

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 20, 2022 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 Legal Counsel Zolezzi led the Pledge of Allegiance.

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

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Minutes 09/13/22 Regular Meeting

A motion was moved and seconded to approve the September 13, 2022 Regular Board Meeting Minutes, as presented.

Roll Call:

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

2. Warrants – California Public Employees’ Retirement System

A motion was moved and seconded to approve the September 20, 2022 Warrants – California Public Employees’ Retirement System, as presented.

Roll Call:

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

3. Stockton East Water District – Professional Services Agreement with CDM Smith for Ozone Study PER Memo, 09/20/22

Manager Hopkins provided the Board with a memo regarding a Professional Services Agreement with CDM Smith for an Ozone Study and Preliminary Engineering Report (PER). Manager Hopkins reported two years ago District Staff worked with Carollo Engineers to conduct a study to analyze different disinfection alternatives to our current gas chlorine system; from the study came a recommendation to convert to Sodium Hypochlorite which was designed last year and is currently under construction. Manager Hopkins reported a secondary recommendation of ozonation of the water which addresses taste and odor issues and decreases disinfection byproducts. Manager Hopkins reported the Ozone Study and PER were budgeted for this current fiscal year; District Staff sent out Requests for Qualifications. District Engineer Evensen reported the District received three responses

out of the six engineering firms; all three engineering firms are well qualified having done Ozone projects in the Western United States. District Engineer Evensen reported of the three engineering firms, CDM Smith was recommended by staff due to their project staff, ozone experience, experience with similar size projects and understanding of the Stockton area. District Engineer Evensen reported CDM Smith took District Staff to visit a facility in Concord which was similar to the District's facility. District Engineer Evensen reported the Ozone Study and PER project is budgeted in the 22-23 Fiscal Year at \$204,000; CDM Smith's proposal was negotiated to \$224,190 from the initial proposal amount of \$228,930. With a 10% contingency, the budget would be \$246,609, which requires an additional \$42,609; Staff recommends additional funding from the General Manager's Office – Professional Services budget of \$185,000. District Engineer Evensen reported District Staff recommends the Board authorize the General Manager to approve a Professional Services Agreement with CDM Smith to provide study and design work for the Ozone Study and PER in the amount of \$224,190, plus a 10% contingency of \$22,419, for a total of \$246,609, and make all other necessary approvals.

Director Atkins inquired if the Ozone System is the same as the Delta Water Treatment Plant. Manager Hopkins replied yes, some modifications were made to include the addition of injectors which has made the Delta Water Treatment Plant system successful. Director Atkins inquired if the District's system would be smaller or larger than the Delta Water Treatment Plant. District Engineer Evensen replied the District's Ozone System would be larger and it would most likely be a different approach using contact chambers with diffused ozone instead of a pipeline for contact time but, the Ozone Study will determine the process used.

Director McGurk inquired what steps come after the Ozone Study and PER. Manager Hopkins replied after the Study is complete, we would move into design and construction; the PER will result with a 15% design. Manager Hopkins continued from that point, it would be the Board's decision how to proceed with the design process. Director McGurk inquired if Ozonation is the best option considering California's regulation of microplastic particles which Ozone will not address. Manager Hopkins replied prior to the Request for Qualifications, District Staff tested the water quality specifically for microplastics; the results from the test indicated the levels from the source water were well below the threshold being discussed by the State. Manager Hopkins added the best solution to treating microplastic is activated carbon; District Staff is confident the Ozone System is the best option to treat the District's current and ongoing issues.

Director Cortopassi inquired where the Ozone System will be in the treatment process. District Engineer Evensen replied there are two options; one is to apply the ozonation before treatment or second, once the water passes through the sedimentation basins and before the filters. Manager Hopkins reported the Ozone System targets organic material and removes the organics from the water; this process would minimize the TTHM issues the District has had in the past which is caused by the combination of organic materials and chlorine. Manager Hopkins added chlorine is still needed for disinfection.

Director Atkins inquired if the Ozone System is high maintenance. District Engineer Evensen replied it is higher maintenance than what the District currently has now with the exception of the chlorine gas system. District Engineer Evensen stated the system could require confined space entry and a remote possibility of liquid oxygen or ozone exposure. Director Atkins commented the chlorine gas system is dangerous and that is being replaced, are we removing one dangerous system and adding another dangerous system with Ozone. Manager Hopkins replied the dangerous component is liquid oxygen which is just as dangerous as other chemicals currently used; the danger with liquid oxygen is not fatal.

Director Cortopassi inquired how much the Ozone System costs. District Engineer Evensen replied ~\$20-\$30 million for construction.

Director Watkins inquired about the timeline for the Study and PER, and if the Board has to make a motion today. District Engineer Evensen replied we are running out of time in this fiscal year to get the Study done.

Director Sanguinetti inquired if the Urban Contractors are aware of the project. Manager Hopkins replied taste and odor issues have been discussed and the Urban Contractors are open to ozone implementation to address those issues. Director Sanguinetti stated the Urban Contractors have to be accepting of the project's construction and be willing to pay for it.

A motion was moved and seconded to authorize the General Manager to execute a Professional Services Agreement with CDM Smith to provide study and design work for the Ozone Study and PER in the amount of \$224,190, plus a 10% contingency of \$22,419, for a total cost of \$246,609, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

4. Dr. Joe Waidhofer Drinking Water Treatment Plant – Sodium Hypochlorite Project Monthly Update
District Engineer Evensen provided the Board with a presentation regarding the monthly update on the Sodium Hypochlorite Project. District Engineer Evensen provided the Board with pictures of the Chemical Storage Building which included construction of the metal columns and metal framework. District Engineer Evensen provided the Board with construction pictures of the Chemical Feed Building which included the preparation for the concrete floor, concrete floor pour and the final concrete building slab. District Engineer Evensen also provided the Board with pictures of the construction on the waterline; the waterline was added to the Operations Basement which included a tee connection and placement through the Chemical Tank Farm Area.

Director McGurk inquired if there have been change orders for the Project. District Engineer Evensen replied the changes orders stand at 1% and he is very pleased. This item was for information only.

5. Stockton East Water District – Bellota Project 100% Design
Manager Hopkins provided the Board with a presentation regarding the Bellota Project 100% Design. Manager Hopkins reported the Bellota Project Committee and District Staff met with KSN, Inc. to review the 100% Design Plan. Manager Hopkins reported the Committee recommended the 100% design be presented to the Board for their consideration. Manager Hopkins gave an overview of the existing site elements at Bellota which includes the major project components that have to be replaced for compliance with the Habitat Conservation Plan. Manager Hopkins reported the proposed facility design illustrates the key components which are a roughened channel, a concrete dam base to maintain winter water level for diversion through the pipeline, inflatable weir gate dam to replace flashboard dams that maintain summertime elevation, new pipeline conveyance facilities with fish screens to divert water under the Calaveras River to the Old Calaveras River to bring water from the new diversion structure on the north side of the Bellota Pool to the south side to connect to the existing Bellota Pipeline and bring water to the Old Calaveras River, respectively and build an isolation embankment to provide for fish exclusion on the Old Calaveras River.

Director McGaughey inquired about the meaning of fish entrainment. Legal Counsel Zolezzi replied it means fish caught in a screen.

Director McGurk inquired if the design has flow volume limitations. Manager Hopkins replied the design will maintain our current diversion rate into the Old Calaveras River and provide us with twice our current diversion rate into the Bellota Pipeline. Discussion followed regarding the flow volume considered in the design to meet water demands.

Director Cortopassi commented the Project will be built over a 4-year period to allow flows to pass through as needed which is the reason for the higher price tag.

Manager Hopkins reported the opinion of the probable construction cost (OPCC) is currently estimated at ~\$76.6 million which is based on all construction work being completed in one phase; if completed in a construction sequence of five phases the estimated cost is ~\$80.3 million which includes remobilization and redoing side work previously constructed. Manager Hopkins explained the sequence process; phase one is ~\$34 million which the District has submitted for grant funding to cover a majority of the cost of the phase.

Director Panizza inquired about the notation on page 28 that reads “provide asbestos mitigation and demo existing building” and inquired about the type of asbestos. Manager Hopkins replied the abandoned house contains asbestos tiles.

Manager Hopkins reported the proposed project schedule which is subject to funding, Board approval and construction timeline is illustrated to be completed by the end of 2027. Manager Hopkins added the CEQA documents were released Friday, September 16th and will have a 30-day comment period. Manager Hopkins stated the documents were thoroughly prepared however if comments are received, the District consultant will work to address those and revised the CEQA documents as necessary. Manager Hopkins reported following the process the Board will be presented with the initial study and mitigated negative declaration for adoption.

Director McGurk inquired when grant funding will be awarded. Manager Hopkins replied the notification of consideration will be received in October. The Board had no objections to the design. This item was for information only.

E. COMMITTEE REPORTS

1. Eastern San Joaquin Groundwater Authority Board Meeting, 09/14/22
Directors Panizza, Watkins and Finance Director Vega attended the September 14, 2022 Eastern San Joaquin Groundwater Authority Board Meeting. Director Panizza reported the County will be straightening their process to maintain Brown Act compliance. Director Panizza reported it was a fairly routine meeting with the approval of minutes. Director Panizza reported the City of Stockton Water Rights Support action item was passed with an abstention from Stockton East Water District. The next meeting is scheduled for October 12, 2022.
2. Eastern Water Alliance (EWA) Meeting/DREAM Monitoring Committee Meeting, 09/14/22
Directors McGurk, Sanguinetti, Watkins, District Engineer Evensen and Administrative Services Manager Carido attended the August 14, 2022 Eastern Water Alliance (EWA) Meeting/DREAM Monitoring Committee Meeting. Director Sanguinetti reported the DREAM Monitoring Committee Meeting was called to order and a DREAM Project update was presented. The DREAM Monitoring Committee will hold an upcoming meeting in November.

Director McGurk reported the EWA Meeting was called to order without a quorum; there was no Central San Joaquin Water Conservation District (Central) representative present. President Watkins reported the EWA voted to appoint Justin M. Hopkins as a member of the DREAM Monitoring Committee to replace Scot A. Moody; this action was approved by voting members but not adopted without a vote from Central. Director McGurk reported the action items which include the Extension of Time to Complete the DREAM Project, June 21, 2021 Minutes and November 18, 2021 Minutes were discussed but will be brought back to the upcoming EWA Meeting for approval. Director McGurk stated the DREAM Project will continue to move forward. Discussion followed regarding the DREAM Project.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 09/19/22

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 60,655 AF in storage at New Hogan Reservoir. Current releases are set at 220 cfs. Current release at Goodwin Dam to Stanislaus River are set at 203 cfs and release to all water users are set at 0 cfs. There are 16 irrigators on New Hogan, 0 irrigators on New Melones, and 0 irrigators out of District. The water treatment plant is currently processing 42 mgd. The City of Stockton is currently processing 12.5 mgd. Manager Hopkins reported the District wells total water extraction is 6,744 gpm (~9.7 mgd).

2. Information Items:

Manager Hopkins noted item: F2a-1, F2a-2 and F2a-3.

3. Report on General Manager Activities

a. CVP Water Association – Executive and Financial Affairs Committees Meeting, 09/16/22

Finance Director Vega attended the August 16, 2022 CVP Water Association – Executive and Financial Affairs Committees Meeting. Finance Director Vega reported discussion regarding remediation of CVP costs by reclassifying costs from 2014-2019; the USBR estimates most contractors will not be significantly affected and those that are will be notified by letter. Finance Director Vega reported discussion regarding the WIIN Act conversion; those that did not convert will continue to pay construction deficit rates. Finance Director Vega reported discussion regarding the extraordinary O&M rates which is new; first year of implementation is 2023-2024 with the payment process not required in one year but instead over several. Finance Director Vega reported discussion regarding Reserved Works Project Applications maintained by the Bureau of Reclamation; 31 projects were submitted for the Reserved Works Classification. Finance Director Vega reported a presentation was given on the Aging Infrastructure Projects; most of those projects are power related projects. Finance Director Vega reported the collection of payments is preferred to be received through an online portal instead of live checks. Finance Director Vega stated District Staff will investigate the most convenient way to pay the New Melones bill when the time comes. The next meeting is scheduled for October 21, 2022.

b. Stockton Area Water Suppliers (SAWS) Meeting, 09/16/22

Manager Hopkins attended the September 16, 2022 Stockton Area Water Suppliers (SAWS) Meeting. Manager Hopkins reported discussion regarding public outreach committee efforts and due to Kristin Coon's program being shorthanded, City of Stockton volunteered to take on the task. Manager Hopkins reported the Public Outreach Committee will hold a meeting next month. Manager Hopkins reported the City of Stockton Recharge Basin Project is moving along with having conducted an electromagnetic survey; the results determined the soil is favorable for recharge. Manager Hopkins reported the County gave an update on the DREAM Monitoring

Committee/EWA Meeting. Director Cortopassi inquired about the City of Stockton Recharge Basin Project. Manager Hopkins replied the City of Stockton was given SGMA funding to build a basin at the Delta Water Treatment Plant campus. The next meeting is scheduled for October 14, 2022.

c. Stockton East Water District Activities Update

Manager Hopkins responded to an inquiry last week from Director Sanguinetti regarding the replacement battery for fluke meter; it was for a power quality monitor that required a special battery pack with the existing battery was ten years old. Manager Hopkins replied District Staff found an alternative battery on Amazon for \$20 less but it was not a fluke branded battery. This item was for information only.

Manager Hopkins reported he is trying to set up a meeting with three growers next week that have expressed interest in on-farm recharge; USDA NRCS is currently advertising a grant funding for conservation innovation projects. This item was for information only.

G. DIRECTOR REPORTS (None)

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. San Joaquin County Office of Emergency Services – Agricultural Drought Task Force Meeting, 10:00 a.m., 09/21/22
2. Eastern San Joaquin County Regional Water Coordinating Committee Meeting, 3:00 p.m., 09/21/22
This meeting has been cancelled
3. Stockton East Water District – Recharge Projects Follow-up Discussion, 3:30 p.m., 09/22/22
4. East Bay Municipal Utility District – 27th Annual Pardee BBQ, 11:30 a.m., 10/07/22

J. REPORT OF THE COUNSEL

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Section 54956.9 (2 Cases)

President Watkins adjourned the meeting to closed session at 1:29 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:58 p.m., with the no reportable action.

K. ADJOURNMENT

President Watkins adjourned the meeting at 1:59 p.m.

Respectfully submitted,



Justin M. Hopkins
Secretary of the Board

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