

# PANOCHÉ WATER DISTRICT

## BOARD OF DIRECTORS MEETING

August 8, 2023 at 9:30 am

### MEETING LOCATION

Panoche Water District Boardroom  
52027 West Althea Ave.  
Firebaugh, CA 93622

### REMOTE MEETING LOCATION

Director Steve Fausone  
194 "E" Street  
Cayucos, CA 93430

## AGENDA

**PRESIDENT'S ANNOUNCEMENT:** Pursuant to Government Code Section 54952.3, Water Code sections 34740 and 34741, and the District's Bylaws, let it be known that Board members may receive either: A \$100.00 stipend as compensation for participation in today's meeting and for each day's service rendered as a Director, not to exceed a total of \$600.00 in any calendar month, or, as an Executive Officer of the District, a \$500.00 per month stipend as compensation for their service to the District.

**1. CALL TO ORDER**

**2. ROLL CALL:** A quorum will be confirmed, and the Board will consider appointment of an acting Officer(s) in the event the President, Vice-President, and/or Secretary is absent from the meeting.

**3. POTENTIAL CONFLICTS OF INTEREST:** Any Board member who has a potential conflict of interest may now identify the Agenda Item and recuse themselves from discussing and voting on the matter. [Government Code Section 87105]

**4. PUBLIC COMMENT:** The Board of Directors welcomes participation in Board meetings. The public may address matters under the jurisdiction of the Board that have not been posted in the Agenda. The public will be given the opportunity to address the Board on any item in the Agenda at this time or before the Board's consideration of that item. If members of the public desire to address the Board relative to a particular Agenda item at the time it is to be considered, they should so notify the President of the Board at this time. Please note, California Law prohibits the Board from taking action on any matter during a regular meeting that is not on the posted Agenda unless the Board determines that it is an emergency or one of the other situations specified in Government Code Section 54954.2. During a special meeting, the Board may not take action on any matter that is not on the posted Agenda. The President may limit the total amount of time allocated for public comment on particular issues to 3 minutes for each individual speaker.

### **ACTION ITEMS**

5. **BOARD TO REVIEW AND CONSIDER APPROVAL OF THE FOLLOWING BOARD MEETING MINUTES (Chagoya)**
  - A. January 11, 2022 Regular Board Meeting
  - B. January 25, 2022 Special Board Meeting
  - C. February 8, 2022 Regular Board Meeting
  - D. July 11, 2023 Regular Board Meeting
6. **FINANCIAL REPORT (Brazil)**
  - A. Accounts Payable;
  - B. Monthly Financials;
  - C. FYE 2024 Budget-to-Actual Report;
  - D. Other financial matters affecting the District.
7. **THE BOARD TO REVIEW AND CONSIDER APPROVAL OF A MANAGEMENT CONTRACT FOR THE GENERAL MANAGER POSITION (Hurley)**
8. **THE BOARD TO REVIEW AND CONSIDER AUTHORIZING THE INTERIM GENERAL MANAGER, HURLEY TO VOTE ON THE CANDIDATES FOR THE AWCA OFFICES OF PRESIDENT AND VICE PRESIDENT FOR 2024-25 (Hurley)**
9. **THE BOARD TO REVIEW AND CONSIDER APPROVAL OF AWARD FOR DISTRICT INFORMATION TECHNOLOGY SERVICES (Hurley & Marquez)**
10. **THE BOARD TO REVIEW AND CONSIDER ADOPTING THE EQUIPMENT RENTAL RATES FOR FISCAL YEAR 2023-2024.**

### **REPORT ITEMS**

11. **DIVISION REPORTS**
  - A. Ethics, Compliance, & Human Resources (Chagoya)
  - B. Operations & Maintenance (Carlucci)
  - C. Water Supply Update (Reyes)
    1. Contra Costa WD 2,000 AF Return Water
    2. Contra Costa WD 6,000 AF Pilot Project
12. The Board to receive an update on the Domestic Water Treatment Plant (Cadena)
13. The Board to receive an update on the Cal Poly ITRC Facilities Modernization Plan (Cadena)
14. The Board to receive an update on the USBR Water Smart Grant Project for the Contour Canal (Marquez)
15. **GENERAL MANAGER'S REPORT (Hurley)**
  - A. Sustainable Groundwater Management Act
  - B. Los Vaqueros Expansion Project
  - C. Water Storage and Conveyance Discussions
    1. Arvin Edison Water Storage District
    2. West Stanislaus Irrigation District
  - D. Legislative Update
  - E. Other Matters

- 16. REPORTS ON OTHER ITEMS PURSUANT TO GOVERNMENT CODE SECTION 54954.2(a)(3)**
- 17. PANOCHÉ WATER & DRAINAGE DISTRICTS JOINT CLOSED SESSION:** Conference with Legal Counsel.
- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
 Significant Exposure to Litigation pursuant to Section 54956.9(d), paragraph (2) or (3):  
 Number of Cases: Three
- B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
 Pursuant to Section 54956.9(d)(1):  
Names of Cases:
- i. PCFFA v. Glaser, et. al.  
 US District Court, E.D. Cal, Case No. 2:11-cv-02980
- 18. REPORT FROM JOINT CLOSED SESSION (GOVERNMENT CODE SECTION 54957.1)**
- 19. FUTURE MEETING DATES**
- A. Board to Consider Action to set Special Meeting Date(s): *None requested.*
- B. Next Regular Meeting Date: September 12, 2023
- 20. PANOCHÉ WATER DISTRICT CLOSED SESSION**
- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
 Significant Exposure to Litigation pursuant to Section 54956.9(d), paragraph (2) or (3):  
 Number of Cases: Four
- B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
 Pursuant to Section 54956.9(d)(1):  
Names of Cases:
- ii. Imani Percoats & Chris Bettencourt vs. Panoche Water District  
 Fresno County Superior Court Case No. 18CECG01651
- iii. Center for Biological Diversity, et al. v. United States, et al.  
 US District Court, E.D. Cal, Case No. 1:20-CV-00760 DAD-EPG
- v. North Coast Rivers Alliance, et al. v. Kenneth Salazar, et al.  
 US District Court, E.D. Cal., Case No. 1:16-cv-00307-DAD-SKO
- vi. Firebaugh Canal Water District & Central California Irrigation District v. United States, et al.  
 US District Court, E.D. Cal., Case 1:88-cv-00634-LJO-SKO
- C. CONFERENCE REGARDING LABOR NEGOTIATIONS AND RECRUITMENT [GOV CODE §54950]  
 Pursuant to Section 54957.6:  
 Agency Designated Representative: Che Johnson; Legal Counsel  
 Employee Organization: International Brotherhood of Electrical Workers Local 1245

## 21. REPORT FROM CLOSED SESSION

## 22. ADJOURNMENT

- ❖ Items on the Agenda may be taken in any order.
- ❖ Action may be taken on any item listed on the Agenda.
- ❖ Writings relating to open session: Agenda items that are distributed to members of the Board of Directors will be available for inspection at the District office, excluding writings that are not public records or are exempt from disclosure under the California Public Records Acts.

Americans with Disabilities Act of 1990: Under this Act, a qualifying person may request that the District provide a disability-related modification or accommodation in order to participate in any public meeting of the District. Such assistance includes alternative formats for the agendas and agenda packets used for any public meetings of the District. Requests for assistance shall be made in person, in written form, or via telephone by calling (209) 364-6136. Requests must be received at least 18 hours prior to a scheduled public meeting.

Investment Information Disclaimer: This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq., and has not been prepared with a view to informing an investment decision in any of the District's bonds, notes, or other obligations. Any projections, plans, or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the District's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the District on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.

**PANOCHÉ WATER DISTRICT MEETING MINUTES  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
February 08, 2022, at 9:30 A.M.**

A regular meeting of the Board of Directors was held in accordance with District Resolution 799-22 proclaiming a local emergency due to the COVID-19 pandemic and authorizing the District’s legislative body to hold meetings by web and teleconference, and to make meetings accessible to the public electronically, pursuant to Assembly Bill 361. Those present at the meeting were:

- Directors Present: John Bennett, President  
Aaron Barcellos, Vice-President  
Mike Stearns, Secretary  
Steve Fausone, Director  
Beau Correia, Director
- Directors Absent: None
- District Staff Present: Ara Azhderian, General Manager  
Juan Cadena, Water Resources Manager  
Lorena Chagoya, Ethics & Compliance Officer
- Others Present: Philip Williams, General Counsel  
Diane Rathmann, Of Counsel  
Palmer McCoy, Grassland Basin Authority  
Chase Hurley, Pacheco Water District  
Audrey Arnao, WestWater Research

**ANNOUNCEMENT PURSUANT TO GOVERNMENT CODE SECTION 54952.3**

Pursuant to the Brown Act, President Bennett announced that Directors do not receive compensation or a stipend for simultaneous or serial order meetings of Panoche Water District, Panoche Drainage District, Panoche Financing Authority, and/or the Panoche Resource Conservation District.

**CALL TO ORDER**

President Bennett called the regular meeting to order at approximately 9:38 a.m.

**REVIEW OF AGENDA**

General Manager Azhderian reported the Director’s Monthly Credit Card Usage Report under the Consent Calendar was not included and would be struck from the Agenda.

**ROLL CALL**

A quorum of the Board and presence of the District’s Officers were confirmed.

**POTENTIAL CONFLICTS OF INTEREST**

No conflicts were reported.

**PUBLIC COMMENT**

There was no public comment.

## **DIVISION REPORTS**

- A. Water Resources Manager, Cadena reported that the District's December deliveries were about 89 acre-feet and that there are no current deliveries. He said crews were removing trash racks and replacing control gates. Cadena also indicated that the crew dewater Station 6E and clean the sump and set the foundation for the new traveling screen. In addition, the meter technician has been over hauling water flow meters. In the Drainage District, he said crews were cleaning drains.
- B. General Manager, Azhderian reported the financial accounting staff had finished the calendar year close-out activities and tax reporting requirements and were working on the 2022-23 fiscal-year budget and that the water accounting staff were reviewing 2022 annual grower forms as they are received and preparing the monthly water usage billing and reconciling monthly deliveries with Reclamation and the Water Authority.
- C. Ethics & Compliance Officer, Chagoya reported to the board on various compliance, HR and risk management activities for the month of January. She reported that there were no liability or worker's compensation claims, however, there were two unrelated COVID-19 positive cases, which have been mitigated and resolved. Chagoya indicated that there were no reported on the SpeakUp hotline, however, there were ten internal reports documented, which have been addressed and resolved, in the exception of one case. Furthermore, Chagoya informed the board that 2022 Employee Notice posters have been posted and she is currently updating various HR related forms and processes to stay in compliance with 2022 laws and regulations. Chagoya also updated the board on completed and future scheduled safety training. Lastly, Chagoya announced that form 700s are due April 1, 2022 and that there will be a 2-hour sexual harassment training for those who would like to attend and/or renew their certificates.

## **PANOCHÉ WATER & DRAINAGE DISTRICTS' JOINT CLOSED SESSION**

General Counsel Williams announced that the Panoche Water and Drainage Districts Boards would meet jointly in closed session for a conference with legal counsel on anticipated litigation pursuant to Government Code Section 54956.9, Subdivision (d), Paragraphs (2), or (3).

*At approximately 9:45 a.m., President Bennett called the joint closed session to order.*

*At approximately 10:32 a.m., President Bennett adjourned the joint closed session.*

## **JOINT CLOSED SESSION REPORT**

General Counsel Williams reported the Boards met jointly with legal counsel in closed session and took no reportable action.

## **CLOSED SESSION**

General Counsel Williams announced there was no need for a Water District-only closed session.

## **CONSENT CALENDAR**

General Manager Azhderian presented the Board with the Consent Calendar items, which included draft minutes from the April 13, 2021, regular meeting, and draft minutes from the April 27, 2021, special meeting of the Board; and the monthly financial statements for the period ending January

31, 2022. Directors Bennett and Stearns reviewed and affirmed the 2021 meeting minutes. After consideration, on a motion by Director Stearns, seconded by Director Barcellos, the Board unanimously accepted the Consent Calendar as presented.

The vote on the matter was as follows:

Ayes:	Bennett, Barcellos, Stearns, Fausone, Correia
Nays:	None
Abstain:	None
Absent:	None

**THE BOARD TO REVIEW AND CONSIDER A RESOLUTION DETERMINING THAT DURING THE GOVERNOR'S PROCLAIMED STATE OF EMERGENCY DUE TO THE COVID-19 PANDEMIC, MEETING IN PERSON WOULD PRESENT IMMINENT RISK TO THE HEALTH OR SAFETY OF ATTENDEES**

General Manager Azhderian explained this Resolution was identical to previous versions adopted over the past few months pursuant to Assembly Bill 361, except that it further extended the timeframe in which the Board and public may meet virtually to March 10, 2022. After consideration, on a motion by Director Stearns, seconded by Director Correia, the Board unanimously adopted the Resolution as presented.

The vote on the matter was as follows:

Ayes:	Bennett, Barcellos, Stearns, Fausone, Correia
Nays:	None
Abstain:	None
Absent:	None

**THE BOARD TO REVIEW AND CONSIDER APPROVING A HARDSHIP REQUEST FROM TURLOCK FRUIT TO TRANSFER 12 ACRE-FEET TO WESTLANDS WATER DISTRICT**

General Manager Azhderian presented the request and explained Turlock Fruit was generally a net importer of water into the District and that this transfer out was a nominal amount necessary to finish off a pre-irrigation in Westlands. After consideration, on a motion by Director Stearns, seconded by Director Barcellos, the Board unanimously approved the request.

The vote on the matter was as follows:

Ayes:	Bennett, Barcellos, Stearns, Fausone, Correia
Nays:	None
Abstain:	None
Absent:	None

**THE BOARD TO REVIEW AND CONSIDER ADOPTING A REVISED COVID-19 PREVENTION PROGRAM**

General Manager Azhderian explained Ethics & Compliance Officer Lorena Chagoya had been working with labor counsel to stay abreast of the continually changing COVID-19 requirements and that the proposed revisions reflected the most current governmental mandates. He noted the significant changes pertained to testing and reporting requirements, physical distance and face covering protocols, and return to work criteria. After consideration, on a motion by Director Barcellos, seconded by Director Stearns, the Board unanimously adopted the revisions as presented.

The vote on the matter was as follows:

Ayes:	Bennett, Barcellos, Stearns, Fausone, Correia
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Nays: None  
Abstain: None  
Absent: None

**THE BOARD TO REVIEW AND CONSIDER ADOPTING A REVISED EMPLOYEES’ HANDBOOK**

General Manager Azhderian explained Ethics & Compliance Officer Lorena Chagoya had been working with labor counsel to stay abreast of the continually changing labor law requirements and that the proposed revisions reflected the most current governmental mandates as well as incorporating previous, section specific revisions that had been adopted separately, over time, and updating the District’s Compliance Committee information to include Directors Fausone and Correia. Director Correia requested the matter be tabled until the next meet as he had not had time to fully read the document. After discussion, the Board concurred and no further action was taken on the matter.

**THE BOARD TO REVIEW AND CONSIDER APPROVING PAYMENT OF BILLS**

General Manager Azhderian presented the Board with the District’s accounts payable. After consideration, on a motion by Director Stearns, seconded by Director Barcellos, the Board unanimously approved payment of the bills.

The vote on the matter was as follows:

Ayes: Bennett, Barcellos, Stearns, Fausone, Correia  
Nays: None  
Abstain: None  
Absent: None

*Director Correia left the meeting.*

**THE BOARD TO REVIEW AND CONSIDER AUTHORIZING ISSUANCE OF A PUBLIC NOTICE TO HOLD A PUBLIC HEARING ON FEBRUARY 22, 2022, TO CONSIDER EXECUTION OF AN ENERGY SERVICE CONTRACT WITH FOREFRONT POWER, LLC**

General Manager Azhderian introduced Brian Taylor with ForeFront Power and Jeremiah Seng with SPURR, a joint powers authority former to aggregate purchasing power and manage procurement processes for eligible public agencies. Azhderian reported the District had been analyzing different approaches to implementing solar to reduce operational costs and had determined that a power purchase agreement approach was most suitable at this time as it afforded the District significant cost savings potential without impacting the District’s cash reserves or borrowing capacity, both of which would be needed as other capital projects, such as infrastructure modernization or the Los Vaqueros Reservoir Expansion Project, are realized. He explained the District is looking at developing two, one megawatt sites, one at the District’s main equipment yard and the other on land owned by the District and currently used by the Grassland Basin Authority for the San Joaquin River Improvement Project. Azhderian said the next steps prior to finalizing an agreement with ForeFront included holding a public hearing, as required by California Government Code section 4217.12, to consider the anticipated energy cost savings and other benefits the District may receive if the Board decides to enter into the energy service contract and then adopting a resolution to authorize the contract’s execution and to make findings as required by the California Environmental Quality Act. Brian Taylor presented the Board the renewable energy feasibility analysis, which estimated the District could save approximately \$9.6M over the proposed 20-year agreement with an estimated Year-1 energy cost savings of 24%. Taylor and Seng responded to questions from the Board about system sizing, wet-year versus dry-year energy usage, and the meters proposed to



be included in the aggregation. After consideration, on a motion by Director Barcellos, seconded by Director Stearns, the Board unanimously authorized issuance of the Public Hearing Notice.

The vote on the matter was as follows:

Ayes:	Bennett, Barcellos, Stearns, Fausone
Nays:	None
Abstain:	None
Absent:	Correia

#### **FINANCIAL REPORTS**

General Manager Azhderian presented the budget-to-actual report and reported on the 2022-23 fiscal-year budget preparation. The Board reviewed water supply scenarios, a comparison of the current fiscal-year ending 2022 budget and proposed FYE 2023 budget, and land-based rate proposals. The Board discussed equipment and utilities costs, which activities to potentially include in a land-based rate, and the pros and cons of implementing a land-based rate. They requested staff to continue refining the budget cost estimates and prepare rationales for the proposed land-based versus water based cost components.

#### **REPORTS UNDER DISTRICT POLICIES**

No report was given.

#### **GENERAL MANAGER'S REPORT**

No report was given.

#### **REPORTS ON OTHER ITEMS PURSUANT TO GOVERNMENT CODE SECTION 54954.2(a)(3)**

No report was given.

#### **FUTURE MEETING DATES**

A special meeting of the Board was scheduled for February 22, 2022. The next regular meeting of the Board was scheduled for March 8, 2022.

#### **ADJOURNMENT**

With no further business on the agenda, President Bennett adjourned the meeting at 12:20 p.m.

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John Bennett, President

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Mike Stearns, Secretary

**PANOCHÉ WATER DISTRICT MEETING MINUTES  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
January 11, 2022, at 9:30 A.M.**

A regular meeting of the Board of Directors was held in accordance with District Resolution 797-21 proclaiming a local emergency due to the COVID-19 pandemic and authorizing the District’s legislative body to hold meetings by web and teleconference, and to make meetings accessible to the public electronically, pursuant to Assembly Bill 361. Those present at the meeting were:

- Directors Present: John Bennett, President  
Aaron Barcellos, Vice-President  
Mike Stearns, Secretary  
Steve Fausone, Director  
Beau Correia, Director
- Directors Absent: None
- District Staff Present: Ara Azhderian, General Manager  
Juan Cadena, Water Resources Manager  
Lorena Chagoya, Ethics & Compliance Officer
- Others Present: Philip Williams, General Counsel  
Diane Rathmann, Of Counsel  
Palmer McCoy, Grassland Basin Authority

**ANNOUNCEMENT PURSUANT TO GOVERNMENT CODE SECTION 54952.3**

Pursuant to the Brown Act, President Bennett announced that Directors do not receive compensation or a stipend for simultaneous or serial order meetings of Panoche Water District, Panoche Drainage District, Panoche Financing Authority, and/or the Panoche Resource Conservation District.

**CALL TO ORDER**

President Bennett called the regular meeting to order at 9:02 a.m.

**REVIEW OF AGENDA**

General Manager Azhderian reported there was no need for a joint closed session with Panoche Drainage District and that Agenda Item 7 would therefore be struck along with the Director’s Monthly Credit Card Usage Report under the Consent Calendar.

**ROLL CALL**

A quorum of the Board and presence of the District’s Officers were confirmed.

**POTENTIAL CONFLICTS OF INTEREST**

No conflicts were reported.

**PUBLIC COMMENT**

There was no public comment.

## **DIVISION REPORTS**

- A. Water Resources Manager, Cadena reported that the Water District's January deliveries were 15 acre-feet and that current deliveries were about 5 cfs. He said crews were cleaning out the Contour Canal approximately 1.5 miles. He also indicated that the Silver Creek flood water was rerouted into the District's facilities and discharge into the Delta-Mendota Canal, approximately 20 cfs.
- B. General Manager, Azhderian reported the financial accounting staff on the calendar year close-out activities and tax reporting requirements and that the water accounting staff were preparing to send 2022 annual forms and the monthly water usage billing to growers and reconciling monthly deliveries with Reclamation and the Water Authority.
- C. Ethics & Compliance Officer, Chagoya reported to the board on District activities related to compliance, HR, and risk management for December. She stated that there were no liability or worker's compensation claims, however, there were three unrelated COVID-19 positive cases, which have been mitigated and resolved. Chagoya also indicated that there were no reports on the SpeakUp hotline, however, there were three internal reports, which have been resolve. She also provided a brief overview for 2021, stating that there were a total of thirty (30) internal reports made for the year and that the District have kept a high score of 90% or better every quarter for safety inspections. In addition to the 2021 overview, Chagoya indicated that there were a total of three claims for property liability, one claim for liability and that there had been no worker's compensation claims. Furthermore, Chagoya reported to the board that the District has hired a new part-time housekeeper, but said farewell to the Controller and an equipment operator. Lastly, Chagoya updated the board on upcoming and completed safety trainings.

## **CLOSED SESSION**

General Counsel Williams announced that the Board would confer with legal counsel in closed session on anticipated and existing litigation pursuant to Government Code Section 54956.9, Subdivision (d), Paragraphs (1), (2), or (3), and with Labor Negotiators Pursuant to Section 54957.6.

*At approximately 10:03 a.m., President Bennett called the closed session to order.*

*At approximately 10:57 a.m., President Bennett adjourned the closed session.*

## **CLOSED SESSION REPORT**

General Counsel Williams reported the Board met with legal counsel in closed session and took no reportable action.

## **2023 BUDGET DEVELOPMENT – FINANCIAL FORECASTING MODEL REVIEW**

General Manager Azhderian introduced Chris Tozlian with K-Coe Isom. Azhderian explained the District had engaged K-Coe to assist with the development of a 10-year financial forecasting model as part of the effort to issue the 2021 bonds. He said the model was built on the District's prior 10-years of financial information, and updated annually, and that, in addition to providing a forecast for ongoing activities, it allowed for the inclusion of hypothetical activities, such as the San Luis Transmission Project or B.F. Sisk Expansion Project, and alternative rate structures to model the potential financial impact. Tozlian provided an in-depth review of the model's structure and capabilities. The Board discussed alternative rates structures, potentially implementing a land-base rate, a split O&M rate to incentivize

transfers-in, and a water quality impact fee and requested staff work up alternative budget proposals and recommendations for future consideration.

### **CONSENT CALENDAR**

General Manager Azhderian presented the Board with the Consent Calendar items, which included the monthly financial statements for the period ending December 31, 2021. After consideration, on a motion by Director Correia, seconded by Director Barcellos, the Board unanimously accepted the Consent Calendar as presented.

The vote on the matter was as follows:

Ayes:	Bennett, Barcellos, Stearns, Fausone, Correia
Nays:	None
Abstain:	None
Absent:	None

### **THE BOARD TO REVIEW AND CONSIDER A RESOLUTION AMENDING THE DISTRICT'S BY-LAWS TO REVISE FUTURE DISTRICT MEETING DATES AND TIMES**

General Manager Azhderian presented the draft Resolution. He explained it was follow-up to the Board's direction in December to set the Water District's meeting time at 9:30 a.m. in light of the Drainage District meeting at 9:00 a.m. and that adoption was required to formalize the change. After consideration, on a motion by Director Barcellos, seconded by Director Stearns, the Board unanimously adopted the Resolution as presented.

The vote on the matter was as follows:

Ayes:	Bennett, Barcellos, Stearns, Fausone, Correia
Nays:	None
Abstain:	None
Absent:	None

### **THE BOARD TO REVIEW AND CONSIDER A RESOLUTION DETERMINING THAT DURING THE GOVERNOR'S PROCLAIMED STATE OF EMERGENCY DUE TO THE COVID-19 PANDEMIC, MEETING IN PERSON WOULD PRESENT IMMEDIATE RISK TO THE HEALTH OR SAFETY OF ATTENDEES**

General Manager Azhderian explained this Resolution was identical to previous versions adopted over the past few months pursuant to Assembly Bill 361, except that it further extended the timeframe in which the Board and public may meet virtually to February 10, 2022. After consideration, on a motion by Director Correia, seconded by Director Fausone, the Board unanimously adopted the Resolution as presented.

The vote on the matter was as follows:

Ayes:	Bennett, Barcellos, Stearns, Fausone, Correia
Nays:	None
Abstain:	None
Absent:	None

### **THE BOARD TO REVIEW AND CONSIDER APPROVING PAYMENT OF BILLS**

General Manager Azhderian presented the Board with the District's accounts payable. After consideration, on a motion by Director Barcellos, seconded by Director Correia, the Board unanimously approved payment of the bills.

The vote on the matter was as follows:

Ayes:	Bennett, Barcellos, Stearns, Fausone, Correia
Nays:	None
Abstain:	None
Absent:	None

#### **FINANCIAL REPORTS**

General Manager Azhderian presented the budget-to-actual report and reviewed the San Luis & Delta-Mendota Water Authority's draft fiscal-year ending 2023 proposed Operations & Maintenance and Activity Agreement budgets. He noted that Westlands Water District was calling for reconsideration of the method used to allocate General Membership and Leg Ops costs among members. Azhderian said Westlands was seeking to reduce their participation cost by \$1M in the next fiscal-year, which could only be accomplished by increasing costs to other members or reducing the number or intensity of activities. He said the Authority would be working through their Finance & Administration Committee to consider alternatives and that District staff would follow these activities closely.

#### **REPORTS UNDER DISTRICT POLICIES**

No report was given.

#### **GENERAL MANAGER'S REPORT**

No report was given.

#### **REPORTS ON OTHER ITEMS PURSUANT TO GOVERNMENT CODE SECTION 54954.2(a)(3)**

No report was given.

#### **FUTURE MEETING DATES**

A special meeting of the Board was scheduled for January 25, 2022, at 9:30 a.m. The next regular meeting of the Board was scheduled for February 8, 2022, at 9:30 a.m.

#### **ADJOURNMENT**

With no further business on the agenda, President Bennett adjourned the meeting at 12:47 p.m.

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John Bennett, President

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Mike Stearns, Secretary

**PANOCHÉ WATER DISTRICT MEETING MINUTES  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
January 25, 2022, at 9:30 A.M.**

A special meeting of the Board of Directors was held in accordance with District Resolution 799-22 proclaiming a local emergency due to the COVID-19 pandemic and authorizing the District’s legislative body to hold meetings by web and teleconference, and to make meetings accessible to the public electronically, pursuant to Assembly Bill 361. Those present at the meeting were:

- Directors Present:     John Bennett, President  
                              Aaron Barcellos, Vice-President  
                              Mike Stearns, Secretary  
                              Steve Fausone, Director  
                              Beau Correia, Director
- Directors Absent:     None
- District Staff Present:   Ara Azhderian, General Manager
- Others Present:       Philip Williams, General Counsel  
                              Diane Rathmann, Of Counsel  
                              Palmer McCoy, Grassland Basin Authority  
                              David Cory, Camp 13 Drainage District

**ANNOUNCEMENT PURSUANT TO GOVERNMENT CODE SECTION 54952.3**

Pursuant to the Brown Act, President Bennett announced that Directors do not receive compensation or a stipend for simultaneous or serial order meetings of Panoche Water District, Panoche Drainage District, Panoche Financing Authority, and/or the Panoche Resource Conservation District.

**CALL TO ORDER**

President Bennett called the meeting to order at 9:31 a.m.

**REVIEW OF AGENDA**

There were no changes to the Agenda.

**ROLL CALL**

A quorum of the Board and presence of the District’s Officers were confirmed.

**POTENTIAL CONFLICTS OF INTEREST**

No conflicts were reported.

**PUBLIC COMMENT**

There was no public comment.

## **PANOCHÉ WATER & DRAINAGE DISTRICTS' JOINT CLOSED SESSION**

General Counsel Williams announced that the Panoche Water and Drainage Districts Boards would meet jointly in closed session for a conference with legal counsel on anticipated litigation pursuant to Government Code Section 54956.9, Subdivision (d), Paragraphs (2), or (3).

*At approximately 9:32 a.m., President Bennett called the joint closed session to order.*

*At approximately 11:54 a.m., President Bennett adjourned the joint closed session.*

## **JOINT CLOSED SESSION REPORT**

General Counsel Williams reported the Boards met jointly with legal counsel in closed session and took no reportable action.

## **CLOSED SESSION**

General Counsel Williams announced that the Board would confer with legal counsel in closed session on anticipated and existing litigation pursuant to Government Code Section 54956.9, Subdivision (d), Paragraphs (1), (2), or (3), and with Labor Negotiators Pursuant to Section 54957.6.

*At approximately 11:55 a.m., President Bennett called the closed session to order.*

*At approximately 10:57 a.m., President Bennett adjourned the closed session.*

## **CLOSED SESSION REPORT**

General Counsel Williams reported the Board met with legal counsel in closed session and took no reportable action.

## **REVIEW 2022-23 WATER SUPPLY SCENARIOS**

General Manager Azhderian presented three water supply scenarios for discussion. He explained Scenario 1 assumed a Shasta "critical" declaration by Reclamation, Scenario 2 assumed a Shasta "non-critical" declaration, and Scenario 3 assumed an allocation of 10% of its Central Valley Project contract supply. He also presented delivery forecasts and explained that if demands are similar to those seen in 2021, then the District would likely be able to meet them even under Scenario 1 with its non-project, supplemental supplies; however, he continued, if demands run closer to the 3-year running average, the District would likely run out of water in August under Scenario 1 and in January 2023 under Scenario 3. Azhderian noted the District will continue to look for additional, supplemental supplies and monitor conditions.

## **FUTURE MEETING DATES**

The next regular meeting of the Board was scheduled for February 8, 2022, at 9:30 a.m.

## **ADJOURNMENT**

With no further business on the agenda, President Bennett adjourned the meeting at 1:00 p.m.

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John Bennett, President

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Mike Stearns, Secretary

**PANOCHÉ WATER DISTRICT  
BOARD OF DIRECTORS  
MEETING MINUTES  
JULY 11, 2023**

An adjourned meeting of the Board of Directors was held on July 11, 2023, at 9:38 am. Those present at the meeting were:

Directors: Aaron Barcellos, President  
Beau Correia, Vice President  
Steve Fausone, Secretary  
Neill Callis, Director  
Wayne Western, Director

Staff: Marlene Brazil  
Juan Cadena  
Chris Carlucci  
Lorena Chagoya  
Michael Linneman  
Josh Marquez  
Sandra Reyes

Others: Kody Cardoza: Water and Land Solutions, LLC  
Steve Creighton: Landowner Representative  
Chase Hurley, Interim General Manager  
Michael Linneman, Landowner  
Palmer McCoy, Grassland Basin Authority  
Phil Williams, General Counsel

**CALL TO ORDER**

President Barcellos called the meeting to order at 9:38 am.

**ROLL CALL**

A quorum of the Board of Directors was present.

**POTENTIAL CONFLICTS OF INTEREST**

There were no conflicts of interest.

**PUBLIC COMMENT**

There was no public comment.

**THE BOARD TO REVIEW AND CONSIDER APPROVAL OF THE FOLLOWING BOARD MEETING MINUTES**

On a motion by Director Callis and seconded by Director Fausone, the Board unanimously approved the FY 2023 meeting minutes of March 19<sup>th</sup>, March 28<sup>th</sup>, June 2<sup>nd</sup>, and June 19<sup>th</sup>. The vote on the matter was as follows:

Ayes: Barcellos, Correia, Callis, Fausone, Western  
Nays: None  
Absent: None  
Abstain: None

**THE BOARD TO REVIEW AND CONSIDER APPROVAL OF RESOLUTION #839-23, IN RECONGNITION OF THE PROFOUND APPRECIATION OF THE DISTINGUISHED SERVICES OF DIANE RATHMANN**



On a motion by Director Fausone and seconded by Director Callis, the Board unanimously approved Resolution #839-23. The vote on the matter was as follows:

Ayes: Barcellos, Callis, Correia, Fausone, Western  
Nays: None  
Absent: None  
Abstain: None

#### FINANCIAL REPORT

- A. Accounts Payable
- B. FYE 2024 Budget-to-Actual Report;
- C. Other financial matters affecting the District

Upon a motion by Director Callis and seconded by Director Fausone, the board unanimously approved the Financial report as presented by Ms. Brazil. The vote on the matter was as follows:

Ayes: Barcellos, Correia, Callis, Fausone, Western  
Nays: None  
Absent: None  
Abstain: None

#### THE BOARD TO REVIEW AND CONSIDER ADOPTING THE EQUIPMENT RENTAL RATES FOR FISCAL YEAR 2023-24

Mr. Carlucci and Mr. Hurley reviewed a rate sheet that would be effective for all outside work that Panoche Water District performs either outside its boundary or for any of its landowners. The board had various questions as it related to the proposed rates and the cost of the operator. Director Correia also wanted clarification on the margin percentage that Panoche should be using on top of the actual cost for the equipment and labor. The board gave staff direction on some items they would like to see updated and asked that it be brought back at a future meeting as an action item. President Barcellos agreed to table the item for now.

#### DIVISION REPORTS

- A. Ms. Reyes updated the Board on the Water Supply as of July 1, 2023 as follow:

San Luis Reservoir Total Storage:	<u>1,961,256</u>	AF
San Luis Reservoir Federal Storage:	<u>960,731</u>	AF
San Luis Reservoir % of Total Capacity	<u>96</u>	%
Shasta Storage:	<u>4,274,586</u>	AF
Panoche Update as of July 1, 2023		
USBR 2023 Water Balance:	<u>91,328</u>	AF
USBR Carryover Balance:	<u>0</u>	AF
June 2023 Deliveries:	<u>9,792</u>	AF
Total Deliveries to date (Mar-June)	<u>20,161</u>	AF

- B. Mr. Carlucci reported to the Board on the various operations and maintenance activities occurred for the month of June, including:

- General Maintenance
- Repaired pipe at 80E turnout
- Repaired turnout 81 gate
- Installed new trash rack at 199 turnout
- Fixed trash racks at 12E-2 station
- Made repairs on T-6 trash racks

- Forked T-Canal with Excavator from T-4 to T-6
- Forked Lateral 2 from 208 box to Spill box
- Fixed air vent on 500 pipeline just South of Shields Ave
- Weed Control, Sprayed these locations- Main canal, Main canal treatment, T- Canal treatment, 93 Box treatment, Lateral 2 & Lateral 3 sprayed, 10E-2 treatment and Russell lift treatment.

**C. Mr. Cadena reported to the Board on the various operations related to the Domestic Plant for the month of June, including:**

- Conference with Mr. Jim Gartung and Westside Water to review and respond to the State Water Resources Control Board.
- An overview on the technical application phrases of the grant for a new Domestic Plant , including:
  1. Engineering report
  2. Registration to the State of California
  3. Technical, Managerial, and Financial (TMF) Assessments
  4. Engineering Service Contract
  5. Plan and Specification

**D. Ms. Chagoya reported to the Board on the various Risk Management and Human Resources activities for the month of June, including:**

- No calls reported on the SpeakUp Hotline.
- One outstanding liability claim.
- One outstanding worker’s compensation claim
- No new COVID-19 cases were reported.
- The Panoche Water District’s Risk Assessment Reports for each of the following programs:
  1. Worker’s Compensation – E-MOD at 1.63
  2. Liability – E-MOD at 1.15
  3. Updated Vehicle and Property schedules for fiscal year 2023-24.
- The Panoche Drainage District’s Risk Assessment Reports for each of the following programs:
  1. Liability – E-MOD at 0.97
  2. Updated Vehicle and Property schedule for fiscal year 2023-24.
- Continuation of Employee training and development
- An employee recognition to Ms. Diana Moses
- Recruitment plan for a new canal operator

**GENERAL MANAGER’S REPORT**

**A. Sustainable Groundwater Management Act**

The subbasin continues to have meetings every other Monday to meet the stated objective of drafting one GSP for the entire area rather than the six GSP’s that were not approved by the Department of Water Resources in March of 2024. This process will also require the draft of a new Memorandum of Agreement that will need to be signed by all 26 GSAs within the subbasin. All this work needs to be done prior to September of 2024; when the Delta Mendota Subbasin’s probationary period will begin with the State Water Resources Control Board.

**B. Los Vaqueros Expansion Project**

Mr. Hurley is continuing to work with the Los Vaqueros JPA on a participation agreement for the conveyance portion of the Expansion Project. Del Puerto WD and Westlands WD are other CVP entities that are part of the activity agreement.

- C. Water Storage and Conveyance Discussions  
Mr. Hurley gave an update on the following:
  1. West Stanislaus Irrigation District (WSID) bullet point outline for negotiations on potential conveyance capacity in WSID's pump station and pipeline off the San Joaquin River.
  2. Arvin Edison banking capacity for 2023 CVP excess water. The District is continuing discussions to put together a multi-year exchange with Arvin Edison that would include sending them some of Panoche's 2023 CVP supply this fall.
  3. Los Vaqueros pilot project for 6,000 Acre Feet of storage with Contra Costa WD.
  4. Payback of 2,000 AF of water to Contra Costa WD for supplies granted to Panoche in WY2022.
- D. Legislative Update: The San Luis & Delta Mendota Water Authority is continuing to do great work on pushing back on a multitude of state legislation that is focused chipping away at the state's water rights system. It looks as if some of the proposed bills will not be able to gain enough votes to move forward this year.
- E. USBR Water Smart Grant: Mr. Marquez gave a brief update on the contour canal project and stated that he continues to work through the grant funding process. It is still not known if the state will finalize all the contract paperwork in time for construction in the fall of 2023.

**REPORTS ON OTHER ITEMS PURSUANT TO GOVERNMENT CODE SECTION 54954.2(a)(3)**

There were no other reports.

**FUTURE MEETING DATES**

- A. Next Regular Meeting Date: August 8, 2023

**PANOCHÉ WATER & DRAINAGE DISTRICTS JOINT CLOSED SESSION:** Conference with Legal Counsel.

At 10:15 am

**A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant Exposure to Litigation pursuant to Section 54956.9(d), paragraph (2) or (3):

Number of Cases: Three

**B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Section 54956.9(d)(1):

Names of Cases:

- i. PCFFA v. Glaser, et. al.  
US District Court, E.D. Cal, Case No. 2:11-cv-02980

**REPORT FROM JOINT CLOSED SESSION (GOVERNMENT CODE SECTION 54957.1)**

At 10:37 am, President Barcellos reported that there were no reportable items.

**PANOCHÉ WATER DISTRICT CLOSED SESSION**

At 12: 45 pm

**A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant Exposure to Litigation pursuant to Section 54956.9(d), paragraph (2) or (3):

Number of Cases: Four

**B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Section 54956.9(d)(1):

Names of Cases:

- ii. Imani Percoats & Chris Bettencourt vs. Panoche Water District  
Fresno County Superior Court Case No. 18CECG01651

- iii. Center for Biological Diversity, et al. v. United States, et al.  
US District Court, E.D. Cal, Case No. 1:20-CV-00760 DAD-EPG
  
- v. North Coast Rivers Alliance, et al. v. Kenneth Salazar, et al.  
US District Court, E.D. Cal., Case No. 1:16-cv-00307-DAD-SKO
  
- vi. Firebaugh Canal Water District & Central California Water District v. United States, et al.  
US District Court, E.D. Cal., Case 1:88-cv-00634-LJO-SKO

C. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Section 54956.8

Property: Land and Associated Infrastructure  
Agency Negotiator: Chase Hurley, General Manager  
Negotiating Parties: Panoche Water District, ForeFront  
Under Negotiation: Price and Terms

D. CONFERENCE REGARDING LABOR NEGOTIATIONS AND RECRUITMENT [GOV CODE §54950]

Pursuant to Section 54957.6:

Agency Designated Representative: Che Johnson; Legal Counsel  
Employee Organization: International Brotherhood of Electrical Workers Local 1245

Pursuant to Section 54957(b)(1):

The Board will confer regarding recruitment for the position of General Manager.

**REPORT FROM CLOSED SESSION**

At 1:42 pm, President Barcellos stated that there were no reportable actions.

**ADJOURNMENT**

With no further business, President Barcellos adjourned the meeting at 1:45 pm.

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Aaron Barcellos, President

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Steve Fausone, Secretary

PANOCHÉ WATER DISTRICT				
ACCOUNTS PAYABLE LIST				
PAYMENTS RUN FROM 7/12/2023 THRU 8/8/2023				
MECHANICS O & M CHECKING # 8566				
DATE	CHECK NUMBER	NAME	CHECK AMOUNT	MEMO
7/12/2023	41263	WATER & LAND SOLUTIONS LLC	\$ 16,500.00	JUNE 2023 CONSULTING SERVICES
7/12/2023	41264	BAKER MANOCK & JENSEN	\$ 235.81	MAY 2023 LEGAL SERVICES
7/12/2023	41265	LIGHTHOUSE DOCUMENT TECHNOLOGIES INC.	\$ 526.50	MAY 2023 LEGAL CONSULTANT
7/12/2023	41266	FENTON & KELLER	\$ 196,254.86	MAY & JUNE 2023 LEGAL SERVICES
7/12/2023	41267	FIREBAUGH CANAL WATER DISTRICT	\$ 365,572.50	WELL WATER 250 AF @ \$ 90.04 & 807.7 AF @ \$ 424.74
7/12/2023	41268	GILTON SOLID WASTE INC.	\$ 405.22	JUNE 2023 WASTE SERVICE
7/12/2023	41269	LAW OFFICE OF PHILIP A. WILLIAMS	\$ 8,925.00	JUNE 2023 LEGAL SERVICE
7/12/2023	41270	MCGUIRE WATER	\$ 272.70	JUNE 2023 DRINKING WATER
7/12/2023	41271	MOSS ADAMS	\$ 2,600.00	MAY 2023 ACCOUNTING SERVICE - 2022 BOND COMPLIANCE REVIEW
7/12/2023	41272	SAGASER, WATKINS & WIELAND PC	\$ 210.00	MAY & JUNE 2023 LEGAL SERVICES
7/12/2023	41273	SUMMERS ENGINEERING INC.	\$ 1,630.60	TESTIFY AT EMPLOYEE TRIAL
7/12/2023	41274	VERIZON WIRELESS	\$ 904.54	JUNE 2023 CELL PHONES
7/12/2023	41275	XEROX FINANCIAL SERVICES	\$ 613.31	COPIER LEASE
7/17/2023	41276	ACWA	\$ 25,442.68	2ND QTR 2023 WORKERS COMPENSATION
7/17/2023	41277	CENTRAL CALIFORNIA FOOD BANK	\$ 2,500.00	DONATION IN DIANE RATHMANN'S NAME
7/17/2023	41278	FEDERAL EXPRESS	\$ 167.24	WATER SAMPLE SHIPPING - GBP
7/17/2023	41279	PITNEY BOWES	\$ 489.85	POSTAGE METER LEASE
7/17/2023	41280	WESTSIDE WATER	\$ 10,826.04	REPLACE SOLENOID VALVE, CHEMICAL TESTS, NEGATIVE POLYMER, CALIBRATION & WEEKLY SERVICE
7/24/2023	41281	ACWA/JPIA	\$ 20,769.57	PROPERTY INSURANCE JULY 1, 2023 THRU JUNE 30, 2024
7/24/2023	41282	APPL, INC.	\$ 925.00	WATER SAMPLES - PWD & GBP
7/24/2023	41283	A PLUS PLUMBING, LLC	\$ 1,750.00	WATER HEATER FOR CHEMICAL SHOP
7/24/2023	41284	BRYANT L. JOLLEY	\$ 2,250.00	JUNE 2023 ACCOUNTING SERVICES
7/24/2023	41285	FEDERAL EXPRESS	\$ 192.47	WATER SAMPLE SHIPPING - GBP
7/24/2023	41286	CORELOGIC INFORMATION SOLUTION	\$ 200.00	JUNE 2023 APN RESEARCH
7/24/2023	41287	HOFFMAN SECURITY	\$ 347.40	AUGUST 2023 SECURITY SERVICE
7/24/2023	41288	HOME DEPOT CREDIT SERVICES	\$ 1,175.44	DISTRICT SUPPLIES
7/24/2023	41289	LOOPUP	\$ 25.58	JUNE 2023 CONFERENCE CALL
7/24/2023	41290	MARFAB	\$ 55.60	GLOVES FOR CHEMICAL USE
7/24/2023	41291	NAPA AUTO PARTS	\$ 212.04	PARTS FOR # 16B, DEF & GREASE
7/24/2023	41292	SAVEMART SUPERMART	\$ 727.24	OFFICE SNACKS
7/24/2023	41293	SPRAYTEC SPRAYER TECHNOLOGIES	\$ 73.08	LID FOR WATER TANK FOR # 42
7/24/2023	41294	SUMMERS ENGINEERING INC.	\$ 1,609.67	DESIGN SLAB FOR DIESEL FUEL TANK
7/24/2023	41295	TECHNO-FLO	\$ 6,821.94	FLO METERS & BATERIES FOR TO 301 A-H, TO 302 & TO 35R
7/24/2023	41296	WALPOLE & CO.	\$ 131.25	JUNE 2023 SAGE SUPPORT - MAKE BUDGET FORMAT CHANGES
7/24/2023	41297	WATER RECLAMATION EQUIPMENT	\$ 28,250.54	CHECK ELECTRICAL T-4, PULL PUMP/MOTOR & REBUILD MOTOR 6E PUMP #2, PULL & CHECK PUMP T-4 & CHECK ELECTRICAL 12E3 PUMP #3
7/24/2023	41298	WEST STANISLAUS IRRIGATION DISTRICT	\$ 281,250.00	WATER TRANSFER PURCHASE WY2023-2024 7,500 AF 5TH INSTALLMENT OF 5
7/24/2023	41299	WINDECKER, INC.	\$ 13,619.52	980 GALLONS CLEAR DIESEL @ \$ 4.05, 900 GALLONS DYED DIESEL @ \$ 3.62 & 1,500 GALLONS UNLEADED @ \$ 4.26
7/28/2023	41300	SAN LUIS CANAL COMPANY	\$ 123,111.45	WATER TRANSFER - ESC 1,295.91 AF @ \$ 95.00
8/8/2023	41301	ACWA/JPIA	\$ 27,922.48	SEPTEMBER 23 INSURANCE HEALTH \$ 25,628.46, DENTAL \$ 1,874.94, VISION \$ 334.08 & LIFE \$ 85.00
8/8/2023	41302	APPL, INC.	\$ 36.00	WATER SAMPLES - GBP
8/8/2023	41303	BAKER SUPPLIES	\$ 28.88	SUPPLIES FOR # 42
8/8/2023	41304	AARON BARCELLOS	\$ 500.00	JULY 2023 BOARD STIPEND

	CHECK	NAME		
DATE	NUMBER		AMOUNT	MEMO
8/8/2023	41305	JUSTIN'S TIRE & AUTO	\$ 98.37	SERVICE FOR # 16B & REPAIR FOR # 10B
8/8/2023	41306	BRENNTAG PACIFIC, INC.	\$ 1,175.54	CHLORINE FOR DOMESTIC TREATMENT PLANT
8/8/2023	41307	EDWARD NEILL CALLIS	\$ 500.00	JULY 2023 BOARD STIPEND
8/8/2023	41308	BEAU CORREIA	\$ 500.00	JULY 2023 BOARD STIPEND
8/8/2023	41309	FEDERAL EXPRESS	\$ 725.32	WATER SAMPLE SHIPPING - GBP
8/8/2023	41310	STEVE FAUSONE	\$ 500.00	JULY 2023 BOARD STIPEND
8/8/2023	41311	FRONTIER COMMUNICATION	\$ 422.90	JULY 2023 TELEPHONE SERVICE
8/8/2023	41312	PAUL FUJITANI	\$ 2,000.00	AUGUST 2023 CONSULTING SERVICE
8/8/2023	41313	GRASSLAND BASIN AUTHORITY	\$ 4,498.87	2ND QTR 2023 DYED DIESEL 1,496.7 GALLONS
8/8/2023	41314	MADERA PUMPS, INC.	\$ 1,000.00	PUMP TEST STATION 6E 7W
8/8/2023	41315	MCCLATCHY COMPANY LLC	\$ 992.36	LEGAL/PUBLIC NOTICE FOR WATER TRANSFERS
8/8/2023	41316	MORRIS GENERAL CONTRACTING, INC.	\$ 830.46	ELECTRICAL FOR NEW DIESEL TANK
8/8/2023	41317	NAPA AUTO PARTS	\$ 81.54	PART FOR # 42
8/8/2023	41318	PACIFIC GAS & ELECTRC	\$ 225,364.94	JULY 2023 ELECTRICAL POWER
8/8/2023	41319	SANTOS FORD	\$ 109.39	MAINTENANCE FOR # 40
8/8/2023	41320	THARP'S FARM SUPPLY	\$ 163.73	IRRIGATION TARP
8/8/2023	41321	UNWIRED BROADBAND, INC.	\$ 549.99	AUGUST 2023 INTERNET SERVICES
8/8/2023	41322	WATER RECLAMATION	\$ 163.66	PARTS FOR NEW DIESEL TANK, PARTS FOR STATION T-4 & PARTS FOR 6E PUMPS
8/8/2023	41323	WAYNE WESTERN JR.	\$ 500.00	JULY 2023 BOARD STIPEND
8/8/2023	41324	XIO, INC.	\$ 94.00	CLOUD BASED MONITORING SERVICE - DOMESTIC SYSTEM
8/8/2023	41325	YOUNG'S AIR CONDITIONING	\$ 4,680.33	REPAIR RECIRCULATION PUMP
7/11/2023	W000000865	PAI SERVICES LLC	\$ 110.60	JUNE 2023 SAGE TIME SERVICE
7/17/2023	W000000866	SLDM WATER AUTHORITY	\$ 238,568.66	JUNE 2023 SLDMWA CONVEYANCE COSTS SLC \$ 196,397.85 & DMC \$ 42,170.81
7/17/2023	W000000867	U.S. BUREAU OF RECLAMATION	\$ 113,414.96	JUNE 2023 USBR WATER COSTS SLC \$ 68,231.45, DMC \$ 12,352.35 & JUNE 2023 RESTORATION WATER COSTS FOR SLC \$ 28,608.45 & DMC \$ 4,222.71
7/18/2023	JE-109	TRANSFER FUNDS FOR PAYROLL	\$ 60,000.00	PAYROLL DATED 7/20/2023
7/24/2023	W000000868	WESTAMERICA VISA	\$ 2,085.63	AMAZON - OFFICE, SHOP & DISTRICT SUPPLIES, VINEGAR FOR WEED CONTROL, DISTRICT EMAILS, ICE FOR GBP, MCCLATCHY INVITATION TO BID SEED - PROP 84 & LUNCH FOR CPR TRAINING CLASS
8/1/2023	W000000869	SL & DM WATER AUTHORITY	\$ 75,363.48	WY23 SJRECWA WATER TRANSFER JUNE 2023
8/2/2023	JE-122	TRANSTER FUNDS FOR PAYROLL	\$ 60,000.00	NET PAYROLL 8/4/2023
		<b>TOTAL</b>	<b>\$ 1,940,556.73</b>	

MECHANICS PAYROLL CHECKING # 7895				
	CHECK	NAME		
DATE	NUMBER		AMOUNT	MEMO
7/19/2023	6726	PRINCIPAL LIFE INSURANCE COMPANY	\$ 1,137.52	EMPLOYEE PAID INSURANCE
7/19/2023	JE-110	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$ 2,050.81	STATE PAYROLL TAX DEPOSIT
7/19/2023	JE-111	INTERNAL REVENUE SERVICE	\$ 12,725.07	FEDERAL PAYROLL TAX DEPOSIT
7/19/2023	JE-112	JOHN HANCOCK	\$ 5,834.43	401K RETIREMENT
7/19/2023	PR-1480	NET PAYROLL	\$ 36,334.06	PAYROLL DATED 7/20/2023
8/3/2023	JE-126	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$ 2,034.16	STATE PAYROLL TAX DEPOSIT
8/3/2023	JE-127	INTERNAL REVENUE SERVICE	\$ 12,684.71	FEDERAL PAYROLL TAX DEPOSIT
8/3/2023	JE-128	JOHN HANCOCK	\$ 5,863.06	401K RETIREMENT
8/3/2023	PR-1481	NET PAYROLL	\$ 36,730.62	PAYROLL DATED 8/4/2023
		<b>TOTAL</b>	<b>\$ 115,394.44</b>	

**PANOCHÉ WATER DISTRICT  
TREASURER'S MONTHLY FINANCIAL REPORT  
BALANCE SHEET-CURRENT ASSETS & LIABILITIES**

	<u>July 31, 2023</u>	<u>June 30, 2023</u>
<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLE	\$359,584	\$457,688
PREPAYMENTS/CREDIT ACCOUNTS	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$359,584</b>	<b>\$457,688</b>
<b>CASH AND INVESTMENT ACCOUNTS</b>		
O&M CHECKING	\$400,052	\$774,388
PAYROLL CHECKING	\$23,047	\$82,438
MONEY MARKET	\$2,006,449	\$2,000,904
CONTRACTUAL OBLIGATION FUND MONEY MARKET	\$1,419,719	\$1,415,511
LAIF	\$154,895	\$2,123,241
2021 REVENUE BONDS - LAIF RESTRICTED	\$1,198,416	\$1,189,080
<b>TOTAL CASH AND INVESTMENTS</b>	<b>\$5,202,578</b>	<b>\$7,585,562</b>
<b>ACCOUNTS RECEIVABLES</b>		
WATER	\$686,087	\$514,142
GROUNDWATER MANAGEMENT FEE	-	-
DELINQUENT ACCOUNT CHARGES	\$523,442	\$510,027
OTHER	\$27	\$2,786
GBA NOTE RECEIVABLE	\$121,225	\$138,442
PDD NOTE RECEIVABLE	\$86,376	\$98,593
CASH ADVANCE - PROP 84	\$5,068,043	\$3,673,762
<b>TOTAL ACCOUNTS RECEIVABLES</b>	<b>\$6,485,200</b>	<b>\$4,937,752</b>
<b>TOTAL CURRENT UNAUDITED ASSETS</b>	<b>\$11,687,778</b>	<b>\$12,523,314</b>
<b>NET CURRENT UNAUDITED ASSETS (NET CASH POSITION)</b>	<b>\$11,328,194</b>	<b>\$12,065,626</b>

**General Ledger Detail Report**  
**Summary Report for Period 01 Thru 05 Ending 7/31/2023**

**PANOCHÉ WATER DISTRICT (PWD)**




<b>Account Number/Description</b>	<b>Beginning Balance</b>	<b>Debit</b>	<b>Credit</b>	<b>Net Change</b>	<b>Ending Balance</b>
13112-000					
MECHANIC CKNG #*****8566	191,704.46	12653353.43	12445006.30	208,347.13	400,051.59
13132-000					
MECHANIC MM # 2305	0.00	2,306,449.26	300,000.00	2,006,449.26	2,006,449.26
13412-000					
MECHANIC PR#*****7895	23,847.54	690,136.93	690,937.35	800.42-	23,047.12
13465-000					
2021 REVENUE BONDS - LAIF	1,181,119.41	17,296.49	0.00	17,296.49	1,198,415.90
13470-000					
CONTRACTUAL OBLIGATION FUND #9745	760,413.07	659,305.94	0.00	659,305.94	1,419,719.01
13520-000					
LOCAL AGENCY INVESTMENT FD	4,194,980.79	44,914.47	4,085,000.00	4,040,085.53-	154,895.26
<b>Report Total:</b>	<b>6,352,065.27</b>	<b>16371456.52</b>	<b>17520943.65</b>	<b>1,149,487.13-</b>	<b>5,202,578.14</b>



RETURN SERVICE REQUESTED

PANOCHÉ WATER DISTRICT  
 52027 W ALTHEA AVE  
 FIREBAUGH CA 93622-9401

**Managing Your Accounts**

-  Client Services 800.797.6324
-  Online [www.mechanicsbank.com](http://www.mechanicsbank.com)
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**BUSINESS LINE OF CREDIT  
 UP TO \$100,000**

**Prime +0%**  
APR

**LIMITED TIME OFFER**

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**Summary of Accounts**

Account Type	Account Number	Ending Balance
PUBLIC MONEY MARKET	XXXXXXXXX2305	<b>\$2,006,449.26</b>

**RETURN SERVICE REQUESTED**

PANOCHÉ WATER DISTRICT  
 O & M ACCOUNT  
 52027 W ALTHEA AVE  
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**Summary of Accounts**

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX8566	\$566,520.98

**RETURN SERVICE REQUESTED**

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 PAYROLL ACCOUNT  
 52027 W ALTHEA AVE  
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**Summary of Accounts**

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX7895	\$23,053.20

RETURN SERVICE REQUESTED

PANOCHÉ WATER DISTRICT  
 CONTRACTUAL OBLIGATION FUND  
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**Summary of Accounts**

Account Type	Account Number	Ending Balance
PUBLIC MONEY MARKET	XXXXXXXX9745	<b>\$1,419,719.01</b>

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
 P.O. Box 942809  
 Sacramento, CA 94209-0001  
 (916) 653-3001

August 03, 2023

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

PANOCHÉ WATER DISTRICT

GENERAL MANAGER/ACCT SUPERVISOR  
 52027 WEST ALTHEA  
 FIREBAUGH, CA 93622

[Tran Type Definitions](#)

**Account Number:** 90-10-005

July 2023 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
7/6/2023	7/6/2023	RW	1731252	N/A	MARLENE BRAZIL	-1,385,000.00
7/14/2023	7/19/2023	QRD	1735549	N/A	SYSTEM	16,654.65
7/31/2023	7/28/2023	RW	1736906	N/A	MARLENE BRAZIL	-600,000.00

**Account Summary**

Total Deposit:	16,654.65	Beginning Balance:	2,123,240.61
Total Withdrawal:	-1,985,000.00	Ending Balance:	154,895.26

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
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PANOCHÉ WATER DISTRICT

**2021A REVENUE BONDS**

GENERAL MANAGER  
 52027 W. ALTHEA AVENUE  
 FIREBAUGH, CA 93622

Account Number: 11-10-004

Jul 2023 Statement

[Tran Type](#)  
[Definitions](#)

<u>Effective Date</u>	<u>Transaction Date</u>	<u>Trans Type</u>	<u>Confirm Number</u>	<u>Web Confirm Number</u>	<u>Bond ID</u>	<u>Auth. Caller</u>	<u>Amount</u>
7/14/2023	7/19/2023	QBD	1734115	N/A		SYSTEM	9,335.94

**Account Summary**

Total Deposit: 9,335.94  
 Total Withdrawal: 0.00

**Beginning Balances**

Principal: 1,167,000.00  
 Interest: 22,079.96

**Ending Balances**

Principal: 1,167,000.00  
 Interest: 31,415.90  
**Grand Total:** 1,198,415.90

<u>Bond ID</u>	<u>Bond Name</u>	<u>Principal Balance</u>	<u>Next Maturity Date</u>
2108261	REVENUE BONDS, SERIES 2021	1,167,000.00	8/7/2023

**PANOCHE WATER DISTRICT**

**Budget to Actual March 1, 2023 thru June 30, 2023 - 42%**

<b>BOD Approved Mar. 1, 2023 BOD Adopted Apr. 18, 2023, after Prop 218 Process</b>		<b>Approved Budget 2023-2024</b>	<b>Actual thru July 2023</b>	<b>Remaining</b>	
<b>Operating Revenues</b>					
1	Supplemental Water	\$ 8,937,467	\$ 1,568,913	\$ 7,368,554	82%
2	Operation & Maintenance	\$ 5,784,364	\$ 2,631,964	\$ 3,152,400	54%
3	Fresno/Merced Counties - 2021 CVP Bond	\$ 1,303,892	\$ 651,174	\$ 652,718	50%
4	Labor Reimbursements	\$ 350,079	\$ 72,765	\$ 277,314	79%
5	Other Revenue	\$ 125,416	\$ 193,833	\$ (68,417)	-55%
6	Reimbursed Expenses	\$ 340,000	\$ 86,318	\$ 253,682	75%
7	Domestic Water Treatment Plant	\$ 174,000	\$ 40,960	\$ 133,040	76%
8	Sustainable Groundwater Management <sup>1</sup>	\$ 4,852	\$ -	\$ 4,852	100%
9	CVP AG Water Contract (80%)	\$ 6,075,000	\$ 4,504,501	\$ 1,570,499	26%
<b>Total Revenue</b>		<b>\$ 23,095,070</b>	<b>\$ 9,750,428</b>	<b>\$ 13,344,642</b>	
<b>Operating Expenses</b>					
<b>Water Costs</b>					
10	Supplemental Water	\$ 8,937,467	\$ 4,594,272	\$ 4,343,195	49%
11	Planning & Engineering	\$ 57,000	\$ 5,606	\$ 51,394	90%
12	Los Vaqueros Expansion	\$ 224,500	\$ 215,733	\$ 8,767	4%
13	BF Sisk Expansion	\$ 366,500	\$ 1,151	\$ 365,349	100%
14	Central Delta-Mendota Region SGMA <sup>1</sup>	\$ 4,852	\$ (1,568)	\$ 6,420	132%
15	CVP AG Water Contract (80%)	\$ 6,075,000	\$ 215,132	\$ 5,859,868	96%
		<b>\$ 15,665,319</b>	<b>\$ 5,030,326</b>	<b>\$ 10,634,993</b>	
<b>Administration</b>					
16	2021 CVP Bond Payment	\$ 929,978		\$ 929,978	100%
17	Legal Costs	\$ 250,000	\$ 271,833	\$ (21,833)	-9%
18	2021 CVP Bond Assessment Refund	\$ -	\$ -	\$ -	0%
19	Salaries and Wages	\$ 686,975	\$ 238,552	\$ 448,423	65%
20	Employees' Benefits	\$ 198,151	\$ 72,880	\$ 125,271	63%
21	SLDMWA Activity Agreements	\$ 106,863	\$ 53,310	\$ 53,553	50%
22	SLDMWA DHCCP Bond Payment	\$ 148,592	\$ 22,117	\$ 126,475	85%
23	Directors' Benefits	\$ 36,000	\$ 10,000	\$ 26,000	72%
24	Insurance Costs	\$ 95,000	\$ 63,199	\$ 31,801	33%
25	SWRCB Water Rights Fee	\$ 125,000	\$ -	\$ 125,000	100%
26	Other Supplies & Services	\$ 106,500	\$ 48,405	\$ 58,095	55%
27	Payroll Burden	\$ 85,268	\$ 35,733	\$ 49,535	58%
28	Professional Services	\$ 78,000	\$ 71,415	\$ 6,585	8%
29	Annual Audits	\$ 40,000	\$ 975	\$ 39,025	98%
30	Communication Costs	\$ 45,000	\$ 19,831	\$ 25,169	56%
31	Conferences and Training Costs	\$ 45,000	\$ 5,926	\$ 39,074	87%
32	Utilities	\$ 45,000	\$ 13,328	\$ 31,672	70%
		<b>\$ 3,021,328</b>	<b>\$ 927,505</b>	<b>\$ 2,093,823</b>	

<b>BOD Approved Mar. 1, 2023 BOD Adopted Apr. 18, 2023, after Prop 218 Process</b>		<b>Proposed Budget 2023-2024</b>	<b>Actual thru July 2023</b>	<b>Remaining</b>	
<b>Operations &amp; Maintenance</b>					
33	Energy Costs	\$ 1,795,500	\$ 262,580	\$ 1,532,920	85%
34	Salaries and Wages	\$ 915,001	\$ 337,660	\$ 577,341	63%
35	Employees' Benefits	\$ 325,888	\$ 103,158	\$ 222,730	68%
36	Pumps & Structures Repairs	\$ 241,000	\$ 79,295	\$ 161,705	67%
37	Payroll Burden	\$ 153,734	\$ 50,579	\$ 103,155	67%
38	Reimbursable Expenses	\$ 340,000	\$ 37,146	\$ 302,854	89%
39	Chemical Application	\$ 111,000	\$ 47,728	\$ 63,272	57%
40	Domestic Water Treatment Plant	\$ 174,000	\$ 52,344	\$ 121,656	70%
41	Fuel & Oil costs	\$ 145,000	\$ 26,476	\$ 118,524	82%
42	Capital Cost - Depreciation	\$ -	\$ -	\$ -	0%
43	Equipment repairs	\$ 100,000	\$ 41,818	\$ 58,182	58%
44	Vehicle repairs & Maintenance	\$ 40,000	\$ 13,059	\$ 26,941	67%
45	Buildings Repairs & Maintenance	\$ 50,000	\$ 19,963	\$ 30,037	60%
46	Laboratory - Water Testing	\$ 17,300	\$ 817	\$ 16,483	95%
		\$ 4,408,423	\$ 1,072,623	\$ 3,335,800	
<b>Total Expenses</b>		\$ 23,095,070	\$ 7,030,454	\$ 16,064,616	
<b>Net Revenue/(Deficit)</b>		\$ -	\$ 2,719,974	\$ (2,719,974)	
		<b>Current O&amp;M <sup>2</sup></b>	<b>Water Rate <sup>3</sup></b>	<b>Acreage Rate <sup>4</sup></b>	
		\$ 128.54	\$ 110.47	\$ 21.22	
			\$ (18.07)		
<sup>1</sup> SGMA costs historically billed on an acreage basis <sup>2</sup> FYE 2023-24 proposed O&M Rate assumes 45,000 acre-feet of deliveries <sup>3</sup> Potential Water Rate assumes 45,000 acre-feet of deliveries <sup>4</sup> Potential Acreage Rate assumes 38,317 acres					



Aaron Barcellos

July 5, 2023

Review Period: 6/7/2023 – 7/7/2023

Statement and documentation made available: 7/24/2023

I have reviewed the credit card documentation for the Westamerica Bank VISA account ending in 8512.

Included in the packet were credit card statement details and supporting documentation. Activity for this time include charges from the following cardholders:

Mr. Ara Azhderian – General Manager

Mr. Juan Cadena – Director of Operations

Mr. Chris Carlucci

Ms. Lorena Chagoya

All charges reviewed appear to be valid district related expenses complete with supporting documents.

Sincerely,

A handwritten signature in blue ink, appearing to read 'A. Barcellos', with a long horizontal flourish extending to the right.

Aaron Barcellos

<b>PANOCHE WATER DISTRICT QUARTERLY FINANCIAL STATUS</b>	
<b>CASH BOOK ACCOUNTS AS OF 6/30/2023</b>	
<b>PANOCHE WATER DISTRICT</b>	
Balance as per bank statement	\$803,078
<u>Reconciling Items</u>	
Add: Outstanding deposits	-
Deduct: Outstanding checks	\$32,683
Balance as reported in the general ledger account	\$770,395
<b>PANOCHE WATER DISTRICT MONEY MARKET</b>	
Balance as per bank statement	\$2,000,904
<u>Reconciling Items</u>	
Add: Outstanding deposits	-
Balance as reported in the general ledger account	\$2,000,904
<b>PANOCHE WATER DISTRICT PAYROLL</b>	
Balance as per bank statement	\$82,444
<u>Reconciling Items</u>	
Add: Outstanding deposits	-
Deduct: Outstanding checks	\$6
Balance as reported in the general ledger account	\$82,438
<b>PANOCHE WATER DISTRICT 2021 BOND ACQUISITION FUND</b>	
Balance as per bank statement	\$1,415,511
<u>Reconciling Items</u>	
Add: Outstanding deposits	-
Deduct: Outstanding checks	-
Balance as reported in the general ledger account	\$1,415,511
<b>PANOCHE WATER DISTRICT LAIF ACCOUNT</b>	
LAIF Account balance as of 6/30/2023	\$2,139,895
<b>PANOCHE WATER DISTRICT 2021 LAIF REVENUE BONDS</b>	
LAIF Account balance as of 6/30/2023	\$1,198,416
<b>TOTAL OF GENERAL LEDGER ACCOUNT BALANCES AND LAIF</b>	<b>\$7,607,560</b>

**PANOCHÉ WATER DISTRICT**

2023 Quarterly Investment Report  
For Quarter Ending June 30, 2023

DATE: August 8, 2023  
TO: Board of Directors  
FROM: Marlene Brazil

In accordance with Government Code Section 53646 and the Panoche Water District Investment Policy, the following shall constitute the quarterly report of investment on behalf of the Panoche Water District:

	MECHANICS BANK (4 ACCTS)	LAIF	TOTAL
INVESTMENT BALANCES June 30, 2023	\$ 4,269,248.41	\$ 3,338,311.16	\$ 7,607,559.57

1. As of the date of this report, other District Funds are deposited in Federal Deposit Insurance Corporation (FDIC) insured accounts at Mechanics Bank. As provided by Government Code Section 53646 (e) attached are the most recent statements received by the district.
2. The remaining district funds are invested in the State of California Local Agency Investment Fund (LAIF) in accordance with section 16429.1 of the Government Code.
3. The portfolio of the District is in compliance with the District's Statement of Investment Policy.
4. It is expected the District will be able to meet its expenditure requirements for the next six months based on projected revenue from water sales and reimbursements from other agencies.

**General Ledger Detail Report**  
**Summary Report for Period 01 Thru 04 Ending 6/30/2023**

**PANOCHÉ WATER DISTRICT (PWD)**

<b>Account Number/Description</b>	<b>Beginning Balance</b>	<b>Debit</b>	<b>Credit</b>	<b>Net Change</b>	<b>Ending Balance</b>
13112-000					
MECHANIC CKNG #*****8566	191,704.46	9,258,516.19	8,679,825.42	578,690.77	770,395.23
13132-000					
MECHANIC MM # 2305	0.00	2,000,904.11	0.00	2,000,904.11	2,000,904.11
13412-000					
MECHANIC PR#*****7895	23,847.54	630,000.00	571,409.73	58,590.27	82,437.81
13465-000					
2021 REVENUE BONDS - LAIF	1,181,119.41	17,296.49	0.00	17,296.49	1,198,415.90
13470-000					
CONTRACTUAL OBLIGATION FUND #9745	760,413.07	655,098.19	0.00	655,098.19	1,415,511.26
13520-000					
LOCAL AGENCY INVESTMENT FD	4,194,980.79	44,914.47	2,100,000.00	2,055,085.53-	2,139,895.26
<b>Report Total:</b>	<b>6,352,065.27</b>	<b>12606729.45</b>	<b>11351235.15</b>	<b>1,255,494.30</b>	<b>7,607,559.57</b>



MALIA M. COHEN

California State Controller

LOCAL AGENCY INVESTMENT FUND  
REMITTANCE ADVICE

Agency Name	PANOCHE WATER DISTRICT
Account Number	90-10-005

As of 07/14/2023, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 06/30/2023.

Earnings Ratio		.00008636172883763
Interest Rate		3.15%
Dollar Day Total	\$	192,847,517.85
Quarter End Principal Balance	\$	2,123,240.61
Quarterly Interest Earned	\$	16,654.65



MALIA M. COHEN

California State Controller

LOCAL AGENCY INVESTMENT FUND  
REMITTANCE ADVICE

Agency Name	PANOCHÉ WATER DISTRICT
Account Number	11-10-004




As of 07/14/2023, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 06/30/2023.

Earnings Ratio		.00008636172883763
Interest Rate		3.15%
Dollar Day Total	\$	108,102,789.21
Quarter End Principal Balance	\$	1,189,079.96
Quarterly Interest Earned	\$	9,335.94

RETURN SERVICE REQUESTED

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 FIREBAUGH CA 93622-9401

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**Summary of Accounts**

Account Type	Account Number	Ending Balance
PUBLIC MONEY MARKET	XXXXXXXXX2305	\$2,000,904.11

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Criminals contact you via phone, text or email pretending to be your bank or a credit card company, and tell you that your account is "locked" or "frozen" from fraudulent attempts to access it. They then ask for your card number, account number, password or PIN to "unlock" the account. **Learn how to spot this scam at [www.MechanicsBank.com/Security](http://www.MechanicsBank.com/Security).**

**Summary of Accounts**




Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXXX7895	\$82,443.89



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**Summary of Accounts**

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX8566	\$803,078.30

**PANOCHÉ WATER DISTRICT**  
**AGED ACCOUNTS RECEIVABLE - Delinquent**  
**As Of 7/31/2023**

<b>Name</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>Over 90 Days</b>	<b>Total A/R</b>
Brown, Lupe	-	-	2.53	2.53
Carter, Raymont & Shelly	93.73	-	-	93.73
Cecilia Echeveste Survivor's Trust	2,776.86	44,403.00	38,513.77	85,693.63
Correia 2015 Living Trust	9.66	24,723.00	643.80	25,376.46
Hanna M&M Famil Trust	-	142,557.00	-	142,557.00
Harvest Point, LLC	-	92,496.00	-	92,496.00
Imperial Merchants USA, LLC	7.06	-	281.04	288.10
John S. Diedrich Farms	-	17,712.00	-	17,712.00
KB Family Farm	-	61,008.00	-	61,008.00
Nyman Family	4,672.00	-	-	4,672.00
Nyman, Brad and Kristi	19,937.73	-	-	19,937.73
Nyman, Ms. Rebecca	2,430.34	-	-	2,430.34
	<b>29,927.38</b>	<b>382,899.00</b>	<b>39,441.14</b>	<b>452,267.52</b>
<u>Other</u>				
Camp 13 Drainage District	-	-	57,050.97	57,050.97
Grassland Basin Authority	-	-	14,123.32	14,123.32
	-	-	71,174.29	71,174.29
<b>Total Accounts - Delinquent</b>	<b>29,927.38</b>	<b>382,899.00</b>	<b>110,615.43</b>	<b>523,441.81</b>

**Notes:**

Carter said she will send payment

Talked to Echeveste / Property in Escrow - when closed will pay in full



# PANOCHÉ WATER DISTRICT

52027 West Althea Ave., Firebaugh, CA 93622 – (209) 364-6136 – [panochewd.specialdistrict.org](http://panochewd.specialdistrict.org)

**CPRA Exemption: Gov. Code section 6254 (k)**

## **EMPLOYMENT AGREEMENT**

This EMPLOYMENT AGREEMENT (“Agreement”) is made by and between Panoche Water District (the “District”) and Patrick McGowan (“McGowan”) (collectively, the “Parties”). In consideration of the mutual promises and conditions in this Agreement, the Parties agree as follows:

1. **Employment.** The District hereby employs McGowan as an exempt General Manager as of September 5, 2023 (the “Start Date”). McGowan shall be an "at will" employee of the District, which means that McGowan may resign from his position with the District at any time during the term of this Agreement, and the District may terminate McGowan's employment at any time, with or without cause, without further obligation or liability *except* as provided herein and *provided* that any such termination is performed in accordance with Section 7 of this Agreement.

2. **Duties.** McGowan shall perform such services as described in Exhibit A attached hereto and incorporated herein by reference, as well as additional duties as may be assigned to him from time to time by the Board of Directors of Panoche Water District (the “Board”). McGowan shall perform those activities that are required and advisable in the normal course of the District's business, and additional duties related to the operation of the District, the District's projects, and long-range planning. McGowan shall devote his full business time, attention, and energies, and shall use his best efforts to advance the business and welfare of the District. McGowan shall report directly to the Board. McGowan shall not be engaged in any other business activity that conflicts with his duties as General Manager of the District, or that diverts his time and energies from the performance of his duties for the District and related entities and constituents.

McGowan understands and agrees that his physical presence at the District office and in the counties serviced by the District shall be an essential function of his position, as noted in Exhibit A, and that he shall be required to maintain this physical presence at the District office and in the counties serviced by the District during normal business hours (Monday through Friday from 8:00 a.m. to 5:00 p.m.), unless he is elsewhere for District business or on approved leave.

3. **Annual Compensation and Performance Review.** In consideration of his performance as General Manager, McGowan's annual compensation shall be \$167,000.00 (one hundred sixty-seven thousand dollars and no cents) (the “Compensation”). The Compensation shall be paid monthly according to the regular payroll schedule of the District and shall be subject to deductions and withholding authorized or required by applicable law.

The Board shall conduct a formal review of McGowan's performance as General manager on or around March 12, 2024. Thereafter, the Board shall conduct a formal annual performance review, beginning on or around September 10, 2024. The Board shall consider any adjustment(s) to the Compensation as part of McGowan's annual performance review(s). The Board and Mr. McGowan will work together to adjust all future annual reviews after September 2024 so that they may be finalized prior to the adoption of each year's District's Operating budget.

The Board shall be the sole approving authority for any change in the Compensation, and any such change shall be reduced to a writing that explicitly amends this Agreement accordingly.

4. Benefits.

A. General. McGowan shall be entitled to receive benefits provided for under the Panache Water District Employee Handbook, Board approved September 13, 2016, as amended ("Employee Handbook"), except as provided for in this Section 4 of this Agreement. Any and all benefits not specifically provided for otherwise in this Agreement shall be provided to McGowan in accordance with the Employee Handbook.

B. Vehicle Use. A District-owned or -leased vehicle shall be provided to McGowan as early as the Start Date but no later than October 15, 2023. If a vehicle is not available at the Start Date, the District shall reimburse McGowan in accordance with the State-approved mileage rate for miles used on personal vehicles. Such reimbursement shall be made monthly based on mileage submitted by the General Manager to the District and in accordance with District policies and procedures.

C. Sick Leave. Notwithstanding provisions in the Employee Handbook providing for the accrual of sick leave, McGowan shall, as of the Start Date, immediately accrue forty (40) hours of sick leave, which shall be available for use as of the Start Date. McGowan shall not begin to accrue additional sick leave until he would have, in accordance with the Employee Handbook and absent provisions in this Section of this Agreement providing otherwise, accrued forty (40) hours of sick leave. The advance notice, use, reporting, and accounting of any sick leave shall otherwise be in accordance with District policies and procedures and the Employee Handbook.

D. Vacation. Notwithstanding provisions in the Employee Handbook providing for the accrual of vacation leave, McGowan shall, as of the Start Date, immediately accrue forty (40) hours of vacation leave, which shall be available for use as of the Start Date. McGowan shall not begin to accrue additional vacation until he would have, in accordance with the Employee Handbook and absent provisions in this Section of this Agreement providing otherwise, accrued forty (40) hours of sick leave. The advance notice, use, reporting, and accounting of any sick leave shall otherwise be in accordance with District policies and procedures and the Employee Handbook.

5. Business Expenses. The District shall reimburse McGowan for reasonable and necessary business expenses, ancillary expenses for travel, and similar items incurred or expended by McGowan in the performance of his duties as General Manager. Any such reimbursement shall be in accordance with the District's policies and procedures governing reimbursement of such expenses, which may be altered or modified from time to time in the District's sole discretion.

6. Confidential and Proprietary Information.

A. McGowan recognizes that by virtue of his employment he will have access to confidential and proprietary information relating to the District's business, including but not limited to information relating to financial operations of the District, employee compensation and benefits, drainage treatment, drainage projects, and water acquisition. McGowan agrees that all confidential and proprietary information is a valuable and unique asset of the District and, if divulged to others, could cause irreparable harm to the District's business. McGowan recognizes and acknowledges that such confidential and proprietary information may include data or material that may not technically qualify as a trade secret or other type of confidential information, but that the District nevertheless has

a legitimate business interest in protecting its confidentiality. Further, McGowan will have access to draft documents, information relating to District financing or financial status; information relating to pending or threatened litigation and to other information that is protected by the attorney-client privilege between the District and its legal counsel, or that is privileged draft attorney work product; and a variety of other District confidential or privileged information, including, for example, personnel files for District employees. All such information is referred to herein as "Confidential and Proprietary Information." Accordingly, except as required for the performance of his duties under this Agreement or by court order, during the term of McGowan's employment and thereafter, regardless of the reason for termination, McGowan shall not use or disclose, for himself or others, any confidential or proprietary information of the District.

B. McGowan shall sign and honor any and all of the District's existing Non-Disclosure Agreements, Confidentiality Agreements, etc., the subject matter of which is or may become effective to the District operations, upon the advice of legal counsel and direction of the Board.

C. During McGowan's employment and thereafter, regardless of the reason for termination, except as required for the performance of his duties under this Agreement, McGowan shall not use or disclose for any reason any confidential or proprietary information that relates to the District's finances or financial performance, human resources issues or personnel, or legal or regulatory matters affecting the District.

D. Notwithstanding the above, the disclosure of confidential and proprietary information shall not be deemed to violate the provisions of Section 6 (a) or (b) if such disclosure (1) is pursuant to a valid order of a court or governmental agency of competent jurisdiction; (2) is pursuant to an agreement to which the District is a party and which has been approved by the Board of Directors, (3) is to attorneys, auditors or other professional advisors of the District, (4) is to a reputable financial or similar institution which agrees to preserve the confidentiality of such information or records, or (5) has been approved by the Board of Directors, and, in any such case, McGowan reasonably believes at the time of such disclosure that the disclosure is being made in the ordinary course and within the usual scope of his duties and serves the best interests of the District and its constituents.

E. During McGowan's employment and thereafter, regardless of the reason for termination, McGowan shall afford the District's confidential and proprietary information any and all protection that may otherwise be available under applicable law, and the District may seek to enforce any of its rights thereunder as well as under this Agreement.

F. McGowan understands and agrees that all confidential and proprietary business information, files, research, records, memoranda, notations, letters, computer hardware and software, constituent lists, books, lists and other documents received from the District during the term of his employment are the property of the District, and that upon McGowan's termination of employment, for whatever reason, McGowan will, upon request from the District, promptly deliver to the District all such materials, including all copies thereof, in his possession or under his control.

G. The obligations in this Section 6 of this Agreement shall survive termination and the District shall have the right to pursue any and all remedies it may have available to it in law or equity in the event of a breach of any provision of this Section 6 of this Agreement.

7. Termination. This Agreement may be terminated by the Parties, or each of them, in accordance with this Section 7 of this Agreement. Upon termination, and except as provided for in Section 6.G and Section 8 of this Agreement, any and all of either Party's obligations shall cease.

A. If, upon mutual written agreement, upon seven (7) days written notice from one Party to the other Party.

B. The District may terminate this Agreement immediately For Cause. For purposes of this Agreement, "For Cause" shall mean: upon charge or indictment of a crime, upon a finding by the Board that McGowan materially and willfully misled the Board, McGowan's abuse of his Duties as described in Exhibit A, for moral turpitude, and misuse of District resources for personal gain, financial or otherwise.

C. The District may terminate this Agreement upon seven (7) days written notice to McGowan Without Cause. For purposes of this Agreement, "Without Cause" shall mean any matters or issues that do not constitute "For Cause".

D. McGowan may terminate this Agreement upon ninety (90) days written notice to the District and the Board.

E. This Agreement shall terminate automatically upon McGowan's death. In the Event of McGowan's death, the District shall pay McGowan's personal representative his then existing salary through and including McGowan's last day of work. The District shall have no further obligations to McGowan under this Agreement other than for such benefits as it may be required to provide under an applicable District benefits policy or under applicable law.

8. Survival of Obligations. The obligations of McGowan under Section 6 of this Agreement shall survive the termination of his employment and this Agreement, regardless of the reason for or method of termination. Each provision in Section 6 shall be enforceable independently of every other provision, and the existence of any claim or cause of action McGowan may have against the District, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement of these Sections by the District.

9. Enforcement and Severability.

A. In the event of a breach or threatened breach by McGowan of any of the provisions of this Agreement, nothing contained herein shall be construed as prohibiting the District from pursuing any remedies available to it for such breach or threatened breach, including the recovery of damages from McGowan.

B. If any provision of this Agreement is deemed void or unenforceable, such provision shall not be deemed part of this Agreement, which otherwise shall remain in full force and effect.

C. A waiver by the District or McGowan of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach by the other party.

10. Governing Law and Jurisdiction.

A. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California.

B. The parties agree that any and all causes of action arising under this Agreement

by and between them shall only have jurisdiction and venue in the Superior Court of Merced County. The parties further consent to the jurisdiction and venue of that court for the resolution of such causes of action upon proper service of process, and it is further understood and agreed that in any such action the prevailing party shall be entitled to recover reasonable costs and attorneys' fees.

11. Notices. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and given by hand-delivery (including delivery by a recognized courier or delivery service) or by first class mail, in the case of McGowan, to either his office or personal residence, or in the case of the District, to the President of the Board, at either his office or personal residence.

12. Entire Agreement. This instrument contains the entire agreement of the parties, supersedes any prior agreement between the parties and may be changed only by an agreement in writing signed by the party against whom the enforcement of any waiver, addendum, change, modification, extension or discharge is sought. The Panoche Water District Employee Handbook, and its amendments, are separate documents that apply to all employees, and McGowan agrees to conform with and abide by its provisions, as well as policies, regulations, standards and customs of the District. The Panoche Water District Employee Handbook and its amendments, policies and regulations of the District are incorporated by reference into this Agreement. In the event of a conflict between this Agreement and the Panache Water District Employee Handbook, this Agreement will control.

13. Warranties. The Parties acknowledge that they each respectively: have read this Agreement, have had the opportunity to consult with independent legal counsel of their own choosing, and fully understand and freely and voluntarily agree to the provisions in this Agreement. By signing below, the signatory for the District warrants he has the authority to bind the District to the provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement, and this Agreement shall become effective, as of the last date written below:

**PANOCHÉ WATER DISTRICT:**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Aaron Barcellos, President of the Board

**PATRICK MCGOWAN:**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Patrick McGowan

Attachments: Exhibit A, General Manager Job Description





# *PANOCHÉ WATER DISTRICT*

52027 West Althea Ave, Firebaugh, CA 93622 – (209) 364-6136 – [panochewd.specialdistrict.org](http://panochewd.specialdistrict.org)

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**TO: BOARD OF DIRECTORS**

**FR: CHASE HURLEY**

**RE: ACWA BOARD OFFICER'S ELECTION FOR PRESIDENT & VICE PRESIDENT**

As a member of ACWA, Pacheco Water District has received the ballot for President and Vice President for the upcoming 2024-25 term.

I have been given authorization to fill out and submit the ballot.

There is one candidate running for President, and two for Vice President. Their biographies are attached below.

Staff will be looking for direction at the meeting on who they would like to vote for. Pacheco can only vote for one candidate for each seat.

Feel free to call with any questions.

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Board of Directors: Aaron Barcellos, *President*

Beau Correia, *Vice-President*

Steve Fausone, *Secretary*

Wayne Western, *Tax Collector*

Neill Callis, *Tax Assessor*

Chase Hurley, *Interim General Manager*

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## ACWA President

ACWA President

Cathy Green (Election Committee's preferred candidate)



As ACWA's Vice President since 2022, I have and will continue to diligently listen to and work on behalf of all ACWA members. My vision for ACWA is to fully embrace its motto of *Bringing Water Together*. I believe that we can accomplish this by unifying ACWA members and collaborating with stakeholders to find effective solutions to the challenges we face.

As your ACWA President, I will continue to advance the momentum I have built on key initiatives including: 1) advocating for state accountability on water infrastructure investments and policy issues, 2) spearheading the ACWA Council of Past Presidents to mentor new members so that they are aware of membership benefits, and 3) furthering ACWA's economical, efficient, and effective member services through sound fiscal, HR, managerial, and administrative practices.

I will also work on three new initiatives including: 1) re-examining ACWA dues to provide equity for all members, 2) strengthening the Association's ability to attract, develop, and retain top industry talent, and 3) increasing non-dues revenues.

I ask for your vote so that I may continue working to ensure ACWA offers value for all members. My experience, qualifications, decade long ACWA membership, and role as ACWA Vice President have provided me a unique understanding of ACWA as the nation's largest statewide coalition of public water agencies. Please contact me any time at 714.321.0522 or CGreen@OCWD.com.

### ACWA Board Member and Committees

- ACWA Vice President (2022-current)
- Executive Committee (2020-current)

- Region 10 Chair (2018-2019)
- Region 10 Vice Chair (2016-2017, 2020-2021)
- Region 10 Board Member (2012-2021)
- Water Quality Committee (2012-current)
- Energy Committee (2019-current)
- State Legislative Committee (2012-2015)

### **Orange County Water District**

- President (2015-2016, 2022-current)
- 1st Vice President (2013, 2014, 2019-2022)
- Director (2010-current)
- Joint Planning Committee Chair
- Labor Ad Hoc Committee Chair

### **Civic, Professional Experience**

- Huntington Beach Mayor (2003, 2009)
- Council Member (2002-2010)
- Registered Nurse
- Law degree

## ACWA Vice President

- Ernesto "Ernie" A. Avila (Election Committee's preferred candidate)



I want to be the next Vice-President of the Association of California Water Agencies (ACWA) because I want ACWA to continue to be the nexus of knowledge and leadership in water for California. We are emerging from a multi-year drought, and I will put my energy into strategies to keep water in the public eye with ACWA as the trusted sources for information and innovation. A priority for me is to ensure that ACWA continues to equip member agencies with information and resources necessary to support their water supply reliability efforts, implement infrastructure and watershed improvements, and address the challenges associated with climate change.

I have 40 years of experience with California water as a Civil Engineer, General Manager, Executive Director of three water coalitions involving over 50 water agencies, and I currently serve as CCWD Board President. I have led or supported over \$5 Billion in California water infrastructure serving over 5 million citizens and many industries today. I have supported ACWA for 20 years including serving on the Board of Directors, the Executive Committee, the Region 5 Board, the Federal Affairs Committee, the ACWA Foundation Steering Committee and Chair of the Local Government Committee.

This year, we have gone from extreme drought conditions to concerns about flooding in months. ACWA has been leading the discussions for water supply reliability, investments in infrastructure, including above- and below-ground storage, and it is now crucial to progress beyond conversations to action. I want to work with all ACWA members to find strategies to advance projects and I will work with ACWA members to keep our seat at the table to affirm the state's commitment to help fund and facilitate these critical investments.

I would be honored to represent our members as the next Vice-President of ACWA.

## ACWA Vice President

Michael Saunders



I have been working with water issues as an elected; with MSRs as a County LAFCO commissioner; through my work with the CABY Integrated Regional Water Management Group; my work in the water use efficiency workgroups with the Department of Water Resources; and as an Executive Board member of the Regional Water Authority. I have been active in ACWA since I became an elected official in 2018, each year increasing my level of participation and leadership, from conferences to workgroups to symposiums. I was a member of the Diversity, Equity, and Inclusion Workgroup which helped form the new ACWA Foundation. I am currently a member of the Headwaters Workgroup, Water Use Efficiency Workgroup, State Infrastructure Workgroup, and the Membership Committee. I also participate in the State Legislative Committee. I am on the ACWA Region 3 Board and have worked on a regional forum and event and on our regional issues dealing with guidelines and legislation.

The qualities I can bring to the office is my understanding of the water issues from our Region and the State along with my working relationship with our Board members, Regional members, ACWA members, ACWA staff, elected officials, and District Staff. Coming from a small agency, the input from our members is vital and important to bring each Agency's issues, strategies, and suggestions to the table and make every agency feel valued. I will continue to be a strong legislative advocate, continue to build on our outreach, and rely and utilize the expertise and talents of our members and ACWA staff. I am enthusiastic and committed to the work of ACWA and hope to bring my excitement to our members and continue to push for the growth and success of ACWA.

I would be honored to have your vote.

Panoche Water District  
IT Proposals Comparison  
August 08, 2023

	CONTRACT TERM	MONTHLY FEE	HOURLY FEE	MICROSOFT LICENSING COST (MONTHLY)	ONE-TIME ON BOARDING FEE	CLOUD SERVICE	PHISHING THREAT TRAINING	MICROSOFT LICENSING	EMPLOYEES	LOCATION
VC3	36 months	\$1,983 (average)	✘	Included	\$12,586	✓	✓	✓	585+	Turlock
BCT CONSULTING	24 months	\$1,361	✘	\$400	\$6,202	✓	✓	✓	50+	Fresno
VALLEY TECH LOGIC	12 months	\$2,250	✘	\$70 (estimate)	\$1,000	✓	✓	✓	15	Atwater
REAL-TIME	Pre-Paid Block Hours (12 hrs./mo. at \$120)	\$1,755	\$132	\$315	\$1,755	✓	✘	✓	26	Fresno
DIVINE LOGIC	✘	✘	\$145	✘	\$2,500+ (hourly rate)	✘	✘	✘	16	Fresno
CALIFORNIA COMPUTER TECHNOLOGIES	✘	✘	\$110	✘	Hourly	✘	✘	✘	2	Hanford

**PANOCHÉ WATER DISTRICT**

**EQUIPMENT & VEHICLE RENT LIST 2023-2024**

<b>EQUIPMENT/VEHICLE NUMBER</b>	<b>DESCRIPTION</b>	<b>CCID HR RATE</b>	<b>WWD HR RATE</b>	<b>RATE PER HOUR</b>
1 TON TRUCK	WORK TRUCK / WELDING TRUCK # 03	\$ 30.00	\$ 33.79	\$ 42.50
3/4 TON TRUCK	WORK TRUCK	\$ 30.00	\$ 19.87	\$ 37.00
1/2 TON TRUCK	WORK TRUCK	\$ 30.00	\$ 11.75	\$ 27.50
PWD#23	2022 CAT 450 BACKHOE	\$ 50.00	\$ 52.69	\$ 103.00
PWD#25	2019 CAT 326 FL EXCAVATOR	\$ 70.00	\$ 137.11	\$ 150.00
PWD#28	CAT GRADER W/ RIPPER	\$ 60.00	\$ 65.12	\$ 92.00
PWD#32	2021 PETERBILT TRUCK	\$ 40.00	\$ 75.99	\$ 94.00
PWD#34A	TRU DUMP TRAILER	\$ 8.00		\$ 6.50
PWD#37	PORTABLE AIR COMPRESSOR	\$ 10.00		\$ 5.25
PWD#42	SPRAYER TRUCK	\$ 35.00		\$ 42.50
PWD#48	1974 PORTABLE DRAGLINE	\$ 70.00		\$ 66.50
PWD#48A	1967 UNIT DRAGLINE	\$ 70.00		\$ 66.50
PWD#54	12FT DRAG SCRAPER			\$ 15.00
PWD#56	1981 TOWNER DISC			\$ 26.00
PWD#67T	FLATBED TRAILER	\$ 8.00		\$ 6.50
PWD#62B	CHEMICAL TRAILER	\$ 8.00		\$ 6.50
PWD#64A	CHEMICAL TRAILER	\$ 8.00		\$ 6.50
PWD 76T	SIEBERT 40 TON LOBED TRAILER			\$ 22.50
PWD#75A	CAT BOOSTER PUMP/CORNELL PUMP		\$ 26.88	\$ 33.25
PWD#75D	CAT 4.4 BOOSTER PUMP/CORNELL PUMP		\$ 26.88	\$ 33.25
PWD#78AA	CAT 980C LOADER	\$ 50.00	\$ 41.05	\$ 175.00
PWD#78B	1997 953C LOADER	\$ 50.00		\$ 85.50
PWD#85A	2000 BOMAG PADFOOT COMPACTOR	\$ 12.00		\$ 48.00
PWD#91A	JOHN DEERE 7920 TRACTOR	\$ 45.00		\$ 47.50
PDD#09	CAT 7.1 BOOSTER PUMP/CORNELL PUMP		\$ 26.88	\$ 33.25
PDD#11	CAT 7.1 BOOSTER PUMP/CORNELL PUMP		\$ 26.88	\$ 33.25
SJ#14	1987 KENWORTH DUMP TRUCK	\$ 40.00	\$ 73.31	\$ 64.00
SJ#14B	FORD F550 DUMP TRUCK	\$ 40.00	\$ 52.96	\$ 55.00
SJ#15A	1998 WATER TRUCK	\$ 35.00		\$ 64.00
SJ#31	2002 SKYTRAK 8,000 LB FORKLIFT			\$ 44.00
SJ#33	1988 D-5H CRAWLER TRACTOR	\$ 50.00		\$ 85.00

# PANOCHÉ WATER DISTRICT

52027 WEST ALTHEA AVE, FIREBAUGH, CA 93622  
TELEPHONE (209) 364-6136 • FAX (209) 364-6122



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## BOARD MEETING MEMORANDUM

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**TO:** BOARD OF DIRECTORS

**FROM:** LORENA CHAGOYA, ETHICS & COMPLIANCE OFFICER

**SUBJECT:** DIVISION REPORT - ETHICS, COMPLIANCE, AND HUMAN RESOURCES

**DATE:** AUGUST 8, 2023

**CC:** CHASE HURLEY, INTERIM GENERAL MANAGER

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**For the month of July, the following compliance, risk management, and human resources activities occurred as follows:**

- Compliance and Risk Management
  1. SpeakUp Hotline – No calls reported.
  2. Liability – Outstanding Claim #23-0773, Estimated cost of damages pending.
  3. Worker’s Compensation
    - a. 2 Outstanding Claims, # 23-0809 & 24-0017
      - # 23-0809: Employee will return to work on modified duty on August 7<sup>th</sup>.
    - b. Effective 7/1/2023-6/2024, Experience Modification Rate is **1.20**.
      - Attachment #1 – Experience Rating Form.
  4. Property Program - Effective 7/1/2023-6/2024, rates increased by **20%**.
    - Attachment #2 – JPIA letter and Invoice to PWD
    - Attachment #3 – JPIA letter and Invoice to PDD
- Human Resources
  1. COVID-19 cases – No cases reported
  2. Employee Training and Development
    - a. Alcohol & Drug Free Workplace Policy Training occurred on July 27<sup>th</sup>.
  3. Recruitment
    - a. Canal Operator: Job posted on July 26<sup>th</sup> and deadline on August 4<sup>th</sup>. Interviews will be scheduled for the week of August 14<sup>th</sup>.
    - b. The District anticipates to welcome a part-time summer helper, Kody Cardoza, for the Maintenance Department after he completes the pre-employment requirements satisfactorily.



**ACWA/JPIA  
WORKERS' COMPENSATION  
EXPERIENCE RATING FORM  
EFFECTIVE 7/1/2023**

For: Panoche Water District

**EXPECTED LOSSES:**

Class Code	PAYROLL			Total Payroll	Loss Rate	EXPECTED LOSSES			
	07/01/2019-2020	07/01/2020-2021	07/01/2021-2022			Expected Loss	"D" Ratio	Primary Loss	Excess Loss
0251	2006109.58	1659543.02	1020003.52	4685656.12	2.30	107770.09	0.21	22631.72	85138.37
8742	206553.32	202816.31	205722.01	615091.64	0.18	1107.17	0.20	221.43	885.73
8810	658072.93	572606.53	374489.51	1605168.97	0.17	2728.79	0.22	600.33	2128.45
8810(a)	10000.00	10000.00	10000.00	30000.00	0.17	51.00	0.22	11.22	39.78
TOTAL						111,657.04		23,464.71	88,192.34
						(a)	-	(b)	= (c)

**ACTUAL LOSSES:**

Claim Number	Policy Year	Actual Loss	Primary Loss	Actual Excess
20-0177	2019-2020	175000.00	7000.00	168000.00
20-0661	2019-2020	8251.59	7000.00	1251.59
20-0835	2019-2020	26928.59	7000.00	19928.59
Claims \$2000 or less	2019-2020	184.55	184.55	0.00
Claims \$2000 or less	2020-2021	1363.05	1363.05	0.00
Claims \$2000 or less	2021-2022	298.27	298.27	0.00
TOTAL		212,026.05	22,845.87	189,180.18
			(d)	(e)

**RATING PROCEDURE:**

$$\begin{aligned}
 & \left( \left( \text{Total Primary Actual (d)} \times \text{Credibility Primary} \right) + \left( (b) \times (1 - \text{Credibility Primary}) \right) \right) + \left( (e) \times \text{Credibility Excess} \right) + \\
 & \left( (c) \times (1 - \text{Credibility Excess}) \right) = \text{Total Adjusted Losses (g)} \quad \Bigg/ \quad \text{Total Expected Losses (a)} \\
 & 22,845.87 \times 1.00 + 23,464.71 \times 0.00 + 189,180.18 \times 0.23 + 88,192.34 \times 0.77 = 134,265.41 \quad \Bigg/ \quad 111,657.04 \\
 & \text{Experience Modifier (g) / (a) = } \quad \mathbf{1.2000}
 \end{aligned}$$



# Invoice

ACWA JPIA  
P.O. Box 619082, Roseville, CA 95661  
800.231.5742 | [www.acwajpia.com](http://www.acwajpia.com)

TO: All Property Program Members

FROM: David deBernardi, Director of Finance

DATE: July 11, 2023

RE: 2023-24 Property Program

The JPIA Executive Committee adopted a 20% increase in the Property Program rates effective for policy year July 1, 2023 through June 30, 2024. This increase was due to a hard market found in obtaining excess insurance. Please note that inflation factors have been applied to the Total Insured Values (TIV) of 7.5% for all buildings and fixed equipment, as well as 5.5% to personal property.

For any questions regarding the payment of this premium, please contact Heidi Singer in the Accounts Receivable Department at (800) 231-5742 ext. 3133.

Member property schedules can now be found on the JPIA online portal. If you have any questions, please contact Member Services at (800) 231-5742 or e-mail at [member@acwajpia.com](mailto:member@acwajpia.com). Any unpaid portion that becomes more than 60 days past due will be subject to a 1% late fee each month.



**ACWA JPIA Property Program**  
**Renewal Billing Invoice**  
**For July 1, 2023 - June 30, 2024**  
 Invoice Date: July 10, 2023

**Member # P013 Invoice#: 0010513**

Panoche Water District  
 52027 W. Althea Avenue  
 Firebaugh, CA 93622--9401

<b>Basic Property</b>	<b>Total Value</b>	<b>Rate</b>	<b>Premium</b>
A. Buildings Value	\$3,330,850 x	0.00146	\$4,876.36
B. Fixed Equipment Value	\$5,115,499 x	0.00146	\$7,489.09
C. Personal Property Value	\$301,984 x	0.00146	\$442.11
D. Business Interruption Value	\$500,000 x	0.00146	\$732.00

**Total Basic Premium** \$9,248,334 = **\$13,539.56**  
 Credit for \$2,500 Deductible Amount - **\$725.07**

**Mobile Equipment**

A. Mobile Equipment Value	\$962,352 x	0.002220 =	<b>\$2,136.42</b>
1. Replacement Cost Enhancement	Chosen: No	+	<b>\$0.00</b>

**Total Mobile Equipment Premium** = **\$2,136.42**  
 Credit for \$2,500 Deductible Amount - **\$213.64**

**Licensed Vehicle**

Comprehensive and Collision	<b>Count</b>	<b>Total Value</b>	<b>Rate</b>	<b>Premium</b>
1. All Other	7	\$348,549 x	0.012540 =	\$4,370.80
2. Light Truck	17	x	\$224.00 =	\$3,808.00
3. Passenger Car	1	x	\$192.00 =	\$192.00
4. SUV/Jeep	2	x	\$268.00 =	\$536.00
5. Van	0	x	\$222.00 =	\$0.00
6. Replacement Cost Enhancement	Chosen: No	+		<b>\$0.00</b>

**Total Vehicle Premium** = **\$8,906.80**  
 Credit for \$2,500 Deductible Amount - **\$1,781.36**

**Catastrophic Coverage**

	<b>Total Value</b>	<b>Rate</b>	<b>Premium</b>
Unscheduled Vehicle Value	\$0 x	0.002364 =	\$0.00

**Total Catastrophic Premium** = **\$0.00**  
 Credit for \$2,500 Deductible Amount - **\$0.00**

Sub Total = **\$21,862.71**  
 JPIA Multiple Program Discount (0.05%) - **\$1,093.14**  
 Premium Adjustment + **\$0.00**  
**Total Deposit Premium** = **\$20,769.57**

**Any unpaid portion that becomes more than 60 days past due will be subject to a 1% late fee each month.**



# Invoice

ACWA JPIA  
P.O. Box 619082, Roseville, CA 95661  
800.231.5742 | [www.acwajpia.com](http://www.acwajpia.com)

TO: All Property Program Members

FROM: David deBernardi, Director of Finance

DATE: July 11, 2023

RE: 2023-24 Property Program

The JPIA Executive Committee adopted a 20% increase in the Property Program rates effective for policy year July 1, 2023 through June 30, 2024. This increase was due to a hard market found in obtaining excess insurance. Please note that inflation factors have been applied to the Total Insured Values (TIV) of 7.5% for all buildings and fixed equipment, as well as 5.5% to personal property.

For any questions regarding the payment of this premium, please contact Heidi Singer in the Accounts Receivable Department at (800) 231-5742 ext. 3133.

Member property schedules can now be found on the JPIA online portal. If you have any questions, please contact Member Services at (800) 231-5742 or e-mail at [member@acwajpia.com](mailto:member@acwajpia.com). Any unpaid portion that becomes more than 60 days past due will be subject to a 1% late fee each month.



**ACWA JPIA Property Program**  
**Renewal Billing Invoice**  
**For July 1, 2023 - June 30, 2024**  
 Invoice Date: July 10, 2023

**Member # P024 Invoice#: 0010514**

Panoche Drainage District  
 52027 W. Althea Avenue  
 Firebaugh, CA 93622--9401

<b>Basic Property</b>		<b>Total Value</b>	<b>Rate</b>	<b>Premium</b>
A. Buildings Value		\$605,002 x	0.00146	\$885.72
B. Fixed Equipment Value		\$4,984,845 x	0.00146	\$7,297.81
C. Personal Property Value		\$59,213 x	0.00146	\$86.69
D. Business Interruption Value		\$300,000 x	0.00146	\$439.20
<b>Total Basic Premium</b>		\$5,949,060	=	<b>\$8,709.42</b>
		Credit for \$2,500 Deductible Amount	-	<b>\$466.41</b>
<hr/>				
<b>Mobile Equipment</b>				
A. Mobile Equipment Value		\$838,366 x	0.002220 =	<b>\$1,861.17</b>
1. Replacement Cost Enhancement	Chosen: No		+	<b>\$0.00</b>
<b>Total Mobile Equipment Premium</b>				<b>\$1,861.17</b>
				Credit for \$1,000 Deductible Amount - <b>\$0.00</b>
<hr/>				
<b>Licensed Vehicle</b>				
Comprehensive and Collision		<b>Count Total Value</b>	<b>Rate</b>	<b>Premium</b>
1. All Other	7	\$105,269 x	0.012540 =	\$1,320.07
2. Light Truck	3	x	\$224.00 =	\$672.00
3. Passenger Car	0	x	\$192.00 =	\$0.00
4. SUV/Jeep	0	x	\$268.00 =	\$0.00
5. Van	0	x	\$222.00 =	\$0.00
6. Replacement Cost Enhancement	Chosen: No		+	<b>\$0.00</b>
<b>Total Vehicle Premium</b>				<b>\$1,992.07</b>
				Credit for \$1,000 Deductible Amount - <b>\$199.21</b>
<hr/>				
<b>Catastrophic Coverage</b>				
Unscheduled Vehicle Value		\$0 x	0.002364 =	\$0.00
<b>Total Catastrophic Premium</b>				<b>\$0.00</b>
				Credit for \$2,500 Deductible Amount - <b>\$0.00</b>
				Sub Total = <b>\$11,897.04</b>
JPIA Multiple Program Discount (0.02%)				- <b>\$237.94</b>
Premium Adjustment				+ <b>\$0.00</b>
<b>Total Deposit Premium</b>				<b>\$11,659.10</b>

**Any unpaid portion that becomes more than 60 days past due will be subject to a 1% late fee each month.**

# PANOACHE WATER DISTRICT

52027 WEST ALTHEA AVE, FIREBAUGH, CA 93622  
TELEPHONE (209) 364-6136 • FAX (209) 364-6122



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## BOARD MEETING MEMORANDUM

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**TO:** BOARD OF DIRECTORS

**FROM:** CHRIS CARLUCCI, OPERATIONS & MAINTENANCE MANAGER

**SUBJECT:** DIVISION REPORT – OPERATIONS & MAINTENANCE

**DATE:** AUGUST 8<sup>TH</sup>, 2023

**CC:** CHASE HURLEY, INTERIM GENERAL MANAGER

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**For the month of July, the following operations and maintenance activities occurred as follows:**

- General Maintenance.
- Completed installation of the new diesel fuel tank.
- Repaired pipe at 12E-2 pump #3.
- Repaired a short section on the 509 ditch.
- Installed new trash rack at Lateral #3 turnout 302A.
- Fixed trash rack at T-4 canal.
- Made repairs on station 2 hand railing.
- Forked T-Canal with Excavator from T-1 to T-3.
- Forked Contour Canal from Herndon south to second crossing (3/4 mile).
- Fixed air vent on 7W pipeline.
- Weed Control, Sprayed at the following locations: Contour Canal, Lateral #2 treatment, Spray treatment, 83 box treatment, 11E treatment, Main Canal treatment, T-Canal treatment.

PANOCHÉ WATER DISTRICT WATER ACCOUNTING

Month: **July, 2023**

8/4/2023

Water Supply																		
District Water March, 2023 - Feb, 2024	Annual AF	2023 March	2023 Apr	2023 May	2023 June	2023 July	2023 Aug	2023 Sept	2023 Oct	2023 Nov	2023 Dec	2024 Jan	2024 Feb	YTD Usage	Transfers Out	Not Pumped	Stored	Remaining Balance
Grower Transfer Ins	500													0				500
Transfer 2	1,915				985	930								1,915				0
Transfer 3	1,605				750	855								1,605				0
Transfer 6	250					250								250				0
PWD Grower Wells f/Crdt	4,000	81		9	7									97				3,903
Gains or Losses	1,842	3	85	538	566	650								1,842				0
<b>District Water Total</b>	<b>10,112</b>	<b>84</b>	<b>85</b>	<b>547</b>	<b>2,308</b>	<b>2,685</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,709</b>				<b>4,403</b>
Bureau Water March, 2023 - Feb, 2024	Annual AF	2023 March	2023 Apr	2023 May	2023 June	2023 July	2023 Aug	2023 Sept	2023 Oct	2023 Nov	2023 Dec	2024 Jan	2024 Feb	YTD Usage	Transfers Out	Loss	Stored	Remaining Balance
Rescheduled Water	9,757	894	2,895	5,443	313									9,545		(212)		0
2023-2024 100% USBR	94,000				2,672	3,382								6,054				87,946
Transfer 2	1,085													0				1,085
Transfer 3	3,145				750	1,145								1,895				1,250
Transfer 4	7,500				1,875	4,000								5,875				1,625
Transfer 5	3,007				837	333								1,170				1,837
Transfer 6	750				250									250				500
Transfer 7	295				295									295				0
Grower Transfers In	913			421	492									913				0
<b>Bureau Water Total</b>	<b>120,452</b>	<b>894</b>	<b>2,895</b>	<b>5,864</b>	<b>7,484</b>	<b>8,860</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,997</b>	<b>0</b>	<b>(212)</b>	<b>0</b>	<b>94,243</b>
<b>Total Water Supply</b>	<b>130,564</b>	<b>978</b>	<b>2,980</b>	<b>6,411</b>	<b>9,792</b>	<b>11,545</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>31,706</b>	<b>0</b>	<b>(212)</b>	<b>0</b>	<b>98,646</b>
Usage																		
Growers		978	2,980	6,411	9,792	11,545								31,706				
Transfers Out/Sales		0	0	0	0	0								0				
<b>Total Usage/Transfers</b>		<b>978</b>	<b>2,980</b>	<b>6,411</b>	<b>9,792</b>	<b>11,545</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>31,706</b>				
<b>Diff/Losses: % of Supply</b>	<b>%</b>	<b>1%</b>	<b>3%</b>	<b>9%</b>	<b>6%</b>	<b>6%</b>								<b>7%</b>				
<b>Budget to Actual - AF</b>	<b>45,000</b>	<b>899</b>	<b>2,980</b>	<b>6,402</b>	<b>9,785</b>	<b>11,545</b>								<b>31,611</b>	Estimate / Use Aug-Feb 21,131 AF			<b>13,389</b>

\* Water Supply Numbers are estimates of known Transfers at this time - Deliveries are Actual \*

**Panoche Water District  
Water Year 2023-2024  
Water Forecast**

8/4/2023

2:00 PM

**PWD Forecasted Water Usage**

	District Direct Delivery	AF	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
	CCID/FCWD	2,815				985	930	900						
	SLCC Eastside Water	2,405				750	855	800						
est.	FCWD Conserved Wtr	250					250							
	PWD Grower Wells f/Credit	97	81		9	7								
	Gains	1,842	3	85	538	566	650							
	<b>Total</b>	<b>7,409</b>	<b>84</b>	<b>85</b>	<b>547</b>	<b>2,308</b>	<b>2,685</b>	<b>1,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

0  
0  
0  
0  
0  
0

	Bureau CVP Delivery	AF	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
	Rescheduled Water	9,757	894	2,895	5,443	313								
	WY23-24 100% USBR Allocation	94,000				2,672	3,382	2,867	3,645	2,191	1,300	1,400	1,000	2,100
	CCID/FCWD	185						185						
	SLCC Eastside Water	2,345				750	1,145	200	250					
	West Stanislaus ID	7,500				1,875	4,000	1,625						
	SJRECWA 5 yr	3,007				837	333	973	455	409				
	FCWD Conserved Wtr	750				250		250	250					
	Mercy Springs Resched.	295				295								
est.	Grower Transfers In	913			421	492								
	<b>Total</b>	<b>118,752</b>	<b>894</b>	<b>2,895</b>	<b>5,864</b>	<b>7,484</b>	<b>8,860</b>	<b>6,100</b>	<b>4,600</b>	<b>2,600</b>	<b>1,300</b>	<b>1,400</b>	<b>1,000</b>	<b>2,100</b>

(212)  
73,443  
0  
0  
0  
0  
0  
0  
0  
0  
73,443

USBR Surplus	
64,043	
CCWD	(2,000)
<b>62,043</b>	

<b>Totals</b>	<b>126,161</b>	<b>978</b>	<b>2,980</b>	<b>6,411</b>	<b>9,792</b>	<b>11,545</b>	<b>7,800</b>	<b>4,600</b>	<b>2,600</b>	<b>1,300</b>	<b>1,400</b>	<b>1,000</b>	<b>2,100</b>
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USBR Rescheduled Wtr Losses	(212)	(63)	(88)	(58)	(3)
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**PWD Estimated Grower Usage**

	AF	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Grower Deliveries	52,506	978	2,980	6,411	9,792	11,545	7,800	4,600	2,600	1,300	1,400	1,000	2,100
Transfers Out	0	0	0										
<b>Totals</b>	<b>73,443</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



# Panoche Water District

## DELIVERIES, RECYCLED, POWER CHARGES REPORT

DISTRICT DELIVERIES						RETURN FLOWS					RUSSELL RECIRCULATION Energy Charges					PG&E CHARGES				
2019	2020	2021	2022	2023		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
MAR	2,594	2,964	1,610	982	978	(82)	38	(102)	130	3	\$ 114	\$ 126	\$ 61	\$ 63	\$ 49	\$ 53,663	\$ 83,213	\$ 45,539	\$ 38,061	\$ 20,336
APR	5,237	3,657	2,773	2,303	2,980	290	42	(123)	556	85	\$ 91	\$ 99	\$ 5,811	\$ 128	\$ 920	\$ 83,024	\$ 75,857	\$ 115,722	\$ 95,409	\$ 60,283
MAY	7,172	6,681	5,082	3,839	6,411	99	12	811	728	538	\$ 13,338	\$ 2,851	\$ 16,042	\$ 1,413	\$ 1,266	\$ 140,840	\$ 130,817	\$ 92,000	\$ 103,548	\$ 76,265
JUN	10,812	9,767	6,871	5,434	9,792	600	584	976	782	566	\$ 23,541	\$ 22,899	\$ 21,611	\$ 27,615	\$ 11,491	\$ 202,742	\$ 194,558	\$ 150,006	\$ 148,032	\$ 115,412
JUL	12,273	10,140	6,251	5,612	11,545	1,393	231	249	83	650	\$ 30,850	\$ 24,811	\$ 36,326	\$ 46,544	\$ 12,039	\$ 204,302	\$ 216,355	\$ 191,489	\$ 209,145	\$ 213,325
AUG	8,437	5,985	3,953	4,165		516	20	541	(253)		\$ 43,554	\$ 41,688	\$ 39,615	\$ 36,685		\$ 214,317	\$ 201,997	\$ 181,291	\$ 179,674	
SEP	3,940	3,328	2,764	2,790		490	504	862	(240)		\$ 32,727	\$ 48,288	\$ 25,346	\$ 22,748		\$ 192,139	\$ 168,372	\$ 125,375	\$ 143,734	
OCT	2,708	2,695	1,141	1,693		835	219	121	(171)		\$ 159	\$ 18,975	\$ 186	\$ 8,034		\$ 139,437	\$ 107,389	\$ 103,445	\$ 82,107	
NOV	1,649	742	469	266		122	111	119	(161)		\$ 120	\$ 108	\$ 6,239	\$ 7,014		\$ 79,316	\$ 65,990	\$ 57,789	\$ 202,938	
DEC	88	119	85	89		(239)	(47)	34	(15)		\$ 97	\$ 72	\$ 116	\$ 113		\$ 48,581	\$ 25,942	\$ 32,400	\$ 33,649	
JAN	565	211	291	15		(51)	(58)	261	(83)		\$ 119	\$ 70	\$ 105	\$ 93		\$ 33,480	\$ 16,234	\$ 23,831	\$ 25,041	
FEB	3,968	1,121	1,668	743		75	(102)	558	137		\$ 97	\$ 70	\$ 125	\$ 101		\$ 50,635	\$ 35,030	\$ 73,629	\$ 31,647	
<b>Total</b>	<b>59,443</b>	<b>47,410</b>	<b>32,958</b>	<b>27,931</b>	<b>31,706</b>	<b>4,048</b>	<b>1,554</b>	<b>4,307</b>	<b>1,493</b>	<b>1,842</b>	<b>\$ 144,808</b>	<b>\$ 160,058</b>	<b>\$ 151,583</b>	<b>\$ 150,552</b>	<b>\$ 25,765</b>	<b>\$ 1,442,476</b>	<b>\$ 1,321,754</b>	<b>\$ 1,192,517</b>	<b>\$ 1,292,985</b>	<b>\$ 485,620</b>
<b>YEAR TO DATE</b>	<b>38,088</b>	<b>33,209</b>	<b>22,587</b>	<b>18,170</b>	<b>31,706</b>	<b>2,300</b>	<b>907</b>	<b>1,811</b>	<b>2,279</b>	<b>1,842</b>	<b>\$ 67,935</b>	<b>\$ 50,787</b>	<b>\$ 79,851</b>	<b>\$ 75,764</b>	<b>\$ 25,765</b>	<b>\$ 684,570</b>	<b>\$ 700,800</b>	<b>\$ 594,757</b>	<b>\$ 594,195</b>	<b>\$ 485,620</b>

Water Year	2019-20	2020-21	2021-22	2022-23	2023-24	5 Yr. Average
USBR Allocation	75.00%	20.00%	0.00%	0.00%	80.00%	<b>35%</b>
RRA Ac. Reported	37,442	37,442	37,442	38,202	38,317	<b>37,769</b>
A/F / acre	<b>1.59</b>	<b>1.27</b>	<b>0.88</b>	<b>0.73</b>	<b>0.83</b>	<b>1.06</b>
Effective Precip.	0.20	0.28	0.13	0.31	0.11	<b>0.20</b>
<b>Total Applied af</b>	<b>1.79</b>	<b>1.54</b>	<b>1.01</b>	<b>1.04</b>	<b>0.94</b>	<b>1.26</b>

Total Precip. Inches    4.77    6.69    3.17    7.34    2.61    (From March 1 on)

Total rainfall /2/12    Mike Gonzalez

**Total Rainfall from Oct. 2022 to today is 8.56 inches.**



# PANOCHÉ WATER DISTRICT

52027 WEST ALTHEA AVE, FIREBAUGH, CA 93622  
TELEPHONE (209) 364-6136 • FAX (209) 364-6122

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## BOARD MEETING MEMORANDUM

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**TO:** BOARD OF DIRECTORS

**FROM:** JUAN CADENA, WATER RESOURCES MANAGER

**SUBJECT:** DOMESTIC PLANT UPDATE

**DATE:** AUGUST 8, 2023

**CC:** CHASE HURLEY, INTERIM GENERAL MANAGER

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The Panoche Water District (District) water treatment system was originally built in the 1970's. On March 2, 2018, the State Water Resources Control Board (State Water Board) issued a compliance order based on the treatment plant's failure to meet Trihalomethane (TTHM) Maximum Contaminant Level (MCL) requirements. On December 17, 2018, the State Water Board issued an amended compliance order based on the failure of the treatment plant to meet Haloacetic Acid (HAA5) MCL requirements.

### **Raw Water Delivery System**

The water source is the San Luis Canal, where there is a siphon outlet at MP89.68L. The delivery pipeline is gravity flow through approximately 3.8 miles of 12-inch PVC pipe followed by approximately 220 feet of 6-inch PVC pipe into the water treatment plant. The elevation difference from the canal to the entrance of the treatment plant results in a static pressure of 65 psi with a flow rate of 165 gpm.

### **Distribution System**

There are 3 hydro-pneumatic pressure tanks, each one having a capacity of 2,500 gallons. From these pressure tanks, water is distributed in four main PVC pipelines from the water treatment plant to 46 residential service connections. Deliveries are made to Nyman Farms, A-bar Ag. Enterprises, JFB Ranch Inc. and Panoche Water District. All four main pipeline branches of the distribution system are metered.

## **Operation & Maintenance**

Operation and Maintenance is managed by Westside Water (WW) through a T3 Drinking Water Treatment Operator's certification. The distribution system is managed under D2 certifications held by WW. The oversight from WW is based on a visit to the treatment plant for a minimum of three days per week.

## **Project Purpose**

The project purpose is to bring the water treatment plant back into compliance by building a new water treatment plant near the existing plant. The District is working with Jim Gartung Engineering (JGE) to acquire a grant/loan from the State Water Board for a new Surface Water Treatment Plant. The State Water Board decisions are a case-by-case implementation; therefore, the State Water Board will fund between \$60,000-\$80,000 per connection and is limited up to \$6,000,000 per project. The District has submitted an Engineering Report to the State Water Board for their review.

## **Updates**

1. On July 17, 2023, District staff had a conference call with JG and WW and the State Water Board.
2. On July 24, 2023, District staff had a follow up conference call with JG and WW.

During these 2 meetings, the group discussed the Engineering Report and the process moving forward for the grant/loan program. Some of the topics discussed were:

- 1 Review of the comments and responses with the State Water Board
- 2 All technical work is refundable by the State Water Board grant/loan program
- 3 Next steps on updating the Engineering Report (ER)
  - Update water use history for 5 years
  - Update cost estimate
  - Update O&M projected budget
  - Update technical design information
  - Include CT (concentration © times contact time(T)) calculations
  - Get board approval for location and leasing
  - Include existing environmental report in an Appendix
  - Include billing detail
  - Add discussion about rate setting procedure
  - Provide board resolution for domestic plant funding/billing
  - Include other information required from ER State Water Board review (alternative to chlorine, justification for 150 gpm, backwash pump connections, control of branches in event pipe breaks, pH control/selection of coagulation/flocculation, description of backwash run cycle and filter to waste)
  - Add ozone cost proposal in the Appendix

The District will then resubmit the Engineering Report to the State Water Board within the next 8 weeks for approval. Once the Engineering Report gets approved, the District staff will work with the State Water Board on the Technical, Managerial, and Financial (TMF) Assessment Form. The TMF Assessment Form process will take up to 8 months and once approved, it will take a year to fund the project. The project timeline has the Project going out to bid in late 2024.

# PANOCHÉ WATER DISTRICT

52027 WEST ALTHEA AVE, FIREBAUGH, CA 93622  
TELEPHONE (209) 364-6136 • FAX (209) 364-6122



## BOARD MEETING MEMORANDUM

**TO:** BOARD OF DIRECTORS

**FROM:** JUAN CADENA, WATER RESOURCE MANAGER

**SUBJECT:** CHARLES BURT ANALYSIS OF DISTRICTS FACILITIES

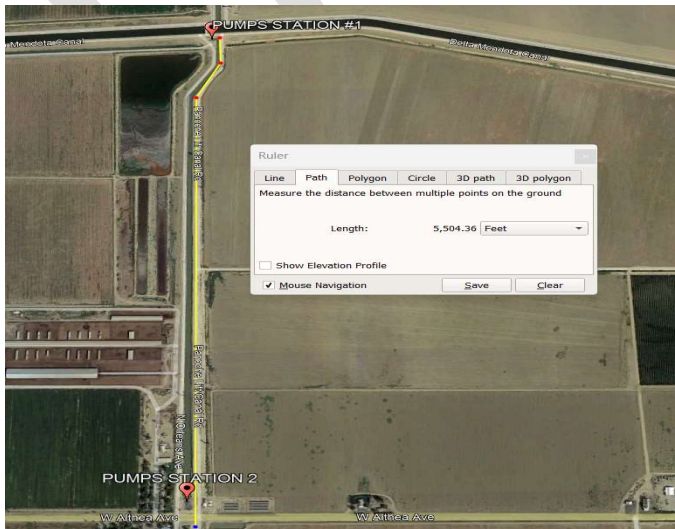
**DATE:** AUGUST 8, 2023

**CC:** CHASE HURLEY, INTERIM GENERAL MANAGER

In July, Panoche Water District (District) staff hosted a facility tour with Charles Burt (Dr. Burt) of the Cal Poly Irrigation Training and Research Center (ITRC). The ITRC is working on a Modernization Plan (MP) for the District to help improve the efficiency of the pumping facilities. All the technical assistance will be funded by the United States Bureau of Reclamation. Dr. Burt visited the District to get a better understanding of how the operations work.

### 1. Water quality issues

Approximately 80% of the Main Canal's length between the Delta-Mendota Canal and Althea Ave. is below surface and it's surrounded by a high-water table. As a result, the canal acts as a subsurface drain and intercepts salty subsurface water. This is particularly noticeable during times of low flow rate, when the lateral inflow is a substantial portion of the water that is pumped at Station #2.



## 2. Contour Canal – Concrete lining (Dr. Burt recommendations)

The District plans to line the Contour Canal. \*\*Have them size it large enough to use downstream control (long crested weir).



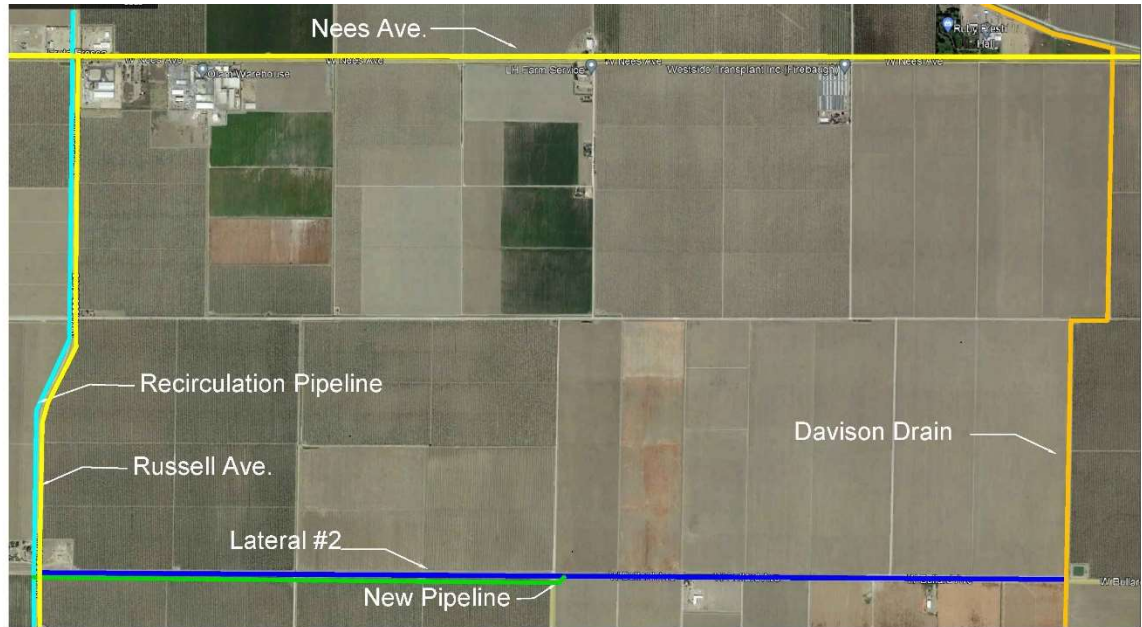
Convert the entire contour canal to downstream control. This would make management MUCH easier. Use either AVIO/AVIS gates, or float valves.

**AVIO/AVIS gates**



### 3. Flow restriction on Lateral #2 (Dr. Burt recommendation)

Convert the current way the Recirculation Plant pumps are used. Plumb a new pipeline to the recirculation pipeline and bypass the flow restriction section and set the discharge further downstream on Lateral #2.



The next steps on completing the MP is to have ITRC surveyors out in the District to collect Real Time Kinematic (RTK) data.

The modernization study timeline has the MP being complete by December of this year.

# PANOCHE WATER DISTRICT

52027 WEST ALTHEA AVE, FIREBAUGH, CA 93622  
TELEPHONE (209) 364-6136 • FAX (209) 364-6122



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## BOARD MEETING MEMORANDUM

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**TO:** BOARD OF DIRECTORS

**FROM:** JOSH MARQUEZ, CONTRACTS ADMINISTRATOR

**SUBJECT:** USBR WATERSMART GRANT: STATUS UPDATE

**DATE:** AUGUST 8<sup>TH</sup>, 2023

**CC:** CHASE HURLEY, INTERIM GENERAL MANAGER

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### **WaterSMART Water and Energy Efficiency Grant: PWD Contour Canal Lining Project**

**Status Update:** Webinar outlining order of events received however no dates provided. Made contact with Kimberly DeTamble, grants officer for USBR, who said they are still in the process of working through all of the agreements and PWD has not been assigned a Grants Management Specialist. Once a specialist is assigned they will reach out to review the scope of work together and discuss the grant process.



## Subbasin Announcements

The Delta-Mendota Subbasin continues with groundwater sustainability plan (GSP) implementation despite the GSPs being deemed “Inadequate” by the California Department of Water Resources (DWR). During the second quarter of 2023, the Subbasin completed spring water level monitoring and submitted the Water Year 2022 Annual Report.

### State Water Resources Control Board (SWRCB) Staff Releases Draft Schedule for Inadequate Subbasin Probationary Hearings

Six Subbasins in the San Joaquin Valley with GSPs determined to be inadequate by DWR must now work through SWRCB to achieve “approved” status, per SGMA. SWRCB staff released a draft schedule for holding probationary hearings for all, including the Delta-Mendota Subbasin. Per the draft schedule, the Subbasin probationary hearing is tentatively scheduled for September, 2024. GSAs in the Subbasin may be able to avoid a probationary hearing by submitting revised GSPs prior to SWRCB issuing additional draft deficiencies, expected next spring.

### Responding to DWR’s Inadequate Determination for Subbasin GSPs

Delta-Mendota Subbasin GSAs have agreed to pursue a single GSP for the Subbasin as a way to

achieve “approved” status. A consultant was retained to address the Subbasin’s water budget and Sustainable Management Criteria (SMCs) in the first step toward addressing “deficiencies” identified by DWR in the six GSPs that now cover the Subbasin.

The Coordination Committee released a request for Proposals (RFP) to hire a consultant to complete the task of condensing those GSP’s into one document. The response to that RFP was still under review as the quarter came to a close.

### SGMA Grant Activities

Work continues on the SGMA Round 1 Implementation Grant, funded through DWR. Grant funds will reimburse GSAs for a variety of projects and activities dating back to December of 2021, when the grant proposal was submitted.

In addition to larger projects, the Subbasin will use the funding to conduct monitoring and fill data gaps to help water managers sustainably manage the Subbasin’s precious groundwater resources for all beneficial uses and users.

### Water Quality Monitoring

GSAs are in the process of collecting water quality monitoring data. Data will be submitted to DWR as required by SGMA in the fall.

## Upcoming Meetings and Important Dates

Coordination Committee  
Second/Fourth Mondays  
1:00 PM SLDMWA Boardroom

Northern Management Committee  
First Wednesday  
2:00 PM Patterson City Hall

Central Management Committee  
Fourth Thursdays  
10:00 AM SLDMWA Boardroom

Questions? Contact your local groundwater sustainability agency or send an email to [dmsgma@sldmwa.org](mailto:dmsgma@sldmwa.org)

Visit [deltamendota.org](http://deltamendota.org) for current and upcoming meeting information



GAVIN NEWSOM  
GOVERNOR

JUL 28 2023 10:39



YANA GARCIA  
SECRETARY FOR  
ENVIRONMENTAL PROTECTION

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## State Water Resources Control Board

July 21, 2023

To: Enclosed Mailing List

ORDER DENYING RECONSIDERATION OF PETITION FOR RECONSIDERATION OF THE NORTHERN CALIFORNIA WATER ASSOCIATION, CENTRAL VALLEY PROJECT WATER ASSOCIATION, AND INDIVIDUAL PETITIONERS REGARDING ANNUAL WATER RIGHTS FEE DETERMINATIONS (FISCAL YEARS 2014-15)

Enclosed is a copy of the State Water Resources Control Board Order WR 2023-0038-EXEC, which was issued on July 13, 2023. If you have questions about this order, please contact the Fee Branch at [WaterRightsFees@waterboards.ca.gov](mailto:WaterRightsFees@waterboards.ca.gov).

Sincerely,

Erik Ekdahl, Deputy Director  
Division of Water Rights

Enclosure: Order WR 2023-0038-EXEC

cc: Northern California Water Association  
500 Capitol Mall, Suite 335  
Sacramento, CA 95814

Somach, Simmons & Dunn  
Attn: Daniel Kelly  
500 Capitol Mall, Suite 1000  
Sacramento, CA 95814

Central Valley Project Water Association  
1521 I Street  
Sacramento, CA 95814

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E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)



STATE OF CALIFORNIA  
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY  
STATE WATER RESOURCES CONTROL BOARD

**ORDER WR 2023-0038-EXEC**

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In the Matter of the Petition for Reconsideration of the

**NORTHERN CALIFORNIA WATER ASSOCIATION,  
CENTRAL VALLEY PROJECT WATER ASSOCIATION,  
AND INDIVIDUAL PETITIONERS**

Regarding Annual Water Right Fee Determinations

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**ORDER DENYING RECONSIDERATION**

BY THE EXECUTIVE DIRECTOR<sup>1</sup>

**1.0 INTRODUCTION**

The Northern California Water Association (NCWA), the Central Valley Project Water Association (CVPWA), Glenn-Colusa Irrigation District, Westlands Water District, Imperial Irrigation District, Placer County Water Agency, Byron-Bethany Irrigation District, and Stevinson Water District, collectively referred to herein as “Petitioners,”<sup>2</sup> petition the State Water Resources Control Board (State Water Board) for reconsideration of annual water right fees imposed for Fiscal Year (FY) 2014-15.

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<sup>1</sup> State Water Board [Resolution No. 2012-0061](#) delegates to the Executive Director the authority to conduct and supervise the activities of the State Water Board. Unless a petition for reconsideration raises matters that the State Water Board wishes to address or requires an evidentiary hearing before the board, the Executive Director’s consideration of petitions for reconsideration of disputed fees falls within the scope of the authority delegated under Resolution No. 2012-0061. Accordingly, the Executive Director has the authority to refuse to reconsider No. petition for reconsideration, deny the petition, or set aside or modify the fee assessment.

<sup>2</sup> The term “Petitioners” is used for ease of reference and does not confer the legal status of petitioner.

Petitioners allege that the annual fees constitute an unconstitutional tax in violation of Article XIII A of the California Constitution (commonly referred to as "Proposition 13") and violate the Supremacy Clause of the United States Constitution. They request the State Water Board to vacate and rescind the water right fees and refund with interest all fees paid to the State Water Board or the State Board of Equalization (BOE). The State Water Board finds that its decision to impose the fees was appropriate and proper and denies Petitioners' request for reconsideration.

## 2.0 STATUS OF LITIGATION

Beginning in 2003, NCWA, CVPWA, and the California Farm Bureau Federation (Farm Bureau) have filed suit against the State Water Board and BOE alleging that the water right fees are unconstitutional and invalid. The NCWA, CVPWA, and the Farm Bureau actions over the FY 2003-04 fees have been consolidated, and the other actions have been stayed pending resolution of the consolidated cases. Thus, the active litigation has involved issues regarding the constitutionality of the statute authorizing the water right fees and the implementing annual fee regulations adopted for FY 2003-04. In 2005, the Sacramento County Superior Court issued a judgment upholding the water right fees in their entirety, and NCWA, CVPWA, and the Farm Bureau appealed. In January 2007, the Third District Court of Appeal issued a decision upholding the fee statute and invalidating the fee regulations. The California Supreme Court subsequently granted review.

In 2011, the California Supreme Court issued a decision on the statute authorizing the water right fees and the State Water Board's annual fee regulations for FY 2003-04. (*CFBF v. State Water Resources Control Bd.* (2011) 51 Cal.4th 421 (*Farm Bureau*)). The Supreme Court upheld the water right fee statutes (e.g., Wat. Code, §§ 1525, 1540, 1560). (*Farm Bureau, supra*, at p. 446.) It also reversed the two adverse holdings of the Court of Appeal concerning the State Water Board's regulations governing annual permit and license fees and the annual fees passed through to the federal water contractors. (*Id.*, at pp. 446-447; see Cal. Code Regs., tit. 23, § 1066, 1073.)<sup>3</sup> The

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<sup>3</sup> All further regulatory references are to the State Water Board's regulations located in title 23 of the California Code of Regulations unless otherwise indicated.

Supreme Court remanded issues concerning the application of these fees through the State Water Board's regulations back to the trial court for further fact-finding.

Specifically, the Supreme Court directed the trial court to make factual findings as to whether the annual permit and license fees were reasonably related to the costs of the regulatory activity and findings related to the annual water right fees passed through to the federal water contractors. (*Farm Bureau, supra*, at pp. 442, 446.) The Supreme Court's decision otherwise left intact the appellate court's holdings that were favorable to the State Water Board.

In December 2012, a trial was held in the Sacramento Superior Court on the application of the water right fees for FY 2003-04. On November 12, 2013, the Superior Court issued its Final Statement of Decision, invalidating the FY 2003-04 fee regulations.

On March 2, 2018, the Court of Appeal issued a 40-page decision completely reversing the trial court decision on the three key issues. (*Northern California Water Association v. State Water Resources Control Board* (Mar. 2, 2018, C075866) 20 Cal.App.5th 1204 [2018 WL 1127892].) The appellate court found that the State Water Board reasonably apportioned fees amongst the fee payers and that the fee payers in FY 2003-04 did not subsidize the State Water Board's work on behalf of non-fee payers. The court similarly found that the fees assessed on permit and license holders were proportionate to the benefits derived by them or the burdens they placed on the Division of Water Rights, satisfying the constitutional test for a regulatory fee.

The appellate court also concluded that the State Water Board's decision to allocate all of the United States Bureau of Reclamation's (Reclamation) annual permit and license fee for the federal Central Valley Project (CVP) to the water supply contractors was reasonable. The record and the case law establish that the CVP is a water supply project and that Reclamation provides the contractors with all available water after satisfying its obligations under state and federal law. As a result, the fees paid by CVP contractors were reasonably related to their beneficial interest in CVP water rights.

Finally, the appellate court concluded that the trial court erred in determining that the fee regulations were invalid based on their application to a single payer (Imperial Irrigation District). Prevailing law requires that the fees have to be evaluated collectively, and a

regulatory fee is not invalid simply because it may be disproportionate as applied to a particular fee payer.

On May 16, 2018, the California Supreme Court denied NCWA's petition for review. On October 15, 2018, the United States Supreme Court denied NCWA's petition for writ of certiorari.

### **3.0 GROUNDS FOR RECONSIDERATION**

According to the State Water Board's regulations governing reconsideration of fees, only a fee payer may petition for reconsideration of the State Water Board's determination that the fee payer is required to pay a fee, or the State Water Board's determination regarding the amount of the fee. (§ 1077.) A fee payer may petition for reconsideration on any of the following grounds: (1) irregularity in the proceeding, or any ruling, or abuse of discretion, by which the fee payer was prevented from having a fair hearing; (2) the fee determination is not supported by substantial evidence; (3) there is relevant evidence that, in the exercise of reasonable diligence, could not have been produced; or (4) error in law. (§§ 768, 1077.) Pursuant to Water Code section 1537, subdivision (b)(4), the State Water Board's adoption of the regulations may not be the subject of a petition for reconsideration. When a State Water Board decision or order applies those regulations, a petition for reconsideration may include a challenge to the regulations as they have been applied in the decision or order.

A petition for reconsideration of a fee assessment must include certain information, including the name and address of the Petitioner, the specific State Water Board action of which the Petitioner requests reconsideration, the reason the action was inappropriate or improper, the reason why the Petitioner believes that no fee is due or how the Petitioner believes that the amount of the fee has been miscalculated, and the specific action that the Petitioner requests. (§§ 769, subd. (a)(1)-(6), 1077, subd. (a).) A petition for reconsideration of a fee assessed by BOE must include either a copy of the notice of assessment or certain information. (§ 1077, subd. (a)(2).) Section 769, subdivision (c) of the regulations further provides that a petition for reconsideration shall be accompanied by a statement of points and authorities in support of the legal issues raised in the petition.

If the subject of the petition relates to an assessment of a fee by BOE, the State Water Board's decision regarding the assessment is deemed adopted on the date of assessment by BOE. (§ 1077, subd. (b).) A petition is timely filed only if the State Water Board receives it within 30 days of the date the assessment is issued. (*Ibid.*) The deadline for filing a petition for reconsideration of the November 4, 2014 assessment was December 4, 2014. The State Water Board will not consider late petitions or late-filed letters referencing the jointly filed petition for reconsideration.

The State Water Board may refuse to reconsider a decision or order if the petition for reconsideration fails to raise substantial issues related to the causes for reconsideration set forth in section 768 of the State Water Board's regulations. (§ 770, subd. (a)(1).) Alternatively, after review of the record, the State Water Board also may deny the petition if the board finds that the decision or order in question was appropriate and proper, set aside or modify the decision or order, or take other appropriate action. (*Id.*, subd. (a)(2)(A)-(C).)<sup>4</sup>

#### **4.0 LEGAL AND FACTUAL BACKGROUND**

The State Water Board is the state agency entity primarily responsible for administering the State's water right program. The State Water Board administers the program through its Division of Water Rights (Division). The funding for the water right program is scheduled separately in the Budget Act (and through a continuous appropriation discussed below) and includes funding from several different sources. The primary source of funding for the water right program is regulatory fees deposited in the Water Rights Fund in the State treasury. Legislation enacted in 2003 (Sen. Bill No. 1049, Stats. 2003, ch. 741 (S.B. 1049)) required the State Water Board to adopt emergency

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<sup>4</sup> The State Water Board is directed to order or deny reconsideration on a petition within 90 days from the date on which the State Water Board adopts the decision or order. (Wat. Code, § 1122.) If the State Water Board fails to act within that 90-day period, a petitioner may seek judicial review, but the State Water Board is not divested of jurisdiction to act upon the petition simply because it failed to complete its review of the petition on time. (State Water Board [Order WR 2009-0061](#) at p. 2, fn. 1; see *California Correctional Peace Officers Ass'n v. State Personnel Bd.* (1995) 10 Cal.4th 1133, 1147-1148, 1150-1151; State Water Board Order WR 2009-0061 at p. 2, fn. 1; State Water Board [Order WQ 98-05-UST](#) at pp. 3-4.)



regulations revising and establishing water right fees and revising fees for water quality certification. (Wat. Code, §§ 1525, 1530.) Pursuant to this legislation, the State Water Board reviews the fee schedule each fiscal year and, as necessary, revises the schedule so that the fees will generate revenues consistent with the amount appropriated by the Legislature from the Water Rights Fund, taking into account the reserves in the fund. (*Id.*, § 1525, subd. (d)(3).) If the revenue collected in the preceding year was greater, or less than, the amounts appropriated, the State Water Board may adjust the annual fees to compensate for the over- or under-collection of revenue. (*Ibid.*) BOE is responsible for collecting the annual fees. (*Id.*, § 1536.)<sup>5</sup>

As explained in the Memorandum to File from Barbara Evoy, Deputy Director for the Division of Water Rights, dated March 10, 2015, entitled “Recommended Water Right Fee Schedule for Fiscal Year 2014-15” (hereinafter “Evoy Memorandum”), in FY 2014-15, the Legislature appropriated \$25.278 million from all funding sources for water right program expenditures by the State Water Board. The Evoy Memorandum provides more detail, but in sum, this amount included \$13.84 million for the support of the State Water Board from the Water Rights Fund and a continuous appropriation from the Water Rights Fund of \$3.75 million for enforcement positions,<sup>6</sup> with a total of \$17.59 million appropriated to the State Water Board from the Water Rights Fund. The State Water Board also received additional expenditure authority through mid-year budget revision for two personnel expenditures of \$130,000 and \$712,000. Thus, in calculating fees, the State Water Board had to ensure sufficient revenues to support a total of \$18.441 million appropriated from the Water Rights Fund for FY 2014-15. The State

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<sup>5</sup> As of June 27, 2017, the Department of Tax and Fee Administration was vested with many of the BOE’s former authorities, including but not limited to collection of water right fees pursuant to the Water Code and the State Water Board’s fee regulations. (Gov. Code, §§ 15570.22 & 15570.24.)

<sup>6</sup> In addition to the annual Budget Act, Senate Bill No. 8 of the 2009-2010 Seventh Extraordinary Session (Stats. 2009, 7th Ex. Sess., ch. 2) (SB 7X 8), § 11, makes a continuous appropriation from the Water Rights Fund of \$3.75 million for water right enforcement. In 2011, the Legislature amended Water Code section 1525, subdivision (d)(3) to clarify that the amounts collected through fees should be sufficient to cover the appropriations set forth in the Budget Act and the continuous appropriation in SB 7X 8. (Stats. 2011, ch. 579, § 9.)

Water Board's budget for the water right program also included \$7.18 million in General Fund, \$276,000 from Cigarette and Tobacco products, and \$223,000 from the Federal Trust Fund. In addition to the amounts appropriated to the State Water Board, the Legislature appropriated \$484,000 from the Water Rights Fund to BOE for its water right fee collection efforts, \$37,000 from the Water Rights Fund to the California Environmental Protection Agency for support functions that the agency provides for the State Water Board's water right program, and \$14,000 to the Financial Information System of California.

In accordance with the Water Code, the State Water Board sets a fee schedule each fiscal year so that the amount collected and deposited into the Water Rights Fund during that fiscal year will support the appropriations made from the fund, taking into account money in the fund from other sources.<sup>7</sup> In calculating the amount needed to be collected through fee revenues, the Division also considered the Water Rights Fund balance at the beginning of the fiscal year, which serves as a prudent reserve for economic uncertainty. In reviewing the fee schedule, the Division considered a 10 percent fund reserve to be prudent. In some years, the fund reserve has been drawn down by collecting less revenue annually than is expended. As explained in the Evoy Memorandum, the Water Rights Fund had a reserve of \$3.851 million at the beginning of FY 2014-15. Without any annual fee increase, the projected reserve for FY 2015-16 was expected to be 9.1 percent, which would have been below the amount the Division considered to be prudent. To prevent the projected fund reserve from being drawn down below 10 percent, the Division proposed increasing annual permit, license, and pending application fees by increasing the per acre-foot charge from \$0.053 to \$0.058 and increasing the annual Federal Energy Regulatory Commission (FERC) license-associated water quality certification per kilowatt charge from \$0.342 to \$0.43. The Division also proposed adjusting the caps on application and petition filing fees based on changes in the consumer price index. With these increases, the

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<sup>7</sup> Other sources of money in the Water Rights Fund, in addition to fee collections made during the fiscal year, include unexpended reserves from fee collections in previous years (see Wat. Code, § 1525, subd. (d)(3)) and penalties collected for water right violations (*id.*, § 1551, subd. (b)). The calculations used to determine water right fees do not include appropriations from funds other than the Water Rights Fund.

projected fee revenue was \$16.431 million and total Water Right Fund projected revenue was \$17.517 million. With estimated total expenditures of \$18.441 million for the fiscal year, expenditures were projected to exceed revenues by \$924,000, thereby ending the fiscal year with a reserve of \$2.927 million, which amounted to a 15.9 percent fund reserve. Although this fee schedule would not draw down the fund reserve to 10 percent of annual expenditures, the Evoy Memorandum later stated, based on the Budget Act for FY 2014-15, the Governor's proposed budget for FY 2015-16, and implementation of the projected fees for FY 2015-16, that the fund reserve was expected to get closer to a minimum prudent reserve level in FY 2016-17.<sup>8</sup> The proposed and adopted FY 2014-15 fee schedule was intended to maintain a prudent reserve while minimizing the need for a larger increase in future fiscal years.

On September 23, 2014, the State Water Board accepted the Division's recommendations and adopted Resolution No. 2014-0052, revising the emergency regulations governing water right fees for FY 2014-15. The Office of Administrative Law approved the emergency regulations on October 30, 2014. The BOE issued the annual fee assessments on behalf of the State Water Board on November 4, 2014.

## **5.0 FEE ASSESSMENTS ADDRESSED IN THIS ORDER**

According to their petition, Petitioners are NCWA, CVPWA, and individual Petitioners listed in the caption of the petition (Imperial Irrigation District, Westlands Water District, Glenn-Colusa Irrigation District, Placer County Water Agency, Byron-Bethany Irrigation District, and Stevinson Water District), as well as fee payers who referenced the petition in separately filed letters. NCWA and CVPWA are not fee payers and cannot be considered Petitioners in this order. (§ 1077.) The State Water Board will consider the Petitioners identified in the caption and the fee payers who timely filed letters referencing a petition by NCWA and CVPWA et al. or Petitioners' counsel (Somach, Simmons & Dunn) to be petitioners under the fee regulations if those persons otherwise meet the requirements for a petition for reconsideration. Attachment 1 of this order

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<sup>8</sup> On September 16, 2015, the State Water Board adopted [Resolution No. 2015-0061](#), increasing the annual per acre-foot fee for permits and licenses consistent with the projections made prior to adoption of the FY 2014-15 fee increases discussed in this order.

identifies the persons and entities who were assessed an annual water right fee, have met the regulatory requirements for filing a petition for reconsideration, and are properly considered petitioners for purposes of this order.

The State Water Board's review in this order is limited to annual fee assessments issued on November 4, 2014. The petition is dismissed to the extent it seeks review of any fee determinations other than the fee determinations identified for Petitioners listed in Attachment 1 of this order. Moreover, to the extent that Petitioners' contentions are not relevant to any of the annual fee assessments for which their petition for reconsideration has been filed, those contentions are not within the scope of the petitions for reconsideration.

#### **6.0 PETITIONERS' ARGUMENTS REGARDING THE CONSTITUTIONALITY OF THE FEES AND THE ADMINISTRATION OF THE FEES ARE WITHOUT MERIT**

Petitioners contend that the water right fees are unlawful taxes, adopted in violation of Proposition 13, and that the fees violate the Supremacy Clause of the United States Constitution. Petitioners incorporate the arguments set forth in their previous petitions challenging the imposition of annual water right fees in prior years. The State Water Board has rejected Petitioners' legal arguments, most recently by [Order WR 2014-0012-EXEC](#).<sup>9</sup>

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<sup>9</sup> Petitioners incorporate the arguments set forth in the petitions filed by "NCWA, CVPWA, and others" challenging the annual water right fees in previous years. The State Water Board has agreed Petitioners may incorporate by reference the arguments made in their previous petitions. For several prior years' petitions, the Petitioners' counsel also represented the Farm Bureau, which had been represented by other counsel and filed petitions separately from NCWA and CVPWA in prior years. (The State Water Board has rejected the Farm Bureau's legal arguments made in its previous separate petitions, most recently by Order WR 2011-0008-EXEC.) For this year's petition, the Petitioners and the Farm Bureau have again filed separate petitions with separate counsel. This year's petition outlines prior arguments made by NCWA and CVPWA, largely repeating the arguments made in previous petitions filed by counsel for NCWA and CVPWA. Accordingly, this order addresses the arguments in this year's petition and those arguments incorporated by reference in petitions filed in previous years by NCWA and CVPWA.

As Petitioners' acknowledge, the Supreme Court's 2011 opinion in *Farm Bureau* disposes of Petitioners' claims regarding the constitutionality of the fee statutes.<sup>10</sup> With respect to those issues not resolved by the Supreme Court's opinion, and except as discussed below, Petitioners have not provided any new arguments, new information, or supporting authorities that materially change any of the issues raised in their previous petitions challenging the annual water right fees. With respect to the issues that are incorporated in the petition now before the State Water Board, this order adopts and incorporates the reasoning of its prior orders regarding NCWA's and CVPWA's petitions for reconsideration, including Order WR 2014-0012-EXEC, [Order WR 2007-0007-EXEC](#), and the orders incorporated by reference in those orders.

As in past years, Petitioners argue that the water right fees impose the entire cost of the Division's program on permittees and licensees, alleging that the fees ignore the Division's activities that are related to other water rights not subject to the fees, such as pre-1914 and riparian rights, and the time spent on issues related to the public generally

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This year's petition omits Petitioners' arguments made previously about Proposition 26, which imposes a two-thirds vote requirement on certain types of charges that previously could be established by statutes enacted by majority vote. (Cal. Const., Article XIII A, § 3, amended by initiative, Gen. Elec. (Nov. 2, 2010).) The petition, however, contains the unsupported statement that Proposition 26 effectively overturned legal precedent regarding regulatory fees and that charges "are now measured against Proposition 26's more stringent standards." (Petition, p. 6, fn. 4.) To the extent that Petitioners intended this statement to suffice as an argument that the State Water Board has made an error in law subject to reconsideration, they have not offered legal support for this position and their petition fails to meet the requirements for reconsideration on this point. (§ 769, subd. (c).) Moreover, the State Water Board need not address this issue further because it has previously addressed the applicability of Proposition 26 to the annual water right fees in Order WR 2012-0003-EXEC, which is incorporated by reference, and addresses a similar contention in the Anderson-Cottonwood Irrigation District, et al. order, Order WR 2023-0039-EXEC, which is incorporated by reference.

<sup>10</sup> Nonetheless, Petitioners argue that the water right fees constitute a tax based solely on real property ownership. To the extent that Petitioners continue to argue that the water right fees are ad valorem taxes, the Supreme Court has disposed of this argument. The Supreme Court determined that the water right fee statute does not assess a new ad valorem tax on real property. The court further opined that because a regulatory fee is not a tax, if the regulations impose a valid regulatory fee then they are not subject to challenge based on Proposition 13's limitation on taxation of real property. (*Farm Bureau*, *supra*, 51 Cal.4th at p. 443.)

(public trust actions, etc.). As in past years, Petitioners have their facts wrong. Water right fees do not bear the entire cost of the water right program. Nor do the annual fees support the Water Rights Fund in its entirety. Moreover, as explained in the Evoy Memorandum and previous similar memoranda, the State Water Board's limited program costs that are related to regulation of non-fee payers and unrelated to the regulation of post-1914 appropriative rights or unauthorized diversions are supported by sources of funding other than the Water Rights Fund. The water right program budget for FY 2014-15 includes general funds amounting to approximately \$7.18 million and additional funds from sources other than the Water Rights Fund, and these funds are sufficient to support these other program activities. In short, while annual permit and license fees are the primary source of revenues deposited in the Water Rights Fund, and the Water Rights Fund is the primary source of funding for the water rights program, arguments based on the assumption that annual permit and license fees are the sole source of program funding are misleading at best. Funding of water right program costs for activities unrelated to the administration of the permit and license program from these other sources belies Petitioners' argument that water right permit and license holders are being burdened with program costs that do not bear a fair and reasonable relationship to their activities. Petitioners' legal claims have been addressed in more detail in the orders incorporated by reference by this order.<sup>11</sup>

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<sup>11</sup> Petitioners also continue to argue that the water right fees unlawfully seek to assess the federal government and its contractors. (Wat. Code, §§ 1540, 1560; see Cal. Code Regs., tit. 23, § 1073 [providing for pass through of fees to CVP water supply contractors].) This order incorporates by reference the prior State Water Board orders addressing this issue. But it merits noting that the Supreme Court determined that neither Water Code section 1540 nor section 1560 "authorizes imposition of a fee that facially violates the supremacy clause or state and federal rights to equal protection and due process." (*Farm Bureau, supra*, 51 Cal.4th at 444.) The Supreme Court agreed with the State Water Board that "the federal contractors have a taxable interest in the 'face value'" of Reclamation's water right permits. (*Id.*, at p. 446.) As discussed in the Evoy Memorandum, the State Water Board has determined in FY 2014-15 that it is reasonable to pass through 100 percent of the Reclamation CVP-related fees to the CVP contractors.

## 7.0 PETITIONERS' CONTENTION THAT THE FEES ARE ARBITRARY IS WITHOUT MERIT

Petitioners contend that the water right fees are arbitrary because “[t]he [State Water Board] and its predecessors [sic], over time, have issued water rights differently.” (Petition, p. 9.) Specifically, Petitioners posit that because some water rights issued and managed by the State Water Board contain multiple uses and/or multiple points of diversion and rediversion, while other diverters hold separate permits or licenses for their multiple uses and/or points of diversion and rediversion, this “results in fee payers being treated disparately for similar activities.” (*Ibid.*)

The water right fee structure covers applications, permits, requests for water quality certification for FERC-licensed hydropower projects, petitions for change, and many other activities and requests for Division action. Each type of activity is subject to a different type of fee. Petitioners suggest, as an example of similar activities that are billed disparately, that the water right permits held by the Imperial Irrigation District to appropriate water initially diverted from the Colorado River are akin to rights held by the Department of Water Resources (DWR) for water released from Lake Oroville. Petitioners contend, based solely on this one example of two somewhat similarly situated fee payers, that the fees are arbitrary.

As discussed by the California Supreme Court in *Farm Bureau*, permissible fees “need not be finely calibrated to the precise benefit each individual fee payer might derive.” (*Farm Bureau, supra*, 51 Cal.4th at 438.) “The question of proportionality is not measured on an individual basis. Rather, it is measured collectively, considering all rate payers.” (*Ibid*, citing *California Assn. of Professional Scientists v. Dept. of Fish & Game* (2000) 79 Cal.App.4th 935, 948.) Imperial Irrigation District generates hydropower under six different permits for six different diversions from the All American Canal. DWR, at least under the particular operations Petitioners are seemingly concerned with, generates power at a number of locations that are part of the State Water Project under one permit. DWR also holds many separate permits for consumptive and non-consumptive uses relating to the State Water Project and Lake Oroville and is billed for each of those permits in the same manner as Imperial Irrigation District. That Imperial Irrigation District holds multiple permits for activities that seemingly could, based on

DWR's operations under the complained-about permit, be conducted pursuant to a single permit simply does not answer the question of whether the fees incurred by Imperial Irrigation District are appropriately related to the overall cost of the program, which is the touchstone of valid fees. (See *Farm Bureau, supra*, 51 Cal.4th at 438.)

A fee is not invalid "simply because the fee may be disproportionate to the service rendered to individual payers." (*Farm Bureau, supra*, 51 Cal.4th at 438, citing *Brydon v. East Bay Mun. Utility Dist.* (1994) 24 Cal.App.4th 178, 194, 29 Cal.Rptr.2d 128.) As such, it is not instructive that these two particular situations might be billed the same under a different structure, or even under the same structure, as Imperial Irrigation District could request changes in its permits that would allow similar permitting to DWR's. The question is whether the structure is appropriate considering most situations. There is in fact a broad spectrum of hydropower diversion practices covered by water right permits and licenses, and Imperial Irrigation District's situation seems to fall more towards one end of the spectrum based on Imperial Irrigation District's particular location, water source, operations, and, in part, the Division's historic permitting practices. Petitioners do not offer any feasible means of recalculating the fees for hydropower diversions in a manner that reasonably addresses the spectrum of hydropower diversion practices, as opposed to the fees charged to a single fee-payer and would allow calculation of the fees on a timely basis. This one particular situation could be easily remedied by Imperial Irrigation District—which could petition for consolidation of its rights into fewer permits, if it so desired—and does not by itself support a conclusion that the fee structure, or the fee incurred by Imperial Irrigation District under that structure, is arbitrary.

Petitioners, do not reasonably appear to be arguing that any particular fee for FY 2014-15, including Imperial Irrigation District's, has been miscalculated under the fee regulations, and do not appear to request any specific action besides that the fees be vacated and rescinded in total and that all fees paid be refunded. Petitioners' memorandum of points and authorities does not provide any justification for recalculation of any fees billed to any of the named Petitioners.




**8.0 CONCLUSION**

The State Water Board finds that its decision to impose water right fees was appropriate and proper. This order addresses the principal issues raised by the NCWA, CVPWA, and the individual Petitioners. To the extent that this order does not address all of the issues raised by Petitioners, the State Water Board finds that either these issues are insubstantial or that Petitioners have failed to meet the requirements for a petition for reconsideration under the State Water Board's regulations. (§§ 768-769, 1077.) The petition for reconsideration is denied.

**ORDER**

**IT IS HEREBY ORDERED THAT** the petition for reconsideration is denied.

Dated: July 13, 2023



Eileen Sobeck  
Executive Director

**Attachment 1:  
Petitioners of Fiscal Year 2014-15 Water Right Fees in the matter of the Petition  
for Reconsideration of Northern California Water Association, Central Valley  
Project Water Association, and Individual Petitioners**

<b>State Water Board ID</b>	<b>Primary Owner</b>
A001933	BANTA-CARBONA IRRIGATION DISTRICT
A005248	BANTA-CARBONA IRRIGATION DISTRICT
USBR1115	BANTA-CARBONA IRRIGATION DISTRICT
USBR1214	BELLA VISTA WATER DISTRICT
A008986	BROWNS VALLEY IRRIGATION DISTRICT
A013130	BROWNS VALLEY IRRIGATION DISTRICT
A013873	BROWNS VALLEY IRRIGATION DISTRICT
A023757	BROWNS VALLEY IRRIGATION DISTRICT
A027302	BROWNS VALLEY IRRIGATION DISTRICT
A006743	BUTTE SLOUGH IRRIGATION COMPANY
USBR1180	BYRON BETHANY IRRIGATION DIST.
USBR1094	CITY OF ROSEVILLE
A005941	CONTRA COSTA WATER DISTRICT
A020245	CONTRA COSTA WATER DISTRICT
A025516A	CONTRA COSTA WATER DISTRICT
A025829	CONTRA COSTA WATER DISTRICT
A027893	CONTRA COSTA WATER DISTRICT
USBR1302	CONTRA COSTA WATER DISTRICT
USBR1233	DEL PUERTO WATER DISTRICT
A000654	EL DORADO IRRIGATION DISTRICT
A001440	EL DORADO IRRIGATION DISTRICT
A001441	EL DORADO IRRIGATION DISTRICT
A001692	EL DORADO IRRIGATION DISTRICT
A002270	EL DORADO IRRIGATION DISTRICT
A005645A	EL DORADO IRRIGATION DISTRICT
A005645B	EL DORADO IRRIGATION DISTRICT
A006383	EL DORADO IRRIGATION DISTRICT
A007478	EL DORADO IRRIGATION DISTRICT
FERC184A	EL DORADO IRRIGATION DISTRICT
USBR1027	EL DORADO IRRIGATION DISTRICT
FERC184	ELDORADO IRRIGATION DISTRICT
A026709	FRANCIS R BURKE III
A000018	GLENN-COLUSA IRRIGATION DIST
A001554	GLENN-COLUSA IRRIGATION DIST
A001624	GLENN-COLUSA IRRIGATION DIST
A008688	GLENN-COLUSA IRRIGATION DIST

<b>State Water Board ID</b>	<b>Primary Owner</b>
A012125	GLENN-COLUSA IRRIGATION DIST
A023005	GLENN-COLUSA IRRIGATION DIST
A030838	GLENN-COLUSA IRRIGATION DIST
USBR1215	GLENN-COLUSA IRRIGATION DISTRICT
USBR1262	GLIDE WATER DISTRICT
A023031	GRAVELLY FORD WATER DISTRICT
USBR1012	GRAVELLY FORD WATER DISTRICT
A009899	HALLWOOD IRRIGATION COMPANY
A007482	IMPERIAL IRRIGATION DIST
A007739	IMPERIAL IRRIGATION DIST
A007740	IMPERIAL IRRIGATION DIST
A007741	IMPERIAL IRRIGATION DIST
A007742	IMPERIAL IRRIGATION DIST
A007743	IMPERIAL IRRIGATION DIST
A008534	IMPERIAL IRRIGATION DIST
USBR1155	JAMES IRRIGATION DISTRICT
USBR1126	KANAWHA WATER DISTRICT
A008830	LEAL FAMILY TRUST
A031572	LEAL FAMILY TRUST
A026169	LOWER TULE RIVER IRRIGATION DIST
USBR1193	LOWER TULE RIVER IRRIGATION DISTR
USBR1296	LOWER TULE RIVER IRRIGATION DISTR
USBR1297	LOWER TULE RIVER IRRIGATION DISTR
A008631	MAXWELL IRRIGATION DISTRICT
A011955	MAXWELL IRRIGATION DISTRICT
A011956	MAXWELL IRRIGATION DISTRICT
A011957	MAXWELL IRRIGATION DISTRICT
A011958	MAXWELL IRRIGATION DISTRICT
A013735	MAXWELL IRRIGATION DISTRICT
A013919	MAXWELL IRRIGATION DISTRICT
A014378	MAXWELL IRRIGATION DISTRICT
A030445	MAXWELL IRRIGATION DISTRICT
USBR1150	MAXWELL IRRIGATION DISTRICT
USBR1086	MERCY SPRINGS WATER DISTRICT
A001074B	MERIDIAN FARMS WATER CO
A009737	MERIDIAN FARMS WATER CO
USBR1211	MERIDIAN FARMS WATER COMPANY
USBR1218	ODYSSEUS FARMS PARTNERSHIP
USBR1251	PACHECO WATER DISTRICT
USBR1252	PACHECO WATER DISTRICT
USBR1181	PANOCHÉ WATER DISTRICT

State Water Board ID	Primary Owner
USBR1098	PATTERSON IRRIGATION DISTRICT
A001765A	PELGER MUTUAL WATER COMPANY
A012470B	PELGER MUTUAL WATER COMPANY
A030410	PELGER MUTUAL WATER COMPANY
USBR1053	PELGER MUTUAL WATER COMPANY
USBR1194	PIXLEY IRRIGATION DISTRICT
A018084	PLACER COUNTY WATER AGENCY
A018085	PLACER COUNTY WATER AGENCY
A018086	PLACER COUNTY WATER AGENCY
A018087	PLACER COUNTY WATER AGENCY
A026637	PLACER COUNTY WATER AGENCY
FERC2079	PLACER COUNTY WATER AGENCY
USBR1133	PLACER COUNTY WATER AGENCY
USBR1146	PLEASANT GROVE-VERONA MUTUAL WATE
USBR1101	RECLAMATION DISTRICT NO. 1606
A031436	RECLAMATION DISTRICT # 108
A000576	RECLAMATION DISTRICT #108
A000763	RECLAMATION DISTRICT #108
A001589	RECLAMATION DISTRICT #108
A011899	RECLAMATION DISTRICT #108
USBR1224	RECLAMATION DISTRICT NO. 108
USBR1268	SAN BENITO COUNTY WATER DISTRICT
USBR1174	SAN LUIS WATER DISTRICT
USBR1107	SHAFTER-WASCO IRRIGATION DISTRICT
USBR1108	SHAFTER-WASCO IRRIGATION DISTRICT
A010221	SOUTH SUTTER WATER DISTRICT
A014430	SOUTH SUTTER WATER DISTRICT
A014804	SOUTH SUTTER WATER DISTRICT
A022102	SOUTH SUTTER WATER DISTRICT
A023838	SOUTH SUTTER WATER DISTRICT
A026162	SOUTH SUTTER WATER DISTRICT
A001885	STEVINSON WATER DIST
A005724	STEVINSON WATER DIST
A006111	STEVINSON WATER DIST
A007012	STEVINSON WATER DIST
USBR1247	STOCKTON EAST WATER DISTRICT
A006522	STOCKTON EAST WATER DISTRICT
A013333X01	STOCKTON EAST WATER DISTRICT
A013334X01	STOCKTON EAST WATER DISTRICT
A013335X01	STOCKTON EAST WATER DISTRICT
A013336X01	STOCKTON EAST WATER DISTRICT

State Water Board ID	Primary Owner
A013337X01	STOCKTON EAST WATER DISTRICT
A013338X01	STOCKTON EAST WATER DISTRICT
A030602	STOCKTON EAST WATER DISTRICT
A031534	STOCKTON EAST WATER DISTRICT
A031535	STOCKTON EAST WATER DISTRICT
USBR1306	STOCKTON EAST WATER DISTRICT
A010529	SUTTER EXTENSION WATER DISTRICT
A011319	SUTTER EXTENSION WATER DISTRICT
A012230A	SUTTER EXTENSION WATER DISTRICT
A013349	SUTTER EXTENSION WATER DISTRICT
A014588	SUTTER EXTENSION WATER DISTRICT
A014665	SUTTER EXTENSION WATER DISTRICT
A015177	SUTTER EXTENSION WATER DISTRICT
A015178	SUTTER EXTENSION WATER DISTRICT
A015179	SUTTER EXTENSION WATER DISTRICT
A015587	SUTTER EXTENSION WATER DISTRICT
A000742	TISDALE IRRIGATION & DRAINAGE CO
A016985	TISDALE IRRIGATION & DRAINAGE CO
USBR1074	TISDALE IRRIGATION & DRAINAGE COM
A011389	YOLO COUNTY F C & W C DISTRICT
A015975	YOLO COUNTY F C & W C DISTRICT
A026469	YOLO COUNTY F C & W C DISTRICT

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DIANE V. RATHMANN, OF COUNSEL

July 20, 2023

L.M. LINNEMAN (1902-1983)  
JOSEPH B. BURGESS (1902-1990)  
JAY H. WARD (1942-1995)  
C.E. VAN ATTA (1919-1997)  
JESS P. TELLES, JR. (1920-2004)  
JAMES E. LINNEMAN (1933-2015)

President Aaron Barcellos  
Members of the Board of Directors  
Panoche Water District  
52027 West Althea  
Firebaugh, California 93622

Dear Aaron & Members of the Board of Directors:

The beautiful, formal Resolution adopted by the Board of Directors last week has just arrived. Words cannot express my gratitude for the District's acknowledgment of my long tenure as General Counsel, both through enacting the Resolution and with the wonderful retirement luncheon at Wool Growers. Your generosity and consideration made for a perfect send-off!

I especially appreciate that several incredible Westside water leaders contributed to the Resolution or made remarks at the luncheon, or both! I will always treasure the opportunity to spend a career in the fraternity of outstanding policymakers and attorneys who provided so much guidance and support as I went from the greenest of neophytes to one of the veterans.

It has been an honor from the beginning to serve the District, the Drainage District, the San Luis & Delta-Mendota Water Authority, other Districts and agencies, and the landowners and farming community. Please accept my most humble thank you to the Board and Staff, and best wishes for the renewed District's continuing leadership and success!

Best Regards,

Linneman Law, LLP

By: Diane V. Rathmann, Of Counsel

Cc: John Bennett, Suzanne Redfern-West, Mike Stearns, Michael Linneman, Chase Hurley, Ara Azhderian, Phil Williams, Dan Nelson, Frances Mizuno, Pablo Arroyave, Jason Peltier, Tom Birmingham, Daniel O'Hanlon, Gary Sawyers, Gabriel Delgado