



CENTRAL SAN JOAQUIN
WATER CONSERVATION
DISTRICT

CENTRAL SAN JOAQUIN WATER CONSERVATION DISTRICT

Board of Directors – Regular Meeting Minutes

May 21, 2026 | 12:00 p.m. – 2:45 p.m.

MINUTES

1. PRELIMINARY

Meeting Called to Order 12:07 p.m.

Directors Present Thompson, Chiappe, Van Groningen, Veldstra, Wagner, Brumley

Directors Absent None

Staff Present Kevin King (General Manager), Anne-Liisa Larks, Carson Henry

Conflict of Interest Director Van Groningen declared a conflict of interest on Agenda Item 6.4 (2026 Capital Improvement Program Project Applications) pursuant to Government Code §87100. Director Van Groningen stated the nature of the conflict and confirmed he would recuse himself from participation and voting on that item.

President Wagner requested that an item be added to the agenda to receive a report and provide consensus direction to staff regarding a proposed settlement in the matter of CSPA v. ESJ Subbasin GSP. The Board found that the need to take action on this item arose after posting of the agenda and added the item as Agenda Item 6.5 pursuant to Government Code §54954.2(b)(2). The item was added by consensus of the Board.

Closed Session (Agenda Item 7) was moved to be taken immediately following the Consent Calendar at the request of General Manager King. The Board approved the agenda as amended to reflect both the addition of Item 6.5 and the resequencing of Closed Session.

ACTION TAKEN — Agenda approved as amended.

Moved: Veldstra | Seconded: Brumley | Ayes: 6 | Noes: 0 | Abstain: 0 | Absent: 0

2. PRESENTATIONS

No presentations were scheduled for this meeting.

3. PUBLIC COMMENT (NON-AGENDA ITEMS)

No public comment was received.

4. INFORMATIONAL ITEMS

4.1 — General Manager's Report

Surface Water Allocation – 2026

General Manager King reported ongoing engagement with the U.S. Bureau of Reclamation (USBR) regarding the 2026 Water Year allocation. As of May 20, 2026, USBR changed its classification of the year to “Dry.” The District has received a firm allocation of up to 49,000 acre-feet. District staff has prepared the system for surface water delivery; recent rains have left the system fully charged and the District is ready to deliver water to customers pending resolution of the wheeling and surface water billing issues.

SEWD Wheeling

GM King reported that District staff is developing a detailed administrative record documenting all requested water deliveries from Stockton East Water District (SEWD). Special Counsel will address wheeling rate and fee issues in Closed Session.

Operations Report

GM King reported that District staff has inspected, evaluated, and obtained quotes from Pacific Southwest and McCrometer for meter replacement and parts for all malfunctioning and/or missing surface water meters. This information has been incorporated into the draft budget (Agenda Item 6.2).

Draft Budget

GM King reported that he has been working with District staff and the Ad Hoc Finance and Budget Committee on the draft budget. The draft budget will be further discussed under Agenda Item 6.2.

4.2 — Legal Counsel Report

Legal Counsel provided an oral report on monthly activities. Matters relevant to pending and anticipated litigation were identified and noted for discussion in Closed Session.

5. CONSENT CALENDAR

The following routine items were approved in a single motion:

- 5.1 Approval of Minutes from April 16, 2026, Regular Board Meeting and April 23, 2026, Special Board Meeting and Public Hearing
- 5.2 Treasurer’s Report for April 2026
- 5.3 Transactions Report for April 2026
- 5.4 Budget to Actuals Report for April 2026
- 5.5 Review and Consider Approval of Resolution No. 2026-05-01: Declaring an Election to be Held; Requesting Consolidation with Other Elections on the Same Date; and Requesting Election Services from the San Joaquin County Registrar of Voters Pursuant to California Elections Code §§10002 and 10403
- 5.6 Review and Set Date for Public Hearing Regarding the Annual Acre Special Charge Pursuant to California Water Code §§75470–75471.5
- 5.7 Review and Consider Authorizing Transfer of Operational Funds from Bank of Stockton Money Market to Oak Valley Community Bank Checking Account
- 5.8 Review and Consider Authorizing the General Manager to Execute a Letter of Engagement with Bowman & Company LLP for Fiscal Year 2025/2026 Audit Services

ACTION TAKEN — Consent Calendar Items 5.1 through 5.8 approved.

Moved: Veldstra | Seconded: Brumley | Ayes: 6 | Noes: 0 | Abstain: 0 | Absent: 0

6. SCHEDULED ITEMS

6.1 — 2026 Surface Water Billing Methodology/Charges

On May 20, 2026, the United States Bureau of Reclamation (USBR) notified the District of the availability of surface water for the 2026 irrigation season. GM King recommended a methodology requiring surface water users to make an initial deposit equal to 1 acre-foot per acre at the applicable surface water rate, with a true-up billing at the conclusion of the season. This approach eliminates the need for the traditional Surface Water Information Packet and First Installment Billing, while providing the District with 50–75% of the revenue required for cash flow during the 2026 irrigation season.

District staff reported the cost of Bureau of Reclamation water at \$40.00 per acre-foot, based on the following per acre-foot charges:

- Irrigation Water base charge: \$25.87
- CVPIA Restoration charge: \$13.64
- Estimated TPUD: \$0.09

GM King reported that the 2026 SEWD wheeling rate is \$16.00 per acre-foot. This amount is in dispute; however, as no determination has been made on the reasonableness of the \$16.00 figure, the District is obligated to pay this amount for water wheeled by SEWD in 2026. GM King further reported that the District incurred a Bank of Stockton loan obligation to pay outstanding obligations to the Bureau of Reclamation. Should the Board elect to include this as a pass-through cost, the amount would be \$2.50 per acre-foot.

Discussion was held regarding the deposit calculation, the 2026 surface water rate, pass-through cost components, and actual District delivery costs. After discussion, the 2026 surface water rate was determined to be \$62.50 per acre-foot.

ACTION TAKEN — 2026 Surface Water Rate of \$62.50 per acre-foot approved. Surface water users shall make an initial deposit in the amount of 1 acre-foot per acre of irrigated acreage at \$62.50/acre-foot prior to receipt of 2026 surface water, with final billing of actual surface water usage calculated at the conclusion of the 2026 irrigation season (True-Up).

Moved: Veldstra | Seconded: Van Groningen | Ayes: 6 | Noes: 0 | Abstain: 0 | Absent: 0

6.2 — Draft Fiscal Year 2026/2027 Budget

General Manager King reviewed the budget procedure, including the recommendation of the Ad Hoc Finance and Budget Committee to bring forward the current draft budget and underlying assumptions. Notable increases in expenses are planned in Engineering, Water Fees and Costs, and Operations and Maintenance. FY 2026/2027 is projected to have a deficit, to be funded through existing District reserves. No new debt obligations are proposed.

Discussion was held regarding capital projects and future District priorities. Staff was directed to continue with minor refinements to the draft budget and underlying assumptions and return to the Board for final presentation and adoption at the June 18, 2026 Board Meeting.

NO ACTION TAKEN

6.3 — Groundwater Billing Adjustments for Various Customers and Direction to San Joaquin County Tax Collector to Collect Outstanding Groundwater Charges (Resolution No. 2026-05-02)

Staff reviewed the groundwater billing procedures and policies, with specific attention to the surface water credit policy and its application to semi-annual groundwater installment billings. Discussion was held regarding irrigation needs, reporting, and District policies applicable to customers who applied the surface water credit against both semi-annual installments in a single calendar year. Staff was directed to contact each affected customer and request additional information on crop type, irrigation needs, and surface water use prior to the next billing cycle.

General Manager King reviewed the process for obtaining Board authorization to refer delinquent groundwater accounts to the San Joaquin County Assessor/Tax Collector for collection via direct assessment. Discussion was held regarding the District's notification and billing processes as they relate to collections and delinquency.

ACTION TAKEN — Resolution No. 2026-05-02 adopted, authorizing and directing the San Joaquin County Assessor/Tax Collector to collect qualifying delinquent groundwater accounts via direct assessment.

Moved: Thompson | Seconded: Chiappe | Ayes: 6 | Noes: 0 | Abstain: 0 | Absent: 0

6.4 — 2026 Capital Improvement Program Project Applications

Director Van Groningen, having declared a conflict of interest during the Preliminary portion of the meeting, left the Board room prior to discussion of this item and did not participate in deliberation or voting. Director Van Groningen did not return for the remainder of the meeting.

Staff reviewed two applications for the 2026 CIP Program submitted by Joshua Cunningham (April 23, 2026) and Adam de Visser (April 23, 2026). Both irrigation systems were installed during the 2025 irrigation season. Cunningham took 27.64 acre-feet and de Visser took 3.81 acre-feet during the 2025 season; both accounts are current.

Discussion was held regarding the installation of both facilities prior to application and Board review, and the need for future CIP projects to comply with program requirements specifying that construction not commence prior to Board approval.

ACTION TAKEN — 2026 CIP Applications from Joshua Cunningham and Adam de Visser approved with a 50% reduction in the per-acre credit. Staff directed to draft a CIP program policy addressing pre-installed projects for Board review and adoption.

Moved: Brumley | Seconded: Chiappe | Ayes: 5 | Noes: 0 | Abstain: 0 | Absent: 1 (Van Groningen — recused)

6.5 — Proposed Settlement, CSPA v. ESJ Subbasin GSP

Added to agenda pursuant to Government Code §54954.2(b)(2) — need arose after posting.

President Wagner reported receipt of a proposed settlement advocated by SEWD in the matter of CSPA v. GSA. The proposed settlement terms would require:

- Stockton East to agree to certain flow obligations in the Calaveras River
- North San Joaquin to prepare a Mokelumne River Loss Study
- All GSAs to complete monitoring wells and additional studies (already planned)

- Payment of CSPA's attorney's fees (\$480,000.00); the District's proportionate share estimated at approximately \$30,000.00
- CSPA to agree not to sue on the GSP for 10 years

Discussion was held regarding the cost-benefit analysis of continued litigation versus settlement and the District's proportionate share of current attorney's fees. The Board directed General Manager King to obtain review and advisement from Special Water Counsel prior to any commitment on the settlement terms.

ACTION TAKEN — General Manager Kevin King authorized to execute and make payment on the proposed CSPA settlement terms described in the May 14, 2026 letter, contingent upon review and advisement from Special Water Counsel.

Moved: Thompson | Seconded: Chiappe | Ayes: 5 | Noes: 0 | Abstain: 0 | Absent: 1 (Van Groningen)

7. CLOSED SESSION

Note: Pursuant to the amended agenda approved at the outset of the meeting, Closed Session was convened immediately following the Consent Calendar. The Board convened in Closed Session from 12:18 p.m. to 1:02 p.m. Upon conclusion, the Board returned to Open Session and continued with the Scheduled Items.

The Board convened in Closed Session to address the following matter:

7.1 Anticipated Litigation – Government Code §54956.9(d)(4)

Significant Exposure to Litigation: Potential claims related to miscellaneous collections and billing matters.

(Number of potential cases: One or more)

8. REPORT OUT OF CLOSED SESSION

No reportable action was taken in Closed Session pursuant to Government Code §54957.1.

9. BOARD ACTIVITY & UPCOMING MEETINGS

Meetings Since Last Board Meeting

- Ad Hoc Committee Meeting – Governance & Service Area Strategy: May 13, 2026 @ 8:30 a.m.
- Ad Hoc Committee Meeting – Finance and Budget: May 14, 2026 @ 8:30 a.m.

Upcoming Meetings

Meeting	Date / Time
CSJWCD Regular Board Meeting	June 18, 2026 @ 10:30 a.m.

10. ADJOURNMENT

The meeting was adjourned at 2:36 p.m.


 Phillip Brumley, Secretary/Treasurer
 Central San Joaquin Water Conservation District

Date: 6/18/26