

**PANOCHÉ WATER DISTRICT MEETING MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
June 22, 2021, at 10:00 A.M.**

A special meeting of the Board of Directors was held in accordance with Governor Newsom's Executive Orders N-25-20 and N-29-20 issued in response to the COVID-19 Pandemic, which allows local and state legislative bodies to hold meetings by web and teleconference, and to make meetings accessible to the public electronically. Those present at the meeting were:

- Directors Present: John Bennett, President
 Mike Stearns, Secretary
 Ross Koda, Director

- Directors Absent: Sue Redfern-West, Vice-President
 Michael Linneman, Director

- District Staff Present: Ara Azhderian, General Manager

- Others Present: Philip Williams, General Counsel
 Diane Rathmann, Of Counsel
 Doug Brown, Bond Counsel
 Jonathan Guz, Bond Counsel
 Robert Porr, Municipal Advisor
 Lora Carpenter, Municipal Advisor
 Steve Smith, Turlock Fruit Company

ANNOUNCEMENT PURSUANT TO GOVERNMENT CODE SECTION 54952.3

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

CALL TO ORDER

President Bennett called the meeting to order at 10:05 a.m.

ROLL CALL

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

POTENTIAL CONFLICTS OF INTEREST

No conflicts were reported.

At approximately 10:06 a.m., President Bennett suspended the Panoche Water District meeting and continued the Panoche Financing Authority-ONLY meeting.

At approximately 10:54 a.m., President Bennett adjourned the Panoche Financing Authority meeting and continued the Panoche Water District-ONLY meeting.

REVIEW OF AGENDA

General Manager Azhderian reported the District had received an urgent message late Monday afternoon, June 21st, from LAT Farming Trust requesting an emergency transfer of 100 acre-feet of water to Pacheco Water District, where they were out of water and at risk of irreversible crop damage. Azhderian requested the Board take action to add the matter to the Agenda. After consideration, on a motion by Director Stearns, seconded by Director Koda, the Board added the matter as Agenda Item #8 for further consideration.

The vote on the matter was as follows:

- Ayes: Bennett, Stearns, Koda
- Nays: None
- Abstain: None
- Absent: Redfern-West, Linneman

PUBLIC COMMENT

Mr. Steve Smith with Turlock Fruit expressed his concern over boron levels coming from groundwater being pumped from a number of wells using the District’s Main Canal. He stated petiole sampling performed by Turlock Fruit indicated high levels of boron in the plant tissue and he was concerned about the potential effect upon his crop production and marketability. He requested the District cease all groundwater conveyance in the Main Canal for a week and sample the water quality after to determine the difference. This would also give him a chance to apply fresher water to his crop. General Manager Azhderian reported the District has been working to balance growers’ interest in increasing water supply with growers’ interest in better water quality and that he and Water Resources Manager Juan Cadena had met with Mr. Smith to discuss his water quality concerns and potential modifications to the District’s conveyance system to provide Turlock Fruit with fresher sources of water. Azhderian noted that the wells using the District’s system were not likely the only sources of Boron, that water coming in from the Central California Irrigation District’s Outside Canal and drainage seeping into the lower sections of the Main Canal may also be carrying it. He recommended the District pull samples at a number of locations along the Main Canal now, shut down the wells currently using it, and then pull another set of samples at the same locations in a week to measure the difference. The Board concurred with the recommendation and Mr. Smith offered his appreciation for their consideration and responsiveness.

THE BOARD TO REVIEW AND CONSIDER ADOPTING A RESOLUTION APPROVING THE DISTRICT’S PORTION OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH BONDS TO BE ISSUED BY THE PANOCHÉ FINANCING AUTHORITY, AND AUTHORIZING CERTAIN OTHER MATTERS

General Manager Azhderian presented the Board a draft Resolution and explained this consideration was related to the report and action taken earlier by the Panoche Financing Authority, though focused more so on the Water District’s portion of the Preliminary Official Statement. Azhderian reintroduced Bond Counsel Doug Brown who reviewed the Resolution in detail with the Board. After consideration, on a motion by Director Koda, seconded by Director Stearns, the Board adopted the Resolution as presented.

The vote on the matter was as follows:

- Ayes: Bennett, Stearns, Koda
- Nays: None
- Abstain: None
- Absent: Redfern-West, Linneman

THE BOARD TO REVIEW AND CONSIDER APPROVING REQUEST FROM EMPRESAS DEL BOSQUE INC., TO TRANSFER UP-TO 15 ACRE-FEET TO PACHECO WATER DISTRICT

General Manager Azhderian presented the Board a request from Empresas Del Bosque Inc., to transfer up-to 15 acre-feet of water to Pacheco Water District. He explained that supplemental water was not currently available in Pacheco and that in order to protect their melon crop in Pacheco, they were abandoning their asparagus crop in Panoche and requesting the transfer. Azhderian noted that consistent with the District’s Water Transfer Policy, District Operations & Maintenance costs would be applied to the transfer. After consideration, on a motion by Director Stearns, seconded by Director Koda, the Board approved the transfer request.

The vote on the matter was as follows:

Ayes:	Bennett, Stearns, Koda
Nays:	None
Abstain:	None
Absent:	Redfern-West, Linneman

THE BOARD TO REVIEW AND CONSIDER APPROVING REQUEST FROM LAT FARMING TRUST TO TRANSFER 100 ACRE-FEET TO PACHECO WATER DISTRICT

General Manager Azhderian reported to the Board that he had received an email late on June 21st from LAT Farming Trust requesting the emergency transfer. He said LAT stated they were out of water in Pacheco, that they did not have access to well water at that ranch, and that Pacheco did not have any supplemental sources available. LAT explained their crop needed irrigation immediately to avoid irreparable damage. Azhderian noted that LAT had transferred more water into Panoche this year than they were requesting to transfer out and recommended the request be approved. After consideration, on a motion by Director Koda, seconded by Director Stearns, the Board approved the transfer request.

The vote on the matter was as follows:

Ayes:	Bennett, Stearns, Koda
Nays:	None
Abstain:	None
Absent:	Redfern-West, Linneman

CLOSED SESSION

General Counsel Williams announced that the Panoche Water District Board would meet in closed session for a conference with legal counsel on anticipated litigation pursuant to Government Code Section 54956.9(d), paragraphs (2) or (3).

At approximately 11:20 a.m., President Bennett called the closed session to order.

At approximately 11:40 a.m., President Bennett adjourned the closed session.

CLOSED SESSION REPORT


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

FUTURE MEETING DATES

A special meeting of the Board was scheduled for July 16th at 9:00 a.m. The next regular meeting of the Board was scheduled for July 13, 2021, at 9:00 a.m.

ADJOURNMENT

With no further business on the agenda, President Bennett adjourned the meeting at 11:40 a.m.



JOHN BENNETT, President



MIKE STEARNS, Secretary