
Use of Well:	<input type="checkbox"/> Domestic <input checked="" type="checkbox"/> Irrigation <input type="checkbox"/> Small Public Water Supply <input type="checkbox"/> Municipal Public Water Supply <input type="checkbox"/> Industrial <input type="checkbox"/> Stock <input type="checkbox"/> Other:		
Depth of Corcoran Clay (ft):	na		
Proposed Well Capacity (gal/ft):	100	Estimated Pumping Rate (gal/min):	900
Anticipated Pumping Schedule (gal/day):	648,000	Estimated Annual Extraction Volume (acre-feet):	122.5
		Estimated Cumulative Extraction Volume before January 1, 2020 (acre-feet):	122.5

EXISTING WELLS INFORMATION			
Total Number of Existing Wells on Property: <u>1</u>			
Please complete the information below for every well on property. Use extra paper if needed			
Well #1 Information			
Use of Well:	<input type="checkbox"/> Domestic <input checked="" type="checkbox"/> Irrigation <input type="checkbox"/> Small Public Water Supply <input type="checkbox"/> Municipal Public Water Supply <input type="checkbox"/> Industrial <input type="checkbox"/> Stock <input type="checkbox"/> Other:		
Total Depth (ft):	329	<input checked="" type="checkbox"/> Open Bottom or Screen Interval (ft): To: From: To: From: To: From:	
Casing Diameter (in):	14		
Pumping Rate (gpm):	900		
Annual Extraction Volume (acre-feet):	122.5	<input checked="" type="checkbox"/> Estimated <input type="checkbox"/> Measured	
Specific Capacity (gal/min/ft):	est 50		
Other Pumping Tests Performed:	none	Test Result:	

Well #2 Information			
Use of Well:	<input type="checkbox"/> Domestic <input type="checkbox"/> Irrigation <input type="checkbox"/> Small Public Water Supply <input type="checkbox"/> Municipal Public Water Supply <input type="checkbox"/> Industrial <input type="checkbox"/> Stock <input type="checkbox"/> Other:		
Total Depth (ft):		To:	From:
Casing Diameter (in):	<input type="checkbox"/> Open Bottom or Screen Interval (ft):	To:	From:
Pumping Rate (gpm):		To:	From:
Annual Extraction Volume (acre-feet):	<input type="checkbox"/> Estimated <input type="checkbox"/> Measured		
Specific Capacity (gal/min/ft):			
Other Pumping Tests Performed:	Test Result:		

Well #3 Information			
Use of Well:	<input type="checkbox"/> Domestic <input type="checkbox"/> Irrigation <input type="checkbox"/> Small Public Water Supply <input type="checkbox"/> Municipal Public Water Supply <input type="checkbox"/> Industrial <input type="checkbox"/> Stock <input type="checkbox"/> Other:		
Total Depth (ft):		To:	From:
Casing Diameter (in):	<input type="checkbox"/> Open Bottom or Screen Interval (ft):	To:	From:
Pumping Rate (gpm):		To:	From:
Annual Extraction Volume (acre-feet):	<input type="checkbox"/> Estimated <input type="checkbox"/> Measured		
Specific Capacity (gal/min/ft):			
Other Pumping Tests Performed:	Test Result:		

WATER TABLE INFORMATION

	Depth (ft):	Source of Reference:	Date of Reference:
Current Water Table:	127.0		5/17/23
Highest Water Table:	unknown		
Lowest Water Table:	unknown		
Recharge Area:		Recharge Rate:	

SITING INFORMATION

Distance To Nearest (ft):	Onsite:	Offsite:	Distance To Nearest (ft):	Onsite:	Offsite:
Wastewater Treatment System:	NA	NA	Transmission Lines:	NA	NA
Onsite Well:	150	795'	Pond/Lake:	NA	NA
Sewer Lines:	NA	795'	Stream/River:	NA	2260'
Animal or Fowl Enclosure:	NA	NA			

MAP INFORMATION

A map of the well location must be attached to this form and shall include the following information:

- Legal lot and parcel dimensions.
- All well locations on legal lot and parcel with type and use information shown for each well.
- Distance from proposed well to any potential sources of pollution onsite and on adjacent properties, including:
 - o Existing or proposed onsite sewage treatment systems, wells, animal or fowl enclosures, transmission lines, sewer lines.
 - o Distance from ponds, lakes, and streams within 300 feet.
 - o For wells below Corcoran clay, map must show location of canals, ditches, pipelines, utility corridors, and roads within two miles.

I hereby certify that the information I have provided is accurate and truthful to the extent reasonably known.

Signed: David J. [Signature] Date: 10-30-23

Information Provided By: Well Driller Well/Property Owner Other: _____

<https://www.google.com/maps/@38.0126658,-121.1767882,445m/data=!3m1!1e3>

Google Maps

NA



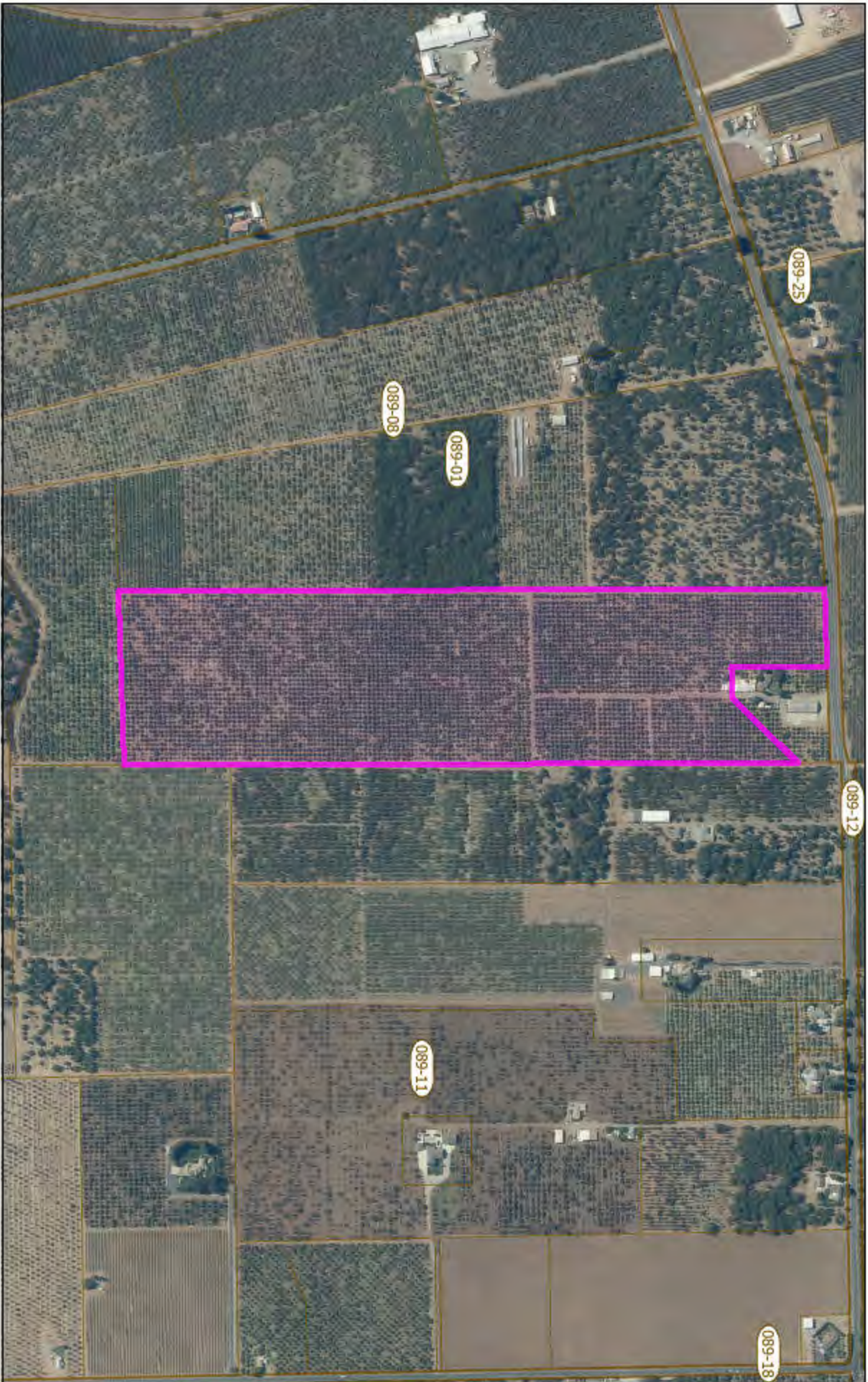
Imagery ©2023 Airbus, CNES / Airbus, Maxar Technologies, U.S. Geological Survey, USDA/FPAC/GEO, Map data ©2023 100 ft

08908053

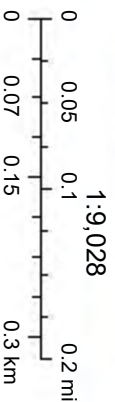
Proposed W2U

150'
EXISTING Well

SJC Parcel Viewer



11/2/2023, 9:18:44 AM



City of Stockton, San Joaquin County GIS/Planning, San Joaquin County Public Works, Bureau of Land Management, Esri, HERE, Garmin, INCREMENT P, Intermap, USGS, METI/NASA, EPA, USDA | SJC GIS | Public Works, Bureau of Land Management, Esri, HERE, Garmin,

Resolution No. 23-24-12

A RESOLUTION OF THE BOARD OF DIRECTORS OF
STOCKTON EAST WATER DISTRICT

AUTHORIZATION TO FILE A GRANT APPLICATION WITH THE
UNITED STATES BUREAU OF RECLAMATION FOR THE WaterSMART Drought
Response Program: Drought Resiliency Projects (Funding No. R24AS00007) FOR FISCAL
YEAR 2024, EXECUTE ANY REQUIRED DOCUMENTS AND PROVIDE DELEGATION
OF AUTHORITY

WHEREAS, the Board of Directors of the Stockton East Water District (District) desires to file a grant application with the United States Bureau of Reclamation for the WaterSMART Drought Response Program: Drought Resiliency Projects (Funding No. R24AS00007) the FY 24-25;

WHEREAS, the District intends to construct the Clements In-Lieu Recharge Pipeline (Project) to improve water management and groundwater recharge efforts;

WHEREAS, the Project budget is estimated at \$1,381,535.64.

WHEREAS, the District will submit a grant application to the United States Bureau of Reclamation for the WaterSMART Drought Response Program: Drought Resiliency Projects (Funding No. R24AS00007) for \$690,767.82 and the District will budget \$690,767.82 for FY 25-26 towards matching funds for the Project;

WHEREAS, the General Manager, Justin M. Hopkins of the District is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, and execute a grant agreement with the United States Bureau of Reclamation; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Stockton East Water District that the grant application be made to the United States Bureau of Reclamation for the WaterSMART Drought Response Program: Drought Resiliency Projects (Funding No. R24AS00007), and to enter into an agreement to receive the grant.

PASSED AND ADOPTED at a regular meeting by the Board of Directors of the Stockton East Water District on the 14th day of November 2023 by the following vote of the members thereof:

AYES:

NAYES:

ABSENT:

ABSTAIN:

Draft

Richard Atkins, President
Board of Directors
Stockton East Water District

ATTEST:

Draft

Justin M. Hopkins, Secretary
Board of Directors
Stockton East Water District



EASTERN SAN JOAQUIN GROUNDWATER AUTHORITY

Board Members:

San Joaquin County
Robert Rickman - Chair

Stockton East Water
District
Mel Panizza (Vice Chair)

California Water Service
Company
Jeremiah Mecham

Central Delta Water
Agency
George Biagi Jr.

Central San Joaquin Water
Conservation District
Grant Thompson

City of Lodi
Alan Nakanishi

City of Manteca
David Breitenbucher

City of Stockton
Dan Wright

Eastside San Joaquin GSA
Gary Tofanelli

Linden County Water
District
Myron Blanton

Lockeford Community
Services District
Mike Henry

North San Joaquin Water
Conservation District
Jason Colombini

Oakdale Irrigation District
Eric Thorburn

South Delta Water Agency
John Herrick

South San Joaquin
Irrigation District
Robert Holmes

Woodbridge Irrigation
District
Keith Bussman

Special Steering Committee Meeting

AGENDA

Wednesday, November 8th, 2023

8:30 a.m. – 10:00 a.m.

**San Joaquin County Robert J. Cabral Agricultural Center
2101 E. Earhart Avenue, Stockton, CA 95206**

- I. **Call to Order/Pledge of Allegiance & Safety Announcement/Roll Call**
- II. **Scheduled Items -**
 - A. Discussion / Action Items:
 1. Approval of the October 11th, 2023, Meeting Minutes - [Page 2](#)
 2. ESJ GWA Financial Report
 3. Presentation and Discussion on the GSP 2025 Update – Scope of Work and Budget Negotiations
 4. Recommendation to Approve a Task Order with Woodard & Curran to Fund Initial GSP 2025 Update Tasks Not to Exceed \$60,000 - [Page 5](#)
- III. **Staff/DWR Reports**
 - A. Staff Reports
 - B. DWR Report
- IV. **Directors' Comments and Project Status Reports**
- V. **Public Comment (items not on the agenda)**
- VI. **Future Agenda Items**
- VII. **Adjournment**

Next Regular Meeting

Wednesday, December 13th, 2023

8:30 a.m. – 10:00 a.m.

San Joaquin County Robert J. Cabral Agricultural Center

Action may be taken on any item

Agendas and Minutes may also be found at <http://www.ESJGroundwater.org>

Note: If you need disability-related modification or accommodation in order to participate in this meeting, please contact San Joaquin County Public Works Water Resources Staff at (209) 468-3089 at least 48 hours prior to the start of the meeting.

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**STOCKTON
EAST WATER
DISTRICT**

PROVIDING SERVICE SINCE 1948
www.sewd.net

DIRECTORS

Richard Atkins
President
Division 1

Andrew Watkins
Division 2

Alvin Cortopassi
Division 3

Melvin Panizza
Division 4

Paul Sanguinetti
Division 5

Loralee McGaughey
Division 6

Thomas McGurk
Vice President
Division 7

STAFF

Justin M. Hopkins
General Manager

Juan M. Vega
Assistant General Manager

LEGAL COUNSEL

Jeanne M. Zolezzi
General Counsel

Phone 209-948-0333
Fax 209-948-0423

E-mail sewd@sewd.net

6767 East Main Street
Stockton, CA 95215

Post Office Box 5157
Stockton, CA 95205

MEETING NOTICE

The Municipal Operations Committee
of the Stockton East Water District
Board of Directors will meet at
12:00 p.m., Thursday, November 9, 2023
at the District Office, 6767 East Main Street, Stockton, CA

Assistance for the Disabled: If you are disabled in any way and need accommodation to participate in the meeting, please contact Administrative Staff at (209) 948-0333 for assistance so the necessary arrangements can be made.

Agendas and minutes are located on our website at www.sewd.net.

AGENDA

1. Roll Call - Chairperson McGurk, Director McGaughey, Director Panizza, Director Atkins (alternate)
2. Public Comment
3. Draft Budget Fiscal Year 2024/2025
4. Community Engagement
5. Director Comments
6. Adjournment

Certification of Posting

I hereby certify that on November 2, 2023 I posted a copy of the foregoing agenda in the outside display case at the District Office, 6767 East Main Street, Stockton, California, and said time being at least 72 hours in advance of the Municipal Operations Committee Meeting (Government Code Section 54954.2). Executed at Stockton, California on November 2, 2023.

Heather Wood, Administrative Assistant
Stockton East Water District

Any materials related to items on this agenda distributed to the Municipal Operations Committee of the Stockton East Water District less than 72 hours before the public meeting are available for public inspection at the District's office located at the following address: 6767 East Main Street, Stockton, CA 95215. Upon request, these materials may be available in an alternative format to persons with disabilities.

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SAN JOAQUIN COUNTY AND DELTA
WATER QUALITY COALITION
STEERING COMMITTEE MEETING

Monday, November 13, 2023
9:00 am to 10:00 am

Zoom Meeting Only

<https://us02web.zoom.us/j/85222562166?pwd=d0ZDWfJNcHN3dngzR0pqUGlBMmR3Zz09>

Meeting ID: 852 2256 2166

Passcode: 742391

Phone: 1-669-900-9128

AGENDA

1. **Call to Order** 9:00am (Michael Wackman)
Roll Call/Introduction of Guests
Acceptance of Agenda
2. **Approval of Minutes**
3. **Financial Report** (Michael Wackman)
 - a. Coalition Financials
4. **Membership** (Ruth Mulrooney)
 - a. Update on Membership
5. **Program Manager's Report** (MLJ-LLC) –
 - a. Program Report
6. **WDR Implementation** (Michael Wackman)
7. **Old Business**
 - a. Delta Regional Monitoring Program
 - b. CV Salts
 - a. Management Zone Implementation
8. **New Business** –
9. **Public Comments** (Limited to 3 minutes per speaker)

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Weekly Water Report	As of: Oct 31, 2023	As of: Nov 14, 2023
New Hogan (NHG) TOC	234,600	AF
Storage:	185,016	AF
Net Storage Change:	-1,382	AF
Inflow:	24	CFS
Release:	100	CFS
New Melones (NML) Allocation	75,000	AF
Storage:	1,889,064*	AF
Net Storage change:	-3,748	AF
Inflow:	517*	CFS
Release:	730*	CFS
Source: CDEC Daily Reports		

Goodwin Diversion (GDW)		
Inflow (Tulloch Dam):	367	CFS
Release to Stanislaus River (S-98):	752	CFS
Release to OID (JT Main):	70	CFS
Release to SSJID (SO Main):	35	CFS
Release to SEWD:	<u>0</u>	CFS
Total Release	857	CFS
Source: Tri-Dam Operations Daily Report		
Farmington Dam (FRM)		
Diverted to SEWD:	0	CFS
Diverted to CSJWCD:	0	CFS

Surface Water Used		
Irrigators on New Hogan:	0	
Irrigators on New Melones:	0	
Out-Of-District Irrigators:	0	
DJWWTP Production:	42	MGD
North Stockton:	12	MGD
South Stockton:	8	MGD
Cal Water:	17	MGD
City of Stockton DWSP Production:	8	MGD

District Ground Water Extraction		
74-01	0	GPM
74-02	0	GPM
North	0	GPM
South	0	GPM
Extraction Well # 1	<u>3,160</u>	GPM
Total Well Water Extraction	3,160	GPM
Total Ground Water Production	0	MGD

Note: *The data reported here is available as of 10/30/23
All other flow data reported here is preliminary, as of 9:00 a.m. on 10/31/23

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Flood-MAR Network Forum Event 2023

11.07.23 – 11.08.23

Flood-MAR in Action

Please join us on November 7-8, 2023 for the **fourth biennial Flood-MAR Public Forum Event** to reflect on five years of using floodwaters for managed aquifer recharge (Flood-MAR), share ideas and considerations to expand and improve Flood-MAR implementation statewide, and be better prepared for future wet years. This year's event will be in-person in Sacramento!

Registration and program information to come.

SAVE THE DATE

- Presentations
- Panel Sessions
- Breakout Discussions
- Networking Happy Hour



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THE GREATER STOCKTON CHAMBER OF COMMERCE

Chamber Mixer



**THURSDAY
NOVEMBER 2, 2023**

5:00PM - 7:00PM

THE RESERVE AT SPANOS PARK
6301 WEST EIGHT MILE ROAD

**JOIN US FOR A FUN EVENING KICKING OFF THE
UPCOMING HOLIDAY SEASON!
NETWORKING, APPETIZERS & WINE TASTING**

MEMBERS: COMPLIMENTARY ADMISSION
NON-MEMBERS: \$25/PERSON ADMISSION



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October 30, 2023

Justin Hopkins
Stockton East Water District
6767 E Main St
Stockton, CA 95215



Dear Justin,



You are truly outstanding! Thank you so very much for your Gold Sponsorship of our 38th Annual San Joaquin County Agricultural Hall of Fame. Your most appreciated generosity endears you to us in a very big way. The event was a huge success in honoring Dr. Marit Arana, Gene Wallom, Marden Wilbur, Eddie Zuckerman, Marc R. Marchini (posthumous), and Chester "Bud" Murphy (posthumous). We are confident your sponsorship provided great visibility for the Stockton East Water District to the wonderful crowd of locals in the Agricultural and Business Industries.



Because of your terrific good will, we're able to channel the evening's proceeds toward our ongoing business retention and development programs, thereby continuing to advocate and foster a healthy business climate.



On behalf of the Chamber and our Board of Directors, thank you, again, for making our evening so special with your generous and thoughtful contribution. If you would like a copy of one of the programs that were at each seat for dinner where you were listed as a sponsor please just let me know and we can put one in the mail.



With warm regards,



Timm Quinn
CEO
Greater Stockton Chamber of Commerce
tquinn@stocktonchamber.org
(209) 292-8423



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**STOCKTON
EAST WATER
DISTRICT**
PROVIDING SERVICE SINCE 1948
www.sewd.net

MEETING NOTICE

The Agricultural Operations Committee
Of the Stockton East Water District
Board of Directors will meet at
12:00 p.m. on Wednesday, November 15, 2023
At the District Office, 6767 East Main Street, Stockton, CA

Assistance for the Disabled: If you are disabled in any way and need accommodation to participate in the meeting, please contact Administrative Staff at (209) 948-0333 for assistance so the necessary arrangements can be made.

Agendas and minutes are located on our website at www.sewd.net.

AGENDA

1. Roll Call - Chairperson Cortopassi, Director Atkins, Director Watkins, Director Sanguinetti (Alternate)
2. Public Comment
3. Potential Transfer Agreement with Rock Creek Water District
4. Preliminary FY2024-2025 Budget
5. Proposed Rule 176 – Securing Right-of-Way for District Interests
6. Proposed Rule 177 – Establishing a Policy for On-Farm Recharge of Surface Water
7. Adjournment

DIRECTORS

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Certification of Posting

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Heather Wood, Administrative Assistant
Stockton East Water District

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**SAN JOAQUIN COUNTY
FLOOD CONTROL AND WATER CONSERVATION DISTRICT
ADVISORY WATER COMMISSION**

**** CANCELLATION NOTICE ****

**THE NOVEMBER 15TH, 2023
ADVISORY WATER COMMISSION
MEETING IS CANCELLED**

Please Note:

The Next AWC Meeting

Is scheduled for **DECEMBER 20TH, 2023**, beginning at
1:00 p.m.

Location

**San Joaquin County Robert J. Cabral Agricultural Center
2101 E. Earhart Avenue, Stockton, CA 95206**

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