

**STAFF**

Steve Schwabauer, General Manager  
Jennifer Spaletta - General Counsel  
Roger Masuda - Special Counsel  
Shasta Burns - Deputy Secretary  
Daniel de Graaf - District Engineer  
Robert Granberg – Grants Administrator

**BOARD OF DIRECTORS**

President - Joe Valente  
Vice President – Jason Colombini  
Secretary – Brady Colburn  
Treasurer - Charles Starr II  
Director – David Simpson

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT  
NOTICE OF MEETING AND PUBLIC HEARING AND AGENDA FOR  
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**Monday, June 29, 2026  
2:00 p.m.  
Lodi Grape Festival Grounds- Barrel Room  
413 E. Lockeford St, Lodi CA 95240**

The agenda and all noted documentation may be viewed and downloaded at [www.nsjwcd.com.org](http://www.nsjwcd.com.org) . Requests to receive the agenda and documentation by e-mail may be submitted in writing to the Secretary of the Board. The NSJWCD printed agendas are posted at the District’s location of business at: 498 E. Kettleman Lane, Lodi. The District’s mailing address is: PO Box 334, Victor CA 95253.

**NOTICE:** Members of the public may address the Board of Directors concerning any agenda item during the Board’s consideration of that item. The public may address non-agenda items at the end of the regular meeting. No action will be taken on those items; however, the Board may agendaize items for future consideration.

- 1. Call to Order - Roll Call - Acceptance of Agenda**
- 2. Correspondence/Announcements**
- 3. Action Items**

Any and all of **the following agenda items are subject to action** being taken by the Board of Directors by motion, resolution or ordinance.

**Action items may be added to the agenda** upon determination by a majority vote of the Board that an emergency exists, as defined by state law, or by a 2/3 vote of the Board that (1) there is a need to take immediate action; and (2) that the need for action came to the District’s attention after the agenda was posted.

**A. PUBLIC HEARING**

- 1. Consider **Resolution 2026-07** Imposing Groundwater Charge To Fund Sustainable Groundwater Management Act Implementation for Fiscal Year 2026-2027 (attachment 1 and 2) pages 5-9
  - i. Open Public Hearing
  - ii. Receive Public Comment
  - iii. Close Public Hearing
  - iv. Consider Adopting Resolution

## B. CONSENT CALENDAR

1. Approval of the Minutes for the Regular Scheduled Board Meeting on May 18, 2026 and Special Meeting June 1, 2026 (*attachment 3*). Pages 10-16

## C. FINANCIAL/ADMINISTRATIVE

1. Receive and Approve May, 2026 NSJWCD Monthly Treasurer's Report and Summary of Accounts and Transfers (*attachment 4*) pages 17-19
2. Approve Payment of Bills (*attachment 5*) pages 20-23
3. Receive Update on three-month cash flow projection (*attachment 6*) p. 24-26
4. Adopt 2026-2027 Budget (*attachment 7*) pages 27-29
5. **Resolution 2026-08** Approving Proposition 4 Appropriation Limit for Fiscal Year 2026-2027 (*attachment 6*) page 30

## D. CONTRACTS

1. **Resolution 2026-09** authorizing Change Order with Arnaudo Construction for Contract for Construction of Locust Tree Basin subject to District Closure on the Respective Purchase and Sale Agreements. - handout at meeting- at meeting
2. Approve 2026-2027 Scope and Budget for De Graaf Engineering (*attachment 8*) pages 31-38
3. Approve 2026-2027 Scope and Budget for Consero Solutions (*attachment 9*) pages 39-46
4. Approve 2026-2027 Scope and Budget for Stoel Rives (*attachment 10*) pages 47-49
5. Approve Amendments to Contract for Board Clerk Services with Shasta Burns (*attachment 10*) pages 50-52
6. **Resolution 2026-10** authorizing on call time and materials contract with Arnaudo Construction for system repairs Not to Exceed \$50,000 (*attachment 11*) pages 53-58

## E. SYSTEM AND PROJECTS

1. Engineer's Report and Operations Plan
2. North System
  - i. NS Phase 2 update
3. South System
4. Cal-Fed/Woodbridge
5. Tracy Lake ID

## F. Grant Activity

- G. Funding Report (attachment 12) pages 59-62
- H. Groundwater Charge
- I. Sustainable Groundwater Management Act/ GWA Activity
- J. MICUP/SJC Mokelumne River Application
- K. Bay Delta /Healthy Rivers and Landscapes
- L. Landowner communications
- M. Board Planning Calendar

**4. Director and Staff Reports**

- A. Directors Reports
- B. Committee Reports
- C. Other

**5. Public Comment on Items Not on the Agenda**

Interested persons in the audience are welcome to introduce any topic within the jurisdiction of the NSJWCD Board. The time allowed for each speaker for comments made by the public is limited to 3 minutes. Matters presented under this agenda item may be discussed, but no action can be taken by the Board at this meeting except as follows:

- Briefly respond to statements made or questions raised.
- Ask a question for clarification.
- Provide a reference to staff or other resources for factual information.
- Request staff to report back at a subsequent meeting.
- An individual Board member or the Board itself may have the matter placed on a future agenda.

**6. Closed Session – 4 items**

Closed Session pursuant to Section 54956.9(a) Existing Litigation  
 CONFERENCE WITH LEGAL COUNSEL – *California Sportfishing Protection Alliance v. Eastern San Joaquin Groundwater Authority, et al., Stanislaus County Superior Court, Case No. CV-20-001720*

Closed Session pursuant to Section 54956.9(a) Existing Proceeding  
 CONFERENCE WITH LEGAL COUNSEL – *SWRCB Pending Application A029835*

Closed Session pursuant to Section 54956.9(a) Anticipated Litigation – two cases Bay Delta/Flow Proceeding, and one case where facts shall not be disclosed because they are unknown to potential litigants

Closed Session pursuant to Government Code Section 54956.8 Real Property Negotiations– a) North System Easements and Leases – Negotiators are General Counsel Jennifer Spaletta and General Manager Steve Schwabauer for the District and for the landowners, Thomas and Jean Powell, Lodi CA APN 017-250-07, James Patrick and Sandra Marie Hale Trust, 01725008, Karen Somers 01725016 b) South

System Recharge Locations Negotiators are Vic Mettler on behalf of Kay Mettler Trust APN 05113076, Larry Mettler on behalf of Lawrence and Charlene Mettler Trust APN 05113065 and Drew Rotner on behalf of Locust Tree LLC APN 051-13-056; and Benjamin and Shirley Goehring Trust APN 05113061.

## **Return to Open Session**

All reportable actions taken in closed session will be announced in open session following the closed session and will be duly noted in the official minutes of the meeting.

## **7. Motion to Adjourn**

**Next Regular Meeting July 27, 2026** from 2:00 PM- 4:00 PM

Lodi Grape Festival Grounds- Barrel Room

413 E. Lockeford St, Lodi CA 95240

**Action may be taken on any item**

*Agendas and Minutes may also be found at [http:// www.NSJGroundwater.org](http://www.NSJGroundwater.org)*

*Note: If you need disability-related modification or accommodation in order to participate in this meeting, please contact North San Joaquin Water Conservation District Staff at (209) 712-1693 at least 48 hours prior to the start of the meeting*

From: Steve Schwabauer, General Manager

**RECOMMENDED ACTION:** Provide Direction to Staff on Proposed Charge Amount for Purposes of the Notice and Hearing on the Imposition of the 2026-27 Groundwater Charge.

**DISCUSSION:**

In 2022 the District successfully completed a Proposition 218 proceeding to impose a groundwater charge to fund efforts required to comply with the Sustainable Groundwater Management Act. The Engineer's Report provided that the charge would be a maximum of \$15 per AF per year for the first two years (2022-23 and 2023-24), \$20 per AF per year for the next two years (2024-25 and 2025-26), and \$25 per AF per year thereafter (2026-27 and beyond). In 2024 and 2025 the Board implemented the first proposition 218 preapproved increase to \$20 per af for the 2024-25 and 2025-26 years. Based on the pre-approval this year's rate can be set no higher than \$25 per af.

The Board of Directors must set the amount of the charge annually, not to exceed the maximums set forth above. The District must complete the final list of charges per parcel by June 30<sup>th</sup> of each year so that the San Joaquin County tax assessor can collect charges through property tax bills.

The charge is imposed based on estimated groundwater use per parcel based on either County tax land use codes, or more accurate information provided by landowners through the Landowner appeal process. For example, parcels with the Irrigated Vineyard land use code are assumed to use 2 AF of groundwater per acre per year and parcels with the Irrigated Orchard land use code are assumed to use 2.8 AF per year of groundwater per year, (See Engineers report at page A-2).

For 2022-23 and 2023-24, the Board set the charge at \$15 per AF which generated approximately \$2.4 million in revenue and 2024-26 at \$20 per AF which generated approximately \$3.2 million in revenue. Staff is requesting that the Board provide direction to staff regarding the 26-27 fiscal year and the amount of the charge, which cannot exceed \$25 per AF. This direction will allow staff to prepare the appropriate notice and proposed resolution to impose the 2026-27 groundwater charge at the June 2025 board meeting.

There are a number of issues that impact the Boards decision to increase the charge at this time. The first and most obvious is the state of the market for land and crop values. Both continue to be at historic lows with many grape contracts canceled in the last year as wine consumption falls. Countervailing this obvious market distress on District Landowners are the demands of the Sustainable Groundwater Management Act (SGMA) which are not abated by the current economic situation.

The District just published its draft Master Facilities Plan. The plan as set forth in the table below calls for construction of over \$36 million in projects necessary to comply with SGMA in the next ten years. Currently the District must fund \$32 million of that total with District (rather than grant) resources.

IMPROVEMENT ELEMENT	PROJECT TOTAL (2025 \$)	SECURED PROJECT FUNDING	BALANCE (2025 \$)
<b>SHORT TERM (3 YEARS)</b>			
North Pump	\$3,111,000	\$(3,000,000)	\$111,000
South Mainline - 3	\$7,229,000	--	\$7,229,000
South System Recharge 1	\$3,749,000	\$(1,000,000)	\$2,749,000
<b>MID TERM (5 YEARS)</b>			
North System Recharge	\$3,999,000	--	\$3,999,000
<b>PLAN TERM (10 YEARS)</b>			
South Mainline - 2	\$8,224,000	--	\$8,224,000
South Mainline - 1	\$2,998,000	--	\$2,998,000
South System Recharge 2	\$5,932,000	--	\$5,932,000
<b>FLOW MEASUREMENT ELEMENT</b>			
Pixley @ Pump Station	\$340,000	--	\$340,000
Pixley @ West Lane	\$340,000	--	\$340,000
East Ditch @ Bear Creek	\$240,000	--	\$240,000
<b>TOTAL</b>	<b>\$36,162,000</b>	<b>\$(4,000,000)</b>	<b>\$32,162,000</b>

As demonstrated above, we have about a \$32 million short-fall to fund the desired projects to get the District's North and South System projects completed to maximize use of Permit 10477, and begin to use a portion of our proposed new water supplies for both direct and in-lieu groundwater recharge over the next ten years. While some funding will come from landowners using surface water, through improvement district assessments, most of the capacity of these projects will be used for groundwater recharge and should be paid for with the groundwater charge.

Moreover, the District has other management, planning and operation costs that the groundwater charge funding must cover, such as the required groundwater monitoring, costs to pump and deliver water to recharge projects, annual DWR reporting and GSP updates, and the staff costs for all of the above.

The District could address the cash shortfall through bond funding. However, bond funding will not be an option until the District's audits are completed, which is projected to happen sometime in late 2026. And at current rates staff projects the District's bond capacity is only about \$19 to 20 million. The projected additional \$600,000 in revenue associated with the increase would push the Board's bonding capacity to about \$30 million, and much closer to the \$32 million mark set by the Draft Master Facilities Plan. As such Staff recommends that the Board direct staff to begin the process to impose the groundwater charge at the option increased \$25.00 rate.

The Board can always charge a lower amount in the future after capital projects are constructed, but if the board does not increase the charge within the first five years it may not be able to increase it thereafter within the maximums described in the Engineer's report without undergoing another costly and unpredictable Proposition 218 proceeding.

**RECOMMENDATION:** Provide Direction to Staff on whether to prepare a notice of hearing to impose a groundwater charge of \$25.00 per AF for the 2026-27 fiscal year for the June 2026 board meeting, and other related actions.

**FISCAL IMPACT:** Dependent on Board Action.

**RESOLUTION 2026-07**  
**of the Board of Directors of the**  
**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT**  
**IMPOSING GROUNDWATER CHARGE TO FUND SUSTAINABLE GROUNDWATER**  
**MANAGEMENT ACT IMPLEMENTATION FOR FISCAL YEAR 2026-27**

WHEREAS, North San Joaquin Water Conservation District is formed under Division 21 of the Water Code and elected to become a Groundwater Sustainability Agency (GSA) pursuant to the Sustainable Groundwater Management Act (SGMA) pursuant to Water Code sections 10723 et seq.; and,

WHEREAS, the NSJWCD GSA adopted a Groundwater Sustainability Plan (GSP) in December 2021 pursuant to SGMA and desires to implement the GSP to achieve groundwater sustainability; and

WHEREAS, the NSJWCD GSA certified the Proposition 218 proceeding for a proposed groundwater charge to fund SGMA implementation in Resolution 2022-09.

WHEREAS, the Engineer's Report for the Proposition 218 processing, culminating in Resolution 2022-09 provided that the groundwater charge could be set at no more than \$15 per acre-foot for the fiscal years 2022-23 and 2023-24, no more than \$20 per acre-foot for the fiscal years 2024-25 and 2025-26 and no more than \$25 per acre-foot for the fiscal year 2026-27 and beyond.

WHEREAS, NSJWCD published notice of a public hearing to receive input on setting the amount of the groundwater charge for the 2026-27 fiscal year twice prior to the date of the regular June board meeting, and held a public hearing to receive input regarding the setting of the groundwater charge at 2pm on June 29, 2026.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of NSJWCD:

1. In order to proceed and complete the projects, management actions, monitoring, reporting and other groundwater related activities required by the GSP and by SGMA, NSJWCD must generate revenue to fund these activities. The current revenue sources of the district, including the \$20 per acre-foot groundwater recharge, are not sufficient to fund all of the projects and other activities identified in the GSP and the district has not received sufficient outside funding sources, such as grants, to completely cover the budget shortfall for these projects. At the same time, the Board has heard the comments from landowners that the agricultural industry within the district is struggling with depressed commodity prices.
2. There is a need to raise additional funds to fund SGMA compliance efforts in the district to keep the GSP related projects and other SGMA compliance efforts on schedule.

3. The NSJWCD GSA imposes a groundwater charge of \$25 per acre-foot for the 2026-27 fiscal year, in accordance with Resolution 2022-09 and the Engineer's Report. The charge shall be collected through the San Joaquin County secured property tax bill or directly billed for any parcels not subject to property tax.
4. The District Engineer is directed to prepare the NSJWCD 2026-27 Groundwater Charge Roll using the methodology described in the Engineer's Report to estimate groundwater use for each parcel subject to the charge based on County Assessor land use codes, as supplemented by more accurate information provided by landowners on landowner appeal forms, and submit the roll to the County Assessor.
5. NSJWCD hereby certifies that the charges listed on the NSJWCD 2026-27 Groundwater Charge Roll to be placed on the 2026-27 Secured Property Tax bill meet the requirements of Proposition 218 that added Articles XIIC and XIID to the California State Constitution. The charges are levied without regard to property valuation.
6. The District Engineer is authorized adjust the charges the roll upon receipt of information from landowners or the Engineer's independent investigation justifying a different charge based on number of irrigated acres and/or the amount of groundwater pumped.
7. The NSJWCD Board President is authorized to enter into an agreement with the San Joaquin County Auditor-Controller pursuant to Government Code section 29304 to pay the County 1% of the charge amount levied, or \$3 per parcel, whichever is less, for the collection of the groundwater charges.

PASSED and ADOPTED this \_\_\_\_\_, 2026 upon motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, and passed by the following vote:

AYES:           NOES:  
 ABSENT:       ABSTAIN:

CERTIFICATE OF SECRETARY

I do hereby certify that I am the Secretary of the North San Joaquin Water Conservation District, a water conservation district organized and existing under the laws of the State of California, and that the foregoing Resolution was duly adopted by the Board of Directors of said District at a meeting thereof duly and regularly held at Grape Festival Barrel Room, Lodi, California on the \_\_\_\_\_, at which meeting a quorum of said Board of Directors was at all times present and acting, and that said Resolution has not been rescinded or amended in whole or any part thereof, and remains in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the Seal of the North San Joaquin Water Conservation District this \_\_\_\_\_, 2026

\_\_\_\_\_  
 \_\_\_\_\_, Secretary

President Joe Valente - Area 3  
Vice President Jason Colombini - Area 2  
Director David Simpson – Area 1  
Treasurer Charles Starr – Area 4  
Secretary Brady Colburn – Area 5

General Counsel Jennifer Spaletta  
Special Counsel Roger Masuda - Absent  
Daniel deGraaf – District Engineer  
Deputy Secretary – Shasta Burns  
General Manager – Steve Schwabauer

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT  
REGULAR MEETING AND CONCURRENT SPECIAL MEETING  
OF THE BOARD OF DIRECTORS**

Lodi Grape Festival Grounds – Barrel Room  
413 E. Lockeford Street, Lodi, CA

**Monday, May 18, 2026**

**REGULAR MEETING**

**1. Call to Order - Roll Call - Acceptance of Agenda** - The meeting was called to order by President Valente at 2:03 p.m. A motion for the acceptance of the Agenda of May 18, 2026, 2026 made by Vice President Colombini, second by Treasurer Starr. Motion passed 5/0/0.

**2. Correspondence/Announcements** – No comments at this time.

**3. Action Items** Note: Votes recorded as: For/Against/Abstention (name)

**A. CONSENT CALENDAR**

Approval of the Minutes of the Regular Scheduled Board meeting on April 27, 2026. A motion to approve the meeting of the Regular Scheduled Board Meeting on April 27, 2026 by Director Simpson, second by Treasurer Starr. Motion passed 5/0/0.

**B. FINANCIAL MATTERS**

1. Receive and approve May 2026 NSJWCD Monthly Treasurer’s Report and Summary of Accounts and Transfers presented to the board. Accountant, Lyndsay George prepared financial statements for Board action. A motion to approve May 2026 NSJWCD Monthly Treasurer’s report, made by Vice President Colombini, second by Secretary Colburn. Motion passed 5/0/0.

2. Approve Payment of Bills. A motion to approve payment of bills listed in the Board meeting packet, made by Vice President Colombini, second by Secretary Colburn. Motion passed 5/0/0.

3. Receive Update on three-month cash flow projection- Cash Flow Statement handout and the meeting prepared by Susan Bjork. Presented in the board meeting packet.

4. Update on Quotes for Tractor/Mower – Report from General Manager for different options and set ups and will bring back to the board in May. Discussion item only.

5. Update on Groundwater Charge Timeline- Discussion item only.

6. **Resolution 2026-01**- Regarding 2026-27 Surface Water Irrigation Rates- A motion to approve Resolution 2026-01 Setting 2026 Water Rates for Surface Water made by Vice President Colombini second by Director Simpson. Roll call vote: Starr: Aye, Simpson: Aye, Colombini: Aye, Colburn: Aye, Valente: Aye. Motion Passed 5/0/0

7. **Resolution 2026-02** Declaring an election be held in NSJWCD; requesting board of supervisors to consolidate this election with any other election and requesting election services by the Registrar of Voters. A motion to approve Resolution 2026-02 Declaring an election be held in NSJWCD; requesting board of supervisors to consolidate this election with any other election and requesting election services by the Registrar of Voters made by Director Simpson, second by Treasurer Starr. Roll call vote: Starr: Aye, Simpson: Aye, Colombini: Aye, Colburn: Aye, Valente: Aye. Motion Passed 5/0/0

8. Provide Direction to Staff on Formation of ID 4 – Direction to have staff move forward and getting feedback. The board has given direction for staff to take petition for formation to landowners.

9. Provide Direction to Staff on Draft 2026-27 Budget – General Manager Schwabauer reviewed staff report and attached Draft Budget to the board.

## C. CONTRACTS

**Resolution 2026-03** Regarding Locust Tree Property Acquisition; Authorizing General Manager to enter Purchase and Sale Agreement, Easement and Locust Tree Water Agreement related to purchase of the Western 15.97 Acres of APN 05113056. A motion to authorize General Manager to enter Purchase and Sale Agreement, Easement and Locust Tree Water Agreement related to purchase of the Western 15.97 Acres of APN 05113056 made by Director Simpson, second by Vice President Colombini. Roll call vote: Starr: Aye, Simpson: Aye, Colombini: Aye, Colburn: Aye, Valente: Aye. Motion Passed 5/0/0

## D. System and Projects

1. Engineer's Report and Operations Plan. General Manager Schwabauer reviewed operations. District Engineer deGraaf gave an overview of where the district stands on each project. Projects are running at this time due to no water availability.

2. North System – is running at full speed.

i. NS Phase 2- RFP is posted and bidding process is open at this time.

3. South System

i. SS Locust Tree Basin Discussion – Bid set has been properly advertised and there was a pre bid meeting held this morning with the district engineer. Full bid and

all details can be found on the district website [www.nsjwcd.com](http://www.nsjwcd.com)

4. Cal-Fed/Woodbridge – No update at this time.
5. Tracy Lake ID- The pump is still being repaired and should be operational by the fall.
- E. Grant Activity –
  1. Update on Prop 4 SWEEP Grant Application- Four districts that have decided to apply. Preliminary applications have been submitted and now waiting on invitation to submit for the final application for a total of \$3 million dollars.
- F. Adopt Master Plan – A motion to approve Master Plan as presented on the District website made by Vice President Colombini, second by Director Simpson. Motion passed 5/0/0.
- G. Groundwater Charge- Discussion item only.
- H. Sustainable Groundwater Management Act/GWA Activity- GWA activity- GWA budget meeting will be held on June 10, 2026.
- I. MICUP/SJC Mokelumne River Application - at this time. Draft EIR will be available next week. Public meeting will be held on May 26th at the Grape Festival Grounds at 5:30 pm. MICUP Meeting will be held on May 26, 2026 at the Lodi Grape Festival Grounds. Petition for Change is being published to the State Clearing House this Afternoon.
- J. Bay Delta Flow Program Update/Voluntary Agreements – No update at this time.
- K. Landowner Communications – Groundwater charge letter for the upcoming fiscal year will be mailed this week to all landowners in the district.
- L. Board Planning Calendar – June 2<sup>nd</sup> there will be a Special Meeting held at Joe Petersens office at 9:00 am.

#### 4. Director and Staff Reports

- A. Director's Report –No report at this time.
  - B. Committee Reports – No reports at this time.
  - C. Other – No reports at this time.
5. **Public Comment** – Woodbridge Irrigation reported on river flows of Pre 1914 Water at this time.
  6. **Closed Session** – The Board entered closed session at 4:21 pm, and came out of closed session. **Return to Open Session** – President Valente returned the meeting to open session and announced there was no reportable action.

**7. Adjournment** - Motion to adjourn the NSJWCD Regular Meeting on May 18, 2026 made by Vice President Colombini, second by Director Simpson. Motion passed 5/0/0. Meeting adjourned at 4:21 p.m.

**The next regular scheduled Board Meeting June 29, 2026, from 2:00 p.m. - 4:00 p.m.**

The above minutes of the North San Joaquin Water Conservation District Board of Directors Meeting of March  
May 18, 2026.

Respectfully submitted:  
Board Clerk- Shasta Burns

President Joe Valente - Area 3  
Vice President Jason Colombini - Area 2  
Director David Simpson – Area 1  
Treasurer Charles Starr – Area 4  
Secretary Brady Colburn – Area 5

General Counsel Jennifer Spaletta  
Special Counsel Roger Masuda - Absent  
Daniel deGraaf – District Engineer  
Deputy Secretary – Shasta Burns  
General Manager – Steve Schwabauer

NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT  
REGULAR MEETING AND CONCURRENT SPECIAL MEETING  
OF THE BOARD OF DIRECTORS

Lodi Grape Festival Grounds – Barrel Room  
413 E. Lockeford Street, Lodi, CA

**Monday, June 1, 2026**

**SPECIAL MEETING**

1. **Call to Order - Roll Call - Acceptance of Agenda** - The meeting was called to order by President Valente at 2:01 p.m. A motion for the acceptance of the Agenda of June 1, 2026, 2026 with the correction of Action Item number 3a to say 18.75 acres, made by Vice President Colombini, second by Director Simpson. Motion passed 4/0/0. Secretary Colburn entered the meeting at 2:50 pm for the action on item 3-B-c.

2. **Correspondence/Announcements** – No comments at this time.

3. **Action Items** Note: Votes recorded as: For/Against/Abstention (name)

**A. CONSENT CALENDAR**

**B. CONTRACTS**

a. **Resolution 2026-04** Regarding Mettler Property Acquisition; Authorizing General Manager to enter Purchase and Sale Agreement, Easement and Locust Tree Water Agreement related to purchase of the Western 18.75 Acres of APN 05113076. A motion to file and accept **Resolution 2026-04** Regarding Mettler Property Acquisition; Authorizing General Manager to enter Purchase and Sale Agreement, Easement and Locust Tree Water Agreement related to purchase of the Western 18.75 Acres of APN 05113076, and to match the PSA agreement for \$25,000 deposit, made by Vice President Colombini, second by Director Simpson. Roll call vote: Starr; Aye, Simpson; Aye; Colombini; Aye, Valente; Aye. Motion passed 4/0/0

b. **Resolution 2026-05** Awarding contract for Orchard and Vineyard Removal at APN's 05113056, 05113076 and 05113065 to Fowler Brothers subject to District Closure of the respective Purchase and Sale Agreements. A motion to accept and file **Resolution 2026-05** Awarding

contract for Orchard and Vineyard Removal at APN's 05113056, 05113076 and 05113065 to Fowler Brothers subject to District Closure of the respective Purchase and Sale Agreements for Gotelli and Vic and Kay Mettler properties as presented at this time, and to bring back the Larry Mettler contract at a later date, made by Vice President Colombini, second by Treasurer Starr. Roll call vote: Starr; Aye, Simpson; Aye; Colombini; Aye, Valente; Aye. Motion passed 4/0/0

- c. **Resolution 2026-06** Awarding Contract for Construction of Locust Tree Basin to the bidder that provides the greatest value to the District subject to District Closure on the Respective Purchase and Sale Agreements- A motion to accept and file **Resolution 2026-06** Awarding Contract for Construction of Locust Tree Basin to the bidder that provides the greatest value to the District subject to District Closure on the Respective Purchase and Sale Agreements and to reject low bidder, due to not meeting stipulation of 60% in house, and no experience bigger than 2 in PVC, and requesting staff to meeting with Arnaudo and to go through bid with the hope and expectation of lowering the dollar amount to bring back to the board at the regular scheduled board meeting on June 29, 2026 and to authorize staff to negotiate with Arnaudo with the reasons stated above for rejection made by Director Simpson, second by Vice President Colombini. Motion passed 5/0/0. Roll call vote: Starr; Aye, Simpson; Aye; Colombini; Aye, Valente; Aye. Motion passed 4/0/0
- d. Provide Direction to Staff on District Water Sales for Dust Control- General Manager Schwabauer reviewed potential District Water Sales to County Project. Discussion item only.

#### 4. Director and Staff Reports

A. Director's Report –No report at this time.

B. Committee Reports – No reports at this time.

C. Other – No reports at this time.

5. **Public Comment** – Woodbridge Irrigation reported on river flows of Pre 1914 Water at this time.

6. **Closed Session** – The Board entered closed session at 3:09 pm, and came out of closed session. **Return to Open Session** – President Valente returned the meeting to open session and announced there was no reportable action.

7. **Adjournment** - Motion to adjourn the NSJWCD Special Meeting on June 1, 2026 made by Vice President Colombini, second by Director Simpson. Motion passed 5/0/0. Meeting adjourned at 3:25 p.m.

**The next regular scheduled Board Meeting June 29, 2026, from 2:00 p.m. - 4:00 p.m.**

The above minutes of the North San Joaquin Water Conservation District Board of Directors Meeting of March June 1, 2026.

Respectfully submitted:  
Board Clerk- Shasta Burns

**North San Joaquin Water Conservation District**  
**Treasurer's Report**  
**June 2026 - Monthly Summary of Accounts**  
**As of June 24, 2026**

The chart below is a summary of account information including account balances and transactions since the last scheduled Board meeting (May 2026). The attached reports are prepared by LG A&A Services for the month of June 2026. Additional attachments that follow include accounts payable, recommendations for bill payments and transfers as noted herein.

NSJWCD Accounts Summary - May 15, 2026	Beg Balance with approved transfers	Checks after last meeting	ACH/Autopays made after last meeting	Transfer after meeting	Revenue Received after last meeting	Current Balance June 24, 2026	Proposed bills to be paid today	Proposed transfer	Ending balance June 24, 2026
F&M Checking - New	498,101.78	(5,902.25)	(539,571.49)	100,000.00	38,228.56	90,856.60	(246,826.18)	800,000.00	644,030.42
F&M ID #3	133,438.32		(6,441.60)	(100,000.00)	226.67	27,223.39		100,000.00	127,223.39
F&M Tracy Lake O&M	27,341.90		(124.78)			27,217.12			27,217.12
County GW Fund	2,305,580.03				20,890.50	2,326,470.53		(900,000.00)	1,426,470.53
County Account Fund (GF)	218,690.51				1,481.48	220,171.99			220,171.99
<b>Total</b>	<b>\$ 3,183,152.54</b>	<b>\$ (5,902.25)</b>	<b>\$ (546,137.87)</b>	<b>\$ -</b>	<b>\$ 60,827.21</b>	<b>\$ 2,691,939.63</b>	<b>\$ (246,826.18)</b>	<b>\$ -</b>	<b>\$ 2,445,113.45</b>

Payments After Last Meeting		Revenue Received After Last Meeting		Proposed Bills To Be Paid Today	
				Classes	
ADP Fees	135.06	Interest	4.12	General Expenses	19,266.89
Amazon	950.70	FDRE Retention	29,999.94	Ground Water	114,988.16
Dropbox	35.58	Pmts # 1 & 2		O&M - NS	21,990.68
F&M	54.71	SEWD MICUP	8,224.50	O&M - Recharge	28,950.00
Georges Fast Gas	105.96			O&M - SS	2,869.00
Kludt Oil	109.25	ID #3 Interest	226.67	Capital - NS PH 1B	1,140.00
Lodi News-Sentinel	121.25			Capital - NS PH 2	4,394.97
Microsoft	159.40			Capital - NS Pump	9,705.00
Old Republic	491,139.94			Capital - SS PH 3	2,131.48
Onstar	69.98	1st Qtr Interest	20,890.50	Capital - SS PH 4	41,390.00
PG&E-01151-5	6,166.22				
PG&E-32763-0	1,539.29	1st Qtr Interest	1,481.48		
PG&E-57551-9	64.69				
Quickbooks / Intuit	1,133.26				
Quickquack	24.99				
Payroll	35,817.25				
SJC Recorder	54.50				
State Comp	1,089.24				
The Home Depot	122.11				
Walmart	426.14				
Youngs	217.99				
Zoom.US	33.98				
Interest Expense	6,441.60				
PG&E	124.78				
<b>Total</b>	<b>546,137.87</b>	<b>Total</b>	<b>60,827.21</b>	<b>Total</b>	<b>246,826.18</b>

**1. SEE ATTACHMENT 1 - ACCOUNTS PAYABLE REPORT.**

**2. CURRENT PAYMENT RECOMMENDATIONS - SEE TABLE BELOW:**

BaseCamp Environmental, Inc.	\$ 1,943.75	Environmentalist NS PH2
Consero Solutions	13,652.50	May Invoice/ May Sweep Invoice
de Graaf Engineering, Inc.	53,453.43	May Invoice
Edwards, Lien & Toso, Inc.	5,500.00	Appraisals Locust Tree Properties (2)
ERA Economics, LLC	2,821.25	May MICUP Invoice
Granberg & Associates	3,990.00	May Services
HydroFocus, Inc	13,624.35	April Services
Intake Screens, Inc.	12,465.00	May Services (2)
John Lakso & Helen Lakso, Trustees	28,000.00	1/2 Lease Pmt - Due June 1
Julie Lang	70.00	Notary
Kludt Oil	612.51	April/ May Invoices
Lodi District Grape Growers Association	605.40	Reimbursement - Water Forum Expenses
Lyndsay George	6,030.45	Services 05.12.26 thru 06.15.26
Pacific Southwest Irrigation	6,143.68	May Services
Richard Rodriguez Farms	950.00	May Services
Rincon Consultants, Inc.	61,740.06	May MICUP Invoices (2)
Shasta Burns	5,553.60	June Invoice and Mileage
Sierra Controls, LLC	921.48	April/ May Invoices
Solano Archaeological Services, LLC	741.22	April Services
Spaletta Law PC	1,162.50	June Rent
Stoel Rives, LLP	26,845.00	May Services
Total Payments Proposed	<u>\$ 246,826.18</u>	

**3. REMAINING ACCOUNTS PAYABLE – \$30,000.00**

- a. \$ 30,000.00 - Retention due to Arnaudo Construction, Inc.

**4. WARRANTS PAYABLE**

- a. \$299,988.17 – F&M Bank

**5. ACCOUNTS RECEIVABLE – \$1,707,523.71**

- a. \$ 1,088,081.38 – San Joaquin County – SGMA Grant – Invoice #9 &12, Retention Payments #12-14
- b. \$ 528,490.90 – DWR – IRWM Grant – Invoice #9 & 10, Retention Payments #2-10
- c. \$ 54,256.83 – DWR – VA Grant – Retention Payments #1-6 & Invoices #7-8
- d. \$ 16,449.00 – City of Stockton – MICUP Reimbursement #1
- e. \$ 20,245.60 – Direct Bill Groundwater Charges

**6. OTHER RECEIVABLES - \$39,550.00** – Refund due from F&M Bank.

**7. CHECKS RECORDED AFTER LAST BOARD MEETING**

- Check #20084 – Goehring Family Trust - \$2,471.00 – Easement and Vine Removal
- Check #20093 – Basecamp Environmental Inc. - \$3,431.25 – Environmental Consultant for NS PH2

**North San Joaquin Water Conservation District**  
**Vendor Balance Summary**  
All Transactions

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	<b>Jun 23, 26</b>
Arnaudo Construction, Inc.	30,000.00
BaseCamp Environmental, Inc.	1,943.75
Consero Solutions	13,652.50
de Graaf Engineering, Inc.	53,453.43
Edwards, Lien & Toso, Inc.	5,500.00
ERA Economics, LLC	2,821.25
Granberg & Associates	3,990.00
HydroFocus, Inc	13,624.35
Intake Screens, Inc.	12,465.00
John Lakso & Helen Lakso, Trustees	28,000.00
Julie Lang	70.00
Kludt Oil	612.51
Lodi District Grape Growers Association	605.40
Lyndsay George	6,030.45
Pacific Southwest Irrigation	6,143.68
Richard Rodriguez Farms	950.00
Rincon Consultants, Inc.	61,740.06
Shasta Burns	5,553.60
Sierra Controls, LLC	921.48
Solano Archaeological Services, LLC	741.22
Spaletta Law PC	1,162.50
Stoel Rives, LLP	26,845.00
<b>TOTAL</b>	<b>276,826.18</b>

## North San Joaquin Water Conservation District Unpaid Bills by Vendor All Transactions

Date	Num	Memo	Account	Class	Open Balance
<b>Arnaudo Construction, Inc.</b>					
09/30/2024	RET NS 1B APP #7	NS Phase 1b - (Retainage \$15,363.46)	6115.5 · Pipeline	Capital Outlay:North System Phase 1B	10,000.00
06/30/2025	RET NS 1C App #1	Pipeline	6115.6 · Pump Station	Capital Outlay:North System Phase 1C	20,000.00
Total Arnaudo Construction, Inc.					30,000.00
<b>BaseCamp Environmental, Inc.</b>					
06/01/2026	53053		6180.11 · Environmental Consultant	Capital Outlay:North System Phase 2	1,943.75
Total BaseCamp Environmental, Inc.					1,943.75
<b>Consero Solutions</b>					
05/15/2026	2242	SWEEP Concept Proposal	6180.3 · Consulting	-Groundwater Management	9,705.00
05/31/2026	2250		6180.3 · Consulting	-Groundwater Management	3,947.50
Total Consero Solutions					13,652.50
<b>de Graaf Engineering, Inc.</b>					
06/18/2026	1342	General	6180.4 · Engineering Expense	-G&A	1,100.43
06/18/2026	1342	Operations - North System	6180.4 · Engineering Expense	.Operations Fund:North System O&M	551.00
06/18/2026	1342	Operations - South System	6180.4 · Engineering Expense	.Operations Fund:South System O&M	380.00
06/18/2026	1342	NS Improvement District	6180.4 · Engineering Expense	.Operations Fund:North System O&M	1,634.00
06/18/2026	1342	South System General - Review Repairs	6180.4 · Engineering Expense	.Operations Fund:South System O&M	2,489.00
06/18/2026	1342	South System PH IV	6180.4 · Engineering Expense	Capital Outlay:South System Phase 4	41,390.00
06/18/2026	1342	North System General - Review Repairs	6180.4 · Engineering Expense	.Operations Fund:North System O&M	1,197.00
06/18/2026	1342	North System Pump	6180.4 · Engineering Expense	Capital Outlay:North System Pump Station	4,712.00
Total de Graaf Engineering, Inc.					53,453.43
<b>Edwards, Lien &amp; Toso, Inc.</b>					
05/08/2026	ELT09548	Appraisal Services - 16353 N Locust Tree Rd - 18.75 Acres - Kay Mettler Trust Property	3240 · Land	-Groundwater Management	3,000.00
05/08/2026	ELT09547	Appraisal Services - N Locust Tree Road Property - 15.97 Acres - Larry Mettler Trust	3240 · Land	-Groundwater Management	2,500.00
Total Edwards, Lien & Toso, Inc.					5,500.00
<b>ERA Economics, LLC</b>					
06/05/2026	STO26a.01		6180.14 · MICUP	-Groundwater Management	2,821.25
Total ERA Economics, LLC					2,821.25
<b>Granberg &amp; Associates</b>					
06/03/2026	46	May Services - VA Grant	6180.8 · Project Management	Capital Outlay:North System Phase 2	1,710.00
06/03/2026	46	May Services - SGMA Grant	6180.8 · Project Management	Capital Outlay:North System Phase 1B	1,140.00
06/03/2026	46	May Services - IRWM Grant	6180.8 · Project Management	Capital Outlay:South System Phase 3	1,140.00
Total Granberg & Associates					3,990.00
<b>HydroFocus, Inc</b>					
05/28/2026	5658-44	Billing Period April 2026	6180.5 · Hydrologist	-Groundwater Management	13,624.35
Total HydroFocus, Inc					13,624.35
<b>Intake Screens, Inc.</b>					
05/26/2026	26-NSJ-CFrm-1	Services performed 05.23.26 and 05.26.26	6205 · Repairs, Ops & Maintenance	.Operations Fund:North System O&M	9,465.00
05/27/2026	27-NSJ-CFrm-1	Services performed 05.08.26 & 05.10.26	6205 · Repairs, Ops & Maintenance	.Operations Fund:North System O&M	3,000.00
Total Intake Screens, Inc.					12,465.00
<b>John Lakso &amp; Helen Lakso, Trustees</b>					
06/01/2026		Lakso Lease	6142 · Lease Expense	.Operations Fund:Recharge Project O&M	28,000.00
Total John Lakso & Helen Lakso, Trustees					28,000.00
<b>Julie Lang</b>					
06/01/2026		Notary services - South System Phase 3 Easement	6180.7 · Notary Services	Capital Outlay:South System Phase 3	70.00
Total Julie Lang					70.00
<b>Kludt Oil</b>					

## North San Joaquin Water Conservation District Unpaid Bills by Vendor All Transactions

Date	Num	Memo	Account	Class	Open Balance
04/30/2026	702481		6236.1 · Fuel	-G&A	80.66
04/30/2026	702481		6236.1 · Fuel	-G&A	8.96
05/15/2026	703124		6236.1 · Fuel	-G&A	101.61
05/15/2026	703124		6236.1 · Fuel	-G&A	11.29
05/31/2026	Stmt 05.31.26	Late Fee	6236.1 · Fuel	-G&A	1.34
05/31/2026	703766		6236.1 · Fuel	-G&A	266.60
05/31/2026	703766		6236.1 · Fuel	-G&A	29.62
06/15/2026	704410		6236.1 · Fuel	-G&A	101.19
06/15/2026	704410		6236.1 · Fuel	-G&A	11.24
Total Kludt Oil					612.51
<b>Lodi District Grape Growers Association</b>					
06/22/2026		1/2 Big Belly Deli - Water Forum Lunch	6175 · Public Outreach	-G&A	455.40
06/22/2026		1/2 Grape Festival Room Rent - Water Forum	6175 · Public Outreach	-G&A	150.00
Total Lodi District Grape Growers Association					605.40
<b>Lyndsay George</b>					
06/16/2026	1060	Services 05.12.26-06.15.26	6180.1 · Accounting	-G&A	6,030.45
Total Lyndsay George					6,030.45
<b>Pacific Southwest Irrigation</b>					
06/06/2026	335624	Inspection & Service of 4 Centrifugal Pumps.	6205 · Repairs, Ops & Maintenance	.Operations Fund:North System O&M	6,143.68
Total Pacific Southwest Irrigation					6,143.68
<b>Richard Rodriguez Farms</b>					
06/06/2026	0165	Tecklenburg - Rip Roadway and Make Berm	6205 · Repairs, Ops & Maintenance	.Operations Fund:Recharge Project O&M	950.00
Total Richard Rodriguez Farms					950.00
<b>Rincon Consultants, Inc.</b>					
05/18/2026	74492	Invoice Period 04.01.26-04.30.26	6180.14 · MICUP	-Groundwater Management	43,023.00
06/16/2026	75373	Invoice Period 05.01.26-05.31.26	6180.14 · MICUP	-Groundwater Management	18,717.06
Total Rincon Consultants, Inc.					61,740.06
<b>Shasta Burns</b>					
06/22/2026	239	June Invoice	6180.9 · Board Clerk	-G&A	5,092.50
06/22/2026	239	June Mileage	6228 · Travel	-G&A	461.10
Total Shasta Burns					5,553.60
<b>Sierra Controls, LLC</b>					
04/30/2026	257849	South System Improvement - Phsae III	6115.1 · Automation/SCADA	Capital Outlay:South System Phase 3	487.13
05/31/2026	257935	South System Improvement - Phsae III	6115.1 · Automation/SCADA	Capital Outlay:South System Phase 3	434.35
Total Sierra Controls, LLC					921.48
<b>Solano Archaeological Services, LLC</b>					
05/27/2026	2407	Cultural Resources Consultant North Pump Station	6180.3 · Consulting	Capital Outlay:North System Phase 2	741.22
Total Solano Archaeological Services, LLC					741.22
<b>Spaletta Law PC</b>					
06/01/2026		Rent	6142 · Lease Expense	-G&A	1,162.50
Total Spaletta Law PC					1,162.50
<b>Stoel Rives, LLP</b>					
06/22/2026	8126754	Mokelumne River Water Rights	6180.6 · Legal	-Groundwater Management	196.00
06/22/2026	8126751	MICUP Project	6180.6 · Legal	-Groundwater Management	7,644.00
06/22/2026	8126752	Groundwater Management	6180.6 · Legal	-Groundwater Management	8,732.00
06/22/2026	8126753	North System Projects	6180.6 · Legal	Capital Outlay:North System Pump Station	4,993.00
06/22/2026	8126750	CSPA EJ GSP Writ	6180.6 · Legal	-Groundwater Management	1,078.00
06/22/2026	8126755	General Services	6180.6 · Legal	-G&A	4,202.00

7:08 PM

06/25/26

Accrual Basis

North San Joaquin Water Conservation District  
**Unpaid Bills by Vendor**  
All Transactions

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Date	Num	Memo	Account	Class	Open Balance
Total Steel Rives, LLP					26,845.00
<b>TOTAL</b>					<b>276,826.18</b>

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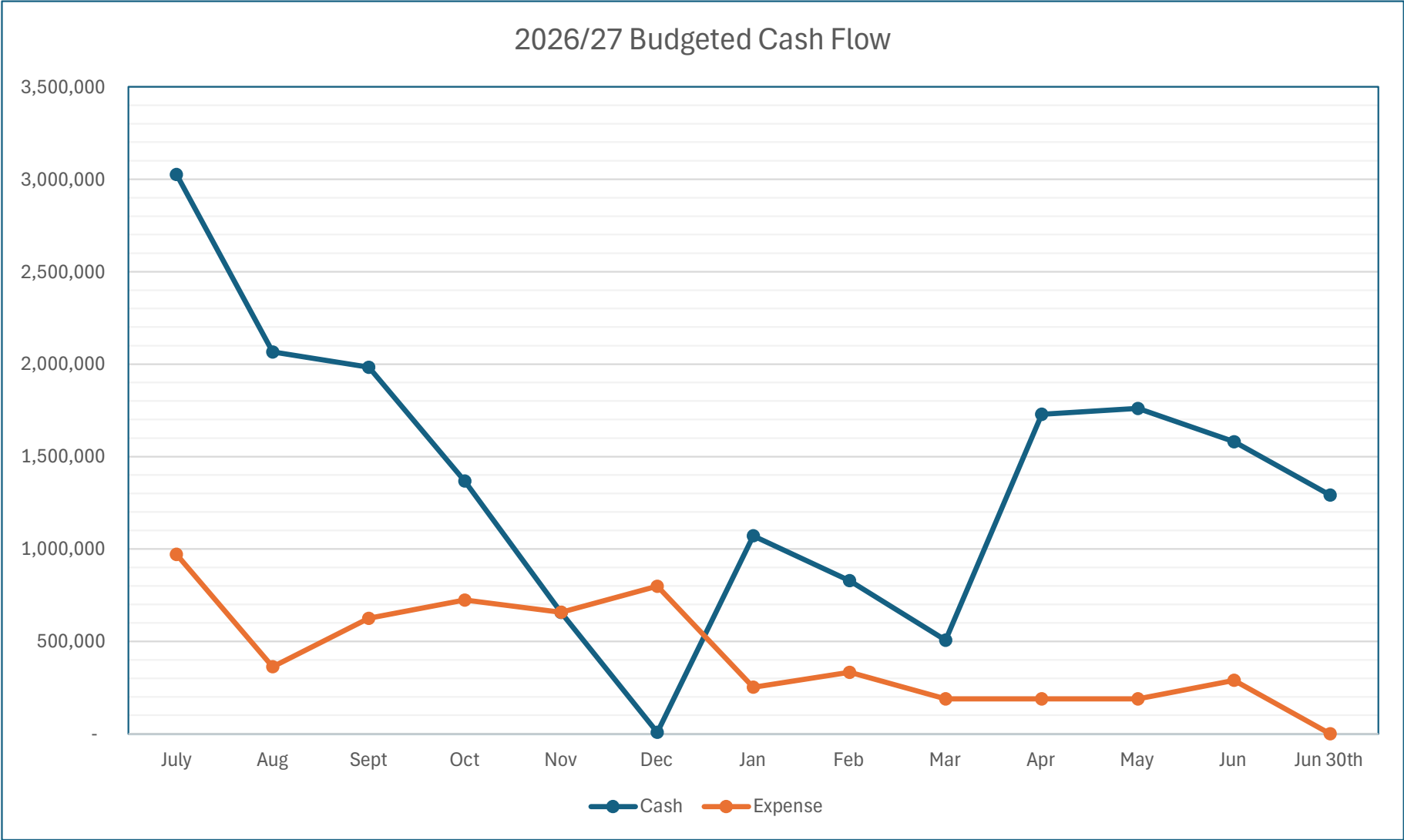
North San Joaquin Water Conservation District  
Three Month Cash Statement

For period: July 2026 through September 2026

<b>Balances</b>	<b>July</b>	<b>August</b>	<b>September</b>
Beginning cash balances	\$2,290,673	\$2,054,843	\$1,702,333
Projected revenues	\$735,347	\$10,417	\$280,957
Projected expenditures	\$971,177	\$362,927	\$625,427
Projected ending cash balances	\$2,054,843	\$1,702,333	\$1,357,863

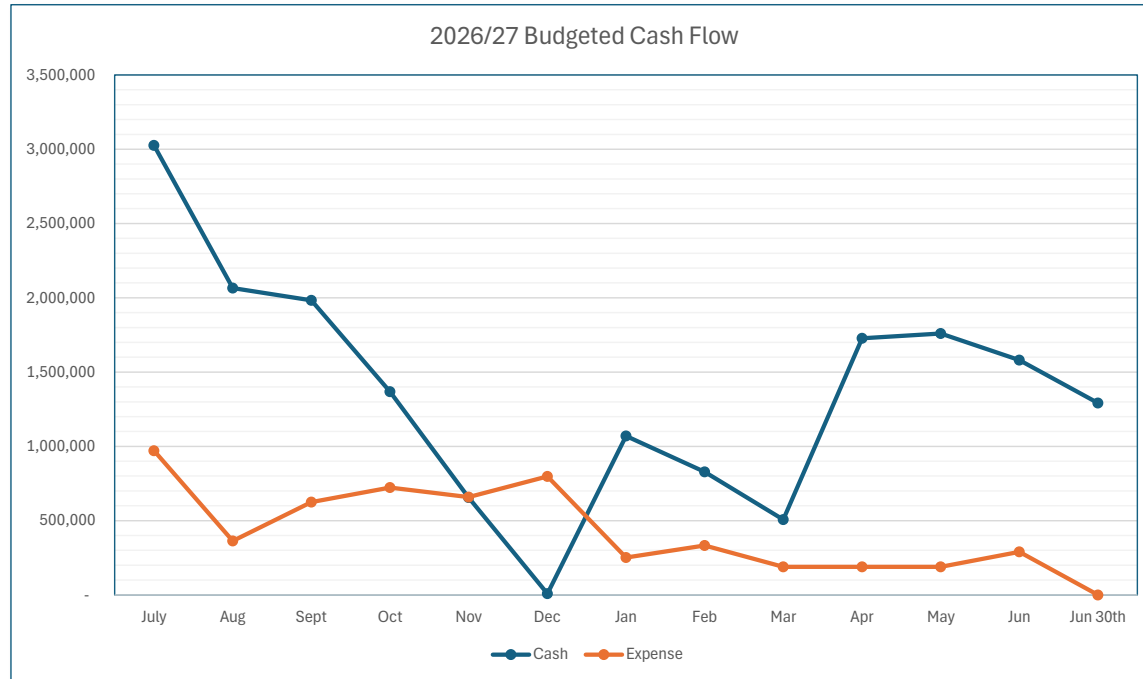
**Cash projection is sufficient to meet 3 month projected expenditures.**

North San Joaquin  
Water Conservation District  
2026/27 Proposed Budget



**FY 2026/27 Budgeted Cash Flow**

Cash Flow	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	June 30th	Full FY
<b>Cash beginning</b>	2,290,673	2,054,843	1,702,333	1,357,863	645,353	(2,219)	(789,791)	818,470	496,731	317,767	1,538,803	1,569,839	1,290,875	2,290,673
Revenue	735,347	10,417	280,957	10,417	10,417	10,417	1,860,417	10,417	10,417	1,410,417	220,417	10,417	-	4,580,474
<b>Cash</b>	<b>3,026,020</b>	<b>2,065,260</b>	<b>1,983,290</b>	<b>1,368,280</b>	<b>655,770</b>	<b>8,198</b>	<b>1,070,626</b>	<b>828,887</b>	<b>507,148</b>	<b>1,728,184</b>	<b>1,759,220</b>	<b>1,580,256</b>	<b>1,290,875</b>	
Expense	971,177	362,927	625,427	722,927	657,989	797,989	252,156	332,156	189,381	189,381	189,381	289,381	-	5,580,272
<b>Cash ending</b>	<b>2,054,843</b>	<b>1,702,333</b>	<b>1,357,863</b>	<b>645,353</b>	<b>(2,219)</b>	<b>(789,791)</b>	<b>818,470</b>	<b>496,731</b>	<b>317,767</b>	<b>1,538,803</b>	<b>1,569,839</b>	<b>1,290,875</b>	<b>1,290,875</b>	<b>1,290,875</b>



From: Steve Schwabauer, General Manager

**RECOMMENDED ACTION:** Adopt the 2026/2027 Budget.

The 2026/27 budget is the first in some time that is not heavily dependent on grant revenue. The District's two remaining grants are the Voluntary Early Agreement Grant and the USDA Handel Lateral earmark. The Budget does not show Voluntary Early Agreement Grant Revenue because staff anticipates that the permit timeline will extend into the 2027/28 budget year and submitted a 12-month extension request for the grant to accommodate this projected timeline. State Board Staff indicates we should hear a response on the extension request after the new state budget year in July. As for the USDA Grant, as the Board knows, staff submitted a request to move that grant over to the Locust Tree Basin Project discussed further below. However, we are not certain it will be able to transfer. As such the Budget is crafted to ensure the District can maintain liquidity even if the grant is not successfully transferred. Staff will return to the Board with any budget adjustments prompted by the above two items.

Major elements of the Budget include:

Construction

- 1) Locust Tree Basin Acquisition and Construction (less the Locust Tree LLC parcel acquisition that closed in June 2026)
- 2) Paying for permitting work and all engineering on NS Phase 2 Pump Station and Pipeline (Bio, Basecamp and Cultural resources contract)
- 3) Buying a tractor and mower (though staff recommends holding this purchase till budget pressure is relieved)
- 4) finishing the Tracy Lake pump station repair
- 5) Finishing Tecklenberg Basin SCADA system
- 6) Patching the North end of the South System Pipeline at upper end of Tretheway and on Brandt Road

Water rights:

- 1) District Share of MICUP work for Final EIR and SWRCB processing
- 2) Given the availability of Permit 10477 water under the NSJWCD water right, I removed the WID water purchase this year.

Finance:

- 1) Increased budget to accommodate completing two additional audit years
- 2) Financial Advisor Contract to prepare for future financing opportunities. Budget projects spending \$50,000 this year to build financial policies. Staff anticipates additional Financial Advisor costs in 2027/28 for actual financing applications

Electric:

- 1) Increased North and South System Budgets from \$100,000 to \$175,000 apiece to accommodate longer operations season
- 2) Maintained other project budgets the same as last year

Positive Grant Balances: North System Phase 1 C and South System Phase 3 projects show almost \$1 million in cash receipts associated with accrued grant receivables coming in on a reimbursement basis in the 26-27 fiscal year. The County is already holding the \$700,000 for North System Phase 1C and we should receive it the first week of the new fiscal year.

The main point the Board will want to consider is the cash flow impact of the Locust Tree Basin Construction. The Budget reflects the capacity to carry the project, especially with the planned extension of the Voluntary Early Agreement Funded North System Phase 2 Project. However, the Districts revenue does come in lumpy with the next two allocations coming in December of 26 and April of 27 respectively. With much of that revenue coming in April we need to be able to cash flow operations expenses and the construction costs. We will end the 2025-26 fiscal year with cash in the amount of \$2,317,890 which can be either placed in a reserve fund or used to fund projects and operations for the 2026-27 fiscal year. The approximately \$1 million grant receivables will also help with cash flow. Staff anticipates most of those dollars to being paid to the District this calendar year. In the unlikely event cash flow were to become a challenge, we could rely on another Dry Period Financing advance from the County and a line of credit from F&M Bank. We will also have an additional cash flow analysis available for the Board prior to awarding the Locust Tree Basin Construction Contracts.

We have faced this once before with the cash flow during the South System Phase 3 project. And it was close at times. As a result, I request the Board waive the reserve policy if necessary to meet cash flow during the 26-27 fiscal year in order to expedite the Locust Tree Basin project. Staff is convinced that this is an important opportunity to significantly improve our recharge capacity.

The Board will also adopt the 2026/2027 Groundwater Charge earlier on this agenda. Staff will bring forward any budget adjustments needed as a result of that matter.

**RECOMMENDATION:** Adopt 2026/27 budget.

**FISCAL IMPACT:** Dependent on Board Direction.



NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT

RESOLUTION NO. 2026-08

**RESOLUTION APPROVING PROPOSITION 4  
APPROPRIATION LIMIT FOR FY 2026-27**

WHEREAS, the San Joaquin County Auditor-Controller has requested that the North San Joaquin Water Conservation District ("District") adopt a resolution to establish the District's FY 2026-2027 appropriation limit in accordance with Proposition 4;

WHEREAS, the San Joaquin County Auditor-Controller has provided the District with a calculation of that appropriation limit and the Board of Directors has no objection to that calculation;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Directors of the North San Joaquin Water Conservation District that the District's Proposition 4 Appropriation Limit for FY 2026-2027 shall be \$2,388,149.00

Moved by Director \_\_\_\_\_ second by Director \_\_\_\_\_, that foregoing resolution be adopted.

Upon roll call the following vote was had:

Ayes: Directors

Noes: Directors

Absent: Directors

Abstain: Directors

The President declared the resolution adopted.

I, Shasta Burns, Secretary of the Board of Directors of the NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT, do hereby CERTIFY that the foregoing is a full, true and correct copy of a resolution duly adopted at an adjourned regular meeting of said Board of Directors held the 290th day of June 2026.

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Shasta Burns  
Secretary, NSJCWCD Board of Directors



June 29, 2026

Board of Directors  
North San Joaquin Water Conservation District  
P.O. Box 334  
Victor, CA 95253

**RE: de Graaf Engineering, Inc. FY2026-27 Scope of Services**

Dear Board of Directors:

Please see Attachment A, Amendment 5 to the existing Agreement for Professional Engineering Services between de Graaf Engineering, Inc., and the District. Enclosed you will find the Scope of Services, Budget and Attachment B, Schedule of Rates for Fiscal Year 2026-27.

I look forward to the opportunity to continue to serve as the District Engineer for the upcoming fiscal year, and to continue to build on the success and accomplishments we have achieved over the past several years.

Please let me know if you have any questions regarding the enclosed.

Sincerely,

A handwritten signature in blue ink that reads 'Daniel de Graaf'.

Daniel de Graaf  
President

Attachment:

- A – Amendment 5 – FY26-27
- B – Schedule of Rates

## **Attachment A**

### **Amendment 5 – FY26-27**

Attachment to Agreement for Professional Engineering Services dated 10/31/2022 between de Graaf Engineering, Inc., a California corporation (“**Consultant**”) and “**Client**”.

#### **DESCRIPTION OF SERVICES**

As the District Engineer, Consultant shall provide Engineering Services as directed by and on a basis consistent with the implementation of district policy as set forth by the North San Joaquin Water Conservation District (District) Board of Directors. Consultant shall provide Engineering Services as the District Engineer at the rates set forth in Attachment B – “Schedule of Rates” effective 01/01/2026.

#### **SCOPE OF SERVICES**

The Scope of Services under Attachment A is broken into phases corresponding with specific budgeted projects. The Services to be provided under each phase are described below. The tasks identified with an asterisk are new and have not been budgeted in the past.

#### **GENERAL**

This phase of work includes the Services required to perform the regular duties of the District Engineer, and those Services that are not associated with or included in other specific projects or tasks. Services under this phase include but are not limited to the following:

- Preparation of Staff Reports and attendance at monthly board meetings
- Attendance and representation at meetings as required
- Communication and coordination with East Bay Municipal Utilities District (EBMUD)
- Communication and coordination with outside agencies
- Communication and coordination with landowners

#### **WATER RIGHTS**

This phase of work includes the Services related to the District’s water rights. Services and specific deliverable under this phase include but are not limited to the following:

- Data collection and reporting
  - State Water Resources Control Board Annual Report (Reporting Period Oct 1, 2025 – Sept 30, 2026) – Due by February 1, 2027
  - Department of Water Resources Aggregated Farm Gate Delivery Report (Calendar Year) – Due by April 1, 2027

#### **SGMA**

This phase of work includes the Services for compliance with the Sustainable Groundwater Management Act (SGMA) and participation as a Groundwater Sustainability Agency (GSA) member in the Eastern San Joaquin Groundwater Authority (ESJGA). Services under this phase include but are not limited to the following:

- Attendance and participation in the ESJGA board meetings, committee meetings, and other meetings as required
- Coordination with other agencies and GSAs

- Preparation of annual updates to the Groundwater Sustainability Plan (GSP) and other requirements of SGMA as needed
- Data collection and reporting as required by SGMA and the GSP
- Planning and implementation of projects

**DISTRICT WIDE REVENUE SOURCE (GROUNDWATER CHARGE)**

This phase of work includes Services to implement and collect the district wide revenue source. Services under this phase include but are not limited to the following:

- Preparation and maintenance of the District parcel roll
  - Receive updated roll from county
  - Review and process landowner appeals
  - Audit parcels, review appeals, complete roll
  - Review and submit final roll to county
- Evaluation of parcels for consistency with groundwater pumping estimates

**\* DISTRICT OPERATIONS AND MAINTENANCE MANUAL**

This phase of work includes Services to document all the District’s existing infrastructure and prepare a district wide operations and maintenance manual. Services under this phase include but are not limited to the following:

- Documentation of existing infrastructure including:
  - Pumps, Screens, Meters, Valves, Control Structures, etc.
- Compiling manufacturer O&M manuals
- Preparation of a maintenance schedule and log
- Preparation of a complete Operations and Maintenance Manual

**OPERATIONS**

This phase of work includes Services to manage operation of the District Facilities. Services under this phase include but are not limited to the following:

- Coordination and assistance with operation of district facilities, including:
  - South System Pump
  - Tracy Lake Pump
  - Cal Fed Pump
  - North System Pump
  - Recharge operations
  - Other facilities as required during operation
- Field site visits to determine ability to receive water and verification of meters
- Assistance with preparation of an irrigation schedule and operations plan for the 2026-27 water year

**FULL DREAM PROJECT**

This phase of work includes Services for planning of a future full-scale project. Services under this phase include but are not limited to the following:

- Communication and coordination with partner agencies
- Preparation of conceptual project designs

## **SOUTH SYSTEM**

This phase of work includes Services for the completion of improvements to the South System. Services under this phase include but are not limited to the following:

- South System General
  - Conceptual project development
  - Landowner meetings
  - Other non-project specific work including work that needs to be tracked against a facility
- South System Phase 3A
  - Review construction of South System Phase 3A
  - Coordination with contractor, respond to RFIs, review and approve submittals
  - Coordinate project completion and startup testing
- New South System Recharge Basin (Locust Tree Basin)
  - Preparation of final construction documents including county modifications and potential
  - Preparation of plans and bid documents for USDA grant portion of the project
  - Coordination with contractor, respond to RFIs, review and approve submittals
  - Construction review
  - Coordinate project completion and startup testing
  - Preparation of As-Built drawings

## **NORTH SYSTEM**

This phase of work includes Services for the completion of improvements to the North System Pipeline. Services under this phase include but are not limited to the following:

- North System General
  - Conceptual project development
  - Landowner meetings
  - Other non-project specific work including work that needs to be tracked against a facility

## **TRACY LAKE**

This phase of work includes Services for the completion of improvements to the Tracy Lake Project. Services under this phase include but are not limited to the following:

- Design and coordination of installation of lake level sensor
- Communication and coordination with landowners

**FEES FOR SERVICE**

Consultant will perform the Services on a time and materials basis in accordance with the Agreement for Professional Engineering Services referenced above. For budgeting purposes, the proposed budget summary below shows estimated fees for each phase of work that are anticipated for the 2026/2027 fiscal year beginning July 1, 2026, through June 30, 2027. It is anticipated that during periodic reviews of the budget, the scope of services and fees associated with those services outlined in this attachment will be reviewed and adjusted as necessary for the remainder of the fiscal year.

**Client**

**North San Joaquin Water** \_\_\_\_\_  
**Conservation District** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Consultant**

**de GRAAF ENGINEERING, INC., A California**  
**Corporation**

**Signature:**  \_\_\_\_\_

**By:** Daniel de Graaf, P.E. C86415 \_\_\_\_\_

**Title:** President \_\_\_\_\_

**Date:** 06/29/2026 \_\_\_\_\_

<b>NSJWCD Category Description</b>	<b>de Graaf Engineering 26-27 Budget</b>
General	\$50,000.00
Water Rights	\$12,000.00
SGMA	\$5,000.00
District Wide Revenue Source	\$5,000.00
District O&M Manual	\$20,000.00
Operations	\$20,000.00
Full Dream Project	\$5,000.00
South System -General	\$5,000.00
South System PH - IIIA	\$10,000.00
New South System Recharge Basin	\$75,000.00
North System - General	\$5,000.00
Tracy Lake	\$2,000.00
<b>Total</b>	<b>\$ 214,000.00</b>
<b>Amendment 3 (Previously Approved)</b>	<b>Budget Remaining</b>
North System Design	\$ 151,953.17*

*\*Balance remaining as of May 31, 2026*

**Attachment B**  
**Schedule of Rates**



**2026 FEE SCHEDULE**

<b>CATEGORY</b>	<b>HOURLY RATE</b>
<b>Engineering</b>	
Principal Engineer	\$ 190.00
Senior Engineer	\$ 170.00
Junior Engineer	\$ 130.00
Technician (CAD/GIS)	\$ 110.00
<b>Construction Management</b>	
Construction Inspector	\$ 190.00
Construction Manager	\$ 170.00
<b>Administrative</b>	
Admin	\$ 70.00
<b>Drone Services</b>	
Project Setup Fee	\$ 500.00 / Flight
Pilot and Observer	\$ 350.00
<b>Expenses</b>	
Mileage	Federal Rate
Outside Consultants	Cost + 10%
Reimbursable Expenses (printing, copies, travel, consumables, etc.)	Cost + 10%

## CONSULTING SERVICES AGREEMENT

THIS CONSULTING SERVICES AGREEMENT (hereinafter "Agreement"), is effective July 1, 2026, by and between Petrea Marchand, a sole proprietor doing business as **CONSERO SOLUTIONS**, with its principal place of business in Davis, California (hereinafter "CONSERO SOLUTIONS"), and **NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT**, a Special District with its principal place of business in Lodi, California (hereinafter "CLIENT").

### RECITALS

WHEREAS, CLIENT desires to retain CONSERO SOLUTIONS for the purpose of providing grant research & SGMA application development, community engagement, strategic plan update, project management, and other duties as assigned. (hereinafter "services"), and CONSERO SOLUTIONS desires to provide such services for CLIENT pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Retention of CONSERO SOLUTIONS. Subject to the terms and conditions set forth herein, CLIENT hereby retains CONSERO SOLUTIONS to provide the defined services, and CONSERO SOLUTIONS hereby agrees to provide such services to CLIENT.
2. Services Provided by CONSERO SOLUTIONS. CONSERO SOLUTIONS shall provide the services described in **Attachment A** to this Agreement, attached hereto and incorporated herein by this reference.
3. Fees and Expenses. In consideration for the services rendered by CONSERO SOLUTIONS for CLIENT as described in Attachment A, CLIENT shall pay CONSERO SOLUTIONS in accordance with the Budget set forth in Attachment A.

CONSERO SOLUTIONS shall invoice CLIENT monthly for work performed and reimbursable expenses incurred during the previous month. CLIENT shall pay invoices submitted by CONSERO SOLUTIONS within 30 days of receipt.

4. Term. The term of this Agreement shall commence on July 1, 2026 and shall terminate on June 30, 2027, unless terminated earlier as provided below.
5. Termination. This agreement may be terminated by either party for good cause upon written notice to the other party. Good cause may include but is not limited to a material breach of any provision of this Agreement or circumstances beyond the control of either party which make the agreement impossible to perform or delay. Provided however, that if the good cause for termination is one that can be cured, the party receiving notice of termination shall have 10 days from receipt of the notice in which to cure. If the breach is cured within

the 10-day period, the Agreement shall continue as if there had been no breach. If the party fails to cure, then the Agreement shall terminate at the end of the 10-day period.

If the good cause for termination is one that *cannot* be cured, the Agreement shall terminate immediately upon receipt of the notice of termination by the other party.

This Agreement may also be terminated by either party at any time, for any reason or no reason, upon thirty (30) days prior written notice to the other party. Upon such notice, this Agreement shall terminate on the 30<sup>th</sup> day subsequent to receipt of the written notice. CONTRACTOR shall continue to perform its obligations under this Agreement during the 30-day notice period if requested by CLIENT.

If CLIENT owes CONSERO SOLUTIONS any fees or reimbursement for expenses on the effective date of termination, CONSERO SOLUTIONS shall invoice CLIENT for such amounts immediately and CLIENT shall pay said invoice within 30 days of receipt. CONSERO SOLUTIONS shall do its best to terminate obligations created on behalf of CLIENT prior to notice of termination; however, CLIENT shall in all cases be fully liable for all un-cancellable obligations incurred for the project and CLIENT shall fully indemnify CONSERO SOLUTIONS against any such liabilities.

6. CLIENT Information. CONSERO SOLUTIONS acknowledges and agrees that any and all information represented as confidential, which is provided to or obtained by CONSERO SOLUTIONS from CLIENT (verbally or in writing) is confidential, proprietary information of CLIENT and shall be treated as such. Except as necessary to perform the services required by this Agreement, or as required by law or legal subpoena, CONSERO SOLUTIONS agrees to maintain in confidence all such confidential and proprietary information and hereby agrees not to use or disclose confidential and proprietary information of CLIENT to any third party without the prior written consent of CLIENT unless required by law or legal subpoena.

Notwithstanding the foregoing, CONSERO SOLUTIONS shall not be held accountable for information that:

(a) is or has become publicly available without restriction through no fault of CONSERO SOLUTIONS’;

(b) is received without restriction from a third party lawfully in possession of such information and lawfully empowered to disclose such information;

(c) was rightfully in the possession of CONSERO SOLUTIONS without restriction prior to its disclosure by CLIENT; or

(d) was independently developed by CONSERO SOLUTIONS without use or reference or access to CLIENT's information.

7. Relationship of the Parties. The parties hereto acknowledge and agree that the relationship between CLIENT and CONSERO SOLUTIONS is an independent contractor relationship. Nothing contained in this Agreement shall create or be construed as creating a partnership, joint venture, employment relationship or any other relationship except as set forth between the parties. No employee or contractor of CONSERO SOLUTIONS shall be

considered an employee or contractor of CLIENT and no employee or contractor of CONSERO SOLUTIONS shall be eligible for wages or benefits from CLIENT under any circumstances.

8. Intellectual Property. All intellectual property developed by CONSERO SOLUTIONS during the course of this Agreement shall remain the exclusive property of CONSERO SOLUTIONS unless otherwise agreed in advance, in writing, by the parties. If the parties agree in writing that certain property developed by CONSERO SOLUTIONS shall be the intellectual property of CLIENT, such property shall not be owned by CLIENT unless such items have been accepted in writing by CLIENT after presentation by CONSERO SOLUTIONS and paid for in full by CLIENT.

9. Statement of Nondiscrimination. CONSERO SOLUTIONS agrees that, during the performance of this Agreement, it shall not discriminate against any employee or applicant for employment because of race, color, religion, gender, national origin, age, disability, political beliefs, sexual orientation, and marital or family status. CONSERO SOLUTIONS agrees that it will comply with any and all applicable federal, state and local equal employment opportunity statutes, ordinances, and regulations; provided however that nothing in this section shall require CONSERO SOLUTIONS to comply with or become liable under any law, ordinances, regulation or rule that does not otherwise apply to CONSERO SOLUTIONS.

10. Notice. All notices and other communications hereunder shall be deemed to have been given when delivered personally, or at the time confirmed for delivery if by facsimile or email, or when deposited in the United States mail or with an express mail carrier, postage prepaid if mailed, and addressed as follows:

CONSERO SOLUTIONS  
231 G Street, Suite #21  
Davis, CA 95616  
530-746-2083  
[petrea@conserosolutions.com](mailto:petrea@conserosolutions.com)

NORTH SAN JOAQUIN WATER  
CONSERVATION DISTRICT  
498 E. Kettleman Lane  
Lodi, CA 95240  
209-329-0250  
[steve@nsjwcd.com](mailto:steve@nsjwcd.com)

The parties hereto may change their address as set forth in this paragraph by providing the other party with written notice thereof.

11. Consero Solutions' Insurance.

During the term of this Agreement, CONSERO SOLUTIONS shall at all times maintain, at its expense, the following insurance coverage.

- a. Comprehensive General Liability – \$1,000,000 per occurrence and \$2,000,000/aggregate
- b. Automobile Liability – \$1,000,000 per occurrence (general) and \$500,000/occurrence (property) [including coverage for Hired and Non-owned vehicles.]
- c. Professional Liability/Malpractice/Errors and Omissions – \$1,000,000 per occurrence and \$2,000,000/aggregate
- d. Workers' Compensation as required by law

12. Limited Warranty and Limitation of Liability.

CONSERO SOLUTIONS agrees that the services provided under this agreement will be performed in a professional manner conforming to generally accepted standards and practices. Except for the foregoing, CONSERO SOLUTIONS makes no warranties or guarantees, whether express, implied or statutory, regarding or relating to any services furnished or provided to CLIENT under this agreement or the results thereof. CONSERO SOLUTIONS specifically disclaims all implied warranties of merchantability and fitness for a particular purpose with respect to said services, and with respect to the use of any of the foregoing.

In no event will CONSERO SOLUTIONS be liable for any loss of profits, loss of use, business interruption, loss of data, or for indirect, special, incidental, punitive, or consequential damages of any kind in connection with or arising out of the furnishing, performance or use of services, whether alleged as a breach of contract or tortious conduct, including negligence, even if CONSERO SOLUTIONS has been advised of the possibility of such damages. In addition, CONSERO SOLUTIONS will not be liable for any damages caused by delay in delivery or furnishing the services. CONSERO SOLUTIONS' liability under this agreement shall not, under any circumstances, exceed the fees paid by CLIENT to CONSERO SOLUTIONS under this Agreement.

13. Mediation; Attorneys' Fees/Costs; Venue. The parties agree to engage first in mediation in the event of any dispute regarding this Agreement. However, if mediation fails and an action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs in addition to any other reasonable relief to which it may be entitled from the non-prevailing party. With respect to any suit, action or proceeding arising out of or related to this Agreement, or the documentation related hereto, the parties hereby submit to the jurisdiction and venue of the appropriate court in the County of Yolo, State of California for any proceeding arising hereunder.

14. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

15. Assignment. Neither party may assign or transfer this Agreement without the express written consent of the other party.

16. Successors and Assigns. The covenants and agreements contained in this Agreement shall be binding upon and inure to the benefit of the heirs, successors and permitted assigns of the parties hereto.

17. Amendment. No change, amendment or modification of this Agreement shall be valid unless in writing and signed by the parties hereto.

18. Governing Law. This Agreement shall be construed and governed pursuant to the laws of the State of California.

19. Force Majeure. Neither CLIENT nor CONSERO SOLUTIONS shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control of such party and without fault or negligence of such party. Such events shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism, or other disasters, whether or not similar to the foregoing, and acts or omissions or failure to cooperate of the other party or third parties (except as otherwise specifically provided herein).

20. Survival. The provisions of this Agreement which are necessary to enforce or interpret it in the event of a dispute, both as to the letter and spirit of the Agreement, shall survive the expiration or termination of this Agreement.

21. Electronic/Digital Signatures. Each electronic or digital signature to this Agreement is deemed equivalent to a valid original handwritten signature of the person signing this Agreement for all purposes, including but not limited to evidentiary proof in any administrative or judicial proceeding, and has the same force and effect as the valid original handwritten signature of that person.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the day and in the year first set forth above.

CONSERO SOLUTIONS

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Petrea Marchand, President

NORTH SAN JOAQUIN WATER CONSERVATION  
DISTRICT

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Joe Valente, President

## ATTACHMENT A

### SCOPE OF WORK

CONSERO SOLUTIONS proposes to assist CLIENT with grant research & SGMA application development, community engagement, strategic plan update, project management, and other duties as assigned. CONSERO SOLUTIONS will report to Steve Schwabauer, CLIENT's General Manager. CONSERO SOLUTIONS shall provide the following services to CLIENT during the term of this Agreement: Work will include the following:

#### **Assumptions**

CONSERO SOLUTIONS will assume the following:

- CLIENT will provide a draft of all newsletter articles.
- CLIENT will provide all photos for the newsletter.
- CLIENT will provide first draft of updated strategic plan goals, objectives and actions
- CLIENT will provide first draft of NSJWCD's portion of East San Joaquin Groundwater Authority's SGMA application

#### **Tasks**

##### ***Task 1: Grant Research and SGMA Application Development***

CONSERO SOLUTIONS will assist CLIENT with research on funding opportunities related to the Safe Drinking Water, Drought, Flood, and Water Resilience Act (Proposition 4). CONSERO SOLUTIONS will draft a semi-monthly funding report for the Board of Directors with an update on the status of grant applications and funding opportunities. The cost of each funding report varies based on the level of research complexity required to complete the report. Some reports may require more hours of work, including additional funding research, grant workshop attendance, and review of applicable funding guidelines. CONSERO

SOLUTIONS will assist CLIENT with their contribution to the East San Joaquin Groundwater Authority's SGMA grant application. CONSERO SOLUTIONS will bill time for this task on a time and materials basis, with the estimated average cost of \$2,000.00 per funding report for a total of six (6) funding reports (\$12,000.00) and assistance with the SGMA application development is estimated at \$8,000.00.

**Deliverables:**

- Funding research on CLIENT programs of interest, including summaries of research in six (6) funding opportunity staff reports for CLIENT Board meetings
- Assistance with CLIENT portion of the East San Joaquin Groundwater Authority's SGMA grant application

**Task 2: Community Engagement**

CONSERO SOLUTIONS will continue to assist CLIENT with community engagement by assisting with the development of four (4) CLIENT newsletters. The cost of developing each newsletter varies based on the complexity of articles and graphics. CONSERO SOLUTIONS will bill time for this task on a time and materials basis, with an estimated average cost of \$6,500.00 per newsletter for a total of four newsletters at \$26,000.00.

**Deliverables:**

- Development of timeline and assignments for completion of four (4) newsletters
- Up to four (4) newsletters

**Task 3. Strategic Plan Update**

CONSERO SOLUTIONS will assist CLIENT with an update to CLIENT's 2021 Strategic Plan. CLIENT will provide the first draft of updated strategic plan goals, objectives and actions. CONSERO SOLUTIONS will bill time for this task on a time and materials basis. The estimated cost of completing the strategic plan update is \$15,000.00.

**Deliverables:**

- One (1) draft Strategic Plan update
- One (1) final Strategic Plan update
- Facilitation of up to two (2) small group landowner meetings on Zoom
- Support for Board meetings related to the Strategic Plan update

**Task 4: Project Management**

CONSERO SOLUTIONS will meet with CLIENT regularly to review progress on tasks in this scope of work, discuss decisions necessary to move tasks forward, and discuss edits to documents. CONSERO SOLUTIONS will create timelines for completion of deliverables, follow up on action items, and complete other work necessary to ensure the tasks are efficiently and effectively organized to deliver high-quality work products. CONSERO SOLUTIONS will bill time for this task on a time and materials basis. The estimated cost for completing project management work is \$9,000.00.

**Deliverables:**

- Up to ten (10) meetings (including agendas, meeting summaries, and follow up on action items)

***Task 5: Other Duties As Assigned***

If funding is available because other tasks do not take as much time, CONSERO SOLUTIONS will assist CLIENT with other duties as assigned. This work may include assistance with the Master Plan implementation, the employee handbook, Board policies and procedures, or other work assigned by CLIENT.

**Timeline/Milestones**

The contract will run from July 1, 2026 to June 30, 2027.

**Budget**

Work under this Agreement is on a time and materials basis. The fees and expenses invoiced to CLIENT for work during the term of this agreement will not exceed \$70,000.00.

Bill Number	Bill Date	Client	Matter	Bill Amount	Fees Amount	Disb Amount
8121842	5/12/2026	North San Joaquin Water Conservation Dis (0082836)	CSPA ESJ GSP Writ (00008)	550.90	539.00	11.90
8119210	4/16/2026	North San Joaquin Water Conservation Dis (0082836)	CSPA ESJ GSP Writ (00008)	968.35	931.00	37.35
8115356	3/19/2026	North San Joaquin Water Conservation Dis (0082836)	CSPA ESJ GSP Writ (00008)	843.00	843.00	0.00
8110622	2/17/2026	North San Joaquin Water Conservation Dis (0082836)	CSPA ESJ GSP Writ (00008)	784.00	784.00	0.00
8105061	1/9/2026	North San Joaquin Water Conservation Dis (0082836)	CSPA ESJ GSP Writ (00008)	1,890.00	1,890.00	0.00
8101052	12/8/2025	North San Joaquin Water Conservation Dis (0082836)	CSPA ESJ GSP Writ (00008)	2,655.00	2,655.00	0.00
				<b>7,691.25</b>	<b>7,642.00</b>	<b>49.25</b>
8121838	5/12/2026	North San Joaquin Water Conservation Dis (0082836)	General (00001)	3,160.00	3,160.00	0.00
8119376	4/17/2026	North San Joaquin Water Conservation Dis (0082836)	General (00001)	6,405.00	6,405.00	0.00
8115362	3/19/2026	North San Joaquin Water Conservation Dis (0082836)	General (00001)	3,485.00	3,485.00	0.00
8110627	2/17/2026	North San Joaquin Water Conservation Dis (0082836)	General (00001)	4,896.00	4,896.00	0.00
8105067	1/9/2026	North San Joaquin Water Conservation Dis (0082836)	General (00001)	4,635.00	4,635.00	0.00
8101047	12/8/2025	North San Joaquin Water Conservation Dis (0082836)	General (00001)	5,505.00	5,505.00	0.00
8095964	11/6/2025	North San Joaquin Water Conservation Dis (0082836)	General (00001)	6,870.00	6,870.00	0.00
8092506	10/13/2025	North San Joaquin Water Conservation Dis (0082836)	General (00001)	7,882.50	7,882.50	0.00
8088686	9/16/2025	North San Joaquin Water Conservation Dis (0082836)	General (00001)	2,340.00	2,340.00	0.00
8082198	8/6/2025	North San Joaquin Water Conservation Dis (0082836)	General (00001)	3,060.00	3,060.00	0.00
8079470	7/17/2025	North San Joaquin Water Conservation Dis (0082836)	General (00001)	4,455.00	4,455.00	0.00
8073115	6/6/2025	North San Joaquin Water Conservation Dis (0082836)	General (00001)	7,140.00	7,140.00	0.00
				<b>59,833.50</b>	<b>59,833.50</b>	<b>0.00</b>
8121840	5/12/2026	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	3,381.00	3,381.00	0.00
8119208	4/16/2026	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	7,252.00	7,252.00	0.00
8115358	3/19/2026	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	7,595.00	7,595.00	0.00
8110625	2/17/2026	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	8,232.00	8,232.00	0.00
8105063	1/9/2026	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	3,960.00	3,960.00	0.00
8101050	12/8/2025	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	6,210.00	6,210.00	0.00
8095968	11/6/2025	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	28,787.50	28,787.50	0.00
8092510	10/13/2025	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	25,760.58	25,682.50	78.08
8088683	9/16/2025	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	23,349.40	23,332.50	16.90
8082206	8/6/2025	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	14,484.00	14,484.00	0.00
8079471	7/17/2025	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	22,425.00	22,425.00	0.00
8073119	6/6/2025	North San Joaquin Water Conservation Dis (0082836)	Groundwater Management (00006)	11,805.00	11,805.00	0.00
				<b>163,241.48</b>	<b>163,146.50</b>	<b>94.98</b>

8121841	5/12/2026	North San Joaquin Water Conservation Dis (0082836)	MICUP Project (00007)	13,132.00	13,132.00	0.00
8119209	4/16/2026	North San Joaquin Water Conservation Dis (0082836)	MICUP Project (00007)	10,581.00	10,581.00	0.00
8115357	3/19/2026	North San Joaquin Water Conservation Dis (0082836)	MICUP Project (00007)	10,633.00	10,633.00	0.00
8110626	2/17/2026	North San Joaquin Water Conservation Dis (0082836)	MICUP Project (00007)	12,250.00	12,250.00	0.00
8105062	1/9/2026	North San Joaquin Water Conservation Dis (0082836)	MICUP Project (00007)	2,925.00	2,925.00	0.00
8101051	12/8/2025	North San Joaquin Water Conservation Dis (0082836)	MICUP Project (00007)	3,600.00	3,600.00	0.00
				<b>53,121.00</b>	<b>53,121.00</b>	<b>0.00</b>
8119375	4/17/2026	North San Joaquin Water Conservation Dis (0082836)	Mokelumne River Water Rights (00002)	343.00	343.00	0.00
8115361	3/19/2026	North San Joaquin Water Conservation Dis (0082836)	Mokelumne River Water Rights (00002)	1,764.00	1,764.00	0.00
8110623	2/17/2026	North San Joaquin Water Conservation Dis (0082836)	Mokelumne River Water Rights (00002)	3,822.00	3,822.00	0.00
8105066	1/9/2026	North San Joaquin Water Conservation Dis (0082836)	Mokelumne River Water Rights (00002)	1,935.00	1,935.00	0.00
8095965	11/6/2025	North San Joaquin Water Conservation Dis (0082836)	Mokelumne River Water Rights (00002)	3,330.00	3,330.00	0.00
8092507	10/13/2025	North San Joaquin Water Conservation Dis (0082836)	Mokelumne River Water Rights (00002)	2,655.00	2,655.00	0.00
8088685	9/16/2025	North San Joaquin Water Conservation Dis (0082836)	Mokelumne River Water Rights (00002)	180.00	180.00	0.00
8082197	8/6/2025	North San Joaquin Water Conservation Dis (0082836)	Mokelumne River Water Rights (00002)	1,710.00	1,710.00	0.00
8073116	6/6/2025	North San Joaquin Water Conservation Dis (0082836)	Mokelumne River Water Rights (00002)	0.00	0.00	0.00
				<b>15,739.00</b>	<b>15,739.00</b>	<b>0.00</b>
8121839	5/12/2026	North San Joaquin Water Conservation Dis (0082836)	North Systems Projects (00004)	4,793.50	4,793.50	0.00
8119207	4/16/2026	North San Joaquin Water Conservation Dis (0082836)	North Systems Projects (00004)	4,504.00	4,504.00	0.00
8115359	3/19/2026	North San Joaquin Water Conservation Dis (0082836)	North Systems Projects (00004)	1,930.00	1,930.00	0.00
8110624	2/17/2026	North San Joaquin Water Conservation Dis (0082836)	North Systems Projects (00004)	570.00	570.00	0.00
8105064	1/9/2026	North San Joaquin Water Conservation Dis (0082836)	North Systems Projects (00004)	1,455.00	1,455.00	0.00
8101049	12/8/2025	North San Joaquin Water Conservation Dis (0082836)	North Systems Projects (00004)	2,490.00	2,490.00	0.00
8095966	11/6/2025	North San Joaquin Water Conservation Dis (0082836)	North Systems Projects (00004)	427.50	427.50	0.00
8092508	10/13/2025	North San Joaquin Water Conservation Dis (0082836)	North Systems Projects (00004)	8,943.50	8,943.50	0.00
8088684	9/16/2025	North San Joaquin Water Conservation Dis (0082836)	North Systems Projects (00004)	3,769.00	3,769.00	0.00
8082205	8/6/2025	North San Joaquin Water Conservation Dis (0082836)	North Systems Projects (00004)	225.00	225.00	0.00
8073118	6/6/2025	North San Joaquin Water Conservation Dis (0082836)	North Systems Projects (00004)	270.00	270.00	0.00
				<b>29,377.50</b>	<b>29,377.50</b>	<b>0.00</b>

8119206	4/16/2026	North San Joaquin Water Conservation Dis (0082836)	South Systems Projects (00003)	441.00	441.00	0.00
8115360	3/19/2026	North San Joaquin Water Conservation Dis (0082836)	South Systems Projects (00003)	147.00	147.00	0.00
8105065	1/9/2026	North San Joaquin Water Conservation Dis (0082836)	South Systems Projects (00003)	615.00	615.00	0.00
8101048	12/8/2025	North San Joaquin Water Conservation Dis (0082836)	South Systems Projects (00003)	480.00	480.00	0.00
8092461	10/13/2025	North San Joaquin Water Conservation Dis (0082836)	South Systems Projects (00003)	0.00	0.00	0.00
8082196	8/6/2025	North San Joaquin Water Conservation Dis (0082836)	South Systems Projects (00003)	825.00	825.00	0.00
8073117	6/6/2025	North San Joaquin Water Conservation Dis (0082836)	South Systems Projects (00003)	1,395.00	1,395.00	0.00
				<b>3,903.00</b>	<b>3,903.00</b>	<b>0.00</b>
8095967	11/6/2025	North San Joaquin Water Conservation Dis (0082836)	Tracy Lake ID (00005)	135.00	135.00	0.00

**BOARD OF DIRECTORS**

P.O. Box E, Victor, CA 95253

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From: Steve Schwabauer, General Manager

**RECOMMENDED ACTION:** Authorize General Manager to enter into Contract Services Agreement with the Shasta Burns to provide Board Clerk, Records management and billing services to the District.

**DISCUSSION:**

Shasta Burns provides services to the district under a 2023 agreement. The agreement and hourly rate are outdated and due for revision. The attached draft agreement only revises the hourly billing agreement from \$70 an hour to \$80 and hour. CPI between 2023 and today totals about 14 percent, which represents close to a \$10 an hour increase on a \$70 and hour rate. As such Staff recommends the Board approve an adjustment of the rate to \$80/hour

**RECOMMENDATION:**

Authorize the General Manager to enter into Contract Services Agreement with Shasta Burns for Board Clerk, Billing and Records Management Services.

## CONTRACT SERVICES AGREEMENT

This Professional Services Agreement, entered into as of July 1, 2026 by and between the **North San Joaquin Water Conservation District**, a public entity (hereinafter "District"), and **Shasta Burns** (hereinafter "Contractor"), collectively the "Parties."

District and Contractor hereby agree as follows:

1. SERVICES. District hereby retains Contractor to provide records management, billing and Board Clerk services for the District. Additional services may be covered by this Agreement upon mutual agreement of the Parties.

2. HOURLY RATE; NOT-TO-EXCEED AMOUNT. For services performed under this Agreement during the term of this Agreement, Contractor will be paid \$80.00 per hour. Any adjustment to the hourly rate after shall be by mutual agreement of the Parties. Contractor will charge in increments of one-tenth of an hour, rounded off for each particular activity to the nearest one-tenth of an hour. The minimum time charged for any particular activity will be one-tenth of an hour. Unless otherwise agreed by the Parties, Contractor shall not charge for travel time from and to her home to locations where District documents are located unless any such documents are located outside of the District Unless otherwise agreed by the Parties, the amount of this Agreement shall not exceed FOURTEEN THOUSAND DOLLARS (\$75,000) per year without written Board approval.

3. EXPENSES In addition to fees, District shall reimburse Contractor for all out-of-pocket costs and expenses actually incurred by the Contractor to perform her duties under this Agreement. Out-of-pocket expenses include, but are not limited to, mileage reimbursement at the federal rate, facsimile charges, photocopying and printing costs, postage for large envelopes and packages, overnight and express mail charges, and other reasonable expenses incurred to perform services under this Agreement.

4. INVOICES. Contractor will normally provide monthly invoices to the District for all time and expenses, which invoice shall clearly state the basis thereof. The hourly rate section of the invoice shall include the number of hours of work, rate, and a brief description of the services performed by day. The reimbursable expense section of the invoice shall clearly identify the nature and amount of the expenses incurred. Contractor understands that the District's Board of Director's regular meeting is the last Monday of each month and agrees that the goal is to pay her invoices within thirty (30) days from the date of the invoice but that may not occur from time to time.

5. TERMINATION. Both parties have the right to terminate this Agreement at any time with or without cause. Unless otherwise agreed in writing, any termination hereunder shall become effective upon receipt of written notice of termination. On Contractors' termination, the amount due Contractors' for services rendered and costs and expenses incurred prior to the termination date shall remain due and payable.

6. NOTICES. All notices, invoices, reports or other communication to the parties shall be properly given if delivered in person or sent by First Class mail, facsimile or overnight delivery and addressed as follows:

If to District: North San Joaquin Water Conservation District, Attn: Board of Directors  
PO Box 334, Victor, CA 95253

If to Contractor: Shasta Burns  
12380 Kirkwood Street, Herald, Ca 95638

Either party may change its address for receipt of notices under this Agreement by notice given in the manner provided herein.

7. INSURANCE. Contractor represents and agrees that it maintains, and will maintain during the term of this Agreement, automobile insurance applicable to the services to be provided hereunder. Contractor is not required to maintain errors and omissions insurance.

8. INDEPENDENT CONTRACTOR. Contractor shall at all times act as an independent contractor with respect to the performance of this Agreement. Neither Contractor nor any employees or agents of Contractor shall be considered an employee of District for any purpose. Contractor agrees that she shall not be entitled to any medical, retirement, vacation, sick leave, or other such benefits and that she will not be covered by the District's workers compensation insurance.

IN WITNESS WHEREOF, the parties to this Agreement hereby indicate their acceptance of the terms and conditions stated herein as evidenced by the following signatures of their authorized representatives.

NORTH SAN JOAQUIN WCD

Shasta Burns

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Shasta Burns

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT  
PURCHASE ORDER/CONTRACT FOR SERVICES**

Date Approved: June 29, 2026	Approved by: Board of Directors at 6/29/26 Meeting, per minutes
Vendor: Arnaudo Construction	Amount: Time and Materials per Exhibit A
License: No. _____ 903970 _____ DIR: _____ 1000025395 _____ Tax id # _____ 46-4382043 _____	
Vendor Contact:  Matt Yerian Arnaudo Construction PO Box 390 Tracy Ca 95378 209-814-1484	
District Contact: Steve Schwabauer, General Manager, 209 329-0250	
Time to Complete: NA	
Mail invoices to: NSJWCD P.O. Box 334, Victor CA 95253	
Scope of Work/Special Terms: This contract is a time and materials contract for on call emergency system repairs on an as needed basis. Services provided under this contract shall not exceed \$50,000 per year without prior board approval. Services provided under this agreement will be billed according to the Time and Materials sheet attached as Exhibit A and shall be memorialized in a Project Specific Addendum.	
District Use Only:	

***By signing below, vendor acknowledges this contract is subject to the above specific terms and all of the following, 95378g general terms and conditions, and that the person signing has authority to bind vendor to all of the terms of this contract/purchase order.***

DocuSigned by:  
  
 Signed: \_\_\_\_\_ Date: 6/15/2026  
 Name: Garrett Arnaudo Title: President

**GENERAL TERMS AND CONDITIONS**

1. **Prevailing Wage Compliance:** For any project for a “work of improvement” including remodel, repair, maintenance as well a general construction, warranty and emergency work in excess of \$1,000, the following terms are incorporated:
  - a. This project is subject to the requirements of Section 1720 et seq. of the California Labor Code requiring the payment of prevailing wages, the training of apprentices and compliance with other applicable requirements. Contractors and all subcontractors who perform work on the project are required to comply with these requirements. Prevailing wages apply to all projects over \$1,000 which are defined as a “public work” by the State of California. This includes: construction, demolition, repair, alteration, maintenance and the installation of photovoltaic systems under a Power Purchase Agreement when

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT  
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- certain conditions are met under Labor Code Section 1720.6. This include service and warranty work on public buildings and structures.
- b. The applicable California prevailing wage rate can be found at [www.dir.ca.gov](http://www.dir.ca.gov) and are on file with the District's principal office, which shall be available to any interested party upon request. The contractor is also required to have a copy of the applicable wage determination posted and/or available at each jobsite.
  - c. Specifically, contractors are reminded of the need for compliance with Labor Code Section 1774-1775 (the payment of prevailing wages and documentation of such), Section 1776 (the keeping and submission of accurate certified payrolls) and 1777.5 in the employment of apprentices on public works projects. Further, overtime must be paid for work in excess of 8 hours per day or 40 hours per week pursuant to Labor Code Section 1811-1813.
  - d. Special prevailing wage rates generally apply to work performed on weekends, holidays and for certain shift work. Depending on the location of the project and the amount of travel incurred by workers on the project, certain travel and subsistence payments may also be required. Contractors and subcontractors are on notice that information about such special rates, holidays, premium pay, shift work and travel and subsistence requirements can be found at [www.dir.ca.gov](http://www.dir.ca.gov).
  - e. Only bona fide apprentices actively enrolled in a California Division of Apprenticeship Standards approved program may be employed on the project as an apprentice and receive the applicable apprenticeship prevailing wage rates. Apprentices who are not properly supervised and employed in the appropriate ratio shall be paid the full journeyman wages for the classification of work performed.
  - f. The public entity for which work is being performed or the California Department of Industrial Relations may impose penalties upon contractors and subcontractors for failure to comply with prevailing wage requirements. These penalties are up to \$200 per day per worker for each wage violations identified; \$100 per day per worker for failure to provide the required paperwork and documentation requested within a 10-day window; and \$25 per day per worker for any overtime violation.
  - g. As a condition to receiving progress payments, final payment and payment of retention on any and all projects on which the payment of prevailing wages is required, the contractor agrees to present to the District, along with its request for payment, all applicable and necessary certified payrolls (for itself and all applicable subcontractors) for the time period covering such payment request. The term "certified payroll" shall include all required documentation to comply with the mandates set forth in Labor Code Section 1720 et seq, as well as any additional documentation requested by the District or its designee including, but not limited to: certified payroll, fringe benefit statements and backup documentation such as monthly benefit statements, employee timecards, copies of wage statements and cancelled checks, proof of training contributions (CAC2 if applicable), and apprenticeship forms such as DAS-140 and DAS-142.
  - h. In addition to submitting the certified payrolls and related documentation to the District, the contractor and all subcontractors shall be required to submit certified payroll and related documents electronically to the California Department of Industrial Relations. Failure to submit payrolls to the DIR when mandated by the project parameters shall also result in the withholding of progress, retention and final payment. The District may choose to require that all labor compliance documentation be delivered using a web based collection system such as LCPtracker or Elations. Certified payroll information for this project shall be submitted electronically through LCPtracker.
  - i. No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
  - j. No contractor or subcontractor may be awarded a contract for public work on a public works project, unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. Contractors MUST be a registered "public works contractor" with the DIR AT THE TIME OF BID. Where

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT  
PURCHASE ORDER/CONTRACT FOR SERVICES**

the prime contract is less than \$15,000 for maintenance work or less than \$25,000 for construction alternation, demolition or repair work, registration is not required.

- k. All contractors/subcontractors and related construction services subject to prevailing wage, including but not limited to: trucking, surveying and inspection work must be registered with the Department of Industrial Relations as a "public works contractor". Those you fail to register and maintain their status as a public works contractor shall not be permitted to perform work on the project.
  - l. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
  - m. The District shall withhold any portion of a payment; including the entire payment amount, until certified payroll forms and related documentation are properly submitted, reviewed and found to be in full compliance. In the event that certified payroll forms do not comply with the requirements of Labor Code Section 1720 et seq., the District may continue to hold sufficient funds to cover estimated wages and penalties under the contract.
- 2. Indemnification.** To the extent permitted by law, Contractor shall defend, indemnify and hold harmless NSJWCD, its directors, officers, employees, and authorized volunteers from and against all claims, damages, losses and expenses, including reasonable attorneys' fees and costs to defend arising out of the performance of the work described herein, and caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone whose acts any of them may be liable, except where caused by the active negligence, sole negligence, or willful misconduct of the NSJWCD, its directors, officers, employees, and authorized volunteers.
- 3. Insurance.** Minimum Scope and Limits of Insurance: Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries or death to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, or subcontractors. Coverage shall be at least as broad as the following:
- a. General Liability - Commercial General Liability (CGL) - Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001) including products and completed operations, property damage, bodily injury, personal and advertising injury with limit of at least two million dollars (\$2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (coverage as broad as the ISO CG 25 03, or ISO CG 25 04 endorsement provided to NSJWCD) or the general aggregate limit shall be twice the required occurrence limit.
  - b. Automobile Liability - Insurance Services Office (ISO) Business Auto Coverage (Form CA 00 01), covering Symbol 1 (any auto) with limit of one million dollars (\$1,000,000) for bodily injury and property damage each accident.
  - c. Workers' Compensation Insurance - The Contractor shall provide workers' compensation coverage as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
  - d. Waiver of Subrogation (also known as Transfer of Rights of Recovery Against Others to Us) - The Contractor hereby agrees to waive rights of subrogation to obtain endorsement necessary to affect this waiver of subrogation in favor of the NSJWCD, its directors, officers, employees, and authorized volunteers, for losses paid under the terms of this coverage which arise from work performed by the Named Insured for the NSJWCD; this provision applies regardless of whether or not the NSJWCD has received a waiver of subrogation from the insurer.
  - e. Additional Coverage - If the Contractor maintains broader coverage and or/higher limits than the minimums shown above, NSJWCD requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum of insurance and coverage shall be available to the NSJWCD.
  - f. Other Required Provisions: The Commercial General Liability policy are to contain, or be endorsed to contain, the following provisions:

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT  
PURCHASE ORDER/CONTRACT FOR SERVICES**

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- g.** Additional Insured Status - NSJWCD, its directors, officers, employees, and authorized volunteers are to be given insured status (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 10 01 and CG 20 37 10 01, with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance.
  - h.** Primary Coverage: For any claims related to this project, the Contractor's insurance coverage shall be primary at least as broad as ISO CG 20 01 04 13 as respects to the NSJWCD, its directors, officers, employees, and authorized volunteers. Any insurance or self-insurance maintained by the NSJWCD, its directors, officers, employees, and authorized volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
  - i.** Notice of Cancellation: Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the NSJWCD.
  - j.** Sub-Contractors: In the event that the Contractor employs other Contractors (sub-contractors) as part of the work covered by the Agreement, it shall be the Contractor's responsibility to require and confirm that each sub-contractor meets the minimum insurance requirements specified above (via as broad as ISO CG 20 38 04 13). The Contractor shall, upon demand of NSJWCD, deliver to NSJWCD copies such policy or policies of insurance and the receipts for payment of premiums thereon.
  - k.** Acceptability of Insurers: Insurance is to be placed with insurers having a current A.M. Best rating of no less than A: VII or equivalent or as otherwise approved by NSJWCD.
  - l.** Verification of Policy Coverage: Contractor shall furnish NSJWCD with copies of certificates and amendatory endorsements effecting coverage required by this Addendum. All certificates and endorsements are to be received and approved by the NSJWCD before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The NSJWCD reserves the right to require complete, certified copies of all required insurance policies, including policy Declaration pages and Endorsement pages, required by these specifications, at any time. Failure to continually satisfy the Insurance requirements is a material breach of contract.
- 4. Laws, Regulations and Permits:** The Contractor shall give all notices required by law and comply with all laws, ordinances, rules and regulations pertaining to the conduct of the work. The Contractor shall be liable for all violations of the law in connection with work furnished by the Contractor. If the Contractor observes that the drawings or specifications are at variance with any law or ordinance, rule or regulation, they shall promptly notify NSJWCD in writing and any necessary changes shall be made by written agreement. If the Contractor performs any work knowing it to be contrary to such laws, ordinances, rules or regulations and without giving notice to NSJWCD engineer, the Contractor shall bear all costs arising therefrom.
- 5. Safety:** In the performance of this contract the Contractor shall comply with all applicable federal, state and local statutory and regulatory requirements including, but not limited to California Department of Industrial Relations (Cal/OSHA) regulations; and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act, related to their scope of work and operations. In case of conflict in regulations, the most stringent shall apply. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract. Safety precautions shall include but shall not be limited to: adequate life protection and life saving equipment; adequate illumination; instructions in accident prevention for all employees, such as the use of machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection, and other safety devices; equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses (including but not limited to exposure to the Coccidioides fungus and Valley Fever); and adequate facilities for the proper inspection and maintenance of all safety measures.
- a.** Labor Permits and Approvals: Contractor must obtain all applicable Division of Occupational Safety and Health (CAL-OSHA) permit(s) and others required by California Labor Code and California Government Code, prior to

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT  
PURCHASE ORDER/CONTRACT FOR SERVICES**

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the initiation of any practices, work, method, operation, or process related to the work covered in the contract. Permits required by governmental authorities will be obtained at Contractor's expense.

- b. Hazardous Conditions:** It is a condition of this contract, and shall be made a condition of each subcontract which the Contractor enters into pursuant to this contract, that the Contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under Cal/OSHA safety and health standards.
- 6. Utilities:** The Contractor shall be responsible for the safeguarding of all utilities. At least two working days before beginning work, the Contractor shall call the Underground Service Alert (USA) in order to determine the location of sub-structures. The Contractor shall immediately notify NSJWCD and the utility owner if he/she disturbs, disconnects, or damages any utility.
- 7. Excavation or Trenching:** In accordance with Section 6705 of the California Labor Code, the Contractor shall submit to NSJWCD specific plans to show details of provisions for worker protection from caving ground during excavations of trenches of five feet or more in depth. The excavation/trench safety plan shall be submitted to and accepted by NSJWCD prior to starting excavation. The trench safety plan shall have details showing the design of shoring, bracing, sloping or other provisions to be made for worker protection from the hazard of caving ground. If such a plan varies from the shoring system standards established by the Construction Safety Orders of the California Department of Industrial Relations (Cal/OSHA), the plan shall be prepared by a California registered civil or structural engineer. As part of the plan, a note shall be included stating that the registered civil or structural engineer certifies that the plan complies with the Cal/OSHA Construction Safety Orders, or that the registered civil or structural engineer certifies that the plan is not less effective than the shoring, bracing, sloping or other provisions of the Safety Orders. In no event shall the Contractor use a shoring, sloping, or protective system less effective than that required by said Construction Safety Orders. Submission of this plan in no way relieves the Contractor of the requirement to maintain safety in all areas. If excavations or trench work requiring a Cal/OSHA permit are to be undertaken, the Contractor shall submit his/her permit with the excavation/trench work safety plan to NSJWCD before work begins.
- 8. Independent Contractor:** Contractor is an independent contractor, and shall not be considered an officer, agent, or employee of District.
- 9. Assignment:** Without the written consent of the District, this Agreement is not assignable by Contractor either in whole or in part.
- 10. Time of the Essence:** Time is of the essence of this Agreement.
- 11. Termination:** At any time during the term of this Agreement, the District has the right to terminate this Agreement provided Contractor is given a 30-day notice.
- 12. Amendment:** This Agreement is integrated and may only be amended or modified in writing.
- 13. Venue and Choice of Law:** Any action arising out of this Agreement shall be brought in San Joaquin County, California, regardless of where other venues may lie. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

[END OF GENERAL PROVISIONS]

**Attachment: Exhibit A: Time and materials cost sheet**

**EXHIBIT A**

**TIME & MATERIALS RATE SHEET**



**July 1, 2026 to June 30, 2027**

*Rates include all costs plus mark-up. Any costs not detailed below will be billed at invoice plus 15% mark-up*

**LABOR RATES**

	<b>REGULAR TIME</b>	<b>OVER TIME</b>	<b>DOUBLE TIME</b>
<b>FOREMAN</b>			
Carpenter	167.00	213.00	259.00
Operating Engineer	167.00	213.00	259.00
Laborer	167.00	213.00	259.00
Cement Mason	167.00	213.00	259.00
<b>CARPENTER</b>	156.00	198.00	240.00
<b>OPERATOR</b>			
Excavator	149.00	191.00	232.00
Motor Grader	149.00	191.00	232.00
Backhoe	148.00	188.00	229.00
Loader	148.00	188.00	229.00
Skip Loader	148.00	188.00	229.00
Dozer	148.00	188.00	229.00
Asphalt Roller	148.00	188.00	229.00
<b>LABORER</b>	103.00	128.00	153.00
<b>CEMENT MASON</b>	121.00	151.00	182.00

**EQUIPMENT RATES**

F-250 Pickup or Equal	30.00
F-350 Pickup or Equal	42.00
F-550 Tool Truck or Equal	42.00
Water Truck (F-750)	78.00
Dump Trailer	6.00
Air Compressor w/Breaker & Hose	89.00
Skid Steer / Track Loader	48.00
Backhoe	72.00
Telehandler Lift (Genie GTH 1056)	72.00
Excavator (CAT 308)	96.00
Excavator (SK 350)	180.00
Excavator (CAT 330)	180.00
Truck, 5-Axle Transport (Outside)	199.00

P.O. Box E, Victor, CA 95253

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**PREPARED BY:** Petrea Marchand, Consero Solutions  
Steve Schwabauer, General Manager

**RECOMMENDATION:** Receive Update on 2026-27 State Budget Proposals and North San Joaquin Water Conservation District (District) Project Funding Opportunities

**BACKGROUND:**

Governor Newsom released his proposed 2026-27 State budget on January 9, 2026 and a revision to the 2026-27 budget on May 14, 2026. The proposed budget allocates additional Proposition 4 funding to various State agencies. The Legislature passed a final budget on June 15, 2026 but is still negotiating final changes with the California State Senate and the California State Assembly, including all Proposition 4 allocations. The Legislature expects to pass a budget trailer bill with Proposition 4 allocations by August 31, 2026. The 2026-27 proposed budget contains additional funding for the Sustainable Groundwater Management Act Implementation Grant Program (SGMA Grant Program), the Multibenefit Land Repurposing Program, and the new Watershed Resilience Grant Program (which replaces the Integrated Regional Water Management Grant Program.) The District's newly approved Master Plan should strengthen the District's position to apply for Proposition 4 funding because it sets District priorities with community input, although the District must review the final Proposition 4 allocation plan in August to determine the District's competitiveness for funding.

At the April 30, 2026 Proposition 4 workshop on the SGMA grant program and the Watershed Resilience Program, Julie Rizzardo, Branch Manager, Division of Regional Assistance, Financial noted both programs can now offer an advance payment of 25% of the grant award to initiate awarded projects and DWR now considers indirect costs an eligible expense. The eligibility of indirect costs for reimbursement will help the District recoup some overhead costs associated with managing grant-funded projects, if awarded, as long as the District has the appropriate indirect cost paperwork in place. Ms. Rizzardo also noted 40% of grant funds must directly benefit disadvantaged communities and vulnerable populations.

**DISCUSSION:**

**1. California Department of Water Resources Sustainable Groundwater Management Implementation Grant Program**

Project Name: N/A

Amount Requested: TBD

Amount of Cost Share: TBD

Release Request for Grant Application: Mid 2027 (TBD)

Application Due: TBD

**Status:** Keith Wallace at DWR said at the April 30, 2026 workshop that DWR will allocate \$320 million to the SGMA Implementation Grant Program in a single round in mid-2027. Mr. Wallace emphasized there will be only one funding solicitation, one grant award per basin and Proposition 4 requires a "reasonable geographic" spread of funding.. Eligible priorities include

recharge and conjunctive use projects, subsidence best management practice implementation, water conservation, conveyance projects, and demand management activities. DWR anticipates releasing draft guidelines in fall 2026, with awards in late 2027 or early 2028. Eric Garcia, Program Manager for the SGMA Implementation Grant Program, noted \$3.5 million is dedicated to small GSAs (those pumping less than 10,000 acre-feet annually) and \$6.5 million is reserved for the Underrepresented Communities Technical Assistance Program. He noted DWR's design of the program has been shaped by listening sessions from 2023 to 2025, with a goal of making it easier for GSAs to access resources.

**Context:** Section 91012 of Proposition 4 states: "Of the funds made available by Section 91010, three hundred eighty-six million two hundred fifty thousand dollars (\$386,250,000) shall be available...for projects related to groundwater storage, groundwater banking, groundwater recharge, or instream flow projects that support the conjunctive use of groundwater and surface water supplies."

**2. California Department of Food and Agriculture (CDFA) Office of Environmental Farming and Innovation State Water Efficiency and Enhancement Program (SWEEP)**

Project Name: San Joaquin County Multi-District Groundwater Overdraft and Energy Use Reduction Project

Amount Requested: \$3 million (NSJWCD's share is a small portion of this amount due to the lack of disadvantaged or vulnerable communities in the District)

Amount of Cost Share: TBD (only concept proposal submitted)

Concept Proposal Submitted: May 14, 2026

Full Proposal Invitation Notification: June 2026

Full Proposal Application Due: August 2026

Award Notification: September 2026

Award Execution: January 2027

**Status:** The District worked with Woodbridge Irrigation District, the Central San Joaquin Water Conservation District, the South San Joaquin Irrigation District, and the San Joaquin County Farm Bureau to submit a concept proposal for a SWEEP grant. The agencies have not heard yet whether CDFA will invite the group to submit a full proposal.

**Context:** The 2025-26 and 2026-27 budgets allocate a total of \$39 million to the SWEEP program, all of which is available for award in the 2026 funding round for which the District applied with partners. Carolyn Cook with the Department has confirmed the Department will not offer a SWEEP grant solicitation in 2027. Proposition 4 contains a total of \$40 million for the SWEEP program and specifically states funds "shall be available for the State Water Efficiency and Enhancement Program to promote on-farm water use efficiency with focus on multiple-benefit projects that improve resilience to climate change and save water on California agricultural operations." The Legislature will likely appropriate the remaining \$1 million in later budget years to support CDFA's management of the program.

**3. California Department of Conservation Multibenefit Land Repurposing Program**

Project Name: N/A

Amount Requested: TBD

Amount of Cost Share: TBD

Solicitation Release Date: TBD

Application Due: TBD

Draft guidelines: Summer 2026

Public Comment Workshops and Tribal Roundtables: Summer-Fall 2026

Solicitation: Fall 2026

Awards: Winter 2026 - 2027

**Status:** The California Department of Conservation updated the Multibenefit Land Repurposing Program’s website to include a prospective date of “summer 2026” to release the draft guidelines for a \$200 million solicitation in fall 2026. This is the largest amount of money available for grants in the program’s history.

**Context:** In January 2025, the Governor proposed \$12 million for the Multibenefit Land Repurposing Program in 2025-26 and \$51 million in 2026-27. The State Legislature increased the proposed amounts to \$65 million in 2026-27 and \$32 million 2025-26, demonstrating the State Legislature’s support for this program. The District had declined to apply to the Multibenefit Land Repurposing Program in the past because the program did not allow the District to count groundwater recharge or demand reduction through program-funded projects towards its water budget. District staff will review the updated guidelines to determine whether the Department has addressed this issue.

**4. Department of Water Resources Watershed Resilience Program (formerly Integrated Regional Water Management Program)**

Project Name: TBD

Amount Requested: TBD

Amount of Cost Share: TBD

Solicitation Release Date: Mid-2027 (tentative)

Application Due: TBD

**Status:** At the April 30, 2026 workshop, Joel Metzger, Deputy Director at DWR, confirmed DWR will release a solicitation for \$152 million is for the Watershed Resilience Grant Program in mid-2027 from two Proposition 4 sources (\$100 million for Watershed Resilience projects and \$75 million for water conservation in agricultural and urban areas). DWR funded five watershed resilience pilot projects in recent years and will integrate lessons learned into the proposed guidelines. Anne-Marie Ore, DWR Financial Assistance Branch Program Manager, explained the program will use a two-step application process (concept proposal followed by full application) with a 60-day public comment period. Eligible applicants must apply on behalf of a collaborative group and projects must operate at a watershed scale. DWR will offer funding. into two solicitations; an early action implementation round and a planning-plus round, with no

cost share requirement. The planning-plus round award size is approximately \$8 million (\$3 million for plan development, \$5 million for immediate project implementation). DWR will award the full amount of funding upfront to applicants, but DWR will amend the grant agreement after the planning process is complete to incorporate specific priority implementation projects. IRWM regions are well-positioned to apply and pilot project areas do not have an inherent advantage over new applicants. DWR expects to release draft guidelines in fall 2026 with the solicitation opening in mid-2027.

**Context:** Proposition 4 contains \$100 million for integrated regional management, which DWR will use for this program in addition to \$75 million in Proposition 4 for urban and agricultural water conservation. DWR is transitioning away from the Integrated Regional Water Management Plan Program because the California Water Plan is moving to a watershed approach to water management. Proposition 4 states the \$100 million is used for “integrated regional water management to improve climate resilience on a watershed basis, hence the transition to the new Watershed Resilience Program.