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, OCTOBER 20, 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. Water Supply Manager Donis led the Pledge of Allegiance.

Present at roll call at the District were Directors Atkins, Hansen, McGurk, Panizza, Sanguinetti and Watkins. Also present were Director of Finance & Administration Ram, District Engineer Evensen, Maintenance & Construction Manager Higares, Water Operations Manager Brothers, Water Supply Manager Donis, Administrative Assistant Rodriguez and Legal Counsel Selke. Manager Hopkins was present via teleconference. Director Nakaue was absent.

B. PUBLIC COMMENT (NONE)

C. CONSENT CALENDAR

1. Minutes 10/06/26 Regular Board Meeting

2. Warrants
   a. Fund 67 – Agricultural Fund
   b. Fund 68 – Groundwater Production Fund
   c. Fund 70 – Administration Fund
   d. Fund 71 – Water Supply Fund
   e. Fund 89 – Fish Screen Improvement Fund
   f. Fund 91 – Vehicle Fund
   g. Fund 94 – Municipal & Industrial Fund
   h. Summary
   i. Short Name/Acronym List
   j. SEWD Vehicles & Heavy Equipment

3. Warrants – California's Public Employees' Retirement System

A motion was moved and seconded to approve the Consent Calendar, as presented.
Roll Call:
Ayes: Atkins, Hansen, McGurk, Panizza, Sanguinetti, Watkins
Nayes: None
Abstain: None
Absent: Nakaue

D. SCHEDULED PRESENTATIONS AND AGENDA ITEM

1. Stockton East Water District – Staff Report – Authorize General Manager to Cast Vote in Favor of Amended and Restated Bylaws
   Director of Finance & Administration Ram presented the Board with a staff report to Authorize General Manager to Cast Vote in Favor of Amended and Restated Bylaws. Director of Finance & Administration Ram reviewed the staff report and staff provided responses to questions.

   A motion was moved and seconded to authorize the General Manager to cast the District's vote in favor of the proposed Amended and Restated Bylaws, as presented.

Roll Call:
Ayes: Atkins, Hansen, McGurk, Panizza, Sanguinetti, Watkins
Nayes: None
Abstain: None
Absent: Nakaue

2. Stockton East Water District – Staff Report – Consideration of Cancellation of the Agricultural Lease with Carna Farming, Inc and Recommendation to the Board of Directors to Enter a New Agricultural Lease with Lagorio Brothers for the North Site Property
Director of Finance & Administration Ram provided the Board with a staff report to Consider Cancellation of the Agricultural Lease with Carna Farming, Inc and Recommendation to the Board of Directors to Enter a New Agricultural Lease with Lagorio Brothers for the North Site Property. Director of Finance & Administration Ram reviewed the staff report and staff provided responses to questions.

Director Hansen noted during the previous Regular Board Meeting, concerns were raised regarding the $1 million liability insurance requirement. Director of Finance & Administration Ram clarified that Lagorio Brothers carry liability coverage exceeding $1 million and confirmed that the contract will be updated accordingly.

Director Sanguinetti inquired if the District should be listed on Lagorio Brothers insurance. President McGurk responded the District is already additionally insured by the tenant.

Director Hansen inquired whether the property leased by the District had ever been put out to bid for other interested parties. Director of Finance & Administration Ram replied no.

A motion was moved and seconded to authorize a new agricultural lease for the North Site Property with Lagorio Brothers, as presented.
Roll Call:
Ayes: Atkins, Hansen, McGurk, Panizza, Sanguinetti, Watkins
Nayes: None
Abstain: None
Absent: Nakaue

E. COMMITTEE REPORTS

1. San Joaquin Farm Bureau Federation Monthly Water Committee Meeting, 10/14/26
Director Watkins, Director Sanguinetti and Water Supply Manager Donis attended the San Joaquin Farm Bureau Federation Monthly Water Committee Meeting. Water Supply Manager Donis reported North San Joaquin delivered 1,900 acre-feet of water this season, marking its highest delivery level since 1973. Dante Nomellini of the Central and South Delta announced his plans for retirement. Delta districts are declaring local emergencies in connection with the Governor's September 25, 2026, El Niño declaration and plan to end water runs on October 26, 2026. Water Supply Manager Donis also reported South San Joaquin Irrigation District (SSJID) successfully removed the digger from the canyon tunnel with minimal damage and is awaiting OSHA approval to resume work. Additionally, an invasive mussel tour spanning 19 Western states included 87 participants focused on pursuing research opportunities and infrastructure funding. Director Sanguinetti noted Central San Joaquin Water Conservation District (CSJWCD) reported an overdraft alert on a Farmington-area well undergoing review and discussed weather forecasts comparing current El Niño patterns to wet years in 2017 and 1936.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 10/20/26
   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 October 5th

2. Information Items: None

3. Report on General Manager Activities
   a. Stockton East Water District's Activities Update
      Manager Hopkins reported he attended a meeting hosted by Congressman Costa. The Bureau of Reclamation reported it is expediting Section 215 water diversion applications. The U.S. Army Corps of Engineers plans to release the updated Water Control Manual incorporating Forecast-Informed Reservoir Operations (FIRO) for Oroville and New Bullards Bar Reservoir in mid-2027, while the New Hogan Water Control Manual update is anticipated in 2029–2030. The State Water Resources Control Board also confirmed high-flow diversions require reporting but do not require separate permits.

      Manager Hopkins reported the Central Valley Water Supply Coalition is officially formed, and the letters have been mailed.

      Manager Hopkins reported The Gualco Group is coordinating a D.C. advocacy trip scheduled for December 7–9, 2026, to engage with the four congressional representatives following redistricting and pursue reimbursement for FEMA flood damage claims that have been outstanding for three years.

      Manager Hopkins reported he attended a meeting regarding the DREAM Bigger project with Supervisors Dhaliwal and Ding. Under the protest dismissal agreement, the groundwater export permit must be issued by December 31, 2027.

      Manager Hopkins reported he attended an ACWA Region 4 policy guidelines meeting with Director Watkins to advocate for the inclusion of smaller regional projects, such as the Farmington Reservoir, in state priority designations.

      Manager Hopkins reported that the MICUP program environmental impact report received 131 comments submitted through 16 letters, which are currently under review.

   Manager Hopkins provided the Board with the equipment use for the week of October 12th.

4. Stockton East Water District Operations, Water Supply and Finance Update
   Water Operations Manager Brothers presented the Board with a WTP Update. Water Operations Manager Brothers reported, for the month of September, the WTP collected 95 samples and there were 0 samples that tested positive for Coliform and E.coli. The rain totals for the past 30 days were 0.00 inches and the surface water production for the WTP was 4,536 AF and City of Stockton WTP was 1,546 AF. The groundwater production for Stockton East Water District was 18 AF, California Water Services was 303 AF and City of Stockton was 0 AF. Lastly, the TTHM average was 25 ppb and free chlorine average was 1.08 ppm.

   Water Supply Manager Donis provided the Board with a Water Supply update. Water Supply Manager Donis reported that New Melones combined total was 35,000 AF, SEWD total year-to-date 32,746 AF with the remaining total of 2,254AF. New Hogan Lake from April 2026 to date is

56,867 AF, 2,523 AF less than 2025. Water Supply Manager Donis also reported that the 14 groundwater monitoring wells have declined by an average of 16.45 feet.

Director of Finance & Administration Ram provided the Board with an update on Finance, Administration, Human Resources, and Safety & Compliance activities.

Director Ram reported that during the second quarter of FY 2026–2027, covering July through September, the District earned approximately $399,277 in investment income, representing a 16.39% increase over the first quarter. Total investment income for the first six months of the fiscal year was approximately $742,277. As of September, the California CLASS yield was 3.8181%, compared to 3.7484% in August, while the LAIF rate was 3.97%.

Director Ram further reported that the District's financial information had been submitted to the auditor for final review and issuance of the audit opinion. The completed audit is scheduled to be presented to the Board on November 17, 2026. Additionally, the District successfully went live with its new Tyler Technologies financial software during the first week of October.

Regarding Human Resources, Director Ram reported that staff is working on the District's personnel staffing study, reviewing employee sick leave and vacation usage, and updating employee job descriptions. Administration staff continues to support various District and Board initiatives, coordination of Board and General Manager meetings, lobbying reporting requirements, and the GSA onboarding project.

Lastly, Director Ram provided an update on Safety & Compliance activities. Staff is addressing findings identified during the Aboveground Petroleum Storage Act (APSA) inspection, implementing corrective actions, and documenting completed corrections for submission by the October 22, 2026, compliance deadline. The Safety & Compliance team is also transitioning the District's Material Safety Data Sheet (MSDS) management system from Velocity to Novara to improve document management and accessibility.

5. The Gualco Group Monthly Update
   Kendra Daijogo with The Gualco Group presented the Board with a monthly update. Ms. Daijogo reported the federal lame-duck session is expected to begin in early November, with a focus on Fiscal Year 2027 appropriations and expiring authorizations. The California Legislature will convene an organizational session on December 7 to swear in approximately 21 new members, representing 17% turnover, while discussions continue regarding potential Senate leadership changes. Ms. Daijogo also reported SB 1153 was passed and signed into law, limiting water districts' liability for wildfire impacts outside their water supply responsibilities. AB 2180 also passed. Additionally, the Governor signed AB 2032 Ransom, which streamlines California Department of Fish and Wildlife permitting golden mussel control. However, the Governor vetoed AB 1881 and AB 2218, which addressed tribal water consultation, citing administrative overlap and implementation ambiguities. The bills are expected to be reintroduced under the next governor in January.

G. DIRECTOR REPORTS

1. Eastern San Joaquin Groundwater Authority Board Meeting, 10/14/26
   Director Panizza, Director Watkins and Manager Hopkins attended the Eastern San Joaquin Groundwater Authority Board Meeting. Director Panizza reported the Board approved the

September 9th meeting minutes, ESJGWA Board established a maximum claim limit of $30,000 for well upgrades related to over pumping and declining groundwater levels, approved funding agreements for monitoring wells, and authorized the archiving of online meetings. The proposal from Self-Help Enterprises (SHE) for well mitigation services was deferred to a special meeting scheduled for November 10, 2026, due to insufficient cost information.

2. 2026 State of the County, 10/14/26
   Director Watkins, Director Hansen and Manager Hopkins attended the 2026 State of the County. Director Watkins reported the State of the County event took place at the Great Wolf Lodge. Director Hansen reported it featured county department exhibits and highlighted a new mental health and substance abuse intake facility designed to streamline law enforcement handoffs outside standard hospital restrictions.

H. COMMUNICATIONS

1. Ag Ventures San Joaquin County Thank You Letter, 09/22/26
   Director McGurk provided the Board with a Thank You Letter from Ag Ventures.

2. Central Valley Water Supply Coalition Letter, 10/15/26
   Director McGurk provided the Board with the Central Valley Water Supply Coalition letter and map.

I. AGENDA PLANNING/UPCOMING EVENTS

1. Agricultural Operations Committee Meeting, 10:00 a.m., 10/21/26
   This meeting has been cancelled

2. Municipal Operations Committee Meeting, 12:30 p.m., 10/21/26
   This meeting has been cancelled

3. Administration Committee Meeting, 12:30 p.m., 10/21/26
   This meeting was re-scheduled to October 28th at 9:00 a.m.

4. San Joaquin County Flood Control and Water Conservation District Advisory Water Commissions Meeting, 1:00 p.m., 10/21/26

5. 41st Annual San Joaquin County Agricultural Hall of Fame, 5:30 p.m., 10/21/26

J. REPORT OF THE COUNSEL (NONE)

President McGurk adjourned the meeting to closed session at 1:28 p.m. The regular meeting reconvened at 1:29 p.m., with no reportable action.

K. STOCKTON EAST WATER DISTRICT BOARD OF DIRECTORS TOUR

1. New Solar Facility
2. George Watkins Crossing
3. Marciano Property
4. Bellota Weir Project

L. ADJOURNMENT

President McGurk adjourned the meeting at 3:55 p.m.

Respectfully submitted,

Justin M. Hopkins
General Manager

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