

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 24, 2020 AT 12:00 NOON.

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

Vice President Watkins called the regular meeting to order at 12:33 p.m. and Manager Moody led the Pledge of Allegiance.

Present at roll call at the District were Directors Atkins, Sanguinetti and Watkins. Also present were Manager Moody, Assistant Manager Lee, Finance Director Vega, Administrative Services Manager Carido, Maintenance Supervisor Higaes and Administrative Assistant Curtis. Present at roll call via teleconference were Directors Cortopassi, McGaughey, McGurk and Panizza and Legal Counsel Zolezzi. Consultant Barkett joined the teleconference around 12:41 p.m.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

[President Panizza joined the Regular Board Meeting via teleconference during public comment.](#)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 03/17/20 Regular Meeting

Director Atkins made the following correction to the minutes:

- Page 2, section D-2, 6th paragraph, 1st sentence – strike “Director Atkins” and replace with “Director Cortopassi”.

A motion was moved and seconded to approve the March 17, 2020 Regular Meeting Minutes, as amended.

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 March 24, 2020 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

3. 2020/2021 Chemical Services Bid Results and Reward, 03/24/20

Manager Moody provided the Board with the 2020/2021 Chemical Services Bid results. Manager Moody reported the bid results shown are for the next fiscal year; chemical services are bid on

annually. Although a budgeted item, due to the cost, this item is brought before the Board for approval annually.

Manager Moody inquired why Chemtrade Solutions, LLC (Chemtrade) has been crossed out on the memo. Assistant Manager Lee replied they did not complete the requirements as requested and are deemed unresponsive.

Director Atkins inquired if this is the first time Chemtrade has bid. Assistant Manager Lee replied no, they are previous bidders and the District has previously worked with them as well. This is the first year they did not follow the instructions in the bid. Other vendors who had questions on how to submit called and inquired to ensure their bid form was properly completed.

Director Atkins inquired if Chemtrade was contacted and told they did not complete the bid form correctly. Manager Moody replied no, that is not something that staff typically does.

A motion was moved and seconded to award the 2020 Chemical Bids to Eco Services in the amount of \$505/dry ton for Liquid Alum; Thatcher Co. of CA in the amount of \$578.70/dry ton for 5% Acidified Alum; Polydyne Inc. in the amount of \$1,380/liquid ton for Cationic Polymer; Univar USA in the amount of \$495/dry ton for Caustic Soda; Kemira Water Solutions, Inc. in the amount of \$706/liquid ton for PACl; Northstar Chemical in the amount of \$660/liquid ton for ACH/P and Jones Chemical Co. in the amount of \$700/dry ton for Chlorine.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

4. San Joaquin County Auditor-Controller – Special Districts Processing Costs Increase Memo, 03/10/20

Manager Moody provided the Board with information on the processing costs for special districts from the County. Manager Moody reported there has been a 350% increase per Accounts Payable transaction with the County.

Manager Moody reported staff is working on obtaining requested data from the County for transactions over the last few years to make a better presentation to the Board. Once all information has been received, staff will bring this item back to the Board for review.

President Panizza inquired if staff has spoken with anyone of authority at the Auditor's office regarding this issue. Manager Moody replied Finance Director Vega has requested data and inquired on the drastic increase.

President Panizza inquired if the District is required to process funds through the Auditor-Controller. Manager Moody replied no, staff is assembling options to bring back to the Board.

Director Watkins inquired if staff has an estimate on the annual amount of transactions. Finance Director Vega replied ~1,600; however, once the information is provided by the County, staff will have a more concrete number. This item was for information only.

5. Stockton East Water District – Master Backwash and Filtered Water Conduit Valves Assessment and Design Memo

Manager Moody provided the Board with a memo regarding the Master Backwash and Filtered Water Conduit Valves Assessment and Design. Manager Moody reported at the March 17, 2020 Regular Board Meeting, the Board authorized staff to proceed with obtaining an updated quote from West Yost Engineering (West Yost) to redesign the master backwash valve.

Manager Moody reported West Yost provided a quote in the amount of \$59,887. This cost includes hydraulic modeling for the size of the backwash valve and associate piping to ensure accommodation for variable flow ranges and alternatives for valves replacement.

Manager Moody reported this is the second master backwash valve that has been installed in the Water Treatment Plant. Staff would like to explore other options instead of replacing with the same valve that has had issues.

President Panizza inquired how long the previous valves lasted. Manager Moody replied the original valve lasted for many years. The current valve started leaking within the first year.

Director Atkins inquired if staff can go back to the original design. Assistant Manager Lee replied the company that designed the original valve was sold, that is why the second valve was from a different manufacturer.

Director Atkins inquired if the motion is to pay West Yost to evaluate the valve and identify what size valve is necessary for the District’s needs. Manager Moody replied yes.

Director Atkins inquired if staff is going to look at installing a smaller valve and if so, would it be able to expand if need be. Manager Moody replied he does not think it should ever be designed for less than the capacity of what the Treatment Plant could produce even though it is not currently producing at capacity.

Assistant Manager Lee reported there will be a technical memo provided to the Board with the engineering design before staff goes out to bid.

Assistant Manager Lee reported West Yost will also be looking at the best location for the actuator to ensure there is less weight on the equipment.

Director Cortopassi inquired if this motion is to look at the engineering of the valve. Manager Moody replied yes.

A motion was moved and seconded to award a professional services agreement to West Yost Engineering for Master Backwash and Filtered Water Conduit Valves Assessment and Design in an amount not to exceed \$59,887.

Roll Call:

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

E. COMMITTEE REPORTS

1. Agricultural Operations Committee Meeting, 03/18/20

Directors Atkins, Cortopassi, Sanguinetti and Watkins attended the March 18, 2020 Agricultural Operations Committee Meeting. Director Cortopassi reported that Finance Director Vega provided the Committee with spreadsheets and scenarios for all water rates. Director Cortopassi reported per the legislation, the Board can set the surface water rate at \$35.28, groundwater at \$5.46 and the domestic unit assessment at \$46.40. The Committee has tentatively decided to set the surface water rate at \$23, to allow for incentive for those who choose to use surface water, groundwater at \$5.46 and the domestic unit assessment at \$46.00. President Panizza inquired on the amount of increase for the domestic unit assessment. Director Watkins replied it is a \$0.50 increase. The Committee is awaiting review from Legal Counsel before finalizing the water rates.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 03/23/20

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 171,052 AF in storage at New Hogan Reservoir. Current releases are set at 30 cfs. There is 1,995,000 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 202 cfs and release to all water users are set at 582 cfs. The water treatment plant is currently processing 18 mgd. The City of Stockton is currently processing 13 mgd.

2. Information Items:

Manager Moody noted items: F2a-1, F2a-2 and F2a-3.

3. Report on General Manager Activities

a. Eastern San Joaquin Groundwater Authority Ad-Hoc Technical Advisory Committee (TAC) Meeting, 03/18/20

Assistant Manager Lee attended the March 18, 2020 Eastern San Joaquin Groundwater Authority Ad-Hoc Technical Advisory Committee (TAC) Meeting. Assistant Manager Lee reported there was discussion on the technical report that is due in April. Due to COVID-19, the deadline has been extended. The Department of Water Resources did not provide a new date, rather advised reports be submitted upon completion. Assistant Manager Lee reported there was not a lot of controversy on the annual report as everything was taken directly from the GSP. There were a few wells and data removed from the report because they are EBMUD's monitoring wells and are not public wells.

b. Central Valley Project Water Association – Executive & Financial Affairs Committee, 03/20/20

Finance Director Vega reported on the March 20, 2020 Central Valley Project Water Association – Executive & Financial Affairs Committee Meeting. Finance Director Vega reported as with other entities, work has slowed down due to COVID-19. The USBR is still working on WIIN Act conversions, the Cost Allocation Study and the CVPIA issue with various obligations from water and power to the environmental side. The next meeting is scheduled for April 17, 2020.

c. Stockton East Water District Activities Update

Manager Moody reported he was interviewed by Craig Anderson, freelance writer for Ag Alert. Mr. Anderson wanted to discuss the rate cap removal legislation. Manager Moody impressed upon Mr. Anderson that this legislation is to remove the rate cap so the Board can do what they need in the future. Manager Moody provided Mr. Anderson with a PowerPoint presentation on the topic and pictures that will be included next month's article.

Manager Moody reported he will be participating in a video presentation with San Joaquin Partnership this Thursday. He is still working with the Chamber of Commerce to present to their committee.

Manager Moody reported staff is working feverishly to get dams and weirs installed. However, California Fish and Wildlife has advised the District that it is a later salmon run this year, so staff will need to wait to install dams and weirs until mid- to late-April. FishBIO is in discussion with California Fish and Wildlife to loosen those restrictions. Staff is hoping this issue is rectified soon so dam installation can begin.

Manager Moody introduced David Higaes the District's new Maintenance Supervisor. Mr. Higaes started with the District on March 12th. Manager Moody advised he will have Maintenance Supervisor Higaes attend a future Board Meeting so the full Board can meet him.

G. DIRECTOR REPORTS

Director McGurk inquired if Administrative Services Manager Carido had received an email from Ana Javaid, ACWA Region 4 requesting ACWA member submit an outline of what they are doing to comply with COVID-19. Manager Moody advised staff has not received this email. Director McGurk advised he will forward to staff. Director McGurk inquired if staff will take care of this request. Manager Moody replied yes. Director McGurk reminded staff that the District is both a Water Treatment Plant and Ag surface water distributor so we would have multiple ways of addressing what precautions we are taking.

Director McGurk mentioned that CalPERS announced they are in arrears \$64 million due to the COVID-19 outbreak and inquired if CalPERS sent any warnings to the District office. Manager Moody replied they typically send their reporting annually, so the District will receive this information at the end of CalPERS' Fiscal year.

H. COMMUNICATIONS

1. Central Valley Flood Protection Board – Time Variance Request, 03/10/20

Manager Moody provided the Board with correspondence to the Central Valley Flood Protection Board (CVFPB) requesting early installation of the Bellota and Budiselich dams. Manager Moody reported the District was authorized to install dams early; however, they are working through the salmon issue with California Fish & Wildlife.

I. AGENDA PLANNING/UPCOMING EVENTS

1. Eastern San Joaquin Groundwater Authority Joint Exercise of Powers Authority Meeting, 10:30 a.m., 03/25/20
Teleconference Only

J. REPORT OF THE COUNSEL

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Section 54956.9 – one case
2. Closed Session - Potential Litigation Government Code 54956.9 (c) – one case

President Panizza adjourned the meeting to closed session at 1:14 p.m. to discuss closed session agenda items. District staff, with the exception to Manager Moody, were excused from the closed session meeting at 1:32 p.m. The regular meeting reconvened at 1:47 p.m., with no reportable action.

K. ADJOURNMENT

President Panizza adjourned the meeting at 1:48 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

