

PANOCHÉ WATER DISTRICT

BOARD OF DIRECTORS MEETING

April 16, 2024 at 9:30 am

MEETING LOCATION

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

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. MICHELLE GUNTHER FROM FOREFRONT POWER IS PRESENTING THE BOARD WITH AN OVERVIEW OF THE SOLAR SCOPE UPDATE

6. **THE BOARD TO REVIEW AND CONSIDER THE PANOCHÉ WATER DISTRICT'S DRAFT SOLAR POLICY**
7. **THE BOARD TO REVIEW AND CONSIDER APPROVING THE MARCH 12, 2024, REGULAR BOARD MEETING MINUTES (Reyes)**
8. **FINANCIAL REPORT (Brazil)**
 - A. Accounts Payable
 - B. Monthly Financials
 - C. FYE 2024 Budget-to-Actual Report
 - D. Other financial matters affecting the District
9. **THE BOARD TO REVIEW AND CONSIDER AMENDING THE PROPOSED BUDGET FOR FISCAL YEAR ENDING FEBRUARY 28, 2025 AS WELL AS CONSIDER APPROVING THE WY 2024-25 WATER RATE STRUCTURE**
10. **THE BOARD TO REVIEW THE PANOCHÉ WATER DISTRICT DELINQUENCY POLICY**
11. **THE BOARD TO REVIEW THE CENTRAL DELTA-MENDOTA GROUNDWATER SUSTAINABILITY AGENCY SUBSIDENCE POLICY**
12. **THE BOARD TO REVIEW AND CONSIDER APPROVING RESOLUTION #847-24 AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT WITH THE GRASSLAND BASIN AUTHORITY**

REPORT ITEMS

13. **DIVISION REPORTS**
 - A. Water Supply Update (Reyes)
 - B. Operations & Maintenance (Carlucci)
 - C. Domestic Water Treatment Plant (Cadena/Carlucci/McGowan)
 - D. Ethics, Compliance, and Risk Management Update (Marquez)
 - E. Human Resources Update (Brazil)
 - F. Other Matters
14. **THE BOARD TO RECEIVE AN UPDATE ON THE USBR WATER SMART GRANT PROJECT FOR THE CONTOUR CANAL AND EXPENSES. (Marquez)**
15. **THE BOARD TO RECEIVE UPDATES FROM STAFF ON VARIOUS MATTERS AFFECTING THE DISTRICT (McGowan)**
16. **GENERAL MANAGER'S REPORT (McGowan)**
 - A. Outreach Efforts
 - B. Sustainable Groundwater Management Act
 - I. Central Delta Mendota SSMA
 - C. Los Vacqueros Expansion Project
 - D. Water Supply, Storage, and Conveyance Discussions

- I. Supplemental Water
- E. Water Supply, Storage, and Conveyance Discussions
 - I. South of Delta Drought Contingency Pilot Program
 - II. North of Delta Transfer Program
- F. Other Matters:

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

18. 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

REPORT FROM JOINT CLOSED SESSION (GOVERNMENT CODE SECTION 54957.1)

19. 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:
 - i. 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
 - ii. 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
 - iii. 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: Patrick McGowan, General Manager
Negotiating Parties: Panoche Water District
Under Negotiation: Price and Terms

Property: Water
Agency Negotiator: Patrick McGowan, General Manager
Negotiating Parties: Panoche Water District
Under Negotiations: Price and Terms

Property: Real Property
Agency Negotiator: Patrick McGowan, General Manager
Negotiating Parties: Panoche Water District, SLDMWA
Under Negotiations: Price and Terms

- D. CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to Gov. Code Section 54957.6
Agency Designated Representative: Patrick McGowan, General Manager
Employee Organization: International Brotherhood of Electrical Workers

REPORT FROM CLOSED SESSION

20. FUTURE MEETING DATES

- A. Board to consider action to set special meeting date(s)
- B. Next regular meeting date: May 14, 2024

21. 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/>.



Panoche Water District Solar Project Update

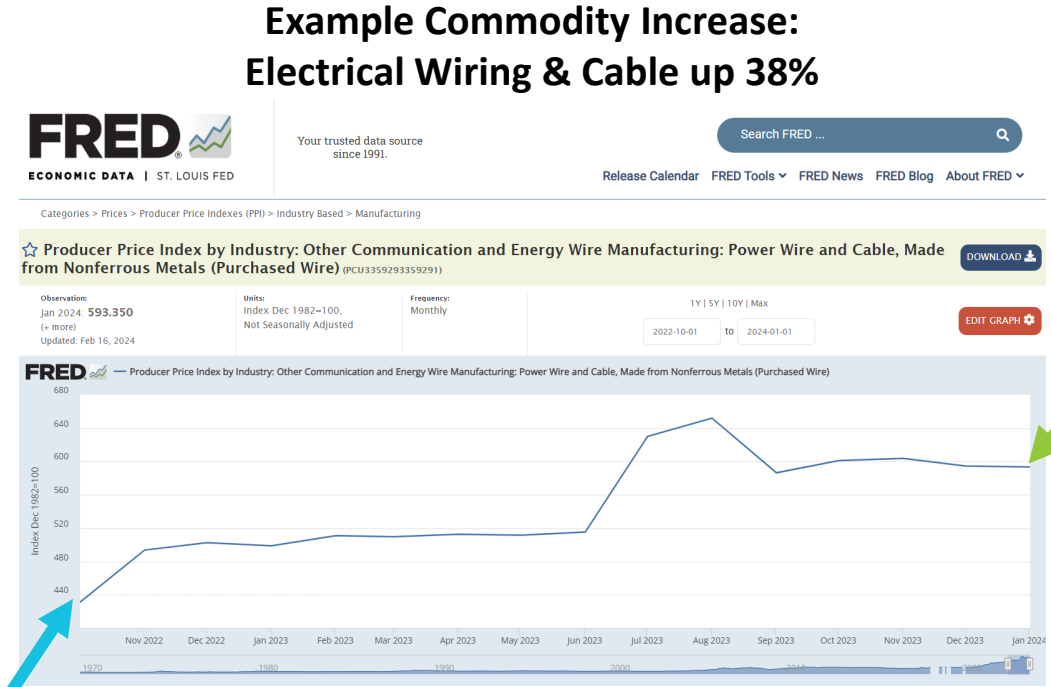
Sam Zantzing
ForeFront Power

April 5th, 2024
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Project Cost Increases & Scope Changes

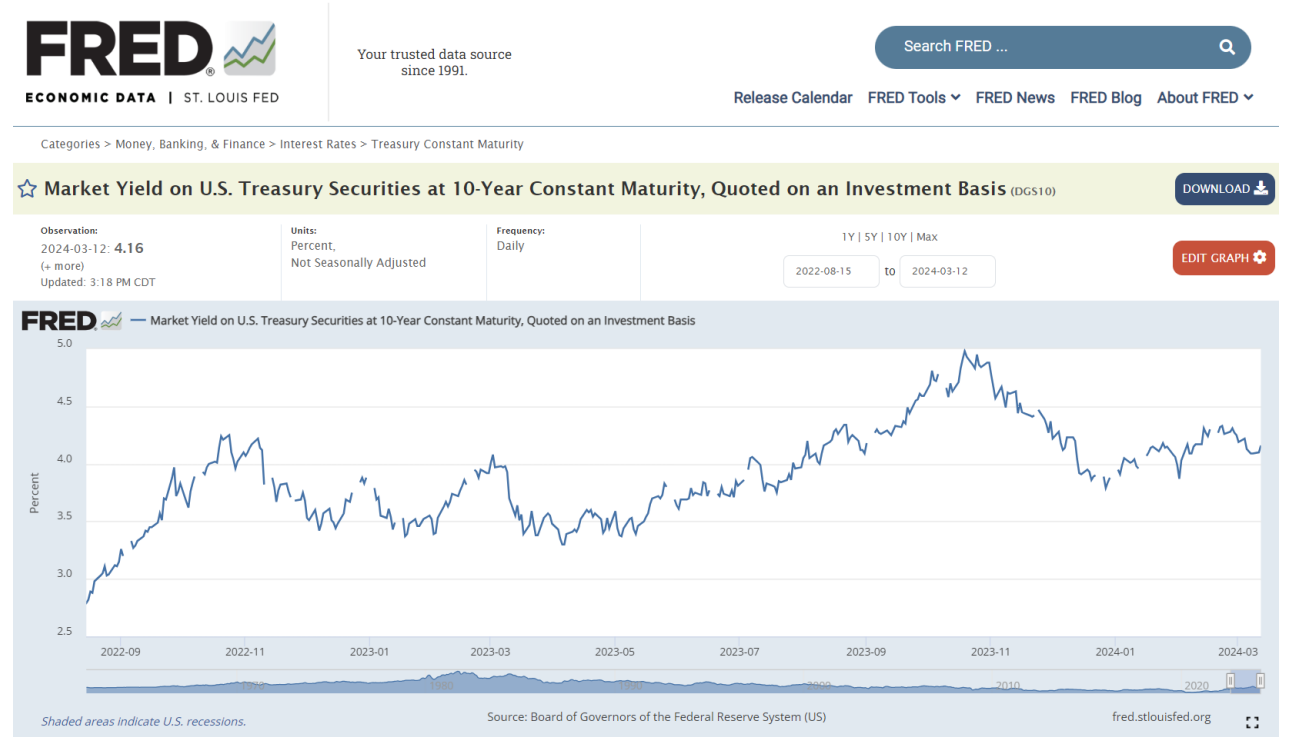
■ Overview

- The District Office project has been assessed PGE Upgrade Costs of +\$191k for Substation updates
- Given Linneman Project is believed to be on same network as District Office, similar upgrades are expected from PGE.
- Since Board Approval in June 2022, primary cost categories within the solar industry have increased
- Project Finance and Operation & Maintenance costs have also increased by over double-digit percentages



Financing Cost & O&M Updates

- Financing costs are generally based on a benchmark like the 10-Year U.S. Treasury Yield
 - Based on the FRED data, the Treasury Yield has increased from ~2% in 2022 to ~4% today **(+100%)**
- Borrowing costs have increased
 - The U.S. Federal Reserve has increased interest rates 11 times since March 2022, reaching a recent high of above 5%
- COVID related wage increases are up over 35% since before the pandemic
 - 70% of true cost of solar O&M comes from labor-based inflationary costs



Solar Project Pricing & Savings

Contracted PPA Rate & Savings

Site	PPA Rate	PPA Escalator	Solar System Size (kW)	Y1 Production (kWh)	% Energy Offset	Year 1 Savings	20 Year Savings
District Office Project (2022)	\$0.0970	0%	1,081	2,252,678	94%	\$115,971	\$4,755,138
Linneman Project (2023)	\$0.0977	0%	1,081	2,275,659	94%	\$204,202	\$6,927,758
Total	\$0.0974	0%	2,162	4,528,337	94%	\$320,173	\$11,682,896

Updated PPA Rates & Savings

Site	PPA Rate	PPA Escalator	Solar System Size (kW)	Y1 Production (kWh)	% Energy Offset	Year 1 Savings	20 Year Savings
District Office Project	\$0.1175*	0%	1,081	2,252,678	94%	\$240,563	\$8,317,970
Linneman Project	\$0.1205**	0%	1,081	2,275,659	94%	\$211,351	\$7,516,005
Total	\$0.1190	0%	2,162	4,528,337	94%	\$451,914	\$15,833,975

Assumes 2.7% Annual Utility Energy Rate Increase, 5% Utility Demand Rate Increase

*Includes total PGE upgrade costs from January 2024 Distribution Group Study (DGS) results (\$191K).

**Includes estimated PGE upgrade cost (\$191K) based on District Office DGS report.

Final Report/Cost Estimate for Linneman Project could have higher or lower upgrade costs total. Results expected early 2025.

Next Steps

- Review PPA Amendments
- Board Meeting for Action Item
- Schedule Survey & Geotechnical Work



PANOCHÉ WATER DISTRICT

52027 WEST ALTHEA AVE, FIREBAUGH, CA 93622

MEMORANDUM

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: SOLAR ENERGY POLICY FOR AGRICULTURAL LAND
CONVERSION

DATE: 4/16/2024

CC: PANOCHÉ WATER DISTRICT BOARD OF DIRECTORS

This proposed draft policy aims to support sustainable development by facilitating solar energy projects on agricultural lands while ensuring the conservation of agricultural resources and compliance with environmental standards.

Solar Energy Policy for Agricultural Land Conversion

This policy outlines the provisions for agricultural landowners seeking to repurpose their irrigable lands for solar energy projects. It establishes the criteria under which such land can retain its classification as Eligible Cropland despite its conversion for non-irrigational purposes, ensuring a balance between agricultural preservation and renewable energy development.

Eligibility and Conditions

1. Land Use Approval: Landowners must secure a conditional use permit or equivalent authorization from local zoning authorities for the proposed land conversion. The project must adhere to the conditions stipulated in the land use entitlement.
2. Acreage Requirement: The requesting landowner, or any associated entity, must own an equivalent or greater area of land already designated as Eligible Cropland, external to the project site.
3. Usage Terms: Lease or easement agreements must specify and restrict usage terms to align with the approved project objectives.
4. Environmental Compliance: Compliance with the California Environmental Quality Act (CEQA) is mandatory, affirming the project's environmental assessment sufficiency. This compliance ensures the conversion is recognized as temporary by the District.

5. Agricultural Preservation Measures: Projects must incorporate strategies, either through operational practices or post-project decommissioning plans, to maintain or restore the land's agricultural utility. This includes:

- Removal plans for project infrastructure, excluding major electrical transmission components, to reinstate the land's agricultural capability.
- Financial assurances, like performance bonds, guaranteeing the execution of decommissioning plans to the satisfaction of the local authority, thereby ensuring land restoration.

Policy Implementation and Continuity

Upon meeting the outlined criteria, the District will acknowledge the repurposed land as Eligible Cropland, preserving associated benefits for the duration of the solar project. This designation remains valid as long as the project continues to meet the initial eligibility criteria.

Ownership and Compliance

- Ownership Changes: The designation of Eligible Cropland persists through ownership changes, contingent on continued compliance with the outlined criteria.
- De-designation: Non-compliance may lead to the revocation of the Eligible Cropland status. Landowners will be notified and given 30 days to rectify any breaches. Appeals against such decisions must be submitted in writing to the District Board within 15 days of notification.

**PANOCHÉ WATER DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
March 12, 2024**

A regular meeting of the Board of Directors was held on March 12, 2024, starting at 10:33 am. Those present at the meeting were:

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

Staff : Marlene Brazil, Accounting Supervisor
Juan Cadena, Water Resources Manager
Chris Carlucci, Maintenance Manager
Josh Marquez, Contracts Administrator
Patrick McGowan, General Manager
Sandra Reyes, Water Master

Others: Michael Linneman, Linneman Ranches
Chris Linneman, Summers Engineering, Inc.
Palmer McCoy, GBA
Phil Williams, Legal Counsel

CALL TO ORDER

President Barcellos called the meeting to order at 10:33 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.

ACTION ITEMS

THE BOARD TO REVIEW AND CONSIDER APPROVING THE PROPOSAL FROM SUMMERS ENGINEERING, INC. (SEI) FOR THE PANOCHÉ WATER DISTRIBUTION SYSTEM MODERNIZATION PLAN

Engineer Chris Linneman presented the Board with a presentation on the costs and scope of work associated with developing the District's water distribution system modernization plan. Understanding that the District's goal would be to develop a new modernized irrigation distribution system that would conserve water, minimize operational costs, and allow for partial automation. Mr. Linneman explained that SEI will develop a modernization plan that will provide alternatives to replace the District's primary distribution system. The Plan will focus on alternatives to minimize the reliance on pump stations, where practical to utilize pipelines, and allow for deliveries from all feasible water sources. This would include the California aqueduct, the Delta-Mendota Canal, and direct connections to other water and irrigation

districts. Mr. Linneman also noted that the engineering fees to prepare this study will not exceed \$72,000 and will take approximately eight months to complete. Upon a motion by Director Callis and seconded by Director Western, the Board approved Summers Engineering, Inc. to start the modernization plan process. The vote on the motion was as follows:

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

THE BOARD TO REVIEW AND CONSIDER APPROVING THE FEBRUARY 20, 2024, REGULAR BOARD MEETING MINUTES

Upon a motion by Director Callis and seconded by Director Fausone, the Board approved the February 20, 2024, regular board meeting minutes. The vote on the motion was as follows:

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

FINANCIAL REPORT

- A. Accounts Payable**
- B. Monthly Financials**
- C. FYE 2024 Budget-to-Actual Report**
- D. Other Financial Matters Affecting the District**

Upon a motion by Director Fausone and seconded by Director Callis, the board approved the financial report as presented by Accounting Supervisor Mrs. Brazil. The vote on the motion was as follows:

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

THE BOARD TO REVIEW AND CONSIDER APPROVING THE PROPOSED BUDGET FOR FISCAL YEAR ENDING FEBRUARY 28, 2025, AS WELL AS THE PROPOSED WY 2024-25 WATER RATE STRUCTURE

After discussion by the Board and upon a motion by Director Callis and seconded by Director Correia, the Board approved the proposed budget for the fiscal year ending February 28, 2025, as amended. The proposed WY 2024-25 water rate structure will be tabled for now and voted on in April's board meeting. The vote on the motion was as follows:

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

THE BOARD TO REVIEW AND CONSIDER APPROVING THE LETTER OF INTENT FOR THE PANOCHÉ DRAINAGE DISTRICT CARBON SEQUESTRATION PROJECT PROPOSAL

After noting that this Letter of Intent was the same discussed in the Panoche Drainage District board meeting and upon a motion by Director Callis and seconded by Director Western, the Board approved giving General Manager Patrick McGowan the authorization needed to negotiate the LOI on behalf of the District. The vote on the motion was as follows:

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

THE BOARD TO REVIEW AND GIVE DIRECTION ON THE PROPOSITION 218 BOND RECONCILIATION

General Manager Patrick McGowan presented the board with an overview of the Proposition 218 bond reconciliation. Mr. McGowan was given the direction by the Board to research further the parameters in which the District can utilize these monetary funds moving forward.

DIVISION REPORTS

A. Water Master Sandra Reyes gave the Water Supply Update as of March 1, 2024:

San Luis Reservoir Total Storage:	<u>1,397,020 AF</u>
San Luis Reservoir Federal Storage:	<u>842,278 AF</u>
San Luis Reservoir % of Total Capacity	<u>68%</u>

Panoche Update as of March 1, 2024:

USBR 2023 Water Balance:	<u>71,666 AF</u>
February, 2024 Deliveries:	<u>1,860 AF</u>
Total Deliveries to date (MAR-FEB):	<u>54,057 AF</u>

(The delivery O&M base was set at 45,000 AF – we exceeded by 9,057 AF.)

Ms. Reyes also reported on the following water department activities that occurred in February:

- The February O&M, Interest, and M&I billings will be dated 2/29/24, but will be processed on 3/15/2024.
- An e-mail reminder notice for the 700 Forms due for the different Districts will be sent out this month.
- The water cost rate scenario budget has been completed and is ready to be approved.
- Grower forms are being returned, so I will be working on tabulating the information received and reaching out to those who haven't turned them in yet.
- The final request for Rescheduled water, along with copies of the WY2024-25 Revision Schedules have been sent to the USBR.
- Worked on the board meeting minutes for PDD and still working on PWD's.
- Completed updated board meeting agendas for Patrick to review and approve.
- Ms. Reyes also noted that closing out the year end of the water year would be the focus – such as closing out grower water balance statements and creating ones for the new water year, allocating rescheduled and new water categories and invoicing, starting the water inventory and rate assignment spreadsheets for the auditor for WY 2023-24.

B. Maintenance Manager Chris Carlucci reported on the following operations and maintenance activities that occurred in February:

- General Maintenance.
- Installed new turnout at TO #17.
- Started to make catwalk and staircase for TO #17.
- Made repairs to station 12#-2 trash racks.
- Quote for line Boring job for new turnout on Lateral 2. (Pacific Boring)
- Weed Control – Main canal, Russell turnout, Russell ditch, 6E black pipeline, 50 gate turnout, and Laterals 2 & 3.

- Pacheco Water District Weed Control – PWD sprayed Lateral #7.
- Still making repairs to all PWD mainline meters and filter station meters.
- Sent off Hazardous Material Business Plan Program (HMBP) and Spill Prevention Plan (SPCC) to Fresno County for approval. For both PWD and the Water Treatment Plant.
- Preventative Pump Maintenance Plan. (work in progress)
- Equipment Replacement Forecast Plan. (work in progress)

Mr. Carlucci presented the board with a copy of the proposal from Pacific Boring.

C. General Manager Patrick McGowan reported on the following Domestic Water Treatment Plant activities that occurred in February:

- Mr. McGowan explained that Water Resource Manager Juan Cadena is working with Jim Gartung Engineering and the anticipated cost analysis will be completed by April's Board meeting. Mr. Cadena had been working with the Water Quality JPA and our request to add an additional connection to their distribution line would be on the agenda for their quarterly Board meeting held on March 20th.
- Mr. McGowan also explained he had spoken with John Brodie and Scott Petersen with SLDMWA regarding a potential partnership through the Integrated Regional Water Management Program for assistance with fees in potentially adding the 40 additional service connections.

D. Contracts Administrator Josh Marquez reported on the following ethics, compliance, and risk management activities that occurred in February:

Ethics and Compliance:

- Mr. Marquez attended a training hosted by ACWA JPIA that covered insurance verifications in contracts, and risk transfer. Mr. Marquez noted that the class offered valuable insight in implementation to mitigate risk including periodic verifications of contractors throughout the construction process and checklists to follow a streamlined process.
- No calls were reported on the Speak-Up Hotline.

Risk Management

- Safety Compliance conducted their first training which covered the topics of trenching and excavation, fall protection, and workplace violence. A calendar has been made for the 2024 year outlining all topics to be covered all falling within the required training timelines. Mr. Marquez has also reported that the risk management assessment has been reviewed with staff and there is a meeting with Amy McDougal to follow up for any recommendations.

Other Matters

- Mr. Marquez reviewed the monthly costs on our Verizon contract and found four lines to be included in our group plan that weren't previously which will result in savings.
- A backhoe loader, case tractor, and for tractor had been sold and a sales receipt is expected in March after the buyers pick up the equipment.
- Prop 84 – Invoice 19 (November) reimbursement received in the amount of \$1,004,587. Invoice 20 (December) has been approved and docu-signed. All requested information has been submitted to Bockman & Woody for the addition of five additional tile sites and the change order is with costs is expected in March. This will push back the closing of this project until the sites have been completed.

E. Accounting Supervisor Marlene Brazil reported on the following human resources activities that occurred in February for Diana Moses:

Workers Compensation:

- Two claims remain open.
- One employee has returned to work with modified duties.
- One employee has been returned to work without restrictions, with physician's follow-up visits.

Other Matters: No Other Matters to report.

Mr. McGowan let the board know that we would be jumping to part of his report during this time frame to not hold up Water and Land Solutions Manager Chase Hurley any further.

GENERAL MANAGER'S REPORT

B. Sustainable Groundwater Management Act

I. Central Delta Mendota SSMA

General Manager Patrick McGowan reported that the Central Delta Mendota subbasin committee meeting was held yesterday and the Subsidence Mitigation Policy was presented. The draft policy was received well, from consultants and other entities involved. Water and Land Solutions Manager Mr. Chase Hurley explained that currently our Groundwater Subsidence Policy has failed twice at a state board level and it is currently scheduled 5th out of 6, awaiting review. The group has combined the six GSA's (Groundwater Sustainability Agency) into one GSA, with the Ground Water Sustainability Plan (GSP) due July 1st. Mr. Hurley also stated that we need to show the State board two things in our GSP – that we are addressing overdrafts and subsidence. The draft involves not allowing groundwater pumping to be exceed .25 AF/AC and giving growers an alternative to pumping by providing supplemental water to be purchased. The draft policy also requires home Districts to provide water to the supplemental water pool. The draft policy will be on the April agenda for further discussion.

At 12:51 pm, President Barcellos announced that the meeting would take a quick break.

At 12:59 pm, President Barcellos called the meeting to order and the board meeting was resumed.

THE BOARD TO RECEIVE AN UPDATE ON THE FOREFRONT SOLAR PROJECT FOR THE DISTRICT

- Mr. Marquez reported that he has contacted Forefront Solar several times for an update on the cost analysis for PG&E increases and additional system upgrades. The costs proposed initially are now out of date. Mr. McGowan stated he would ensure that Forefront representatives would finalize an up to date return on investment projection and present in our April meeting.

THE BOARD TO RECEIVE AN UPDATE ON THE USBR WATER SMART GRANT PROJECT FOR THE CONTOUR CANAL AND EXPENSES

- Mr. Marquez reported that the budget costs have been reviewed and estimated for the 2024-2025 budget.
- A meeting was held with Chris Linneman to review the process for the upcoming semi-annual report. Mr. Marquez noted that the report will be completed in March for review with input from Chris prior to submittal.

BOARD TO RECEIVE UPDATES FROM STAFF ON VARIOUS MATTERS AFFECTING THE DISTRICT

Staff reported on various items that had been completed on the Action Items List from the previous board meeting held on February 20, 2024. Mr. Cadena informed the board that the University of Fresno has teamed up with PG&E and they are funding 50% of the pump efficiency test costs. Panoche Water District will be signing up for this program. Mr. Cadena also provided the board with the Irrigation Training and Research Center's pump station improvements analysis.

GENERAL MANAGER'S REPORT

GM McGowan gave the following manager update for February:

A. Outreach Efforts

A meeting is scheduled with Mr. Jonothan Guz from Stradling Bond Council to get up to speed with the existing District bonds and related information. Mr. McGowan met with EKI and discussed the implementation of a master's facilities plan. Additionally, Mr. McGowan met with the Utilities Director for the City of Modesto Will Wong to discuss reused water, and the ability for the District to obtain from local municipalities in the future. Mr. McGowan mentioned he was coordinating with John Brodie from the SLDMWA to hopefully set up a meeting with Self-Help Enterprises to discuss assistance with grant funding, and the addition of the Russell Avenue Community into Panoche's water system.

B. Sustainable Groundwater Management Act

II. Central Delta Mendota SSMA – Reported above

C. Los Vaqueros Expansion Project

Mr. McGowan stated talks are being held to understand better the associated benefits of participation. Mr. McGowan informed the board that a meeting was scheduled for March 18th to further discuss these topics. Mr. McGowan also suggested inviting LVE representatives to participate in future Board meetings to respond to all questions the Board may have prior to our next payment being due.

D. Water Storage and Conveyance Discussions: Mr. McGowan will provide an update in closed session.

E. San Luis Delta Mendota Water Authority

Mr. McGowan reported that the memorandum of understanding (MOU) between SLDMWA, Friant, Reclamation, and the Exchange Contractors was recently completed. The MOU addresses a commitment to a partnership on various past issues and our relationship moving forward. The document also highlights the SOD Drought Contingency Program. 5% of our water allocation would be in reserves to be able to draw from in multiple water years and would be subject to spills. A pilot program begins this year for 2.5%, or 2,350 AF currently stored in San Luis Reservoir. The pilot program will assist in identifying the pro's and con's of the program.

E. Other:

Mr. McGowan reported that SLDMWA has a 45-day outage tentatively scheduled at O'Neill to work on transformers either in April-May or late summer August-September. In the unlikely event they are unable to meet our delivery demands, they have received permission to utilize the State's facilities. Mr. McGowan also reported that Regional Director Karl Stock from the USBR was at the SLDMWA meeting. He informed everyone that new updated models were being looked at for snowpack and that the March 21st announcement would result in a significant increase in allocation.

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

No other items.

FUTURE MEETING DATES

A. Next Regular Meeting Date: May 14, 2024

PANOCHÉ WATER AND DRAINAGE DISTRICTS JOINT CLOSED SESSION: Conference with Legal Counsel

At 1:29 pm, the Boards met in Closed Session to meet with legal counsel related anticipated litigation. At 1:44 pm, Mr. Williams reported that no reportable actions were taken in Closed session.

PANOCHÉ WATER DISTRICT CLOSED SESSION:

At 2:00 pm, the board met in closed session to have discussions with legal counsel related to anticipated and existing litigation. At 2:30 PM, Mr. Williams reported that no reportable actions were taken in Closed session.

ADJOURNMENT

With no further business, President Barcellos adjourned the meeting at 2:30 pm.

Aaron Barcellos, President

Steve Fausone, Secretary

Draft

PANOCHÉ WATER DISTRICT				
ACCOUNTS PAYABLE LIST				
PAYMENTS RUN FROM 3/13/2024 thru 4/16/2024				
MECHANICS O & M CHECKING # 8566				
DATE	CHECK NUMBER	NAME	CHECK AMOUNT	MEMO
3/13/2024	41830	WATER & LAND SOLUTIONS	\$ 657.50	FEBRUARY 2024 CONSULTING SERVICE
3/13/2024	41831	BAKER MANOCK & JENSEN	\$ 7.50	FEBRUARY 2024 LEGAL SERVICE
3/13/2024	41832	BRYANT L. JOLLEY	\$ 2,050.00	CLOSING BOOKS FOR FISCAL YE2024
3/13/2024	41833	FEDERAL EXPRESS	\$ 176.38	SHIPPING FOR WATER SAMPLES - GBP
3/13/2024	41834	GILTON SOLID WASTE INC.	\$ 405.22	FEBRUARY 2024 WASTE SERVICE
3/13/2024	41835	LAW OFFICE OF PHILIP A. WILLIAMS	\$ 5,025.00	FEBRUARY 2024 LEGAL SERVICE
3/13/2024	41836	FERRELLGAS	\$ 167.02	PROPANE FOR HOUSE # 1
3/13/2024	41837	LOOPUP	\$ 26.75	FEBRUARY 2024 CONFERENCE LINE
3/13/2024	41838	MCCORMICK BARSTOW LLP	\$ 165.00	AUGUST 2023 LEGAL SERVICE
3/13/2024	41839	MCGUIRE BOTTLED WATER	\$ 112.45	FEBRUARY 2024 DRINKING WATER
3/13/2024	41840	SAGASER WATKINS	\$ 1,225.00	JANUARY & FEBRUARY 2024 LEGAL SERVICE
3/13/2024	41841	TRIPLE J CLEANING SERVICES	\$ 1,300.00	CLEAN HOUSE # 7
3/13/2024	41842	VERIZON WIRELESS	\$ 1,151.25	FEBRUARY 2024 CELL PHONE SERVICE
3/13/2024	41843	WESTSIDE WATER CONDITIONING	\$ 7,049.79	DROUGHT REPORT, BACTERIA REPORT, PROGRAM SC 1000 & XIO & WEEKLY SERVICE CHARGES
3/13/2024	41844	XEROX FINANCIAL SERVICES	\$ 635.65	COPIER LEASE
3/22/2024	41845	1ST IN PADLOCK	\$ 164.89	PADLOCKS FOR DISTRICT
3/22/2024	41846	AAA BUSINESS SUPPLIES	\$ 170.06	COPY PAPER
3/22/2024	41847	APPL, INC.	\$ 108.00	WATER SAMPLES - GBP
3/22/2024	41848	BANKS & CO.	\$ 550.00	PRESSURE TEST ON GAS TANK
3/22/2024	41849	JUSTIN'S TIRE	\$ 941.13	MAINTENANCE # 13B & # 06B & SERVICE # 04B
3/22/2024	41850	BRENNTAG PACIFIC, INC.	\$ 1,180.94	5 DRUMS OF CHLORINE - DOMESTIC TREATMENT PLANT
3/22/2024	41851	BUTTONWILLOW WAREHOUSE CO.	\$ 13,391.06	795 GALLONS OF CORNERSTONE @ \$ 15.60/GALLON
3/22/2024	41852	CENTRAL DELTA-MENDOTA GSA	\$ 3,700.00	24/25 MEMBERSHIP CONTRIBUTION
3/22/2024	41853	DON CHAPIN COMPANY	\$ 1,588.14	CONCRETE FOR RUSSELL DITCH
3/22/2024	41854	FEDERAL EXPRESS	\$ 386.10	SHIPPING FOR WATER SAMPLES - GBP
3/22/2024	41855	CORELOGIC INFORMATION SOLUTIONS	\$ 200.00	FEBRUARY 2024 APN RESEARCH
3/22/2024	41856	MARFAB	\$ 1,623.24	SUPPLIES FOR # 65A, WELDING SUPPLIES & DISTRICT SUPPLIES
3/22/2024	41857	MC REGIONAL WASTE MANAGEMENT AUTHORITY	\$ 19.00	WASTE DISPOSAL
3/22/2024	41858	MERCED COUNTY DEPT OF AG	\$ 1,175.00	500 POUNDS OF SQUIRREL BAIT
3/22/2024	41859	PITNEY BOWES	\$ 489.85	POSTAGE METER LEASE
3/22/2024	41860	SAFETY COMPLIANCE COMPANY	\$ 750.00	SAFETY MEETING
3/22/2024	41861	SAVEMART	\$ 491.27	OFFICE SUPPLIES
3/22/2024	41862	STANISLAUS FARM SUPPLY	\$ 553.49	GATES - PERI & SON PROJECT - REBILL
3/22/2024	41863	SOERSEN'S TRUE VALLEY	\$ 339.94	PROPANE FOR FORKLIFT & 20" EXTENSION LADDER
3/22/2024	41864	TECHNO-FLO	\$ 1,058.76	WATER METER - DOMESTIC TREATMENT PLANT
3/22/2024	41865	THARP'S FARM SUPPLY	\$ 886.86	IRRIGATION TARP - MILLUX DITCH, SUBMERSIBLE PUMP & RUBBER BOOTS
3/22/2024	41866	VALLEY IRON	\$ 1,745.88	STEEL FOR WELDING SHOP
3/22/2024	41867	WATER RECLAMATION EQUIPMENT	\$ 1,578.08	SUPPLIES FOR #65A, SUPPLIES FOR DOMESTIC PLANT, SUPPLIES FOR TURNOUT # 17 & RELOCATE ELECTRICAL CONDUIT SITE B - SLD
3/22/2024	41868	WESTAIR GASES & EQUIP, INC.	\$ 396.14	OXYGEN & ACETYLENE FOR SHOP
3/22/2024	41869	YOUNG'S AIR CONDITIONING	\$ 982.00	SERVICE ALL UNITS IN DISTRICT HOUSES, OFFICE & SHOPS
4/9/2024	41870	ACWA/JPIA	\$ 33,363.53	MAY 2024 INSURANCE - HEALTH \$ 30,883.38, DENTAL \$ 2,039.11, VISION \$ 352.64 & LIFE \$ 88.40
4/9/2024	41871	BACKFLOW APPARATUS & VALVE CO.	\$ 598.45	ONE INCH BACK FLOW - DOMESTIC PLANT
4/9/2024	41872	AARON BARCELLOS	\$ 500.00	BOARD STIPEND MARCH 2024

	CHECK		CHECK	
DATE	NUMBER	NAME	AMOUNT	NAME
4/9/2024	41873	JUSTIN'S TIRE	\$ 171.48	SERVICE FOR # 01AA & # 42
4/9/2024	41874	EDWARD NEILL CALLIS	\$ 500.00	BOARD STIPEND MARCH 2024
4/9/2024	41875	CENTRAL VALLEY PROJECT WATER ASSOCIATION	\$ 4,184.16	2024 DUES
4/9/2024	41876	BEAU CORREIA	\$ 500.00	BOARD STIPEND MARCH 2024
4/9/2024	41877	EMPLOYERS CHOICE	\$ 3,018.40	CLEAN DITCH - MILLUX & 500
4/9/2024	41878	FEDERAL EXPRESS	\$ 460.81	SHIPPING FOR WATER SAMPLES - GBP
4/9/2024	41879	STEVE FAUSONE	\$ 500.00	BOARD STIPEND MARCH 2024
4/9/2024	41880	PAUL FUJITANI	\$ 2,000.00	APRIL 2024 CONSULTING SERVICE
4/9/2024	41881	HACH COMPANY	\$ 7,742.89	AUTO SAMPLER BUNDLE - SITE A GBP
4/9/2024	41882	HOME DEPOT CREDIT SERVICES	\$ 855.52	DISTRICT SUPPLIES
4/9/2024	41883	MARFAB	\$ 119.61	HOSE FOR PIPE PLUG
4/9/2024	41884	MC REGIONAL WASTE MANAGEMENT AUTHORITY	\$ 70.18	WASTE DISPOSAL - SLD
4/9/2024	41885	DIANA MOSES	\$ 28.46	MILEAGE REIMBURSEMENT
4/9/2024	41886	NAPA AUTO PARTS	\$ 531.06	SUPPLIES FOR # 34A, TRENCHER & LAWN MOWER
4/9/2024	41887	NUTRIEN AG SOLUTIONS, INC.	\$ 5,701.05	260 GALLONS MAD DOG \$ 21.93/GALLON
4/9/2024	41888	PACIFIC GAS & ELECTRIC	\$ 63,872.34	MARCH 2024 ELECTRICAL SERVICE
4/9/2024	41889	SAFETY COMPLIANCE COMPANY	\$ 700.00	SAFETY TRAINING (2)
4/9/2024	41890	SANTOS FORD	\$ 120.96	REPAIRS # 46
4/9/2024	41891	SOERSEN'S TRUE VALLEY	\$ 117.18	CONCRETE SAW RENTAL FOR MILLUX DITCH
4/9/2024	41892	SUMMERS ENGINEERING INC.	\$ 8,931.78	FEBRUARY 2024 CONTOUR CANAL PROJECT
4/9/2024	41893	TECHNO-FLO	\$ 3,848.23	FLOW METER 510 DITCH
4/9/2024	41894	UNWIRED BROADBAND, INC.	\$ 389.99	APRIL 2024 INTERNET SERVICE
4/9/2024	41895	VALLEY IRON	\$ 2,021.29	BAR GRATING FOR LATERAL # 2 & # 3 CATWALKS
4/9/2024	41896	WATER RECLAMATION EQUIPMENT	\$ 13,626.69	CHLORINE FOR HOUSE # 7, LABOR TO INSTALL NEW ELECTRICAL PANEL TURNOUT # 17, PULL & PUT SYPHON LINE BACK IN AT DOMESTIC PLANT, CONCRETE FOR MILLUX DITCH, RUBBER PIPE PLUG, NEW PIPE FOR SYPHON LINE & NEW VACUUM PUMP & MOTOR FOR DOMESTIC PLANT
4/9/2024	41897	WAYNE WESTERN JR.	\$ 500.00	BOARD STIPEND MARCH 2024
4/9/2024	41898	WINDECKER, INC.	\$ 6,807.77	1,529 GALLONS UNLEADED @ \$ 4.46/GALLON
4/9/2024	41899	ALEX AUTO DIAGNOSTICS	\$ 466.50	REPAIR # 13B
4/9/2024	41900	FEDERAL EXPRESS	\$ 259.53	SHIPPING FOR WATER SAMPLES - GBP
4/9/2024	41901	FRONTIER COMMUNICATION	\$ 452.68	MARCH 2024 TELEPHONE SERVICE
4/9/2024	41902	GILTON SOLID WASTE INC.	\$ 405.22	MARCH 2024 WASTE SERVICE
4/9/2024	41903	FERRELLGAS	\$ 1,131.99	PROPANE FOR HOUSE # 4 & TRAPWAGON
4/9/2024	41904	MCGUIRE BOTTLED WATER	\$ 156.25	MARCH 2024 DRINKING WATER
4/9/2024	41905	VERIZON WIRELESS	\$ 908.71	MARCH 2024 CELL PHONE SERVICE
4/9/2024	41906	XEROX FINANCIAL SERVICES	\$ 635.65	COPIER LEASE
4/16/2024	41907	APPL, INC.	\$ 36.00	WATER SAMPLES - GBP
4/16/2024	41908	BCT CONSULTING	\$ 1,808.03	MARCH 2024 IT SERVICES
4/16/2024	41909	JUSTIN'S TIRE	\$ 1,504.01	TIRES (4) # 12C
4/16/2024	41910	DATCO SERVICE CORPORATION	\$ 102.00	2ND QTR 2024 DRUG TECH SERVICES
4/16/2024	41911	MANUEL'S TIRE SERVICE	\$ 522.07	TIRE REPAIR FOR # 28
4/16/2024	41912	NATIONAL NOTARY ASSOCIATION	\$ 890.02	NOTARY RENEWAL TRAINING & MEMBERSHIP - J MARQUEZ
3/11/2024	W000000915	I SOLVED	\$ 110.60	JANUARY 2024 SAGE TIME
3/12/2024	W000000912	SAGE SOFTWARE	\$ 9,876.00	24/24 ANNUAL FEE FOR SAGE SOFTWARE
3/14/2024	W000000913	SAN LUIS DELTA MENDOTA WATER AUTHORITY	\$ 109,737.92	FEBRUARY 2024 SLDMWA CONVEYANCE COSTS SLC \$ 101,584.25 & DMC \$ 8,153.67
3/14/2024	W000000914	US BUREAU OF RECLAMATION	\$ 95,343.76	FEBRUARY 2024 USBR WATER COSTS SLC \$ 58,167.52 & DMC \$ 13,335.77, RESTORATION WATER COSTS SLC \$ 19,553.89 & DMC \$ 4,286.58
3/22/2024	W000000916	SAN LUIS DELTA MENDOTA WATER AUTHORITY	\$ 10,034.21	COST SHARE FOR CONSULTANT ON TECHNICAL ASSESSMENT \$ 973.21 & FY24 COORDINATION COSTS FOR SINGLE GSP DEVELOPMENT \$ 9,061.00

	CHECK		CHECK	
DATE	NUMBER	NAME	AMOUNT	NAME
3/18/2024	JE-11	TRANSFER FUNDS FOR PAYROLL	\$ 70,000.00	PAYROLL DATED 3/20/2024
4/3/2024	JE-24	TRANSFER FUNDS FOR PAYROLL	\$ 60,000.00	PAYROLL DATED 4/5/2024
3/25/2024	W000000917	WESTAMERICA VISA	\$ 8,318.48	SUPPLIES FOR GROWER WORKSHOP, LODGING FOR ETHICS & COMPLIANCE TRAINING, FUEL FOR # 12C, EMPLOYEE FITNESS TRACKERS (PAID BY ACWA WELLNESS GRANT), DISTRICT EMAILS, AMAZON - DISTRICT & OFFICE SUPPLIES, REGISTRATION FOR ETHICS & COMPLIANCE ACADEMY, BACKUP BATTERY, LUNCH MEETING, FUEL FOR # 18A, REGISTRATION FOR ACWA SPRING CONFERENCE & LODGING, MONTHLY APPLE NEWS & MONTHLY CHATGPT
3/29/2024	W000000918	US BUREAU OF RECLAMATION	\$ 76,220.00	FEBRUARY 2024 USBR WATER COSTS SLC \$ 60,024.00 & DMC \$ 16,196.00
		TOTAL	\$ 665,325.80	
MECHANICS PAYROLL CHECKING # 7895				
	CHECK			
DATE	NUMBER	NAME		MEMO
3/1/2024	3343	PRINCIPAL LIFE INSURANCE COMPANY	\$ 493.20	EE PAID INSURANCE FEBRUARY 2024 - REPLACE CHECK LOST IN MAIL
3/19/2024	JE-13	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$ 2,788.14	STATE PAYROLL TAX DEPOSIT
3/19/2024	JE-14	INTERNAL REVENUE SERVICE	\$ 14,875.85	FEDERAL PAYROLL TAX DEPOSIT
3/19/2024	JE-15	JOHN HANCOCK	\$ 7,376.45	401K RETIREMENT
3/19/2024	PR-1502	NET PAYROLL	\$ 43,772.73	PAYROLL DATED 3/20/2024
4/4/2024	JE-25	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$ 2,377.20	STATE PAYROLL TAX DEPOSIT
4/4/2024	JE-26	INTERNAL REVENUE SERVICE	\$ 13,076.71	FEDERAL PAYROLL TAX DEPOSIT
4/4/2024	JE-27	JOHN HANCOCK	\$ 6,806.52	401K RETIREMENT
4/4/2024	PR-1503	NET PAYROLL	\$ 41,625.50	PAYROLL DATED 4/5/2024
3/26/2024	3344	PRINCIPAL LIFE INSURANCE COMPANY	\$ 493.20	EE PAID INSURANCE APRIL 2024
		TOTAL	\$ 133,685.50	

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

	INTEREST RATE	<u>March 31, 2024</u>	<u>February 29, 2024</u>
CURRENT LIABILITIES			
ACCOUNTS PAYABLE		\$196,980	\$515,252
PREPAYMENTS/CREDIT ACCOUNTS		-	-
TOTAL CURRENT LIABILITIES		\$196,980	\$515,252
CASH AND INVESTMENT ACCOUNTS			
MECHANICS BANK O&M CHECKING		\$110,706	\$257,004
MECHANICS BANK PAYROLL CHECKING		\$14,962	\$16,574
MECHANICS BANK MONEY MARKET	4.39%	\$9,229,529	\$8,539,485
MECHANICS BANK CONTRACTUAL OBLIGATION FUND MM (OVERCOLLECTION)	4.39%	\$1,256,670	\$1,252,392
LAIF	4.27%	\$309	\$160,309
2021 REVENUE BONDS - LAIF RESTRICTED (RATE STABILIZATION FUND)	4.27%	\$1,221,371	\$1,221,371
TOTAL CASH AND INVESTMENTS		\$11,833,547	\$11,447,134
ACCOUNTS RECEIVABLES			
WATER		(\$173,629)	(\$202,574)
GROUNDWATER MANAGEMENT FEE		-	-
DELINQUENT ACCOUNT CHARGES		\$354,591	\$395,137
OTHER		-	\$10
GBA NOTE RECEIVABLE (5 YEARS @ 1.75%)		\$251,230	-
PDD NOTE RECEIVABLE ON ORIGINAL \$ 705,438 (5 YEARS @ 3.00%)		\$154,499	-
PDD NOTE RECEIVABLE ON ORIGINAL \$ 712,930		\$101,340	-
CASH ADVANCE - PROP 84 (INCLUDES INTEREST 7/1/2023 THRU 12/31/2023)		\$1,551,294	\$2,051,437
TOTAL ACCOUNTS RECEIVABLES		\$2,239,325	\$2,244,010
TOTAL CURRENT UNAUDITED ASSETS		\$14,072,872	\$13,691,144
NET CURRENT UNAUDITED ASSETS (NET CASH POSITION)		\$13,875,893	\$13,175,892

General Ledger Detail Report
Summary Report for Period 01 Ending 3/31/2024

PANOCHÉ WATER DISTRICT (PWD)

Account Number/Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
13112-000 MECHANIC CKNG #*****8566	257,003.70	1,118,447.81	1,264,745.81	146,298.00-	110,705.70
13132-000 MECHANIC MM # 2305	8,539,485.11	690,044.05	0.00	690,044.05	9,229,529.16
13412-000 MECHANIC PR#*****7895	17,066.88	130,000.00	132,105.36	2,105.36-	14,961.52
13465-000 2021 REVENUE BONDS - LAIF	1,221,370.77	0.00	0.00	0.00	1,221,370.77
13470-000 CONTRACTUAL OBLIGATION FUND #9745	1,252,391.59	4,278.72	0.00	4,278.72	1,256,670.31
13520-000 LOCAL AGENCY INVESTMENT FD	160,309.46	0.00	160,000.00	160,000.00-	309.46
Report Total:	11447627.51	1,942,770.58	1,556,851.17	385,919.41	11833546.92

PANOCHÉ WATER DISTRICT Budget to Actual March 1, 2023 thru February 29, 2024 - 100% 3.31.2024					
BOD Approved Mar. 1, 2023 BOD Adopted Apr. 18, 2023, after Prop 218 Process		Approved Budget 2023-2024	Actual thru February 2024	Remaining	
Operating Revenues					
1	Supplemental Water	\$ 8,937,467	\$ 8,361,889	\$ 575,578	6%
2	Operation & Maintenance	\$ 5,784,364	\$ 6,799,320	\$ (1,014,956)	-18%
3	Fresno/Merced Counties - 2021 CVP Bond	\$ 1,303,892	\$ 1,389,776	\$ (85,884)	-7%
4	Labor Reimbursements	\$ 350,079	\$ 315,817	\$ 34,262	10%
5	Other Revenue	\$ 125,416	\$ 615,953	\$ (490,537)	-391%
6	Reimbursed Expenses	\$ 340,000	\$ 284,171	\$ 55,829	16%
7	Domestic Water Treatment Plant	\$ 174,000	\$ 129,287	\$ 44,713	26%
8	Sustainable Groundwater Management ¹	\$ 4,852	\$ -	\$ 4,852	100%
9	CVP AG Water Contract (80%)	\$ 6,075,000	\$ 2,726,099	\$ 3,348,901	55%
Total Revenue		\$ 23,095,070	\$ 20,622,312	\$ 2,472,758	11%
Operating Expenses					
Water Costs					
10	Supplemental Water	\$ 8,937,467	\$ 6,913,956	\$ 2,023,511	23%
11	Planning & Engineering	\$ 57,000	\$ 33,829	\$ 23,171	41%
12	Los Vaqueros Expansion	\$ 224,500	\$ 461,693	\$ (237,193)	-106%
13	BF Sisk Expansion	\$ 366,500	\$ 2,301	\$ 364,199	99%
14	Central Delta-Mendota Region SGMA ¹	\$ 4,852	\$ 5,925	\$ (1,073)	-22%
15	CVP AG Water Contract (80%)	\$ 6,075,000	\$ 1,487,792	\$ 4,587,208	76%
		\$ 15,665,319	\$ 8,905,496	\$ 6,759,823	43%
Administration					
16	2021 CVP Bond Payment	\$ 929,978	\$ 929,978	\$ -	0%
17	Legal Costs	\$ 250,000	\$ 496,789	\$ (246,789)	-99%
18	2021 CVP Bond Assessment Refund	\$ -	\$ -	\$ -	0%
19	Salaries and Wages	\$ 686,975	\$ 540,466	\$ 146,510	21%
20	Employees' Benefits	\$ 198,151	\$ 171,527	\$ 26,624	13%
21	SLDMWA Activity Agreements	\$ 106,863	\$ 106,620	\$ 243	0%
22	SLDMWA DHCCP Bond Payment	\$ 148,592	\$ 44,234	\$ 104,358	70%
23	Directors' Benefits	\$ 36,000	\$ 30,000	\$ 6,000	17%
24	Insurance Costs	\$ 95,000	\$ 94,149	\$ 851	1%
25	SWRCB Water Rights Fee	\$ 125,000	\$ 128,013	\$ (3,013)	-2%
26	Other Supplies & Services	\$ 106,500	\$ 95,949	\$ 10,551	10%
27	Payroll Burden	\$ 85,268	\$ 79,593	\$ 5,675	7%
28	Professional Services	\$ 78,000	\$ 237,259	\$ (159,259)	-204%
29	Annual Audits	\$ 40,000	\$ 40,000	\$ -	0%
30	Communication Costs	\$ 45,000	\$ 45,947	\$ (947)	-2%
31	Conferences and Training Costs	\$ 45,000	\$ 13,201	\$ 31,799	71%
32	Utilities	\$ 45,000	\$ 49,296	\$ (4,296)	-10%
		\$ 3,021,328	\$ 3,103,021	\$ (81,693)	-3%

BOD Approved Mar. 1, 2023 BOD Adopted Apr. 18, 2023, after Prop 218 Process		Proposed Budget 2023-2024	Actual thru February 2024	Remaining	
Operations & Maintenance					
33	Energy Costs	\$ 1,795,500	\$ 1,314,045	\$ 481,455	27%
34	Salaries and Wages	\$ 915,001	\$ 845,343	\$ 69,658	8%
35	Employees' Benefits	\$ 325,888	\$ 268,286	\$ 57,602	18%
36	Pumps & Structures Repairs	\$ 241,000	\$ 254,250	\$ (13,250)	-5%
37	Payroll Burden	\$ 153,734	\$ 124,492	\$ 29,242	19%
38	Reimbursable Expenses	\$ 340,000	\$ 87,535	\$ 252,465	74%
39	Chemical Application	\$ 111,000	\$ 111,895	\$ (895)	-1%
40	Domestic Water Treatment Plant	\$ 174,000	\$ 183,629	\$ (9,629)	-6%
41	Fuel & Oil costs	\$ 145,000	\$ 90,905	\$ 54,095	37%
42	Capital Cost - Depreciation	\$ -	\$ -	\$ -	0%
43	Equipment repairs	\$ 100,000	\$ 101,922	\$ (1,922)	-2%
44	Vehicle repairs & Maintenance	\$ 40,000	\$ 42,777	\$ (2,777)	-7%
45	Buildings Repairs & Maintenance	\$ 50,000	\$ 53,746	\$ (3,746)	-7%
46	Laboratory - Water Testing	\$ 17,300	\$ 2,581	\$ 14,719	85%
		\$ 4,408,423	\$ 3,481,406	\$ 927,017	21%
Total Expenses		\$ 23,095,070	\$ 15,489,923	\$ 7,605,147	33%
Net Revenue/(Deficit)		\$ -	\$ 5,132,389	\$ (5,132,389)	
		Current O&M²	Water Rate³	Acreage Rate⁴	
Water Cost		\$ 128.54	\$ 110.47	\$ 21.22	
Total Delivered Water Cost			\$ 246.00		
			\$ 356.47		
¹ SGMA costs historically billed on an acreage basis ² FYE 2023-24 proposed O&M Rate assumes 45,000 acre-feet of deliveries ³ Potential Water Rate assumes 45,000 acre-feet of deliveries ⁴ Potential Acreage Rate assumes 38,317 acres					

PANOCHÉ WATER DISTRICT
 FY 2024 - 2025
 BUDGET TO ACTUAL
 MARCH 1, 2024 - MARCH 31, 2024

WATER REVENUE

Supplemental Water
USBR Rescheduled Water (WY 24-25)
CVP Ag Water Contract (35%)
Other Revenue
TOTAL WATER REVENUE

BUDGET	ACTUAL	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/25	\$ DIFFERENCE (OVER)UNDER	ESTIMATED % OF BUDGET
\$7,220,199	-	0%			\$7,220,199	100%
\$641,201	-	0%			\$641,201	100%
\$3,548,448	-	0%			\$3,548,448	100%
\$780,000	\$65,758	8%	\$780,000	\$780,000	\$714,242	92%
\$12,189,848	\$65,758	8%	\$780,000	\$780,000	\$12,124,090	98%

WATER EXPENSES

Supplemental Water
USBR Rescheduled Water (WY24-25)
CVP Ag Water Contract (35%)
Planning & Engineering
Los Vaqueros Expansion
TOTAL WATER EXPENSES

BUDGET	ACTUAL	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/25	\$ DIFFERENCE (OVER)UNDER	ESTIMATED % OF BUDGET
\$7,220,199	-	0%			\$7,220,199	100%
\$641,201	-	0%			\$641,201	100%
\$3,548,448	-	0%			\$3,548,448	100%
\$85,000	-	0%	\$85,000	\$85,000	\$85,000	100%
\$250,952	\$1,576	1%	\$250,952	\$250,952	\$249,376	99%
\$11,745,800	\$1,576	1%	\$335,952	\$335,952	\$11,744,224	100%

NET REVENUE/(DEFICIT)

\$444,048	\$64,182		\$444,048	\$444,048	\$379,866	
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O & M REVENUE

Operations & Maintenance
Fresno/Merced Counties - 2021 CVP Bond
Labor Reimbursement
Reimbursed Expenses
Domestic Water Treatment Plant
Sustainable Groundwater Management ^{1&5}
Grant Revenue (Contour Canal)
PWD Reserves (Contour Canal)
PWD Reserves (Pumps & Structures Repairs)
PDD Note Receivable \$ 712,930 2/1/2020 Less: Interest
GBA Note Receivable \$ 1,201,924 3/1/2024 Less: Interest
PDD Note Receivable \$ 716,521.50 2/29/2024 Less: Interest
TOTAL O & M REVENUE

BUDGET	ACTUAL	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/25	\$ DIFFERENCE (OVER)UNDER	ESTIMATED % OF BUDGET
\$4,306,960	-	0%	\$4,273,000	\$4,273,000	\$4,306,960	100%
\$1,390,000	-	0%	\$1,390,000	\$1,390,000	\$1,390,000	100%
\$175,000	-	0%	\$175,000	\$175,000	\$175,000	100%
\$125,000	\$1,779	1%	\$125,000	\$125,000	\$123,221	99%
\$208,600	-	0%	\$208,600	\$208,600	\$208,600	100%
\$3,846	\$7,355	191%	\$3,846	\$3,846	(\$3,509)	-91%
\$1,347,382	-	0%	\$1,347,382	\$1,347,382	\$1,347,382	100%
\$1,273,986	-	0%	\$1,273,986	\$1,273,986	\$1,273,986	100%
\$250,000	-	0%	\$250,000	\$250,000	\$250,000	100%
\$138,792	\$12,463	9%	\$138,792	\$138,792	\$126,329	91%
\$232,052	-	0%	\$232,052	\$232,052	\$232,052	100%
\$112,092	\$11,084	10%	\$112,092	\$112,092	\$101,008	90%
\$9,563,710	\$32,681	18%	\$9,529,750	\$9,529,750	\$9,531,029	82%

ADMINISTRATION EXPENSES		BUDGET	ACTUAL	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/25	\$ DIFFERENCE (OVER)UNDER	ESTIMATED % OF BUDGET
Legal Costs	\$115,200	-	0%	\$115,200	\$115,200	\$115,200	100%	
2021 Bond Payment	\$930,152	-	0%	\$930,152	\$930,152	\$930,152	100%	
2021 CVP Bond Assessment Refund	-	-	0%	\$0	\$0	-	100%	
Salaries and Wages	\$667,170	\$44,254	7%	\$667,170	\$667,170	\$622,916	93%	
Employees' Benefits	\$206,026	\$15,781	8%	\$206,026	\$206,026	\$190,245	92%	
Payroll Burden	\$76,535	\$5,727	7%	\$76,535	\$76,535	\$70,808	93%	
SLDMWA Activity Agreements	\$151,820	\$63,337	42%	\$151,820	\$151,820	\$88,483	58%	
SLDMWA DHCCP Bond Payment	\$134,347	-	0%	\$134,347	\$134,347	\$134,347	100%	
Directors' Benefits	\$30,000	\$2,500	8%	\$30,000	\$30,000	\$27,500	92%	
Insurance Costs	\$100,946	\$48,846	48%	\$100,946	\$100,946	\$52,100	52%	
SWRCB Water Rights Fee	\$125,000	-	0%	\$125,000	\$125,000	\$125,000	100%	
Other Supplies & Services	\$100,000	\$30,029	30%	\$100,000	\$100,000	\$69,971	70%	
Professional Services	\$50,000	\$3,326	7%	\$50,000	\$50,000	\$46,674	93%	
Annual Audits	\$40,000	-	0%	\$40,000	\$40,000	\$40,000	100%	
Communication Costs	\$42,000	\$12,811	31%	\$42,000	\$42,000	\$29,189	69%	
Conferences and Training Costs	\$25,500	\$700	3%	\$25,500	\$25,500	\$24,800	97%	
Utilities	\$40,000	\$2,744	7%	\$40,000	\$40,000	\$37,256	93%	
TOTAL ADMINISTRATION EXPENSES	\$2,834,696	\$230,054	12%	\$2,834,696	\$2,794,696	\$2,604,642	88%	

OPERATIONS & MAINTENANCE EXPENSES		BUDGET	ACTUAL	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/25	\$ DIFFERENCE (OVER)UNDER	ESTIMATED % OF BUDGET
Energy Costs	\$1,416,000	\$28,181	2%	\$1,416,000	\$1,416,000	\$1,387,819	98%	
Salaries and Wages	\$847,882	\$69,217	8%	\$847,882	\$847,882	\$778,665	92%	
Employees' Benefits	\$300,504	\$24,682	8%	\$300,504	\$300,504	\$275,822	92%	
Payroll Burden	\$127,054	\$8,957	7%	\$127,054	\$127,054	\$118,097	93%	
Reimbursable Expenses	\$125,000	\$10,502	8%	\$125,000	\$125,000	\$114,498	92%	
Chemical Application	\$128,000	-	0%	\$128,000	\$128,000	\$128,000	100%	
Domestic Water Treatment Plant	\$208,600	\$4,335	2%	\$208,600	\$208,600	\$204,265	98%	
Fuel & Oil costs	\$100,000	-	0%	\$100,000	\$100,000	\$100,000	100%	
Capital Cost - Depreciation	-	-	0%	-	-	-	100%	
Equipment leases & rental	\$90,000	-	0%	\$90,000	\$90,000	\$90,000	100%	
Pumps & Structures Repairs	\$282,960	\$10,060	4%	\$282,960	\$259,000	\$272,900	96%	
Equipment repairs	\$85,000	\$8,333	10%	\$85,000	\$85,000	\$76,667	90%	
Vehicle repairs & Maintenance	\$45,000	\$1,593	4%	\$45,000	\$45,000	\$43,407	96%	
Buildings Repairs & Maintenance	\$60,000	\$4,329	7%	\$60,000	\$60,000	\$55,671	93%	
Sustainable Groundwater Management ^{1 & 5}	\$3,846	-	0%	\$3,846	\$3,846	\$3,846	100%	
Laboratory - Water Testing	\$22,000	-	0%	\$22,000	\$22,000	\$22,000	100%	
Grant Expenses (Contour Canal)	\$1,347,382	-	0%	\$1,347,382	\$1,347,382	\$1,347,382	100%	
PWD Expenses (Contour Canal)	\$1,273,986	-	0%	\$1,273,986	\$1,273,986	\$1,273,986	100%	
PWD Reserves (Pumps & Structures Repairs)	\$250,000	-	0%	\$250,000	\$250,000	\$250,000	100%	
TOTAL OPERATIONS & MAINTENANCE EXPENSES	\$6,713,214	\$170,190	3%	\$5,047,214	\$5,273,254	\$6,543,024	97%	

TOTAL EXPENSES	\$9,547,910	\$400,244		\$4,482,536	\$4,256,496	\$9,147,666	
NET REVENUE/(DEFICIT)	\$15,800	(\$367,563)		\$5,047,214	\$5,273,254	\$383,363	

Budget approved 3/12/2024 pending changes per BOD

INTER-DISTRICT ACCOUNT RECONCILIATION
NON-AUDITED
April 16, 2024

PWD	
PANOCHÉ WATER DISTRICT ACCOUNTS/NOTES RECEIVABLE	
GBA NOTE PAYABLE (1.75% INTEREST OVER 5 YEARS)	\$ 1,201,924
PANOCHÉ DRAINAGE DISTRICT OUTSTANDING INVOICES (AR)	\$ 716,520
PANOCHÉ DRAINAGE DISTRICT NOTE PAYABLE FOR 1/2 OUTSTANDING INVOICES (3.00% INTEREST OVER 5 YEARS)	\$ 705,438
PROP 84 CASH ADVANCES (INCLUDES INTEREST FROM 7/1/2023 THRU 12/31/2023)	\$ 1,551,294
PDD NOTE PAYABLE ON ORIGINAL \$ 712,930.00 (9 MONTHLY PYMTS LEFT - 3.00% INTEREST)	\$ 101,340
Balance	\$ 4,276,516

PDD	
PANOCHÉ DRAINAGE DISTRICT ACCOUNTS/NOTES PAYABLE	
PANOCHÉ DRAINAGE DISTRICT OUTSTANDING INVOICES	\$ 716,520
PANOCHÉ DRAINAGE DISTRICT NOTE PAYABLE FOR 1/2 OUTSTANDING INVOICES (3.00% INTEREST OVER 5 YEARS)	\$ 705,438
PDD NOTE PAYABLE ON ORIGINAL \$ 712,930.00 (10 MONTHLY PYMTS LEFT - 3.00% INTEREST)	\$ 101,340
Balance	\$ 1,523,298

PDD/PROP 84	
PROP 84 ACCOUNTS PAYABLE (ORIGINALLY PAID BY THESE ENTITIES AT PROP 84 STARTUP)	
PANOCHÉ WATER DISTRICT (CASH ADVANCES INCLUDES INTEREST FROM 7/1/2023 THRU 12/31/2023) (GBA REVIEWING INTEREST CHARGES)	\$ 1,551,294
Balance	\$ 1,551,294

PDD PROP 84 FUNDING STATUS	
GRANT AMOUNT	\$ 34,162,400
REQUESTED FUNDS (THRU INVOICE # 22)	\$ 16,068,922
FUNDS AVAILABLE	\$ 18,093,478

PANOCHÉ WATER DISTRICT

BANK ACCOUNT BALANCES THRU 3/31/2024

RESERVE BALANCE ANALYSIS

13112-000	
MECHANIC CKNG #*****8566	\$110,705.70
13132-000	
MECHANIC MM # 2305	\$9,229,529.16
13412-000	
MECHANIC PR#*****7895	\$14,961.52
13465-000	
2021 REVENUE BONDS - LAIF (RATE STABILIZATION FUND PROP 218)	\$1,221,370.77
13470-000	
CONTRACTUAL OBLIGATION FUND #9745 (OVERCOLLECTION ON TAX ASSESSMENTS)	\$1,256,670.31
13520-000	
LOCAL AGENCY INVESTMENT FD	\$309.46
	Report Total: \$11,799,224.15

RESERVE BALANCE AVAILABLE	\$10,486,509
CONTOUR CANAL (OUR PORTION OF EXPENSES FOR 2024 - 2025)	\$1,273,986
PUMPS & STRUCTURES REPAIRS	\$250,000
GRASSLAND BASIN AUTHORITY (WESTSIDE MODERNIZATION	\$4,500,000
RESERVE BALANCE AFTER EXPENDITURES	\$4,462,523

PROP 218 BOND RECONCILIATION					
		AMOUNT	AMOUNT		
	AMOUNT	COLLECTED	COLLECTED	TOTAL	OVER
FISCAL YEAR	PAID	1ST INSTALL	2ND INSTALL	COLLECTED	COLLECTED
2021-2022	\$ 408,037.24	\$ 749,561.18		\$ 749,561.18	\$ 341,523.94
222-2023	\$ 928,836.50	\$ 622,371.78	\$ 720,029.77	\$ 1,342,401.55	\$ 413,565.05
2023-2024	\$ 929,477.02	\$ 669,778.73	\$ 719,997.87	\$ 1,389,776.60	\$ 460,299.58
CKG ACT BALANCE					\$ 1,215,388.57
CHECKING ACCOUNT BALANCE WITH INTEREST 3.31.2024					\$ 1,256,670.31

2024 - 2025 ESTIMATED TAX ASSESSMENT COLLECTIONS & PAYMENTS	
1ST INSTALL TAX ASSESSMENT 5/31/2024	\$ 630,000.00 AVERAGE
NEXT PAYMENT 8/31/2024	\$ 653,895.75
2ND INSTALL TAX ASSESSMENT 1/31/2025	\$ 720,013.42 AVERAGE
PAYMENT DUE 2/28/2025	\$ 276,255.75
24.25 ESTIMATED OVERCOLLECTION	\$ 419,861.92

ORIGINAL BOND AMOUNT JULY 2021		
2021A BOND	\$	10,290,000
2021B BOND	\$	8,110,000
	\$	18,400,000

Steve Fausone

April 1, 2024

Review Period: 2/7/2024 – 3/6/2024

Statement and documentation made available: 3/25/2024

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

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

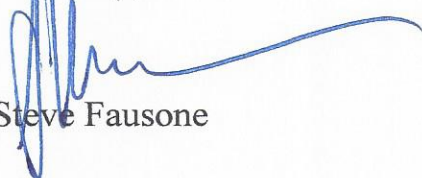
Mr. Patrick McGowan – General Manager

Mr. Juan Cadena – Director of Operations

Mr. Chis Carlucci

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

Sincerely,



Steve Fausone

PANOCHÉ WATER DISTRICT
AGED ACCOUNTS RECEIVABLE - Delinquent
As Of 3/31/2024

Name	31-60 Days	61-90 Days	Over 90 Days	Total A/R
Azhderian, Ara	562.50	-	-	562.50
Brown, Lupe	-	21.96	24.49	46.45
Carter, Raymont and Shelley	65.58	-	-	65.58
Correia 2015 Living Trust	183.65	6,869.33	12,759.04	19,812.02
Imperial Merchants USA, LLC	-	-	31.48	31.48
Linneman Ranches, Inc.	-	-	2.04	2.04
Nyman Family	1,948.80	2,470.80	21,576.00	25,995.60
Nyman, Brad & Kristi	24,886.78	11,799.99	129,065.08	165,751.85
Nyman, Ms. Rebecca	9,099.97	10,787.36	117,150.32	137,037.65
Water Reclamation	-	-	5,276.18	5,276.18
	36,747.28	31,949.44	285,884.63	354,581.35
<u>Other</u>				
Grassland Basin Authority	10.00	-	-	10.00
Total Accounts - Delinquent	36,757.28	31,949.44	285,884.63	354,591.35

Notes:

Spoke with David for Nyman / Submitting a payment plan request

Water Reclamation has to bill entities to recoup payment / Will pay once collected

PANOCHÉ WATER DISTRICT
Budget to Actual March 1, 2024 thru February 28, 2025

Approved Budget as of 3.12.2024 with modification per Board of Directors		Proposed Budget 2024-2025	Approved Budget 2023-2024	Actual 2023-2024	Actual 2022-2023	Actual 2021-2022
Operating Revenues						
1	Supplemental Water	\$ 7,220,199	\$ 8,937,467	\$ 8,361,889	\$ 9,327,343	\$ 9,538,846
2	USBR Rescheduled Water (WY23-24)	\$ 641,201	\$ -	\$ -		
3	Operation & Maintenance	\$ 4,306,960	\$ 5,784,364	\$ 6,594,307	\$ 4,338,478	\$ 4,422,995
4	Fresno/Merced Counties - 2021 CVP Bond	\$ 1,390,000	\$ 1,303,892	\$ 1,389,776	\$ 1,371,976	\$ -
5	Labor Reimbursements	\$ 175,000	\$ 350,079	\$ 301,297	\$ 212,319	\$ 292,080
6	Other Revenue	\$ 780,000	\$ 125,416	\$ 615,803	\$ 518,424	\$ 2,036,134
7	Reimbursed Expenses	\$ 125,000	\$ 340,000	\$ 268,244	\$ 392,503	\$ 419,133
8	Domestic Water Treatment Plant	\$ 208,600	\$ 174,000	\$ 125,527	\$ 137,056	
9	PDD Note Receivable \$ 712,930 2/1/2020 Less: Interest	\$ 138,792	\$ -	\$ -		
10	GBA Note Receivable \$ 1,201,924 3/1/2024 Less: Interest	\$ 232,052	\$ -	\$ -		
11	PDD Note Receivable \$ 716,521.50 2/29/2024 Less: Interest	\$ 112,092	\$ -	\$ -		
12	Sustainable Groundwater Management ^{1&5}	\$ 3,846	\$ 4,852	\$ -	\$ 46,726	\$ 54,686
13	CVP AG Water Contract (30%)	\$ 3,548,448	\$ 6,075,000	\$ 2,650,500	\$ 159,600	\$ 3,586,827
14	Grant Revenue (Contour Canal)	\$ 1,347,382	\$ -	\$ -	\$ -	\$ -
15	PWD Reserves (Contour Canal)	\$ 1,273,986	\$ -	\$ -		
16	PWD Reserves(Pumps & Structures Repairs)	\$ 250,000	\$ -	\$ -		
Total Revenue		\$ 21,753,558	\$ 23,095,070	\$ 20,307,343	\$ 16,504,425	\$ 20,350,701
Operating Expenses						
Water Costs						
17	Supplemental Water	\$ 7,220,199	\$ 8,937,467	\$ 7,274,824	\$ 8,738,261	\$ 11,070,615
18	USBR Rescheduled Water (WY23-24)	\$ 641,201	\$ -	\$ -		
19	Planning & Engineering	\$ 85,000	\$ 57,000	\$ 33,829	\$ 24,785	\$ 17,691
20	Los Vaqueros Expansion	\$ 250,952	\$ 224,500	\$ 461,693	\$ 97,640	\$ 203,485
21	CVP AG Water Contract (30%)	\$ 3,548,448	\$ 6,075,000	\$ 1,281,789	\$ 78,744	\$ 3,995,937
		\$ 11,745,800	\$ 15,293,967	\$ 9,052,135	\$ 8,939,430	\$ 15,287,728
Administration						
22	Legal Costs	\$ 115,200	\$ 250,000	\$ 490,367	\$ 203,488	\$ 560,247
23	2021 Bond Payment	\$ 930,152	\$ -	\$ 929,978		
24	2021 CVP Bond Assessment Refund	\$ -	\$ -	\$ -	\$ -	\$ -
25	Salaries and Wages	\$ 667,170	\$ 686,975	\$ 540,466	\$ 540,115	\$ 646,788
26	Employees' Benefits	\$ 206,026	\$ 198,151	\$ 171,527	\$ 220,543	\$ 352,843
27	SLDMWA Activity Agreements	\$ 151,820	\$ 106,863	\$ 106,620	\$ 178,220	\$ 164,507
28	SLDMWA DHCCP Bond Payment	\$ 134,347	\$ 148,592	\$ 44,234	\$ 44,876	\$ 133,244
29	Directors' Benefits	\$ 30,000	\$ 36,000	\$ 30,000	\$ 78,262	\$ -
30	Insurance Costs	\$ 100,946	\$ 95,000	\$ 94,149	\$ 90,889	\$ 112,768
31	SWRCB Water Rights Fee	\$ 125,000	\$ 125,000	\$ 128,013	\$ 124,262	\$ -
32	Other Supplies & Services	\$ 100,000	\$ 106,500	\$ 92,366	\$ 115,049	\$ 205,434
33	Payroll Burden	\$ 76,535	\$ 85,268	\$ 79,593	\$ 87,344	\$ 52,982
34	Professional Services	\$ 50,000	\$ 78,000	\$ 234,245	\$ 83,905	\$ 68,344
35	Annual Audits	\$ 40,000	\$ 40,000	\$ 40,000	\$ 47,650	\$ 64,250
36	Communication Costs	\$ 42,000	\$ 45,000	\$ 44,901	\$ 45,693	\$ 46,773
37	Conferences and Training Costs	\$ 25,500	\$ 45,000	\$ 8,862	\$ 32,413	\$ 47,157
38	Utilities	\$ 40,000	\$ 45,000	\$ 62,925	\$ 42,160	\$ 30,786
		\$ 2,834,696	\$ 2,091,350	\$ 3,098,246	\$ 1,934,869	\$ 2,486,123

Approved Budget as of 3.12.2024 with modification per Board of Directors		Proposed Budget 2024-2025	Approved Budget 2023-2024	Actual 2023-2024	Actual 2022-2023	Actual 2021-2022
Operations & Maintenance						
39	Energy Costs	\$ 1,416,000	\$ 1,795,500	\$ 1,282,978	\$ 1,423,250	\$ 1,251,455
40	Salaries and Wages	\$ 847,882	\$ 915,001	\$ 845,343	\$ 789,755	\$ 970,182
41	Employees' Benefits	\$ 300,504	\$ 325,888	\$ 268,286	\$ 322,477	\$ 529,264
42	Pumps & Structures Repairs	\$ 282,960	\$ 241,000	\$ 274,604	\$ 328,520	\$ 440,150
43	Payroll Burden	\$ 127,054	\$ 153,734	\$ 124,492	\$ 127,714	\$ 79,472
44	Reimbursable Expenses	\$ 125,000	\$ 340,000	\$ 86,535	\$ 154,022	\$ 131,674
45	Chemical Application	\$ 128,000	\$ 111,000	\$ 107,456	\$ 104,914	\$ 150,875
46	Domestic Water Treatment Plant	\$ 208,600	\$ 174,000	\$ 174,683	\$ 177,995	\$ 103,176
47	Sustainable Groundwater Management ^{1 & 5}	\$ 3,846	\$ 4,852	\$ (3,136)	\$ 14,893	\$ 54,151
48	Fuel & Oil costs	\$ 100,000	\$ 145,000	\$ 86,164	\$ 209,927	\$ 83,044
49	Capital Cost - Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -
50	Equipment repairs	\$ 85,000	\$ 100,000	\$ 99,472	\$ 74,164	\$ 105,648
51	Equipment leases & rental	\$ 90,000	\$ -	\$ -		
52	Vehicle repairs & Maintenance	\$ 45,000	\$ 40,000	\$ 42,655	\$ 36,142	\$ 46,706
53	Buildings Repairs & Maintenance	\$ 60,000	\$ 50,000	\$ 37,654	\$ 39,616	\$ 19,551
54	Laboratory - Water Testing	\$ 22,000	\$ 17,300	\$ 2,581	\$ 16,471	\$ 17,433
55	Grant Expenses (Contour Canal)	\$ 1,347,382	\$ -	\$ -	\$ -	\$ -
56	PWD Expenses (Contour Canal)	\$ 1,273,986	\$ -	\$ -	\$ -	\$ -
57	PWD Reserves (Pumps & Structures Repairs)	\$ 250,000	\$ -	\$ -	\$ -	\$ -
		\$ 6,713,214	\$ 4,413,275	\$ 3,429,767	\$ 3,819,860	\$ 3,982,781
Total Expenses		\$ 21,293,709	\$ 21,798,592	\$ 15,580,148	\$ 14,694,159	\$ 21,756,632
Net Revenue/(Deficit)		\$ 459,848	\$ 1,296,478	\$ 4,727,195	\$ 1,810,266	\$ (1,405,931)
Capital Improvements		Proposed Budget 2024-2025	Approved Budget 2023-2024	Actual 2023-2024	Actual 2022-2023	Actual 2021-2022
58	Capital Improvement - VFD's	\$ 65,250	(1 - New VFD Station)			
		Current O&M ²		Water Rate ³		Acreage Rate ⁴
Melded Water Cost		\$ 97.16		\$ 86.66		\$ 12.33
Total Delivered Water Cost				\$ 243.00		
				\$ 329.66		
¹ SGMA costs historically billed on an acreage basis ² FYE 2024-25 proposed O&M Rate assumes 45,000 acre-feet of deliveries ³ Potential Water Rate assumes 45,000 acre-feet of deliveries ⁴ Potential Acreage Rate assumes 38,317 acres ⁵ SLDMWA/SGMA Refund \$25,000					Acreage Rate Last Yr \$ 21.22 Wtr O&M Last Yr \$ 110.47	

**Panoche Water District
WY 2024-25 Total Water Deliveries
Proposed Water Rate
Based on 35% USBR Allocation**

District Water	Allocation	AF/Cost	Water Cost
USBR Rescheduled Water (WY 23-24)	9,400	\$ 71	\$ 667,400
USBR CVP WY 2024-25 35% Allocation	32,856	\$ 108	\$ 3,548,448
CCID/FCWD Water Transfer	3,000	\$ 461	\$ 1,383,000
Eastside Canal Water Transfer	5,000	\$ 769	\$ 3,845,000
West Stanislaus Irrigation District	2,500	\$ 490	\$ 1,225,000
Firebaugh Canal Water District	1,500	\$ 494	\$ 741,000
Maverick Contract Water	2,150	\$ -	\$ -
Accretions / Gains WY 2024-25	1,100	\$ -	\$ -
Subtotal	57,506	\$ 198	\$ 11,409,848
Acre-feet per Acre	1.50		

Grower Water	Allocation	AF/Cost	Water Cost
Grower Transfers In	2,500	\$ 76	\$ 190,000
Subtotal	2,500		

Total	60,006
Acre-feet per Acre	1.57

**Panoche Water District
WY 2024-25
All Estimated Water Costs**

	USBR	CCID/FCWD	Eastside	WSID	FCWD
Water Cost	\$ -	\$ 435.35	\$ 630.40	\$ 375.00	\$ 468.21
USBR	\$ 26.41	\$ -	\$ -	\$ -	\$ -
SLDMWA	\$ 68.55	\$ -	\$ -	\$ 76.00	\$ -
Restoration	\$ 13.00	\$ -	\$ -	\$ -	\$ -
Add'l Suppl		\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Other Costs	\$ -	\$ -	\$ 114.00	\$ 13.36	\$ -
Totals	\$ 107.96	\$ 460.35	\$ 769.40	\$ 489.36	\$ 493.21

rate will adjust due to alloc.

**Panoche Water District
WY 2024-25
Water Allocations**

USBR Rescheduled Water (WY23-24)	8,927	\$ 633,817	\$ 71	0.23
35% USBR Water 2024-2025	32,856	\$ 3,548,448	\$ 108	0.86
Supplemental Water	15,723	\$ 7,227,583	\$ 460	0.41
Scenario A	57,506	\$ 11,409,848		1.50
USBR Rescheduled Water (WY23-24)	8,927	\$ 633,817	\$ 71	0.23
Melded USBR & Supplemental	48,579	\$ 10,776,031	\$ 222	1.27
Scenario B	57,506	\$ 11,409,848		1.50

We had 473 AF of Rescheduled Water not subscribed to - included in Suppl water tier.

**Panoche Water District
WY 2023-24 Total Water Deliveries
Non Critical Year
Based on 80% USBR Allocation**

District Water	Allocation	AF/Cost	Water Cost
Rescheduled Water (WY 22-23)	2,174	\$ 551	\$ 1,197,874
Transfer 1 Rescheduled	361	\$ 413	\$ 149,093
USBR CVP WY 2023-24 80% Allocation	75,000	\$ 81	\$ 6,075,000
Transfer 2	3,000	\$ 437	\$ 1,311,000
Transfer 3	4,750	\$ 782	\$ 3,714,500
Transfer 4	7,500	\$ 342	\$ 2,565,000
Accretions / Gains WY 2023-24	1,100	\$ -	\$ -
Subtotal	93,885	\$ 160	\$ 15,012,467
Acre-feet per Acre	2.45		

Grower Water	Allocation	AF/Cost	Water Cost
Rescheduled Water on Grower's Books	7,000	\$ 532	\$ 3,724,000
PWD Grower Wells for Credit	4,000	\$ -	\$ -
Grower Transfers In	3,000	\$ 17	\$ 51,000
Transfer 5	4,615	\$ 215	\$ 992,225
Subtotal	18,615		

Total	112,500
Acre-feet per Acre	2.94

Option 1A: 36,000 AF Delivered	.93 AF/AC		
USBR CVP Allocation	17,115	\$ 81	.44 AF/AC
Supplemental Water Allocation	18,885	\$ 473	.49 AF/AC

Option 1B: 55,000 AF Delivered	1.43 AF/AC		
USBR CVP Allocation	36,115	\$ 81	.94 AF/AC
Supplemental Water Allocation	18,885	\$ 473	.49 AF/AC

Option 2A: 36,000 AF Delivered	Melded		
Melded USBR & Supplemental Wtr Supply	36,000	\$ 287	.93 AF/AC

Option 2B: 55,000 AF Delivered	Melded		
Melded USBR & Supplemental Wtr Supply	55,000	\$ 216	1.43 AF/AC

Option 2C: 45,000 AF Delivered	Melded		
Melded USBR & Supplemental Wtr Supply	45,000	\$ 246	1.17 AF/AC

The highlighted option is the one that the Board decided upon last year.



PANOCHÉ WATER DISTRICT

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

September 14, 2018

Dear Customers,

Over the past few months, as part of our ongoing efforts to improve the District's administrative functions, we have been working to bring greater accuracy and consistency to our water usage billing and delinquency management processes. Along the way, staff and customers alike have struggled with some challenges stemming from the current rule, which was adopted in 1976. As a result, the Board of Directors requested staff develop some alternative steps and timeframes for consideration. Based upon input from customers, staff, and Directors, the following water usage billing and delinquencies management process was developed and adopted by the Board at their September 11, 2018, regular meeting.

The new approach aims to ease the administrative burden of both the District and customers, while balancing the need to manage the financial risk of the District and its landowners. The new billing process and delinquency timeframes will take effect immediately. This means payment of your August billing will not be due until October 15, rather than September 30 under the former rule. Delinquent accounts will receive a Delinquent – 15-Day Service Interruption Notice and begin accruing interest. If you have any questions regarding the new approach, please do not hesitate to contact your customer service representatives Josh Marquez and Anna Gonzalez, or me. We appreciate the difficulties some of you have experienced through the transition from the old practices to the new and are grateful for your ongoing support, advice, and patience.

Sincerely,

Ara Azhderian
General Manger

**Panoche Water District Monthly Water Usage
Billing and Delinquency Management Process**

Board of Directors Adopted September 11, 2018

- 1) Month 1 – First day of the month: Water operators shall collect all month-end meter reads;
- 2) Month 1 – Third day of the month, or first business day thereafter: Water accountants shall provide raw delivery data to those customers requesting a pre-billing usage review;
- 3) Month 1 – Tenth day of the month, or last business day before: Customers requesting to review raw delivery data shall provide water accountants information to resolve potential delivery discrepancies;
- 4) Month 1 – Fifteenth day of the month, or last business day before: Month 1 water delivery bills are mailed;
- 5) Month 2 – Repeat Month 1 First Day, Third Day, and Tenth Day;
- 6) Month 2 – Fifteenth day of the month, or last business day before: Month 1 water bills are due (net ~30 days). Repeat Month 1 AND, to accounts for which payment was not received, mail Delinquent – 15-Day Service Interruption Notice with Month 2 water usage bill. For all delinquent accounts, interest will begin to accrue at 1.5% per month. Landowners of tenant customers will be mailed a copy of the delinquency notice;
- 7) Month 3 – First day of the month: Repeat Months 1 and 2, AND, on the First day, or first business day thereafter, for remaining delinquent accounts, deny new water orders;
- 8) Month 3 – Fifteenth day of the month: Repeat Months 1 and 2, AND, on the Fifteenth day, or first business day thereafter, for remaining delinquent accounts (~60 days delinquent), terminate all water deliveries and mail landowners Notice of Intent to Pursue Collection Action. Tenant customers of landowners will be mailed a copy of the notice of intent to file lien;

Panoche Water District

Property Related Fees & Charges Delinquency Policy

Board Amended – November 08, 2022

District Objectives

Through this Property Related Fees and Charges Delinquency Policy (the “Policy”), the Panoche Water District (the “District”) intends to ensure its Landowners and water users are aware of the options the District has should a Landowner become Delinquent in paying any Property Related Fees and Charges, including Drainage Service Fees imposed by the Panoche Drainage District, levied on a Parcel within the District or on a person as an incident of ownership of a Parcel within the District, and in so doing, securing fiscal assurances for the District. The delivery of water by the District and the efficient management of drainage water by the Panoche Drainage District are so intimately connected as to necessitate this Policy to ensure sustainable agricultural uses of land within the District.

Scope

This Policy applies to all Property Related Fees and Charges, including Special Assessments and Drainage Service Fees imposed by the Panoche Drainage District, levied on Parcels within the District or upon any person as an incident of ownership of a Parcel within the District. As of the adoption of this Policy, the District has applied to Fresno and Merced Counties to participate in their respective alternative method of distribution of tax levies and collections of tax sale proceeds, or “Teeter Plans,” as provided for through Revenue and Taxation Code sections 4700, *et seq.* The District’s application(s) has been accepted, and the respective County has levied and collected the District’s respective Property Related Fees and Charges, for the 2021 Contractual Obligations Bond special benefits assessment adopted and imposed by the Board of Directors on June 8, 2021, through Resolution 781-21. Such Property Related Fees and Charges may be captured on the respective County’s property tax roll sent on or around April 10th and December 10th of each year. In addition, the Panoche Drainage District levies and collects the Drainage Service Fee directly from Landowners. The Landowner shall be liable to pay any such Property Related Fees and Charges, regardless of whether the District or the appropriate County, through the Teeter Plan, levies and collects the Property Related Fees and Charges. The General Manager has authority to interpret this Policy to affect the District Objectives and the discretion to implement this Policy to balance the District Objectives in the best interests of the District.

The following definitions shall apply to this Policy:

“Assessment” means any levy or charge imposed upon real property by the District for a special benefit conferred upon the real property, including a special assessment.

“Delinquent” means the failure to deliver payment of the Property Related Fee and Charge to the appropriate Levying and Collecting Authority within the deadline provided to the Landowner in writing by the Levying and Collecting Authority. This definition includes the failure to deliver payment to the County within the time provided for Property Related Fees and Charges levied and sought to be collected on the respective County’s property tax roll.

“Drainage Service Fees” means those fees levied by the Panoche Drainage District on Parcels within Panoche Drainage District’s boundaries and which Parcels may also be within the District.

“Landowner” shall mean any person(s) or entity(ies) that or who holds title to real property within the District.

“Levying and Collecting Authority” means the entity that has the authority to levy and collect Property Related Fees and Charges, including the Panoche Drainage District. As an illustrative example, as Fresno County has accepted the District’s application to participate in Fresno County’s Teeter Plan regarding the 2021 Contractual Obligations Bond special benefits assessment, then Fresno County shall be the Levying and Collecting Authority for that particular Special Assessment.

“Parcel” means real property against which any Property Related Fees or Charges have been levied.

“Property Related Fees and Charges” means any fees or charges levied upon real property or upon a person as an incident of real property ownership, including both a user fee for any property related service and any special assessment. For purposes of this Policy, “Property Related Fees and Charges” includes Drainage Service Fees.

“Special Assessment” means a charge imposed by the District on particular Parcel for a local public improvement of direct benefit to that parcel.

“Water Service” means the delivery by the Panoche Water District, including the use of any District-owned facilities, of water to the Parcel.

Property Related Fees and Charges Delinquency Policy

Any Landowner who fails to pay any Property Related Fees and Charges before it becomes Delinquent, shall, in addition to any other penalty provided for by law, have Water Service discontinued on that Parcel upon which any Property Related Fees and Charges were levied. Water Service shall not be resumed on a respective Parcel until all Delinquent Property Related Fees and Charges have been paid.

District as Levying and Collecting Authority. Should the District or the Panoche Drainage District be responsible for levying and collecting any Property Related Fees and Charges, any Delinquency may constitute a debt owed by the Landowner to the respective District and may be secured by a lien against the Parcel upon which any such Property Related Fees and Charges were levied. Should ninety (90) days pass before payment is received by the District, the Landowner shall be in default. In case of default, all payments for any Property Related Fees and Charges that are Delinquent, as well as any Property Related Fees and Charges for the subsequent year, shall be received by the District before the District will remove any lien placed on the Parcel.

Respective County as Levying and Collecting Authority. Should the respective County, through acceptance of the District’s application to participate in the respective County’s Teeter Plan, become a Levying and Collecting Authority for any Property Related Fees and Charges, this Policy shall not be construed to restrict in any manner the respective County’s authority, rights, or remedies regarding the levy and collection of the respective Property Related Fees and Charges. As the Levying and Collecting Authority, the respective County shall retain any and all such authority, rights, or remedies it would otherwise have absent this Policy.

CENTRAL DELTA-MENDOTA GROUNDWATER SUSTAINABILITY AGENCY SUBSIDENCE POLICY

**POLICY TITLE: SOUTHERN DELTA-MENDOTA CANAL SUBSIDENCE
MANAGEMENT AREA POLICY**

POLICY NUMBER: 1001

EFFECTIVE DATE: APRIL 1, 2024

PURPOSE:

Along the Delta-Mendota Canal (“DMC”), the area from approximately mile post 89.71 to 98.73 has experienced subsidence at a rate that exceeds adjacent reaches. The current rate of subsidence in this area is not consistent with the approved Sustainable Groundwater Management Act Groundwater Sustainability Plan (“GSP”) requiring specific groundwater pumping goals. By implementing the stated pumping goals and objectives, the expectation is to reduce the rate of subsidence to be consistent with the GSP.

BACKGROUND:

The Southern DMC Subsidence Management Area (“SSMA”) provided as Exhibit A includes portions of Central California Irrigation District, Eagle Field Water District, Firebaugh Canal Water District, Mercy Springs Water District, Oro Loma Water District, Pacheco Water District, Panoche Water District, and San Luis Water District (collectively, the “Districts”). The objective is for all Districts to adopt and implement this policy to provide uniform regional response and equity for all landowners. This policy will focus on all wells (including composite wells) that pump groundwater from below the Corcoran Clay Layer (“CCL”).

DATA AND STATISTICS:

SSMA Acreage: 24,720 acres

Safe Yield Pumping from below the CCL

Corrective pumping (“Corrective”) limit: 0.25 acre-foot to the acre

Maintenance pumping (“Maintenance”) limit: 0.50 acre-foot to the acre

The SSMA is further divided into three regions to expand or contract policy implementation based on the subsidence degradation rate and overall goal of the GSP. Exhibit A identifies the Region boundaries.

Region A – 0.5 mile from either side of the DMC. (approx. 5,740 acres)

Region B – from 0.5 to 1.0 mile from either side of the DMC. (approx. 5,710 acres)

Region C – from 1.0 miles to the boundary of the SSMA on either side of the DMC.

POLICY:

Well Construction: The construction of new or replacement wells below the CCL is prohibited within the SSMA.

Existing Wells Below CCL: It is assumed all wells within the SSMA are below the CCL unless the landowner, in cooperation with the home district, can provide a well driller's log showing the well perforations are above the CCL. If a well driller's log is not available, then a well video inspection or other approved method must be conducted to determine that the depth of the well is above the CCL. When pumping a well that extracts water from below the CCL, a landowner is only eligible to deliver groundwater to their parcels (under the same ownership as the parcel with the well) and pumping shall not exceed an annual equivalent volume provided in Tables 1 or 2.

Replacement Water "Subsidence Pool": Every year each District will contribute surface water to develop a pool of Replacement Water that will be made available to landowners subject to the safe yield restriction. The Subsidence Pool is first made available to those landowners subject to the Corrective safe yield restriction and any remaining water will be made available to the other Regions not subject to the Corrective safe yield restriction. The Subsidence Pool will be administered according to the following guidelines:

- To be eligible for the Subsidence Pool, landowners must show proof of purchase or application of their home District Central Valley Project ("CVP") allocation, railroad commission water, supplemental water, or other surface water programs for the parcels subject to the Corrective or Maintenance safe yield restriction. Also, landowners must be in good standing with the home District's rules and regulations.
- If the Subsidence Pool is over subscribed the water will be prorated based on applicant's acreage owned or leased.
- Each District will contribute water to the Subsidence Pool and a blended rate will be developed. The price for the Subsidence Pool water will target a blended rate not greater than the Exchange Contractor's Conserved water price structure based on that year's CVP allocation, plus 10%. At the end of the water year, participants will be subject to a true-up based on actual cost of each water supply that could increase or decrease the blended rate.
- Home District Subsidence Pool Participation – Each home District shall contribute an amount of Subsidence Pool water equal to 0.25 acre-foot to the acre of District land within each Region subject to Corrective pumping limitations. The cost of water a home District is providing may not exceed the Exchange Contractor's Conserved water price plus 10% ("Price Cap"). Any home District that does not have a well (district owned or privately owned) below the CCL is not required to supply water, but is encouraged to participate.
- If the Exchange Contractor Conserved Water program is not available (Shasta Critical water year), the home Districts will implement a subscription program. The subscription program average water price may exceed the Price Cap. Home districts are relieved of the 0.25 acre-foot to the acre minimum contribution but shall make every effort to secure water for the subscription program. Landowners

will be provided an application for the subscription program and a landowner is obligated to purchase the subscription water upon submittal of a signed application form to their home District.

Performance and Objectives:

Table 1 - Performance and Implementation Objectives				
Region	Implementation Year Start	Safe Yield Pumping - Corrective Limit	Replacement Water Goal	Subsidence Trigger
Region A	2024	0.25 AF/Acre	5,000 AF	Subsidence Degradation Slope greater than adjacent reaches of the DMC.
Region B	2029	0.25 AF/Acre	7,000 AF	
Region C	2034	0.25 AF/Acre	9,000 AF	

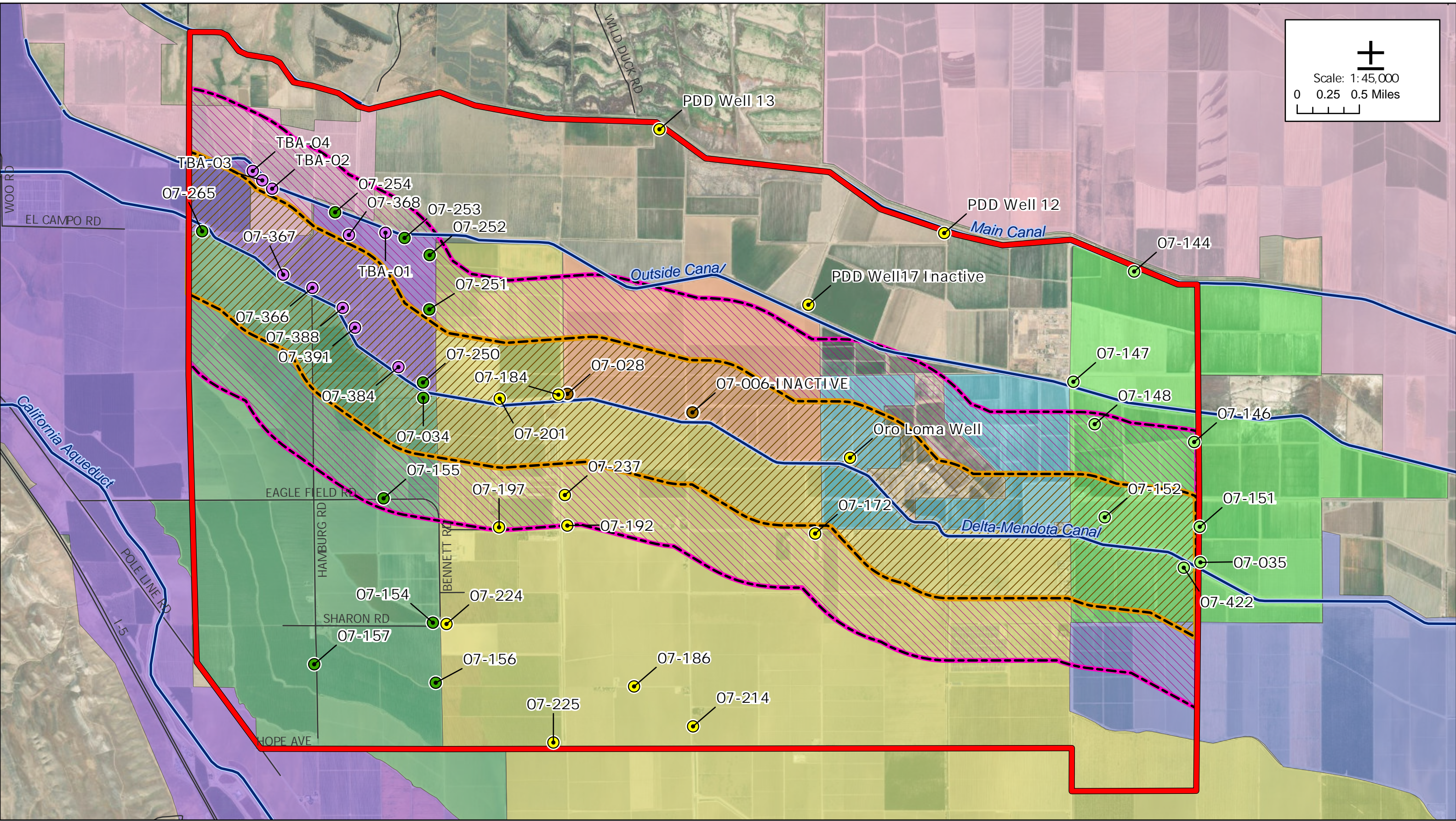
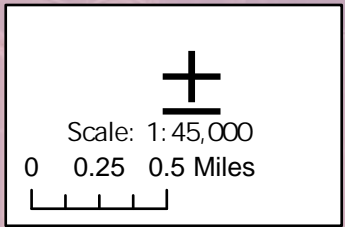
Table 2 - Relief from Performance and Implementation Objectives				
Region	Implementation Start	Safe Yield Pumping - Maintenance Limit	Replacement Water Goal	Subsidence Trigger
Region A-C	After 1 year of trigger compliance	0.5 AF/Acre	Up to approximately 9,000 AF	Subsidence Degradation Slope matches adjacent reaches of the DMC.

Monitoring and Reporting:

The home Districts will map all operational wells and differentiate wells that are above or below the CCL. All wells (above and below CCL) will be required to be fitted with a meter. The home Districts will conduct monthly meter readings for all wells, and those wells below the CCL will be monitored for operating within the safe yield restriction. Annually, the home Districts will use readily available subsidence measurements to determine the effectiveness of the pumping restrictions. Based on the Subsidence Trigger listed in Table 1, the safe yield pumping restrictions may be expanded to the next Region.

Policy Implementation Charge:

The cost for reading well meters, corresponding with the landowners, managing the Subsidence Pool, reporting to the Groundwater Sustainability Agency and any other related activity shall be charged to those landowners operating wells within the SSMA. The rate shall be set a \$5/AF of water pumped and invoiced monthly. At the end of the water year pumpers will be subject to a true-up based on actual cost incurred which could increase or decrease the rate being charged.



	Subsidence Management Area (24,720 ac) 0.5 mile from DMC (5,740 ac) 0.5-1 mile from DMC (5,710 ac)	Deep Well EFWD MSWD PAC PAN SLWD	Central California Irrigation District Eagle Field Water District Firebaugh Canal Water District Mercy Springs Water District	Oro Loma Water District Pacheco Water District Panoche Water District San Luis Water District		Subsidence Management Area Map SGMA-DMC Mitigation Project Spatial Reference: NAD 1983 CA State Plane Zone III Created by: Water & Land Solutions Date exported: 2/5/2024
	Page 44 of 68					

PANOCHÉ WATER DISTRICT RESOLUTION NO. 847-24

A RESOLUTION AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT WITH THE GRASSLAND BASIN AUTHORITY

WHEREAS, Panoche Water District (the “Water District”) is a California Water District formed and existing under sections 34000, *et seq.* of the California Water Code and has the authority to make loans consistent with law and do all things necessary for the provision of water supply within its jurisdiction.

WHEREAS, the San Joaquin River Water Quality Improvement Project (SJRIIP) is a drainage and water reuse and management area within the Grassland Drainage Area comprised of approximately 6,000 acres of land in Fresno and Merced Counties which is operated as a drainage management facility to assist in meeting regulatory and contractual obligations to reduce discharges of selenium and salinity loads; and

WHEREAS, Panoche Drainage District (“PDD”) established and thereafter operated the SJRIIP on behalf of and in coordination with Camp 13 Drainage District, Charleston Drainage District, Firebaugh Canal Water District, Panoche Water District, and Pacheco Water District (collectively, the “Districts”) pursuant to the SJRIIP License Agreement dated August 8, 2008 (the “2008 License Agreement”); and

WHEREAS, PDD incurred costs during its establishment and operation of the SJRIIP and experienced cash flow shortages as a result; and

WHEREAS, the Water District advanced PDD (collectively hereinafter referred to as “Panoche Districts”) funds for the operation of the SJRIIP to help cover PDD’s cash flow shortages; and

WHEREAS, on June 13, 2019, PDD, the Water District, and the Districts, along with San Luis Water District (collectively, the “Member Agencies”) entered into a Joint Exercise of Powers Agreement (the “JPA”) to create the Grassland Basin Authority (the “GBA”); and

WHEREAS, among other things, pursuant to the JPA, the GBA was granted the right to use and exercise the license rights reserved to PDD for operation and maintenance (“O&M”) of the SJRIIP pursuant to Section 4, Paragraphs B and C, of the 2008 License Agreement; and

WHEREAS, the GBA Member Agencies fund GBA’s O&M of the SJRIIP through the payment of dues which are established annually through GBA’s budget process and allocated among the GBA Member Agencies according to Participation Percentages; and

WHEREAS, the Districts, the Water District, and PDD want to resolve all disputes between the Panoche Districts, GBA, and the Districts related to any debt owed by the Districts to the Panoche Districts as a result of PDD’s establishment and O&M of the SJRIIP prior to the GBA assuming those responsibilities as well as any disputes related to the Water District’s advancement of funds to PDD for O&M of the SJRIIP prior to the GBA assuming those responsibilities; and

WHEREAS, the Water District, by this Resolution intends to signify its approval of the Settlement Agreement between the Panoche Districts and the GBA, attached hereto as Exhibit A, (the "Settlement Agreement") its intent to be bound by the terms of the Settlement Agreement, and its authorization of GBA entering into the Settlement Agreement on its behalf.

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

1. The Board of Directors of the Panoche Water District hereby finds and determines the above Recitals are true and correct and are incorporated herein by this reference.
2. The Board of Directors and the Water District have reviewed the Settlement Agreement, and the Board of Directors finds entering the Settlement Agreement is in the best interests of the Water District.
3. The Board of Directors hereby approves the Settlement Agreement. The Board President is hereby authorized and directed to execute the Settlement Agreement.
4. By its approval of the Settlement Agreement the Water District agrees to be bound by the terms of the Settlement Agreement including the mutual release provision contained therein.
5. The Water District hereby authorizes its representative on the GBA Board of Directors to vote in favor of approval of the Settlement Agreement.
6. The Water District hereby authorizes the GBA to enter into the Settlement Agreement on its behalf.

PASSED AND ADOPTED this 16th day of April 2024, in a duly noticed and open meeting of the Board of Directors by the following vote, to wit:

Ayes:
Nays:
Abstain:
Absent:

Aaron Barcellos, President

Attest: _____
Steve Fausone, Secretary

**CERTIFICATE OF SECRETARY
OF
PANOCHÉ WATER DISTRICT,
A California Water District**

I, Steve Fausone, do hereby certify that I am the duly authorized and appointed Secretary of the Panoche Water District, a California Water District (the "District"); that the foregoing is a true and correct copy of that certain resolution duly and unanimously adopted and approved by the Board of Directors of the District on the 16th day of April 2024; and that said resolution has not been modified or rescinded and remains in full force and effect as the date hereof:

IN WITNESS WHEREOF, I have executed this Certificate on this _____ day of April 2024.

Steve Fausone, Secretary

DRAFT

SETTLEMENT AGREEMENT

This Settlement Agreement (Agreement) is entered into by and between Panoche Water District (PWD), Panoche Drainage District (PDD), (collectively hereinafter referred to as "Panoche Districts") both of which are member agencies of the Grassland Basin Authority (GBA), and GBA on behalf of GBA's other member agencies, Camp 13 Drainage District (Camp 13), Charleston Drainage District (Charleston), Firebaugh Canal Water District (Firebaugh), and Pacheco Water District (Pacheco). These GBA named member agencies, other than PWD and PDD, may be referred to herein individually as "District" and collectively as "Districts." PWD, PDD, and GBA may be referred to herein individually as "Party" and collectively as "Parties."

1. The San Joaquin River Water Quality Improvement Project (SJRIP) is a drainage and water reuse and management area within the Grassland Drainage Area comprised of approximately 6,000 acres of land in Fresno and Merced Counties which is operated as a drainage management facility to assist in meeting regulatory and contractual obligations to reduce discharges of selenium and salinity loads.

2. PDD established and thereafter operated the SJRIP on behalf of and in coordination with Camp 13, Charleston, Firebaugh, PWD, and Pacheco pursuant to the SJRIP License Agreement dated August 8, 2008 (2008 License Agreement).

3. PDD incurred costs during its establishment and operation of the SJRIP and experienced cash flow shortages as a result; the GBA and Districts are informed by the Panoche Districts that PWD advanced PDD funds for the operation of the SJRIP to help cover those shortages. Because the Panoche Districts acted in some instances jointly and in some instances separately, and both are members of the GBA, it is equitable that any settlement of the amount of monetary sums owed by the Districts and PDD through the GBA and any agreement to indemnify, defend and hold harmless the GBA and Districts be joint and several between the Panoche Districts and that the use and crediting of the payments to be made by the Districts and PDD under the terms of this Settlement Agreement through the GBA be resolved between the Panoche Districts upon receipt of the payments.

4. On June 13, 2019, PWD, PDD, and the Districts, along with San Luis Water District (collectively, the GBA Member Agencies) entered into a Joint Exercise of Powers Agreement (JPA) to create the GBA.

5. Among other things, pursuant to the JPA, the GBA was granted the right to use and exercise the license rights reserved to PDD for operation and maintenance (O&M) of the SJRIP pursuant to Section 4, Paragraphs B and C, of the 2008 License Agreement.

6. The GBA Member Agencies fund GBA's O&M of the SJRIP through the payment of dues which are established annually through GBA's budget process and allocated among the GBA Member Agencies according to the Participation Percentages set forth in "Exhibit A" hereto and incorporated herein by this reference.

7. This Agreement is intended to resolve all disputes between the Panoche Districts, GBA, and the Districts related to any debt owed by the Districts to the Panoche Districts as a result of PDD's establishment and O&M of the SJRIP prior to the GBA assuming those responsibilities, as well as any

disputes related to PWD's advancement of funds to PDD for O&M of the SJRIP prior to the GBA assuming those responsibilities.

NOW THEREFORE, the Parties agree as follows:

1. **AMOUNT.** GBA agrees, on behalf of the Districts and PDD, to pay PWD, the total sum of \$1,700,000.00 (Owed Amount). The Panoche Districts shall apportion the Owed Amount between themselves. The Panoche Districts agree that the Owed Amount includes the costs of administration of the Grant with the State of California (Grant Agreement No. 4600012787) incurred up to December 31, 2023. Moreover, the Panoche Districts agree that this Agreement and payment of the Owed Amount shall not be deemed to satisfy any obligation owed by the Panoche Districts under the GBA JPA or serve to offset or as a credit against any assessment or amount owed by PWD or PDD pursuant to the GBA JPA.
2. **ALLOCATION OF AMOUNT AMONG THE DISTRICTS.** The Owed Amount payable shall be apportioned among the Districts and PDD according to the Participation Percentages set forth in "Exhibit A." Each District and PDD, as described in Exhibit "A", is solely responsible for payment of its own Participation Percentage of the Owed Amount to PWD. No District shall be responsible for or have liability for the payment of any amount allocated as owed to another District or PDD. The Panoche Districts may not assign or grant any form of security interest in the Owed Amount to any other person or entity.
3. **AUTHORIZATION FOR GBA TO COLLECT AND PAYMENT.** The Districts and PDD hereby authorize GBA to act as collection agent, and to collect from the Districts and PDD and pay the Owed Amount to PWD in accordance with the terms of this Agreement.
4. **CREDIT OF PROCEEDS FROM WATER SALES.** The Panoche Districts collected the proceeds from the sale of Warren Act and Refuge/Level 2 water during the 2022 Water Year. Currently, \$498,076.00 is owed to the GBA for these sales. The Panoche Districts, GBA, and the Districts agree that the water sale proceeds owed to GBA are to be credited toward the principal of the Owed Amount prior to the GBA making its first payment under this Agreement.
5. **TERM.** The term of this Agreement regarding payment of the Owed Amount shall commence on March 1, 2024, (Effective Date) and shall continue for 5 years or until the total Owed Amount is paid in full, whichever is earlier.
6. **INTEREST.** Interest will begin to accrue on the Effective Date and shall be calculated at a rate of 1.75% per annum.
7. **PAYMENTS.** The principal and accrued interest shall be due and payable on or before the 12th of each month in accordance with the schedule attached hereto as "Exhibit B" and incorporated herein by this reference. If a payment date falls on a weekend or employer observed holiday, such payment shall be paid on the next business day.
8. **PREPAYMENT.** GBA reserves the right to collect and prepay the Owed Amount, in whole or in part, prior to the due dates with no prepayment penalty.

9. **DEFAULT.** This Agreement may be enforced by PDD and/or PWD against a defaulting District upon a default in the collection and payment by any District to the GBA of the amount owned by that District. The reasonable costs of enforcement, including attorney's fees shall be awardable to the prevailing party.
10. **ACKNOWLEDGMENT & MUTUAL RELEASE.** The Panoche Districts agree to accept the Owed Amount as payment in full of any debt owed and incurred by the Districts or any of them as a result of the Panoche Districts' incurrence of costs and/or PWD's advancement of funds to PDD for establishment and O&M of the SJRIP prior to December 31, 2023.
- a. **Panoche Districts' Release of GBA and the Districts.** PWD and PDD do each, in consideration of the promises and covenants made by the GBA and the Districts in this Agreement, hereby compromises, settles and releases the GBA and the Districts and each of them from any and all past, present, or future claims, demands, obligations, or causes of action, which PWD and/or PDD may have against GBA and/or the Districts on account of or arising out of (a) PWD's advancement of funds to PDD and/or (b) expenditures, expenses or liabilities incurred by PWD and/or PDD prior to December 31, 2023, as part of the activities or undertakings by PWD and PDD in the establishment and O&M of the SJRIP. Such claims include those claims or expenses PWD and/or PDD may have or has, or which may later accrue to or be acquired by PWD and/or PDD, against GBA and the Districts, and all of their past and present employees, directors, officers, assigns, agents, attorneys, insurers, and any other persons acting by, through, under or in concert with any such persons. PWD and PDD acknowledge that this Agreement and Release only applies to any potential claims arising from acts, omissions, events or expenses PWD or PDD incurred prior to December 31, 2023, as part of the establishment and O&M of the SJRIP and arising from PWD's and/or PDD's advancement of funds, and/or PWD or PDD's use of funds, equipment or properties whether known or unknown, foreseen, or unforeseen, injury or damage. Each of PWD and PDD expressly waives any benefit PWD and/or PDD may have under Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

- b. Each of PWD and PDD acting jointly and severally agrees to indemnify, defend, and hold the GBA, the Districts, and San Luis Water District harmless from and against any and all claims which may be asserted against them or any of them that arise out of or relate to (a) PWD's advancement of funds to PDD and/or (b) expenditures, expenses or liabilities incurred by PWD and/or PDD prior to December 31, 2023, as part of the activities or undertakings by PWD and PDD in the establishment and O&M of the SJRIP.

- c. **GBA Releases Panoche Districts.** Except as set forth in this Agreement, GBA, on behalf of the Districts, in consideration of the promises and covenants made by the Panoche Districts in this Agreement, hereby compromises, settles and releases the Panoche Districts from any and all past, present, or future claims, demands, obligations, or causes of action, which the GBA or the Districts may have against the Panoche Districts on account of or arising out of PWD's advancement of funds to PDD. Such claims include those the GBA or the Districts may have or have, or which may later accrue to or be acquired by the GBA or the Districts, against the Panoche Districts, and all of their past and present employees, directors, officers, assigns, agents, attorneys, insurers, and any other persons acting by, through, under or in concert with any such persons. The GBA, on behalf of the Districts, acknowledges that this Agreement and Release only applies to any potential claims arising from expenses PDD incurred prior to December 31, 2023, as part of PDD's establishment and O&M of the SJRIP and arising from PWD's advancement of funds, whether known or unknown, foreseen, or unforeseen, injury or damage, and expressly waives any benefit the GBA or the Districts may have under Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

11. **MISCELLANEOUS.**

- a. **Entire Agreement.** This Agreement contains the entire agreement between the Parties with respect to the matters set forth herein, and this Agreement supersedes any prior oral understanding between the Parties regarding the Owed Amount and matters subject to this Agreement. All prior oral communications are now subject to this Agreement and remain subject to all applicable privileges. Any modifications, revisions, or changes to this Agreement must be made in a writing signed by all Parties.
- b. **Interpretation.** This Agreement is entered into freely and voluntarily. This Agreement has been arrived at through negotiation, and each Party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party will not apply in constructing or interpreting this Agreement.
- c. **Binding Effect.** This Agreement shall be binding upon the successors and assigns of each Party. No assignment or delegation of the obligations under this Agreement will release the assigning or delegating Party from those obligations. Each of the Districts is a third-party beneficiary of this Agreement and is entitled and obliged to enforce the duties and obligations provided herein.
- d. **Waiver.** Neither Party's waiver of the other's breach or violation of any term, covenant or condition contained in this Agreement shall be deemed to be a waiver

of any subsequent breach or violation of the same or any other term, covenant or condition in this Agreement.

- e. **Notices.** All notices, requests, demands, and other communications which either Party may require or desire to serve on the other under this Agreement shall be in writing and served by registered or certified mail, with postage thereon fully prepaid, and addressed to the Party to be served as follows:

Panoche Water District: Attn: General Manager
 52027 W. Althea Ave.
 Firebaugh, CA 93622
 209-364-6136

Panoche Drainage District: Attn: General Manager
 52027 W. Althea Ave.
 Firebaugh, CA 93622
 209-364-6136

GBA: Attn: General Manager
 10085 N. Brannon Ave.
 Firebaugh, CA 93622
 209-710-5818

- f. **Attorney's Fees.** In the event of any controversy, claim or dispute relating to this Agreement, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees, and costs.
- g. **Governing Law.** This Agreement shall be interpreted and enforced pursuant to the laws of the State of California.
- h. **Authority.** Each person signing this Agreement represents and warrants that he/she is duly authorized to execute this Agreement and expressly has the authority to execute this Agreement on behalf of the Party he/she represents as identified by his/her signature line, and further represents that all necessary approvals have been obtained to execute and implement this Agreement.
- i. **Counterparts.** This Agreement may be executed in counterparts with the same force and effect as if executed in one complete document by all Parties.
- j. **Severability.** If any provision of this Agreement is found invalid or unenforceable, the balance of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Agreement on and as of the date(s) set forth below:

[SIGNATURES BEGIN ON FOLLOWING PAGE]

GRASSLAND BASIN AUTHORITY

By: _____

Palmer McCoy
General Manager

PANOCHÉ WATER DISTRICTS

By: _____

Patrick McGowan
General Manager

PANOCHÉ DRAINAGE DISTRICT

By: _____

Patrick McGowan
General Manager

EXHIBIT "A"

District	Acreage	Participation Percentage	Owed Amount
Panoche Drainage District	43,590	54.77%	\$931,090.00
Firebaugh Canal Water District	21,761	27.34%	\$464,780.00
Pacheco Water District	4,996	6.28%	\$106,760.00
Camp 13 Drainage District	4,933	6.19%	\$105,230.00
Charleston Drainage District	4,314	5.42%	\$92,140.00
TOTAL	79,594	100.00%	\$1,700,000.00

EXHIBIT "B"

REPAYMENT SCHEDULE

LOAN VALUES		LOAN SUMMARY	
Amount of Loan	\$1,700,000.00	Scheduled Payment	\$29,611.63
Annual Interest Rate	1.75%	Scheduled Payments	60
Repayment Period In Years	5	Actual Number of Payments	60
Number of Payments Per Year	12	Monthly Interest Rate	0.00145833
Start Date	3/12/2024	Payable to:	

YEAR 1 - 2024-2025									
PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULED PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST	
1	3/12/24	\$1,700,000.00	\$29,611.63	\$29,611.63	\$27,132.47	\$2,479.17	\$1,672,867.53	\$2,479.17	
2	4/12/24	\$1,672,867.53	\$29,611.63	\$29,611.63	\$27,172.03	\$2,439.60	\$1,645,695.50	\$4,918.77	
3	5/12/24	\$1,645,695.50	\$29,611.63	\$29,611.63	\$27,211.66	\$2,399.97	\$1,618,483.84	\$7,318.74	
4	6/12/24	\$1,618,483.84	\$29,611.63	\$29,611.63	\$27,251.34	\$2,360.29	\$1,591,232.50	\$9,679.03	
5	7/12/24	\$1,591,232.50	\$29,611.63	\$29,611.63	\$27,291.08	\$2,320.55	\$1,563,941.42	\$11,999.57	
6	8/12/24	\$1,563,941.42	\$29,611.63	\$29,611.63	\$27,330.88	\$2,280.75	\$1,536,610.54	\$14,280.32	
7	9/12/24	\$1,536,610.54	\$29,611.63	\$29,611.63	\$27,370.74	\$2,240.89	\$1,509,239.80	\$16,521.21	
8	10/12/24	\$1,509,239.80	\$29,611.63	\$29,611.63	\$27,410.66	\$2,200.97	\$1,481,829.14	\$18,722.19	
9	11/12/24	\$1,481,829.14	\$29,611.63	\$29,611.63	\$27,450.63	\$2,161.00	\$1,454,378.51	\$20,883.19	
10	12/12/24	\$1,454,378.51	\$29,611.63	\$29,611.63	\$27,490.66	\$2,120.97	\$1,426,887.85	\$23,004.16	
11	1/12/25	\$1,426,887.85	\$29,611.63	\$29,611.63	\$27,530.75	\$2,080.88	\$1,399,357.10	\$25,085.03	
12	2/12/25	\$1,399,357.10	\$29,611.63	\$29,611.63	\$27,570.90	\$2,040.73	\$1,371,786.20	\$27,125.76	
Total Paid Year 1 - 2024-2025					ANNUAL PRINCIPAL	ANNUAL INTEREST	ANNUAL PAYMENT	YEAR 1-2024-2025	
					\$328,213.80	\$27,125.76	\$355,339.56		

YEAR 2 - 2025-2026									
PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULED PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST	
13	3/12/25	\$1,371,786.20	\$29,611.63	\$29,611.63	\$27,611.11	\$2,000.52	\$1,344,175.09	\$29,126.29	
14	4/12/25	\$1,344,175.09	\$29,611.63	\$29,611.63	\$27,651.37	\$1,960.26	\$1,316,523.72	\$31,086.54	
15	5/12/25	\$1,316,523.72	\$29,611.63	\$29,611.63	\$27,691.70	\$1,919.93	\$1,288,832.02	\$33,006.47	
16	6/12/25	\$1,288,832.02	\$29,611.63	\$29,611.63	\$27,732.08	\$1,879.55	\$1,261,099.93	\$34,886.02	
17	7/12/25	\$1,261,099.93	\$29,611.63	\$29,611.63	\$27,772.53	\$1,839.10	\$1,233,327.41	\$36,725.12	
18	8/12/25	\$1,233,327.41	\$29,611.63	\$29,611.63	\$27,813.03	\$1,798.60	\$1,205,514.38	\$38,523.72	
19	9/12/25	\$1,205,514.38	\$29,611.63	\$29,611.63	\$27,853.59	\$1,758.04	\$1,177,660.79	\$40,281.77	
20	10/12/25	\$1,177,660.79	\$29,611.63	\$29,611.63	\$27,894.21	\$1,717.42	\$1,149,766.58	\$41,999.19	
21	11/12/25	\$1,149,766.58	\$29,611.63	\$29,611.63	\$27,934.89	\$1,676.74	\$1,121,831.70	\$43,675.93	
22	12/12/25	\$1,121,831.70	\$29,611.63	\$29,611.63	\$27,975.63	\$1,636.00	\$1,093,856.07	\$45,311.94	
23	1/12/26	\$1,093,856.07	\$29,611.63	\$29,611.63	\$28,016.42	\$1,595.21	\$1,065,839.65	\$46,907.14	
24	2/12/26	\$1,065,839.65	\$29,611.63	\$29,611.63	\$28,057.28	\$1,554.35	\$1,037,782.37	\$48,461.49	
Total Paid Year 2 - 2025-2026					ANNUAL PRINCIPAL	ANNUAL INTEREST	ANNUAL PAYMENT	YEAR 2-2025-2026	
					\$334,003.83	\$21,335.73	\$355,339.56		

YEAR 3 - 2026-2027									
PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULED PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST	
25	3/12/26	\$1,037,782.37	\$29,611.63	\$29,611.63	\$28,098.20	\$1,513.43	\$1,009,684.17	\$49,974.92	
26	4/12/26	\$1,009,684.17	\$29,611.63	\$29,611.63	\$28,139.17	\$1,472.46	\$981,545.00	\$51,447.38	
27	5/12/26	\$981,545.00	\$29,611.63	\$29,611.63	\$28,180.21	\$1,431.42	\$953,364.79	\$52,878.80	
28	6/12/26	\$953,364.79	\$29,611.63	\$29,611.63	\$28,221.31	\$1,390.32	\$925,143.48	\$54,269.12	
29	7/12/26	\$925,143.48	\$29,611.63	\$29,611.63	\$28,262.46	\$1,349.17	\$896,881.02	\$55,618.29	
30	8/12/26	\$896,881.02	\$29,611.63	\$29,611.63	\$28,303.68	\$1,307.95	\$868,577.34	\$56,926.24	
31	9/12/26	\$868,577.34	\$29,611.63	\$29,611.63	\$28,344.95	\$1,266.68	\$840,232.39	\$58,192.92	
32	10/12/26	\$840,232.39	\$29,611.63	\$29,611.63	\$28,386.29	\$1,225.34	\$811,846.09	\$59,418.26	
33	11/12/26	\$811,846.09	\$29,611.63	\$29,611.63	\$28,427.69	\$1,183.94	\$783,418.41	\$60,602.20	
34	12/12/26	\$783,418.41	\$29,611.63	\$29,611.63	\$28,469.14	\$1,142.49	\$754,949.26	\$61,744.68	
35	1/12/27	\$754,949.26	\$29,611.63	\$29,611.63	\$28,510.66	\$1,100.97	\$726,438.60	\$62,845.65	
36	2/12/27	\$726,438.60	\$29,611.63	\$29,611.63	\$28,552.24	\$1,059.39	\$697,886.36	\$63,905.04	
Total Paid Year 3-2026-2027					ANNUAL PRINCIPAL	ANNUAL INTEREST	ANNUAL PAYMENT	YEAR 3-2026-2027	
					\$339,896.01	\$15,443.55	\$355,339.56		

YEAR 4 - 2027-2028									
PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULED PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST	
37	3/12/27	\$697,886.36	\$29,611.63	\$29,611.63	\$28,593.88	\$1,017.75	\$669,292.48	\$64,922.79	
38	4/12/27	\$669,292.48	\$29,611.63	\$29,611.63	\$28,635.58	\$976.05	\$640,656.90	\$66,898.84	
39	5/12/27	\$640,656.90	\$29,611.63	\$29,611.63	\$28,677.34	\$934.29	\$611,979.56	\$68,833.14	
40	6/12/27	\$611,979.56	\$29,611.63	\$29,611.63	\$28,719.16	\$892.47	\$583,260.40	\$67,725.61	
41	7/12/27	\$583,260.40	\$29,611.63	\$29,611.63	\$28,761.04	\$850.59	\$554,499.36	\$68,576.19	
42	8/12/27	\$554,499.36	\$29,611.63	\$29,611.63	\$28,802.99	\$808.64	\$525,696.38	\$69,384.84	
43	9/12/27	\$525,696.38	\$29,611.63	\$29,611.63	\$28,844.99	\$766.64	\$496,851.39	\$70,151.48	
44	10/12/27	\$496,851.39	\$29,611.63	\$29,611.63	\$28,887.06	\$724.57	\$467,964.33	\$70,876.05	
45	11/12/27	\$467,964.33	\$29,611.63	\$29,611.63	\$28,929.18	\$682.45	\$439,035.15	\$71,558.50	
46	12/12/27	\$439,035.15	\$29,611.63	\$29,611.63	\$28,971.37	\$640.26	\$410,063.78	\$72,198.76	
47	1/12/28	\$410,063.78	\$29,611.63	\$29,611.63	\$29,013.62	\$598.01	\$381,050.16	\$72,796.77	
48	2/12/28	\$381,050.16	\$29,611.63	\$29,611.63	\$29,055.93	\$555.70	\$351,994.23	\$73,352.47	
Total Paid Year 4-2027-2028					ANNUAL PRINCIPAL	ANNUAL INTEREST	ANNUAL PAYMENT	YEAR 4-2027-2028	
					\$345,892.13	\$9,447.43	\$355,339.56		

YEAR 5 - 2028-2029									
PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULED PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST	
49	3/12/28	\$351,994.23	\$29,611.63	\$29,611.63	\$29,098.31	\$513.32	\$322,895.92	\$73,865.79	
50	4/12/28	\$322,895.92	\$29,611.63	\$29,611.63	\$29,140.74	\$470.89	\$293,755.18	\$74,336.68	
51	5/12/28	\$293,755.18	\$29,611.63	\$29,611.63	\$29,183.24	\$428.39	\$264,571.94	\$74,765.08	
52	6/12/28	\$264,571.94	\$29,611.63	\$29,611.63	\$29,225.80	\$385.83	\$235,346.15	\$75,150.91	
53	7/12/28	\$235,346.15	\$29,611.63	\$29,611.63	\$29,268.42	\$343.21	\$206,077.73	\$75,494.12	
54	8/12/28	\$206,077.73	\$29,611.63	\$29,611.63	\$29,311.10	\$300.53	\$176,766.63	\$75,794.65	
55	9/12/28	\$176,766.63	\$29,611.63	\$29,611.63	\$29,353.85	\$257.78	\$147,412.79	\$76,052.44	
56	10/12/28	\$147,412.79	\$29,611.63	\$29,611.63	\$29,396.65	\$214.98	\$118,016.13	\$76,267.42	
57	11/12/28	\$118,016.13	\$29,611.63	\$29,611.63	\$29,439.52	\$172.11	\$88,576.61	\$76,439.52	
58	12/12/28	\$88,576.61	\$29,611.63	\$29,611.63	\$29,482.46	\$129.17	\$59,094.15	\$76,568.70	
59	1/12/29	\$59,094.15	\$29,611.63	\$29,611.63	\$29,525.45	\$86.18	\$29,568.70	\$76,654.88	
60	2/12/29	\$29,568.70	\$29,611.63	\$29,568.70	\$29,568.70	\$0.00	\$0.00	\$76,654.88	
Total Paid Year 5-2028-2029					ANNUAL PRINCIPAL	ANNUAL INTEREST	ANNUAL PAYMENT	YEAR 5-2028-2029	
					\$351,994.22	\$3,302.41	\$355,296.63		

Total Paid w/ Interest 2024-2029	\$1,700,000.00	\$76,654.88	\$1,776,654.87	Total Paid 5 Years
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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: SANDRA REYES, WATER MASTER
SUBJECT: MARCH DIVISION REPORT – WATER DEPARTMENT
DATE: 04/9/2024
CC : JUAN CADENA, WATER RESOURCES MANAGER
PATRICK MCGOWAN, GENERAL MANAGER

Water Supply as of April 1, 2024:

San Luis Reservoir Total Storage	<u>1,485,252 AF</u>
San Luis Reservoir Federal Storage	<u>962,771 AF</u>
San Luis Reservoir % of Total Capacity	<u>73 %</u>

Panoche Water Supply as of April 1, 2024:

USBR 2024 Water Balance	<u>55,514 AF</u>
March, 2024 Grower Deliveries	<u>1,992 AF</u>
Total Deliveries to Date (Mar)	<u>1,992 AF</u>

Water Department Updates:

The February O&M, Interest, and M&I billings were completed and mailed out on Thursday (3/15/2024).

Worked on getting everyone to submit their 700 forms – still missing 2 people

Allocated the Rescheduled, Supp'l, and 35% USBR water

The rescheduling water costs have been invoiced (Explain rate differential)

Working on reconciling the USBR FY2023 Water Deliveries and Charges

Will bill my water costs for Supp'l and USBR water once the water rates have been approved

Will be billing PDD 1st installments this month, as well as CDD's

Still need to complete the Water Inventory and Rate Assignment Spreadsheets for the Auditor for WY23-24

Tabulating Information for Crop Reports

PANOCHÉ WATER DISTRICT WATER ACCOUNTING

Month: March, 2024

4/9/2024

Water Supply																				
District Water	Annual	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2025	2025	YTD	Transfers	Not	Stored	Remaining
March, 2024 - Feb, 2025	AF	March	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Usage	Out	Pumped			Balance	
Grower Transfer Ins	0													0					0	
Transfer 1	2,000													0					2,000	
Transfer 2	3,500													0					3,500	
Transfer 4	1,500													0					1,500	
Transfer 5	2,150													0					2,150	
Gains or Losses	1,100	(164)												(164)					1,264	
District Water Total	10,250	(164)	0	0	0	0	0	0	0	0	0	0	0	(164)					10,414	
Bureau Water																				
March, 2024 - Feb, 2025	Annual	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2025	2025	YTD	Transfers	Loss	Stored	Remaining	
Rescheduled Water	9,400	2,156													2,156				7,244	
2024-2025 35% USBR	32,856														0				32,856	
Transfer 1	1,000													0					1,000	
Transfer 2	1,500													0					1,500	
Transfer 3	2,500													0					2,500	
Grower Transfers In	0													0					0	
Bureau Water Total	47,256	2,156	0	0	0	0	0	0	0	0	0	0	0	2,156	0	0	0	0	45,100	
Total Water Supply	57,506	1,992	0	0	0	0	0	0	0	0	0	0	0	1,992	0	0	0	0	55,514	
Usage																				
Growers		1,992													1,992					
Transfers Out/Sales															0					
Total Usage/Transfers		1,992	0	0	0	0	0	0	0	0	0	0	0	1,992						
Diff/Losses: % of Supply	%	-7%												-7%						
Budget to Actual - AF	45,000	1,992												1,992					43,008	

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

Panoche Water District

DELIVERIES, RECYCLED, POWER CHARGES REPORT

DISTRICT DELIVERIES						RETURN FLOWS					RUSSELL RECIRCULATION Energy Charges					PG&E CHARGES				
2020	2021	2022	2023	2024		2020	2021	2022	2023	2024	2020	2021	2022	2023	2024	2020	2021	2022	2023	2023
MAR	2,964	1,610	982	978	1,992	38	(102)	130	3	(164)	\$ 126	\$ 61	\$ 63	\$ 49	\$ 104	\$ 83,213	\$ 45,539	\$ 38,061	\$ 20,336	\$ 30,342
APR	3,657	2,773	2,303	2,980		42	(123)	556	85		\$ 99	\$ 5,811	\$ 128	\$ 920		\$ 75,857	\$ 115,722	\$ 95,409	\$ 60,283	
MAY	6,681	5,082	3,839	6,411		12	811	728	538		\$ 2,851	\$ 16,042	\$ 1,413	\$ 1,266		\$ 130,817	\$ 92,000	\$ 103,548	\$ 76,265	
JUN	9,767	6,871	5,434	9,792		584	976	782	566		\$ 22,899	\$ 21,611	\$ 27,615	\$ 11,491		\$ 194,558	\$ 150,006	\$ 148,032	\$ 115,412	
JUL	10,140	6,251	5,612	11,545		231	249	83	650		\$ 24,811	\$ 36,326	\$ 46,544	\$ 12,039		\$ 216,355	\$ 191,489	\$ 209,145	\$ 213,325	
AUG	5,985	3,953	4,165	8,888		20	541	(253)	862		\$ 41,688	\$ 39,615	\$ 36,685	\$ 28,407		\$ 201,997	\$ 181,291	\$ 179,674	\$ 203,428	
SEP	3,328	2,764	2,790	4,724		504	862	(240)	37		\$ 48,288	\$ 25,346	\$ 22,748	\$ 39,151		\$ 168,372	\$ 125,375	\$ 143,734	\$ 163,960	
OCT	2,695	1,141	1,693	2,790		219	121	(171)	223		\$ 18,975	\$ 186	\$ 8,034	\$ 2,365		\$ 107,389	\$ 103,445	\$ 82,107	\$ 119,971	
NOV	742	469	266	1,134		111	119	(161)	(107)		\$ 108	\$ 6,239	\$ 7,014	\$ 202		\$ 65,990	\$ 57,789	\$ 202,938	\$ 86,638	
DEC	119	85	89	1,223		(47)	34	(15)	(58)		\$ 72	\$ 116	\$ 113	\$ 211		\$ 25,942	\$ 32,400	\$ 33,649	\$ 64,191	
JAN	211	291	15	1,860		(58)	261	(83)	98		\$ 70	\$ 105	\$ 93	\$ 222		\$ 16,234	\$ 23,831	\$ 25,041	\$ 70,825	
FEB	1,121	1,668	743	1,827		(102)	558	137	16		\$ 70	\$ 125	\$ 101	\$ 311		\$ 35,030	\$ 73,629	\$ 31,647	\$ 54,764	
Total	47,410	32,958	27,931	54,152	1,992	1,554	4,307	1,493	2,913	(164)	\$ 160,058	\$ 151,583	\$ 150,552	\$ 96,633	\$ 104	\$ 1,321,754	\$ 1,192,517	\$ 1,292,985	\$ 1,249,397	\$ 30,342
YEAR TO DATE	2,964	1,610	982	978	1,992	38	(102)	130	3	(164)	\$ 126	\$ 61	\$ 63	\$ 49	\$ 104	\$ 83,213	\$ 45,539	\$ 38,061	\$ 20,336	\$ 30,342

Water Year	2020-21	2021-22	2022-23	2023-24	2024-25	5 Yr. Average
USBR Allocation	20.00%	0.00%	0.00%	80.00%	35.00%	27%
Total Alloc. Acreage	37,442	37,442	38,202	38,317	38,317	37,944
A/F / acre	1.27	0.88	0.73	1.41	0.05	0.87
Effective Precip.	0.28	0.13	0.31	0.41	0.06	0.24
Total Applied af	1.54	1.01	1.04	1.82	0.11	1.10

Total Precip. Inches 6.69 3.17 7.34 9.73 1.32 (From 3/1 thru 4/9)

Total rainfall /2/12

Total Rainfall from Oct. 2023 to today is 8.18 inches.

**Panoche Water District
WY 2024-25 Supplemental Water Allocation**

Grower	Acreage	Allocation	Requested	To Be Invoiced	Remaining	Uncollected
A-Bar Ag Enterprises	1756.40	724	0	\$ -	724	\$ 333,040.00
Arteaga, Francisco	19.75	8	0	\$ -	8	\$ 3,680.00
Almendra Properties III,LP	134.88	56	90	\$ 41,400.00	475	\$ 218,500.00
Gopher Ridge I, LP	601.84	248				
Gopher Ridge II, LP	633.60	261				
Brown, Lupe	2.07	1	0	\$ -	1	\$ 460.00
Hugh Bennett Ranch, Inc.	947.74	390	1,534	\$ 705,640.00	(350)	\$ (161,000.00)
JFB Ranch, Inc.	1928.25	794				
Bethel, Kenneth 2015 Trust	477.28	197	0	\$ -	197	\$ 90,620.00
Correia, Beau & Katherine	40.00	16	0	\$ -	16	\$ 7,360.00
KB Family Farm	420.00	173	0	\$ -	173	\$ 79,580.00
Correia, 2015 Living Trust	170.13	70	0	\$ -	70	\$ 32,200.00
Creekside Farming Company	635.43	262	284	\$ 130,640.00	(22)	\$ (10,120.00)
Crimsonco, LLC	6.61	3	0	\$ -	3	\$ 1,380.00
Lat Farming Trust	1047.12	431	0	\$ -	431	\$ 198,260.00
WMD Farming, Et Al #1	159.32	66	0	\$ -	66	\$ 30,360.00
DeLaTorre, Carlos	39.10	16	0	\$ -	16	\$ 7,360.00
Diedrich, William Living Trust	19.14	8	9	\$ 4,140.00	(1)	\$ (460.00)
Echeveste, Cecilia Trust	304.85	126	112	\$ 51,520.00	14	\$ 6,440.00
Gargiulo, Inc.	637.14	263	284	\$ 130,640.00	(21)	\$ (9,660.00)
Glenpark Building	603.95	249	0	\$ -	249	\$ 114,540.00
Hammonds Ranch, Inc.	1369.90	564	610	\$ 280,600.00	(46)	\$ (21,160.00)
Homeland Ranch	1238.34	510	552	\$ 253,920.00	(42)	\$ (19,320.00)
Mar-Hi Farms	1042.80	430	465	\$ 213,900.00	(35)	\$ (16,100.00)
San Joaquin West Ranch	1229.58	507	548	\$ 252,080.00	(41)	\$ (18,860.00)
Hanna M&M Family Trust	984.10	405	0	\$ -	405	\$ 186,300.00
Harvest Point, LLC	637.60	263	0	\$ -	263	\$ 120,980.00
Helena Agri Enterprises	20.72	9	0	\$ -	9	\$ 4,140.00
Hurd, Chris Farms	11.15	5	0	\$ -	5	\$ 2,300.00
John S. Diedrich	290.23	120	130	\$ 59,800.00	(10)	\$ (4,600.00)
Linneman Ranches, Inc.	1341.09	553	598	\$ 275,080.00	(45)	\$ (20,700.00)
Tierra Loma Ranch	286.17	118	127	\$ 58,420.00	(9)	\$ (4,140.00)
Little Green Nut	316.48	130	0	\$ -	130	\$ 59,800.00
Lincoln Grantor Farms	122.44	50	1,000	\$ 460,000.00	(762)	\$ (350,520.00)
Winston Farms	456.69	188				
Marv Coit Farms	1896.42	781	0	\$ -	781	\$ 359,260.00
Maxine Riney Lyola	25.13	10	0	\$ -	10	\$ 4,600.00
Nellore Farms	404.92	167	0	\$ -	167	\$ 76,820.00
Grandland Pistachio	615.05	253	274	\$ 126,040.00	(21)	\$ (9,660.00)
Kariz, LP	312.40	129	140	\$ 64,400.00	(11)	\$ (5,060.00)
Pardis, LP	466.61	192	208	\$ 95,680.00	(16)	\$ (7,360.00)
Yazd, LP	600.46	247	267	\$ 122,820.00	(20)	\$ (9,200.00)
Nyman, Brad & Kristi	612.07	252	0	\$ -	252	\$ 115,920.00

District Suppl Water Cost	\$ 7,227,583.00
Add'l \$25/AF Collected	\$ (300,000.00)
Suppl Wtr Subscribed to	\$ (5,114,280.00)
Add'l Needed to Collect	\$ 1,813,303.00

Nyman, Rebecca	783.75	323	0	\$ -	323	\$ 148,580.00
Olam West Coast	292.11	120	0	\$ -	120	\$ 55,200.00
Ortiz, Jorge	12.09	5	0	\$ -	5	\$ 2,300.00
Peri & Sons Farms	73.18	30	0	\$ -	30	\$ 13,800.00
RS&N Ram Family Trust	5.45	2	0	\$ -	2	\$ 920.00
Ram, Charles Rene	6.12	3	0	\$ -	3	\$ 1,380.00
Redfern Ranches	2075.41	855	925	\$ 425,500.00	(70)	\$ (32,200.00)
Thiel Air Care	11.26	5	0	\$ -	5	\$ 2,300.00
Tri-Stone Properties	641.83	264	0	\$ -	264	\$ 121,440.00
AJS Farms, Inc.	157	65	70	\$ 32,200.00	(5)	\$ (2,300.00)
Donald J. Smith Farms	274.39	113	122	\$ 56,120.00	(9)	\$ (4,140.00)
JW Palmer Farms	636.89	262	283	\$ 130,180.00	(21)	\$ (9,660.00)
SH Smith Farms	664.11	274	295	\$ 135,700.00	(21)	\$ (9,660.00)
SHS Family Limited Partnership	706.64	291	316	\$ 145,360.00	(25)	\$ (11,500.00)
SSR Farms	607.06	250	271	\$ 124,660.00	(21)	\$ (9,660.00)
Stuart J. Smith Farms	1212.91	500	539	\$ 247,940.00	(39)	\$ (17,940.00)
Turlock Fruit Company	151.01	62	67	\$ 30,820.00	(5)	\$ (2,300.00)
CSU Farms	809.11	333	0	\$ -	333	\$ 153,180.00
USC Farms	961.43	396	0	\$ -	396	\$ 182,160.00
Dehbala Orchards	470.96	194	230	\$ 105,800.00	(36)	\$ (16,560.00)
Fadak Orchards	149.72	62	75	\$ 34,500.00	(13)	\$ (5,980.00)
Sisters Ranch	302.49	125	145	\$ 66,700.00	(20)	\$ (9,200.00)
Green Nut, LLC	318.58	131	142	\$ 65,320.00	(11)	\$ (5,060.00)
Hanza Farms	609.78	251	272	\$ 125,120.00	(21)	\$ (9,660.00)
Zagros Farms	300.46	124	134	\$ 61,640.00	(10)	\$ (4,600.00)
Westside Transplant	19.88	8	0	\$ -	8	\$ 3,680.00
Wood Farming, Doug	1042.95	430	0	\$ -	430	\$ 197,800.00
Totals	38,161.52	15,723.00	11,118.00	\$ 5,114,280.00	4605.00	\$ 2,118,300.00

ESTIMATED WATER REQUESTED TO BE DIRECT DELIVERED BY PANOCHE WD

In Acre-Feet

Through FCWD System

1	Almendra	500
2	FCWD Transfer of 1,500 Acre-Feet	1,500
3	FCWD/CCID Drainage Transfer	1,500
4	Grower Supplemental Water	500
5	Turlock Fruit - Fallow Transfer	540
		<u>4,540</u>

Through CCID System

FCWD/CCID Drainage Transfer	1,500
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	2024	April	May	June	July	Aug	Sept	Oct	TOTALS
1 Almendra		100	100	100	100	100			500
2 FCWD Transfer of 1,500 Acre-Feet			300	300	300	300	300		1,500
3 FCWD/CCID Drainage Transfer			400	500	500	100			1,500
4 Grower Supplemental Water		100	100	100	100	100			500
5 Turlock Fruit - Fallow Transfer			165	227	30	25	45	48	540
TOTAL		200	1,065	1,227	1,030	625	345	48	4,540

CFS	101	537	619	519	315	174	24	2,289
CFS per day	7	17	21	17	10	6	5	
Days Used	15	31	30	31	31	30	5	173

PANOACHE 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: CHRIS CARLUCCI, OPERATIONS & MAINTENANCE MANAGER

SUBJECT: DIVISION REPORT – OPERATIONS & MAINTENANCE

DATE: APRIL 16TH, 2023

CC: PATRICK MCGOWAN, GENERAL MANAGER

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

- General Maintenance.
- Installed New Flow Meter at TO#17.
- New catwalks and staircase were installed at TO#17.
- Lateral 2 204 Box head gate repairs.
- Installed new liner on Millux ditch. (Pictures are in book)
- Weed Control- We sprayed Lateral 2 & 3, 11-E ditch and Russell ditch.
- Worked on EPA Account for PWD. Updating Annual Verification Questionnaire Report.
- Preventative Pump Maintenance Plan. (work in progress)
- Equipment Replacement Forecast Plan. (work in progress)

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 RESOURCES MANAGER

SUBJECT: STAFF ACTION ITEM 14 DOMESTIC PLANT

DATE: APRIL 16TH, 2024

CC: PATRICK MCGOWAN, GENERAL MANAGER

On March 20, 2024, the Water Quality JPA (JPA) took no action on Panoche Water District's (PWD) request that PWD connects to the Dos Palos raw water pipeline. The JPA requested their staff to provide a view or if the 200 gpm would have any impact to the operations of the City of the Dos Palos water plant in the summer months.

On March 22, 2024, the District received the Surface Water Treatment Plant construction budget from Jim Gartung (engineer). Staff forwarded the budget to Joel Greathouse with the State Water Resources Control Board (SWRCB). Staff reached out to set up a meeting SWRCB. SWRCB has yet to reply, so staff will follow up with an email and phone call.

PWD
APRIL 16th, 2024
BOARD MEETING ACTION ITEMS

1. PWD procurement policy review. JOSH
2. Modernization study agreement, study will begin in May 2024. CHRIS L
3. Budget amendments, add road crossing boring number to Pumps & Structures line item. CHRIS & MARLENE
4. Budget amendments, remove service rate scenario section. MARLENE
5. Budget amendments, remove Dump Truck, Asphalt repairs. MARLENE
6. Budget amendments, \$250,000 from reserves to fund approximately half of the Pumps & Structures line item. MARLENE.
7. LVE terms and benefits moving forward. PATRICK
8. Forefront presentation, and return on investment. JOSH
9. Follow up with Fresno State/Ag monitoring regarding pump efficiency testing program, and Cal Poly finalizing Dr. Burt's study. JUAN
10. Contact Mr. Delgado regarding delinquency. Has this debt been recorded with county, can we lean property? PHIL/SANDRA/JOSH
11. CDM Groundwater Sustainability Agency Subsidence Policy on April agenda for review and approval. Resolution? PHIL & PATRICK
12. SWTP cost analysis for PER, Jim Gartung. JUAN/PATRICK
13. SWTP and Russel Avenue Community discussion with John Brodie, IRWM program. PATRICK
14. Bond guidelines, overcollection, terms and conditions, can we reinvest, pay back to growers, can we collect fees directly in lieu of county. PATRICK & MARLENE
15. Long-term truck rental acquisition. Pro's & Con's. CHRIS
16. Balance sheet questions, Contractual Obligation fund money market, 2021 revenue bond LAIF restricted. MARLENE & PATRICK

17. Research and develop potable new potable water agreements with residents. JUAN/JOSH/CHRIS

18. Determine actual capital reserve amount from WY 2023/24. MARLENE/SANDRA/PATRICK

19. Determine excess bond capital reserve amount. Separate Bond funds in Budget to track accordingly. MARLENE/PATRICK

20. Althea home sale JUAN/PATRICK



PANOCHÉ WATER DISTRICT

52027 WEST ALTHEA AVE, FIREBAUGH, CA 93622

MEMORANDUM

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: BOND COUNSEL MEETING

DATE: 4/16/2024

CC: PANOCHÉ FINANCE AUTHORITY BOARD OF DIRECTORS

- 1) **Levy of Assessments** – Under Section 6.14(a) of the Installment Purchase Agreement, the District is required to levy the Contractual Obligation Assessment in an amount equal to the lesser of (i) the maximum amount provided by law or (ii) the amount reasonably expected to pay the installment payments, including any reasonable coverage requirement to account for anticipated and unanticipated delinquencies. At the time we were working on the financing, it was determined that the assessments would be levied at an amount equal to 110% of the installment payments to allow for a cushion for potential delinquencies. It should be noted that this covenant does not apply to the portion of the special benefit assessments levied for purposes of financing capital modernization projects of the District, as such assessments are specifically excluded from the definition of Contractual Obligation Assessments.

The maximum amount that the District can levy was established through the District's Proposition 218 proceedings in connection with the assessment and is provided in the resolution approving the assessment. The maximum amount of the levy for the District's obligations with respect to the 9(d) Contract is \$38.09 per assessable acre per year. The maximum amount of the levy for the District's water system modernization projects is \$21.91 per assessable acre per year.

- 2) **Rate Covenant – Rates and Charges** – Under Section 6.14(b) of the Installment Purchase Agreement, the District has covenanted to set rates and charges for District water service at the beginning each fiscal year in an amount reasonably expected to yield net revenues in an amount equal to at least 125% of debt service payable in such fiscal year. Under this section of the Installment Purchase Agreement, the amount of debt service attributable to the District's obligations with respect to the 2021 Bonds is reduced by the Contractual Obligation Assessments collected for the purpose of paying such obligations, so if the District is collecting the Contractual Obligation Assessments in an amount sufficient to pay the installment payments relating to the 2021 Bonds, the District would not be required to establish rates and charges reasonably expected to yield net revenues equal to at least 125% of such installment payments, as such installment payments would be reduced to 0 for purposes of the covenant.
- 3) **Release of Surplus Contractual Obligation Assessments** - Under Section 5.02(b) of the Installment Purchase Agreement, if the District has paid the installment payment coming due on the last day of February of a fiscal year and has sufficient Contractual Obligation Assessment proceeds on deposit to pay

the installment payment coming due on the last day of August of the subsequent fiscal year, then, on or after the last day of the fiscal year in which the February payment was due, Contractual Obligation Assessment proceeds in excess of the amount needed to make the August payment can be applied by the District for any lawful purpose, including providing refunds to landowners. It should be noted that the refunds cannot take the form of a credit against the assessments to be paid by the landowners in the following fiscal year.

- 4) **Rate Stabilization Fund** - The District did establish a rate stabilization fund in connection with the 2021 financing. As of the date of closing of the 2021 Bonds, there was \$1,166,375 on deposit in the fund. The general ledger code for the rate stabilization fund listed in the Installment Purchase Agreement is 13465-000.
- 5) **Collection of Assessments by the District** – There is nothing in the legal documents that requires that the respective counties levy the benefit assessments, so there is no documentary restriction on the District levying and collecting the assessments. Our recollection was that the rating agency viewed the collection of the assessments by the counties as being a credit positive, so you should consult with the Fieldman Rolapp team to see if they think that a change to having the District collect the assessments would have any impact of the rating on the 2021 Bonds.