



MINUTES OF THE BOARD OF DIRECTORS  
ZONE 7

ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

REGULAR MEETING  
September 16, 2020

The following were present:

DIRECTORS: SANDY FIGUERS  
DENNIS GAMBS  
LAURENE GREEN  
SARAH PALMER  
ANGELA RAMIREZ HOLMES  
OLIVIA SANWONG  
MICHELLE SMITH MCDONALD

DIRECTORS ABSENT: NONE

ZONE 7 STAFF: VALERIE PRYOR, GENERAL MANAGER  
OSBORN SOLITEI, TREASURER/ASSISTANT GENERAL MANAGER, FINANCE  
COLTER ANDERSEN, PRODUCTION MANAGER  
JARNAIL CHAHAL, ENGINEERING MANAGER  
CAROL MAHONEY, INTEGRATED WATER RESOURCES MANAGER  
JOE SETO, PRINCIPAL ENGINEER  
RHETT ALZONA, PRINCIPAL ENGINEER  
ANGELA O'BRIEN, ASSOCIATE ENGINEER  
JEFF TANG, ASSOCIATE ENGINEER  
ALEXANDRA BRADLEY, COMMUNICATIONS SPECIALIST  
DONNA FABIAN, EXECUTIVE ASSISTANT

COUNSEL: DAVID ALADJEM, DOWNEY BRAND

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Item 1 – Call Meeting to Order

The meeting was called to order at 7:00 p.m.

Item 2 – Closed Session – canceled

### Item 3 – Roll Call and Report Out of Closed Session

Roll call was taken and all Board members were present. The Board did not meet in Closed Session so there was nothing to report.

### Item 4 – Citizens Forum - none

### Item 5 – Minutes

Director Palmer moved to approve the minutes of August 19, 2020, and Director Figuers seconded the motion. The minutes were approved by a voice vote of 7-0.

### Item 6 – Consent Calendar

Director Figuers requested to pull Item 6c. Director Ramirez Holmes moved to approve Items 6a, 6b, 6d and 6e and Director Palmer seconded the motion. The motion was approved by a roll call vote of 7-0.

Director Figuers stated that he was in favor of the motion, but requested some background information on the format of the final delivery. He asked if anyone knew what the USGS format would deliver.

Joe Seto, Principal Engineer, stated that he believed the format would be coming in two types, QL0 format, which means 20 points per square meter, and with a vertical accuracy of five centimeters, and QL1 format, which has a point concentration of eight points per square meter, with a vertical accuracy of four inches. He stated that the percentage breakdown is roughly 25% QL0 and 75% QL1.

Director Figuers stated that the initial formats for LIDAR are taken up to a cloud, which involved a number of processes to turn it into an actual visual image, like a photographic map. He stated that we need to make sure that we do not need to spend another \$100,000 plus doing processing to put it into a format that we can use.

Director Figuers requested that Mr. Seto find out what it is they're going to provide, and also if it's going to be orthorectified, and have all the coordinates attached to it, so it can show up in our system in a format that regular computers can look at.

Jeff Tang, Associate Engineer, pointed out that the format is yet to be determined. Once we were awarded a grant with USGS, we would negotiate what the items are that we actually need, or what the end product is going to be. Mr. Tang stated that if there are specific items of interest, we can make sure that that is part of the output we get.

Director Green agreed with Director Figuers that it's very important to make sure that we're getting data that we can use that doesn't cost more money.

Mr. Tang stated that this information is going to be added to the USGS 3DEP, and will be available to the general public, and accessible once it's reviewed and approved. He stated that USGS will be performing that task for us, if we move forward.

Director Figuers asked whether the USGS would be sent as a separate file for the Alameda County portion as a deliverable to Zone 7. Mr. Tang affirmed that that will be done, and that Zone 7 would get the information firsthand before it is released to the public.

Director Figuers moved to approve Item 6c and Director Palmer seconded the motion. Item 6c was approved by a roll call vote of 7-0.

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| Resolution No. 20-51 | California Flood Preparedness Week: October 17-24, 2020<br>(Item 6a)                 |
| Resolution No. 20-52 | Amendment 6 to the Yuba Accord Water Purchase Agreement<br>(Item 6b)                 |
| Resolution No. 20-53 | Acquisition of High Definition LiDAR Data through a Grant from the USGS (Item 6c)    |
| Resolution No. 20-54 | Award of Contract for Landscape Maintenance Services for Zone 7 Facilities (Item 6d) |
| Resolution No. 20-55 | Personnel Action: Groundwater Resources Manager, Zone 7<br>(Item 6e)                 |

Item 7 – Presentation of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting

Valerie Pryor, General Manager, announced that we have been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada for our Comprehensive Annual Financial Report. Ms. Pryor stated that this is the third year in a row that we've won this award. It is the highest form of recognition of governmental accounting and financial reporting, and is therefore a very significant accomplishment for the agency. The award recognizes our commitment to public transparency and accountability, and supports the Strategic Plan Initiative #24. Ms. Pryor thanked the finance staff and the Board of Directors for providing policy direction.

Director Palmer congratulated Osborn Solitei, Treasurer/Assistant General Manager - Finance, and his team, on the achievement. Director Gambs asked Mr. Solitei to recognize some of the team. Mr. Solitei stated that the finance team comprises Teri Yasuda, JaVia Green, Mike Wallace, Karen Bartels, Zeljka Bozic, Maria Gan, Anthony Choi and Rosario Lopez. Mr. Solitei also thanked Donna Fabian and her admin team, and the Human Resources team for assisting with HR related items during the audit. He thanked all staff for their input. Director Smith McDonald thanked the team for bringing honor and excellence to this agency. Director Green also offered her congratulations.

## Item 8 – Employee Engagement Survey Process

President Sanwong stated that the Administrative Committee had met previously to bring this item forward to the full Board to discuss the idea of an employee survey. President Sanwong outlined four options that the Board would need to decide on.

Director Green asked if somebody could share their experience with the 360. Director Smith McDonald stated that she has experienced both an employee survey and 360. She stated that the way 360 has been used in the public agency where she works has been an evaluation of leadership. A specific survey is sent out to several groups; it can be direct reports, peers and managers. They are asked a series of questions about leadership specifically, and then those results turn into data points. Director Smith McDonald has found that the 360 provides very valuable insight into how people view leadership within the organization. However, she has also found a lot of it very esoteric, and not as valuable as it could be for day-to-day operations. Director Smith McDonald stated that she found the 360 not as useful.

President Sanwong shared her experience in the private sector, where every company she has worked for did both every year. She pointed out that sometimes with the 360 not all employees are included, whereas with the employee survey there's an effort to get everyone involved.

Director Ramirez Holmes sought clarification on how the issue came about. Her understanding was that this was considered a way for employees to evaluate the General Manager. She further stated that she felt the questions in the employee survey are a little 'touchy-feely', and didn't know what the open-ended questions would look like. She stated that she thought the Administrative Committee was heading in the direction of a 360.

Director Smith McDonald stated that there was an argument to be made that an employee survey would tap into culture, how people feel about their work, and how people feel working under the General Manager. The 360 was very specific, but wouldn't tap into a larger employee perspective. Director Palmer stated that the Administrative Committee had considered doing an employee survey to provide a baseline from which to proceed.

Director Gambs stated that an employee survey would be professionally done in a way that doesn't just invite taking pot shots at the General Manager, but get a broader input perhaps than you would in a 360. He stated further that it's important to tell all the agency staff that we care about how they think. Director Gambs noted that the General Manager would be assessing the results, just like the Board, and use it as a tool to consider what changes might be appropriate, so it would be good to involve the General Manager to some level.

President Sanwong added that the results would be presented at a Board meeting, and would be available to all Zone 7 staff to review. President Sanwong asked the Board members to give their perspective in terms of the options.

Director Green stated that she prefers to do one or the other. She didn't see any reason to spend extra money on both. Director Palmer felt that doing an employee survey only at this point would be a good route to take, and perhaps consider doing a 360 in the future.

Director Smith McDonald moved to approve Item 8 and Director Palmer seconded the motion. Item 8 was approved by a roll call vote of 7-0.

Resolution No. 20-56      Authorization for Contract with CPS HR Consulting to Provide Employee Engagement Survey Services (Item 8)

### Item 9 – PFAS Treatment Feasibility Study Conclusions and Next Steps

President Sanwong stated that according to the 2019 Consumer Confidence Report, Zone 7 water meets and exceeds all state and federal standards. In regard to PFAS specifically, both Zone 7 and the City of Pleasanton are taking steps to address this, and today the water delivered is below regulatory limits.

Director Palmer stated that the water source of PFAS is about 20% of our exposure. Director Green asked whether Director Palmer was referring to nationwide figures or specifically Zone 7. Director Palmer stated that the figures were an average estimate.

Ms. Pryor introduced Angela O'Brien, Associate Engineer, and Rhett Alzona, Principal Engineer, who presented on PFAS in groundwater wells.

Ms. O'Brien provided a brief background to the study. PFOS and PFOA are two of the most studied PFAS, and due to the adverse health effects, they have been replaced with other shorter-chain PFAS in recent years, such as the GenX and ADONA, for PFOA and PFBS, or PFOS. Although there are currently no nationwide drinking water standards for PFAS, many states are moving forward with adopting their own standards. In order to provide a reliable supply of high quality water, Zone 7 initiated a study with Carollo Engineers in February of this year to assess PFAS treatment options. Staff met with the Water Resources Committee in late August for further discussion. The committee supported the study's recommendation and directed staff to bring the item back for the Board's consideration.

Ms. O'Brien presented a summary of current federal and state adoption of Maximum Contaminant Levels (MCLs) for PFOS and PFOA. She pointed out that the treated water delivered to Zone 7's customers is well below the current state response levels. There is no PFAS detection in the surface water. In our groundwater, we have two wells that have no detection either, and eight wells that detected PFAS, namely the Stoneridge Well, Mocho Well 1 through 4, and Chain of Lakes Wells 1, 2 and 5. Ms. O'Brien further pointed out that with regard to PFOS, we have two wells that have exceeded the response level, Mocho Well 1 and Mocho Well 2. However, the recommended treatment will be able to remove all these PFAS.

Ms. O'Brien noted that we have not been using our Mocho 1 well, which has the highest PFAS concentration. We are currently able to blend below the California response level; however, if the future MCL is dropped to a level of other states such as New York or Michigan, blending will not be sufficient to meet the future MCL.

Mr. Alzona stated that Granulated Activated Carbon (GAC) and Ionic Exchange (IX) have been identified as the most effective available technologies for PFAS treatment. The media would

have to be disposed and incinerated periodically, depending on how often we use the facility. He stated that they would like to perform bench-scale testing of media, because it is site-specific, and this would help to refine costs. He further pointed out that the level of future MCLs will drive the operating costs.

Mr. Alzona provided examples of GAC/IX PFAS treatment facilities, such as Rancho Cordova where they have successfully been able to treat their PFAS levels, as well as the Stuart Florida facility, which has gotten to non-detect. He also stated that Santa Clarita Valley Water Agency has been doing extensive bench-scale testing and are getting close to implementing treatment plant construction as well. Similarly, Orange County has done a lot of bench-scale testing.

Mr. Alzona stated that capital costs is still estimated at around \$26 million. He provided a breakdown of the \$26 million: a little over \$2 million for planning and design; the construction itself is around \$20 million.

Mr. Alzona stated that what really drives the need for Chain of Lakes treatment, is if we have surface water related emergency conditions. If capacity is reduced by a quarter, then that is a limitation.

Mr. Alzona stated that the first option is one where we work backwards from the compliance, and have something substantially complete around the beginning of the compliance monitoring period. The design consultant selection process would probably start at the beginning of 2021, and then in the spring go before the Board for consideration of approval of a design phase contract. The Board would also need to consider pre-purchase of vessels.

Mr. Alzona stated that one optional schedule for the Board to consider is to start the consultant selection process once we know the state proposed draft PFAS MCLs.

Mr. Alzona stated that the recommendation is that we proceed with design of a PFAS treatment facility for the Chain of Lakes Wellfield and the Option 1 timeline to have the wells available once that compliance period is in force. He pointed out that we also have Option 2 and other options for the Board to consider.

President Sanwong asked for commentary on the federal and state regulatory guidance standards to help people understand why the water that's being delivered to our taps meets all regulatory guidance and standards. She asked Mr. Alzona to explain the difference between advisory versus MCL, and why we anticipate having the California MCLs in 2023. She also asked for comment on each state and the U.S. EPA having different MCLs.

Mr. Alzona stated that the notification level advisory is a recommendation for the facility not to be in operation; the MCL may not be exceeded.

President Sanwong further noted that a conversation is happening at the federal level in congress to try to have the U.S. EPA provide guidance, but nothing has been passed yet.

President Sanwong asked – in terms of the examples of different districts that have treatment facilities or will soon bring those online – whether these were the only facilities in operation, or

whether there are more. Mr. Alzona stated that for PFAS right now Rancho Cordova is the only operational facility that has a history of using the technology.

President Sanwong asked if Stuart Florida is the only facility that has some history using this technology for ion-exchange. Mr. Alzona stated that it is, but that the Windsor in New York facility is in operation too.

President Sanwong asked how the household cost was calculated; was it based on O&M, capital or some mixture of capital and O&M? Mr. Alzona stated that it was a mixture of both. He stated that annualized cost was divided into the households.

President Sanwong asked whether Zone 7 does the calculation or whether it is provided by Carollo. Mr. Alzona stated that Zone 7 worked with Carollo but that these were Zone 7's numbers.

Director Palmer asked whether there are any places that have done a hybridization using both combination GAC and ion-exchange. Mr. Alzona stated that there are not. He stated that the proposal is to consider a hybrid case, but that all options would be kept on the table.

Director Palmer asked if there is a differential in terms of whether GAC or ion-exchange works best with all types of PFAS (some long chain and some short chain). Mr. Alzona stated that ion-exchange can be tailored to target various chains of PFAS, including the short chains, whereas GAC is not as good with short chains. However, GAC is probably not as temperamental. There's pros and cons to either system.

Jarnail Chahal, Engineering Manager, added that Orange County is designing five or six treatment plants using a hybrid approach.

Director Palmer asked whether there is any crossover where other contaminants of concern such as Chromium-6 (Cr6) can be treated. Mr. Alzona stated that while he was aware that GAC has been used for different treatments, resins could be tailored, and ion-exchange is used for arsenic and other types of removal, he was not familiar enough with these uses and therefore could not provide an answer.

Ms. O'Brien asked Director Palmer if her question was regarding the hexavalent chromium removal. Ms. O'Brien noted that ion-exchange is one of the treatment technologies, but that it has to be a resin designed for hexavalent chromium, and would use a different vessel.

Director Palmer asked whether we could then have the same footprint where we could exchange things out and have flexibility. Mr. Chahal said that this is possible. More vessels could be added, or if an exchange is needed a different resin could be used in the same vessel.

Director Ramirez Holmes asked what would happen if Option 1 is chosen and the MCL comes in and is in line with current regulations. Mr. Alzona stated that we'll get a better sense of where the regulation is going in June of 2022 when we put out the draft MCL. He noted that

there is a risk of starting design early and spending some on design, but that the draft MCLs for the state would enable us to reconsider whether to go out to bid or not.

Director Ramirez Holmes asked whether that would only work if California sticks to their schedule. Mr. Alzona stated that that is correct, but that the schedule is also flexible at that point. We don't have to go out to bid for construction.

Director Ramirez Holmes asked if there was a connection with the Chain of Lakes treatment to the sewer, even though that's a preferred disposal method. Mr. Alzona stated that it would be a preferred disposal method, but that a lot of disposal was not expected. Backwash cycles were expected to be very infrequent.

Director Ramirez Holmes referred to the technical report, which indicated that the backwash would have to be discharged into the Chain of Lake. She asked whether we have ever discharged into a Chain of Lake. Mr. Alzona stated that when we start the well at the Chain of Lakes 1, the well discharges, is not introduced into our system but is discharged into the adjacent Cope Lake. If we have this treatment facility, relatively clear water would run through the system.

Director Ramirez Holmes commented that a very large building was indicated in the technical report, and asked how this fits into the Chain of Lakes plan. Mr. Alzona could not confirm the size of the building. Director Ramirez Holmes stated that it seemed like a rather large building that was not anticipated previously. Mr. Alzona stated that it was not anticipated, but that the Chain of Lakes 1 site had the space to accommodate the facility.

Director Ramirez Holmes asked where the spent resin or the spent GAC would go, and whether it would be classified as hazardous or not. Mr. Alzona stated that it would definitely be hauled off site and incinerated. Director Ramirez Holmes asked how often hauling happens. Mr. Alzona stated that it would be contingent upon the depletion of the media. We would monitor how effective the media is at removing PFAS, and once we start to see a significant dip, that would be the trigger to change the media.

Director Ramirez Holmes asked whether there was a funding plan to pay for the \$26 million project, since the budget did not have this amount. Mr. Alzona stated that the budget accounted for \$15 million; \$3 million in this fiscal year and \$12 million in the next fiscal year. Mr. Alzona stated that a conservative approach was taken on the design, and that he thought there were opportunities to look trim down that number.

Director Ramirez Holmes noted that according to the technical report the utility upgrades and geotechnical considerations were not included in the cost estimate. Mr. Alzona stated that that is correct, but that there seemed to be a miscommunication on the geotechnical numbers, which were there.

Director Ramirez Holmes asked what the cost was of the California facility that's currently online. Mr. Alzona stated that the cost was around \$1.3 million in 2018. He pointed out that that facility was for 950 GPM (gallons per minute) facility, whereas our facility was going to be about 7,250 GPM.

Director Ramirez Holmes noted that this facility would require an additional \$2 million in O&M. She asked whether it was true that we don't run the Mocho Groundwater Demineralization Plant (MGDP) as much as we would like due to O&M costs. Mr. Alzona stated that in the past we probably hadn't run the MGDP as often, but pointed out that if the PFAS MCLs are established it's likely we're going to have to use the MGDP to run the wells.

Director Ramirez Holmes asked whether it was possible to use the MGDP more on a facility that already exists. Mr. Alzona stated that we could. Director Ramirez Holmes stated that she would definitely like to see that happen.

President Sanwong asked Director Palmer to clarify her comment about CERCLA.

Director Palmer stated that it's one of the issues in terms of what is done with the spent exchange columns, the resins and the GAC. If it becomes something that comes under CERCLA, then it becomes a hazardous waste and then it is more expensive to get rid of it.

Director Palmer noted that this was part of the discussion in the water quality group with ACWA, because it is potentially coming down the pike.

President Sanwong asked if Director Palmer could explain more about what the water quality committee is doing so that everybody and the general public knows.

Director Palmer stated that she is the Vice Chair of the ACWA Water Quality Committee and that Mr. Chahal is also on the PFAS work group. She confirmed that they're working with people across the entire state of California.

President Sanwong asked how the MGDP, that uses reverse osmosis (RO) technology, is used to make sure that we deliver tap water that's below the response and notification levels. Mr. Alzona stated that the RO technology removes the PFAS. There's a certain limit on the RO, but with the blend coming from the RO and the rest of the water, we were able to maintain and stay significantly below the state response level.

The Board took a 10-minute break.

Director Figuers explained to Director Ramirez Holmes that the site is approximately 100 feet wide and 350 feet long based on the diagram. We're sizing the plant for three wells at the Chain of Lakes. If the MCLs get reduced below what we think they're going to be, we will be putting in one to three or more plants.

Director Figuers noted that it was mentioned that both the Chain of Lakes and the Mocho wells eventually feed into the MGDP. He asked if this plant could be built at the MGDP. Mr. Alzona stated that he might've made a mistake on that, because the Chain of Lakes is too far away from the MGDP.

Director Figuers stated that he was still trying to figure out the reason why Option 1 and Option 2 were actually made in the first place. Mr. Alzona stated that there are always delays

in projects that could happen. It would be beneficial to look at some specific tasks upfront such as bench scaling and backwash features.

Ms. Pryor pointed out that Option 1 was designed based on having a plant in operation at the time that the MCLs go into effect. Option 2 was waiting until the MCLs are out and then building a plant after that.

Director Figuers asked if it would set us back to Option 2 for design changes if the MCLs eventually came out at a significantly different value. Mr. Chahal stated that it would not, since MCL does not change the design. It only changes how often we change the media.

Director Figuers asked what would happen if the other Chain of Lake wells have to be put into it since it's only sized for three wells. Mr. Chahal stated that you would add more vessels, as the piping would be designed to accommodate five wells.

Director Smith McDonald asked for further clarity on how the cost for the project in total would be funded. She also asked whether there would be potential additional costs if Option 2 was considered.

Ms. Pryor stated that the project is not in the long-term CIP, but was included in next two year budget for the first part of the project. If it becomes a priority project, it would be reevaluated and recommendations would be made to the Board. Ms. Pryor noted further that if this project goes forward other projects would have to be deferred. As far as additional costs, if we're not able to use the Chain of Lakes wells, due to drought or infrastructure outage, then we would have to purchase additional surface water. Ms. Pryor stated that there could also be consultant and construction costs.

Director Smith McDonald asked for an outline of financial checkpoints that could be used to make decisions during the process.

Ms. Pryor stated that the design contract would be one point for the Board to weigh-in on the estimated cost and whether or not to award the contract. Another checkpoint for the Board would be to discuss advertising for bids.

Director Green asked Ms. O'Brien to verify that MCLs are anticipated for everything except GenX. Ms. O'Brien pointed out that this was according to the state, based on monitoring data collected in 2019.

Director Green further noted that Rancho Cordova and Stuart were referred to as being successful in getting to non-detect. She asked if that was not only for PFOS and PFOA but for other PFASs. Ms. O'Brien stated that she believed so.

Director Green asked whether there would possibly be increased cost if we delay things and then there was a large demand. Ms. Pryor stated that she could not say for sure, but if there's increased demand and everybody's trying to get the consultants, construction firms and vessels, supply and demand costs could go up.

Director Green stated that she would like a better understanding of what's being done with the Mocho Wells. Mr. Chahal explained that there are four wells in the Mocho wellfield. Mocho 1 is the highest in PFAS, Mocho 2 is close to 40, and Mocho 3 and 4 are lower. All four wells can go through MGD; three can go through the MGD at one time. The other one goes around, because not all of the water has to go through the RO process. If you put all of the water through the RO process, it removes all the minerals, then that water cannot go into the system.

Director Green asked whether the cost to re-mineralize the water is an economic issue to consider. Mr. Chahal stated that that might be way too expensive, because you have to add a lot of minerals. He pointed out that most treatment plants are designed to use bypass to mineralize it, but you get to control how much minerals you want.

Director Green suggested that if we are challenged by the MCLs we may need some other treatment, because we can't rely only on RO. Mr. Chahal stated that at Mocho Wellfield there's enough capacity, but we might have to add an emergency power generator there because if the power is out we can operate the wells with emergency generators.

Director Green stated that she was trying to understand the staging of things. She asked, if we started working on Chain of Lakes and realize we have to do more, with Mocho, for example, how quickly we can move that into process. Mr. Chahal stated that those will be two different projects. We are not expanding the plant, we might just be making some modifications to make it more reliable.

Director Green asked if adding GAC was being considered. Mr. Chahal stated that it was not being considered at this time. However, in the future the MCL would be tracked to see if something would need to be done there.

Director Gambs referred to the response levels of the Mocho wells, and noted that Mocho 1 and Mocho 2 were approaching 60 years of age and ought to be candidates for rehabilitation. He stated that Mocho 1 and 2 might be able to get lower PFAS levels if a new casing was put in. Director Gambs stated that you could get a lot more flexibility if we can knock these down more. Mr. Chahal stated that if we are not meeting the future MCL, that would be one of the options; to replace Mocho 1 with a deeper well at that same location.

Director Gambs stated that he liked the idea of knowing what the state is going to require when they determine the MCLs. He felt that it would be good to feel comfortable that we are making a good investment.

President Sanwong asked what the chances were that the current California MCL response level (40 PPT) might stay there or close to there. Mr. Chahal stated that based on California's history on other MCLs, we're usually at the low end. He thought that California might be the only one that had individual Cr6 MCL, and there was no national standard for Cr6. Ms. O'Brien confirmed that California was the only state, and that MCL was invalidated. She further noted that an MCL for Cr6 was anticipated to come out as early as summer of 2022.

Director Green pointed out that Cr6 was not invalidated because it was bad science but because they wanted someone to do a review of the financial impact. The science for Cr6 was right where it should be based on health.

Director Ramirez Holmes further clarified that a Public Health goal was set, and that the MCLs are created by getting as close to the Public Health goal as financially feasible.

President Sanwong welcomed comments from the public.

Jill Buck expressed her appreciation for the staff's presentation and the Board's thorough questions and comments. Ms. Buck asked that the Board consider adopting Option 1. She was concerned that if we don't make a decisive move, we may end up behind some of the bigger water districts in line for the staff, consultants, equipment and vessels that we would need to construct a treatment facility. Ms. Buck felt that lower MCLs were probably inevitable. She also thought that even with the \$26 million expense, the per household annual cost was still a lot cheaper than anything that people would be doing on their own to remediate the levels of PFAS. Ms. Buck thought that it was a good deal from a taxpayer's perspective to do this utility scale treatment at the cost of \$25 to \$30 per year per household.

Chiman Lee, one of the candidates for Pleasanton City Council, stated that PFAS was a big issue in Pleasanton. Mr. Lee pointed out that Pleasanton was on the same path of creating a filtration system, and asked whether the Board has considered connecting with Pleasanton, Dublin and Livermore to get some sort of bulk pricing on the hardware that is needed. Mr. Lee also echoed Jill Buck's comment on moving forward with Option 1. He thought that it was better to be proactive, not only to meet the restriction or meet the regulations, but do it because it's the right thing to do.

Linda Kelly asked what would happen if Option 1 is pursued, we end up with this \$26 million double vessel, 14,000 square foot facility, and we learn that the problem is gone. How do we recycle this new facility?

Mr. Chahal noted that based on the data the numbers are not coming down, basically they're about the same. He stated that if the numbers were coming down, we would probably not be recommending Option 1.

Director Ramirez Holmes restated the question of whether the building can be repurposed if it's not needed. Mr. Chahal stated that if the design was done by, say, June of 2022, that means that our risk is we spent \$2 million on the design. We might not have to go ahead with the construction of the project, and would not go ahead with advertisement for construction until the draft MCL is out. That's the check point for Option 1.

Director Ramirez Holmes thanked the public for their comments. She expressed pride in the staff for voluntarily testing for PFAS, for taking immediate action when it was first discovered on a test, and for finding a treatment solution that means that drinking water can be delivered that meets all state and federal regulatory standards. Director Ramirez Holmes stated that it was important to let the public know that what we're talking about is a future treatment; that right now our water meets standards, is below regulatory limits for PFAS and is safe.

Director Ramirez Holmes noted that while PFAS is a major concern, it is also ubiquitous, so water is only one way that we can be exposed. However, we have a fiduciary responsibility to build the needed facilities. She stated that at this time we have no funding plan to pay for this. We also have limited data since there's only one California facility online. She further stated that 26 million gives her pause when we can only guess what we may or may not need in the future, and makes her uncomfortable with moving forward with Option 1.

Director Ramirez Holmes concluded that we might be too early on this next step. We need to be sure that if we spend \$26 million, it's that we need to do so, and that it works. She felt that if we choose Option 2, it gives us time to get our study back, time to see California set a Public Health goal, time to gather data from other facilities coming online, and time to figure out if we need a massive building or if our current treatment plan will continue to work. She stated that she also would like us to use the MGD more often, because we know it works for PFAS treatment.

Director Palmer felt that since there are checkpoints involved in Option 1, it should be considered. She noted that Public Health goals are often set before MCLs are set, and that it looks like we are going to be coming up with at least a Public Health goal very soon. She stated that Option 1 doesn't say we're going to spend \$26 million right now, but says that we're going to do a study, and plan, and get a design out.

President Sanwong asked Director Palmer if she could give a quartered estimate on when a public health goal may be set. Director Palmer stated that the dates varied, and asked Mr. Chahal if he had any information in this regard. Mr. Chahal stated that the Public Health goal might come by the end of 2020 or early 2021.

Director Smith McDonald stated that she is nervous about all of the things we don't know; not knowing exactly what we're going to defer in order to pay for this, and not knowing exactly when the MCLs are going to come out. However, she would place her faith in the checkpoints, and our ability to get more information as we approach that first financial checkpoint so that we can make a more informed decision. She stated that under those circumstances she would support Option 1.

Director Figuers thought that Option 1 is the way to go. However, he emphasized the need for multiple Board meetings so we know exactly what we're doing, and wanted to make it explicitly clear that the Board should have control over the process and it should not 'go on autopilot'.

Director Green stated that finances were absolutely a concern here. We need to work harder on that area to assure ourselves that we have the finances. She stated that she would be voting for Option 1, but with the knowledge that we will be taking on a financial burden, and would have to work harder to find relief for that.

Director Gambs asked if we are in a better position to get grant money if we do it now versus waiting.

Ms. Pryor stated that we don't have any specific information on grant programs at this time, but the general rule of thumb is that grant programs prefer projects where the design has been done.

President Sanwong stated that Option 1 might be too soon and Option 2 might be too late. She felt that something in between could be a more ideal timeline. She felt that we may not get the MCLs in June 2022. President Sanwong further stated that in terms of the technology, we want to make sure we create that technology at the right point.

President Sanwong noted that she makes every effort to go to the City of Pleasanton water subcommittee meetings as well as the City Council meetings when this topic is discussed so that we can potentially work together on this issue.

President Sanwong also wanted to make sure that we hammer out some of the details for the average cost per household for Pleasanton and Zone 7. She stated that she'd really like to see a Liaison Committee meeting between Zone 7 and Pleasanton to get some better numbers. It would be helpful to know what the similarities and differences are between the charts Pleasanton is receiving and what Zone 7 is receiving.

President Sanwong also referred to capital cost estimates as noted in our Water Resources Committee. That estimate came in at about \$6 million. Pleasanton numbers have a low end of \$6 million, but they go all the way up to about \$11 or \$12 million in terms of capital costs.

President Sanwong stated that Zone 7 is really lucky to have Director Palmer and Mr. Chahal on the ACWA Water Quality Committee. They are at the forefront of all these conversations happening across our state. Zone 7 should be proud that we have this level of involvement.

President Sanwong invited the Board to propose any motions or next steps.

Director Ramirez Holmes asked – if January 2021 is too soon and June 2022 is too late – whether we could consider October 2021.

Mr. Chahal agreed that that could be an option as the start of the design, but it wouldn't put the facility online by the time the MCL is adopted. On the other hand, if the MCL adoption gets delayed, then that might still work.

President Sanwong suggested that between now and October 2021 we could explore some of the things the City of Pleasanton is doing to try to reconcile some of the different numbers. She suggested that we could also find out what Rancho Cordova is doing because they have a much lower cost option.

Mr. Alzona reiterated that the flow rate is key for the capital costs. We're dealing with 7,250 GPM, whereas Rancho Cordova is 950 GPM. Director Ramirez Holmes pointed out that a comparison should take into account that we have three wells and they have one.

Mr. Chahal stated that preliminary numbers indicated that combining the facilities to bring Pleasanton Well #8 to Chain of Lakes is not really a cost saving. The expensive part is the

vessels, so the vessels at Chain of Lakes or at the Pleasanton Well #8 would be the same cost. However, as far as technology, such as bench scale testing, that information could be useful from one agency to the other.

Mr. Chahal stated that the consultant selection process would be started or at least the RFP for consultants for design based on the direction given by the Board. If the direction is going with Option 1, it means release the RFP somewhere in January 2021. If we choose Option 2, the next step is the consultant and procurement process based on that schedule.

Director Palmer asked if the resolution comes to the Board at that point. Mr. Chahal stated that the staff recommendation for consultant selection will be brought to the Board for consideration for awarding that contract.

Ms. Pryor added that if the direction is Option 1, writing of an RFP to get a consultant on board would be started immediately.

Director Palmer recommended Option 1.

Director Green stated that these MCLs are not quite as unforeseen. She thought that we would get hints before that date if things are turning in another direction.

Director Gambs stated that draft MCLs gives us something to think about before they are implemented as final MCLs, and gives us more flexibility. During this period, which is going to be almost two years, we could have the discussions with Pleasanton and others.

Director Gambs moved to adopt Option 1. Director Palmer seconded the motion. The motion passed by a roll call vote of 5-1-1 with Director Figuers abstaining and Director Ramirez Holmes opposing.

#### Item 10 – Committees

There were no comments on the Committee notes.

#### Item 11 – Reports – Directors

President Sanwong had nothing to report.

Director Palmer reported on and attended the following meetings:

August 20<sup>th</sup>, Delta Conveyance Design and Construction (DCA) meeting; August 21<sup>st</sup>, DCA SEC chairs meeting; August 24<sup>th</sup>, Zone 7 Administrative Committee Meeting; August 25<sup>th</sup>, Zone 7 Water Resources Committee Meeting; August 26<sup>th</sup>, the DCA Stakeholders Engagement Committee meeting; September 2<sup>nd</sup>, Zone 7 Special Board Meeting; September 10<sup>th</sup>, the ACWA Agriculture Committee workgroup; September 11<sup>th</sup>, DCA Board prep meeting; September 16<sup>th</sup>, Tribal Engagement Committee; September 16<sup>th</sup>, AWMP Guidebook Public Workshop.

Director Green sought to make clarify something she said earlier. She stated that when we talk about PFAS and how long it's been around, she was referring to knowledge level. It's been around a better part of a decade, so there have been studies, but it doesn't mean it's been around in our area that long.

#### Item 12 – Items for Future Agenda – Directors

Director Ramirez Holmes stated that since we know there is PFAS at the MGD, we should talk more about it. We have in the past not run it at full capacity due to costs, but she thought that we should be utilizing the RO technology that we have. Director Ramirez Holmes suggested considering some operational changes to be able to utilize that more often to further reduce the amount of PFAS that's in the system currently out of the Mocho wellfield.

Director Smith McDonald suggested a conversation on the wildfire zones and the impact on our water sources.

Director Green asked what the process would be to talk about financing for Option 1.

Ms. Pryor stated that by the time staff potentially went to the Board in April to award the design contract, they could include the entire financial discussion at that time.

Director Ramirez Holmes stated that she'd like to see that go to the Finance Committee first.

#### Item 13 – Staff Reports

Director Ramirez Holmes thanked Cal Fire for what they did during the fires that were threatening the Tri-Valley. She felt that we really need to let the public know and give thanks to Cal Fire for that.

Ms. Pryor added that the SCU lightning fire north boundary came within three quarters of miles of the Del Valle ranch property. She stated that the ranch manager, Mr. Banke, and his family and friends evacuated some of the livestock and actively worked with Cal Fire to protect the facility.

Ms. Pryor also pointed out that the Sycamore Grove fire burned a very small area on Zone 7 property near the Del Valle Water Treatment Plant, and was stopped by the northern most internal road on the property, which served as a fire break.

President Sanwong also thanked Cal Fire and everyone who helped protect our area.

Director Ramirez Holmes suggested sending a letter to Cal Fire to thank them for their efforts around our property.

#### Item 14 – Adjournment

The meeting was adjourned at 9:56 p.m.