

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 10, 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 Director McGaughey led the Pledge of Allegiance.

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

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 11/03/20 Regular Meeting

A motion was moved and seconded to approve the November 3, 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 70 – Administration Fund
- b. Fund 71 – Water Supply Fund
- c. Fund 89 – Fish Passage Improvements Fund
- d. Fund 91 – Vehicle Fund
- e. Fund 94 – Municipal & Industrial Fund
- f. Payroll
- g. Summary
- h. Short Names/Acronym List
- i. SEWD Vehicles & Heavy Equipment

A motion was moved and seconded to approve the November 10, 2020 Warrants, as presented.

Roll Call:

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

3. Stockton East Water District – Discussion Regarding Future Staffing

Manager Moody reported in looking at future District needs, he and senior management have been reviewing the Districts strengths and weakness and created a PowerPoint that outlines necessary projects.

Manager Moody reported his suggestion would be to assemble an Ad Hoc Committee that could walk through the projects with staff and get feedback on thoughts of future staffing needs.

President Panizza inquired if there were any objections to creating an Ad Hoc Committee to review this topic. There was no objection.

Director McGurk inquired if this topic is due to potential consolidation with Central San Joaquin Water Conservation District (Central) or due to existing District projects. Manager Moody replied the focus will be on District projects, while also keeping eyes on the future potential consolidation with Central. Manager Moody suggested having a fair split of Ag and urban representation on the Ad Hoc Committee as there could be future recommendations for hiring.

President Panizza advised he would like to appoint an Ad Hoc Committee. He inquired if Director Watkins would be the Chair of the Committee and Director Sanguinetti would be the Vice Chair. Both Directors Sanguinetti and Watkins agreed. President Panizza also advised he would like to serve on the Committee and inquired ~~with~~of Director McGurk if he would serve as the Alternate. Director McGurk agreed.

President Panizza advised with no objections from the Board, staff can begin to move forward with the Ad Hoc Committee members to schedule a meeting.

4. Stockton East Water District – Banking Services Update

Finance Director Vega reported he has had three conference calls with F&M Bank over the last few weeks. F&M Bank was onsite last Thursday, November 5th to sign the necessary agreement. This is a 5-year agreement with options for after the 5-years.

Finance Director Vega reported the District is close to being able to transfer funds from the County to F&M Bank. Staff is preparing to order checks and establish ACH security and separation of duties on the Accounts Payable side. Finance Director Vega believes everything will be done by the end of November.

Finance Director Vega reported the agreement between the District and ADP has been signed and all forms from employees and the Board have been received to repopulate the data for deposits and withholdings. Finance Director Vega reported the Finance Department will have a trial run with ADP to ensure everything works properly. After this staff will be trained on how to work with ADP.

Finance Director Vega reported LAIF has been setup. After the funds have been transferred from the County to F&M Bank, they will then be deposited into the LAIF account.

Finance Director Vega reported staff has made good progress in the last few weeks.

Finance Director Vega reported he recently spoke with a trainer at F&M Bank who will be providing staff with training on working within the F&M Bank system.

Director McGurk inquired how it works when the accounts at the County are closed, is there a transition period. Finance Director Vega replied he made contact with the County to advise that funds would be transferred and to make sure everything was in order and the funds would be available for transfer. The County advised that they would be able to accommodate the requested and inquired why the District would be ending services. Finance Director Vega advised the County that their increase in A/P rates were too high to continue services.

Finance Director Vega reported the District will not close down accounts with the County immediately. Staff will leave them open for a period of time to ensure that all monies have properly filtered through. Once staff is satisfied that all transactions have been made they will advise the County that they do not expect any further transaction and to close specific accounts.

Finance Director Vega reminded the Board that the administration account will be kept open for those with delinquencies on final bills. This item was for information only.

E. COMMITTEE REPORTS

1. San Joaquin County & Delta Water Quality Coalition Meeting, 11/09/20

Director Atkins attended the virtual November 9, 2020 San Joaquin County & Delta Water Quality Coalition Meeting. Director Atkins reported there was discussion on the Financial Reports, Membership and Program Manager's Report. The Coalition estimated they will be over budget this year for Management Practice Implementation. The Coalition has a good amount of funds in their reserve and are going to try to bring their reserve funds down to \$1 million. Director Atkins reported the last part of the Nitrate Summary Report is due. If the outstanding reports are not due by the end of the week violation notices will be sent to landowners that are required to submit the report. There was discussion on the hits of pyrethroids that were detected at Lone Tree, Union Island and Temple Creek. Director Atkins reported due to the pandemic, grower meetings will be virtual and will resume in December. The California Department of Food and Agriculture will be responsible for the self-certification for the Nitrate Management Plan. Director Atkins believes this will be paid with the mill tax on fertilizer. There was discussion on CV Salts potentially becoming a complex situation. Director Atkins reported out of the 53 wells tested for nitrates, 41 wells were those of members and 11 were districts that have wells. Out of the 53 tests, 11 of them were above max levels for nitrates, which is 10 grams per liter. The landowners of the wells over the exceedance will be notified and advised that if they are drinking wells, that they have to end water supply immediately and provide other drinking water in the meantime.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 11/09/20

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 135,055 AF in storage at New Hogan Reservoir. Current releases are set at 55 cfs. There is 1,497,300 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 204 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 22 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 that Cal Water provided their response to the District's disinfection alternative recommendations this week and they agree with the City of Stockton Municipal Utilities.

Manager Moody reported staff is looking to schedule the Board organizational meeting on Thursday, December 10th. Director Sanguinetti advised he has another commitment scheduled in Sacramento that day. President Panizza inquired which day works best for the Board. Director Watkins suggested Friday, December 11th. Consensus of the Board was to schedule the organizational meeting on Friday, December 11th at 12:00 Noon.

President Panizza congratulated Directors Atkins and Cortopassi on their re-election to the Board. Director Cortopassi congratulated President Panizza as well.

Manager Moody reported the original plan was to flow New Melones water on Monday, November 16th, however, he would like to back that plan off to either Tuesday, November 17th or Wednesday, November 18th to complete a few last minute items. Director Sanguinetti advised that should be fine. There were no further comments from the Board.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. District Holiday – Veteran's Day, 11/11/20
2. Eastern San Joaquin Groundwater Authority Steering Committee Meeting, 10:30 a.m., 11/12/20
3. Eastern San Joaquin Groundwater Authority Ad-Hoc Technical Advisory Committee (TAC) Meeting, 9:00 a.m., 11/13/20

J. REPORT OF THE COUNSEL

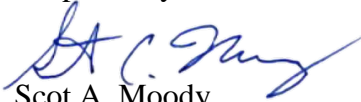
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case

President Panizza adjourned the meeting to closed session at 12:59 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:04 p.m., with no reportable action.

K. ADJOURNMENT

President Panizza adjourned the meeting at 1:05 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

tbc

