

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 16, 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 Director McGurk led the Pledge of Allegiance.

Present at roll call at the District were Directors Atkins, Cortopassi, McGurk, Panizza and Sanguinetti. Also present were Manager Hopkins, Assistant Manager Vega, Finance Director Ram, Administrative Clerk Rodriguez and Consultant Barkett. Legal Counsel Zolezzi was present via teleconference. Director Watkins joined the meeting at 12:52 p.m.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 01/09/24 – Regular Meeting

A motion was moved and seconded to approve the January 9, 2024 Regular Board Meeting Minutes, as presented.

Roll Call:

Ayes: Atkins, Cortopassi, McGurk, Panizza, Sanguinetti

Nays: None

Abstain: None

Absent: Watkins

2. Warrants

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

Director Sanguinetti inquired on the expense on page 7, line item 10 for Availability Professional Staffing for Temporary labor for Finance and Admin week ending 12/01/23-12/24/23 in the amount of \$5,065.37. Finance Director Ram replied the District has two Admin Clerk staff, one in the Operations Building and the other one in the Administration Building. Manager Hopkins notified the Board the two temporary employees are filling budgeted, regular positions.

Director Cortopassi inquired on the expense on page 12, line 93 Holt of CA for Lower Farmington prj (FEMA)-Rental Hex 320 cab/air excavator 11/16/23-12/14/23 in the amount of \$12,666.44 and line item 94 Holt of CA Lower Farmington Canal prj (FEMA)-Rental of Roller CP34 11/16/23-12/14/23 in the amount of \$6,090.44. Manager Hopkins replied the District recently had the opportunity to start repairs on the Lower Farmington Canal and FEMA will hopefully cover the full

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cost of the material and equipment. Assistant Manager Vega reported the Lower Farmington Canal project is estimated to be completed by mid-February. Discussion followed.

A motion was moved and seconded to approve the January 16, 2024 Warrants, as presented.

Roll Call:

Ayes: Atkins, Cortopassi, McGurk, Panizza, Sanguinetti

Nays: None

Abstain: None

Absent: Watkins

3. Statement of Consistency Pursuant to Executive Order N-7-22 and Finding of Fact Stockton East Water District Groundwater Sustainability Agency Statement of Consistency Pursuant to Executive Order N-7-22 – Well Permit Application for 26501 E. Flood Rd, Linden, CA 95236.

Manager Hopkins presented the Board with the Statement of Consistency Pursuant to Executive Order N-7-22 and Finding of Fact Stockton East Water District Groundwater Sustainability Agency Statement of Consistency Pursuant to Executive Order N-7-22 – Well Permit Application for 26501 E. Flood Rd, Linden, CA 95236. Manager Hopkins reported the District received the notice of a well permit application from San Joaquin County Environmental Health Department for a new well on 26501 E. Flood Rd which also has an existing irrigation well on the property. Director McGurk left the Board room.

Director Panizza inquired if the existing well will be taken out of service. Manager Hopkins replied it is not indicated in the application, Manager Hopkins inquired with San Joaquin County if the new well is supplemental to the existing well and awaiting a response from the San Joaquin County.

Director Cortopassi inquired where the well is located and if it is being irrigated. Manager Hopkins replied the well is located near the northeast corner of Flood and Escalon Bellota Rd.

Manager Hopkins clarified Stockton East Water District is only responsible in confirming whether or not adding the well is consistent with the District's groundwater sustainability plan and not the information provided to San Joaquin County.

No action was taken. The Board directed staff to inquire with the applicant and San Joaquin County Environmental Health Department and bring the item back to a future regular board meeting. Discussion followed.

Director McGurk returned to the Board room. Director Watkins arrived to the meeting at 12:52 p.m. after discussion of this item concluded.

4. Stockton East Water District – Authorization to Enter Into An Agreement With The USBR To Perform An ATP Study For The New Melones Unit CVP Irrigation Water Rates Memo
 - a. Resolution No. 23-24-16 – Authorizing The General Manager To Enter Into A Reimbursable Agreement With The United States Bureau of Reclamation To Perform An Ability-To-Pay Study

Manager Hopkins presented the Board of with Resolution 23-24-16. Manager Hopkins reported this item came before the Board to consider approval of Resolution 23-24-16 to authorize an agreement with the United States Bureau of Reclamation (USBR) for an ability-to-pay study. Manager Hopkins reported the WIIN prepayment is included as excess reserves of the District in the analysis however it is offset by the CVP construction cost, which are also included in the analysis and balance each

other out. The data period currently available to the United States Bureau of Reclamation (USBR) is 2018-2022, the United States Bureau of Reclamation (USBR) does not expect to receive the 2023 crop information until December 2024.

Director McGurk suggested the Board should postpone the ability-to-pay study off for at least a year to receive an accurate study. Discussion followed.

No action was taken. This item will be brought back in a future regular board meeting.

5. Resolution No. 23-24-17 – Authorizing To File A Grant Application With The United States Bureau Of Reclamation For The WaterSMART Small Scale Water Efficiency Projects (Funding No. R24AS00059) For Fiscal Year 2024 and Fiscal Year 2025

Manager Hopkins presented the Board with Resolution 23-24-17. Manager Hopkins reported the United States Bureau Of Reclamation (USBR) recently released a funding for the WaterSMART Small-Scale Water Efficiency Project Program, the District has had success with the program in prior fiscal years and staff is proposing to once again apply for funding through this program for the District’s Water Supply Metering Project which the objective is to install flow meters on all surface water diversions in the New Hogan system. Manager Hopkins reported the WaterSMART grant fund and the budgeted amount the District has for fiscal year 2024-2025 budget will be sufficient to finish the water supply metering program, staff has proposed to apply for \$53,054.50 from the WaterSMART program and the District will have an equal match.

A motion was moved and seconded to approve Resolution No. 23-24-17 – Authorizing To File A Grant Application With The United States Bureau Of Reclamation For The WaterSMART Small Scale Water Efficiency Projects (Funding No. R24AS00059) For Fiscal Year 2024 and Fiscal Year 2025, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

E. COMMITTEE REPORTS

1. Eastern San Joaquin Groundwater Authority Board Meeting, 01/10/24

Director Panizza, Director Watkins and Manager Hopkins attended the Eastern San Joaquin Groundwater Authority Board Meeting. Director Panizza reported the 2024 Calendar for Board and Steering Committee was approved to take place every other month, Brandon Nakagawa presented the Draft Well Mitigation Program and will be coming back to the steering committee for a further review, Eastern San Joaquin Groundwater Authority increased revenues and expenditures by \$790,120.00 authorizing the use of \$310,000.00 as revenues currently held in the Eastern San Joaquin Groundwater Authority reserves. Director Panizza suggested adding the groundwater sustainability agencies cost table from the Eastern San Joaquin Groundwater Authority agenda packet to a future Board meeting as an exhibit to present to the Board. Manager Hopkins reported it was clarified the proposed budget amendment which was approved will cover the full expected cost of a five-year update even though the five-year update will continue through a portion of the GWA’s next fiscal year and so the next fiscal year budget is anticipated to return to its consistent level. Discussion followed.

2. Agriculture Operations Committee Meeting, 01/11/24

President Atkins, Director Watkins, Director Cortopassi, Director Sanguinetti and Manager Hopkins attended the Agriculture Operations Committee meeting. Director Cortopassi reported Rule 176 Securing Right-of-Way for District Interests was presented. Manager Hopkins reported proposed rule 177 Establishing a Policy For On-Farm Recharge of Surface Water to incentives the use of flood water on farm during wintertime for recharge and the rule proposed water volume incentive related to groundwater use, the committee suggested staff revisit the incentives to increase the compensation of the incentives being proposed. Director Sanguinetti reported rule 109 Water Rights Claims is going to be updated and will be going back to a future Agriculture Operations Committee Meeting. Discussion followed.

3. Electrical Power Alternatives Committee Meeting, 1/12/24
President Atkins, Vice President McGurk, Director Sanguinetti and Manger Hopkins attended the Electrical Power Alternatives Committee meeting. President Atkins reported the District is considering installing a hydroelectric facility which will be running day and night, and installing more solar panels with batteries with the cost being approximately \$22M. President Atkins also reported the committee spoke about doing a hydrogen generator and natural gas power plant. Vice President McGurk reported Rockwell could obtain some development money for a large-scale prototype and the District might consider purchasing his prototype. Discussion followed.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 01/09/24
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 167,676 AF in storage at New Hogan Reservoir. Current releases are set at 150cfs. There is 1,982,800 AF in storage at New Melones Reservoir. Current releases are set at 943 cfs. Current release at Goodwin Dam to Stanislaus River is set at 1,002 cfs and release to all water users is set at 0 cfs. The district water treatment plant (WTP) is currently processing 38 mgd. North Stockton is currently utilizing 13 mgd. South Stockton is currently utilizing 6 mgd. Cal Water is currently utilizing 21 mgd. The City of Stockton WTP is currently processing 0 mgd.

Director Watkins inquired if there is an update on the City of Stockton. Assistant Manager Vega replied, City of Stockton is planning on starting their plant possibly next week.

2. Information Items:
Manager Hopkins noted items: F2a-1, F2a-2.
3. Report on General Manager Activities
 - a. Stockton East Water District – 2024 Strategic Priorities Memo
Manager Hopkins presented the Board with the 2024 Strategic Proprieties Memo. Manger Hopkins reported on May 30, 2023 the Stockton East Water District approved the District’s first Strategic Plan. The Strategic Plan redefined the District’s Mission, clarified the District’s vison for the future, and established six strategic outcome areas. The six strategic areas were Resource Management, Reliable Infrastructure, Human Resource Management, Water Supply, Regulatory Engagement and Collaborative Partnerships. Manger Hopkins reported the top priorities he has for the District which are successfully begin work on the Bellota Fish Passage and Screening Improvement Project, continue to develop and implement District planning documents, secure Water Supplies and Regulatory Engagement.

Director Cortopassi inquired if Manager Hopkins could reach out to Christopher Neudeck to possibly conduct a preliminary study on where and how flood water could flow and how much flood water could be retained in a South Gulch Reservoir.

b. Stockton East Water District Activities Update

Manager Hopkins reported he received confirmation from Congressman Josh Harder's office about the 50% cost share on the Farmington conjunctive use study. Manger Hopkins reported it is a federal law which requires 50/50 cost share on studies similar to this and Congressman Josh Harder's office is working with United States Army Corps of Engineers (USACE) to identify different funding opportunities they might have access to and help offset some of the District's cost. Manager Hopkins also reported the District's share on this study will be \$2M to match the United States Army Corps of Engineers (USACE) budget of \$2M.

Manager Hopkins reported the District received an invitation for the retirement of Anders Christensen, General Manger from Woodbridge Irrigation District. The event will take place at Wine and Roses – Garden Ballroom in Lodi on February 8th and RSVPs are due by 1/19/24.

Manager Hopkins reported he has had on going conversations with the Urban Contractors about a contract renewal, Manager Hopkins is trying to identify items the four parties believe work well and do not work well in the contract and evaluate some examples from other agencies which have wholesale agreements. Manager Hopkins suggested creating a committee to come up with an agreement amongst the Board members.

Manager Hopkins advised the Board of Directors he plans on taking January 19-23 off.

4. Stockton East Water District Engineering Update

Assistant Manager Vega presented the Board with an Engineering update. Assistant Manager Vega reported the Sodium Hypo has been online for a few weeks with no issues, after the shutdown on January 22nd staff is planning to exhaust the gas chlorine and then begin abrasions to decommission the gas system, the contractor plans to begin next week for the flume project, culverts were ordered for the McGurk Low Water Crossing and are expected to be delivered next month, ASR well the Bureau of Reclamation is reviewing the NEEPA documents to proceed with the project in the upcoming fiscal year, the SWEEP Block Grant is getting ready to be kicked off application will be accepted on February 1st. Assistant Manager Vega also reported staff is investigating cost for fencing and access through Radio Frequency Identification (RFID) cards.

Director McGurk inquired if outside people are still cutting into the fences. Manager Hopkins replied the District has had issues of outside people cutting the locks. Discussion followed.

G. DIRECTOR REPORTS

H. COMMUNICATIONS

I. AGENDA PLANNING/UPCOMING EVENTS

1. AgVentures San Joaquin County, 9:00 a.m., 01/17/24
2. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 1:00 p.m., 01/17/24
This meeting was cancelled

3. ACWA State Legislative Committee Meeting, 10:00 a.m., 01/19/24
4. Stockton Area Water Suppliers Meeting (SAWS), 1:00 p.m., 01/19/24
Manager Hopkins reported this meeting was cancelled.

J. REPORT OF THE COUNSEL

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

President Atkins adjourned the meeting to closed session at 2:00 p.m. The regular meeting reconvened at 3:00 p.m., with no reportable action.

K. ADJOURNMENT

President Atkins adjourned the meeting at 3:01 p.m.

Respectfully submitted,



Justin M. Hopkins
Secretary of the Board

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