

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, MARCH 22, 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 Director McGurk 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 Moody, Assistant Manager Hopkins, 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 03/15/22 Regular Meeting

A motion was moved and seconded to approve the March 15, 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

Director McGurk inquired on the expense on page 9, line item 3 for CA Public Employees Retirement System (CalPERS) for CalPERS Arrears in the amount of \$19,054.89. Manager Moody replied the expense was previously approved for employees that were hired as temporary employees to pay for the years of service worked prior to their permanent hire status. Director McGurk inquired about the reoccurrence of the payment. Finance Director Vega replied the CalPERS Arrear amount of \$19,054.89 was for one employee and the payment was a one-time payment.

A motion was moved and seconded to approve the March 15, 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. Dr. Joe Waidhofer Drinking Water Treatment Plant – Disinfection Systems Project Bid Results and Award Memo, 03/22/22

Manager Moody provided the Board with the Disinfection Systems Project Bid Results and Award memo. District Engineer Evensen reported the WTP Disinfection Systems Project for construction of a sodium hypochlorite disinfection system bid opening was a success with five bids received; Engineer estimate for the construction was \$5,726,207 including a 10% contingency and a 5.7% escalation factor for inflation. District Engineer Evensen reported the three lowest bids were reviewed and all were complete; TNT Industrial Inc. provided the lowest bid in the amount of \$5,426,903.91. District Engineer Evensen reported District Staff met with TNT Industrial Inc. to review the bid and it was acceptable. District Engineer Evensen recommend the Board authorize the General Manager to award the WTP Disinfection Systems Project construction contract to TNT Industrial Inc., the lowest responsive and responsible bidder in the amount of \$5,426,903.91, with a 10% contingency of \$542,690, for a total amount of \$5,969,593.91.

Director Sanguinetti inquired where TNT Industrial Inc. is located. District Engineer Evensen replied they are located in Sacramento.

A motion was moved and seconded to award the Dr. Joe Waidhofer Water Treatment Plant Disinfection System Project to TNT Industrial Inc. in the amount of \$5,426,903.91, with a 10% contingency of \$542,690 for a total amount of \$5,969,593.91, 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 – Engineering Services During Construction for Disinfection System Project Memo, 03/22/22

Manager Moody provided the Board with the Engineering Services during Construction for Disinfection System memo. District Engineer Evensen reported Carollo Engineers submitted a scope of services proposal for engineering and construction management services during construction services for \$800,046. District Engineer Evensen reported Staff proposes to combine forces with Carollo Engineers to manage the project construction; Carollo Engineers to provide engineering services during construction for the amount of \$349,886, plus a 10% contingency amount of \$34,989 for a total amount of \$384,875. District Engineer Evensen stated District Staff will provide the majority of the construction management services, including providing the construction manager, inspectors and contract administration. District Engineer Evensen provided the Board with a list of Engineering Services that would be provided by Carollo Engineers; the list includes: team coordination, progress status reports, pre-construction conference, design engineer site visits, submittal review, response to contractor's request for information, preparation of design clarifications, structural special inspections, record drawings, training and commissioning.

Director McGurk inquired on the ability to save money should TNT Construction Inc. have an idea for a way to save on funds. Manager Moody replied the District has done it recently with a project involving valving and piping on the new storage basin on the north property; the construction company we worked with was able to do horse trading with us to save District funds. Director McGurk inquired if the contract allows for those types of horse-trading options to occur. Manager Moody replied yes, we have the capability. District Engineer Evensen replied the District will have options when it comes to material used; with the inflation of prices, District

Management will have options to choose which materials would work best with the budget. Manager Moody replied this project is simplistic as the main components, like the metal building, skid-mounted chemical pumps, and chemical storage tanks are vendor designed as a package and just need to be installed.

A motion was moved and seconded to authorize the General Manager to execute a Professional Services Agreement with Carollo Engineers for the proposed cost of \$349,886, plus a 10% contingency amount of \$34,989, for a total of \$384,875, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

5. Dr. Joe Waidhofer Drinking Water Treatment Plant – PLC and SCADA Integration Services for Disinfection System Project Memo, 03/22/22

Manager Moody provided the Board with the PLC and SCADA Integration Services for Disinfection System Project memo. District Engineer Evensen reported the District's PLC and SCADA integrator, ControlPoint Engineering submitted a scope of services proposal for PLC and SCADA integration during construction for \$242,640, plus a 10% contingency amount of \$24,264 for a total amount of \$266,904.

A motion was moved and seconded to authorize the General Manager to execute a Professional Services Agreement with ControlPoint Engineering for the proposed cost of \$242,640, plus a 10% contingency amount of \$24,264, for a total of \$266,904, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

6. 2022 Landscape Bid Results and Award Memo, 03/22/22

Manager Moody provided the Board with the 2022 Landscape Bid Results and Award memo. Manager Moody reported discussion with the Board about landscaping ideas and what could be done differently and the Board consensus was to enlist Director Panizza's expertise. Manager Moody reported Director Panizza and Assistant Manager Hopkins worked together to complete the 2022 Landscape Services Request for Bid. Manager Moody reported Director Panizza had insight to assist with the bid writing process and determined sections of the bid that were not necessary for a landscaping company. Assistant Manager Hopkins reported the Request for Bid was advertised along with Staff contacting companies that had previously performed work for the District or expressed interest; the District received four responsible and responsive bids. Assistant Manager Hopkins reported Valley Landscaping & Maintenance Inc., the current landscaping company provided the lowest bid of \$29,400; the bid rate reflects a \$50 monthly increase from the District's current rate. Assistant Manager Hopkins stated the bid from Valley Landscaping is a great value in comparison to the other bids provided; Valley Landscaping confirmed the contract document and agreed to perform the specifications listed in the bid. Assistant Manager Hopkins recommend the Board authorize the General Manager to award a contract to Valley Landscaping & Maintenance, Inc. in the amount of \$29,400, plus a 10% contingency amount of \$2,940 for a total amount of \$32,340.

Manager Moody stated Valley Landscaping provided a bid last year much higher than the current bid amount due to the previous request for bid requirements of high insurance limits and other factors of that nature. Director Panizza stated the items eliminated from the current Request for Bid was a requirement to carry insurance for years following the services completed and taking out some shrubbery maintenance.

Director Atkins inquired why there would be a large bid difference between Valley Landscaping and the others that bid. Manager Moody replied the District required prevailing wage and perhaps the other bidders are not familiar with those requirements. Manager Moody added the number of trees, flowers and vegetation at the District is beautiful but a lot of work to maintain. Discussion followed regarding landscaping services.

A motion was moved and seconded to award the 2022 Landscape Services Bid to Valley Landscaping for an annual contract amount of \$29,400, plus a 10% contingency amount of \$2,940 for a total approved amount of \$32,340, beginning April 1, 2022 to March 31, 2023, as presented.

Roll Call:

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

E. COMMITTEE REPORTS

1. San Joaquin County & Delta Water Quality Coalition Meeting, 03/14/22
Director Atkins attended the March 14, 2022 San Joaquin County & Delta Water Quality Coalition Meeting. Director Atkins reported the Coalition financials are status quo with the exception of the Regional Water Quality Control Board plans to increase their rates by 5%; funds are still available and rates will stay the same this year. Director Atkins reported discussion regarding membership dues that have not paid; the agencies that have not paid run the risk of being removed from the Coalition if they do not pay their membership dues. Director Atkins added there have been reminder letters sent to inform the unpaid agencies; the unpaid agencies' names will be given to the State Water Resources Control Board. Director Atkins reported discussion regarding the Program Manager's Report; a sample over the limit with concerns of algae toxicity. Director Atkins added a farmer made the comment that the islands are not farmed the way they used to be; the movement of water is not the same. Director Sanguinetti inquired when the sample was taken. Director Atkins replied the sample was taken a couple months ago. Discussion followed regarding location and quality of the water sample. The next meeting is scheduled for April 11, 2022.
2. Eastern San Joaquin Groundwater Authority Technical Advisory Committee (TAC) Meeting, 03/17/22
President Watkins and Manager Moody attended the March 17, 2022 Eastern San Joaquin Groundwater Authority Technical Advisory Committee (TAC) Meeting. Manager Moody reported discussion primarily focused on the comments from DWR and how the Committee will respond to the comments. Manager Moody reported DWR was not satisfied that the Groundwater Sustainability Plan did not address domestic wells; discussion followed regarding working with DWR and not creating waves and others expressed wanting to push back as legislation does not authorize regulation on domestic wells. Manager Moody stated the Committee is meeting every

two weeks and the Legal Committee is also meeting frequently in an effort to respond to DWR's comments. Director McGurk inquired about the domestic wells and if they are focused primarily in one Groundwater Sustainability Agency. Manager Moody replied no, generally in the Basin if there is a chronic lowering of groundwater and domestic wells go dry or have water quality issues, what will the Groundwater Sustainability Agencies do to address those issues. The next meeting is scheduled for March 31, 2022.

3. Agricultural Operations Committee Meeting, 03/18/22

Directors Atkins, Cortopassi, Sanguinetti and Watkins attended the March 18, 2022 Agricultural Operations Committee Meeting. Director Cortopassi reported discussion to set the 2022 Water Rates; the Groundwater Rate will be \$5.79 per acre-foot, Surface Water Rate will be \$23 per acre-foot and Domestic Unit Charge will be \$49 per acre-foot. Manager Moody reported the Public Notice will be published on Friday, March 25th and the Public Hearing will be held on Tuesday, April 5th at the Regular Board Meeting; the Committee will then make a recommendation to the Board to approve the 2022 Water Rates. Director McGurk inquired about the New Hogan component cost and if it is less than \$5.79 per acre-foot. President Watkins replied with the suggested rates, we would have a balanced budget.

4. Bellota Project Committee Meeting, 03/18/22

Directors Atkins, Cortopassi, Sanguinetti and Watkins attended the March 18, 2022 Bellota Project Committee Meeting. Assistant Manager Hopkins reported a presentation was given by KSN on the Bellota Project 90% Design. Assistant Manager Hopkins reported the next step will be meeting with the fish agencies for their approval of the 90% design. Manager Moody added after the meeting with the fishery agencies and their approval, the Bellota Project will be brought to the Board to see the design, cost and plans for the project. Director Atkins inquired if the design changes will be brought back to the Committee. Assistant Manager Hopkins replied yes, there will be a design review at 100%. Director Cortopassi inquired at what point will the District seek out funding for the project. Manager Moody replied the District has already applied for grants; one matching design grant for \$3 million and another grant application was submitted for \$14 million.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 03/21/22

Manager Moody 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 132,039 AF in storage at New Hogan Reservoir. Current releases are set at 28 cfs. Current release at Goodwin Dam to Stanislaus River are set at 1,229 cfs and release to all water users are set at 45 cfs. The water treatment plant is currently processing 30 mgd. The City of Stockton is currently processing 13 mgd.

2. Information Items:

Manager Moody noted item: F2a-1 and F2a-2.

3. Report on General Manager Activities

- a. Stockton East Water District Activities Update
Manager Moody reported a Time Variance Request was sent to the Central Valley Flood Protection Board requesting early installation of dams; due to District project schedules, the earliest date for installation of dams is April 11, 2022. This item was for information only.

G. DIRECTOR REPORTS

1. Stockton East Water District Special Board Meeting – Department Of Water Resources Deputy Director Paul Gosselin Tour, 03/18/22
Directors Atkins, Cortopassi, McGurk, Sanguinetti and Watkins attended the March 18, 2022 Stockton East Water District Special Board Meeting – Department Of Water Resources Deputy Director Paul Gosselin Tour. Director Cortopassi commended Manager Moody on a wonderful presentation compacting concise information highlighting the District’s efforts toward Groundwater Sustainability. Manager Moody commented the information was equally important to share with the Department of Water Resources and the other agencies in attendance. President Watkins reported the Special Meeting began with a welcome by Supervisor Winn, San Joaquin County Board of Supervisors, followed by remarks from Kris Balaji, San Joaquin County Director of Public Works, followed by remarks from Paul Gosselin, Department of Water Resources Deputy Director and ended with a presentation from Manager Moody. Manager Moody credited Assistant Manager Hopkins with putting together the presentation. Director Sanguinetti reported discussion regarding 100 years of water law. Manager Moody reported Paul Gosselin commented he was pleased that our Basin only had one Groundwater Sustainability Plan where others have multiple plans.

H. COMMUNICATIONS (None)

I. AGENDA PLANNING/UPCOMING EVENTS

1. ACWA Groundwater Sub-Committee Meeting, 2:00 p.m., 03/22/22
2. San Joaquin Farm Bureau Federation Meeting, 5:30 p.m., 03/22/22

J. REPORT OF THE COUNSEL

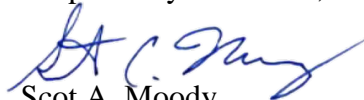
1. Closed Session - Potential Litigation
Government Code 54956.9 (c) – two cases

President Watkins adjourned the meeting to closed session at 1:12 p.m. to discuss closed session agenda items. The regular meeting reconvened at 1:35 p.m., with no reportable action.

K. ADJOURNMENT

President Watkins adjourned the meeting at 1:36 p.m.

Respectfully submitted,


Scot A. Moody
Secretary of the Board

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