

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, SEPTEMBER 17, 2024, AT 12:30 P.M.

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

Vice President McGurk called the regular meeting to order at 12:30 p.m., and Assistant Manager Vega led the Pledge of Allegiance.

Present at roll call at the District were Directors Cortopassi, McGurk, Nakaue, Panizza, Sanguinetti and Watkins. Also present were Director of Finance & Administration Ram, District Engineer Evensen, Water Operations Manager Wunderlich, Administrative Assistant Rodriguez and Legal Counsel Zolezzi. Manager Hopkins and Director Atkins are attending District business in Washington D.C.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

Mitchell Maidrand, Deputy Director of Water for the City of Stockton, announced his retirement at the end of October. He expressed his gratitude to the District's employees and the Board of Directors.

Director Watkins mentioned that Manager Hopkins and Director Atkins are absent as they are conducting District business in Washington, D.C.

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 09/10/24 Regular Meeting

Director Watkins made the correction to the minutes:

- Page 1, section A, paragraph 2, line 4: replace Directors Atkins and Watkins were absent with Director Atkins, Watkins and Assistant General Manager Vega attended the 2024 CSDA Annual Conference & Exhibitor Showcase.

Director Watkins made the correction to the minutes:

- Page 3, section E, paragraph 1, line 1: add Director Sanguinetti, Director Watkins and Manager Hopkins.

A motion was moved and seconded to approve the September 10, 2024 Minutes, as amended.

Roll Call:

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

Nays: None

Abstain: None

Absent: Atkins

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the September 17, 2024, California Public Employees’ Retirement System, as presented.

Roll Call:

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

Nayes: None
Abstain: None
Absent: Atkins

3. Stockton East Water District – WIFIA Loan Presentation

Assistant Manager Vega presented the Board with a handout of the WIFIA and SRF Funding Application – Consideration of Projects to be Included memo. Assistant Manager Vega reported the handout provided is a reprint of the September 3rd memo presented to the Board. Assistant Manager Vega reported the information in the memo is to allow District staff to work with a consultant to include in the WIFIA loan letter of interest the projects which are listed in the memo. However, listing a project does not mean the District is obligated to continue forward and only allows those projects to be included in the funding package since there is an application process which must be completed. Assistant Manager Vega also reported that even though the projects are approved in the loan application process, each project will still need Board approval before continuing.

David Pernitsky from Stantec provided the Board with a presentation of the Water Treatment Plant Master Plan and 20-Year CIP. Mr. Pernitsky reported the approach is to manage, optimize, sustain and protect water sources as well as operate, maintain and modernize processes and facilities. Mr. Pernitsky noted the water treatment plant meets regulatory requirement; however, it cannot provide 65 MGD reliably with redundancy. Mr. Pernitsky noted some of the concerns found during the evaluation process which are: two sedimentation basins without plate settlers, high turbidity events that require adding three coagulant chemicals, and filters that need to operate above regulatory limits to produce 65 MGD. Mr. Pernitsky presentation proposed adding plate settlers to sedimentation basins 1&2, upgrading existing filters, adding four new filters to the west side of the existing filters and adding concrete-lined drying beds to the WTP solids dewatering. A Facilities and Asset Evaluation was also conducted in February with the concerns being structural and seismic issues including anchorage of equipment. Many electrical facilities, such as transformers, MCC, and Switchboards, are original and parts are not available. There were minor issues in process equipment, architectural and I&C. Mr. Pernitsky also reported a condition assessment was conducted on the Peters Pipeline and three options were provided to fix the issues found with option one being full length lining replacement, options two being renewal of severe sections with point repairs and option three being spot repairs only.

Director Nakaue inquired if the new filters will have the capacity to provide adequate flow while the existing filters are being upgraded. Mr. Pernitsky replied there will be enough filter capacity to have a spare filter while two of the filters are being worked on. It all depends on the timing of when the filters are being cleaned.

Director Sanguinetti inquired how the plate settlers are cleaned. Mr. Penitsky replied the plates settlers can be cleaned by hosing them down with a pressure washer.

Director Panizza inquired on the structural and seismic issues found. Mr. Penitsky replied the equipment inside the building needs to be anchored properly to withstand a seismic load among other items.

Assistant Manager Vega reported the sedimentation basins 1 & 2 replacement with plate settlers, four new filters and components including the blower building, low lift pump station standby generator, transformers, MCC and switchgear and the solids handling concrete dewatering lagoons were recommended to be added to the WIFIA loan letter of interest based on Stantec's presentation by the Municipal Operations Committee. Additionally, Peters Pipeline Rehab and Mormon Slough

Railroad Bridge and Siphons were also recommended to be added. Staff recommends the Board authorize the General Manager to add the projects within Section “A” and “B” of Table 2 to the WIFIA and SRF applications currently being finalized by staff and HDR.

Director Cortopassi inquired why item C is not being considered. Assistant Manager Vega replied the Bellota Pipeline Replacement was not being considered since it would be an additional \$105 M and the Municipal Operation Committee decided to exclude it.

Director Watkins added that an alternative to the pipeline was also being investigated and cited it as an additional reason why the Municipal Committee did not include the item in its recommendation.

Director Watkins inquired if there is a dollar amount limit for this program. Assistant Manager Vega replied no. Discussion followed.

A motion was moved and seconded to authorize the General Manager to add projects within section “A”, “B” and “C” of Table 2 to the WIFIA letter of intent in support of the application currently being finalized by staff and HDR, as amended.

Roll Call:

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

Nays: None

Abstain: None

Absent: Atkins

4. Stockton East Water District – Consider Approval of Professional Services Agreement for Grant Funded Watershed Resiliency Plan Memo. Assistant Manager Vega presented a memo to Consider Approval of Professional Services Agreement for Grant Funded Watershed Resiliency Plan. Assistant Manager Vega reported Department of Water Resources (DWR) awarded the District \$2M to implement a new program for the Calaveras River Watershed. District Engineer Evensen reported the \$2M awarded is a grant which is fully funded by Department of Water Resources (DWR) to look at the Calaveras River Watershed. District Engineer Evensen reported the District released a Request for Qualification to five consultant engineering firms for the Calaveras River Watershed. District staff reviewed the two submitted proposals and each consultant engineer presented. Once the presentations were over the District selection committee, including representatives from Calaveras County Water District (CCWD), CalWater and the City of Stockton, recommended Woodard & Curran based on the Project Manager and team, scope of work, and labor hours presented. In order to comply with the scope, Woodard & Curran will identify and assess existing regional Networks, develop a Watershed Network, delineate Watershed area, develop a Watershed Resilience vision, assess climate vulnerability and state of Watershed, assess vulnerabilities and risk, develop adaptation strategies, develop implementation strategies, complete performance tracking, and produce a Watershed Resilience Plan. Staff respectfully recommends the Board authorize the General Manager to execute a Professional Services Agreement with Woodard & Curran for \$1,672,930, plus a 10% contingency of \$167,293, for a total of \$1,840,223, and make all other necessary approvals.

Director Cortopassi inquired how does the Watershed Resiliency Plan benefits the stakeholders. District Engineer Evensen replied he is hopeful the plan will help protect the Districts’ watershed.

Director Sanguinetti inquired what the timeline is for the Watershed Resiliency Plan. District Engineer Evensen replied it will need to be completed by March of 2026.

A motion was moved and seconded to authorize the General Manager to execute a Professional Services Agreement with Woodard & Curran for \$1,672,930, plus a 10% contingency of \$167,293, for a total of \$1,840,223, and make all other necessary approvals, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: Atkins

E. COMMITTEE REPORTS

1. San Joaquin County and Delta Water Quality Coalition Steering Committee Meeting, 09/09/24
None of the Board members attended this meeting.
2. Eastern San Joaquin Groundwater Authority Steering Committee Meeting, 09/11/24
This item will be a report out on the next Regular Board Meeting.
3. Eastern San Joaquin Groundwater Authority Board Meeting, 09/11/24
This item will be a report out on the next Regular Board Meeting.
4. San Joaquin Farm Bureau Federation Monthly Water Committee Meeting, 09/11/24
Assistant Manager Vega reported the Districts' Water Supply Manager Donis attended the San Joaquin Far Bureau Federation Monthly Water Committee Meeting. Assistant Manager Vega reported Dusty Ference from Kings County Farm Bureau provided a presentation and reported the Tulare sub basin was placed on probation on April 16th in a temporary restrain order which was issued in July and were hoping for an injunction on September 13th, Tracy Lakes Pump Station is running per North San Joaquin Water Conservation District (NSJWCD) and the North system pump was hooked up by PG&E. Delta's water quality standards are coming out in 2025. South San Joaquin Irrigation District (SSJID) reported their irrigation is in mid-October for them, San Joaquin County declared MICUP EIR she be completed in May 2025.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 09/10/24

Assistant Manager Vega 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 187,438 AF in storage at New Hogan Reservoir. Current releases are set at 171 cfs. There is 1,837,644 AF in storage at New Melones Reservoir. Current releases are set at 1,018 cfs. The current release at Goodwin Dam to Stanislaus River is set at 254 cfs and release to all water users is set at 1,491 cfs. The District Water Treatment Plant (WTP) is currently processing 46 mgd. North Stockton is currently utilizing 10 mgd. South Stockton is currently using 6 mgd. Cal Water is currently utilizing 26 mgd. The City of Stockton WTP is currently processing 15 mgd.

2. Information Items: F2a
3. Report on General Manager Activities
 - a. CVP Water Association – Executive and Financial Affairs Committee Meeting, 09/13/24

Director of Finance & Administration Ram attended the CVP Water Association – Executive and Financial Affairs Committee Meeting. Director of Finance and Administration reported the CVP Financial affairs committee meeting started with a brief introduction then moved on to the project use energy sub-allocation process presentation. CVP power cost repayment responsibilities are distributed to project use and commercials power functions which are called sub-allocations. Director of Finance & Administration Ram reported they created a smoothing process which changed the estimate based on cost allocation percentage to using what they call rolling 10-year average. These 10-year actuals are going to be used as a percentage base. The smoothing proposal will not alter the overall cost but will provide more predictability by using a 10-year average of actual usage. Director of Finance & Administration Ram also reported true-up for WINN act workshop will be held on October 15th at 10 a.m. in Sacramento.

b. Stockton East Water District Activities Update

Assistant Manager Vega reported the lightning strike amount has been completed and will be presented to the Board at the next Regular Board Meeting.

Assistant Manager Vega reported the pipeline repairs are ongoing and should be complete by Monday, September 23rd.

Assistant Manager Vega reported the WIFIA application is being worked on by HDR.

Assistant Manager Vega reported District staff will be coordinating with the landowner from the Upper Farmington canal as the Flume project will start soon.

4. Stockton East Water District Operations Update

Water Operations Manager Wunderlich provided the Board with an update on the District's WTP production. Water Operations Manager Wunderlich reported for August, 97 samples of Total Coliform were collected and 0 were positive. The WTP rain fall totals for the previous week were 0, the District's WTP produced 4,736 AF and Delta Water Supply Treatment Plant produced 1,625 AF in surface water production. Cal Water produced 571 AF, City of Stockton produced 20 AF and the District's water treatment plant produced 0 AF in groundwater production.

Director Cortopassi inquired if the Delta Water Supply Treatment Plant is pumping from the Delta or Woodbridge. Mitchell Maidrand replied Delta Water Supply Treatment Plant is strictly on Delta water.

G. Director Reports

1. 2024 CSDA Annual Conference & Exhibitor Showcase, 09/09/24- 09/12/24

This item will be a report out on the next Regular Board Meeting.

2. Stockton Chamber of Commerce – 57th Annual Industrial BBQ, 09/11/24

Director McGurk attended the Stockton Chamber of Commerce – 57th Annual Industrial BBQ. Director McGurk reported they awarded the individuals who have invested money or increased their square footage. Director McGurk reported San Joaquin Partnership is creating a magazine.

3. San Joaquin County – State of the County, Bob Hope Theatre, 09/12/24

Director Cortopassi and Manager Hopkins attended the San Joaquin County State of the County event at the Bob Hope Theatre. Director Cortopassi reported it was an excellent event, with Chairperson Villapudua introducing the San Joaquin County Board members and highlighting the

Board Meeting – 09/17/24

~~Draft~~Approved

county's many accomplishments. Chairperson Villapudua also expressed gratitude to the Sheriff's Department for their dedicated service.

H. COMMUNICATIONS

Vice President McGurk reported the District received a thank you card from the Watkins family.

I. AGENDA PLANNING/UPCOMING EVENTS

1. Stockton East Water District – Washington, DC Trip, 09/15/24 – 09/19/24

J. REPORT OF THE COUNSEL


1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Potential exposure to litigation – Government Code Section 54956.9 – one case

Vice President McGurk adjourned the meeting to closed session at 1:48 p.m. The regular meeting reconvened at 1:49 p.m., with the no reportable action.

K. ADJOURNMENT

Vice President McGurk adjourned the meeting at 1:57 p.m.

Respectfully submitted,


Justin M. Hopkins
Secretary of the Board

bra

