

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, NOVEMBER 26, 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 Director Cortopassi 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 (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 11/19/19 Regular Meeting

Manager Moody made the following correction to the minutes:

- Page 2, section D-4, 4th paragraph, 1st sentence – add “plus a 10% contingency of \$852 for a total not to exceed \$9,372”.

A motion was moved and seconded to approve the November 19, 2019 Regular Meeting Minutes, as amended.

Roll Call:

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

Nayes: None

Abstain: None

Absent: None

2. Warrants

- a. Fund 56 – Construction Fund
- b. Fund 68 – Municipal & Industrial Groundwater Fund
- c. Fund 70 – Administration Fund
- d. Fund 71 – Water Supply Fund
- e. Fund 91 – Vehicle Fund
- f. Fund 94 – Municipal & Industrial Fund
- g. Payroll
- h. Summary
- i. Short Names/Acronym List
- j. SEWD Vehicles & Heavy Equipment

Director Cortopassi inquired on the expense on page 11, line items 10-21 for the California Department of Tax & Fee Administration for Water Rights Application Fees in an amount totaling \$185,705.21. Some of these fees do not directly reflect what the Board is doing about

unimpaired flows and it seems counterintuitive to charge the District for water rights then claim the water belongs to the State.

Director Atkins inquired on the expense on page 12, line item 66 for Wienhoff & Associates, Inc. for post-accident drug test on 10/21/19 in the amount of \$140.00. Manager Moody replied that a District employee rear-ended a citizen and the District's policy requires the employee to undergo a post-accident drug test after any vehicular accident or incident. The employee involved in the accident is a Department of Transportation Class A driver, which makes it mandatory to be drug tested after an accident.

Director Atkins inquired on the expense on page 13, line item 19 for Holt of CA for rental of excavator for CCTR Fish Passage Project 285 in the amount of \$5,321.03 inquiring if it would be better to purchase an excavator instead of renting this equipment. Manager Moody replied there will be future discussion on what equipment makes sense for the District to purchase for use.

Director Atkins inquired on the expense on page 15, line item 1 for Autozone Stores Inc. for DEF for general use in the amount of \$53.88 for the shelf life of this item. Manager Moody replied he believes the District's dump truck (Unit #26) uses this material regularly and staff is aware of the shelf life.

A motion was moved and seconded to approve the November 26, 2019 Warrants, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

3. Warrants – California Public Employees' Retirement System

A motion was moved and seconded to approve the November 26, 2019 Warrants – California Public Employees' Retirement System, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

4. Stockton East Water District – 2019 Total Compensation Study Presentation by Bryce Consulting

Manager Moody reported the Board recommended staff obtain a third party to complete a compensation study and compare all benefits. Shellie Anderson, Bryce Consulting provided the Board with a presentation on the 2019 Total Compensation Study. Ms. Anderson explained that she collected salary and benefit information, along with organizational charts and job descriptions to confirm comparability of classes.

Ms. Anderson reported to obtain a fair labor market, there were agencies of both larger and smaller sizes surveyed. Surveying a multitude of agencies allows better research in determining whom the District would be competing with for talent.

Ms. Anderson reported she provided all information to the Ad Hoc Committee who made the recommendation that the Board review salary recommendations set at total cash of the expanded labor market.

The Board thanked Ms. Anderson for her presentation.

5. Stockton East Water District – Letter of Nomination for San Joaquin County Flood Control and Water Conservation District Advisory Water Commission, (Term 2020-2024)
Manager Moody provided the Board with the San Joaquin County Application for Appointment to Boards/Commissions/Committees. The Board suggested appointing Director Thomas McGurk (Representative) and Paul Sanguinetti (Alternate Representative) to the San Joaquin County Flood Control & Water Conservation District Advisory Water Commission.

A motion was moved and seconded to nominate Directors McGurk (Representative) and Sanguinetti (Alternate Representative) to continue serving on the San Joaquin County Flood Control and Water Conservation District Advisory Water Commission.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

6. United States Bureau of Reclamation 1306/A018812 New Hogan Contract Bill – Water Rights Fees
Manager Moody provided the Board with information on the New Hogan Contract Bill for United States Bureau of Reclamation (USBR) 1306/A018812. Manager Moody reported at the November 19, 2019 Regular Board Meeting the Board approved paying the Water Rights Fees and questioned if the New Hogan Contract bill was just the District’s portion or also included Calaveras County Water District.

Manager Moody reported that the research staff has conducted seems to point at this cost being solely the District’s share.

Director Watkins inquired if staff will continue to research this until they find conclusive information. Manager Moody replied yes.

E. COMMITTEE REPORTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 11/20/19
Director McGurk attended the November 20, 2019 San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting. Director McGurk reported the spring 2018 Groundwater Report was presented by Matt Zidar and Mike Callahan of the County. There was a discussion that a consultant will be hired to complete the fall 2018 and spring 2019 reports. Mr. Zidar suggested adding stream flow data in future reports and instrumentation as an alternate to physically measuring. Director McGurk reported the Commission recommended moving forward with the Canal and Levee Maintenance (CALM) Assessment. Director McGurk reported that there was a handout distributed to the attendees that displayed data highlighting the difference in this area when surface water is used versus using groundwater. The San Joaquin

Area Flood Control Agency (SJAFCA) provided updates on the Smith Canal and Lower San Joaquin Flood Risk Response Project – Phase 1. There was discussion on the 16 GSAs that have voted to adopt the GSP. There was an update provided on the IRWM Project. \$31 million was allocated for projects to the San Joaquin County. The next meeting is scheduled for December 18, 2019.

2. Eastern San Joaquin Groundwater Authority Ad Hoc Meeting, 11/25/19
Director Watkins attended the November 25, 2019 Eastern San Joaquin Groundwater Authority Ad Hoc Meeting. Director Watkins reported this meeting was to review the cost allocation methodology and discussion regional implementation approaches. There was discussion on the 6-month budget that the JPA Board recommended. The Committee decided on a budget of \$382,500 for that period. Director Watkins reported there was a lengthy discussion on methodology of the cost allocation. The Committee decided on the interim allocation with a 50/50 even split with the eastside adjusted. In addition, small agencies will not be paying only a flat fee. The Committee agreed to move their recommendation for the JPA Board. There was a discussion on whether to hire a position or leave the County in control of the GSP. The consensus was to use County resources through the next 6-months and re-evaluate at that time. Manager Moody reported Supervisor Winn, discussed at the San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting potential ways of funding projects in the County, to include a recommendation of a County wide sales tax for flood control and other items. Director Watkins inquired if the sales tax is something the Board needs to formally review. Director McGurk mentioned this is something the Board can discuss at the December 17th Regular Board Meeting, prior to the next Flood Control Meeting.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 11/25/19
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 144,904 AF in storage at New Hogan Reservoir. Current releases are set at 48 cfs. There is 1,970,000 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 500 cfs and release to all water users are set at 541 cfs. There are 0 irrigator(s) on New Hogan, 0 irrigator(s) on New Melones and 0 Out-of-District irrigator(s). The water treatment plant is currently processing 26 mgd. The City of Stockton is currently processing 19 mgd.

2. Information Items:
Manager Moody noted items: F2a-1 and F2a-2.
3. Report on General Manager Activities
 - a. Stockton Area Water Suppliers (SAWS) Meeting, 11/25/19
This meeting has been postponed until next year.
 - b. Greater San Joaquin County Regional Water Coordinating Committee Meeting, 11/20/19
Manager Moody attended the November 20, 2019 Greater San Joaquin County Regional Water Coordinating Committee Meeting. Manager Moody reported as it currently stands, he is Chair of this Committee and John Holbrook is Vice Chair. There was discussion on updating the IRWMP and there is \$31 million available in this funding round. There was

discussion of the group trying to understand how it will pay for things; how to define a disadvantaged community; how to create projects for submission for grants that can compete with other IRWM groups and how to recruit non-government organizations to be part of this group, as they will directly affect disadvantaged communities. The next meeting is scheduled for December 18, 2019.

- c. Central Valley Project Improvement Act True-Up Contractor Meeting, 11/21/19
Finance Director Vega attended the November 21, 2019 Central Valley Project Improvement Act True-Up Contractor Meeting. Finance Director Vega reported in 2017 the USBR setup meetings to advise power and water contractors what their standings are for the CVPIA Act of 1992. In 2017, water contractors were told they had an obligation of \$146 million and power contractors had a credit of \$92 million. Finance Director Vega reported new figures were provided based on feedback from contractors and legal opinions. The results showed water contractors would now have a credit for \$32 million and power contractor's credit would reduce to \$34 million. Finance Director Vega reported there was discussion on state funds that had previously been used to calculate numbers; applied payments when available with no interest charged; spread obligation among other CVP uses like recreation, not just power and water and the CVP Cost Allocation methodology. The next meeting is scheduled for December 16, 2019.
- d. Stockton East Water District Activities Update

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

- 1. Postponed – San Joaquin Farm Bureau Federation – Water Committee Meeting, 5:30 p.m., 11/26/19
- 2. District Holiday – Thanksgiving, 11/28/19 & 11/29/19
- 3. Association of California Water Agencies – 2019 Fall Conference, San Diego, CA, 12/03/19 – 12/06/19
- 4. Cancelled – Stockton East Water District Regular Board Meeting, 12:00 Noon, 12/03/19

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 1:40 p.m. to discuss closed session agenda items. District staff, with the exception to Manager Moody, were excused from the closed session meeting at 2:04 p.m. The regular meeting reconvened at 2:45 p.m., with no reportable action.

K. ADJOURNMENT

President Panizza adjourned the meeting at 2:46 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

