

July 22, 2021
Fremont, California

A special meeting of the Board of Directors of ALAMEDA COUNTY WATER DISTRICT was held on July 22, 2021, at the hour of 4:00 P.M. Due to COVID-19 and in accordance with Governor Newsom's Executive Order N-25-20 which suspends portions of the Brown Act, this meeting was conducted by Zoom Webinar and Teleconference and members of the public were invited to participate.

Present: Directors Weed, Gunther and Huang

Absent: Directors Akbari and Sethy

Staff members present: General Manager Ed Stevenson, Acting Director of Engineering and Technology Services Rekha Ippagunta, Director of Finance Jonathan Wunderlich, Director of Water Resources and Conservation Laura Hidas, Director of Operations and Maintenance Kurt Arends, Water Resources Planning Manager Thomas Niesar, Groundwater Resources Manager Michelle Myers, Well Ordinance Supervisor Kit Soo, Hydrogeologists Eileen Chen, Ava Lazor and Douglas Young, Engineers Mike Halliwell, Rachel Mellinger and Selim Zeyrek, General Counsel Patrick Miyaki, and District Secretary Gina Markou.

Vice President John Weed presided.

The Salute to the Flag was performed.

3 – PUBLIC COMMENTS – None

4 – ACTION CALENDAR

4.1 AUTHORIZATION OF AGREEMENT FOR THE PURCHASE OF FERRIC CHLORIDE FOR WATER TREATMENT

Mr. Arends reported that on June 10, 2021, the Board authorized the General Manager to approve a purchase order to Thatcher Company of California, Inc. (Thatcher, Inc.) to supply Ferric Chloride to Water Treatment Plant 2 (WTP2) for FY 2021/22 at the unit price of \$731/dry ton. At the beginning of the fiscal year, Thatcher, Inc. reported a Force Majeure event due to supply chain disruptions and informed the District that they would be unable to meet current and projected demand for Ferric Chloride. Staff reached out to other companies that may be able to supply Ferric Chloride to supplement the current supply. Staff received only one response, from Kemira Water Solutions, Inc., to supply Ferric Chloride to the District for a cost of \$823/dry ton. Given the limited availability and ongoing supply chain issues, this request meets the requirements for a single source award in accordance with Section I of the District's Procurement Policy. The estimated cost for the purchase and delivery Ferric Chloride in FY 2021/22 is \$730,000 assuming all future deliveries were provided under this agreement. Adequate funding is contained in the FY 2021/22 budget to cover the cost of the Ferric Chloride. Board authorization of the agreement for the purchase of water treatment chemicals will help the District meet its Strategic Plan Goal 1.2 – Continue to Meet Water Quality Standards 100% of the Time.

Ferric Chloride is used at WTP2 as a primary coagulant and is vital to the sedimentation and filtration stages of the overall treatment process. The District participates annually in the Bay Area Chemical Consortium (BACC) and takes advantage of the collective BACC bidding process to negotiate lower prices on water treatment chemicals which includes Ferric Chloride. For FY 2021/22, Thatcher, Inc. was the low bidder with a unit price of \$731/dry ton. The Board approved entering into an agreement with Thatcher, Inc. at the June 10, 2021 Board meeting concurrently with other bulk chemicals. However, on the morning of July 7, 2021, Thatcher, Inc. issued a statement that there was a supply chain disruption and a lack of available Ferric Chloride. On July 8, 2021, Thatcher, Inc. officially reported a force majeure event due to these disruptions.

Staff reached out to other Ferric Chloride vendors to supplement our current supply while the force majeure continues effecting the District’s regular vendor, Thatcher, Inc. District staff received one response from Kemira Water Solutions, Inc. to supply Ferric Chloride at a unit price of \$823/dry ton.

A Purchase Order (PO) for \$100,000 was issued to Kemira Water Solutions, Inc. under the General Manager’s authority on July 9, 2021 to start the process of securing a supplemental source of Ferric Chloride. Given the supply chain disruption and the lack of available product from Thatcher, Inc., this PO meets the requirements for a single source award in accordance with Section I of the District’s Procurement Policy.

A summary of Thatcher, Inc.’s bid and Kemira Water Solutions, Inc.’s negotiated price is included below. The agreement with Kemira Water Solutions, Inc. is intended to be used to supplement deliveries of Ferric Chloride when Thatcher, Inc. is unable to meet the District’s demand. The maximum estimated annual cost for the purchase and delivery of Ferric Chloride is \$730,000, which includes the initial \$100,000 authorization. This cost assumes all future delivers are provided by Kemira Water Solutions, Inc., however, any deliveries available from Thatcher, Inc. will be taken at the lower price.

Item No.	Chemical	Bid Process	Supplier	Unit Price	Units
1	Ferric Chloride	Single Source	Kemira Water Solutions, Inc.	\$823	Dry Ton
2	Ferric Chloride	BACC	Thatcher Company of California, Inc.	\$731	Dry Ton

Discussion ensued and staff responded to inquiries from the Board.

A motion was made by Director Gunther and seconded by Director Huang, to authorize the General Manager to execute an agreement with Kemira Water Solutions, Inc. for the provision and delivery of Ferric Chloride in an amount not-to-exceed \$730,000.

The motion was passed by the following vote:

AYES: Directors Gunther, Huang and Weed
NOES: None
ABSENT: Directors Akbari and Sethy

5 – SUSTAINABLE GROUNDWATER MANAGEMENT ACT UPDATE WORKSHOP

Mr. Stevenson reported that this workshop will focus on the District’s current and upcoming efforts related to the Sustainable Groundwater Management Act (SGMA) and the continued sustainable management of the Niles Cone Groundwater Basin (Niles Cone Subbasin 2-09.01 or Niles Cone). Staff will present the District’s current and upcoming efforts related to the Sustainable Groundwater Management Act and the continued sustainable management of the Niles Cone Groundwater Basin. This workshop is being conducted to provide an update to the Board and the public on activities related to the District’s compliance with SGMA and the Alternative to a Groundwater Sustainability Plan update which will be submitted to the State on or before January 1, 2022.

Ms. Hidas, Director of Water Resources, reported that the Water Resources team will be sharing with the Board and the members of the public the latest updates on the District’s efforts related to SGMA and the District’s ongoing management of the Niles Cone. Ms. Hidas introduced Groundwater Resources Manager, Ms. Myers who provided a brief SGMA refresher before turning the presentation over to Engineers Mikel Halliwell, Rachel Mellinger, and Selim Zeyrek; Hydrogeologists Eileen Chen, and Ava Lazor who presented on the following topics: Groundwater Model Upgrade, Climate Change Projections, Groundwater Dependent Ecosystems and Water Quality Monitory Programs.

The Board thanked staff for their hard work and excellent presentations.

6 – GENERAL MANAGER’S REPORTS

- Mr. Stevenson updated the Board on the drought messaging and stated that staff continues to enhance the messaging to the community. The messaging reflects the most current information on the drought in accordance with the Governor’s Executive Order of July 8, 2021. The District is in support of the Governor’s request for 15% voluntary conservation by all Californians. Mr. Stevenson stated that the next edition of the Aqueduct will be a special drought edition that will provide many helpful tips and resources for customers to conserve water.
- Mr. Stevenson informed the Board that he will be sending them an email regarding the Association of California Water Agencies Committee membership nominations for the 2022-23 term.
- Ms. Hidas reported that staff is planning a virtual community informational meeting for the Niles Cone Groundwater Basin Extraction Well Site Evaluation Project. There will be field

locations in the City of Fremont and the City of Newark. The informational meeting is scheduled on Thursday, August 19, 2021, from 5:00 – 6:00 P.M.

- Mr. Stevenson informed the Board of two public meetings that are being hosted by the City of Newark on August 3, and August 4, 2021, regarding the Lindsay Tract roadway improvements. The District will be participating in upgrading and replacing aging water main pipes as part of the cooperative agreement with the City of Newark.
- Mr. Stevenson announced that the California Special Districts Association will be hosting their annual conference in Monterey from August 30 – September 2, 2021. At that conference the District will be awarded the Certificate of Transparency which will be accepted by members of the Board in attendance.

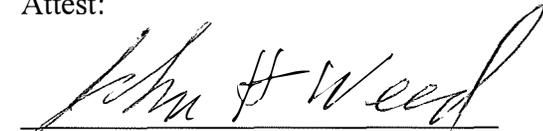
7 – DIRECTOR’S COMMENTS AND/OR AGENDA ITEM REQUESTS – None

There being no further business to come before the Board, the meeting adjourned at 5:15 P.M.



Gina Markou, District Secretary

Attest:



John H. Weed, Vice President