

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, MAY 14, 2024 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, McGurk, Panizza, Sanguinetti and Watkins. Also present were Manager Hopkins, Assistant Manager Vega, Finance Director Ram, Water Operations Manager Wunderlich, Administrative Assistant Rodriguez, Legal Counsel Zolezzi and Consultant Barkett. Director Nakaue was absent.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 04/30/24 Regular Meeting

A motion was moved and seconded to approve the April 30, 2024 Minutes, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: Nakaue

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the May 14, 2024 California Public Employees’ Retirement System, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: Nakaue

3. Warrants

- a. Fund 68 – Municipal & Industrial Groundwater Fund
- b. Fund 70 – Administration Fund
- c. Fund 71 – Water Supply Fund
- d. Fund 89 – Fish Screen Improvement
- e. Fund 91 – Vehicle Fund
- f. Fund 94 – Municipal & Industrial Fund
- g. Payroll
- h. Summary
- i. Short Names/Acronym List
- j. SEWD Vehicles & Heavy Equipment

Director Cortopassi inquired on the expense on page 25, line item 173 for Stantec Consulting Services Inc. for WTP Master Plan progress bill 11/15/23-03/29/24 in the amount of \$179,862.58. Manager Hopkins replied there are two different bills for the master plan one is for the Water Treatment Plant Master Plan and the other one is for the Water Supply Master Plan in which they each have different consultants.

Director Panizza inquired on the expense on page 25, line item 194 Valley Landscaping & Maintenance Inc. for WTP landscaping services for April 2024 in the amount of \$2,550. Manager Hopkins replied there was a marginal increase of \$100 per month from last fiscal year to the current fiscal year.

A motion was moved and seconded to approve the May 14, 2024 Warrants, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: Nakaue

4. Stockton East Water District – Consideration of Approving Van Vliet Out of District Contract
Manager Hopkins presented the Board with the Consideration of Approving Van Vliet Out of District Contract. Manager Hopkins reported the District received a request for Out of District water from a landowner in Stanislaus County. Manager Hopkins reported the District has offered the agreement for Out of District Non-Potable water service which this landowner is wanting to pursue ahead of installing their diversion facility. Manager Hopkins noted an administrative correction within the first paragraph of the first page. Staff is recommending the Board consider approving the Out of District contract, as amended.

A motion was moved and seconded to approve the Van Vliet Out of District Contract, as amended.

Roll Call:

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

Nays: None

Abstain: None

Absent: Nakaue

5. Stockton East Water District – Review Proposed Update to Rule 109 – Water Rights Claims Memo
Manager Hopkins presented the Board with a Review of Proposed Update to Rule 109 – Water Rights Claims Memo. Manager Hopkins reported in May 2023 District staff conducted an audit of the way Rule 109 has been applied of the past fifty years. Manager Hopkins reported staff found several discrepancies between the language of the rule and the previous generation of employees' interpretation of it. Manager Hopkins also reported staff met with the Agricultural Operations Committee several times between January and April 2024 to discuss Rule 109 entitlement discrepancies and receive direction for updating the rule. Through an iterative updating process, Rule 109 was modified to reflect the entitlement methodology historically applied by staff. The modifications include: allow non-riparian parcels to receive a riparian entitlement if the non-riparian parcels are contiguous and under the same ownership as the riparian parcel, allow any parcel bordering Mormon Slough or Calaveras River east of Bellota to receive the riparian entitlement, even if the parcel was not included in the Study, allow all parcels diverting surface water, but do not border Mormon Slough or Calaveras River east of Bellota, to receive any current entitlement. The updates to Rule 109 also include a sunset strategy for eliminating discounts applied to lands that have no appropriate water right and do not meet the State Water Resources Control Board criteria

to receive a riparian water right. Discounts to said lands will be removed if the land uses groundwater for three consecutive years, when surface water is available. Manager Hopkins also reported Rule 109 is scheduled to go out for Notice of Public hearing on Friday, May 17, and will return to the Board on Tuesday, May 28, for Board approval.

Director Watkins inquired if letters will be going out to the people involved to inform them of Rule 109 changes. Manager Hopkins replied staff will send out the letters if the Board requests such; no direction was provided..

6. Stockton East Water District – Consideration of Approving the Purchase of Watkins Low Water Crossing Project Culverts Memo

Manager Hopkins presented the Board with the Consideration of Approving the Purchase of Watkins Low Water Crossing Project Culverts Memo. Manager Hopkins reported as part of the Districts' Calaveras River Habitat Conservation Plan, the District committed to performing several fish passage improvement projects on Calaveras River and Mormon Slough with George Watkins Low Water Crossing being one of the projects. Assistant Manager Vega reported the George Watkins Low Water Crossing project is budgeted for this year and is still waiting for the 408 from the U.S. Army Corps of Engineers (USACE). Assistant Manager Vega also reported staff requested quotes from three precast manufactures and only received two, those two being from Jensen Precast which came in at \$310,492.43 and Precon Products which came in \$345,371.58. Assistant Manager Vega also reported the concrete road prism will be replaced with a set of custom precast Type 2 precast concrete culverts, with ends skewed at 45 degrees so that the culvert openings match the alignment of the channel. The new crossing will comprise of 10 culvert sections (two rows of 5), 7 feet wide, 20 feet span, and 8 feet tall. The new culverts will maintain the existing crossing's 14-foot road width. The Board of Directors (Board) approved Fiscal Year 2024-2025 budget for the George Watkins Crossing Project is \$900,000. In addition, the George Watkins Crossings received multiple grants totaling \$600,000. The Jensen Precast quote is the lowest at \$310,492.43, including shipping and tax. The remaining budget amount should be sufficient to construct the project this fiscal year. Lead time for the box culverts is approximately three months. Staff recommends the Board authorize the General Manager approve the purchase of concrete box culverts from Jensen Precast of \$310,492.43, plus a 10% contingency of \$31,049.24, for a total of \$341,541.68, and make all other necessary approvals.

Director McGurk inquired why staff went with the 45-degree angle. Assistant Manager Vega replied the 45-degree angle was part of the design Department of Water Resources (DWR) provided. Staff inquired with Department of Water Resources (DWR) to be given leeway on the design of the culverts since in the previous culverts were constructed as puzzle pieces. Manager Hopkins added one of the reasons for keeping the 45-degree angle going across the slough is the turning radius for the trucks which have to use the low water crossing.

Director Atkins inquired if the District has purchased from Jensen before. Manager Hopkins replied the District purchased the concrete flumes for the CCTR Railroad Bridge.

Director Cortopassi inquired how many culverts will be purchased. Assistant Manager Vega replied 10 culvert sections. Discussion followed.

Director Watkins clarified for the Board that the culverts are for the George Watkins Low Water Crossing.

A motion was moved and seconded to authorize the General Manager approve the purchase of concrete box culverts from Jensen Precast in the amount of \$310,492.43, plus a 10% contingency of \$31,049.24, for a total of \$341,541.68, and make all other necessary approvals, as presented.

Roll Call:

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

Nayes: None

Abstain: None

Absent: Nakaue

7. Stockton East Water District – Discussion of Potential Memorial for Lorelee McGaughey Memo
Manager Hopkins presented the Board with a Potential Memorial for Lorelee McGaughey Memo. Manager Hopkins reported staff have received a few inquirers about dedicating a memorial to the District’s late Director, Lorelee McGaughey, since similar dedications have been made for other prior directors. Manager Hopkins reported the current memorial suggestions include dedication of a park bench or street name. The park bench could be located behind the Administration building within the pergola. The District’s recent use of the north site shop building has identified the need for a roadway name to better facilitate herbicide deliveries.

Director Watkins commented with the new security gates being installed outside people will not have access to the north site roadway.

Director Sanguinetti suggested naming the Sodium Hypo Chlorite after Lorelee McGaughey since she was present for approval and during the construction process of the building.

Director Panizza suggested a higher quality sign than the signage at Al Bonner Way and New Water Lane since existing signs are difficult to identify.

No action was taken, and the Discussion of Potential Memorial for Lorelee McGaughey Memo will be brought back to the May 21st Regular Board Meeting. Discussion followed.

E. COMMITTEE REPORTS

1. Central San Joaquin Water Conservation District and Stockton East Water District Committee Meeting, 05/01/24
Directors McGurk, Atkins, Cortopassi, Manager Hopkins, Assistant Manager Vega, and Finance Director Ram attended the Central San Joaquin Water Conservation District and Stockton East Water District Committee Meeting. Director McGurk reported during the meeting it was decided Central San Joaquin Water Conservation District (CSJWCD) was going to have a Board meeting and develop a written response to what the Stockton East Water District (SEWD) Ad-HOC Committee presented at the meeting. Director McGurk also reported CSJWCD and SEWD will meet once again when the District receives CCSJWCD's written response. Director Atkins reported CSJWCD reported they have projects but they did not elaborate on the projects.

Director Panizza inquired who was absent at the meeting. Director McGurk replied Grant Thompson was absent, therefore, CSJWCD did not have a full quorum. Discussion followed.
2. San Joaquin County and Delta Water Quality Coalition Steering Committee Meeting, 05/13/24
Director Atkins reported this meeting was cancelled.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 04/30/24

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 240,100AF in storage at New Hogan Reservoir. Current releases are set at 147 cfs. There is 2,066,279 AF in storage at New Melones Reservoir. Current releases are set at 1,473 cfs. Current release at Goodwin Dam to Stanislaus River is set at 1,351 cfs and release to all water users is set at 2,270 cfs. The District Water Treatment Plant (WTP) is currently processing 42 mgd. North Stockton is currently utilizing 10 mgd. South Stockton is currently utilizing 10 mgd. Cal Water is currently utilizing 20 mgd. The City of Stockton WTP is currently processing 13 mgd.

2. Information Items:

a. Manager Hopkins noted items: F-2a.

3. Report on General Manager Activities

a. Stockton Area Water Suppliers (SAWS) Meeting, 05/10/24
Director Atkins reported this meeting was cancelled.

b. Stockton East Water District Activities Update

Manager Hopkins reported District staff and himself met with staff from the Urban Contractors to discuss the proposed revisions of the Water Supply Contract. Overall the District and Urban Contractors are heading towards the same direction with one potential fundamental disagreement which is the autonomy of the independent operation of the District's board.

Manager Hopkins reported the District is increasing its public engagement, specifically with the five-year GSP Update being due, there will be more activity at the Groundwater Authority level and engagement of District customers about SGMA. Manager Hopkins also reported District staff will be posting more information on the District's website, the Groundwater video is still in production and will be presented to the Board in a future meeting and banners were created for the upcoming Linden Cherry Festival parade which will also be displayed at the District.

Manager Hopkins reported the District has gained full access to the District's LinkedIn account and staff will start to post more information about the District activities and display different events. Staff has already posted a video about the Water Awareness Month on the LinkedIn account.

Manager Hopkins informed the Board of Directors the Linden Cherry Festival will take place Saturday, May 18th and opened the invitation to all who want to attend.

4. Stockton East Water Finance Update

Finance Director Ram provided an update on the budget year-to-date as of April 30, 2024, showing the budget at 8.33% and actual expenditures at 5.5%. The District is currently exceeding the budget for Training and Education in April due to association dues, and the Eastern San Joaquin Groundwater Authority (ESJGWA) cost share has increased from \$44K to \$80K compared to last year. Additionally, Finance Director Ram reported the investment income for each quarter: quarter one saw \$330,040, quarter two \$370,793, quarter three \$426,864 after moving some funds to California Class, and quarter four \$470,464. For the fiscal year 2023/2024, the District has earned \$1,598,161 in interest income compared to \$173K in fiscal year 2022/2023.

Director McGurk asked about a \$12 million check received from the Department of Water Resources (DWR). In response, Finance Director Ram clarified that when the District is awarded a grant, they only receive the portion of the funds that has been expensed by the District.

5. Stockton East Water District Treatment Plant Update

Water Operations Manager Wunderlich provided the Board with an update on the District's WTP production. Water Operations Manager Wunderlich reported for the month of April 90 samples of E coli were collected and 0 were positive. The WTP rain fall totals for the previous week was 0 inches, the District's WTP produced 2,837.1 AF and Delta Water Supply Treatment Plant produced 985.4 AF in surface water production. Cal Water produced 310 AF, City of Stockton produced 40.8 AF and the District's water treatment plant produced 0 AF in groundwater production.

G. DIRECTOR REPORTS

1. San Joaquin Council of Government – One Voice in Washington, DC, 05/06/24 – 05/09/24
Directors Atkins, Sanguinetti, Watkins and Manager Hopkins attended the One Voice in Washington, DC. Director Sanguinetti reported Director Atkins, Director Watkins, Manager Hopkins and himself had a meeting with Congressman Harder. The Directors and Manger Hopkins also met with NRCS and were informed of the Regional Conservation Partnership Program (RCPP) which is a program to further the conservation, protection and sustainable use of water, agricultural land and related natural resources on a regional or watershed scale. The available RCPP funding is about \$1.5B. Director Sanguinetti reported Manager Hopkins had a meeting with Senator Alex Padilla's staff. The Director's and Manager Hopkins attended the Baltimore Orioles vs Washington Nationals baseball game which was sponsored by San Joaquin Council of Governments and they also attended The Port of Stockton Board of Commissioners dinner at The Prime Rib. Director Sanguinetti also reported Director Atkins and Manager Hopkins received a tour of the White House and Director Atkins and himself received a tour of the National Museum of the United States Navy. Director Atkins reported San Joaquin Council of Governments met with Congressman Harder to talk about what he could do to help San Joaquin County with projects they are trying to complete and are necessary.

Director McGurk inquired if the Director's met with U.S. Army Corps of Engineers (USACE). Director Atkins replied no. Discussion followed.

2. ACWA 2024 Spring Conference & Expo, 05/07/24 – 05/09/24

Director Atkins reported Director Nakaue attended the conference and will report out at the next Regular Board Meeting.

H. COMMUNICATIONS

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 1:00 p.m., 05/15/24
2. 2024 WEF-Bay Delta Tour, 05/15/24 – 05/17/24
3. F&M Bank Annual Evening At The Ball Park, 6:00 p.m., 05/16/24
4. ACWA State Legislative Committee Meeting, 10:00 a.m., 05/17/24

Board Meeting – 05/14/24

DraftApproved

5. CVP Water Association – Executive and Financial Affairs Committee Meeting, 10:00 a.m., 05/17/24

J. REPORT OF THE COUNSEL

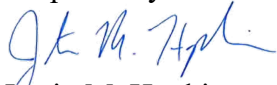
1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Potential exposure to litigation – Government Code Section 54956.9 – three case

President Atkins adjourned the meeting to closed session at 1:31 p.m. The regular meeting reconvened at 1:38 p.m., with no reportable action.

K. ADJOURNMENT

President Atkins adjourned the meeting at 1:39 p.m.

Respectfully submitted,



Justin M. Hopkins
Secretary of the Board

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