

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 4, 2020 AT 12:00 NOON.

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Panizza called the regular meeting to order at 12:30 p.m. and led the Pledge of Allegiance.

Present at roll call at the District were Directors Atkins, Cortopassi and Sanguinetti. Also present were Manager Moody, Assistant Manager Hopkins, Finance Director Vega, Administrative Services Manager Carido and Administrative Assistant Curtis. Present at roll call via teleconference were Directors McGaughey, McGurk, Panizza and Watkins. Also present via teleconference was Legal Counsel Zolezzi and Consultant Barkett.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 07/28/20 Regular Meeting

A motion was moved and seconded to approve the July 28, 2020 Regular Meeting Minutes, as presented.

Roll Call:

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

Nays: 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. Summary
- h. Short Names/Acronym List
- i. SEWD Vehicles & Heavy Equipment

Director Sanguinetti inquired on the expense on page 17, line item 10 for Grainger, Inc. for windssocks for Maintenance shop stock ordered on 06/17/20 in the amount of \$167.57. Manager Moody replied there are windssocks placed around the District in the event of a chlorine release staff checks the direction the windssocks are flying to know which way to evacuate.

Director Cortopassi inquired on the expenses on page 7, line item 1 for C&T Murphy Partners, LLC for reimbursement New Melones Conveyance in the amount of \$3,377.00 and page 11, line item 9 for C&T Murphy Partners, LLC for reimbursement New Melones Conveyance in the amount of \$4,257.50. Finance Director Vega replied they are listed under separate funds because

a portion of the cost is for legal fees and the other is for conveyance. Both costs are within the Admin Division of the Budget, but staff tries to match the expenses to the specific funds.

Director Cortopassi inquired on the expense on page 11, line item 21 for Rexel USA Inc. for Rockwell Automation TechConnect Support Renewal FY 20-21 in the amount of \$8,371.08. Finance Director Vega replied this is a support contract for technical support in the event something goes wrong. This is for the District's SCADA and PLC. Assistant Manager Hopkins added that Rexel is the distributor for Allen-Bradley.

Director McGurk inquired on the expense on page 12, line item 24 for US Bank Corp. Payment Systems for carwash for Unit #69 in the amount of \$46.99. Manager Moody replied, he typically gets a much cheaper carwash, however, his vehicle had been used to go to multiple offsite locations and the interior and exterior was filled with dirt.

Director Atkins inquired on the expense on page 13, line item 2 for Grainger, Inc. for Sullair compressor fuel filters, and booster pump for Escalon Bellota Trash Rack in the amount of \$1,900.61. Finance Director Vega replied that cost is for 2 filters, ear plugs and a pressure booster which cost \$1,600.

Director Sanguinetti inquired on the expenses on page 15, line item 6 for Fastenal Company for lifting eye for shop stock and windshield wash for inventory in the amount of \$18.96 and page 17, line item 7 for Fastenal Company for lifting eye for shop stock and windshield wash for inventory in the amount of \$12.18. Manager Moody reported staff will research why the same description was used in two different funds.

Director Atkins inquired on the expense on page 13, line item 8 for Platt Electric Supply Inc. for electrical supplies for Funk Road Traveling Screen Project in the amount \$3,742.02. Manager Moody replied that the screen does not necessarily travel back and forth, rather is constantly moving.

Director Atkins inquired on the expense on page 17, line item 3 for BG Agri Sales & Service for oil to service chemical feeder pumps in the amount of \$2,514.22. Assistant Manager Hopkins replied this cost was for a 55-gallon drum of food grade oil. The mixer motors for the flocculators and backwash pumps for the traveling bridge in SED Basin 1 & 2 all need oil changes.

Director Atkins inquired on the expense on page 18, line item 52 for Valley Pacific Petroleum Services, Inc. for gear oil for servicing limitorques 4 gals @\$119.5325/gal in the amount of \$478.13. Assistant Manager Hopkins replied he will research why the oil was not all purchased through the same vendor.

Director Atkins inquired on the expense on page 15, line item 12 for Sonsray Machinery for replacement wheel for Unit #41 in the amount of \$359.71. Manager Moody replied that somehow the front wheel was bent and will not hold air, management is investigating.

Director Atkins inquired on the expense on page 17, line item 19 for Holt of CA for rental of wheel loader for sludge pond cleanout in the amount of \$4,122.46. Manager Moody replied when the Water Treatment Plant switched the type of chemical it was using, the new chemical does not dry out as quickly. The dump truck must be rented to move the sludge from one location to another. Manager Moody added that staff is researching other options for moving and storing the

sludge. Director Atkins inquired if there are any other products that can be used to help the sludge dry faster. Manager Moody replied District Engineer Evensen has a lot of background knowledge on this subject and is working to find a solution.

A motion was moved and seconded to approve the August 4, 2020 Warrants, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

3. Preliminary Base Monthly Payment Schedule – Fiscal Year 2021-2022

Manager Moody provided the Board with information on the Preliminary Base Monthly Payment (BMP) Schedule for Fiscal Year 2021/2022. Finance Director Vega reported the BMP schedule is brought to the Board annually to put together a preliminary schedule for budgeting.

Finance Director Vega reported this is a requirement of the Second Amended Contract and will have a new Preliminary Base Monthly Payment by October 1st.

Finance Director Vega reported approving the Preliminary BMP allows the Urban Contractors to plan their own budgets. The Contractors are to provide the District with their water production figures for purposes of setting the District's Budget for the following Fiscal Year. This item was for information only.

4. Resolution No. 20-21-03 – Relating To Board And District Procedures And Organization

Manager Moody provided the Board with Resolution No. 20-21-03. Manager Moody reported the changes for this Resolution were discussed at the July 28, 2020 Regular Board Meeting. Overall, the changes describe events in which it would be difficult to obtain either the Board President or Vice President's signature as they may not physically be present at a Board Meeting. This Resolution essentially allows the Board Secretary to sign the warrants, after Board approval, should the Board President and Vice President not physically be able to.

Director McGurk suggested that in Section 14, paragraph D, instead of the Board President authorizing the Board Secretary to sign the warrants, that it automatically defaults to the Board Secretary in the absence of both the Board President and Vice President. Manager Moody further suggested striking the word "President" from the same sentence and leaving it for the Board to authorize the Secretary of the Board.

President Panizza inquired on the first sentence in Section 14, paragraph D, regarding lack of quorum. Manager Moody replied there are two separate issues within paragraph D. The first would address what would happen should there be no quorum of the Board to approve the warrants and the other is regarding physical absence of the President and Vice President, who then would be able to sign the approved warrants.

Director Watkins reported that the unprecedented times with COVID-19 is what is causing the lack of physical presence, but this has not been an issue prior during his tenure on the Board.

Legal Counsel Zolezzi suggested turning paragraph D into two separate sections. President Panizza agreed with this idea.

Director Watkins added that if there is going to be a known lack of quorum, then the warrants can be adjusted and brought to the Board on a week that a quorum will be present.

Director Sanguinetti reported that the Board may have asked a lot of questions on the warrants this week, but it is not necessarily to question what staff is doing, rather, it is to obtain answers in the event the Directors are approached by customers they will have accurate answers to provide.

Director Sanguinetti advised that this is not a time sensitive issue and should be worked through further to ensure it is accurate before the Board considers it for approval.

A motion was moved and seconded for the Board President, Legal Counsel, General Manager and Administrative Services Manager review Resolution No. 20-21-03 – Relating To Board And District Procedures And Organization further and bring back to the Board for consideration.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

E. COMMITTEE REPORTS

1. Association of California Water Agencies Agriculture Committee Meeting, 08/04/20
Directors Atkins, Sanguinetti and Manager Moody attended the August 4, 2020 Association of California Water Agencies Agriculture Committee Meeting. Director Sanguinetti reported there was no action taken during this meeting, it was strictly informational. Manager Moody reported there was a good question asked regarding the restriction of recreational and commercial fishing where the Shasta cold-water pool is concerned. No answer was provided.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 08/03/20
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 161,937 AF in storage at New Hogan Reservoir. Current releases are set at 180 cfs. There is 1,631,039 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 204 cfs and release to all water users are set at 1,742 cfs. There are 15 irrigator(s) on New Hogan, 3 irrigator(s) on New Melones and 2 Out-of-District irrigator(s). The water treatment plant is currently processing 35 mgd. The City of Stockton is currently processing 20 mgd.
2. Information Items:
Manager Moody noted items: F2a-1, F2a-2, F2a-3, F2a-4 and F2a-5.
3. Report on General Manager Activities
 - a. Stockton East Water District Activities Update
Manager Moody reported that the surface water postcard is complete and the Ad Hoc Committee provided edits as applicable. Staff will begin prepping for mailing.

Manager Moody mentioned to the Board that he would like to take vacation Thursday, August 6th – Monday, August 10th. There were no objections from the Board.

G. DIRECTOR REPORTS

1. Association of California Water Agencies – 2020 Virtual Summer Conference, 07/29/20 – 07/30/20

Director Watkins and Manager Moody attended the Association of California Water Agencies 2020 Virtual Summer Conference. Manager Moody reported they attended the Keynote presentation with Secretary Wade Crowfoot, California Natural Resources Agency; the opening session with Commissioner Brenda Burman, U.S. Bureau of Reclamation and the Regions 6 & 7 presentation on economic impacts of SGMA in the San Joaquin Valley. Director Watkins reported that discussion with the USBR focused on subsidence on canals, the WIIN Contract and water storage and increased size of reservoirs. Manager Moody reported that the general sessions were real time and the breakout session were pre-recorded. The Q&A period was unable to be accessed after the sessions had ended. President Panizza inquired if staff can inquire with ACWA why the sessions would not allow for exchanges during the Q&A.

Manager Moody inquired how the Board would like the warrants signed this week with the physical absence of Directors Panizza and Watkins. President Panizza advised he would prefer Vice President Watkins' name be stamped on the documents. Vice President Watkins did not oppose.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS (None)

J. REPORT OF THE COUNSEL

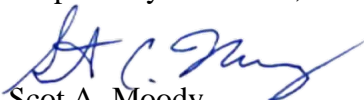
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case
2. Closed Session – Personnel
Government Code 54957

President Panizza adjourned the meeting to closed session at 1:27 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:30 p.m., with no reportable action.

K. ADJOURNMENT

President Panizza adjourned the meeting at 1:31 p.m.

Respectfully submitted,


Scot A. Moody
Secretary of the Board

tbc

