

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, OCTOBER 3, 2023 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 Manager Hopkins led the Pledge of Allegiance.

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

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 09/26/23 – Regular Board Meeting

President Atkins made the following correction to the minutes;

- On page 3, section D-3, first sentence; strike “California Public Employees’ Retirement System”.

A motion was moved and seconded to approve the September 26, 2023 Regular Board Meeting Minutes, as amended.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

2. Warrants – California Public Employees’ Retirement System

Director McGurk inquired if there is a difference in the total of CalPERS Retirement Contributions. Finance Director Ram replied \$47.45 is not included in the retirement contributions as an employee is not currently contributing.

A motion was moved and seconded to approve the October 3, 2023 Warrants, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

3. Resolution No. 23-24-11 – Resolution of the Board of Directors of Stockton East Water District 2023 Water Professionals Appreciation Week

Manager Hopkins provided the Board with Resolution No. 23-24-11. Manager Hopkins reported the Association of California Water Agencies (ACWA) Water Professionals Appreciation Week will kick off October 7th, highlighting the important role of water industry professionals and local public

water agencies in ensuring safe and reliable water, wastewater and recycled water operations in California.

A motion was moved and seconded to approve Resolution No. 23-24-11 – Resolution of the Board of Directors of Stockton East Water District 2023 Water Professionals Appreciation Week, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

4. Stockton East Water District – Installation of Extraction Well No. 2 Pump and Piping Memo
Manager Hopkins provided the Board with a memo for installing Extraction Well No. 2 pump and associated piping. Manager Hopkins reported Purviance has completed the drilling, casing and pump testing for Extraction Well No. 2. Based on the pump testing, Purviance recommends a 3,000 gallon-per-minute pump and a 200 HP motor be installed on Extraction Well No.2.

Assistant Manager Vega reported due to adverse weather conditions and Purviance sustaining damage to their drilling equipment that required repairs, the project was delayed into FY 2023-2024. District staff solicited a proposal from Purviance to install a pump and motor and other appurtenances for Extraction Well No. 2. The quote from Purviance came in at \$104,825. Normally, the District would solicit 3 quotes for capital purchases. However, the District’s Purchasing Policy Section D(1) allows for sole source procurement when: “it is in the best interest of the District to extend or renew a contract from a previous contract period, based on satisfactory service, reasonable prices, and the avoidance of startup costs and interruptions.” Staff recommends the Board authorize the General Manager to proceed with the purchase and installation from Purviance of the pump and motor and other well appurtenances for \$104,825, plus a 10% contingency of \$10,483, for a total approved cost of \$115,308.

Director Watkins inquired what the total cost was for Purviance to complete the drilling and installation of the well casing. Assistant Manager Vega responded the original contract amount was \$261,487. Director Watkins inquired if the pump and piping costs were included in the original contract. Assistant Manager Vega replied no, these costs were not originally included. District Engineer Evensen added the pump and motor size could not be determined until the pump testing was complete.

A motion was moved and seconded to authorize the General Manager to proceed with the purchase and installation from Purviance of the pump and motor and other well appurtenances for \$104,825, plus a 10% contingency of \$10,483, for a total approved cost of \$115,308, and make all other necessary approvals, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

5. Stockton East Water District – Stream Cleaning Memo

Manager Hopkins presented the Board with a Stream Cleaning Memo. Manager Hopkins reported as a result of local flooding during the winter and spring of 2023, the San Joaquin County (SJC) Flood Control and Water Conservation District (FCWCD), and SJC Department of Public Works (PW), assessed the condition of many streams throughout the county, including streams within the District. The assessment aimed to identify sections of streams that have not been maintained sufficiently to convey storm water runoff flows without causing flooding. Following the assessment, SJC PW identified portions of non-flood control project streams that would be cleaned by SJC PW through recently awarded funding. Landowners along the remaining portions of non-flood control project streams that require cleaning were notified by SJC FCWCD of the landowners' obligation to maintain the stream. Beginning in early August, District customers began receiving letters from SJC FCWCD identifying the need to clean portions of the streams. The letters included SJC Ordinance 662 (6-7008), which transfers the responsibility of maintaining channel flood capacity from SJC to the property owner. Upon receipt of the letters, some of the District's customers contacted the District office for support. The District obtained a Routine Maintenance Agreement (RMA) through the California Department of Fish and Wildlife which allows the District to operate and maintain existing facilities, and remove debris, obstructions, sediment, and vegetation from streams to restore channel capacities. Through the RMA, the District could provide support or alleviate the obligations placed on property owners. Staff has considered the District's potential support and identified the following items of benefit and concern. Benefits identified are; supporting District customers' needs, improving conveyance of irrigation flows, potentially alleviating customers from cumbersome permitting processes, the District has customer relationships, equipment, and staff to accomplish the work, and could be used as an incentive for surface water use and benefit for surface water users. Concerns identified are; direct costs not accounted for in current fiscal year budget, diversion of staff from other important District activities, delays in completion of District projects, incurred liability for future flooding and establishing a precedent. District staff have not fully evaluated the financial impact of performing the stream cleaning, as the full extent of any commitment is unknown. For estimation purposes, staff assumed two District projects would require construction by a contractor, so District staff and equipment could be available for the stream cleanings. The estimated additional project costs for use of a contractor is \$330,000.

Director Cortopassi suggested the District send a letter to SJC PW expressing the Districts' customer concerns. Director Sanguinetti suggested having customers reach out to the SJC Board of Supervisors in lieu of writing a letter.

Director Cortopassi inquired if District customers could perform work under our RMA. Manager Hopkins advised he will have staff research this item and bring the information back to the Board.

General consensus of the Board was that the District should not begin cleaning streams to restore flood conveyance capacity.

E. COMMITTEE REPORTS

1. San Joaquin Farm Bureau Federation Water Committee Meeting, 09/26/23

Director Sanguinetti and Manager Hopkins attended the San Joaquin Farm Bureau Federation Water Committee Meeting on September 26th. Manager Hopkins reported an East Bay Municipal Utility District (EBMUD) representative reported the Community Affairs Representative position, ~~formally~~formerly held by Gerald Schwartz, will be open for recruitment in the near future. Steve Schwabauer, General Manager of North San Joaquin Water Conservation District (NSJWCD) will begin his new role this month. The Reclamation Districts are currently discussing raising their rates due to increased costs of electricity. San Joaquin County (SJC) will be extending the recruitment

process for a Water Resources Manager. SJC has hired Robert (Bob) Granberg to assist with staff resources.

2. Advanced Clean Air Fleet Regulations Ad-hoc Committee Meeting, 10/02/23

President Atkins, Director Sanguinetti and Manager Hopkins attended the Ad-hoc Committee Meeting on October 2nd. President Atkins reported the committee reviewed the District's Draft Fleet Management Policy, grant opportunities, and options to comply with the California Air Resources Board (CARB) Advanced Clean Fleets (ACF) regulation. The District has two options; 1) make sure 50% of new vehicle purchases from 2024-2027 are Zero-Emission Vehicles (ZEVs) and 100% of purchases from 2027 onward are ZEVs, or 2) replace 12 out of 26 vehicles with ZEVs by 2039. President Atkins reported charging stations acquired through grant funding would require the stations be accessible by the public.

Director McGurk inquired if the District's fleet will be Electric Vehicles (EV). Manager Hopkins responded the vehicles purchased will need to be ZEVs. Director McGurk inquired if hydrogen-powered vehicles would comply with the regulation. Manager Hopkins replied yes.

Director Cortopassi inquired what qualifies a vehicle as exempt from ACF regulation. Manager Hopkins replied vehicles affected by the ACF regulation are those with a gross vehicle weight rating (GVWR) of 8,500 pounds and above.

Director Watkins inquired if the District will be purchasing conventional vehicles this year. Manager Hopkins replied if there is a need, the District can purchase conventional vehicles until 2027.

Manager Hopkins reported the committee's recommendation and the Draft Fleet Management Policy will be coming to the Board for consideration on October 17th.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 09/26/23

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 190,609 AF in storage at New Hogan Reservoir. Current releases are set at 188 cfs. There is 1,897,095 AF in storage at New Melones Reservoir. Current releases are set at 556 cfs. Current release at Goodwin Dam to Stanislaus River are set at 303 cfs and release to all water users are set at 1,043 cfs. There are 12 irrigators on New Hogan, 0 irrigators on New Melones, and 0 irrigators out of District. The water treatment plant is currently processing 42 mgd. The City of Stockton is currently processing 16 mgd.

2. Information Items:

Manager Hopkins noted items: F2a-1 and F2a-2

3. Report on General Manager Activities

a. Stockton East Water District Activities Update

Manager Hopkins reported District Management Staff has requested additional information from Third Pillar Solar. Staff will be meeting with SitelogIQ on October 12th to discuss other solar options.

Manager Hopkins reported the Fleet Management Policy, Injury Illness and Prevention Plan (IIPP) and an Idling Policy will be coming to the Board for review in the coming weeks.

Manager Hopkins reported he reached out to the Urban Contractor's (UCs) to solicit their water demands for next year. UCs are required to provide this request in writing by October 15th, so the District can plan delivery of water supplies accordingly.

Manager Hopkins reported Tim Allen, a representative with a private investment group that develops groundwater banking projects expressed interest in a partnership with the District to construct a groundwater banking project. Mr. Allen extended an invitation for the Board to take part in a tour of other groundwater banking projects he has completed.

4. Stockton East Water District Finance Update

Finance Director Ram reported the District's 2022-2023 Audit has been completed. The Audit Presentation will be brought to the Board on October 24th. The District's investment portfolio is now with Local Agency Investment Fund (LAIF) and California Class. The second quarter interest earnings are \$330,000. The District's Draft Budget for Fiscal Year 2024-2025 will be sent to the Urban Contractor's (UCs) by October 23rd. The tentative adoption date for the budget is December 12th.

G. DIRECTOR REPORTS

H. COMMUNICATIONS

1. Association of California Water Agencies – Board Officers' Election Results Letter
Manager Hopkins provided the Board with a Board Officers' Election Results Letter. Manager Hopkins reported Director Sanguinetti received a letter from Association of California Water Agencies announcing Cathy Green as the newly elected President and Ernesto "Ernie" Avila as newly elected Vice-President.

I. AGENDA PLANNING/UPCOMING EVENTS

1. Association of California Water Agencies Region 4 Tour, 8:30 a.m., 10/04/23
2. Flood-MAR Network Field Trips - Cosumnes River Corridor, 10:00 a.m., 10/04/23
3. Stockton Chamber of Commerce – Business Showcase & Tradeshow Mixer, 5:00 p.m., 10/05/23
4. East Bay Municipal Utility District – 28th Annual Pardee BBQ, 11:30 a.m., 10/06/23
5. District Holiday – Columbus Day, 10/09/23
6. San Joaquin County & Delta Water Quality Coalition Meeting, 9:00 a.m., 10/09/23

J. REPORT OF THE COUNSEL

1. CONFERENCE WITH LEGAL COUNSEL - Real Property Negotiations Government Code 54956.8 Property: 29001 E Sonora Road, Farmington, CA Agency Negotiator: Justin Hopkins Negotiating Parties: Josh Barton Under Negotiation: Price and terms of payment
2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Potential exposure to litigation – Government Code Section 54956.9 – two cases

President Atkins adjourned the meeting to closed session at 1:20 p.m. The regular meeting reconvened at 1:55 p.m., with no reportable action.

K. ADJOURNMENT

President Atkins adjourned the meeting at 1:56 p.m.

Respectfully submitted,



Justin M. Hopkins
Secretary of the Board

hmw

