

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, DECEMBER 8, 2020 AT 12:00 NOON

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Panizza called the regular meeting to order at 12:31 p.m. and Legal Counsel Zolezzi led the Pledge of Allegiance.

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

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 12/01/20 Regular Meeting

A motion was moved and seconded to approve the December 1, 2020 Regular Meeting Minutes, as presented.

Roll Call:

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

2. Warrants

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

Director McGurk inquired on the expense on page 7, line item 1 in the amount of \$36,282.42 and line item 2, in the amount of \$23,683.93 for Princ & Intr North Site Property Qtr Ending Jan 2021. Manager Moody replied he will report back to the Board with more details on these items once staff has returned to the office.

A motion was moved and seconded to approve the December 8, 2020 Warrants, as presented.

Roll Call:

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

Abstain: None
Absent: None

3. Stockton East Water District – Review of District’s Maximum Accrual of Vacation Memo, 12/08/20

Manager Moody provided the Board with a memo regarding the District’s maximum accrual of vacation. Manager Moody reported on the current maximum accrual hours of 240 hours for the first 10-years of service and 360 hours at 11 or more years of service. Manager Moody added once an employee meets their 7.5 years of service their vacation accrual increases from 4.64 hours to 6.15 hours/per pay-period, emphasizing the increase at 7.5 years of service doesn’t match the 360 maximum annual accrual at year 10 years of service. There are a handful of employees who (at year 7.5) have hours above the maximum accrual amount allowed of 240 hours, and those employees would either have to use those hours, sell-back or loose. Manager Moody reported staff researched and reached out to previous personnel to try to gain an understanding of how the maximum accrual hours were established. Manager Moody suggested changing the language from “Eleven or more years of service” to “7.5 or more years of service”.

Director Cortopassi inquired on how the employees sell back hours. Manager Moody replied the employee owns these hours and, occasionally during the year, sell-back vacation hour requests are submitted and approved by the General Manager.

Director Sanguinetti commented on this being the employee’s benefit even if they have accrued more hours than the allowed maximum and suggested refining how the language reads. President Panizza agreed with Director Sanguinetti and inquired on sending this item to the Administration Committee for resolution and then bring back to the Board.

Director Atkins inquired if at the end of the year, the employee will lose their vacation hours. Manager Moody replied no, the employee has the option to use or sell-back their hours over the allowed accrual maximum before the end of the Fiscal Year. Director McGurk inquired if there are any other employees who would want an answer on this before the end of the year. Manager Moody replied we have until April 1.

President Panizza advised this item be sent to the Administration Committee, chaired by Director Sanguinetti for further review.

E. COMMITTEE REPORTS

1. Agriculture Operations Committee Meeting, 12/03/20

Directors Atkins, Cortopassi, Sanguinetti and Watkins and staff attended the December 3, 2020 Agricultural Operations Committee Meeting. Director Cortopassi reported there was discussion on the Fiscal Year 2021/2022 Annual Budget. Director Cortopassi reported Assistant Manager Hopkins gave an overview of the list of Projects in Water Supply Fund 71 in priority order that consisted of: Gotelli Bridge Replacement, Dondero Crossing & Flashboard Dam, Meter Replacement Project, 66 Vault Outlet Automation, PC3 Outlet Automation, Cotta Ferreira Dam Replacement, Eight Mile Dam Replacement and 3-Outlet Replacements/Connections. Director Cortopassi reported all Projects will be budgeted in the Fiscal Year 2021/2022 Budget and all would be allocated to Ag; and, the only Project to remain in M&I is the 66 Vault Outlet Automation. Director Cortopassi reported as a result,

~\$600,000 was moved into the Ag budget. Director Cortopassi reported it was the consensus of the Agricultural Operations Committee to recommend the most recent draft Fiscal Year 2021/2022 Budget, as amended to the Board of Directors.

Manager Moody commented on why two Agricultural Operations Committee Meetings were held. Manager Moody reported at the first meeting, all Projects were in the same budget with a split between Ag and M&I, and it was realized after that meeting some of those Projects should be coded to Ag and not split between Ag and M&I. As Director Cortopassi mentioned ~\$600,000 was moved out of M&I to Ag, which drove down the Base Monthly Payment ~\$91,842 per month.

Director McGaughey commented that was impressive and gave her congrats. Manager Moody advised he will be printing the Budget and forwarding to all, including the Urban Contractors.

2. Association of California Water Agencies Agriculture Committee Meeting, 12/07/20
Directors Atkins, Sanguinetti, Watkins and Manager Moody attended the December 7, 2020 Agriculture Committee Meeting. Director Sanguinetti commented the content was informational, discussions surrounded the water supply of the reservoirs and the Colorado River. Manager Moody agreed with Director Sanguinetti that it was an informational meeting, but took extensive notes to report out at the Region 4 Meeting this week.

Director Atkins inquired on discussion regarding trading water on Wall Street. Legal Counsel Zolezzi replied that trading opened on the NASDAQ and there was an article out regarding this new trading on Wall Street.

President Panizza inquired if Legal Counsel Zolezzi could send the article to staff, to include in the next agenda packet.

3. Association of California Water Agencies Groundwater Committee Meeting, 12/08/20
The Association of California Water Agencies Groundwater Committee Meeting update was concurrent with Item E.2.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 11/30/20
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 132,874 AF in storage at New Hogan Reservoir. Current releases are set at 26 cfs. There is 1,521,652 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 140 cfs and release to all water users are set at 181 cfs. The water treatment plant is currently processing 22 mgd. The City of Stockton is currently processing 12 mgd.

2. Information Items:
Manager Moody noted items: F2a-1, F2a-2 and F2a-3.
3. Report on General Manager Activities

Manager Moody inquired if it was okay to use Director Watkins' stamp on the warrants that were presented and approved today. Director Watkins confirmed that was okay.

G. DIRECTOR REPORTS

1. Association of California Water Agencies – 2020 Virtual Fall Conference, 12/02/20 – 12/03/20

Manager Moody provided the Board with information on the Association of California Water Agencies 2020 Virtual Fall Conference. Director Watkins advised the recorded sessions are available to watch until December 18, 2020.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. Tri-Dam Project – 2020 Budget Review Meeting, 2:00 p.m., 12/09/20
Conference Call
2. Stockton East Water District Special Board of Director's Meeting, 12:00 Noon, 12/11/20
3. San Joaquin County & Delta Water Quality Coalition Meeting, 9:00 a.m., 12/14/20

J. REPORT OF THE COUNSEL

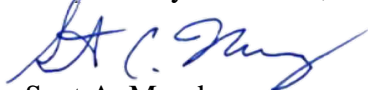
1. Closed Session - Existing Litigation
Stockton East Water District vs. City of Stockton, et al.
Government Code 54956.9 (a)
2. Closed Session - Personnel
Government Code 54957

President Panizza adjourned the meeting to closed session at 1:13 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:40 p.m., with no reportable action.

K. ADJOURNMENT

President Panizza adjourned the meeting at 1:41 p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

kmc

