

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, APRIL 6, 2021 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. Director McGurk 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. Legal Counsel Zolezzi joined the teleconference at 12:34 p.m.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 03/30/2021 – Regular Board Meeting

A motion was moved and seconded to approve the March 30, 2021 Regular Board 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 April 6, 2021 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. Stockton East Water District – 2021 Water Rates

a. Public Hearing

President Watkins opened the Public Hearing at 12:32 p.m., to receive comments on the 2021 Water Rates and their associated Ordinance and Rule.

The District circulated notice of this public hearing in The Stockton Record on March 27, 2021 and did not receive any comments.

Manager Moody reported the Agricultural Operations Committee reviewed the information as they do annually and made their recommendation to the Board. Ordinance No. 47, which is enclosed indicates the water rates agreed upon.

Director McGurk inquired if the language in Section 5 of Ordinance No. 47 can be changed to reflect that the charges will vary based on what fraction of the conveyance system is being utilized. Manager Moody replied that staff will modify to the Board's pleasure; however, this language is standard and used annually in the Water Rates Ordinances. Director McGurk replied that the language is satisfactory as it reads as this is consistent with previous Ordinances.

Seeing no public comment, President Watkins closed the Public Hearing at 12:36 p.m.

b. Ordinance No. 47

Manager Moody provided the Board with Ordinance No. 47 Establishing Municipal Groundwater Assessments, Agricultural Groundwater Assessments, Domestic Groundwater Assessments, Charges for Stream-Delivered Water and Charges for Out-of-District Water for Calendar Year 2021.

A motion was moved and seconded to adopt Ordinance No. 47 establishing municipal groundwater production assessment at \$344.95/AF (\$341.35/AF municipal groundwater rate equalization plus \$3.60/AF municipal groundwater assessment); agricultural groundwater assessment at \$5.53/AF; domestic unit assessment at \$46.50/domestic unit and agriculture surface water assessment at \$23.00/AF for Calendar Year 2021, as presented.

Roll Call:

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

c. Rule No. 173

Manager Moody provided the Board with Rule No. 173 Rate Equalization – Calendar Year 2021. Manager Moody reported the Board must annually adopt a Rule establishing the rate equalization.

A motion was moved and seconded to adopt Rule No. 173 Rate Equalization-Calendar Year 2021 in the amount of \$457.35/AF.

Roll Call:

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

4. Stockton East Water District – Disinfection – Design of Bulk Sodium Hypochlorite System
Memo, 04/06/21

Manager Moody provided the Board with a memo on the Disinfection – Design of Bulk Sodium Hypochlorite System. Manager Moody reported Carollo Engineers (Carollo) has finished 15% design of the project and presented this to the Board on March 9th.

Manager Moody reported the District could go out to bid for completion of this design; however, Carollo's proposal for design completion in the amount of \$370,142 is under the \$410,000 budgeted amount.

Manager Moody reported that staff's recommendation is to award the project to Carollo Engineers for design completion.

Director Cortopassi inquired on the conversation during their presentation regarding relocating the hypochlorite building. Manager Moody advised the location and turnaround area for delivery drivers will all be discussed during the design process. There will also be multiple opportunities for Carollo to present their recommendations to the Board and take feedback.

Director Atkins inquired if the District does not have to send this out to bid as Carollo was the firm that started the design process. Manager Moody replied that the District is never required to go out to bid, we do however to ensure we are receiving the best product and the best price.

Director McGurk inquired if the Board will still have the ability to inquire on the process and have time to make changes if need be. Assistant Manager Hopkins replied that in this proposal there are 60% and 90% design periods in the process for staff and the Board to comment on and provide input. Once completely approved, Carollo will deliver plans at 100% to go out to bid for construction.

Manager Moody is requesting that the Board approve the staff recommendation to approve the Proposal from Carollo Engineers in the amount of \$370,142 and, authorize the General Manager to make all other approvals necessary for the work, up to the \$410,000 budgeted amount, which exceeds Carollo's proposal, but allows for change orders.

A motion was moved and seconded to procure the services of Carollo Engineers for the Design of the Bulk Sodium Hypochlorite System in the proposal amount of \$370,142 and authorize the General Manager to make all other approvals necessary for the work up to the budgeted amount of \$410,000, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

5. Central Valley Flood Protection Board – Time Variance Request Approval, 03/30/21

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.

Manager Moody reported that after approval by CVFPB, staff had to reach out to FISHBIO as they are required to perform a biological assessment, per the Habitat Conservation Plan (HCP). The results of that assessment were sent to the California Department of Fish & Wildlife (CDFW) and they have since responded and advised the District they are okay to proceed with early installation. Staff is working on removing the 2-foot weir today.

President Watkins inquired if staff can provide information to irrigators that water will be flowing sooner than expected. Manager Moody replied staff will spread the word as best as they can.

Director Panizza inquired if the District has an email list for its irrigators. Manager Moody replied no, but this is something staff could work on for future correspondence. Director Panizza advised this is something he would like to be established.

Director Atkins inquired if staff works down the system after they install the dam at Bellota. Assistant Manager Hopkins replied staff will work down Mormon Slough and charge the system once all dams are installed on Mormon, the continue to work their way through other systems.

Director Atkins advised he has received calls from irrigators on the Calaveras inquiring on the status of water and if there will be a set date when they can expect water on their system. Assistant Manager Hopkins replied staff will work on narrowing down a date. Manager Moody added it would be roughly 3 weeks from now.

Director Cortopassi inquired if water will not be sent until all weirs are in place. Assistant Manager Hopkins replied yes, water is not released in each system until their dams are installed. Historically, staff has been able to jump around and install in different areas at different times; however, with the HCP, all dams have to be installed in a sequential order.

President Watkins thanked Manager Moody and staff for working so diligently and being able to have this requested and approved so quickly. Director Atkins concurred.

6. New Hogan Water O&M Costs

Manager Moody provided the Board with information on New Hogan Water O&M costs. Manager Moody reported that staff expected the rates to go down, however, that is not the case this year. The cost of water from New Hogan is \$40.77, which will be more than the Ag water rate from New Melones, which is \$39.64.

President Watkins inquired if the Tainter Gates should have been removed because it was a one-time cost. Manager Moody added that he was under the impression that the cost would be a 5-year price for the gates.

President Watkins inquired what is inclusive of the recreational costs. Manager Moody replied those costs are for things like boat ramps and outhouses.

Finance Director Vega reported that the description provided is not very helpful, but does include categories for which the costs are allocated.

President Watkins inquired what will be done with the excess money from the Tainter Gate line of the budget if that project is already complete. Finance Director Vega replied that is understanding is that the costs from that project were to be recovered over the following 5-year period. Manager Moody advised staff will attempt to get more information on the O&M costs.

Director McGurk inquired if staff overlaid the New Hogan information with New Melones. Manager Moody replied yes. Director McGurk replied this is good information to have moving forward to see how similar the prices are between the two.

Director Cortopassi commented that the New Hogan water rate of \$40.77 for metered water, the overall bill would still be ~\$14 million even if water was not taken, so the more water taken the cheaper it would be.

Director Cortopassi inquired what is inclusive of labor. Finance Director Vega replied anything that is not related to recreation is labor. Labor and Tainter Gates are the two biggest cost factors.

President Watkins requested staff gather more information on this topic to bring back to the Board.

E. COMMITTEE REPORTS

1. Eastern San Joaquin Groundwater Authority Ad-Hoc Technical Advisory Committee (TAC) Meeting, 04/01/21
Director Watkins and Manager Moody attended the April 1, 2021 Eastern San Joaquin Groundwater Authority Ad-Hoc Technical Advisory Committee (TAC) Meeting. Manager Moody reported there were only two items discussed during this meeting. There was discussion on the GWA 2021 Annual Report, of which, the draft has been sent to the DWR for consideration. There was also discussion on the USBR Applied Science Grant for lidar satellite imagery. Assistant Manager Hopkins drafted a letter to send to the GSAs to garner their support for this grant. The Deadline for letters of support is April 21st. The next meeting is scheduled for May 6, 2021.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 04/05/21
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 152,444 AF in storage at New Hogan Reservoir. Current releases are set at 21 cfs. There is 1,530,293 AF in storage at New Melones Reservoir. Current release at Goodwin Dam to Stanislaus River are set at 404 cfs and release to all water users are set at 106 cfs. The water treatment plant is currently processing 26 mgd. The City of Stockton is currently processing 19 mgd.
2. Information Items:
Manager Moody noted items: F2a-1 and F2a-2.
Director McGaughey commented on F2a-1 inquiring if the District is part of ACWA's Coalition. Manager Moody replied yes.

Director Panizza commented on F2a-2 inquiring if there are other options of participating in the Sexual Harassment training if anyone is unable to attend on April 20th. Manager Moody replied yes, it can be setup online at any time. Director McGaughey commented she will be onsite to attend training.
3. Report on General Manager Activities
 - a. Stockton East Water District Activities Update
Manager Moody provided the Board with handouts from ACWA urging agencies to oppose both AB 1434 and AB 377. AB 1434 would make changes to indoor water use efficiency standards and AB 377 which would overhaul the existing National Pollutant Discharge

Elimination System. Manager Moody wanted to make sure the Board is okay with submitting letters of opposition. Consensus of the Board was to move forward with letters of opposition for AB 1434 and AB 377.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. Eastern San Joaquin Groundwater Authority FloodMAR Virtual Workshop, 9:00 a.m., 04/08/21
2. ACWA State Legislative Committee Meeting, 10:00 a.m., 04/09/21
3. San Joaquin County & Delta Water Quality Coalition Meeting, 9:00 a.m., 04/12/21
4. Eastern Water Alliance Meeting, 1:00 p.m., 04/12/21

J. REPORT OF THE COUNSEL

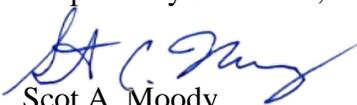
1. Closed Session - Existing Litigation
Stockton East Water District vs. City of Stockton, et al.
Government Code 54956.9 (a)
2. Closed Session - Personnel
Government Code 54957

President Watkins adjourned the meeting to closed session at 1:11 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:37 p.m., with no reportable action.

K. ADJOURNMENT

President Watkins adjourned the meeting at 1:38 p.m.

Respectfully submitted,


Scot A. Moody
Secretary of the Board

tbc

