

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 29, 2020 AT 12:30 P.M.

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President Watkins 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 and Sanguinetti. Also present were Manager Moody, Assistant Manager Hopkins, Finance Director Vega and Administrative Services Manager Carido. Present at roll call via teleconference were Directors Cortopassi, McGaughey, McGurk, Panizza 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 12/22/20 Regular Meeting

A motion was moved and seconded to approve the December 22, 2020 Regular Meeting Minutes, as presented.

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 December 29, 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. Revised Base Monthly Payment – Fiscal Year 2021-2022

a. Public Hearing

President Watkins opened the Public Hearing at 12:40 p.m., to receive comments on the Revised Base Monthly Payment for Fiscal Year 2021/2022.

Manager Moody provided proof of publication of the public hearing and reported this is an annual task; now that the Fiscal Year 2021/2022 Budget has been approved, the final

Base Monthly Payment has been set and the Resolution needs to be approved. The documentation to support the final Base Monthly Payment is included behind the Resolution. Manager Moody reported there was a decrease to the Revised Base Monthly Payment of ~\$91,000.

Seeing there were no public comments, President Watkins closed the Public Hearing at 12:41 p.m.

- b. Resolution No. 20-21-11 – Setting a Revised Base Monthly Payment for the Period April 1, 2021 to March 31, 2022

A motion was moved and seconded to adopt Resolution No. 20-21-11 – Setting a Revised Base Monthly Payment for the Period April 1, 2021 to March 31, 2022, as presented.

Roll Call:

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

- 4. Stockton East Water District – New Operations Building Conference Room Memo, 12/29/20
Manager Moody provided the Board with information on the Operations Building Conference Room. Manager Moody reported an updated handout of the memo was provided to the Board. Manager Moody reported the water quality lab’s certification has lapsed due to the increasing regulations and costs; and, the lab wasn’t used much to warrant keeping its certification. Manager Moody reported staff is recommending to demolish the back of the lab and turn it into a conference room space. Currently, the only meeting space in the operations building that is big enough to facilitate meetings is in the Engineering room area which is a wide-open space directly next to the engineering staff.

Manager Moody commented the updated handout has a total cost in the amount of \$10,000. There was a decrease in improvements and technology and conveyed the new total amount might be high but is a safe number. Manager Moody reported the demolition includes removing cabinets; laying down carpet; purchasing tables & chairs and doing some basic drywall work. Manager Moody added all work will be performed in-house and when there’s inclement weather.

Director Panizza commented having no problem with opening up the space to make a conference room and that the total amount of \$10,000 is not an unreasonable top amount. Director Atkins agreed with Director Panizza and added the only item he questions is addition of carpet-considering people coming in from the outside and suggested the option of linoleum instead. Manager moody replied staff will look into this option.

A motion was moved and seconded to approve the Operations Building Conference Room demolition and construction in the amount of \$10,000.

Roll Call:

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

Nays: None
Abstain: None
Absent: None

Director McGaughey advised having just received the today's agenda packet via the District's On-Trac courier service. Manager Moody advised staff will be using another courier service who will guarantee same day service.

5. Stockton East Water District – Emission Reduction Credits Sale Memo, 12/29/20
Manager Moody provided the Board with information on the Emission Reduction Credits Sale. Manager Moody reported the District was contacted by Element Markets to purchase the District's Emission Reduction Credits (ERCs). Manager Moody reported the emergency standby generators are exempt from emission credit requirements. Director Sanguinetti commented if the District needed the ERCs in the future, purchasing could be costly and the District does not need the money from selling them now. Director Watkins commented on having a benchmark on what the ERCs are worth today. Manager Moody commented on filing this information in the San Joaquin Valley Air Pollution Control District file for reference.

Director Cortopassi commented on having to rent equipment such as dump trucks and why the District isn't able to use the ERCs for our own equipment. Manager Moody replied the ERCs only apply to stationary equipment, noting the dump-truck is considered over the road equipment and has an annual maximum use of 100 hours/1,000 miles.

No action was taken on this item.

E. COMMITTEE REPORTS (None)

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 12/21/20
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 28 cfs. There is 1,544,254 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 205 cfs and release to all water users are set at 42 cfs. The water treatment plant is currently processing 16 mgd. The City of Stockton is currently processing 12 mgd.

Director Cortopassi inquired on the releases at New Hogan Reservoir and if the U.S. Army Corps of Engineers (USACE) has any plans on making any large releases from the Reservoir. Manager Moody replied currently being under the Top-of-Conservation (TOC) at New Hogan Reservoir by ~20,000 AF and the only releases from the Reservoir should be directed by SEWD.

2. Information Items:
Manager Moody noted items: F2a-1 and F2a-2.

3. Report on General Manager Activities
 - a. Stockton East Water District Activities Update

Manager Moody inquired with the Board on taking Thursday, December 31, 2020 off, unless there were any objections. There were no objections from the Board.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. District Holiday – New Year’s Day, 01/01/21

J. REPORT OF THE COUNSEL

1. Closed Session – Initiation of Litigation
Government Code 54956.9 (d) – two cases

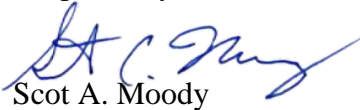
2. Closed Session - Personnel
Government Code 54957

President Watkins adjourned the meeting to closed session at 12:57 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:00 p.m., with no reportable action.

K. ADJOURNMENT

President Watkins adjourned the meeting at 1:01p.m.

Respectfully submitted,



Scot A. Moody
Secretary of the Board

kmc

