

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, AUGUST 13, 2019 AT 12:00 NOON

**A. PLEDGE OF ALLEGIANCE AND ROLL CALL**

President Panizza called the regular meeting to order at 12:24 p.m., and Administrative Assistant Curtis led the Pledge of Allegiance.

Present at roll call were Directors Atkins, Cortopassi, McGaughey, McGurk, Panizza, Sanguinetti and Watkins. Also present were Manager Moody, Assistant Manager Lee, Finance Director Vega, Administrative Services Manager Carido, Administrative Assistant Curtis and Legal Counsel Harrigfeld.

**B. CONSENT CALENDAR (None)**

**C. PUBLIC COMMENT**

Shannon ~~DingDean~~, ~~Regional Community Affairs Specialist~~~~Vice President of Corporate Communications and Community Affairs~~ for Cal Water provided the Board with a handout regarding an update on the Coalition for Fire Protection and Accountability.

Ms. ~~DingDean~~ reported there is a group of water providers who are advocating for a reform of inverse condemnation throughout the state. They are advocating for the legislature and Governor's Office to take action to change the standard language from strict liability to fault-based liability. Currently, if a fire damages water infrastructure and the water provider is unable to provide water to customers, resulting in damages to their homes and business, the water providers is held strictly liable.

Ms. ~~DingDean~~ provided the Board an example of this inverse condemnation, as Yorba Linda Water District was damaged by a fire and was unable to provide water to fight fires for homes in the area. This resulted in 12 neighborhood homes being burned. Under the current language, the District is held liable and is being sued for \$69 million. The standard applies to all water providers, private, special districts and municipalities.

Ms. ~~DingDean~~ reported the California Committee on Wildfire issued draft recommendations for ~~the legislature water agencies~~ to consider. Ms. ~~DingDean~~ provided the Board with a list of Coalition partners who are in support of this change.

Manager Moody requested Ms. ~~DingDean~~ send this document electronically and he can bring it back to the Board at the next Regular Board Meeting.

**D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS**

1. Minutes 08/06/19 Regular Meeting

A motion was moved and seconded to approve the August 6, 2019 Regular Meeting Minutes, as presented.

Roll Call:

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

Nayes: None  
Abstain: None  
Absent: None

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the August 13, 2019 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

3. Stockton East Water District – Addendum to the Agreement for the Granular Activated Carbon (GAC) Replacement Memo

Manager Moody provided the Board with a memo regarding an addendum to the agreement for the Granular Activated Carbon (GAC) replacement. GAC is required by regulatory compliance in the filters at the Water Treatment Plant to reduce Total Organic Carbon (TOC), decrease chlorine demand for disinfection and control Total Trihalomethanes (TTHMs).

Manager Moody reported staff expects to regenerate the carbon with an estimated 20% virgin make-up carbon. During the third year of the contract, Calgon Carbon used ~40% make-up virgin carbon, causing a price increase. Calgon Carbon and staff adjusted the backwash process for carbon removal and improved those results. The District saved \$350,949 in the combined third and fourth year.

Manager Moody reported staff is recommending to extend the contract with Calgon Carbon for an additional 6-years. Manager Moody reported the projected savings for carbon regeneration compared to virgin carbon is ~\$141,000 per year for a total savings of ~\$846,000 over the next six years. Pricing beyond the 5<sup>th</sup> year will be adjusted for a PPI at a max of 10%.

Director McGurk inquired how the percentage difference is measured over the years to see how much is being regenerated. Assistant Manager Lee replied Calgon Carbon measures by pounds. They pick-up spent carbon in super-sacks from the District and after the carbon has been regenerated, they load them back and they measure the difference from how much was removed from the District to how much they are re-supplying.

Director Cortopassi inquired if the District previously was purchasing virgin carbon. Manager Moody replied yes.

Director Atkins inquired if virgin carbon is always added back into what is supplied to the District. Manager Moody replied yes, it is making up for the loss.

Director McGurk inquired if staff is satisfied with Calgon Carbon. Manager Mood replied yes, filtration is better than before this process began.

A motion was moved and seconded to approve staff to extending the Granular Activated Carbon (GAC) Contract with Calgon Carbon for an additional six (6) years, at an estimated annual amount of \$322,824; with pricing beyond year five being adjusted for PPI at a maximum of 10% and additional virgin GAC being billed at \$0.94 per pound, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

4. Dr. Joe Waidhofer Drinking Water Treatment Plant – August 6, 2019 Generator Incident  
Manager Moody provided the Board with information on the on the August 6, 2019 generator incident at the Water Treatment Plant. Manager Moody reported at about 4:30 p.m. last Tuesday, the power shut down and the chlorine alarm sounded. Staff evacuated the buildings until the Water Treatment Plant Operators confirmed it was not a chlorine leak.

Manager Moody reported one of the generators did not engage, which caused the power to remain off until PG&E turned it back on ~20-30 minutes later. Director Watkins added PG&E customers had received alerts that the power would be shut down because of a wind event. Manager Moody replied staff will research how to be included in advisory messaging.

Manager Moody reported a representative from Cummins, Inc. came onsite and tried to diagnose why the generator did not switch on, however, he was unsuccessful replicating the issue. Staff is slowly working through all communication issues and links to isolate the problem and determine what caused this failure.

Director Atkins inquired if the solar would be able to power the Treatment Plant if the generator failed again. Manager Moody replied staff will research this inquiry and bring back to the Board. This item was for information only.

5. Association of California Water Agencies Nominating Committee – Region 4 Election (2020-2021 Term), 08/01/19

Manager Moody provided the Board with information on the Association of California Water Agencies (ACWA) – Region 4 Board Ballot for the 2020/2021 Term. Manager Moody inquired if the Board would like to vote for the Nominating Committee’s recommended slate or individual Board Candidates.

Director Watkins recommended casting the ballot for ACWA’s recommended Chair and Vice Chair and Thomas McGurk as the Region 4 Board Member.

Legal Counsel Harrigfeld inquired if the District needs to take any action on the rules and regulations. Manager Moody replied no.

A motion was moved and seconded to approve the Region 4 Chair Mark Emmerson; Vice Chair John Mensinger and Board Member Thomas McGurk as presented for the ACWA Region 4 Board of Directors for the 2020/2021 Term.

Roll Call:

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

Nayes: None  
Abstain: None  
Absent: None

6. Stockton East Water District – Benefit/Salary/Insurance Study Proposals Memo  
Manager Moody provided the Board with a memo on Benefit/Salary/Insurance Study Proposals. Manager Moody reported every 3-years, in accordance with the District’s Memorandum of Understanding; staff completed a salary survey to present to the Board.

Previously, the Board has requested staff complete a benefits comparison in addition to the salary survey. Staff reached out to three companies for quotes, with one, Ralph Anderson & Associates not responding.

Manager Moody reported he was initially concerned given the difference between the amounts provided by Bryce Consulting and CPS HR Consulting; however, upon further review and contacting all references for Bryce Consulting, staff received glowing remarks. It is believed their cost may be lower because they have completed so many comparisons they may already have the data on file to use.

Manager Moody reported, like the auditing process, the Auditor works for the Board. Manager Moody suggested that the consultant selected by the Board present their findings to an Ad Hoc Committee then to the full Board after the Committee provides input and recommendations.

President Panizza requested Directors Atkins, Sanguinetti and Watkins to form and participate on the Ad Hoc Committee. Further, President Panizza nominated Vice President Watkins as the Chair of the Committee.

A motion was moved and seconded to form an Ad Hoc Committee consisting of Directors Atkins, Sanguinetti and Watkins and approval to procure the services of Bryce Consulting for a Benefit and Salary Comparison in an amount not to exceed \$10,400, as presented.

Roll Call:

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

**E. COMMITTEE REPORTS**

1. Association of California Water Agencies Agriculture Committee Meeting, 08/07/19  
Directors Atkins, Sanguinetti and Watkins and Manager Moody attended the August 7, 2019 Association of California Water Agencies Agriculture Committee Meeting. Director Sanguinetti reported there was discussion on the ACWA Committee Appointment process for the 2020/21 term. The Committee reviewed the San Joaquin Valley Blueprint and how SGMA will be addressed in Southern California. Manager Moody reported there was discussion on a change in acreage amounts with SGMA, causing some in the south to go from 3.5 AF per acre to 0.5 AF per acre. Director Atkins reported there was discussion on having to fallow ~1,000,000 acres because of SGMA. Manager Moody reported there was discussion on the Friant-Kern Canal and the Tunnel Project. Director Sanguinetti reported an update was

provided on the Safe and Affordable Drinking Water Fund and discussion on SB 1 (Atkins) – California Environmental, Public Health and Workers Defense Act of 2019. Director Atkins reported it is estimated there are 26 Ag water suppliers and 17 are considered to be in critical overdraft groundwater basins. Manager Moody reported there was discussion on how many agencies do not file an Ag Water Management Plan and cities do not file an Urban Water Management Plan. Director Sanguinetti reported there was a discussion on CV Salts and they want to lower requirements. The next meeting is scheduled for December 3, 2019.

2. Association of California Water Agencies Energy Committee Meeting, 08/09/19  
Director Sanguinetti did not attend the August 9, 2019 Association of California Water Agencies Energy Committee Meeting. The next meeting is scheduled for December 3, 2019.
3. San Joaquin County & Delta Water Quality Coalition Meeting, 08/12/19  
Director Atkins attended the August 12, 2019 San Joaquin County & Delta Water Quality Coalition Meeting. Director Atkins reported only 80% of Coalition members have paid their dues. Penalty for those that do not pay is estimated at \$1/AF. Director Atkins reported pyrethroid was found in French Camp Slough during testing in May and June with hits at Robert’s Island and Mokelumne River. Additional testing will need to be done at these locations, which may results in an additional \$30,000 per year for testing fees. There were a couple grower meetings held however, there was not a good turnout at either. The next meeting is scheduled for September 9, 2019.

## **F. REPORT OF GENERAL MANAGER**

1. Water Supply Report as of 08/12/19  
Manager Moody provided a handout of the Water Supply Report for information only that included storage, release, and production data collected from various sources as of midnight last night.

There is 170,811 AF in storage at New Hogan Reservoir. Current releases are set at 295 cfs. There is 2,094,040 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 1,689 cfs and release to all water users are set at 3,255 cfs. There are 15 irrigator(s) on New Hogan, 3 irrigator(s) on New Melones and 3 irrigator(s) Out-of-District. The water treatment plant is currently processing 37 mgd. The City of Stockton is currently processing 27 mgd.

2. Information Items:  
Manager Moody noted items: F2a-1, F2a-2, F2a-3 and F2a-4.
3. Report on General Manager Activities
  - a. Stockton East Water District Activities Update  
Manager Moody reported staff received results on the raw water sampling for taste and odor and they measured at 7.0 parts-per-trillion (PPT) at the Raw Water Intake and 4.29 PPT at the Finished Water Reservoir. Generally, 20 PPT is when taste and odor is noticeable in water and the District is far below that level. Manager Moody reported Assistant Manager Lee forwarded these results to the State.

Manager Moody reported Woodbridge Irrigation District voted to return to being a GSA at their Board Meeting last week.

Legal Counsel Harrigfeld reported the Habitat Conservation Plan (HCP) and the environmental document analyzing the HCP was submitted to National Marine Fisheries Services (NMFS). This is a monumental feat. NMFS is excited and are ready to get the HCP published. Legal Counsel Harrigfeld is working with FishBIO and NMFS to determine a rollout plan and will bring the information back to the Board for feedback. Legal Counsel Harrigfeld reported once the HCP is published, the group will hold a public meeting. It is not required, but because it is such an important document, it would be good to provide a presentation and give people the opportunity to comment. Once a federal register notice has been completed, there will be a public comment period for 45-days, during this time a public meeting will be held. Once the 45-days ends, the group can choose whether they respond to comments formally. From there, NMFS will write a Biological Opinion approving the HCP and authorizing the incidental take permit, which will allow legally taking steelhead on the Calaveras. Legal Counsel Harrigfeld reported NMFS is supportive of the HCP.

**G. DIRECTOR REPORTS** (None)

**H. COMMUNICATIONS** (None)

**I. AGENDA PLANNING/UPCOMING EVENTS**

1. Groundwater Sustainability Plan Advisory Committee (PAC) Meeting, 9:00 a.m., 08/14/19
2. **Cancelled** – Eastern San Joaquin Groundwater Authority Joint Exercise of Power Authority Meeting, 11:00 a.m., 08/14/19
3. Eastern San Joaquin Groundwater Authority Workgroup Meeting (SGMA Outreach Meeting), 4:00 p.m., 08/14/19
4. Greater Stockton Chamber of Commerce Annual Summer Diversity Mixer – Port of Stockton’s Robert Lindley House, 5:15 p.m., 08/15/19
5. Tour of Central San Joaquin Water Conservation District (CSJWCD), 9:00 a.m., 08/16/19
6. Central Valley Project Water Association – Executive & Financial Affairs Committee, 10:00 a.m., 08/16/19

**J. REPORT OF THE COUNSEL**

1. Closed Session - Potential Litigation  
Government Code 54956.9 (c) – one case
2. Closed Session - Personnel  
Government Code 54957

President Panizza adjourned the meeting to closed session at 1:22 p.m. to discuss closed session agenda items. District staff, with the exception to Manager Moody, were excused from the closed session meeting at 1:23 p.m. The regular meeting reconvened at 1:54 p.m., with no reportable action.

**K. ADJOURNMENT**

President Panizza adjourned the meeting at 1:55 p.m.

Respectfully submitted,



Scot A. Moody  
Secretary of the Board

tbc

