

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, JANUARY 31, 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 Director Cortopassi led the Pledge of Allegiance.

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

**B. CONSENT CALENDAR (None)**

**C. PUBLIC COMMENT (None)**

**D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS**

1. Minutes 01/24/23 Regular Meeting

- Director Panizza made the following correction to the minutes:  
Page 6, section G-3, 1<sup>st</sup> paragraph, 1<sup>st</sup> sentence – add “Director Watkins” to attendees

A motion was moved and seconded to approve the January 24, 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

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

Director Cortopassi inquired on the expense on page 11, line item 41 for the high cost of sand. Manager Hopkins replied the cost includes hauling.

A motion was moved and seconded to approve the January 24, 2023 Warrants, as presented.

Roll Call:

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

3. Stockton East Water District – Reorganization and Reclassification of Staff, 01/31/23  
Manager Hopkins reported District Staff have been discussing potential reorganization and reclassification needs due to recent and ongoing changes of workloads and staffing at the District. There are five proposed changes detailed in the summary section. The first is to reclassify the Account Clerk to Account Technician to provide better alignment with the classifications referenced in the salary survey. The second is to reorganize the Special Projects Manager position to an Associate Engineer I position. The former individual in the Special Projects Manager position has retired. This was a unique position to develop and implement the Water Treatment Plant SCADA system which is largely complete. The next request is to create an additional Electrical Technician II position. This position will help support the ongoing maintenance and development of the District’s SCADA system which is currently supported by our SCADA consultant at an expensive hourly rate. Manager Hopkins stated even though they do a good job, it would be more cost effective for the District to have an in-house individual. The fourth request is to refill the Water Supply Manager position. This position has been vacant since 2015, but the District continues to budget for it including the upcoming fiscal year budget. One of the Water Supply Supervisors has been filling the role of manager without the pay and performing twice the workload. The District needs to help with balancing this workload by bringing back the Water Supply Manager. The last change is to suspend fulfillment of the Administrative Services Manager position which is currently vacant, and create a second Administrative Assistant position to handle the District’s Human Resources administration and risk management tasks. Most of the former Administrative Services Manager’s tasks have been divided up amongst the other administrative staff, the Finance Director and the General Manager.

Manager Hopkins reported the financial impact for the first year and the next fiscal year would be an increase of \$10,444.80 to the budget. Dividing the results into Agricultural (Ag) and Municipal & Industrial (M&I) costs would actually see a reduction in Ag salary and benefit costs due to the decreasing of salaries of the positions partially funded by Ag. M&I would see an increase of the corresponding costs. District Staff presented this request and report to the staffing committee on January 23<sup>rd</sup> for discussion and review. It was the direction of the committee to present this to the full Board today for consideration.

A motion was moved and seconded to authorize the reorganization and reclassification of staff list as presented by the General Manager.

Roll Call:

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

4. Water Transfer Agreement Between Oakdale Irrigation District, South San Joaquin Irrigation District, and Stockton East Water District, 01/31/23  
Manager Hopkins reported this agreement was approved by the Board a few weeks ago. Since that approval, Oakdale Irrigation District (OID) realized that the districts’ agreement did not include an escalator for the agricultural water costs, but OID’s 10-year Out-of-District Program did. Since OID could not come to terms with selling SEWD water at a lesser cost than they sell to their own customers, OID requested a modification of the agreement. The language added such that ‘the price for water use for agricultural purposes shall be increased annually by the percentage increase specified terms and conditions for irrigation of lands outside OID boundaries during the 10-year Out-of-District Water Sale Program’. As a result of the change, the District’s agricultural water costs will follow whatever OID is charging their 10-year program customers.

Director Watkins asked if this was specified in the agreement. Legal Counsel Zolezzi replied the District agreed to \$200 with a 3% increase. Manager Hopkins added the District does not have much intention of taking agricultural water unless a customer has an issue with their well, and needs water in an emergency.

President Atkins asked if it was 3% for every year. Manager Hopkins replied he believes this is the terms for Out-of-District Program, but if OID modifies the terms, this would follow the modification.

A motion was moved and seconded to authorize the General Manager to approve the Agreement for the Transfer of Water Among the Oakdale Irrigation District, South San Joaquin Irrigation District, and Stockton East Water District

Roll Call:

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

Nays: None

Abstain: Atkins

Absent: None

5. Resolution 22-23-17 – Authorization to File A Grant Application with The California Department of Water Resources Under the 2022 Urban Community Drought Relief Grant Program for the Bellota Weir Modifications Project, Execute Any Required Documents and Provide Delegation of Authority  
Manager Hopkins reported a correction to the resolution number, the number is actually 22-23-17. District Staff are pursuing additional grant funding for the Bellota Project. This grant authorizes projects up to \$21 million in costs and requires a 25% matching cost share. District Staff modified the Phase I scoping for the purposes of this grant application to be \$21 million and the District would need to budget \$5,250,000 in District funds or use federal grants for the matching funds. The District is requesting \$15,750,000 from DWR for the Urban Community Drought Relief Grant Program for the Bellota Project. Manager Hopkins is requesting Board approval of the resolution for the grant application which is due today.

Director McGurk asked if the District is eligible for this grant. District Engineer Evensen replied the District fits into the drought relief concerns of the groundwater situation.

Director Watkins asked what is the dollar amount the District is applying for through the Sustainable Groundwater Management grant. Manager Hopkins replied the District requested approximately \$14 million.

Director Cortopassi asked if the \$21 million is the cost for Phase I. Manager Hopkins replied the \$21 million is the maximum project amount for this grant, so the District used this amount. The first phase is actually ~\$33-34 million. The District has another grant application currently being considered for \$14 million and this \$15.75 million request is 75% of \$21 million.

A motion was moved and seconded to adopt Resolution 22-23-17 and authorize the General Manager to approve the Authorization To File A Grant Application With The California Department of Water Resources Under the 2022 Urban Community Drought Relief Grant Program for the Bellota Weir Modifications Project, Execute Any Required Documents and Provide Delegation of Authority, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

6. Brown Act Legislative Changes for Remote Meetings

Manager Hopkins reported the District is currently operating under the authorities of AB361 which allows the District to conduct remote meetings while a state of emergency for the pandemic exists. The governor previously decided that the emergency would end on February 28, 2023. After that, some new legislation which became law on January 1<sup>st</sup>, AB2449, will take effect and provide guidelines for remote meetings. The new legislation requires a majority of the Board to be physically present at a location accessible to the public, and must provide a two-way audio and visual communication with the Board and the individual(s) who are attending the meeting remotely. There are two qualifying circumstances for just cause of a remote meeting. They are: 1) Items A-D on page 37 with a limit of two days per calendar year, and 2) emergency circumstance which would include family or medical emergency, which the Board must vote to approve that the individual’s emergency is valid in order to attend remotely. This new legislation will take effect on March 1, 2023, and is valid until December 31, 2025. Discussion followed.

7. Permit to Enter and Perform Studies

Manager Hopkins reported this is an authorization to enter the Bellota site by the county and their contractors or consultants to perform study work related to replacement of the Escalon Bellota Road Bridge. The form provided is the Districts’ form which has been slightly modified and reviewed by Legal Counsel Zolezzi. District Staff is asking for Board approval of the Permit to Enter with the County. Discussion followed.

A motion was moved and seconded to authorize the General Manager to approve and submit the Permit to Enter and Perform Studies to the County, as presented.

Roll Call:

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

**E. COMMITTEE REPORTS**

1. San Joaquin Farm Bureau Federation – Water Committee Meeting, 01/24/23

This meeting was not attended.

2. Eastern San Joaquin Groundwater Authority Technical Advisory Committee Meeting, 01/26/23

*\*This meeting was cancelled\**

3. Salary Survey Ad Hoc Committee Meeting, 1/30/23

Director Watkins reported a presentation was offered by Shellie Anderson from Bryce Consulting with the recommendation to use the expanded area, total cash value, and to use the median in place of the mean values, all which were also used in 2019. A number of adjustments were high and low. Staff will use the consultant recommendations with the percentages of adjustments. Manager Hopkins stated this will be brought back to the committee.

**F. REPORT OF GENERAL MANAGER**

1. Water Supply Report as of 01/23/23

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 172,346 AF in storage at New Hogan Reservoir. Current releases are set at 2,075 cfs. There is 982,894 AF in storage at New Melones Reservoir. Current releases are set at 272 cfs. Current

release at Goodwin Dam to Stanislaus River are set at 205 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 18 mgd. The City of Stockton is currently processing 13 mgd. Manager Hopkins reported the District wells' total water extraction is 0 gpm (~0 mgd).

Director McGurk asked if the Districts' letter to USACE was received. Manager Hopkins replied USACE confirmed receipt of the Districts' request letter, and will perform modeling and investigation and followed by a response, but no time line was mentioned.

2. Information Items:

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

3. Report on General Manager Activities

a. CVP Water Association – Executive and Financial Affairs Committee Meeting, 1/24/23

Manager Hopkins stated this meeting was attended by Finance Director Ram and staff, and introduced Finance Director Ram to report out. Finance Director Ram reported there was discussion regarding future costs and potential rate impacts. A decision was made to let Robert Ward who presented last year present again this year. The reserved works aging infrastructure are being reviewed and Kevin Kasberg stated that there is a process in place on how power projects work and how contractors are selected. Finance Director Ram stated the President's budget will open in October 2024 and that the stakeholders need to keep in mind certain funds get obligated, so they are not immediate costs until they are expended. Heather Casillas reported on CVPIA program evaluations and stated that they have a transparent process for updating business guidelines. There were no actual reviews on the CVPIA rates and the methodology.

b. Stockton East Water District Activities Update

Manager Hopkins reported nearly all District Staff are involved in some way with flood damage from the storms either by repairing facilities, managing contractors or tracking costs. Manager Hopkins reported Assistant Manager Vega has been doing a good job working with the Office of Emergency Services for San Joaquin and Stanislaus counties to make sure all efforts to repair the damage is accounted for and included in the request for FEMA funding. The contractor performing the repairs on the Upper Farmington Canal has started the work. Manager Hopkins shared aerial pictures of the progress. The contractor was able to find the end of the stormwater concrete pipe under the canal so all corrugated metal pipe blown out from that point to the outlet can be replaced with new concrete pipe. District Engineer Evensen added there was 100 feet of reinforced concrete pipe (RCP) to be replaced, and the contractor has done a great repair job. The access roads to the site were repaired as needed to allow for equipment and material deliveries. Discussion followed

## G. DIRECTOR REPORTS

1. US Bureau of Reclamation – Water Users Conference, Reno, NV,

President Atkins reported he attended the conference along with Directors Sanguinetti, Watkins and Manager Hopkins. Director Watkins commented there was discussion regarding Klamath, Shasta and snow pack for the central sierra region. Manager Hopkins reported information was provided from the national river forecasting center that showed 90% exceedance that this will be an above normal year. If this is the case, SEWD should receive a full allocation. Director Sanguinetti stated the panel discussions were pretty good, and it was worth the trip. Discussion followed

2. Director McGurk reported he attended the ACWA Region 4 meeting on January 30<sup>th</sup> and discussed the actions and vacancies of the board and elected committees. The action items included appointing board members to the Region 4 Board, the 2023 Region Nominating Committee and the ACWA Board Officers Election Committee. Director McGurk mentioned the nominees (Chris Lee, David Weisenberger, Justen Cole and Thomas Orvis) for the region vacancies. The quarterly meetings are scheduled for August 18<sup>th</sup> and October 4<sup>th</sup> of 2023.

**H. COMMUNICATIONS (None)**

**I. AGENDA PLANNING/UPCOMING EVENTS**

1. Greater Stockton Chamber of Commerce Monthly Mixer – Bob Hope Theatre, 02/02/23

**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. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED  
LITIGATION Section 54956.9 (2 Cases)
3. Closed Session – Personnel  
Government Code 54957

President Atkins adjourned the meeting to closed session at 1:45 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:19 p.m., with the no reportable action.

**K. ADJOURNMENT**

President Atkins adjourned the meeting at 2:20 p.m.

Respectfully submitted,

  
Justin M. Hopkins  
Secretary of the Board

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