STOCKTON EAST WATER DISTRICT
PROVIDING SERVICE SINCE 1948
www.sewd.net

DIRECTORS

Richard Atkins
Division 1

Andrew Watkins
Division 2

Ryan Hansen
Division 3

Melvin Panizza
Division 4

Paul Sanguinetti
Division 5

Paul Nakaue
Vice President
Division 6

Thomas McGurk
President
Division 7

STAFF

Justin M. Hopkins
General Manager

Juan M. Vega
Assistant General Manager

LEGAL COUNSEL

Jeanne M. Zolezzi
General Counsel

Phone 209-948-0333
Fax 209-948-0423

E-mail sewd@sewd.net

6767 East Main Street
Stockton, CA 95215

Post Office Box 5157
Stockton, CA 95205

MEETING NOTICE

The Municipal Operations Committee
of the Stockton East Water District
Board of Directors will meet at
12:30 p.m., Wednesday, June 17, 2026
at the District Office, 6767 East Main Street, Stockton, CA

Assistance for the Disabled: If you are disabled in any way and need accommodation to participate in the meeting, please contact Administrative Staff at (209) 948-0333 for assistance so the necessary arrangements can be made.

Agendas and minutes are located on our website at www.sewd.net.

AGENDA

		Page No.
1.	Roll Call - Chairperson McGurk, Director Panizza, Director Nakaue, Director Atkins (Alternate)	
2.	Public Comment	
3.	Stockton East Water District – Staff Report – Consider Purchase of Critical Spare VFD Inserts for Rockwell VFDs	01
4.	Stockton East Water District – Staff Report – Consider Approval of WTP Filter and Sedimentation Basins Project SRF Funding Application Support Agreement	05
5.	Adjournment	

Certification of Posting

I hereby certify that on June 12, 2026, I posted a copy of the foregoing agenda in the outside display case at the District Office, 6767 East Main Street, Stockton, California, and said time being at least 72 hours in advance of the Municipal Operations Committee Meeting (Government Code Section 54954.2). Executed at Stockton, California on June 12, 2026.

Priya Ram, Director of Finance & Administration
Stockton East Water District

Any materials related to items on this agenda distributed to the Municipal Operations Committee of the Stockton East Water District less than 72 hours before the public meeting are available for public inspection at the District's office located at the following address: 6767 East Main Street, Stockton, CA 95215. Upon request, these materials may be available in an alternative format to persons with disabilities.

THIS PAGE INTENTIONALLY LEFT BLANK

DATE: **June 17, 2026** **AGENDA ITEM NO. 3**

TITLE: **High Service Pump Station Rockwell 600HP VFD Critical Spares**

SUBJECT: **Consider Purchase of Critical Spare VFD Inserts for Rockwell VFDs**

Executive Summary

The Stockton East Water District's (District) operates three 600-hp Rockwell Variable Frequency Drives (VFDs) at the High Service Pump Station (HSPS), which provide continuous water delivery to municipal and industrial customers. Because at least one unit is in service at all times, the drives continuously accumulate operating hours. Onboard diagnostic data indicates the power assemblies on two of the three drives are approaching end of useful life — Pump 28 has approximately 14,000 hours of remaining service, and Pump 29 has approximately 4,000 hours remaining, with failure of certain components possible as early as this year.

To address this risk, staff plans to procure one replacement inverter assembly and one replacement converter assembly from Rexel USA, the sole authorized Rockwell Automation distributor for the District's area. These components are proprietary with lead times of eight weeks or more, making on-site spare inventory essential to avoiding prolonged downtime in the event of an unplanned failure.
District staff recommends that the Board of Directors (Board) authorize the General Manager to direct staff to purchase one replacement inverter assembly and one replacement converter assembly for HSPS in the estimated amount of **$100,363.97** plus a 10% contingency of **$10,036** for a total authorization amount of approximately **$110,400** and execute all appropriately necessary procurement documents.

Background

The High Service Pump Station is a critical facility supporting continuous water delivery to the District's municipal and industrial (M&I) customers. Maintaining uninterrupted operation of the station's pumping equipment is essential to system reliability.

Over the past several years, the District has completed installation of three 600-hp VFDs in HSPS. Due to their size and flow variability, at least one of the three units will be in service and continue to accumulate operating hours. Because at least one unit is in service at all times, the drives continuously accumulate operating hours. Onboard diagnostic data indicates the power assemblies on two of the three drives are approaching end of useful life — Pump 28 has approximately 14,000 hours of remaining service, and Pump 29 has approximately 4,000 hours remaining, with failure of certain components possible as early as this year.

District staff has identified the need to begin establishing an inventory of critical spare components to support long-term reliability and maintenance planning. The inverter and

converter assemblies within the drives are critical components that wear over time and have finite service life expectations based on operating conditions and usage.

Summary

The proposed critical spare program consists of the following primary components:

1. Existing Equipment Condition

The Rockwell VFDs installed in the HSPS contain Converter and inverter power assemblies that are subject to operational wear based on runtime, loading conditions, and operating environment. Pump 28 has accumulated 28,000 hours, while pump 29 has accumulated 16,000 operating hours. Current onboard Diagnostic monitoring estimates approximately 14,000 hours of remaining operational time for the inverter and converter sections. Pump 29 has approximately 4,000 hours remaining on both the inverter and converter sections. Although The Drives remain operational and serviceable, diagnostic data indicates that certain power components are approaching the end of their expected life, potentially this year.

2. Critical Spare Strategy

The District is in the process of identifying and implementing a rotating critical spare program for all critical assets and tracking those spare parts in the Tyler EAM system. The 600-hp HSPS pumps were identified by Operations as having the highest criticality and, therefore, required District staff to prioritize the procurement of VFD spare parts.
The proposed strategy includes procuring one replacement inverter assembly and one replacement converter assembly to establish an initial on-site spare inventory for the three installed drives.

As installed inverter and converter assemblies approach end-of-life or experience degradation identified through diagnostic monitoring, the removed assemblies can be sent to the manufacturer or authorized repair facility for refurbishment and returned to service as standby spare inventory. This refurbishment would cost $35,500.00 for the inverter and $8,500.00 for the converter.

This approach allows the District to maintain at least one ready-to-install spare assembly on-site at all times while extending the overall service life of existing equipment through planned refurbishment cycles. Because the inverter and converter assemblies are proprietary manufacturer components with extended procurement lead times, maintaining rotating spare inventory improves the District's ability to respond quickly to equipment failures and reduces long-term operational risk.

3. Risk Considerations

Replacement inverter and converter assemblies are non-stock manufacturer components with estimated lead times of approximately eight weeks or longer, depending on manufacturer availability and market conditions.

Without on-site spare inventory, failure of a major power assembly could result in prolonged equipment downtime while awaiting replacement parts. As the installed drives

continue to accumulate operating hours, the probability of failure of aging power electronic components increases.

Implementation of a rotating spare strategy will reduce recovery time following a major component failure or planned predictive maintenance and improve long-term operational resiliency at the High Service Pump Station.

4. Procurement

District staff contacted Rexel USA, the authorized Rockwell Automation distributor serving the District's area, regarding availability and procurement of compatible replacement assemblies. Due to the proprietary nature of the equipment and the manufacturer's distribution requirements, Rexel USA is the sole authorized vendor for these components. Because of the proprietary nature of the spare parts, District staff will need to sole-source purchase the parts as outlined in the SEWD purchasing policy manual No. 6035, adopted August 22, 2023, Section "*1. Sole Source Purchases," sole source procurement is authorized when A specific brand or model, or authorized dealer may be required to maintain compatibility with existing District equipment and ensure effective maintenance and support*

The proposed procurement includes the following critical spare assemblies:

- One (1) Rockwell inverter assembly, Part Number 20-750-I1-BC650D617
- One (1) Rockwell converter assembly, Part Number 20-759-C6C770D740 PF750 Frame 8

District staff recommends procuring these assemblies at this time to establish a spare inventory program for the High Service Pump Station VFD systems.

Financial Impact

The Fiscal Year 2026-2027 Board-approved budget allocated $121,000 under Fund 94 10-5322-0 (Rockwell VFD Inserts) for the procurement of spare parts for Rockwell VFDs. Rexel USA has provided pricing for the proposed spare components as follows: Inverter Assembly at $74,593.02 and Converter Assembly at $17,484.02, for a total of $92,077.04. Including an estimated Stockton sales tax of approximately 9%, the total procurement cost is approximately $100,364.

To account for potential fluctuations in pricing, freight costs, or manufacturer changes, district staff recommends including a 10% contingency of about $10,036. Accordingly, the total requested authorization is approximately $110,400.

Staff Recommendation

District staff recommends that the Board authorize the General Manager to direct staff to purchase one replacement inverter assembly and one replacement converter assembly for HSPS in the estimated amount of **$100,363.97** plus a 10% contingency of **$10,036** for a total authorization amount of approximately **$110,400** and execute all appropriately necessary procurement documents.

Staff Responsible for the Report

Paul Teixeira, Electrical Supervisor — Date: 06/17/26

David Higares, Maintenance & Construction Manager — Date: 06/17/26

Juan M. Vega, Assistant General Manager — Date: 06/17/26

Justin M. Hopkins, General Manager — Date: 06/17/26

Attachments
None

DATE: **June 17, 2026** **AGENDA ITEM NO. 4**

TITLE: **WTP Filter and Sedimentation Basins Project SRF Funding**

SUBJECT: **Consider Approval of WTP Filter and Sedimentation Basins Project SRF Funding Application Support Agreement**

Executive Summary

The DJW Water Treatment Plant's effective filtration and sedimentation capacity falls short of its 65 MGD permitted level once filters are taken offline for backwashing and maintenance, as required by California regulations. To close this gap, the District is undertaking the WTP Filter and Sedimentation Basins Project — four new filters, retrofits of eight existing filters, and retrofit of Sedimentation Basins 1 & 2 — at an estimated cost of approximately $90 million.

Staff recommends financing through the SWRCB Drinking Water State Revolving Fund (DWSRF), which offers a 2026 rate of approximately 2.3% over 20 years — substantially lower than the District's Certificates of Participation and WIFIA alternatives. If the District qualifies as serving a financially disadvantaged community, the rate drops to 0% with a 30-year term. A 2% processing fee applies. Because DWSRF applications require specialized technical documentation, staff recommends a sole-source agreement with Carollo Engineers, Inc., whose direct involvement in the Filter Project design and familiarity with District systems make them uniquely qualified, consistent with Purchasing Policy.

Staff recommends the Board of Directors (Board) authorize the General Manager to execute a Professional Services Agreement with Carollo Engineers, Inc. in an amount not to exceed **$108,576** (**$98,705** plus 10% contingency).

Background

The Dr. Joe Waidhofer Water Treatment Plant (DJW WTP) was originally designed and constructed in 1977 as a conventional WTP with two sedimentation basin trains and four (4) dual media filters with a treatment capacity of 30 MGD. In 1991, the Filter Expansion project was completed adding four (4) filters of similar design to the filter building which expanded the filtration capacity to 60 MGD. In 2006, two additional sedimentation basins with inclined plate settlers were constructed.. The current permitted capacity of the DJW WTP is 65 MGD which exceeds the total design sedimentation and filtration capacity of the plant of 60 MGD when redundancy and reliability is considered per Stantec’s WTP Master Plan. While the total filtration capacity of the 8 filters is 60 MGD this does not account for filters taken out of service for backwashing or routine maintenance. California regulations require redundancy of filtration systems for backwashing and maintenance and provide a maximum capacity for dual media filters of 6 gpm/sq. ft. without demonstration that the filters are able to operate at higher rates and comply with performance requirements. While the DJW WTP is permitted for a total flow of 65 MGD, at production rates where filter loading rates are greater than 6 gpm/sq. ft. (when filter loading rates exceed 6 gpm/sq. ft. due to backwashing, maintenance, or peak demand.) additional monitoring is required.

Carollo Engineers, Inc. (Carollo) completed the filter design in early 2026 and Stantec will complete the sedimentation basins design in August 2026. Based on the complex

design of the four new filters and retrofits of the eight existing filters, and the overlap of the Sedimentation Basins 1 & 2 retrofit, staff recommends combining the two projects to allow one contractor to coordinate all the work to avoid conflicts and excessive construction management. Staff also recommends that Carollo perform construction management services and engineering services during construction, along with Stantec providing engineering services during construction for the sedimentation basin retrofit.

The District has applied for a U.S. Environmental Protection Agency (EPA) Water Infrastructure Finance and Innovation Act (WIFIA) loan and has received Certificates of Participation loans already. The most feasible and lowest interest rate loan option for the District is the California State Water Resources Control Board (SWRCB) Drinking Water State Revolving Fund (DWSRF) loan.

Summary

District staff investigated potential lending options for the ~$90M Filter and Sedimentation Basins Project and the District has already pursued funding through Certificates of Participation and a WIFIA loan, both of which carry interest rates tied to the U.S. Treasury rate for a comparable maturity — substantially higher than the DWSRF rate.

The DWSRF program assists public water systems in financing the cost of drinking water infrastructure projects needed to achieve or maintain compliance with Safe Drinking Water Act (SDWA) requirements. The 2026 interest rate is around 2.3% with a 20-year repayment term. Additionally, a public water system that serves a disadvantaged community with financial hardship may be eligible for 0% interest financing, and an extended 30-year repayment term. The processing fee is 2% of the loan amount.

Normally, staff would solicit 3 bids for this type of work, but the purchasing policy allows deviation from this practice as detailed in the **Purchasing Policy Section D.1.**:

"where: (1) there is a compelling reason for only one source, a preferred brand, like material, etc., to be procured… when it is in the best interest of the District to extend or renew a Contract from a previous contract period, based on satisfactory service, reasonable prices, avoidance of start-up costs and interruptions to District business, or good business practices."

Based on the Carollo's knowledge of the WTP, specifically the new filter design, Staff recognized existing expertise and likely reduction in startup costs and time warranted sole source consideration for DWSRF application support. As such, Staff asked that Carollo prepare a scope of work and budget for support in preparing the DWSRF application packages. Carollo was approached since they prepared the Filter Project and were previously involved in design and construction management of the Disinfection Project and have a clear understanding of the District's drinking water process system. Additionally, they specifically have expertise in numerous drinking water treatment plants throughout California and other states.

Financial Impact

The District's Board-approved Fiscal Year 2026-2027 Budget contains $1,000,000 for the WTP Filter and Sedimentation Basins Project. A portion of the budgeted amount will cover the design contract with Stantec ($679,800 including contingency) which was approved by the Board on February 03, 2026. Therefore, the remaining project budget

of $320,200 has sufficient funding for Carollo's proposal cost of $98,705, plus a 10% contingency, for a total cost of $108,576.

Recommendation

After evaluating the proposals and reviewing the need for assistance with funding, staff respectfully recommends the Board authorize the General Manager to execute a Professional Services Agreement with Carollo Engineers, Inc. for $98,705 plus a 10% contingency of $9,871 for a total of $108,576, and make all other necessary approvals.

Staff Responsible for Report

Darrel Evensen, District Engineer — Date: 06/17/26

Juan M. Vega, Assistant General Manager — Date: 06/17/26

Justin M. Hopkins, General Manager — Date: 06/17/26

Attachments

None

THIS PAGE INTENTIONALLY LEFT BLANK