

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, NOVEMBER 23, 2021 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, McGurk, Sanguinetti and Watkins. Also present were Manager Moody, Assistant General Manager Hopkins, Finance Director Vega, Administrative Services Manager Carido and Administrative Clerk Feliciano. Present at roll call via teleconference were Directors McGaughey and Panizza. Also present via teleconference were Legal Counsel Zolezzi and Consultant Barkett.

**B. CONSENT CALENDAR** (None)

**C. PUBLIC COMMENT** (None)

**D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS**

1. Minutes 11/16/21 Regular Meeting

A motion was moved and seconded to approve the November 16, 2021 Regular Board Meeting Minutes, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

2. Warrants

- a. Fund 56 – Construction Fund
- b. Fund 68 – Municipal & Industrial Groundwater Fund
- c. Fund 70 – Administration Fund
- d. Fund 71 – Water Supply Fund
- e. Fund 89 – Fish Passage Improvements Fund
- f. Fund 91 – Vehicle Fund
- g. Fund 94 – Municipal & Industrial Fund
- h. Summary
- i. Short Names/Acronym List
- j. SEWD Vehicles & Heavy Equipment

Director McGurk inquired on the expense on page 10, line item 30 for Wagner & Bonsignore for General professional/New Hogan Water Rights Oct 2021 in the amount of \$5,157.55. Manager Moody explained the District received push back from the last water rights filing for the Linden Irrigation District Water Right that was not reported properly; State Water Resources Control Board changed classified use of the water rights with Senate Bill 88. Manager Moody replied the vendor is always working on water rights reporting and has also been used for the Habitat Conservation Plan (HCP).

Director Sanguinetti inquired on the expense on page 12, line item 59 for Traffic Management, Inc. for Traffic control for Sheldon Road Bridge in the amount of \$4,552.80. Manager Moody replied work on the Shelton Road Bridge needed to get done and there was not enough Staff to cover traffic control. Manager Moody replied there was a minimum of two people controlling traffic as the project required the road to go down to one lane.

Director Cortopassi inquired on the expense on page 11, line item 42 for MANCO for the level sensor, Vegaplast for Gotelli Bridge in the amount of \$856.61 and inquired if the level sensor is the same work that was done on the Sheldon Road Bridge. Assistant Manager Hopkins replied, yes it was the same. Director Cortopassi inquired if a lot of these level sensors are being put up. Assistant Manager Hopkins replied no, a level sensor was added to Gotelli Bridge to have full measurement for our water right reporting.

Director Atkins inquired on the expense on page 17, line item 81 for Atlas Copco Compressors LLC for the Tank and air compressor for surge tank rehabilitation in the amount of \$16,250.74. Manager Moody replied the main surge tank is being re-worked to have its own air compressor with air pressure monitoring to provide surge protection from the Urban Contracts back to the District; the work to the existing tank includes new fittings, a coating check on the inside of the tank and the install of an air compressor to continuously manage the air pressure. Manager Moody explained the air pressure is running out without warning and often times is empty and Staff has to refill the tank with an industrial air compressor.

Director Atkins inquired on the expense on page 18, line item 97 for Krohne, Inc. for the Flow meter for solids feed to lagoons in the amount of \$24,915.03. Manager Moody replied the expense is for the sludge lagoon project; the valving, piping and pump has to be installed to move the sludge from one lagoon to the next. Manager Moody added the sludge lagoon project has been spread out into several different funds. Director McGurk inquired on the units being measured for the sludge lagoons. Assistant Manager Hopkins replied the meter is programmable; cubic meters per second/acre-feet how ever the District would like the sludge be measured. Director McGurk inquired on the benefit of metering the sludge. Assistant Manager Hopkins replied the discharge from sediment basins 3 & 4 are the only measurements we have for sludge in the water. Manager Moody added the switch of chemicals for the settling process due to the TOC violation we had, more sludge has developed and due to the new required chemicals, the sludge does not dry up as quickly. Manager Moody added the meter is for internal use to have historical record of the sludge.

A motion was moved and seconded to approve the November 23, 2021 Warrants, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

3. Dr. Joe Waidhofer Water Treatment Plant – Notice of Chlorine Price Increase Memo, 11/23/21  
Assistant Manager Hopkins provided the Board with a memo explaining the current chlorine increase due to unavoidable economic circumstances. Assistant Manager Hopkins reported Jones Chemical, Inc. (JCI) sent the District a letter to increase the cost of chlorine from \$785 per ton to \$1,185 per ton due to cost increases from their supplier as well as a spike in fuel costs. Assistant Manager Hopkins reported Staff contacted JCI to have a conversation about the cost increase, at

that time, JCI provided Staff with several cost increase letters they received from the chlorine manufacturer; JCI has been absorbing incurred costs since May 2021 as well as a spike in monthly fuel costs in the amount of \$14,000, which are justifications for the \$400 per ton cost increase.

Director Atkins inquired if the 10% increase included the hauling. Assistant Manager Hopkins replied yes, it is a factor in the increase but it is mainly driven by the chemical cost driven up by the manufacturer.

Manager Moody commented Legal Counsel Zolezzi was asked for advisement since the District is currently under contract with JCI; the contract does not indicate any legal action under these economic circumstances and due to JCI being one of the only two chlorine providers, the District's best interest would be to take on the cost that JCI has been absorbing. Manager Moody reported Staff contacted the other chlorine provider, Thatcher Company of California, Inc. and the cost per ton was comparable to JCI at \$1,150. Assistant Manager Hopkins reported JCI committed to honoring the \$1,185 per ton until the end of our contract dated March 31, 2022, with the knowledge of an additional increase in January 2022 from the manufacturer. Assistant Manager Hopkins added Thatcher Company of California, Inc. agreed to enter into contract for chlorine in the amount of \$1,150 only until December 31, 2021. Assistant Manager Hopkins requested the Board approve an amendment to the current contract for chlorine in the amount of \$1,185 per ton with Jones Chemical, Inc. and to enter into a new contract for gas chlorine in the amount of \$1,150 per ton with Thatcher Company of California as a backup supply in the event JCI cannot provide chlorine; both contracts will expire at the end of the fiscal year, March 31, 2022.

A motion was moved and seconded to authorize amending the current Chemical Vendor Agreement with JCI Jones Chemicals, Inc. in the total amount of \$1,185 per ton for Chlorine, and to enter into a Chemical Vendor Agreement with Thatcher Company of California, Inc. in the amount of \$1,150 per ton for Chlorine.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

4. State Water Resources Control Board – San Francisco Bay/ Sacramento-San Joaquin Delta Estuary Water Quality Control Plan (Bay-Delta Plan)

Manager Moody reported the State Water Resources Control Board sent correspondence announcing their intent to move forward with Phase II, the Sacramento/Delta update focused on flow related objectives for the protection of fish and wildlife on the Sacramento River and its tributaries, Delta eastside tributaries (including Calaveras, Cosumnes, and Mokelumne rivers), Delta outflows, and interior Delta flows. This item was for information only.

5. California Department of Water Resources – Eastern San Joaquin Subbasin – 2020 Groundwater Sustainability Plan, 11/18/21

Manager Moody reported Department of Water Resources sent a letter to notify the agencies within our Basin informing us the Groundwater Sustainability Plan is lacking for two major reasons explained as potential deficiencies; 1. The GSP lacks sufficient justification for identifying that undesirable results for chronic lowering of groundwater levels, subsidence, and

depletion of interconnected surface waters can only occur in consecutive non-dry water year types. The GSP also lacks sufficient explanation for its chronic lowering of groundwater levels minimum thresholds and undesirable results and 2. The GSP does not provide enough information to support the use of the chronic lowering of groundwater level sustainable management criteria and representative monitoring network as a proxy for land subsidence. Manager Moody commented California Department of Water Resources does not understand that we do not have subsidence in this area and our Basin has to do a better job of explaining how and why we are different from other areas that do get subsidence, like Southern California can measure subsidence in feet and we can measure it in millimeters over years. Manager Moody added the attachment to the letter from California Department of Water Resources calls out many issues which seem to be ongoing and will have to be addressed as they pertain to our GSP.

Director McGurk commented the letter and attachment reads as though the California Department of Water Resources wants to subdivide GSPs into individual GSAs, where they believe the issues are directed. Manager Moody replied he cannot comment either way, there is a lot of content to digest and discern what the California Department of Water Resources is trying to say and there will be more to follow on this issue. Manager Moody commented the consultants that were hired to write the GSP will help dissect the issues and give direction on how we can fix the issues and move forward. Manager Moody added a few months ago the State Water Resources Control Board wrote a letter to the Department of Water Resources complaining of many issues the GSPs statewide are deficient in and most of those concerns were not included into this letter which is good news; there is not a lot of substance in the letter but will take rewriting some sections of the GSP to satisfy some concerns and some monitoring in some areas but the letter could have been worse. Legal Counsel Zolezzi agreed with Manager Moody saying there is a lot of technical change that the California Department of Water Resources wants.

Director McGurk commented this may be an opportunity to get more autonomy in our current GSP. Manager Moody agreed and added Department of Water Resources is in control of SGMA and they have a lot of pressure coming from agencies that are not involved in pumping groundwater to manage the groundwater in a way that is acceptable to those agencies; Department of Water Resources in turn has to do all they can to not be criticized with the final outcome.

Director Cortopassi commented the Westlands Water District is also involved in a groundwater basin however they do not have surface water so they purchase pumping rights which will discourage pumping and our basin has not done this yet. Manager Moody replied that we are moving in that direction. This item was for information only.

6. State Water Resource Control Board – 2021/2022 Water Right Fees

Manager Moody provided the Board with a listing of invoices from the State Water Resources Control Board for the District’s annual water rights fees in the total amount of \$215,075.20.

Director Cortopassi commented the District is being told the GSP is not protecting the groundwater basin however the surface water the District wants to use still has not been approved to use, yet we are required to pay for the rights.

A motion was moved and seconded to approve the State Water Resource Control Board – 2021/2022 Water Right Fees in the amount of \$215,075.20, as presented.

Roll Call:

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

## **E. COMMITTEE REPORTS**

1. Eastern Water Alliance (EWA) Meeting/DREAM Monitoring Committee Meeting, 11/18/21  
Directors McGurk, Sanguinetti and Watkins attended the November 18, 2021 Eastern Water Alliance (EWA) Meeting/DREAM Monitoring Committee Meeting. Director McGurk reported the meeting was a combination of the Eastern Water Alliance (EWA) and the DREAM Monitoring Committee. Director McGurk reported the meeting began with the DREAM Monitoring Committee to establish the committee in their efforts to complete the project. Director McGurk explained the DREAM Monitoring Committee has the approval to adjust the project and report back to the permit holder, the Eastern Water Alliance; the DREAM Monitoring Committee also reports directly to the San Joaquin County Board of Supervisors due to the project being approved by the county ordinance. Director McGurk reported on the EWA Meeting beginning with the approval of the state of emergency to continue meeting by teleconference. Director McGurk added representatives from the County and East Bay Municipal Utility District joined via teleconference. Director McGurk reported Jennifer Spaletta presented the information regarding the DREAM Project. Director McGurk reported the EWA approved the monitoring plan amendment. Manager Moody commented the amendment gave the Public Works Director the authority to adjust if things change with the expectation that the changes will be reported back to the EWA. Director McGurk reported the DREAM Monitoring Committee will be giving the monitoring well time to recover until it is utilized again because if farmers are pumping simultaneously as the monitoring well is being monitored for the DREAM project, that would affect the accuracy of the readings. Director McGurk added the DREAM Monitoring Committee, EWA and the County are all satisfied with the status of the project. Manager Moody reported discussion on the Mokelumne River Rights for the County; there will be an administrative hearing on the County's water right permit for the Mokelumne River which the District and North San Joaquin Water Conservation have been encouraged to get involved.
2. Central Valley Project Water Association – Executive & Financial Affairs Committee, 11/19/21  
Finance Director Vega attended the November 19, 2021 Central Valley Project Water Association – Executive & Financial Affairs Committee. Finance Director Vega reported there is a new United States Bureau of Reclamation (USBR) Commissioner, Camille Touton. Finance Director Vega reported the USBR Rate Setting Chief has retired and a new Chief will be appointed. Finance Director Vega reported the association requested USBR provide a spreadsheet for all upcoming extraordinary costs in the new term to look at the possible cost for the entities involved; this is not a new request but was requested again because of its importance for planning. Finance Director Vega reported the association was not pleased with USBR for releasing a manual for internal processes because of the nature of how it was released; an extension for comments was requested and approved. Finance Director Vega reported USBR commented they will be more open with releasing their internal manuals that affect the processes that affect CVP contractors. Finance Director Vega reported the Central Valley Project Improvement Act (CVPIA) Business Practice Guidelines is still under review and will be presented to the new Commissioner which should move the project along. Finance Director Vega added the Annual O&M variance worksheet is usually complete in October was delayed to the end of November. Finance Director Vega commented the Sites Reservoir Project's (NEPA) document is available and open for comments until January 2022; the Association is interested

in the project to see if it has CVP wide benefits for water and power agencies which would dictate possible CVP-wide cost recovery.

Director McGurk inquired about the state water projects included; which agencies attend these meetings. Finance Director Vega replied USBR, water agencies and power agencies attend the meetings. The next meeting is scheduled for December 17, 2021.

#### **F. REPORT OF GENERAL MANAGER**

1. Water Supply Report as of 11/15/21

Manager Moody 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 89,081 AF in storage at New Hogan Reservoir. Current releases are set at 40 cfs. Current release at Goodwin Dam to Stanislaus River are set at 202 cfs and release to all water users are set at 0 cfs. The water treatment plant is currently processing 13.5 mgd. The City of Stockton is currently processing 12 mgd.

2. Information Items:

Manager Moody noted items: F2a-1, F2a-2, F2a-3 and F2a-4.

3. Report on General Manager Activities

Manager Moody reported there will be a virtual Goodwin Dam Meeting on December 17, 2021 at 10:00 a.m.; an email was sent to the committee with an attachment of the budget.

Manager Moody reported the ACWA Fall Conference in Pasadena, CA will have 904 attendees. This item was for information only.

#### **G. DIRECTOR REPORTS (None)**

#### **H. COMMUNICATIONS (None)**

#### **I. AGENDA PLANNING/UPCOMING EVENTS**

1. San Joaquin Farm Bureau Federation – Water Committee Meeting, 5:30 p.m., 11/23/21

2. District Holiday – Thanksgiving, 11/25/21 & 11/26/21

3. Association of California Water Agencies – 2021 Fall Conference, Pasadena, CA, 11/30/21 – 12/03/21

#### **J. REPORT OF THE COUNSEL**

1. Closed Session - Potential Litigation

Government Code 54956.9 (c) – one case

2. Closed Session – Personnel

Government Code 54957

President Watkins adjourned the meeting to closed session at 1:14 p.m. to discuss closed session agenda items. Administrative Clerk Feliciano was excused from the closed session meeting at 1:15 p.m. The regular meeting reconvened at 1:24 p.m., with no reportable action.

**K. ADJOURNMENT**

President Watkins adjourned the meeting at 1:25 p.m.

Respectfully submitted,



Scot A. Moody  
Secretary of the Board

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