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, DECEMBER 9, 2025, 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 Hansen led the Pledge of Allegiance.

Present at roll call at the District were Directors Atkins, Hansen, McGurk, Nakaue, Panizza, 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, Administrative Clerk Barraza, Consultant Barkett and Legal Counsel Selke. Director Sanguinetti was absent.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

D. SCHEDULED PRESENTATIONS AND AGENDA ITEM

1. Minutes 11/25/25 Regular Board Meeting

   A motion was moved and seconded to approve the November 25, 2025 Regular Meeting Minutes, as presented.
   Roll Call:
   Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza, Watkins
   Nayes: None
   Abstain: None
   Absent: Sanguinetti

2. Warrants
   a. Fund 68 – Municipal & Industrial Groundwater Fund
   b. Fund 70 – Administration Fund
   c. Fund 71 – Water Supply Fund
   d. Fund 89 – Fish Passage Improvements Fund
   e. Fund 91 – Vehicle Fund
   f. Fund 94 – Municipal & Industrial Fund
   g. Summary
   h. Short Names/Acronym List
   i. SEWD Vehicles & Heavy Equipment

   Directors Atkins, Hansen, McGurk and Panizza inquired on the expenses and staff provided responses to questions.

   A motion was moved and seconded to approve December 9, 2025, Warrants, as presented.
   Roll Call:
   Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza, Watkins
   Nayes: None
   Abstain: None

Absent: Sanguinetti

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

   A motion was moved and seconded to approve December 9, 2025, California's Public Employees' Retirement System, as presented.
   Roll Call:
   Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza, Watkins
   Nayes: None
   Abstain: None
   Absent: Sanguinetti

4. Consideration of the Proposed Annual Budget Fiscal Year 2026/2027
   Director of Finance and Administration Ram presented the Board with the Proposed Annual Budget Fiscal Year 2026/2027. Director of Finance and Administration Ram reported that the draft Fiscal Year 2026/2027 budget has been reviewed by the Municipal Operations, Agricultural Operations, and Administration committees, all of which have recommended approval by the Board. She reported that the Base Monthly Payment (BMP) increases by 7.2%, rising from $2.32 million to $2.49 million. The most significant change occurs in Fund 70, which reflects an 18.74% increase driven primarily by required regulatory and planning efforts, including the $250,000 West Linden Water Banking Study, the $100,000 Recharge Basin Study, and the scheduled $300,000 election expense. She also reported the addition of $13,000 for the District's safety and management system, added after the budget was initially presented to the committees. Other funds show modest fluctuations: Fund 67 increases by 1.39% and Fund 94 increases by 3.13%, while Fund 68 and Fund 71 decrease by 18.22% and 4.08% respectively, largely due to project timing differences and adjusted water cost allocations.

   Director Watkins inquired about the Proposed Annual Budget Fiscal Year 2026/2027, and staff provided responses to questions.

   a. Public Hearing
      President McGurk opened the Public Hearing at 12:38p.m., to receive comments on the Proposed Annual Budget Fiscal Year 2026/2027.

      Seeing no public comment, President McGurk closed the Public Hearing at 12:39 p.m.

   b. Resolution No. 25-26-10
      Manager Hopkins provided the Board with Resolution No. 25-26-10 to Consider Adopting Proposed Budget for Fiscal Year 2026/2027.

   A motion was moved and seconded to approve Resolution No. 25-26-10, as presented.
   Roll Call:
   Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza, Watkins
   Nayes: None
   Abstain: None
   Absent: Sanguinetti

5. Stockton East Water District – Staff Report – Consider Recommendation of a Capacity Expansion Alternative for the Peters Pipeline

Assistant Manager Vega presented the Board with a staff report to Consider Recommendation of a Capacity Expansion Alternative for the Peters Pipeline. Assistant Manager Vega reported the pipeline has experienced significant structural deterioration and lining failures, and past repairs, most notably the installation of an HDPE liner that reduced its internal diameter, now prevents it from delivering the Water Treatment Plant's full 65-MGD permitted capacity. He reported a 2023 condition assessment by Stantec Consulting Services, Inc. confirmed multiple liner failures, defects in unlined sections, and an overall reduction in hydraulic capacity.

Assistant Manager Vega introduced Mr. Joe Ortiz of Stantec Consulting Services, Inc., who delivered a presentation on the Peters Pipeline Rehabilitation. Mr. Ortiz provided background on both the Water Treatment Plant Master Plan and the Peters Pipeline, then summarized the comprehensive condition assessment conducted along the entire alignment, including the current stage of structural deterioration and potential collapse risk. He reviewed the range of rehabilitation approaches evaluated, including point repair, pipe renewal, and full pipe replacement, before noting that the District elected to advance the pipe renewal option for further consideration. Mr. Ortiz then outlined the three renewal alternatives analyzed: UV-cured CIPP, geopolymer CIPP, and sliplining. He discussed the expected service life, cost implications, and key advantages and limitations of each alternative, concluding Stantec's recommended options for the Board's consideration.

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

A motion was moved and seconded to approve proceeding with Alternative 3 with the caveat that additional, more detailed study of the future pipeline be conducted and provide for a secure and reliable conveyance of existing capacity by sliplining in a short installation period of less than six months after the contractor purchases the steel pipe and prepares the area, as presented.
Roll Call:
Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza
Nayes: Watkins
Abstain: None
Absent: Sanguinetti

6. Stockton East Water District – Staff Report – Consider a Professional Services Agreement for 30% Design of LLPS Electrical System Design/Build Project and Proposed Budget Amendment
Assistant Manager Vega presented the Board with a staff report to Consider a Professional Services Agreement for 30% Design of LLPS Electrical System Design/Build Project and Proposed Budget Amendment. Assistant Manager Vega reported the District is advancing critical electrical system upgrades at the Dr. Joe Waidhofer Water Treatment Plant (WTP), focusing on the aging and increasingly vulnerable infrastructure serving the Low Lift Pump Station (LLPS).

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

A motion was moved and seconded to approve the Proposed Budget amendment as shown in Table 1 and authorize the General Manager to execute the Professional Services Agreement with Stantec Consulting Services Inc. for $132,456, plus a 10% contingency of $13,246 for a total not-to-exceed amount of $145,702 and make all other necessary approvals, as presented.
Roll Call:
Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza, Watkins
Nayes: None
Abstain: None

Absent: Sanguinetti

7. Stockton East Water District – Staff Report – Consider Lightning and Surge Protection Improvements Design Professional Services Agreement and Proposed Budget Amendment
Assistant Manager Vega presented the Board with a staff report to Consider Lightning and Surge Protection Improvements Design Professional Services Agreement and Proposed Budget Amendment. Assistant Manager Vega reported a recent lightning strike at the Dr. Joe Waidhofer Drinking Water Treatment Plant (WTP) caused significant damage to the Low Lift Pump Station (LLPS) switchgear. He reported this incident marks the second lightning strike impacting the Dr. Joe Waidhofer Water Treatment Plant (WTP) within the past two years highlighting an increasing vulnerability of the facility's electrical systems to extreme weather events.

   Director Atkins, Hansen, and Watkins inquired about the staff report and staff provided responses to the questions.

   A motion was moved and seconded to approve the Proposed Budget amendment as shown in Table 1 and authorize the General Manager to execute the Professional Services Agreement with Stantec Consulting Services Inc. for $131,107, plus a 10% contingency of $13,111 for a total not-to-exceed amount of $144,218 and make all other necessary approvals, as presented.
   Roll Call:
   Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza, Watkins
   Nayes: None
   Abstain: None
   Absent: Sanguinetti

8. State Water Resources Control Board – 2025/2026 Water Right Fees
Manager Hopkins presented the Board with the State Water Resources Control Board – 2025/2026 Water Rights Fees. Manager Hopkins reported the Water Rights Fees are due annually.

   A motion was moved and seconded to approve the 2025/2026 Water Rights Fees, as presented.
   Roll Call:
   Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza, Watkins
   Nayes: None
   Abstain: None
   Absent: Sanguinetti

9. Stockton East Water District – Staff Report – Consider Approval to Award a Professional Services Agreement to Raftelis for Conducting a Comprehensive Water Rate Study
Manager Hopkins presented the Board with a staff report to Consider Approval to Award a Professional Services Agreement to Raftelis for Conducting a Comprehensive Water Rate Study. Manager Hopkins reported the District seeks approval to award a professional services agreement to Raftelis Financial Consultants, Inc. to evaluate the District's current water rates for both surface water and groundwater users, ensuring that rates are equitable, financially sustainable, and consistent with regulatory and policy objectives.

   Director Hansen and Watkins inquired about the staff report and staff provided responses to questions.

   A motion was moved and seconded to authorize the General Manager to approve a Professional Services Agreement with Raftelis for completion of the Water Rate Study in the amount of $79,370,

plus a 10% contingency of $7,937, for a total amount of $87,307, and make all other necessary approvals, as presented.
Roll Call:
Ayes: Atkins, Hansen, McGurk, Nakaue, Panizza, Watkins
Nayes: None
Abstain: None
Absent: Sanguinetti

10. Stockton East Water District – Staff Report – Clements Pipeline – Consider Approving a Professional Services Agreement – Final Design

Director Atkins left the meeting due to a conflict of interest.

Assistant Manager Vega presented the Board with a staff report to Consider Approving a Professional Services Agreement – Final Design. Assistant Manager Vega reported the District is advancing a critical infrastructure initiative aimed at enhancing groundwater reliability through the implementation of the SEWD Surface Water Implementation Expansion Project. He reported this effort is a cornerstone of the District's ongoing efforts as a Groundwater Sustainability Agency (GSA) to stabilize the Eastern San Joaquin Subbasin in alignment with the Sustainable Groundwater Management Act (SGMA).

Director Watkins inquired about the staff report and staff provided responses to questions.

A motion was moved and seconded to authorize the General Manager to approve a Professional Services Agreement with P&P to provide design services in the amount of $335,000 plus a 10% contingency of $33,500 for a total of $368,500 and make all other necessary approvals, as presented.
Roll Call:
Ayes: Hansen, McGurk, Nakaue, Panizza, Watkins
Nayes: None
Abstain: None
Absent: Atkins, Sanguinetti

E. COMMITTEE REPORTS

1. Eastern San Joaquin Groundwater Authority GW Data Discussion Meeting, 12/03/25
This meeting was cancelled

G. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 11/25/25
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 153,574 AF in storage at New Hogan Reservoir. Current releases are set at 24 cfs. There is 1,649,002 AF in storage at New Melones Reservoir. Current releases are set at 380 cfs. The current release at Goodwin Dam to Stanislaus River is set at 435 cfs and release to all water users is set at 451 cfs. There are 0 irrigators on New Hogan, 0 on New Melones and 0 out of District. The District Water Treatment Plant (WTP) is currently processing 32 mgd. North Stockton is currently utilizing 6 mgd. South Stockton is currently using 6 mgd. Cal Water is currently utilizing 17 mgd. The City of Stockton WTP is currently processing 8 mgd. Extraction Well #1 pumped 2,970 GPM and Extraction Well #2 pumped 3,240 GPM. The total ground water production is 11.54 MGD.

2. Information Items
   a. SEWD's Holiday Potluck, Noon, 12/17/25

3. Report on General Manager Activities
   a. ACWA State Legislative Committee Meeting, 12/04/25
      This meeting was cancelled

   b. Stockton East Water District Activities Update
      Manager Hopkins reported one of the objectives in the District's Strategic Plan under Human Resource Management is the development of a employee onboarding process. He reported the Administrative Assistant is currently preparing a new standard operating procedure to support and formalize the District's onboarding practices.

      Manager Hopkins reported staff is also developing a standard operating procedure for Water Supply Operations, noting water releases involve numerous complexities and operational factors that must be carefully considered. He reported the standard operating procedure will provide clear guidance to help employees perform these functions effectively and consistently.

      Manager Hopkins reported he met with representatives from Zanjero, FishBio, the Department of Water Resources, the California Natural Resources Agency, and the California Department of Fish and Wildlife to discuss the components to be included in the Healthy Rivers and Landscapes proposal. He reported a follow-up meeting will be held to obtain additional details and continue refining the proposal.

      Manager Hopkins reported he met with staff from Oakdale Irrigation District and South San Joaquin Irrigation District during the ACWA Fall Conference. He reported South San Joaquin Irrigation District continues to oppose all three components required to advance the CVP contract amendment.

      Manager Hopkins reported the equipment use for 12/01/25.

4. Stockton East Water District Engineering & Maintenance Update
   District Engineer Evensen presented the Board with an Engineering Update. District Engineer Evensen reported that work on the Aquifer Storage and Recovery Well is progressing well, with TNT completing the piping and electricians finalizing electrical components, positioning the District to submit for grant funding. He reported Shimmick is performing strongly on the Bellota Weir Modifications, aiming for completion by the end of 2026. For the Potter Creek Pump Station, Purviance mobilized to address shaft issues. He also provided updates on planning, design, permitting, and grant efforts, including the New Filter Design project, the Clements Pipeline and Reservoir, Potter Creek Pump Station Phase II, replacement of butterfly valves and actuators on control vaults, the DWR Calaveras River Watershed Resiliency Grant, the Utility Water Pump Station, and the Low Lift Pump Station electrical improvements.

   Maintenance and Construction Manager Higares presented the Board with a Maintenance and Construction Update. Maintenance and Construction Manager Higares reported four major projects are underway: the ASR Well, Hosie Crossing Modification, 8-Mile Dam, and the CMMS implementation. He reported utility power for the ASR Well is in progress and startup with 3R Valve is scheduled for Friday. Regarding the Hosie Crossing Modifications, staff is installing a steel girder frame but temporarily halted work due to landowner access issues. He reported mobilization for the

8-Mile Dam project will begin this week. Maintenance and Construction Manager Higares reported the CMMS/EAM project is progressing well, with communications now established with IoTs.

G. DIRECTOR REPORTS

1. ACWA 2025 Fall Conference & Expo, 12/01/25 – 12/04/25
   Directors Atkins, Nakaue, and Watkins, along with Manager Hopkins, attended the ACWA conference and provided updates on the event. Director Atkins reported the conference was well organized and informative, highlighting Region 4's discussion on predation issues, including concerns about pulse flows and the way striped bass move up screens to prey on juvenile fish. Director Nakaue reported on several presentations focused on efforts to strengthen water supply reliability, including a notable habitat restoration project underway in the San Bernardino area. Director Watkins reported a keynote speaker from Western Growers delivered an especially strong presentation, offering valuable information and well-supported insights.

2. Greater Stockton Chamber of Commerce – Holiday Mixer, 12/04/25
   No Director attended this event.

H. COMMUNICATIONS

I. AGENDA PLANNING/UPCOMING EVENTS

1. Eastern San Joaquin Groundwater Authority Board Meeting, 10:30 a.m., 12/10/25

2. Eastern San Joaquin Groundwater Executive Committee Meeting, 1:00 p.m., 12/10/25
   This meeting was cancelled

3. Eastern San Joaquin Groundwater Authority GW Data Discussion Meeting, 2:00 p.m., 12/10/25

4. San Joaquin Farm Bureau Federation Monthly Water Committee Meeting, 4:30 p.m., 12/10/25

5. The San Joaquin County Board of Supervisors Holiday Open House, 11:30 a.m., 12/11/25

6. 2025 Q4 AMWA – All Membership Meeting, Noon, 12/11/25

7. San Joaquin Farm Bureau's Holiday Open House, 3:00 p.m., 12/11/25

J. REPORT OF THE COUNSEL

1. CONFERENCE WITH LEGAL COUNSEL – Personnel Government Code 54957

President McGurk adjourned the meeting to closed session at 2:57 p.m. The regular meeting reconvened at 2:58 p.m., with no reportable action.

K. ADJOURNMENT

President McGurk adjourned the meeting at 2:59 p.m.

Respectfully submitted,

Justin M. Hopkins
General Manager

Board Meeting – 12/09/25
~~Draft~~Approved