

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, MARCH 24, 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 Hansen 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, Director of Finance and Administration Ram, District Engineer Evensen, Operations Manager Wunderlich, Maintenance and Construction Manager Higaes, Water Supply Manager Donis, Administrative Clerk Barraza, Legal Counsel Selke and Consultant Barkett.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

President McGurk introduced Mary Elizabeth, a representative of the County Drought Advisory Working Group. She reported the group released its drought plan at the end of February and accepted public comments through March 6. She also provided the Board with a handout identifying state small water systems, noting several fall within the District's boundaries.

Ms. Elizabeth highlighted, in addition to these systems, there are domestic well users and vulnerable small water systems lacking the capacity to effectively respond to drought conditions. She encouraged the District to consider targeted outreach to domestic well owners and state small water systems within its service area to help them better prepare for potential drought impacts.

D. SCHEDULED PRESENTATIONS AND AGENDA ITEM

1. Woodard & Curran – Watershed Resiliency Plan Presentation

Manager Hopkins introduced Katie Evans and Katie Cole of Woodard & Curran, who presented the Calaveras River Watershed Resilience Plan. Ms. Evans provided an overview of DWR's Watershed Resilience Program, including the Calaveras River watershed delineation, plan accomplishments, and work completed to date. She also discussed the Watershed Network, a multi-sector group spanning both the upper and lower watershed, designed to connect water, land use, and emergency planning efforts at the watershed scale. The network is organized into categories to improve efficiency in meetings and stakeholder input. She highlighted key successes of the effort, including increased engagement and relevance, five touchpoints conducted over 13 months, outreach to stakeholders through existing meetings and online tools, and strengthened trust across water, wildfire, and land management communities.

Ms. Cole presented the Climate Change Vulnerability Analysis and key findings, noting the modeling incorporated 16 potential climate scenarios. She also reviewed Water Management Adaptation Strategies, including Tier 1 and Tier 2 approaches, with Tier 2 strategies dependent on the Farmington Reservoir Project. The existing Farmington Dam operates as a flood control facility with a capacity of 52,000 acre-feet. The proposed project would expand total capacity to 112,000 acre-feet, allocating 60,000 acre-feet for water supply while maintaining 52,000 acre-feet for flood control. She emphasized the project's importance to long-term climate resilience in the watershed. Ms. Cole also addressed wildfire impacts in the upper watershed, noting the high wildfire risk in forested headwater areas.

2. Minutes 03/17/26 Regular Board Meeting

A motion was moved and seconded to approve the March 17, 2026, Regular Meeting Minutes, as presented.

Roll Call:

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

Nayes: None

Abstain: Panizza

Absent: None

3. Warrants

- a. Fund 56 – Construction 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/Acronym List
- i. SEWD Vehicles & Heavy Equipment

Director McGurk made the following corrections to the warrants:

- On Page 41, Line 58; replace “R.Watkins” with “R.Atkins”
- On Page 41, Line 58; remove “K.Brothers”

Director McGurk inquired about the Warrants and staff provided responses to the questions.

A motion was moved and seconded to approve the March 24, 2026, Warrants, with adjustments as presented.

Roll Call:

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

Nayes: None

Abstain: None

Absent: None

4. Stockton East Water District – Staff Report – Consideration of Annual Adjustment to Director Per Diem Compensation

Manager Hopkins presented the Board with a Staff Report for Consideration of Annual Adjustment to Director Per Diem Compensation. Manager Hopkins reported pursuant to Section 6 of Ordinance 13 and California Water Code Section 20204, the Board of Directors (Board) is required to annually determine, prior to April 1, to decline the automatic 5% per diem compensation increase.

A motion was moved and seconded to approve the 2026 per diem adjustments to \$150.00 effective April 1, 2026, as presented

Roll Call:

Ayes: Atkins, Hansen, McGurk, Nakaue

Nayes: Panizza, Sanguinetti, Watkins

Abstain: None

Absent: None

The Following Items to be Discussed After Closed Session

President McGurk moved the meeting to closed session at 1:23pm

5. Stockton East Water District – Staff Report – Proposed MOU for Term of April 1, 2026 to March 31, 2032, and Updates to Employee Handbook

President McGurk opened the meeting back up at 2:20pm

Manager Hopkins presented the Board with a Staff Report for the proposed MOU for Term of April 1, 2026 to March 31, 2032, and updates to Employee Handbook.

A motion was moved and seconded to approve the Memorandum of Understanding with the suggested edits and authorize the General Manager to execute on behalf of the District and Approve the Employee Handbook, as presented

Roll Call:

Ayes: Atkins, Hansen, McGurk, Nakaue, Sanguinetti

Nays: Panizza, Watkins

Abstain: None

Absent: None

E. COMMITTEE REPORTS

1. Agricultural Operations Committee Meeting, 03/18/26
Director Atkins, Hansen and Nakaue alongside Manager Hopkins, Assistant Manager Vega, District Engineer Evensen and Director of Finance and Administration Ram attended the Agricultural Operations Committee Meeting. Director Atkins reported the committee continues to review the 2026 Water Rate Study.
2. Memorandum of Understanding (MOU) Ad-Hoc Committee Meeting, 03/18/26
Director Atkins, Hansen and Nakaue alongside Manager Hopkins, Assistant Manager Vega, District Engineer Evensen and Director of Finance and Administration Ram attended the Memorandum of Understanding (MOU) Ad-Hoc Committee Meeting. The committee reviewed the Employee Handbook and the Memorandum of Understanding (MOU) and recommended both be presented to the full Board for approval.
3. Special Agricultural Operations Committee Meeting, 03/23/26
Director Atkins, Hansen and Nakaue alongside Manager Hopkins, Assistant Manager Vega, District Engineer Evensen and Director of Finance and Administration Ram attended the Special Agricultural Operations Committee Meeting. Director Atkins reported the committee continues to review the 2026 Water Rate Study and will hold another meeting on March 31, 2026.

F. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 03/17/26
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 209,479 AF in storage at New Hogan Reservoir. Current releases are set at 66 cfs. There is 1,885,434 AF in storage at New Melones Reservoir. Current releases are set at 805 cfs. The current release at Goodwin Dam to Stanislaus River is set at 863 cfs and release to all water users is set at 900 cfs. The District Water Treatment Plant (WTP) is currently processing 38 mgd. The City of

Board Meeting – 03/24/26

Draft/Approved

Stockton WTP is currently processing 13 mgd. The District groundwater production is currently 0 mgd.

2. Information Items: F-2a

3. Report on General Manager Activities

a. Stockton East Water District Activities Update

Manager Hopkins reported the District has been recognized by the California Special Districts Association (CSDA) as a recipient of the District Transparency Certificate of Excellence. He noted the District's website now features a banner acknowledging the recognition, and that the award will be formally presented if a staff or Board member attends the annual conference.

Manager Hopkins reported he received the draft Ability to Pay (ATP) Study, which reached conclusions consistent with the 2018 study. He noted that staff and legal counsel are currently reviewing the draft and that revisions may be made, if necessary.

Manager Hopkins reported Congressman Josh Harder's office contacted him regarding potential language in the 2026 Water Resources Development Act directing the U.S. Army Corps of Engineers, which is currently updating the Water Control Manual for New Hogan Reservoir. He noted, as part of discussions with the Army Corps, a range of options will be considered for updating the manual. Congressman Harder intends to include language directing the Corps to incorporate Forecast-Informed Reservoir Operations (FIRO) as part of that process.

Manager Hopkins reported the Central Valley Flood Protection Board approved the District's permit variance request. The District is now authorized to begin installing its flash board dams on April 1, 2026.

Manager Hopkins reported on USBR Allocation remains at zero.

Manager Hopkins reported he has been collaborating with private interests and San Joaquin Partnership to explore development of a data center in the County, utilizing technology currently deployed in the Port of Stockton. He noted the project presents significant potential, with opportunities for multiple stakeholders to benefit.

Manager Hopkins reported the District hosted the Young Legislators Program through Assemblymember Rhodesia Ransom's office. The program consists of high school students interested in politics and legislation. Manager Hopkins provided a presentation on water issues, including SGMA, the Endangered Species Act, and the Bay-Delta Plan. Operations Manager Jim Wunderlich also led a tour of the water treatment plant.

Manager Hopkins provided the Board with the equipment use for the week of 03/16/26.

4. Stockton East Water District Finance Update

Director of Finance and Administration Ram presented a Finance and Administration update to the Board. As of March 10, 2026, total District expenditures were approximately \$25.6 million, or 67.2% of the \$38.1 million budget, consistent with expectations. Salaries and benefits were approximately 90.5% expended, with benefits slightly higher. Training and education were generally in line with budget, with higher costs due to January training and association dues. Office support was over budget primarily due to increased insurance premiums, vehicle usage, and meeting expenses, and public relations costs exceeded budget due to expanded outreach efforts. Technology

and engineering expenditures were under budget due to the timing of invoices. Maintenance costs were elevated due to lightning-related repairs and increased security monitoring contracts. General Manager's Office costs remained within budget, and several capital and water supply projects were under budget due to timing of the invoices.

G. DIRECTOR REPORTS

1. Eastern San Joaquin Groundwater Authority Board Meeting, 03/11/26
Director Panizza and Watkins attended the Eastern San Joaquin Groundwater Authority Board Meeting. Director Panizza reported the committee approved the meeting minutes. The committee also discussed the ARPA Grant, the scope of work from Joe Zilles with Kleinfelder, and the Net Groundwater Impact scope of work. He reported authority staff and agency reports were provided by Julias Berry, Executive Director, and Chelsea Spier with the Department of Water Resources.

H. COMMUNICATIONS

1. ACWA JPIA – Underground Storage Tank (UST) Pollution Liability Program Letter, 03/11/26
Manager Hopkins presented the Board with a letter from ACWA JPIA for the Underground Storage Tank (UST) Pollution Liability Program.
2. Central San Joaquin Water Conservation District (CSJWCD) – Response to SEWD Correspondence Dated January 26, 2026 Letter, 03/12/26
Manager Hopkins provided the Board with a letter from Central San Joaquin Water Conservation District as a response to SEWD correspondence dated January 26, 2026.
3. SB 1153 (Caballero) – Support Letter, 03/17/26
Manager Hopkins presented the Board with the SB 1153 (Caballero) Support Letter.

I. AGENDA PLANNING/UPCOMING EVENTS

1. Administration Committee Meeting, 9:00 a.m., 03/25/26
This meeting has been cancelled
2. ACWA State Legislative Committee Meeting, 10:00 a.m., 03/27/26
3. North San Joaquin Water Conservation District (NSJWCD) & Lodi District Grape Growers Association – Local Water Forum, 9:00 a.m., 04/01/26
4. Greater Stockton Chamber of Commerce – Business Mixer at the San Joaquin County Office of Education of FabLab, 5:15 p.m., 04/02/26
5. Stockton East Water District Financing Corporation Meeting, 1:30 p.m., 04/07/26

J. REPORT OF THE COUNSEL

1. CONFERENCE WITH LEGAL COUNSEL - Labor Negotiations Government Code 54957.6
2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Potential exposure to litigation – Government Code Section 54956.9 – two cases

President McGurk adjourned the meeting to closed session at 3:06 p.m. The regular meeting reconvened at 3:17 p.m., with no reportable action.

K. ADJOURNMENT

President McGurk adjourned the meeting at 3:18 p.m.

Respectfully submitted,



Justin M. Hopkins
General Manager

