

THE 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, MAY 26, 2026, AT 12:30 P.M.

A. PLEDGE OF ALLEGIANCE AND ROLL CALL

President McGurk called the regular meeting to order at 12:30 p.m., Director Atkins led the Pledge of Allegiance.

Present at roll call at the District were Directors Atkins, Hansen, McGurk, Nakaue, Panizza, Sanguinetti and Watkins. Also present were Manager Hopkins, Assistant Manager Vega, Director of Finance and Administration Ram, District Engineer Evensen, Interim Water Operations Manager Brothers, Maintenance and Construction Manager Higaes, Procurement Specialist Cahoon, Administrative Assistant Barraza and Legal Counsel Zolezzi.

B. CONSENT CALENDAR

1. Minutes 05/19/26 Regular Board Meeting
2. Warrants
 - a. Fund 68 – Groundwater Production Fund
 - b. Fund 70 – Administration Fund
 - c. Fund 71 – Water Supply Fund
 - d. Fund 89 – Fish Passage Improvement Fund
 - e. Fund 91 – Vehicle Fund
 - f. Fund 94 – Municipal & Industrial Fund
 - g. Payroll
 - h. Summary
 - i. Short/Acronym List
 - j. SEWD Vehicles & Heavy Equipment
3. Warrants – California’ Public Employees’ Retirement System

A motion was moved and seconded to approve the Consent Calendar, as presented.

Roll Call:

Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: None

C. PUBLIC COMMENT

D. SCHEDULED PRESENTATIONS AND AGENDA ITEM

1. Stockton East Water District – Staff Report – Consider Removal of Stone Columns and Pipe Piles under RCP, Steel Pipe, and Flow Meter Vaults Away from Weir at Bellota Weir Modifications Project

Manager Hopkins presented the Board with a Staff Report to Consider Removal of Stone Columns and Pipe Piles under RCP, Steel Pipe, and Flow Meter Vaults Away from Weir at Bellota Weir Modifications Project. Assistant Manager Vega reported the Bellota Weir Modifications’ Project currently under construction by Shimmick Construction under a contract valued at \$50,630,000 (plus 20% contingency). He reported during the construction, District staff, HDR, and Shimmick

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~~Draft~~Approved

evaluated opportunities to reduce project costs while maintaining appropriate risk management standards.

Director Hansen, McGurk, Nakaue, Sanguinetti and Watkins inquired about the staff report and staff provided responses to the questions.

A motion was moved and seconded to Table the Staff Report to Consider Removal of Stone Columns and Pipe Piles under RCP, Steel Pipe, and Flow Meter Vaults Away from Weir at Bellota Modifications Project.

Roll Call:

Ayes: Sanguinetti

Nays: Atkins, Hansen, McGurk, Nakaue, Panizza, Watkins

Abstain: None

Absent: None

A motion was moved and seconded to proceed with current design for the Bellota Weir Modifications Project and reject staff's recommendation.

Roll Call:

Ayes: Atkins, Hansen, Nakaue, Panizza, Sanguinetti, Watkins

Nays: McGurk

Abstain: None

Absent: None

2. Stockton East Water District – Staff Report – Direction from the Board of Directors on Application of \$12.3 Million Department of Water Resources Grant for the Bellota Weir Modification Project

Manager Hopkins presented the Board with a Staff Report to receive Direction from the Board of Directors on Application of \$12.3 Million Department of Water Resources Grant for the Bellota Weir Modification Project. Manager Hopkins reported the Stockton East Water District (SEWD) has been awarded a \$12.3 million grant from the California Department of Water Resources (DWR) in connection with the Bellota Weir Modification Project. He reported the Project has a revised total estimated cost of \$73 million, allocated among the District's M&I, Recharge, and Agricultural (AG) customer classes based on a 2023 cost allocation study prepared by Raftelis.

Director McGurk, Nakaue and Sanguinetti inquired about the staff report and staff provided responses to the questions.

A motion was moved and seconded to allocate the grant in the same proportions as identified within the cost allocation study.

Roll Call:

Ayes: McGurk, Nakaue, Panizza

Nays: Atkins, Hansen, Sanguinetti, Watkins

Abstain: None

Absent: None

A motion was moved and seconded to allocate the grant fully to the agricultural division's costs and the remainder be allocated to the municipal and industrial divisions's costs.

Roll Call:

Ayes: Atkins, Hansen, Sanguinetti, Watkins

Nays: McGurk, Nakaue, Panizza

Abstain: None

Absent: None

The Following Items were Discussed After Closed Session

3. Stockton East Water District – Staff Report – Consideration of Adopting Policy No. 6700, Wage Retention (Y-Rating) Policy, Establishing a Formal Wage Retention Framework for District Employees

Manager Hopkins presented the Board with a Staff Report for Consideration of Adopting Policy No. 6700, Wage Retention (Y-Rating) Policy, Establishing a Formal Wage Retention Framework for District Employees. Manager Hopkins reported the policy establishes a formal, consistent framework for retaining the base salary of employees whose pay exceeds the maximum of the salary range for their position as a result of a reclassification, reorganization, salary survey adjustment, position elimination, or voluntary acceptance of a lower-classified position to avoid layoff.

A motion was moved and seconded to adopt Policy No. 6700, Wage retention (Y-Rating) Policy, as presented in the attached policy document, and authorize the General Manager to administer the policy consistent with its terms, as presented.

Roll Call:

Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza, Sanguinetti, Watkins

Nays: None

Abstain: None

Absent: None

E. COMMITTEE REPORTS

1. Ad-Hoc Board Ethical Guidelines Review and Update Committee Meeting, 04/29/26
Director Hansen, Nakaue and Sanguinetti along with Manager Hopkins attended the Ad-Hoc Board Ethical Guidelines Review and Update Committee Meeting. Director Nakaue reported that the committee discussed the definition of what constitutes a meeting and how directors should be compensated. He reported the committee will be reviewing a draft resolution related to Board and District procedures and organization.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 05/19/26
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 208,959 AF in storage at New Hogan Reservoir. Current releases are set at 174 cfs. There is 1,834,070 AF in storage at New Melones Reservoir. Current releases are set at 2,349 cfs. The current release at Goodwin Dam to Stanislaus River is set at 2,439 cfs and release to all water users is set at 2,749 cfs. The District's WTP is currently processing 34 mgd. The City of Stockton WTP is currently processing 26 mgd. The District groundwater production is currently 8 mgd.

2. Information Items: (None)
3. Report on General Manager Activities
 - a. Stockton East Water District Activities Update

Manager Hopkins reported that staff met with the State Water Board regarding the SRF loan. He reported the State Water Board visited the project site at the Bellota Weir, as the District is moving toward completion of the loan process.

Manager Hopkins reported water quality continues to remain within regulatory standards. He reported the District responded to a large data request from the Division of Drinking Water last week, and staff is working to complete a separate data request for California Water Service Company.

Manager Hopkins reported the Farmington Reservoir Project aired on “Inside the Blueprint” this past Saturday and will air again this Saturday, May 30, at 8:30 a.m. He reported the segment will also air on “Bloomberg”, although the date has not yet been determined.

Manager Hopkins provided the Board with the equipment use for the week of 05/18/26.

4. Stockton East Water District Finance Update

Director of Finance and Administration Ram provided the Board with a Finance and Administration update. Director of Finance and Administration Ram reported for the month of April, California Class A investment income totaled \$85,350. She reported LAIF earnings will be reported to the Board in July, as LAIF reports investment earnings on a quarterly basis. Director of Finance and Administration Ram reported staff transferred \$10 million from California Class to LAIF due to improved earnings performance. She reported California Class is currently earning approximately 3.69%, while LAIF is earning approximately 3.81%. She also reported staff continue to work through the Tyler Technologies conversion process, with assistance from Verve IT in formatting data.

Director of Finance and Administration Ram reported administrative staff is working on finalizing the ACWA JPIA Wellness Grant Application for 2026–2027. She reported staff is currently preparing for the upcoming San Joaquin County elections and that the District will be hosting the Greater Stockton Chamber of Commerce Networking Mixer. Director of Finance and Administration Ram further reported that the annual Fire Department inspection was completed with no corrective action required. She also reported the ADA inspection has been completed, with the report still pending. Lastly, she reported implementation of the new Safety Management System is underway to improve training, reporting, and hazard tracking.

G. DIRECTOR REPORTS

1. 2026 State of the City, 05/20/26

Directors Atkins, Sanguinetti and Watkins along with Manager Hopkins and Administrative Assistant Barraza attended the 2026 State of the City. Director Sanguinetti reported Mayor Fugazi gave a speech at the event. Director Watkins reported the videos presented were enjoyable to watch and that the food, which was prepared by the arena, was very good. Director Atkins reported it was a nice event and preferable to hosting it at the port, as the venue was air-conditioned.

2. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 05/20/26

Director Atkins attended the San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting. Director Atkins reported the committee discussed a regulatory fee proposal for Sustainable Groundwater Management Act (SGMA) compliance with County Groundwater Sustainability Agency (GSA) No. 1 in the Eastern San Joaquin Subbasin, a regulatory fee proposal for SGMA compliance with the County GSA in the Tracy Subbasin, the San Joaquin County Drought Resilience Plan update, and the Fall 2025 Groundwater Monitoring Report. He further reported the committee received staff reports from the San Joaquin Area Flood Control Agency and San Joaquin County Public Works.

3. 2026 Bay-Delta Water Tour Dinner, 05/20/26
Director Atkins and Watkins along with Manager Hopkins and Legal Counsel Zolezzi attended the 2026 Bay-Delta Water Tour Dinner. Director Atkins reported it was a nice event with a smaller group in attendance. He reported the District's legal counsel, Jeanne Zolezzi, spoke at the dinner on behalf of the District.
4. Eastern San Joaquin Groundwater Authority Ad-Hoc Executive Committee Meeting, 05/21/26
Director Watkins attended the Eastern San Joaquin Groundwater Authority Ad-Hoc Executive Committee Meeting. Director Watkins reported the committee received updates on the 52 wells. He reported they are on track to spend the \$2.1 million in ARPA/ARRO funding and there are two new wells planned. He stated construction on the first well is expected to begin in mid-June, with the second well anticipated to begin later in the month. Director Watkins also reported that there were no changes to the budget and that the item will be presented to the Board in June.

H. COMMUNICATIONS

1. California Farm Water Coalition – “Food Grows Where Water Flows” Sign Placement Letter, 05/08/26
Manager Hopkins presented the Board with the California Farm Water Coalition – “Food Grows Where Water Flows” Sign Placement Letter. Manager Hopkins reported the CFWC has initiated an effort to reinvigorate this program and is seeking sign location sponsors that will assist in carrying their message to the traveling public.
2. ACWA JPIA – Completion of the JPIA Professional Development Program Specialty Letter, 05/19/26
Manager Hopkins presented the Board with the ACWA JPIA – Completion of the JPIA Professional Development Program Specialty Letter. Manager Hopkins reported the District's Safety and Compliance Analyst, Heather Wood, completed the JPIA Professional Development Program Specialty.

President McGurk and Manager Hopkins presented Heather Wood, Safety and Compliance Analyst, with a wood plaque with a silver engraved plate commemorating this achievement.
3. USBR – Adjusted Declaration of Water Made Available for 2026 – Stockton East Water District Contract Number 4-07-20-W0329-P (Contract), East Side Division, Central Valley Project (CVP), California Letter, 05/19/26
Manager Hopkins presented the Board with the USBR – Adjusted Declaration of Water Made Available for 2026 – Stockton East Water District Contract Number 4-07-20-W0329-P (Contract), East Side Division, Central Valley Project (CVP), California Letter.

I. AGENDA PLANNING/UPCOMING EVENTS

1. Administration Committee Meeting, 9:00 a.m., 05/27/26
This meeting has been cancelled
2. Eastern Water Alliance Quarterly Meeting, 10:00 a.m., 06/04/26
This meeting has been cancelled
3. Greater Stockton Chamber of Commerce Meeting – Stockton East Water District Networking Mixer, 5:00 p.m., 06/04/26

4. San Joaquin Farm Bureau – 112th Annual Meeting, 5:30 p.m., 06/04/26

J. REPORT OF THE COUNSEL

1. CONFERENCE WITH LEGAL COUNSEL - Real Property
Negotiations Government Code 54956.8
Property: San Joaquin County APNs 105-050-15, 105-050-17,
105-050-19, 105-110-45
Agency Negotiation: Justin Hopkins, Jeanne Zolezzi
Under Negotiation: Terms of Easement
2. CONFERENCE WITH LEGAL COUNSEL - Personnel Government Code 54957
3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED
LITIGATION Potential exposure to litigation – Government Code
Section 54956.9 – one case

President McGurk adjourned the meeting to closed session at 1:27 p.m. The regular meeting reconvened at 1:56 p.m., with no reportable action.

K. ADJOURNMENT

President McGurk adjourned the meeting at 1:57 p.m.

Respectfully submitted,



Justin M. Hopkins
General Manager

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