

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 30, 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 led the Pledge of Allegiance.

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

**B. CONSENT CALENDAR (None)**

**C. PUBLIC COMMENT (None)**

**D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS**

1. Minutes 05/23/23 Regular Meeting

A motion was moved and seconded to approve the May 23, 2023 Regular Board Meeting Minutes, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGurk

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the May 30, 2023 Warrants – California Public Employees Retirement System, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGurk

3. United States Army Corps of Engineers – Memorandum of Agreement Section 214, 10/04/22

Manager Hopkins presented for approval an updated United States Army Corps of Engineers (USACE) – Memorandum of Agreement Section 214 which would allow the District to pay for expedited processing of Section 408 Letters of Permission required to work within a waterway the USACE has determined is under 408 jurisdiction. The fifth project, the Prato Dam Replacement project, is still in the design development phase. Staff is confident that project can be constructed without a 408 Letter of Permission by making improvements rather than replacing the existing structure. Therefore, the project list only includes the four Low Water Crossing projects being funded by the \$1.96M Department of Water Resources (DWR) grant.

The agreement has been updated accordingly. The new total USACE review estimate of \$139,425 would come out of the DWR grant funding. During last week's Board meeting there was a split vote. Staff recommends the Board authorize the General Manager to execute a Memorandum of Agreement with USACE and make all other necessary approvals and payments.

Director Watkins inquired as to whether or not the District confirmed if the proposed areas of construction were approved project facilities. Manager Hopkins replied that research is being done and a conclusion is forthcoming.

Director Watkins inquired if the Supreme Court decision regarding Section 404 would change anything. Legal Counsel Zolezzi responded the Section 404 ruling does not apply and both 404 permission and permission from the state is required. Manager Hopkins stated that this project has already gone through the 404 and state process for Section 1602. The District has the 404 Permission Letter for the Hosie Low Water Crossing project. The only thing being held up is the 408 for the Hosie Low Water Crossing project.

Director Watkins inquired if the Board had to act on this item today or could it wait. Manager Hopkins responded that waiting is an option. However, the concern is that the District is still working on an extension of grant funding with DWR. There has already been a two-year delay. If the District determines the project is not under 408 jurisdiction, USACE will have to be convinced because they believe this project is under their 408 jurisdiction. Director Watkins inquired if a permit was needed to move forward. Legal Counsel Zolezzi commented she would look for information to provide next week.

President Atkins inquired what the consequences would be if the item is postponed one more week. District Engineer Evensen responded the District would be pushing up against a July construction start date for the Hosie Low Water Crossing project. The District has been staging materials on the grower's property for over two years. Director Watkins inquired if payment guarantees a delivery date. District Engineer Evensen responded there are no guarantees. The previous expected delivery date was December 2022. However, the District is required by the Habitat Conservation Plan (HCP) to complete the work.

Director Watkins inquired if the District has been in contact with USACE or Congressman Harder. Manager Hopkins responded that he reached out to Congressman Harder and the letter is in today's packet. He also sent a couple of emails to Susan Lucas with the USACE in Washington D.C., but has not received a response.

Director Panizza made a motion to postpone this item until next week's Board meeting. Director McGaughey seconded.

A motion was moved and seconded to approve postponing the vote on the United States Army Corps of Engineers – Memorandum of Agreement Section 214 and bring the item back to the Board 6/06/23.

Roll Call:

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

Nays: None

Abstain: None

Absent: McGurk

4. Stockton East Water District – 2023-2024 Vehicle Purchase Memorandum and Proposed Budget Amendment

Assistant Manager Vega stated the Board approved funding of one pickup truck for water supply budgeted at \$40,000 and one pool vehicle budgeted at \$27,000. Historically, the supply chain has not

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been an issue, but recently it has been. The District ordered two trucks in 2021 which took 18 months to receive. In 2022 an additional truck was ordered that took 12 months to arrive under the state purchasing program. This program is usually of value and provides about a \$5,000 discount per vehicle. The California Air Resources Board (CARB) on April 28, 2023 formally adopted the Advanced Clean Fleets (ACF) regulation which requires that from 2024-2026, 50% of all vehicles purchased by government entities be Zero-Emission Vehicles (ZEVs). That percentage will rise to 100% in 2027.

After evaluating the District's needs and vehicle requirements, staff determined that smaller trucks are more desirable than full-size trucks at this time. Smaller trucks provide additional maneuverability, especially in adverse conditions such as the 2023 storm events. The upcoming CARB requirements have shifted the staff's focus to a more strategic purchase plan. Staff recommends purchasing smaller trucks now to give the District more flexibility in the future. There should also be a larger stock of Zero-Emission Vehicles to choose from in 2024-2027.

Assistant Manager Vega gave a brief review of the financial impact of buying two smaller trucks as listed in Table 1 of the packet. A Toyota Tacoma priced at \$32,688 is the cheapest option and is available through the state purchase program. A Chevrolet Colorado, priced at \$37,112, is not available through the state purchase program. The rest of the trucks listed are more expensive. Staff is looking to purchase two vehicles at the level of the expected purchase price of a Chevy Colorado. This will require a budget amendment as shown in Table 2 of the packet which would transfer \$15,000 from Fund 91, Account 10-2199-0 to Fund 91, Account 10-8021-0, increasing the vehicle purchase fund to \$82,000.

Assistant Manager Vega made an adjustment to recommendation number 1 on page 26 to read "an American-assembled truck" instead of "Chevrolet Colorado truck". Director Panizza requested clarification on American-assembled and the size of the trucks. Assistant Manager Vega responded that mid-size trucks include the Tacoma, Colorado, and Ranger. These trucks are small and provide maneuverability along the canals in adverse conditions; American-assembled means assembled in the United States, with parts possibly coming from other places. Director Cortopassi inquired if the Chevy Colorado is a 4x4. Assistant Manager Vega responded all trucks presented are 4x4s. President Atkins inquired if the trucks are single cab or double cab. Assistant Manager Vega responded the Tacoma seats five and has a smaller cab in the back. President Atkins inquired if the vehicles presented are hybrid. Assistant Manager Vega responded no.

President Atkins inquired about the benefit of purchasing under the state program. Assistant Manager Vega responded there is about a \$5,000 discount. On the other hand, there are fewer dealerships participating in the state program since COVID. Purchasing through the program also takes 12-18 months. Director Cortopassi requested clarification on the reason for buying two trucks now. Assistant Manager Vega responded that the District has postponed purchasing a pool vehicle, which can be used to transport passengers, since there are more options of Zero-Emission Vehicles in this category available. The District has shifted to buying those vehicles when CARB requirements are in effect to allow more flexibility for compliance. Smaller trucks make more sense for water supply and that would shift the bigger vehicles to maintenance and the electricians. Manager Hopkins stated water supply has some service body trucks that will assigned to maintenance. Director Sanguinetti inquired about the timeframe for when fleets have to be electric. Manager Hopkins responded that the electric fleet purchases will begin January 1, 2024.

A motion was moved and seconded to authorize the General Manager to approve the purchase of two American assembled trucks, each not to exceed \$37,112 (including taxes & registration) as well as a 10% contingency of \$3,711 for a total of \$40,823 each, and make all other necessary approvals

including a required budget amendment for Fiscal Year 2023-2024 raising the budget from \$67,000 to \$82,000 by transferring \$15,000 from Fund Balance to Vehicle Purchases line item, as presented.

Roll Call:

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

5. Stockton East Water District – Draft Strategic Plan for Consideration of Approval  
Manager Hopkins presented the final draft of the Strategic Plan for approval. All previously received comments from the Board have been addressed. An amendment will be made to page 5 of the plan to replace the existing picture with an agricultural picture. Director Watkins recommended adding the District’s phone number to the last page of the strategic plan near the web address. Manager Hopkins responded the phone number will be added.

A motion was moved and seconded to approve the draft Strategic Plan, as amended.

Roll Call:

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

**E. COMMITTEE REPORTS**

1. San Joaquin Farm Bureau Federation – Water Advisory Committee Meeting, 05/23/23  
Manager Hopkins reported several districts were absent. North San Joaquin closed on the 10-acre Tecklenberg property purchased for recharging. The District is also doing a lot of work under the current executive order to attempt recharging water wherever possible with willing landowners. Central and South Delta announced Jay Ziegler is the new Delta Water Master. Manager Hopkins will be attending a Q&A session next week hosted by Mr. Ziegler, topic unknown. Manager Hopkins reported that the Woodbridge Irrigation District announced former board member Keith Bussman as their new General Manager.

South San Joaquin announced that their Board approved a Prop 218 process to raise their rates a fair amount. South San Joaquin’s current fixed rate is \$24 per acre, \$3 per acre foot for the first 48 inches, and \$10 per acre foot for more than 48 inches. The first change to go into effect in 2024 would be a fixed per acre rate of \$38, tier 1 volumetric rate would be \$5, tier 2 would increase to \$12.50, and a minimum charge of \$50. Approximate cost would be \$36 per acre per year to \$50 per acre the first year. Following their projection, in 2028 the per acre blended charge is estimated to be \$98. The fixed per acre charge would be \$70. Surface water tier 1 would be \$11.75 per acre foot. The groundwater flat rate would be \$12 per acre. Director Watkins added the acre charge is applied whether a customer uses surface water or not. Customers have the option to opt-out and pay half of the acreage charge. However, these customers would be classified in tier two and priced for over 48 inches if they wanted to opt back in. Director Cortopassi suggested a comparison chart for South San Joaquin water to Stockton East Water District’s rates for customers, especially for groundwater.

2. Eastern Water Alliance (EWA) Meeting/DREAM Monitoring Committee Meeting, 05/24/23  
Manager Hopkins reported on the meeting chaired by Director McGurk, attended by Director Watkins as an alternate for Director Sanguinetti, and other staff. The Monitoring Committee provided an update that 342 acre-feet has been pumped from the Mokelumne River for the DREAM Pilot Project. Approximately 42-acre feet of banked water was pumped back into the Mokelumne Aqueduct

between February 6<sup>th</sup> -23<sup>rd</sup>. Groundwater levels have increased as EBMUD extracted the banked water.

During the EWA meeting there was an item to extend the time to complete the DREAM Pilot Project because it was supposed to include 1,000-acre feet of water recharged and 500-acre feet of that volume recovered for EBMUD. The numbers so far are significantly lower. The EWA approved an extension of time to complete the project, as well as approximately 290 acres of additional land to be included in the project to expedite groundwater banking. The extraction rate will remain the same. EBMUD loses a portion of their banked water each year it is not removed.

The next EWA/Dream Monitoring Committee Meeting is scheduled for 3/13/2024.

3. Eastern San Joaquin Groundwater Authority Steering Committee Meeting, 05/25/23  
Manager Hopkins reported the Groundwater Authority's SGMA round 2 District grant was not recommended for award.

The Steering Committee provided guidance on the 2023-2024 budget. Several budget options were provided. Of the two remaining options, one was significantly more expensive than the other. Consensus of the Steering Committee was to aim for the middle and keep upcoming fiscal year costs consistent with the costs of the current fiscal year. The GWA increased some of their project budgets. All of the GSAs will be paying approximately the same as they are this year. A revised budget should be presented at the next GWA Board meeting.

The Water Accounting Framework Ad-hoc Committee has been formed. The District has one seat, Cal Water has two seats, City of Stockton has one seat, and three other districts have seats. There are four agricultural and three urban entities on the committee.

4. Eastern San Joaquin Groundwater Authority Technical Advisory Committee Meeting, 05/25/23  
*\*This meeting was cancelled\**

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

1. Water Supply Report as of 05/30/23

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 10:30 a.m. on 5/30/23.

There is 239,412 AF in storage at New Hogan Reservoir, a decrease of 1,449 AF from last week. Current releases are set at 192 CFS. There is 1,796,810 AF in storage at New Melones Reservoir, an increase of 87,272 AF from last week. Current releases are set at 2,727 CFS of which 1,505 CFS to the Stanislaus River, and 234 CFS to Stockton East Water District. There are 16 irrigators on New Hogan and 2 irrigators on New Melones. The water treatment plant is currently processing 30 MGD. The City of Stockton is currently processing 22 MGD.

2. Information Items

- a. Material Included, But Bound Separately from Agenda Packet:  
Manager Hopkins noted items F2a-1, F2a-2, and F2a-3.

3. Report on General Manager Activities

- a. ACWA State Legislative Committee Meeting 05/26/2023.

Manager Hopkins reported the ACWA Fall Conference will be held in Indian Wells again. The Deputy Executive Director reported that ACWA is keeping their eye on four water and climate resiliency bonds. ACWA is focused on SB867 and working with the author to increase money

earmarked specifically for water projects. The packet was small, containing only four bills. Two of the four are of interest to the District. The first is AB830, lake and streambed alteration agreement exemptions. This bill aims to add some exemptions for recharge projects to the California Department of Fish and Wildlife (CDFW) permitting process. If passed, this bill would allow the performance of temporary diversions for recharge without having to go through the CDFW. The second bill, AB1637 requires public agencies to use a CA.gov or .gov domain address. AB1637 has been amended to only apply to cities and counties. Therefore, the District will not need to utilize the CA.gov domain initially reserved.

The main topic of discussion were the three water rights bills. A staff update was provided that the author of SB389, the water rights bill requiring water rights holders to provide proof of ownership, is the most engaged with ACWA to amend the language. However, ACWA is still working to stop that legislation from passing, rather than amend it to something more acceptable. None of the bills were discussed in depth by the committee. This Friday, there is a special state legislative committee meeting to specifically focus on the three water rights bills since there is division within ACWA about how to handle these bills. Manager Hopkins will have more information next week.

b. Stockton East Water District Activities Update

Manager Hopkins report an update was received from the Environmental Health Department of San Joaquin County (SJCEHD) regarding the last Statement of Consistency that the District approved. They pushed back on the well permit applicant on the correctness of their information. The applicant updated their information to pump approximately 212 acre-feet per year. As of this morning, there was another correspondence from SJCEHD disputing the applicant's claim that there are zero wells on the property when the county shows two existing agricultural wells.

Manager Hopkins and staff are working on putting language together for Congressman Harder's office which will be sent to Legal Counsel Zolezzi. Congressman Harder's staff is requesting language this week they can use for the Water Resources Development Act legislation to reauthorize the Farmington Dam project next year, and also language to support the District in changing the Central Valley Project contract language, so that the District will have a place of use outside of the District's boundaries.

Manager Hopkins is working with a grower near the Calaveras River and county line for a potential recharging project. One adjacent landowner was unwilling to give the District a temporary easement because the property is up for sale. Another adjacent landowner is open to the idea of providing a temporary easement and the county providing an encroachment permit allowing the District to run a pipeline down Shelton Road and across a different property.

Manager Hopkins contacted the realtor for the property that is up for sale to see if there is any interest in the District purchasing land for another recharge facility. The property is 159 gross acres currently listed for \$4.13M, which is roughly \$31k per acre. Only one of the four parcels up for sale is in San Joaquin County, and it is 62 acres. There are two parcels in Stanislaus County and one in Calaveras County. Director Watkins inquired about the ability to annex parcels outside of San Joaquin County and about the recharge area. Manager Hopkins responded that the AEM data is very coarse and hard to determine how it overlays on these specific properties. However, looking at the Soil Agricultural Groundwater Banking Index (SAGBI) data and a map provided by the realtor helped the District identify good areas. The total 159 acres is showing that it should be good for recharge.

Manager Hopkins stated that the District is seeking to temporarily divert water off of Calaveras River to recharge it on the Wagner Ranch parcel to the south. Director Watkins inquired how much of the parcel is useable. Manager Hopkins responded a portion of the parcel is useable and some of it is not because the slopes are too great. It has been challenging trying to find willing land owners to park surface water on their land this year. Otherwise, the surface water will be dumped in November. Manager Hopkins inquired if there was any feedback on looking further into the land purchase. Director Watkins stated his reservations about purchasing the land and how much is useable. Director Cortopassi inquired if there is a way to complete an underground survey of the land. Manager Hopkins responded an electromagnetic survey unit can be pulled behind an ATV to complete this task. Director Cortopassi suggested conducting a study to confirm if the parcel is a good recharge area.

**G. DIRECTOR REPORTS** (None)

**H. COMMUNICATIONS**

1. Stockton East Water District – Unreasonable Review Timeframe For Section 408 Letter Of Permission Request Letter  
Manager Hopkins reported following the directions of last week’s Board meeting regarding Section 214 agreements the letter on page 53 was sent and received by Congressman Harder’s office. The Congressman’s office will respond to Manager Hopkins with any questions. Director Cortopassi inquired about the USACE letter. Manager Hopkins clarified the USACE letter from last week’s Board meeting only contained USACE banking information. However, Manager Hopkins will review the letter and determine if the letter includes any relevant information that needs to be sent to Congressman Harder’s office in support of the District’s letter of permission request.

**I. AGENDA PLANNING/UPCOMING EVENTS**

1. Greater Stockton Chamber of Commerce – Business Showcase & Tradeshow Mixer, 5:00 p.m. 6/01/23

**J. CLOSED SESSION**

1. CONFERENCE WITH LEGAL COUSEL – Existing Litigation Stockton East Water District vs. City of Stockton, et al. Government Code 54956.9 (a)
2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Potential exposure to litigation - Government Code Section 54956.9 – two cases

President Atkins adjourned the meeting to closed session at 1:41 p.m. to discuss closed session agenda items. The regular meeting reconvened at 2:01 p.m., with the no reportable action.

**K. ADJOURNMENT**

President Atkins adjourned the meeting at 2:02 p.m.

Respectfully submitted,

  
Justin M. Hopkins  
Secretary of the Board

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