

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, MARCH 19, 2024 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, McGurk, Nakaue, Panizza, Sanguinetti and Watkins. Also present were Manager Hopkins, Assistant Manager Vega, District Engineer Evensen, Finance Director Ram, Administrative Assistant Wood and Legal Counsel Zolezzi. Director Cortopassi was absent.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 03/12/24 Regular Meeting

A motion was moved and seconded to approve the March 12, 2024 Minutes, as presented.

Roll Call:

Ayes: Atkins, McGurk, Nakaue, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: Cortopassi

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the March 19, 2024 Warrants, as presented.

Roll Call:

Ayes: Atkins, McGurk, Nakaue, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: Cortopassi

3. Stockton East Water District – 2024 Chemical Bid Results and Award Memo

Manager Hopkins provided information on the 2024 Chemical Bid Results and Award Memo. Manager Hopkins reported the District recently released a request for bid for the annual chemical supply contracts.

Assistant Manager Vega reported the bids were opened on March 1, 2024 and the results are displayed on Table 1 on page 8. The table includes the lowest bidder highlighted along with the second lowest bidders. Assistant Manager Vega added there was a price decrease for the 5% acidified alum, caustic soda and sodium hypochlorite. Staff has discussed the concern of potential supply chain issues with Jones Chemical Co. supplying sodium hypochlorite as the chemical’s point of origin is in Torrance.

Director McGurk inquired if there is a concern the sodium hypochlorite may deteriorate over the time it takes for the chemical to arrive to the water treatment plant. Assistant Manager Vega replied there is a curve of deterioration however it should be negligible. Director Sanguinetti inquired if the company provides documentation on the quality of the chemical. Manager Hopkins replied chemical vendors are required to provide a laboratory certificate of the quality of the chemical for each shipment. Director Nakaue inquired if there are other local companies that contract with Jones Chemical Co. as a chemical vendor. Assistant Manager Vega replied yes, the District has used Jones Chemical Co. in the past and they have been shown to be a reliable company.

A motion was moved and seconded to approve the 2024 Chemical Bids to the lowest bidders as presented: Chemtrade Solutions, LLC in the amount of \$565/per dry ton for 5% acidified alum; Univar USA in the amount of \$887.00/dry ton for caustic soda; USALCO in the amount of \$856/liquid ton for PACl; NorthStar Chemical in the amount of \$1,080.99/liquid ton for ACH/P; Jones Chemical Co. in the amount of \$2.000/gal for 12.5% sodium hypochlorite, and authorize the General Manager to approve emergency orders from another responsible bidder on the list at the lowest possible price, as presented.

Roll Call:

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

4. Stockton East Water District – Rule 176 – Securing Right-of-Way for District Interests

a. Public Hearing

President Atkins opened the Public Hearing at 12:41 p.m., to receive comments on Rule 176 - Securing Right-of-Way for District Interests.

Manager Hopkins provided proof of publication of the public hearing.

Seeing no public comment, President Atkins closed the Public Hearing at 12:41 p.m.

b. Rule No. 176

Manager Hopkins provided the Board with Rule 176. Manager Hopkins reported the Board had previously been presented the draft of proposed Rule 176 on March 5, 2024 and requested the Board submit any suggested edits to him. Manager Hopkins reported he received no edits.

A motion was moved and seconded to adopt Rule 176 – Securing Right-of-Way for District Interests, as presented.

Roll Call:

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

5. Stockton East Water District – Rule 177 – Establishing A Policy for On-Farm Recharge of Surface Water

a. Public Hearing

President Atkins opened the Public Hearing at 12:44 p.m., to receive comments on Rule 176 - Securing Right-of-Way for District Interests.

Manager Hopkins provided proof of publication of the public hearing.

Seeing no public comment, President Atkins closed the Public Hearing at 12:44 p.m.

b. Rule No. 177

Manager Hopkins provided the Board with Rule 177. Manager Hopkins reported the Board had previously been presented the draft of proposed Rule 177 on March 5, 2024 and requested the Board submit any suggested edits to him. Manager Hopkins reported he received no edits. Director McGurk inquired if the 4th paragraph on page 15 should include the word “beneficial” after the word maximize to read “maximize beneficial use of those water rights”. Legal Counsel Zolezzi replied it is not necessary.

A motion was moved and seconded to adopt Rule 177 – Establishing A Policy for On-Farm Recharge of Surface Water, as presented.

Roll Call:

Ayes: Atkins, McGurk, Nakaue, Panizza, Sanguinetti, Watkins

Nayes: None

Abstain: None

Absent: Cortopassi

6. Stockton East Water District – Support of H.R. 7525 Memo

a. Cosponsor Request – HR 7525 Special District Grant Accessibility Act Letter

Manager Hopkins reported the California Special District Association (CSDA) is soliciting support for HR 7525 – The Special District Grant Accessibility Act which will codify into Federal law, the formal definition of “special district”. This bill would require Federal agencies to recognize special districts as local government for the purpose of financial assistance.

A motion was moved and seconded to support HR 7525, authorize the Board President to approve a letter of support, and direct staff to engage on behalf of the District to express such support, as presented.

Roll Call:

Ayes: Atkins, McGurk, Nakaue, Panizza, Sanguinetti, Watkins

Nayes: None

Abstain: None

Absent: Cortopassi

E. COMMITTEE REPORTS

1. Eastern San Joaquin Groundwater Authority Steering Committee Meeting, 03/13/24

Director Watkins and Manager Hopkins attended the Eastern San Joaquin Groundwater Authority Steering Meeting on March 13th. Manager Hopkins reported the committee discussed the Stakeholder Engagement and Outreach Plan, and the Draft Well Mitigation Program. The committee recommended approval of; an amendment to the Land Use Agreement A-22-375, a Memorandum of Understanding (MOU) with San Joaquin County (SJC) to Receive American Rescue Plan Act Funding for Monitoring Network Enhancements, and to submit the 2023 Annual Report to the Department of Water Resources (DWR).

2. Eastern San Joaquin Groundwater Authority Board Meeting, 03/13/24

Director Panizza and Manager Hopkins attended the Eastern San Joaquin Groundwater Authority Board Meeting on March 13th. Director Panizza reported the committee approved to; authorize the Groundwater Authority (GWA) to amend the terms of Agreement for temporary staff services

Board Meeting – 03/19/24

Draft Approved

provided by South San Joaquin Irrigation (SSJID) to Eastern San Joaquin Groundwater Authority (ESJGWA), amend the Land Use Agreement A-22-375 License to use Land for Groundwater Monitoring Stations with San Joaquin County (SJC) for the Westgate Landing Monitoring Well, and approval of Memorandum of Understanding (MOU) with San Joaquin County (SJC) to Receive American Rescue Plan Act Funding for Monitoring Network Enhancements. Manager Hopkins reported the Department of Water Resources (DWR) is tightening parameters for groundwater sustainability agencies (GSAs) by providing comments on the Annual Reports and finding the Modesto Subbasin Groundwater Sustainability Plan to be incomplete.

3. Agriculture Operations Committee Meeting, 03/15/24

Directors Atkins, Cortopassi, Sanguinetti, Watkins, Manager Hopkins and Assistant Manager Vega attended the Agriculture Operations Committee Meeting on March 15th. President Atkins reported the committee discussed proposed water rates for fiscal year 2024-2025. The proposed water rates will be presented to the Board on April 2nd. Director Watkins reported the committee discussed an update to Rule 109 – Water Rights Claims as several discrepancies have been identified relating to the historical application of the Rule 109 entitlements. Rule 109 will be brought back to the Agriculture Operations Committee for further review. The committee discussed updates to Rule 159 and Policy No. 3085 – Establishing Program and Incentives for Encouraging the Use of Surface Water as there have been little success with the program.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 03/12/24

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 215,498 AF in storage at New Hogan Reservoir. Current releases are set at 103 cfs. There is 2,003,116 AF in storage at New Melones Reservoir. Current releases are set at 1,780 cfs. Current release at Goodwin Dam to Stanislaus River is set at 1,504 cfs and release to all water users is set at 2,227 cfs. The district water treatment plant (WTP) is currently processing 22 mgd. North Stockton is currently utilizing 5 mgd. South Stockton is currently utilizing 5 mgd. Cal Water is currently utilizing 7 mgd. The City of Stockton WTP is currently processing 11 mgd.

2. Information Items:

a. Manager Hopkins noted item: F-2a

3. Report on General Manager Activities

a. CVP Water Association – Executive and Financial Affairs Committee Meeting, 03/15/24
Finance Director Ram reported this meeting was cancelled.

b. Stockton East Water District Activities Update

Manager Hopkins reported the Lower Farmington Canal (LFC) repairs have been completed. Staff is coordinating with U.S. Army Corps of Engineer (USACE) to return control of New Hogan Dam to the District at which time water from New Melones will be released.

Manager Hopkins reported he attended a CSDA chapter meeting on March 15th. J.D. Hightower, the Executive Officer with LAFCO provided a presentation regarding special districts having a tax sharing agreement executed with the County and expressed the importance of updating the District's Municipal Service Review (MSR) every five years. CSDA discussed AB 3219 which proposes to amend the Advance Clean Fleet legislation to include an exemption for local agencies when purchasing internal combustion vehicles. The bill is not expected to move

through legislation. Manager Hopkins reported South San Joaquin Irrigation District (SSJID) reported they have proposed legislation to establish a sphere-of-influence and boundaries for Tri-Dam.

Manager Hopkins reported District Staff have started contacting customers to seek interest for out-of-district temporary water transfer agreements. The Board had no objections to providing out-of-district service.

Manager Hopkins reported he met with SAWS Staff, Sue Daugherty and video producer, Andrew Blankenship to discuss a series of videos on Stockton East Water District as part of public outreach efforts described in the Strategic Plan. The initial idea is to create different videos covering topics such as groundwater, surface water and fish passage improvement. Director McGurk inquired who the intended audience was. Manager Hopkins replied it would be the District constituents. Director McGurk inquired what the cost would be to create the videos. Manager Hopkins replied it would cost \$15,000 for four videos. The Board will be presented with the first video before proceeding with the subsequent videos. President Atkins inquired how these videos would be presented to the public. Manager Hopkins replied the videos would be promoted via the District's website, newsletter, and potentially through a banner at the Cherry Festival parade.

4. Stockton East Water District Engineering Update

District Engineer Evensen provided the Board with a presentation on the District's projects which include the Sodium Hypochlorite Project, the Low Lift Pump Station P1 Pump Upgrade and Gate Replacements, the P29 Variable Frequency Drive (VFD), installation of Chemical System Switches, Levels and Gauges for SCADA connection, installation of another Automatic Transfer Switch in the High Service Pump Station, the Air Conditioning Units in the High Service Pump Station, the Well Pump and Motor Installation on Extraction Well #2, the Lower Farmington Canal Rehabilitation Project, the McGurk Low-Water Crossing Project, gate replacement on the Old Calaveras River Headworks, house demolition at the Bellota Weir site, and the Peters Pipeline Assessment provided as part of the District's Water Treatment Plant Master Plan. District Engineer Evensen provided an update on the design and permitting process for projects which include the Aquifer Storage Recovery Well, Solids Dewatering Lagoon, Water Supply Master Plan and CIP, Water Treatment Plant Master Plan and CIP, George Watkins Low-Water Crossing, Eight Mile Dam and McGurk Low-Water Crossing.

Director Watkins inquired when the electrical equipment will be installed at the new extraction well. District Engineer Evensen replied the equipment is expected to be delivered by the end of the month.

Director Panizza commented the presentation was well put together.

G. DIRECTOR REPORTS

1. Morada Producers Luncheon, 03/13/24

Directors Atkins, Watkins and Sanguinetti attended the Morada Producers Luncheon on March 13th. Director Watkins reported information regarding the cherry market was presented at the luncheon.

2. F&M Bank Annual BBQ, 03/14/24

Directors Atkins, Cortopassi, Sanguinetti and Watkins attended the F&M Bank Annual BBQ on March 14th. President Atkins reported there was little discussion at the event however it was well attended. Mayor Lincoln and District Attorney Freitas were in attendance.

H. COMMUNICATIONS

1. Greater Stockton Chamber of Commerce Seeks Applications for Upcoming Board of Directors Vacancies, 03/11/24
Manager Hopkins provided the Board with an email from the Greater Stockton Chamber of Commerce soliciting applicants for their Board of Directors vacancies. Interested Directors should notify Manager Hopkins.

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 1:00 p.m., 03/20/24
2. U.S. Bureau of Reclamation – Award Ceremony Celebrating Ernest Conant, 11:00 a.m., 03/21/24
3. ACWA State Legislative Committee Meeting, 10:00 a.m., 03/22/24

Director Watkins reported a San Joaquin County Town Hall meeting is scheduled to be held at the Linden-Peters Fire Department on March 26th at 6:00 p.m.

J. REPORT OF THE COUNSEL


1. CONFERENCE WITH LEGAL COUNSEL: REAL PROPERTY GOVERNMENT CODE SECTION 54956.9 – Property: Water Rights, Agency Negotiator: Justin M. Hopkins, Negotiating Parties: Rock Creek Water District, Under Negotiation: Water Transfer
2. CONFERENCE WITH LEGAL COUNSEL – Real Property, Negotiations Government Code 54956.8, Property: 28200 East Funck Road, Farmington, CA, Agency Negotiator: Justin Hopkins, Negotiating Parties: Wayne McCurley, Under Negotiation: Price and Terms of Payment
3. 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 1:28 p.m. The regular meeting reconvened at 2:02 p.m., with no reportable action.

K. ADJOURNMENT

President Atkins adjourned the meeting at 2:03 p.m.

Respectfully submitted,


Justin M. Hopkins

Secretary of the Board

hmw

