

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, JULY 12, 2022 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., and Director Atkins led the Pledge of Allegiance.

Present at roll call at the District were Directors Atkins, Cortopassi, McGaughey, McGurk, Sanguinetti and Watkins. Also present were Interim Manager Hopkins, District Engineer Evensen, Finance Director Vega, Administrative Services Manager Carido, Administrative Clerk Feliciano, and Legal Counsel Zolezzi. Present at roll call via teleconference was Director Panizza. Director Sanguinetti excused himself from the meeting at 12:45 p.m. and returned at 1:21 p.m.

B. CONSENT CALENDAR

C. PUBLIC COMMENT

Director Cortopassi wished President Watkins a happy belated birthday as his birthday was two days prior to Director Cortopassi's. Director McGaughey commented her birthday is on Saturday and July is a busy month for Board birthdays.

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 07/05/22 Regular Meeting

A motion was moved and seconded to approve the July 5, 2022 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 July 12, 2022 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. California Public Employees' Retirement System – Yearly Unfunded Accrued Liability (UAL) Payment Options

Interim Manager Hopkins provided the Board with information on the California Public Employees' Retirement System (CalPERS) – Yearly Unfunded Accrued Liability (UAL) Payment Options. Finance Director Vega reported this is a yearly exercise brought to the Board for consideration. Interim Manager Hopkins reported each year the District receives a notice from CalPERS for payments to the UAL for the District's Retirement Plans. Finance Director Vega stated paying yearly provides savings

and if paid monthly, an interest amount applies. Paying annually would result in ~\$18,440 savings. Director Cortopassi inquired if the UAL is paid every two weeks or monthly. Finance Director Vega replied CalPERS contributions have two components: the UAL which can be paid annually or monthly per the presented memo and the payroll contributions which are paid every two weeks. Finance Director Vega added that the UAL payment changes according to the yearly CalPERS Actuarial Valuation which looks at things like changes to financial performance and mortality rates. Director Cortopassi inquired if the District had made an additional payment to the UAL recently. Finance Director Vega replied yes the District made a payment in excess of one million dollars in December of 2021; without the pre-payment the District would owe more than presented this year and in years to come.

President Watkins inquired if the funds have to be taken out of reserves. Finance Director Vega replied no, the UAL is a budgeted item.

A motion was moved and seconded to pay the full amount of the California Public Employees' Retirement System (CalPERS) Unfunded Accrued Liability in lump sum; and, in the amounts of \$526,021 for Classic Members and \$9,949 for PEPRAs Members.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

4. Dr. Joe Waidhofer Drinking Water Treatment Plant – Sodium Hypochlorite Project Monthly Update
District Engineer Evensen provided the Board with a presentation regarding the monthly update on the Sodium Hypochlorite Project. District Engineer Evensen presented pictures and videos of the construction at the chemical storage building; the forming at the front chemical delivery point, drain pipe, rebar, forming, corner footing, forming for the stem wall, concrete pour and pulling forms are now complete. District Engineer Evensen reported the project is 15% complete. This item was for information only.

5. Dr. Joe Waidhofer Drinking Water Treatment Plant – Administration Building Septic System Memo, 07/12/22

Interim Manager Hopkins provided the Board with a memo regarding the Administration Building Septic System. Interim Manager Hopkins reported the wastewater flows from the Administration Building are on a flat slope to catch an existing manhole that was part of the original Water Treatment Plant project, and then the wastewater flows downhill to the maintenance buildings where there is an existing septic tank and leach field. Interim Manager Hopkins reported that the flat sloped sewer line causes the Administration Building to have problems with the line clogging easily; Maintenance Staff flushes the line weekly to prevent problems. District Engineer Evensen reported District Staff solicited quotes from three septic tank and leach field contractors; JS Construction & Septic Inc. provided the lowest quote of \$12,847 which includes installation of a 1,200-gallon precast septic tank, two 40' leach lines, four seepage pits, saw cutting concrete and procurement of San Joaquin County Environment Permit. District Engineer Evensen recommended the Board authorize the Interim General Manager to execute a contract with JS Construction & Septic Inc. to install a septic tank and construct a leach field system for the Administration Building for \$12,847, plus a 10% contingency of \$1,285, for a total approved construction of \$14,132.

Director McGurk inquired why the contract quotes varied significantly in price. District Engineer Evensen replied Richards Pumping quoted a larger septic tank.

Director Sanguinetti inquired if the landscaping will be replaced or thrown out. Interim Manager Hopkins replied the grass will be removed to install the leachfield line; Staff has seed on hand to revive the grass. District Engineer Evensen reported that some bushes were already removed for the 8-inch waterline to be installed and likely will not be replaced. Discussion followed regarding the details of the Administration Building Septic System.

A motion was moved and seconded to approve the recommendation from staff; and authorize the Interim General Manager to execute a contact with JS Construction & Septic Inc. to install a septic tank and construction a leach field system for the Administration Building in the amount of \$12,847, plus a 10% contingency for a total amount of \$14,132, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

6. Statement of Consistency Pursuant to Execute Order N-7-22 and Findings of Fact Stockton East Water District Groundwater Sustainability Agency Statement of Consistency Pursuant to Executive Order N-7-22 – Well Permit Application for 7172 Arata Road, Stockton, CA 95215

Interim Manager Hopkins provided the Board with the Statement of Consistency Pursuant to Execute Order N-7-22 and Findings of Fact Stockton East Water District Groundwater Sustainability Agency Statement of Consistency Pursuant to Executive Order N-7-22 – Well Permit Application for 7172 Arata Road, Stockton, CA 95215. Interim Manager Hopkins reported the District received a new well application for a property that does not currently have a well; the pump info was not disclosed and is not available. Interim Manager Hopkins requested Board consideration to approve the Well Permit Application for 7172 Arata Road, Stockton, CA 95215 and to determine if the well coincides with the District's Groundwater Sustainability Plan and SGMA.

Director Cortopassi commented the map does not show the details however the property was split into two parcels and the new well is being installed in the new parcel. Discussion followed regarding the property at 7172 Arata Road, Stockton, CA 95215.

Member of the Public, Mary Elizabeth expressed her concern that the San Joaquin County New Well Information form was not complete; Mary Elizabeth commented the information should be available pursuant to the regulations of a critically overdraft basin. President Watkins replied the District does not author the form or require the information to be submitted; President Watkins directed Mary Elizabeth to share her concerns with the San Joaquin County Environmental Health Department.

A motion was moved and seconded to approve the Statement of Consistency Pursuant to Execute Order N-7-22 and Findings of Fact Stockton East Water District Groundwater Sustainability Agency Statement of Consistency Pursuant to Executive Order N-7-22 – Well Permit Application for 7172 Arata Road, Stockton, CA 95215, as presented.

Roll Call:

Ayes: Atkins, Cortopassi, McGaughey, McGurk, Watkins

Nays: Panizza

Abstain: None

Absent: Sanguinetti

7. City of Stockton Water Right Application (A30531B) – Permit To Appropriate Water from the San Joaquin River, 07/05/22
Interim Manager Hopkins provided the Board with a Notice of Transmittal of Proposed Order provided by the State Water Resources Control Board regarding City of Stockton’s San Joaquin River Water-Right Application (A30531B). Interim Manager Hopkins reported the City of Stockton’s San Joaquin River Water Right is being recommended for cancellation by the State Water Resources Control Board (SWRCB) Administrative Hearings Office; the Administrative Hearings Office is bringing the proposed order for consideration at the SWRCB Board Meeting on August 16, 2022. Interim Manager Hopkins added written requests to support the City of Stockton are due by August 4, 2022.

President Watkins requested Staff bring the item back for discussion at a later date.

8. Resolution No. 22-23-06 – Resolution in Support of Ensuring the Health and Sustainability of the Sacramento-San Joaquin Delta
Interim Manager Hopkins provided the Board with Resolution No. 22-23-06 – Resolution in Support of Ensuring the Health and Sustainability of the Sacramento-San Joaquin Delta.

President Watkins stated he did not agree with all of the findings presented in Resolution No. 22-23-06. Discussion followed regarding the Delta Tunnel Project and impact on the District.

President Watkins requested Staff bring the item back for discussion at a later date.

E. COMMITTEE REPORTS

1. Eastern Water Alliance – Demonstration Recharge Extraction and Aquifer Management (DREAM) Project Tour, 07/06/22
Directors McGurk, Watkins and Interim Manager Hopkins attended the July 6, 2022 Eastern Water Alliance – Demonstration Recharge Extraction and Aquifer Management (DREAM) Project Tour. Director McGurk reported the Tour was well attended and the Demonstration Recharge Extraction and Aquifer Management (DREAM) Project is funded and designed to perform for the growers supporting the project. Director McGurk reported the growers that were not interested in the project at its inception are now trying to become part of it. Director McGurk reported the project is underway; East Bay Municipal Utilities Department is a cooperative and collaborative partner in the project. Interim Manager Hopkins reported he was surprised they received landowner participation since the landowners only receive water fifty percent of the time with landowners investing as much \$200,000. Interim Manager Hopkins added North San Joaquin Water Conservation District funding plan for surface water installation as a 1/3 cost share for landowners; the cost would be shared between the landowner/customer, USDA/CDFR and North San Joaquin Water Conservation District. Discussion followed regarding the locations/facilities toured and the details of the project at those locations/facilities. President Watkins reported the state of art facility is located at Eight Mile Road and Hildreth Avenue and the extraction well located at Pixley Slough. This item was for information only.
2. ACWA Special State Legislative Committee Meeting, 07/06/22
Interim Manager Hopkins attended the July 6, 2022 ACWA Special State Legislative Committee Meeting. Interim Manager Hopkins reported the only bill discussed was Senate Bill 222 Water Affordability Assistance Program; this program would subsidize water rates for low income customers. Interim Manager Hopkins reported Senate Bill 222 funding would be approved annually by legislature with the State Water Board awarding the assistance. Interim Manager Hopkins reported the Committee has taken an oppose unless amended position. Interim Manager Hopkins added ACWA is looking for agencies to form a Coalition to oppose Senate Bill 222; Interim Manager Hopkins Board Meeting – 07/12/22

inquired with the Board if District is interested in taking an oppose unless amended position on the Coalition letter. Director McGurk replied Senate Bill 222 is outside the District's scope of interest. The next meeting is scheduled for August 5, 2022.

3. San Joaquin County & Delta Water Quality Coalition Meeting, 07/11/22
Director Atkins attended the July 11, 2022 San Joaquin County & Delta Water Quality Coalition Meeting. Director Atkins reported discussion regarding CV Salts Budget of \$65,000 increasing for next year and the State Water Resources Control Board fee increasing for next year as well. Director Atkins reported membership late notices are currently being distributed. Director Atkins reported discussion during the Program Manager's Report regarding a few hits of pyrethroids at French Camp and Temple Creek; the testing regulations have changed causing more frequent hits. Director Atkins reported discussion regarding algae toxicity at Woodbridge; diuron herbicide for grass could be the cause of the algae toxicity. Director McGurk inquired about French Camp findings. Director Atkins replied the hits have been present lately because they are lumping all the pyrethroids together which reads as a higher level causing more frequent hits. The next meeting is scheduled for August 8, 2022.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 07/11/22
Interim 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 98,316 AF in storage at New Hogan Reservoir. Current releases are set at 252 cfs. Current release at Goodwin Dam to Stanislaus River are set at 306 cfs and release to all water users are set at 0 cfs. There are 19 irrigators on New Hogan, 0 irrigators on New Melones, and 0 irrigators out of District. The water treatment plant is currently processing 50 mgd. The City of Stockton is currently processing 13 mgd. Interim Manager Hopkins reported the District Wells total water extraction is 6,606 gpm (~9.5 mgd).

Director McGaughey inquired why South Stockton and North Stockton are reported separately. Interim Manager Hopkins replied they are reported separately because the water is being delivered to separate facilities.

2. Information Items:
Interim Manager Hopkins noted item: F2a-1, F2a-2 and F2a-3.
3. Report on General Manager Activities
 - a. Stockton Area Water Suppliers (SAWS) Meeting, 07/08/22
Interim Manager Hopkins attended the July 8, 2022 Stockton Area Water Suppliers (SAWS) Meeting. Interim Manager Hopkins reported discussion regarding the County's interest in distributing a regional message about water supply in order to meeting the demands in the County for both Agriculture and Urban water users. Interim Manager Hopkins reported the County also plans to collaborate with South San Joaquin Irrigation District and other east side agencies in order to promote the regional message. Interim Manager Hopkins stated he reported an update on the District's water supplies. The next meeting is scheduled for August 12, 2022.
 - b. Stockton East Water District Activities Update
Interim Manager Hopkin reported District Staff met to discuss the possible location for the new extraction well approved by the Board at the July 5, 2022 Regular Board Meeting. Interim Manager Hopkins reported District Staff designated the ideal location for the extraction well to be between the new recharge basin and the solar field; due to the proximity of existing infrastructure for

connecting the well discharge as well as overhead electric, PG&E has a requirement of only two accounts per APN. Interim Manager Hopkins reported the parcel with the majority of the recharge basin already has two accounts. Interim Manager Hopkins added the proposed location for the extraction well is a small parcel created with the solar field project and does not currently have any accounts. President Watkins inquired if the parcel requires an easement. Legal Counsel Zolezzi replied no, an easement cannot be given on a property the District owns. Discussion followed regarding District parcels. This item was for information only.

Interim Manager Hopkins reported the Potter Creek Pump Station and East Reservoirs leaks have been fixed and are no longer leaking. This item was for information only.

Interim Manager Hopkins reported a new member of Staff; Kent Norman, Associate Engineer. This item was for information only.

Interim Manager Hopkins reported he had a meeting with a State Water Resources Control Board representative to discuss their inquiries with our landowners about inspecting their diversions under their water right; SWRCB came out to fact check the information given and hopefully the Water Rights Division site visits will exclude visits to our customers in our service area. Director Cortopassi inquired about Norman's Nursery and if they have a well or pipeline. President Watkins replied Norman's Nursery and The Wine Group pump surface water. This item is for information only.

G. DIRECTOR REPORTS

1. San Joaquin Farm Bureau Federation – 108th Annual Meeting, 07/07/22
Directors McGurk, Watkins and Interim Manager Hopkins attended the July 7, 2022 San Joaquin Farm Bureau Federation – 108th Annual Meeting. President Watkins reported there were ~170 attendees at the event. President Watkins reported it was a nice event to introduce new officers and distribute scholarships. President Watkins reported the Scholarship Foundation was created from leftover funds from an Amnesty Grant; ~\$157,000 formed the San Joaquin Farm Bureau Federation Scholarship Foundation with the purpose of Agricultural Education. This item was for information only.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. Eastern San Joaquin Groundwater Authority Steering Committee Meeting, 8:30 a.m., 07/13/22
2. Eastern San Joaquin Groundwater Authority Board of Directors Meeting, 10:30 a.m., 07/13/22
3. Stockton East Water District Special Board Meeting – Calaveras River System Luncheon, 12:55 p.m., 07/15/22
4. Central Valley Project Water Association – Executive & Financial Affairs Committee, 10:00 a.m., 07/15/22
5. Stockton East Water District Special Board Meeting, 10:00 a.m., 07/18/22

J. REPORT OF THE COUNSEL

1. Closed Session: REAL PROPERTY – GOVERNMENT CODE
SECTION 54956.9 – Property: Water Rights
Agency Negotiator: Justin M. Hopkins
Board Meeting – 07/12/22

Negotiating Parties: Oakdale Irrigation District/South San Joaquin Irrigation District
Under Negotiation: Water Transfer


2. Closed Session: REAL PROPERTY – GOVERNMENT CODE
SECTION 54956.9 – Property: Water Rights
Agency Negotiator: Justin M. Hopkins
Negotiating Parties: Rock Creek Water District
Under Negotiation: Water Transfer
3. Closed Session - Potential Litigation
Government Code 54956.9 (c) – one case

President Watkins adjourned the meeting to closed session at 1:37 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:54 p.m., with no reportable action.

K. ADJOURNMENT

President Watkins adjourned the meeting at 1:55 p.m.

Respectfully submitted,



Justin M. Hopkins
Secretary of the Board

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