

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, DECEMBER 20, 2022 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 Manager Hopkins 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, Assistant Manager Vega, District Engineer Evensen, Finance Director Ram, Administrative Assistant McKinney, and Consultant Barkett. Legal Counsel Zolezzi joined by teleconference.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT (None)

D. SCHEDULED PRESENTATIONS AND AGENDA ITEMS

1. Ozone Presentation – CDM Smith

Michael Zafer and Mark Urban with CDM Smith Engineering Consultants presented the Ozone Project Study update. The project objectives were covered which involve evaluating ozone alternatives to improve water quality and production reliability. CDM Smith will identify necessary infrastructure and improvements to implement ozone and work with staff to identify other ancillary or support systems that would enhance the project. A preliminary 15% design will be developed along with cost estimates that will be presented in a Preliminary Engineering Report in the next quarter.

Mr. Zafer stated the Ozone Biofiltration (OBF) Process provides a very strong disinfectant which is more effective than chlorine, and very effective for reducing taste and odor. It's excellent for removing byproducts and other trace contaminants. If added early in the process, it can help reduce particulates and turbidity to make the overall filtration process more effective. It can remove organic content and reduce some of the biodegradable matter. This means more stable water with less chlorine usage resulting in better water quality delivered to customers. Also, the Granular Activated Carbon (GAC) in the filters will last longer and can be replaced on a frequency greater than the existing change-out with substantial money savings. Ozone will help manage GAC supplies, water treatment and extend the life up to multiple additional years.

Mr. Zafer discussed the location for the ozone injection. After evaluating two locations with District Staff the location selected for layout is north of the Low Lift Pumping Station and west of the Intake Reservoir Area. Construction at this location would place the raw water ahead of the other process facilities which has less risk for the existing facility infrastructure and fewer process interruptions resulting in more room for future expansion.

Director Atkins asked what is the cost for an ozone system. Mr. Zafer replied the cost has not been estimated yet for the project.

Director Panizza asked Mr. Zafer to explain the reaction time in case of ozone outage and the amount of difference in the injection site. If power was suddenly lost, Mr. Zafer stated with raw water ozone

being injected before the existing water treatment processes would provide an opportunity to add chlorine right at that point or add it before or after filters to make a correction with sufficient time.

Director McGurk asked what happens to the ozone after it is injected. Mr. Zafer replied it gets consumed, and degrades back to oxygen. Any remaining ozone off-gas gets destroyed before being released back in the atmosphere as oxygen.

Director Cortopassi asked how the process reacts against taste and odor. Mr. Zafer replied that the taste and odor will be oxidized.

Director Atkins asked if the safety factors are the same as chlorine. Mr. Zafer replied that with both treatment processes, an engineering consultant works with the fire marshal. Some of the monitoring alarms are similar, but different because ozone is produced as its used. There is not a potential for a large release as there is for chlorine. An ozone leak would be a small leak.

Mr. Urban discussed the location of the Intake Area. CDM Smith recommends maintaining the pipeline running from the Low Lift Pumping Station through the basement of the Operations Building as a bypass, and utilizing an older bypass pipe to pump the water to a new ozone facility. A large ozone contact concrete basin (26 feet tall) would be constructed with two parallel basins for low or high flow, and fine bubble diffusers disks attached on the floor of the basin for ozone injection. This structure would be fully sealed. The ozone contact basin is designed with a continuous vacuum above the water head space that removes any excess ozone to be destroyed resulting in no ozone leaving the facility. Three ozone generators (two duty and one standby) are proposed to be housed; two larger standby power generators would replace the current two small standby generators currently being used for the Low Lift Pumping Station and the Operations and Administration buildings.

Director McGurk asked about the chemicals added to the ozone process. Mr. Zafer replied that inert (low level, non-corrosive) chemicals are added which are drinking water NSF 60 approved.

Manager Hopkins stated from a red tape perspective, the District is looking forward to eliminating the Risk Management Plan for gaseous chlorine. Manager Hopkins asked if any of the chemicals for ozone disinfection will add any new requirements for monitoring and reporting similar to the risk management plan, or what is normally required by the fire department and Cal OSHA. Mr. Urban replied the risk is greatly reduced. The modeling and management plan are not needed as it is for the risk management plan. The fire marshal will interpret the required fire protection on the building requirements early in the process, and the design will meet those fire protection and OSHA requirements.

Director Sanguinetti asked if pumping would be required for the above ground ozone contact chamber. Mr. Urban replied yes, because of the ozone process elevation needs, the Low Lift Pumping Station pumps would need to pump an additional six or seven more feet of head. Director Sanguinetti asked about the maintenance protocol in the ozone contact chamber with pumping raw water which will have dirt and sediment. Mr. Urban replied that it is recommended to install a raw water screening structure to eliminate a lot of the debris. A gallery will be installed inside the ozone contact chamber which has rectangular cells that can be accessed for inspection and maintenance after the water has been drained out. General maintenance will be done annually, and maintenance costs will be included in the preliminary report. Discussion followed.

2. Minutes

a. Minutes 12/13/2022 – Special Board Meeting

Director McGaughey made the following corrections to the minutes:

- Page 1, section A, 1st paragraph, 1st sentence – insert “a.m.” after “11:33”.
- Page 1, section D, 1st paragraph, 1st sentence – replace “Atkins” with “Watkins”
- Page 2, section F, 1st sentence – insert “a.m.” after “11:44”

A motion was moved and seconded to approve the December 13, 2022 Special Board Meeting Minutes, as amended.

Roll Call:

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

b. Minutes 12/13/2022 – Regular Board Meeting

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

Roll Call:

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

3. Warrants

- a. Fund 68 – Municipal & Industrial Groundwater Fund
- b. Fund 70 – Administration Fund
- c. Fund 71 – Water Supply Fund
- d. Fund 89 – Fish Passage Improvements Fund
- e. Fund 91 – Vehicle Fund
- f. Fund 94 – Municipal & Industrial Fund
- g. Summary
- h. Short Names/Acronym List
- i. SEWD Vehicles & Heavy Equipment

Director Sanguinetti commented on page 15, line 61 – why we rented an excavator for upper Farmington project when the District has an excavator. Manager Hopkins replied two excavators were required for the job. The excavator purchased was too large to operate on one side of the canal. District Engineer Evensen commented it was too long of a reach.

Director McGurk commented on page 22, line 118 – what is the meaning of MCB. Manager Hopkins replied this stands for Master Control Board which is the original treatment plant operation board in the lobby of operations.

Director Cortopassi commented on page 22, line above 117 – electricity bill for PG&E. Manager Hopkins stated this figure is average for a month.

A motion was moved and seconded to approve the December 20, 2022 Warrants, as presented.

Roll Call:

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

4. Revised Base Monthly Payment Schedule – Fiscal Year 2023/2024

a. Public Hearing

President Atkins opened the floor for public hearing at 1:37 p.m. President Atkins closed public hearing at 1:38 p.m.

b. Resolution No. 22-23-15 – Revise the Preliminary Base Monthly Payment for the Period April 1, 2023 to March 31, 2024

Manager Hopkins reported back in September, the Board adopted a preliminary base monthly payment which was sent out to the Urban Contractors, subsequently the draft budget was sent to the Urban Contractors. District Staff received no feedback from them, so last week the Board approved the budget that was recommended by District Staff and the Agricultural Operations Committee. Since that budget was slightly different from the budget used to calculate the preliminary base monthly payment, the Board now has to adopt, per the second amended contract, the revised base monthly payment for Fiscal Year 2023/2024. The change between the preliminary and revised Base monthly payment was an increase of \$4,255 per month which is, or \$51,065 per year.

A motion was moved and seconded to approve the Resolution No. 22-23-15 – Revising the Preliminary Base Monthly Payment for the Period April 1, 2023 to March 31, 2024, as amended.

Roll Call:

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

Nayes: None

Abstain: None

Absent: None

5. Dr. Joe Waidhofer Drinking Water Treatment Plant – Sodium Hypochlorite Project Monthly Update, 12/20/22

Manager Hopkins introduced District Engineer Evensen to report out. District Engineer Evensen reported the project is 60% complete. The elevation difference between the chemical storage building and the chemical feed building keeps the pump suction flooded for better performance and reliability. The electrical conduits for lighting are being installed. The design includes a spill containment structure under the chemical delivery trucks in the case of a spill or leak. The chemical will be conveyed to the secondary containment inside the building. The one main water issue is the fire marshal requires sprinklers inside the two-sided chemical storage building because of the volume of chemicals stored even though the chemical is not flammable. The roofing is near completion and is sealed in time for the rainy season. This was for information only.

6. FISHBIO – Continued Concerns Regarding Striped Bass in the Calaveras River Calaveras River Habitat Conservation Plan Conservation Area, 12/13/22

Manager Hopkins reported the letter from FISHBIO in collaboration with the National Marine Fisheries Service, and on behalf of SEWD was sent to the California Department of Fish & Wildlife (CDFW) requesting the department reconsider their stance against culling of the striped bass found in the Calaveras River. Subsequent to this letter, CDFW did provide a response although they disagree with FISHBIO's suggestions. CDFW recommended FISHBIO submit an amendment to their scientific collecting permit to begin the process to cull the striped bass. This will not be finalized until FISHBIO successfully request to file an amendment.

7. Statement of Consistency Pursuant to Execute Order N-7-22 and Findings of Fact Stockton East Water District Groundwater Sustainability Agency Statement of Consistency Pursuant to Executive Order N-7-22 – Well Permit Application for 18917 E. Baker Road, Linden, CA 95236

Manager Hopkins provided the Board with Statement of Consistency Pursuant to Executive Order N-7-22 and Findings of Fact Stockton East Water District Groundwater Sustainability Agency Statement of Consistency Pursuant to Executive Order N-7-22 – Well Permit Application for 18917 E. Baker Road, Linden, CA. Manager Hopkins reported the well application was received from San Joaquin County to replace an existing well. Manager Hopkins recommends the Board approve the San Joaquin County paperwork and the Statement of Consistency, as presented.

A motion was moved and seconded to approve the Statement of Consistency Pursuant to Executive Order N-7-22 and Findings of Fact Stockton East Water District Groundwater Sustainability Agency Statement of Consistency Pursuant to Executive Order N-7-22 – Well Permit Application for 18917 E. Baker Road, Linden, CA, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

- 8 Stockton East Water District – Professional Services Agreement for Strategic Planning Services
Manager Hopkins reported back on October 31st, District Staff released a solicitation for Strategic Planning Services to help District Staff, Directors and potentially some of the Districts’ customers align their desires for the direction of the District. This is because of the Sustainable Groundwater Management Act, and other challenges the District has on the horizon, such as the potential implementation of the Bay Delta Plan, changes to the Bureau of Reclamation’s allocation policy for New Melones, and also any unseen issues to come. Manager Hopkins stated now is a good time to make sure we are moving in the same direction, similar to the larger undertakings of the District back in 1979 when the treatment plant was built and in the 1990’s to early 2000’s with the Farmington Groundwater Recharge Project. Manager Hopkins stated the District has several big ideas and plans that have been developed over the past few decades such as the Water Supply Enhancement Project and repurposing the Farmington Dam. There is also a current need for the Bellota Project to be constructed. To help make sure District Staff is focusing on the right projects, plans and research, development of a five-year strategic plan would be helpful. Manager Hopkins reported the District received two responses; one was from Regional Government Services Authority and the other from Raftelis. The responses were reviewed on proposed cost, the quality of the application and the expected product from each consultant. From the review, Raftelis was a clear leader of the two as far as quality of work experience, and ability to deliver on price and schedule. The Regional Government Services Authority although much less expensive provided a proposal with just the bare elements identified within the request for proposals. Also, their cost was not all-inclusive. The actual total cost would be unknown where Raftelis cost is a not-to-exceed amount. This strategic planning was not specifically budgeted this year or next, but the General Manager’s Office Professional Services Budget includes \$175,000 in the current fiscal year and next fiscal year. The current fiscal year has an available balance of \$59,000, and this is sufficient to cover the full project cost should this be completed before the end of the fiscal year.

Director Cortopassi asked what is expected of this strategic plan that is different from previous strategic plans. Manager Hopkins replied it is not known if there has ever been a strategic plan for the District. But, there was alignment between the Board, customers and District Staff to accomplish projects such as the treatment plant and the groundwater recharge project. Manager Hopkins added this is a facilitation service where the consultant facilitates and moderates meetings which include individual meetings for everyone involved to receive input on the direction of the District, and help prioritize the projects.

Director Panizza asked if Raftelis is evaluating our proposals, or making their own proposals. Manager Hopkins replied they evaluate our proposals and facilitate the meetings. They assist with prioritizing the projects, define roles and goals, and develops a matrix for measuring achievement of the District's goals. The proposal does allow for urban contractors if the Board decides to include them. Discussion followed.

District Staff recommends the Board authorize the General Manager to approve a Professional Services Agreement with Raftelis to provide strategic planning services in the amount of \$49,570, plus a 10% contingency of \$4,975, for a total of \$54,725, and make all other necessary approvals.

Roll Call:

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

E. COMMITTEE REPORTS

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 12/19/22

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 62,727 AF in storage at New Hogan Reservoir. Current releases are set at 27 cfs. Current release at Goodwin Dam to Stanislaus River are set at 202 cfs and release to all water users are set at 0 cfs. There are 0 irrigators on New Hogan, 0 irrigators on New Melones, and 0 irrigators out of District. The water treatment plant is currently processing 21 mgd. The City of Stockton is currently processing 13.5 mgd. Manager Hopkins reported the District wells total water extraction is 6,869 gpm (~9.9 mgd).

2. Information Items:

Manager Hopkins noted item: F2a-1

3. Report on General Manager Activities

a. Central Valley Project Water Association – Executive & Financial Affairs Committee Meeting, 12/16/22

This meeting was cancelled

b. Stockton East Water District Activities Update

Manager Hopkins reported related to ozone project, and the information received from PG&E, rates will go up 23% next year. Manager Hopkins stated he held a meeting with the Districts' solar provider to discuss the possibility of adding more solar facilities to support the ozone project, should this project move forward. Also, adding more solar facilities with battery banks for potential offset of electrical demand during the night time hours when the sun is not out. Director Cortopassi asked where does 23% come from generation or demand? Manager Hopkins replied PG&E did not specify.

Manager Hopkins stated he had a productive call with NRCS regarding NRCS providing a program for eastside growers. NRCS will be working with USDA and holding discussions about developing a 2023 program to provide funding to growers who would like to connect to surface water. Districts such as SEWD or North San Joaquin can apply for WaterSMART funds that are under the same umbrella of funding. Manager Hopkins stated he has been lobbying NRCS because they have plenty of funding for the next five years. Manager Hopkins stated he has been working with Legal Counsel Barkett regarding a potential trip to DC to try and get funds for the Bellota Project and design money

to further the Farmington Dam Repurposing project. The dates being considered are the week of March 13th. If this doesn't work, it can be revised. Lastly, the registration deadline for the USBR Water Users conference is coming up. Director Sanguinetti inquired about the conference dates and Manager Hopkins replied the conference is January 25 through 27, but attendees must head up on the 24th. Directors Atkins, Sanguinetti & Watkins will attend.

G. DIRECTOR REPORTS

H. COMMUNICATIONS

1. United States Department of Commerce – National Oceanic and Atmospheric Administration, 12/14/22
Manager Hopkins reported disappointingly the department requiring the District to protect steelhead denied funding. The grant opportunity received applications for twice the available funding of \$450-500 million. District staff discussed the denial with the National Marine Fisheries Service (NMFS). Local NMFS staff encouraged SEWD to reapply and advised SEWD needed a stronger proposal that referenced downstream fish passage and included adept terminology.

I AGENDA PLANNING/UPCOMING EVENTS

1. Holiday Open House & Toy Drive – Assemblymember Carlos Villapudua, 12/20/22
2. San Joaquin County Office of Emergency Services – Agricultural Drought Task Force Meeting, 12/21/22
3. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 12/21/22
This meeting was cancelled
4. Bellota Project Committee Meeting, 12/21/22
5. Agricultural Operations Committee Meeting, 12/21/22
6. District Holiday – Christmas Day, 12/26/22
7. Tri-Dam Committee Meeting 12/22/22

J. REPORT OF THE COUNSEL

1. Closed Session - Existing Litigation
Stockton East Water District vs. City of Stockton, et al.
Government Code 54956.9 (a)
2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED
LITIGATION Section 54956.9 (2 Cases)

President Watkins adjourned the meeting to closed session at 2:14 p.m. to discuss closed session agenda items. The regular meeting reconvened at 3:22 p.m., with the no reportable action.

K. ADJOURNMENT

President Watkins adjourned the meeting at 3:23 p.m.

Respectfully submitted,



Justin M. Hopkins
Secretary of the Board

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