

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, JULY 7, 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 Sanguinetti led the Pledge of Allegiance.

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

B. PUBLIC COMMENT

President McGurk wished Director Watkins a Happy Birthday.

C. CONSENT CALENDAR

1. Minutes 06/23/26 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 Projects Fund
 - e. Fund 91 – Vehicle Fund
 - f. Fund 94 – Municipal & Industrial Fund
 - g. Summary
 - h. Short Names/Acronym List
 - i. 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, Nakaue, Panizza, Sanguinetti, Watkins
Nays: None
Abstain: None
Absent: None

D. SCHEDULED PRESENTATIONS AND AGENDA ITEM

1. Stockton East Water District – Staff Report – Consider Approval of WTP Filter and Sedimentation Basins Project SRF Funding Application Support Agreement
Manager Hopkins presented the Board with a staff report to Consider Approval of WTP Filter and Sedimentation Basins Project SRF Funding Application Support Agreement.

Patrick Carlson from Carollo Engineers provided a presentation to the Board. Mr. Carlson reported the project aims to improve the plant's resiliency, reliability, and efficiency by addressing its aging filter system. The core of the project involves adding four new filters to the existing eight, bringing

the total to twelve. This will lower high filter loading rates to comply with Division of Drinking Water (DDW) standards, which now also mandate per-filter flow meters for new installations. Mr. Carlson also reported the upgrades will also include retrofitting the existing filters with modern, deeper media (GAC and sand) and replacing the 50-year-old underdrains with a gravel-less plastic system. The cleaning process will be modernized from a surface wash to a more effective air scour system, supported by a new blower and electrical building.

District Engineer Evensen stated that SRF funding is preferred for capital projects because it provides a lower interest rate and submitting the four required SRF packages of general, environmental, technical and financial take four to six months with the submittal deadline coming early 2027.

Director McGurk inquired how the 91% to 94% increased efficiency is quantified. Mr. Carlson replied longer filter run times.

Director McGurk inquired if there is air conditioning in the blower building. Mr. Carlson replied the electrical room will have cooling, but there is only ventilation for equipment heat in the blower room.

Director Watkins requested additional information on the cost breakdown and value engineering on just the filters. Director Watkins questioned utilizing the present best design practice of air scouring to clean the filter media and requested investigation of expanding the old surface spray wash system to the new filters. Staff and Carollo Engineers advised they will prepare a detailed response and return within several weeks to address these concerns by breaking out the options for the eight existing filters, including cost-benefit, operational flexibility, reliability and redundancy, and regulatory compliance issues.

Director Sanguinetti inquired how “useful life” is qualified and if it would be better to only retrofit four of the eight existing filters as the other four filters were constructed only 36 years ago. Mr. Carlson replied it is defined by avoiding emergency failures, regulatory issues, and the high cost of reactive repairs. Mr. Carlson added that 36 years is still near the end of the useful life, but that is a consideration; however, the District would not benefit from economies of scale for performing all the work at once.

Director Atkins inquired how do the new filters affect taste and odor. Mr. Carlson replied the increased number of filters and deeper media improves contact time, which helps reduce taste and odor. Discussion followed.

Director Nakaue reminded the Board that the staff request is to approve an agreement with Carollo Engineers to support submission of an SRF loan application, not to approve project design criteria.

A motion was moved and seconded to 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 necessary approvals, as presented.

Roll Call:

Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza, Sanguinetti, Watkins
Nays: None
Abstain: None
Absent: None

2. Stockton East Water District – Staff Report – Staff Report – Consider Approval of Replacement, Removal and Quitclaim Deed of Bridges
Manager Hopkins presented the Board with a staff report to Consider Approval of Replacement, Removal and Quitclaim Deed of Bridges. Assistant Manager Vega reviewed the staff report and staff provided responses to questions.

Director Watkins inquired if staff looked back to see if the same owner existed at one time in history. Assistant Manager Vega replied no.

Director Watkins inquired if the District needs to continue maintaining the crossing if the property is sold. Manager Hopkins advised that prior legal guidance determined that once one of the parcels is sold, the crossing becomes part of the legal access to the far side parcel, thereby alleviating the District from mitigating for severance impacts. Legal Counsel Selke concurred with the legal access requirement.

Director McGurk inquired if the word ‘demo’ meant that is completely gone. Assistant Manager Vega replied yes. Discussion followed.

A motion was moved and seconded to authorize the General Manager to proceed with including bridge demolition in the next budget cycle of bridges that have a condition score of 5 or less and are not being used (2 bridges table 1), incorporate into the Districts Capital Improvement Program (CIP) for budgeting and planning purposes in upcoming fiscal years (not the current one) any bridge that has a condition score of 5 or less – to be built by staff (3 bridges per table 1). Staff will strive to address one bridge per year, pursue Quitclaim Deed transfers to landowners who own both sides of a bridge as part of the bridge replacement process prioritization, pursue Quitclaim Deed transfers for those bridges that have undergone unauthorized modifications by landowners and for bridges that have two different owners on each side, draft a letter explaining the district does not have obligation to maintain the bridges and is not liable for bridge use, as presented.

Roll Call:

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

Nayes: None

Abstain: None

Absent: None

3. Stockton East Water District – Staff Report – Consider Purchase of Critical Spare VFD Inserts for Rockwell VFD’s

Manager Hopkins presented the Board with a staff report to Consider Purchase of Critical Spare VFD Inserts for Rockwell VFD’s. Assistant Manager Vega reviewed the staff report and staff provided responses to questions.

Director Watkins inquired if the hours were based on when the pump was installed and not when the VFD was commissioned. District Engineer Evensen replied that the hours were based on when the VFD was installed.

Director Sanguinetti commented on the long lead time for electrical equipment and expressed his support for Staff’s proposal.

A motion was moved and seconded to 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 \$100,364 plus a 10% contingency of \$10,036 for a total authorization amount of approximately \$110,400 and execute all appropriately necessary procurement documents, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

4. Stockton East Water District – Staff Report – Consider Approval of Updated Proforma (Revised PPA Rate) for the White Pine Renewables Solar-plus-Storage Project and Authorization of Conditional Mobilization

Manager Hopkins presented the Board with a staff report to Consider Approval of Updated Proforma (Revised PPA Rate) for the White Pine Renewables Solar-plus-Storage Project and Authorization of Conditional Mobilization. Assistant Manager Vega reviewed the staff report and staff provided responses to questions.

Evan Riley from White Pine Renewables provided the Board with an update on the amended power purchase agreement. Mr. Riley reported the updated proforma results in a revised year-one PPA rate of \$0.2031 per kWh with the original 1.9% annual escalator. The cost increases were driven by project changes requested by the district (e.g., a new fire hydrant, light-duty forklift usage constraints) and external factors like import tariffs (\$338,000), which White Pine will absorb. Despite the rate increase, rising PG&E prices have made the fixed-price contract more valuable, with projected first-year savings of \$207,891 and 30-year savings between \$20-\$50 million. Mr. Riley also reported the amendment authorizes White Pine to enroll the battery in a PG&E demand response program, with all net proceeds going to the district, and allows them to mobilize for construction on July 13th to meet a year-end deadline for a property tax abatement, with White Pine assuming all associated risks.

Director Watkins inquired if all the amendments to the price are things staff has reviewed, and confirmed those are something that the District needs to do. Assistant Manager Vega replied yes. Discussion followed.

A motion was moved and seconded to approve in concept, the updates proforma and revised year – 1 PPA rate of \$0.2031/kWh (with unchanged 1.90% annual escalation); and authorize the General Manager to execute a short, binding interim agreement (such as the one in Attachment 1) memorializing the approval rate and, upon its execution, to authorize White Pine to mobilize with the interim agreement and any subsequent holistic PPA amendment subject to the review and approval as to form by district Counsel, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

5. Stockton East Water District – Staff Report – Adoption of 2025 Urban Water Management Plan
Manager Hopkins presented the staff report to adopt 2025 Urban Water Management Plan.
 - a. Public Hearings

Director McGurk opened the public hearing at 2:08 p.m., to receive comments on 2025 Urban Water Management Plan.

Seeing no public comment, Director McGurk closed the Public Hearing at 2:08 p.m.

b. Resolution No. 26-27-07 - 2025 Urban Water Management Plan

A motion was moved and seconded to approve Resolution No. 26-27-07 - 2025 Urban Water Management Plan, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

6. Resolution No. 26-27-08 – Authorization to File A Grant Application With The United States Bureau of Reclamation For The WaterSMART Applied Science Grant (Funding No. R25AS00280) For Fiscal Year 2026

Manager Hopkins presented the Board with Resolution No. 26-27-08 Authorizing to file a grant Application with the United States Bureau of Reclamation For The WaterSMART Applied Science Grant.

A motion was moved and seconded to approve Resolution No. 26-27-08 – Authorization to File A Grant Application With The United States Bureau of Reclamation For The WaterSMART Applied Science Grant (Funding No. R25AS00280) For Fiscal Year 2026, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

E. COMMITTEE REPORTS (NONE)

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 06/23/26

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.

2. Information Items: None

3. Report on General Manager Activities

a. Stockton East Water District's Activities Update

Manager Hopkins reported a new recharge project sign was installed at the entrance of New Water Lane.

Manager Hopkins reported one of the District's chemical vendors delivered the incorrect chemical. Although the bill of lading identified the shipment as ACH and specific gravity testing confirmed it met the expected specifications, the product was later determined to be acidified

alum. The chemical was placed into the ACH storage tank, resulting in plugging within the system. The vendor is covering the expense of remediation.

Manager Hopkins reported he received confirmation from the Assistant Secretary of Civil Works for Army Corps that the District's section 203 request has been approved.

Manager Hopkins reported he is scheduled to meet with agencies interested in forming a USACE water supply coalition on July 27.

Manager Hopkins reported Congressman Josh Harder has a new staff member, Max, who replaced Taylor Reed.

Manager Hopkins presented the June employee spotlight featuring Electrical Technician I Zach Zamoroni and Senior Water Treatment Plant Operator Ryan Welch.

Manager Hopkins provided the Board with the equipment use for the week of 06/29/26.

4. Stockton East Water District Water Supply Update

Assistant Manager Vega provided the Board with a Water Supply update. Assistant Manager Vega reported that New Melones deliveries for 2026 year-to-date total 21,150 AF, with Stockton East Water District deliveries totaling 10,650 AF. New Hogan flood releases total 26,978 AF, and Stockton East Water District deliveries from New Hogan total 36,420 AF, for a combined year-to-date total of 63,398 AF. Manager Vega also reported that the 14 groundwater monitoring wells have declined by an average of 19.57 feet.

G. DIRECTOR REPORTS

1. Greater Stockton Chamber of Commerce – 2026 Business Awards & Installation Dinner, 06/25/26
Director Watkins attended the Greater Stockton Chamber of Commerce – 2026 Business Awards & Installation Dinner. Director Watkins reported Stockton East Water District was a gold sponsor. Overall it was a great event and well attended.

H. COMMUNICATIONS (NONE)

I. AGENDA PLANNING/UPCOMING EVENTS

1. Eastern San Joaquin Groundwater Authority Board Meeting, 10:30 a.m., 07/08/26
2. Central Merger Committee Meeting, Noon, 07/08/26
3. San Joaquin Farm Bureau Monthly Water Committee Meeting, 4:30 p.m., 07/08/26
4. Linden Peters Chamber of Commerce Baseball Night, 7:00 p.m., 07/11/26
5. San Joaquin County and Delta Water Quality Coalition Steering Committee Meeting, 9:00 a.m., 07/13/26

J. REPORT OF THE COUNSEL

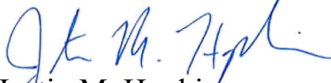
1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED
LITIGATION Potential exposure to litigation – Government Code
Section 54956.9 – one case

President McGurk adjourned the meeting to closed session at 2:30 p.m. The regular meeting reconvened at 2:40 p.m., with no reportable action.

K. ADJOURNMENT

President McGurk adjourned the meeting at 2:41 p.m.

Respectfully submitted,


Justin M. Hopkins
General Manager

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