

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 21, 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., President McGurk gave the Pledge of Allegiance.

Present at roll call at the District were Directors Atkins, Hansen, McGurk, Nakauae, Panizza, Sanguinetti and Watkins. Also present were Manager Hopkins, Assistant Manager Vega, Director of Finance & Administration Ram, District Engineer Evensen, Water Operations Manager Wunderlich, Water Supply Manager Donis, Maintenance Manager Higare, Procurement Specialist Cahoon, Administrative Clerk Barraza, Consultant Anthony Barkett and Legal Counsel Zolezzi.

B. CONSENT CALENDAR (None)

C. PUBLIC COMMENT

D. SCHEDULED PRESENTATIONS AND AGENDA ITEM

1. Stockton East Water District – Staff Report – Approval of 2025 Water Revenue Certificates of Participation

Manager Hopkins presented the Board with the Approval of 2025 Water Revenue Certificates of Participation. Assistant Manager Vega reported the District is embarking on a multi-year \$334 million capital improvement program to address key infrastructure needs and ensure long-term system operations. He reported that given the size of the upcoming capital needs, the District expects to finance the majority of those capital costs.

Director of Finance & Administration Ram introduced Mr. Eric Scriven and Mr. Christian Sprunger of NHA Advisors, Mr. Jon Guz of Stradling Yocca Carlson & Rauth, and Mr. Jeffrey Land of Oppenheimer & Co., who provided a presentation to the Board regarding the proposed issuance of the 2025 Water Revenue Certificates of Participation (COPs).

Mr. Scriven presented an overview of the District's capital improvement funding requirements and outlined the estimated sources and uses of funds associated with Project 1. Project 1 includes four major District projects of Bellota Weir Modifications, Peters Pipeline Rehabilitation, Four New Filters and Rehabilitation of Existing Filters, and Sedimentation Basins Rehabilitation. Mr. Sprunger discussed the proposed structure and sizing of the 2025 COPs, which are intended to finance a portion of Project 1's design and construction costs expected to occur between Fall 2025 through Fall 2027. He further reviewed the projected aggregate net debt service requirements for Project 1 and the estimated rate adjustments necessary to support the repayment obligations.

Mr. Guz provided the Board with a detailed summary of the legal covenants and disclosure documents associated with the issuance, including the Authorizing Resolutions, Trust Agreement, Installment Purchase Agreement, Assignment Agreement, Purchase Contract, Preliminary Official Statement, and Continuing Disclosure Certificate.

Staff and the presenting representatives from NHA Advisors, Stradling Yocca Carlson & Rauth, and Oppenheimer & Co. responded to questions from the Board.

A motion was moved and seconded to approve Resolution No. 25-26-07 and Resolution No. 25-26-08, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

2. Minutes

a. Minutes 10/14/25 Regular Board Meeting

A motion was moved and seconded to approve the October 14, 2025, Regular Meeting Minutes, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

3. Warrants

a. Fund 68 – Municipal & Industrial Groundwater Fund

b. Fund 70 – Administration Fund

c. Fund 71 – Water Supply Fund

d. Fund 89 – Fish Screen Improvement Fund

e. Fund 91 – Vehicle Fund

f. Fund 94 – Municipal & Industrial Fund

g. Payroll

h. Summary

i. Short Names/Acronym List

j. SEWD Vehicles & Heavy Equipment

A motion was moved and seconded to approve October 21, 2025, Warrants, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

4. United States Bureau of Reclamation – New Melones Deliveries 2026 Water Year – Request for Approval of Delivery Schedule

Manager Hopkins presented the Board with the 2026 Water Year (January through December) – Request for Approval of Delivery Schedule. Manager Hopkins reported each year the District submits a request to the U.S. Bureau of Reclamation for an allocation which is a calendar year request which covers two water years.

A motion was moved and seconded to approve the New Melones Deliveries 2026 Water Year, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

5. Cancellation of the October 28, 2025 Stockton East Water District Regular Board Meeting
Manager Hopkins presented the Board with a Cancellation Notice for the October 28, 2025, Regular Board Meeting. Manager Hopkins reported the administrative staff who assist with Board Support are scheduled to attend a CSDA Board Secretary/Clerk Conference. He further noted he and Director of Finance & Administration Ram are scheduled to attend the AMWA Executive Management Conference.

A motion was moved and seconded to approve the Cancellation Notice of the October 28, 2025 Stockton East Water District Regular Board Meeting, as presented.

Roll Call:

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

Nays: None

Abstain: None

Absent: None

6. Stockton East Water District – Staff Report – Clements Pipeline & Reservoir Preliminary Engineering Report

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

Manager Hopkins presented the Board with the Clements Pipeline & Reservoir Preliminary Engineering Report. 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.

Assistant Manager Vega introduced Mr. Edward Caminata and Mr. Luke Jackson of Provost & Pritchard, who presented the Clements Pipeline and Reservoir Preliminary Engineering Report. Mr. Jackson outlined the Preferred Alternative, which includes a new 35 cfs diversion off the Old Calaveras River, a gravity pipeline, recharge and regulating reservoirs, 20 grower turnout connections, and capacity for about 40% of the service area to irrigate concurrently off surface water instead of groundwater wells. He also reviewed construction fees, contingencies, project phasing and costs, lifetime pumping costs, water savings, and the estimated cost per acre.

Mr. Caminata presented information on groundwater recharge additions, including dry wells and Ag ASR Wells, along with associated construction costs, recharge rates, and the higher operations and maintenance costs. He and Mr. Jackson reviewed the Preferred Alternative 1, recommended by the consultants and District staff, and requested Board direction on the preferred design approach. Mr. Caminata also outlined two additional alternatives with their service levels, in-lieu recharge benefits, and cost estimates. Discussion followed.

Director Hansen, Nakaue, Panizza, Sanguinetti, Watkins and Legal Counsel Zolezzi inquired about the Staff Report and presentation, and staff provided responses to the questions. Several board members expressed interest in placing more emphasis on cost-effective project phasing and the possibility of including interim construction phases to maximize the use of the District's property.

A motion was moved and seconded to approve the Clements Pipeline & Reservoir Preliminary Engineering Report, as amended to include interim construction phases and cost-effective phasing.

Roll Call:

Ayes: Hansen, McGurk, Nakaue, Panizza

Nays: Sanguinetti, Watkins

Abstain: None

Absent: Atkins

E. COMMITTEE REPORTS

1. Municipal Operations Committee Meeting, 10/15/25

Directors McGurk, Nakaue, and Panizza, along with Manager Hopkins, Assistant Manager Vega, and District Engineer Evensen, attended the Municipal Operations Committee Meeting. Director Nakaue reported the committee reviewed the staff report regarding the recommendation of a Capacity Expansion Alternative for the Peters Pipeline. The Committee reviewed the Stantec-designed Peters Pipeline rehabilitation with sliplining, and compared concept-level alternatives to allow future conveyance of 65 MGD to the WTP and continued agricultural water use. These alternatives included a future 48-inch parallel pipeline alongside the Peters Pipeline, a single large 78-inch pipeline for both WTP and agricultural water supply, or a single large 66-inch pipeline for WTP water only. Discussion followed.

2. Agricultural Operations Committee Meeting, 10/15/25

Director Hansen, Nakaue, Sanguinetti, Manager Hopkins, Assistant Manager Vega and District Engineer Evensen attended the Agricultural Operations Committee. The committee discussed the Clements Pipeline and Reservoir Preliminary Engineering Report and approved forwarding the item to the Board for consideration and approval as Agenda Item D-6.

3. Eastern San Joaquin Groundwater Authority GW Data Discussion Meeting, 10/15/25

This committee report was moved to closed session.

G. REPORT OF GENERAL MANAGER

1. Water Supply Report as of 10/14/25

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 152,782 AF in storage at New Hogan Reservoir. Current releases are set at 69 cfs. There is 1,619,523 AF in storage at New Melones Reservoir. Current releases are set at 29 cfs. The current release at Goodwin Dam to Stanislaus River is set at -5 cfs and release to all water users is set at 558 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 42 mgd. North Stockton is currently utilizing 8 mgd. South Stockton is currently using 6 mgd. Cal Water is currently utilizing 14 mgd. The City of Stockton WTP is currently processing 9 mgd.

2. Information Items: None

3. Report on General Manager Activities
 - a. Stockton East Water District Activities Update

Manager Hopkins reported on the Urban Contractors (UC) Contract Meeting, which was attended by representatives from the City of Lathrop. He noted that it was clearly communicated to the other urban contractors that the City of Lathrop has expressed an interest in securing water service from the District, and that the District is amenable to providing such service. Manager Hopkins further reported that the City of Lathrop continues to evaluate whether it will participate as a party to a new contract.

Manager Hopkins reported on the WTP Lightning Strike Update, noting that contractors are scheduled to complete the final repairs on Saturday, October 25, and PG&E is scheduled to re-energize the system on October 28.

Manager Hopkins reported on the Advisory Water Commission and Tri-Dam presentations, noting that the Advisory Water Commission meeting went well, and there was strong support for the Farmington Reservoir Project. He also stated that he still needs to meet with the other General Managers regarding the Central Valley Project contact modification.

Manager Hopkins reported the equipment use for 10/13/25.

4. Stockton East Water District Finance Update

Director of Finance and Administration Ram provided the Board with an update on the District's financial performance for the second quarter.. Director of Finance and Administration Ram reported investment income for Q2 from July through September in which Stockton East earned a total of \$482,640, primarily from Class A and LAIF sources. Year-to-date earnings total \$959,861, with a projected fiscal year total of approximately \$1.8 million. She reported that the Finance team is making continued progress with Tyler Technologies implementation. Work is actively underway to prepare the general ledger and budget modules, including system back-up and data configuration.

G. DIRECTOR REPORTS

1. San Joaquin County Flood Control and Water Conservation District Advisory Water Commission Meeting, 10/15/25

Director Atkins and Manager Hopkins attended the San Joaquin County Flood Control and Water Conservation District Advisory Water Commission meeting. Manager Hopkins reported that an update was provided on the SB 552 Drought Resilience Plan, which includes forming a community stakeholder group to review developed materials; however, the District politely declined to participate. He noted that the Spring 2025 Groundwater Report was presented but contained several data quality issues. Manager Hopkins also gave a presentation on the proposal to raise Farmington Dam; County staff highlighted the success of the Coastal Cleanup event and reported a brief update on the trailer bill.

2. Tri-Dam Meeting, 10/16/25

Manager Hopkins attended and presented at the Tri-Dam meeting, where the committee reviewed the proposed budget for the upcoming fiscal year. He reported an update was also provided on the Canyon Tunnel Project, noting that on-the-ground progress has begun.

3. State of the County, 10/16/25

Director Watkins and Manager Hopkins attended the State of the County event. Director Watkins reported he arrived early and spoke with Chairman Paul Canepa and Supervisor Robert Rickman. He noted each county agency had a booth, including the District Attorney's Office and the Sheriff's Department, and historian Philip Merlo gave a presentation on the history of San Joaquin County.

4. San Joaquin County Agricultural Hall of Fame Banquet, 10/16/25
Directors McGurk and Sanguinetti, along with Manager Hopkins, attended the San Joaquin County Agricultural Hall of Fame Banquet. Director Sanguinetti reported the event was well attended and successful.

H. COMMUNICATIONS (NONE)

I. AGENDA PLANNING/UPCOMING EVENTS

1. Administration Committee Meeting, 9:00 a.m., 10/22/25
2. Eastern San Joaquin Groundwater Authority GW Data Discussion Meeting, 2:00 p.m., 10/22/25
3. Eastern San Joaquin Groundwater Authority Executive Committee Meeting, 1:30 p.m., 10/23/25
4. Eastern San Joaquin Groundwater Authority GW Data Discussion Meeting, 2:00 p.m., 10/29/25

J. REPORT OF THE COUNSEL

1. 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 3:38 p.m. The regular meeting reconvened at 4:05 p.m., with no reportable action.

K. ADJOURNMENT

President McGurk adjourned the meeting at 4:06 p.m.

Respectfully submitted,



Justin M. Hopkins
General Manager

