

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 13, 2022 AT 12:30 P.M.

**A. PLEDGE OF ALLEGIANCE AND ROLL CALL**

President Atkins called the regular meeting to order at 12:30 p.m., and Director Watkins led the Pledge of Allegiance.

Present at roll call at the District were Directors Atkins, Cortopassi, McGaughey, McGurk and Panizza, Sanguinetti and Watkins. Also present were Manager Hopkins, Assistant Manager Vega, Finance Director Ram, Administrative Assistant McKinney, Legal Counsel Zolezzi and Consultant Barkett.

**B. CONSENT CALENDAR (None)**

**C. PUBLIC COMMENT (None)**

**D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS**

1. Minutes 12/06/22 Regular Meeting

A motion was moved and seconded to approve the December 6, 2022 Regular Board Meeting Minutes, as presented.

Roll Call:

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

Nayes: None

Abstain: None

Absent: None

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the December 13, 2022 Warrants, as presented.

Roll Call:

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

Nayes: None

Abstain: None

Absent: None

3. Consideration of Proposed Annual Budget Fiscal Year 2023/2024

a. Public Hearing

President Atkins opened the Public Hearing at 12:32 p.m., to receive comments on the Proposed Annual Budget for Fiscal Year 2023/2024. Seeing there were no public comments, President Atkins closed the Public Hearing at 12:33 p.m.

b. Resolution No. 22-23-14 – Adopting Proposed Budget For Fiscal Year 2023-2024, as amended. Manager Hopkins reported District Staff prepared the Draft Budget which was provided to Urban Contractors back in October. There were no comments received after the proper review period. Subsequently, the Agricultural Operations Committee meeting was scheduled and held to review the Draft Budget, and Staff were directed to present the Draft Budget to the Board for approval. A notice was published in The Stockton Record of the public hearing for budget approval.

Mr. Roberts from Central San Joaquin Water Conservation District asked why his request was denied to receive a copy of the budget. Manager Hopkins replied he understood from the request by Mr. Roberts, that he was asking for the rate table and the consolidated Agricultural Operations budget of which the Board had not completed their review at the time of his request. Mr. Roberts accepted Manager Hopkins reply, and stated he hopes this process is heading down the right path. Mr. Roberts commented on the sur charge and stated more transparency and open conversations need to take place. President Atkins stated decisions need to be discussed in closed session, and information will follow.

A motion was moved and seconded to approve the Resolution No. 22-23-14 – Adopting the Proposed Budget for Fiscal Year 2023-2024.

Roll Call:

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

Nayes: None

Abstain: None

Absent: None

4. Stockton East Water District – Sedimentation Basins 3 & 4 – Submersible Sludge Pumps, 12/13/22

Manager Hopkins reported the District has a budget item this fiscal year to install a couple of new submersible drain pumps in Sedimentation Basins 3 & 4, and asked Assistant Manager Vega to report out. Assistant Manager Vega reported \$60,000 has been approved for the installation of these submersible drain pumps. The basins are cleaned out annually to prevent clogging in the two six-inch discharge pipes. The current method has worked, but District Staff has found that this method causes additional resources and set up time. This led to Staff investigating possible solutions to the solid handling pump currently being installed and removed annually. The District received three quotes and found Flo-Line Tech provided the best overall quote of \$24,355.98. This includes all accessories for startup, freight and taxes. This particular quote has a rail system for ease of use. This is well below the \$60,000 budget, and would eliminate mobilization and the overall additional maintenance.

Director Watkins asked how many pumps does SEWD currently have. Assistant Manager Vega replied there are two sump pumps and another pump that is not big enough to pump sedimentation out. Director Watkins asked how many sedimentation basins at SEWD, and Assistant Manager Vega stated there are four basins. Manager Hopkins stated sedimentation basins 1 & 2 are designed differently than sedimentation basins 3 & 4. Permanent equipment can be used when cleaning waste water pumps 1 & 2. When using pumps 3 & 4, the permanent equipment doesn't have enough suction head to lift the water out when its only one or two feet deep. There is also trouble with the six-inch trailer mounted pump, which has the same problem of not being able to suction the water out when only one to two feet deep. Thus, the backup which is usually used is an air operated diaphragm pump that has a very slow flow. The two new pumps would be installed permanently, one in each basin. Discussion followed.

A motion was moved and seconded to authorize the General Manager to proceed with the purchase of the Flo-Line Tech's Sulzer submersible pumps in the amount of \$24,356, plus a 10% contingency of \$2,435.60; for a total of \$26,791.57, and make all other necessary approvals.

Roll Call:

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

Nayes: None

Abstain: None

Absent: None

5. Stockton East Water District – Online Payments, 12/13/22

Manager Hopkins reported that a few years ago District Staff looked into the feasibility of offering customers the option of online payments, and asked Finance Director Ram to report out. Finance Director Ram reported that the District Staff has been tracking customers asking for online payment option. Finance Director Ram also reported to be conservative, over 70% of customers calling in have asked about the possibility of online payments. District Staff reached out to three different vendors (Costco, AllPaid, and Elavon). AllPaid was the least costly to the customers at 2.25% with no cost for the District. For example, domestic users who pay \$49, would pay a \$1.10 fee. For Elavon, the fee would be a \$3.00 per transaction charge, and \$1.18 for Costco. AllPaid’s online portal is linked from the District’s website to AllPaid’s online portal and is very simple to use with no risk to the District, and is very secure. The District would not have any credit card information on file; all credit card information is on AllPaid’s portal.

President Atkins asked if AllPaid takes 100% responsibility for entire process and information. Finance Director Ram confirmed AllPaid takes 100% responsibility for everything with no charge to the District. Also, AllPaid will provide the hardware for the District to accept credit card payments, as well as the secure link.

Director Watkins asked why is there not an option of zero cost for the customer, and are customers able to use debit cards. Finance Director Ram replied debit cards can be used along with all other credit cards (Visa, MasterCard, Discover, American Express). And, any credit card cancellation fee would not be charged to the District, it would be absorbed by AllPaid. Finance Director Ram reported that Solano Irrigation District charges 2.65% and Oakdale Irrigation District charges 2.5%.

Director Cortopassi asked if there will be a card reader on site at the District. Finance Director Ram replied yes that is provided by AllPaid.

Director Ram added there is a savings for the District if the contract with AllPaid is signed by December 31<sup>st</sup>. The contract is at-will, and can be cancelled without any penalty.

Manager Hopkins stated the District Board could vote to assume the customer share of costs.

A motion was moved and seconded to authorize the General Manager to execute a contract with AllPaid to provide online payment options to customers based on the overall ease of use, data security, and low cost to the District customers.

Roll Call:

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

6. Stockton East Water District – Stockton East Water District and Central San Joaquin

Water Conservation Sphere of Influence Review and Annexation Into Consolidated District

a. Initial Study and Final Negative Declaration & Notice of Determination

Manager Hopkins reported on the Initial study and Final Negative Declaration. The proposed negative declaration was publicly noticed and advertised for 30 days to allow for public comments; there were no public comments received. The Negative Declaration is now finalized and requesting the Board to consider adoption of the Negative Declaration and Notice of Determination.

Director Watkins stated there were some issues with Central San Joaquin Water Conservation District postponing the consolidation process. It was stated, today is the day to decide to proceed with the Board Meeting – 12/13/22

process, or place on hold. Legal Counsel Zolezzi stated either path can be selected; adopting the CEQA document today does not require the District to proceed in a specific manner. Action can be deferred until issues are addressed. Director Watkins also suggested offering a growers' meeting or a public hearing could be scheduled to inform land owners before moving forward. Director Panizza stated holding a public meeting at this point could cause more problems or delays.

President Atkins agreed with Director Watkins on the progress for consolidation. Legal Counsel Zolezzi informed the timing is not critical right now, it has to be done before LAFCo acts, and there is currently no date scheduled with LAFCo. Director Sanguinetti states this procedure must move forward. Manager Hopkins added the conditions of consolidation needs to be developed which both Boards will need to approve, before sending to LAFCo. Then procedures by LAFCo will follow. Discussion followed.

Director McGurk asked who should be concerned with the CEQA document. Legal Counsel Zolezzi replied action on consolidation cannot be taken without validation from the State of California. This is required by LAFCo.

A motion was moved and seconded to authorize the General Manager to approve both the Initial Study and Final Negative Declaration & Notice of Determination.

Roll Call:

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

**E. COMMITTEE REPORTS**

1. San Joaquin County & Delta Water Quality Coalition Meeting, 12/12/22  
*\*This meeting was cancelled\**

**F. REPORT OF GENERAL MANAGER**

1. Water Supply Report as of 12/05/22  
Manager Hopkins 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 61,358 AF in storage at New Hogan Reservoir. Current releases are set at 36 cfs. Current release at Goodwin Dam to Stanislaus River are set at 206 cfs and release to all water users are set at 0 cfs. There are 0 irrigators on New Hogan, 0 irrigators on New Melones, and 0 irrigators out of District. The water treatment plant is currently processing 22 mgd. The City of Stockton is currently processing 9 mgd. Manager Hopkins reported the District wells total water extraction is 6,814 gpm (~9.8 mgd).

2. Information Items:  
Manager Hopkins noted item: F2a-1, F2a-2 and F2a-3
3. Report on General Manager Activities
  - a. Stockton Area Water Suppliers (SAWS) Meeting, 12/12/22  
Manager Hopkins reported he attended the meeting. There were two attendees from Stockton and two from SEWD. The City of Stockton reported they are receiving less water wasting callers since the rain has started. The City is still messaging the need to decrease residential sprinkler use since it is not needed right now. The Outreach sub-committee, which Kristin Coon has been attending, will

discuss funding for an outreach program at the next meeting. The program message will focus on long-term sustainability through conservation, conjunctive use, recharge, and storage.

**b. Stockton East Water District Activities Update**

Manager Hopkins reported two responses were received on Friday for the Request for Proposals for the Strategic Plan Services. District Staff will review the responses, and hopefully present to the Board with a recommendation to approve a professional services agreement for the Strategic Plan Services.

FISHBIO contacted the District and the State reporting 12 striped bass were found in November in the rotary screw trap at Shelton Road. FISHBIO was requesting guidance from the State and had a suggestion to cull (euthanize) the fish. The state responded they don't believe the fish pose a threat, and to leave the fish alone. FISHBIO has been working on a formal response with National Marine's Fishery Service who is the federal agency interested in protecting the steelhead that SEWD has been investing so much money in. Thus, FISHBIO and National Marine's Fishery Service plan to protest the State's decision and push for culling to be the only solution for the striped bass. FISHBIO believes the fish came through the dam at New Hogan.

Manager Hopkins reported he met with NRCS, North San Joaquin, Banta Carbona and John Herrick to discuss the money NRCS expects to have, and how it can be used or when it will become available. Manager Hopkins had a follow-up conversation with Jennifer Spaletta regarding the possibility of working with NRCS to have them secure funding for the county that would provide grant money to farmers who want to participate in an in-lieu recharge program. This is one of SEWD primary projects for the groundwater sustainability plan. This is a program Central should be working on as well.

Lastly, Manager Hopkins stated he and District staff met with consultants working with DWR on the groundwater recharge assessment tool development to confirm data for SEWD. They are close to finalizing the information, and the group (working through a DWR grant) is close to developing a tool specific to SEWD that is supposed to identify the prime areas for on farm recharge. This can be used for the future.

**G. DIRECTOR REPORTS**

1. Stockton East Water District Holiday Potluck, 12/09/22

Director Sanguinetti complimented the food selection and decorations, and enjoyed the award and raffle prizes, and good cheer from the employees. President Atkins added he felt the Christmas spirit in the room, and complimented the happiness of the employees.

**H. COMMUNICATIONS**

1. Association of California Water Agencies – Joint Powers Insurance Authority Correspondence, 11/28/22

Manager Hopkins reported the letter acknowledging the Districts efforts towards a loss ratio of 20% or less.

**I AGENDA PLANNING/UPCOMING EVENTS**

1. Central Valley Project Water Association – Executive & Financial Affairs Committee, 12/16/22

**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)

Board Meeting – 12/13/22

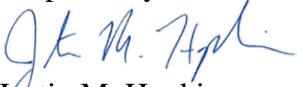
2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED  
LITIGATION Section 54956.9 (2 Cases)

President Atkins adjourned the meeting to closed session at 1:27 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:52 p.m., with no reportable action.

**K. ADJOURNMENT**

President Atkins adjourned the meeting at 2:53 p.m.

Respectfully submitted,



Justin M. Hopkins  
Secretary of the Board

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