Minutes Approved 08/18/25
Resolution #8595

STOCKTON PORT DISTRICT

Board of Port Commissioners

July 21, 2025

Pursuant to notice duly given, the regular meeting of the Board of Commissioners of the Stockton Port District was held on July 21, 2025, at the meeting place on the Port's West Complex in Room 165 located at 315 Fyffe Avenue in Stockton, California.

COMMISSIONERS PRESENT:	David Atwater, Chairman Anthony Barkett Michael Patrick Duffy Allen Sawyer, Vice Chairman Margaret Shea Stephens William R. Trezza
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Stephen Griffen
OTHERS PRESENT:	Kirk DeJesus, Port Director Jason Katindoy, Deputy Port Director Katie Miller, Deputy Port Director Sean Fairchild, Director of Maritime Operations Jason Cashman, Director of Environmental Affairs Paula O'Keefe, Director of Finance and Accounting Sylvester Aguilar, Real Estate Marketing Manager Cassondra Hollins, Human Resources Manager Joseph Vezzali, Commercial Manager Steve Herum, Port Counsel Melanie Rodriguez, Secretary to the Board

A quorum being present, the meeting was called to order by Chairman David Atwater at 3:30 p.m. Chairman Atwater presided and Melanie Rodriguez, Secretary to the Board, acted as Secretary for the meeting.

PRESENTATION OF PORT EMPLOYEE SERVICE AWARD

The Port's Service Recognition Program honors Port employees for their commitment and dedicated service to the Port of Stockton. The Commissioners were pleased to recognize the following Port employee who recently observed a milestone service anniversary:

Dave Cradit, Warehouse & Terminal Superintendent	10 Years
Cara Pickering, Administrative Assistant II	10 Years
Julie Andereggen, Administrative Assistant III	5 Years
Shim Lacy, Senior Administrative Assistant	5 Years

CONSENT CALENDAR

In compliance with Stockton Port District Commission Governance Policy Statement #105, the Consent Calendar items of business, having been provided to each member of the Board prior to this meeting, the Commissioners present acted upon the following Consent Calendar items of business under one vote.

Chairman Atwater acknowledged that there were no requests to address the Commission.

Commissioner Duffy moved, to adopt the following resolutions:

MINUTES OF JUNE 16, 2025 MEETING

Resolution #8587: RESOLVED, that the minutes of the regular meeting of the Board of Commissioners of the Stockton Port District held on the 16th day of June 2025, as the same are endorsed on Page No. 037 to Page No. 051, inclusive, of Minutes Book No. 67, be and they are hereby approved.

AUTHORIZATION TO TRAVEL

Resolution #8588: RESOLVED, that the Board of Commissioners of the Stockton Port District hereby authorizes one or more Commissioners to travel to Washington, D.C., for a meeting with the United States Office of Shipbuilding, July 22 – 25, 2025; and

RESOLVED FURTHER, that the travel expenses incurred by Commission delegates who participate in the meeting with the United States Office of Shipbuilding shall be paid by the Stockton Port District.

<u>CONSIDERATION AND POSSIBLE APPROVAL TO AUTHORIZE THE PORT DIRECTOR TO ENTER INTO A STANDARD AGREEMENT WITH CARPI & CLAY FOR FEDERAL ADVOCACY SERVICES FOR A TWO (2) YEAR TERM (WITH THREE (3) ONE-YEAR EXTENSIONS) FOR A MONTHLY AMOUNT NOT-TO-EXCEED $8,400.00</u>

<u>Resolution #8589</u>: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized to enter into a standard agreement for Federal Advocacy Services with Capri & Clay for an amount not-to-exceed $8,400.00 (Eight Thousand Four Hundred and no/100 Dollars) per month for a maximum of five (5) years; and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

<u>CONSIDERATION AND POSSIBLE APPROVAL AUTHORIZING THE PORT DIRECTOR TO PURCHASE THE ANNUAL MANAGE ENGINE LICENSING, SUPPORT AND MAINTENANCE RENEWAL FROM IT SAVVY, FOR AN AMOUNT NOT-TO-EXCEED $87,580</u>

<u>Resolution #8590</u>: RESOLVED, by the Stockton Port District Board of Commissioners that the Port Director is hereby authorized, empowered and directed to purchase the Manage Engine Annual Licensing, Support and Maintenance Renewal from I.T. Savvy for an amount not-to-exceed $87,580.00 (Eighty-Seven Thousand Five Hundred Eighty and no/100 Dollars); and

RESOLVED FURTHER, that the Port Director is hereby authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

<u>CONSIDERATION AND POSSIBLE AUTHORIZATION FOR THE COMMISSION TO RETROACTIVELY REAFFIRM A FINDING OF CONTINUING THE EMERGENCY AND, IF THE FINDING OF CONTINUING EMERGENCY IS MADE BY THE COMMISSION THEN CONSIDER DELEGATING TO THE PORT DIRECTOR AUTHORITY TO REPAIR OR REPLACE A PUBLIC FACILITY, TAKE ANY DIRECTLY RELATED AND IMMEDIATE ACTION REQUIRED BY THAT EMERGENCY, AND PROCURE THE NECESSARY EQUIPMENT, SERVICES, AND SUPPLIES FOR THOSE PURPOSES, WITHOUT GIVING NOTICE FOR BIDS TO LET CONTRACTS FORM THE MAY 5, 2025 WEST COMPLEX MARINE TERMINAL EROSION EMERGENCY</u>

The staff report was provided to each member of the Board prior to the meeting and was also available as a link on the Agenda posted on the Port's website.

In September 2024, the Port's Facilities and Maintenance staff began repairing a 6-by-4-foot section of the reinforced concrete floor south of the dock bulkhead in Transit Shed 19. The damage resulted from the handling of steel coils within the Transit Shed. During the repairs, a large void was discovered beneath the floor, which was inconsistent with the original design of a reinforced concrete floor on ground. The void, caused by erosion, measures approximately 1 to 12 feet deep, extends 1 to 6 feet from the dock bulkhead and spans roughly 100 feet along the bulkhead in Transit Shed 19.

Since this discovery, the Port has implemented two inspection methods to identify potential voids in all areas adjacent to the dock bulkhead (approximately 6,300 linear feet):

- Drilling inspection holes adjacent to the dock bulkhead at 50-foot spacing
- Use of Ground Penetrating Radar to scan the full length of the dock bulkhead

The findings from these inspection methods are as follows:

- West Complex Transit Sheds: Approximately 30% of capacity is either fully or partially restricted.
- West Complex Open Docks and Breezeways: Approximately 64% of access to/from the Docks is either fully or partially restricted.

To further assess the scope and scale of the voids caused by erosion, the next steps involve verification drilling to confirm the presence of potential voids identified through the analysis of Ground Penetrating Radar scans. Once void areas are confirmed, repair options will be developed and priority repair areas will be identified based on the planned use of the facility.

<u>Resolution #8591</u>: RESOLVED, that the Board of Commissioners of the Stockton Port District adopt a retroactive finding that an emergency situation existed that demanded the immediate expenditure of public funds and that the emergency would not permit a delay resulting from a competitive solicitation for bids and that the action was necessary to respond to the West Complex Marine Terminal Erosion Emergency; and

RESOLVED FURTHER, by the Board of Commissioners of the Stockton Port District hereby delegates to the Port Director authority to repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts form the May 5, 2025 West Complex Marine Terminal Erosion Emergency; and

RESOLVED FURTHER, that the Port Director is hereby authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolutions #8587, #8588, #8589, #8590 and #8591 were passed by the following vote:

COMMISSIONERS IN FAVOR:	Atwater, Barkett, Duffy, Sawyer, Stephens, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Griffen

CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

Chairman Atwater acknowledged that there were no items removed from the Consent Calendar.

CONSIDERATION AND POSSIBLE APPROVAL OF A CATEGORICAL EXEMPTIONS 15301, 15302 AND 15304 PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA); AUTHORIZATION FOR PORT STAFF TO FILE A NOTICE OF EXEMPTION RELATED THERETO; AUTHORIZATION FOR THE PORT DIRECTOR TO AWARD THE CONTRACT FOR THE EAST COMPLEX PHASE I SEWER IMPROVEMENTS PROJECT TO SORACCO, INC. FOR AN AMOUNT NOT-TO-EXCEED $1,157,546

Deputy Port Director Katindoy provided an executive summary of this agenda item and the staff memo was provided to each member of the Board prior to the meeting.

Chairman Atwater acknowledged that there were no requests to address the Port Commission on this matter.

Commissioner Stephens moved to adopt the following resolution:

Resolution #8592: RESOLVED, that pursuant to Port staff review of, and belief that the East Complex Phase I Sewer Improvements Project is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15301, 15302 and 15304 the Stockton Port District Board of Commissioners hereby adopts a CEQA Categorical Exemption and authorizes the posting of a Notice of Exemption related thereto; and

RESOLVED FURTHER, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized to award the Construction Contract for the East Complex Phase I Sewer Improvements Project to Soracco, Inc. for an amount not-to-exceed $1,157,546.00 (One Million One Hundred Fifty-Seven Thousand Five Hundred Forty-Six and no/100 Dollars); and

RESOLVED FURTHER, that the Port Director is hereby authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolution #8592 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Atwater, Barkett, Duffy, Sawyer, Stephens, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Griffen

COMMITTEE REPORTS

Chairman Atwater acknowledged there were no Committee Reports.

PORT DIRECTOR'S COMMENTS

Port Director DeJesus provided an update on the following items:

- Maritime Accounts Supervisor Jill McAuliffe retired from the Port after 22 years of service. The Port wishes her the best in retirement.

COMMISSION COMMENTS

Commissioner Duffy shared that he would like a presentation in the next 60 days made about Build Back America funding details.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Chairman Atwater acknowledged Mary Elizabeth.

CLOSED SESSIONS:

A. PURSUANT TO GOVERNMENT CODE §54956.8 REAL PROPERTY TRANSACTION: RECEIVE REPORTS FROM, GIVE INSTRUCTIONS TO & CONFER WITH PORT NEGOTIATOR KIRK DEJESUS REGARDING POTENTIAL REAL PROPERTY TRANSACTION RELATIVE TO 1315 FYFFE AVENUE, STOCKTON, CA

B. PURSUANT TO GOVERNMENT CODE §54956.9: CONFERENCE WITH LEGAL COUNSEL, PENDING LITIGATION: ONE CASE, SIERRA CLUB AND CENTER FOR BIOLOGICAL DIVERSITY VS. PORT OF STOCKTON, CASE NO. STK-CV-UWM-2024-0012095

C. PURSUANT TO GOVERNMENT CODE §54957.6 CONFERENCE WITH LABOR NEGOTIATOR: RECEIVE REPORTS FROM, GIVE INSTRUCTIONS TO AND CONFER WITH PORT NEGOTIATOR KIRK DEJESUS REGARDING LABOR NEGOTIATIONS WITH THE INTERNATIONAL LONGSHORE AND WAREHOUSE UNION (ILWU) LOCAL 6

At 3:51 p.m. Chairman Atwater announced that, in accordance with the Ralph M. Brown Act, an executive session would be conducted by the Board of Commissioners pursuant to Government Codes §54956.8, §54956.9 and §54957.6. The general public and other Port staff was excused from the meeting, and the closed sessions commenced at 3:52 p.m. Port Director DeJesus, Deputy Port Director Katindoy, Deputy Port Director Miller, Director of Environmental Affairs Cashman, Director of Maritime Operations Fairchild, Director of Finance and Accounting O'Keefe, Real Estate Marketing Manager Aguilar, Human Resources Manager Hollins, Commercial Manager Vezzali and Port Counsel Herum remained for the executive sessions.

At 4:15 p.m., Chairman Atwater re-opened the meeting in public session. He reported that the Port Commission took no formal, reportable action during the Closed Sessions.

CONSIDERATION AND POSSIBLE APPROVAL OF THE MEMORANDUM OF AGREEMENT BETWEEN THE INTERNATIONAL LONGSHORE AND WAREHOUSE UNION (ILWU) LOCAL 6 AND THE STOCKTON PORT DISTRICT

Chairman Atwater acknowledged that there were no requests to address the Port Commission on this matter.

Commissioner Duffy moved to adopt the following resolution:

Resolution #8593: WHEREAS, the Meyers-Milias-Brown Act (MMBA), governs labor relations of California public employers, including cities, counties, transportation agencies and most special districts; and

WHEREAS, effective January 1, 2014, the MMBA was amended to require California public employers to accept or reject during a noticed public meeting any tentative agreement within 30 days; and

WHEREAS, on March 3, 2025, the Stockton Port District Board of Commissioners gave instructions to the Port Director and staff relative to labor contract negotiations with the International Longshore and Warehouse Union (ILWU) Local 6; and

WHEREAS, in compliance with the MMBA, the Stockton Port District and the ILWU Local 6, having met and conferred in good faith, having freely exchanged information, opinions and proposals, having endeavored to reach agreement on all matters relating to the employment conditions and employer-employee relations; now, therefore be it

RESOLVED, that the Stockton Port District Board of Commissioners hereby formally adopts as the final labor agreement with ILWU Local 6 the Memorandum of Agreement Between the Stockton Port District and International Longshore and Warehouse Union Local 6, July 1, 2025 through June 30, 2028; and

RESOLVED FURTHER, that the Port Director is hereby authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolution #8593 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Atwater, Barkett, Duffy, Sawyer, Stephens, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Griffen

CONSIDERATION OF THE FOLLOWING RELATED TO 3028 NAVY DRIVE:

A. REVOKE THE APPROVAL OF THE MITIGATED NEGATIVE DECLARATION AND RELATED FINDINGS

B. RESCIND THE LEASE AGREEMENT BETWEEN THE PORT OF STOCKTON AND BAYOTECH, INC. FOR THE CONSTRUCTION AND OPERATION OF A HYDROGEN PRODUCTION AND FILLING FACILITY LOCATED ON 5 ACRES AT 3034 NAVE DRIVE

C. APPROVE ORDINANCE NO. 264 RESCINDING ORDINANCE NO. 262 THAT APPROVED A MITIGATED NEGATIVE DECLARATION AND LEASE AGREEMENT WITH BAYOTECH, INC, FOR A HYDROGEN PRODUCTION AND FILLING FACILITY LOCATED AT 3034 NAVY DRIVE FOR A TERM OF TEN YEARS

Chairman Atwater acknowledged Mary Elizabeth.

Commissioner Duffy moved to adopt the following resolution:

Resolution #8594: WHEREAS, the Stockton Port District ("Port"), a California Port District formed pursuant to the Harbors and Navigation Code section 6200 et seq., acting by and through its Board of Port Commissioners, intends to rescind approval of: a Mitigated Negative Declaration (BayoTech Hydrogen Production and Filling Facility Project Final IS/MND) related Findings and the Lease agreement by and between the Port of Stockton and BayoTech, Inc; therefore,

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE STOCKTON PORT DISTRICT, THAT:

1. The Board of Port Commissioners, rescinds the Mitigated Negative Declaration, related findings and Lease agreement between the Port of Stockton and BayoTech, Inc, for the construction and operation of a hydrogen production and filling facility located on 5 acres at 3034 Navy Drive approved at a noticed public hearing dated July 21, 2025;

2. The Port Director is authorized, empowered and directed in the name of and as the act and deed of, this Stockton Port District to make, execute and deliver all necessary documents in the accomplishment thereof;

3. Ordinance No. 264 an Ordinance of the Stockton Port District rescinding Ordinance No. 262 that approved a Mitigated Negative Declaration and Lease Agreement with BayoTech, Inc for the BayoTech Hydrogen Production and Filling Facility located at 3034 Navy Drive for a Term of Ten Years shall take effect, and be in full force and effect from and after its adoption.

RESOLVED, that the Port Director is hereby authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolution #8594 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Atwater, Barkett, Duffy, Sawyer, Stephens, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Griffen

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 4:19 p.m. by Chairman Atwater.

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Melanie Rodriguez
Secretary to the Board

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Chairman David Atwater