

PANOCHE WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING
September 8, 2026 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. BOARD TO REVIEW AND CONSIDER APPROVING AUGUST 11, 2026, REGULAR BOARD MEETING MINUTES (Reyes)**
- 6. REVIEW OF DISTRICT INVESTMENT POLICY AND CONSIDERATION OF AN AGREEMENT WITH DECORUM WEALTH MANAGEMENT FOR INVESTMENT MANAGEMENT SERVICES (McGowan, Macha, Curiel)**

- 7. BOARD TO REVIEW AND CONSIDER APPROVING DELDON'S REQUEST TO TRANSFER WATER TO PACHECO WD (McGowan/Reyes)**
- 8. BOARD TO REVIEW AND CONSIDER APPROVING BETHEL'S REQUEST TO TRANSFER WATER TO PACHECO WD (McGowan, Reyes)**
- 9. REVIEW AND CONSIDER APPROVAL OF DRAFT CONSERVED WATER TRANSFER AGREEMENT WITH TRIANGLE T WATER DISTRICT (McGowan)**
- 10. REVIEW AND CONSIDER APPROVAL OF DRAFT EAST SIDE WATER TRANSFER AGREEMENT WITH TRIANGLE T WATER DISTRICT (McGowan)**
- 11. BOARD TO REVIEW AND CONSIDER ADOPTION OF RESOLUTION 862-26 CERTIFYING A NO-CONTEST IN THE 2026 GENERAL ELECTION AND REQUESTING THE FRESNO COUNTY BOARD OF SUPERVISORS TO APPOINT THOSE CANDIDATES WHO FILED DECLARATIONS OF CANDIDACY (McGowan, Williams)**
- 12. REVIEW AND CONSIDER APPROVAL OF AMMENDED LINNEMAN SOLAR PROJECT LEASE AGREEMENT (McGowan)**
- 13. FINANCIAL REPORTS (Brazil)**
 - A. Accounts Payable
 - B. Monthly Financials
 - C. FYE 2024 Budget-to-Actual Report
 - D. Other financial matters affecting the District

REPORT ITEMS

- 14. DIVISION REPORTS**
 - A. Water Supply Update (Reyes)
 - B. Operations & Maintenance (Carlucci)
 - C. Ethics, Compliance, and Risk Management Update (Marquez)
 - I. Update on Forefront Solar Project
 - II. Update on USBR Water Smart Grant Project for Contour Canal and Expenses
 - D. Human Resources Update (Brazil)
 - E. Other Matters
- 15. BOARD TO RECEIVE UPDATES ON CROP REPORT/MAP AND WATER BUDGET (Cadena)**
- 16. BOARD TO RECEIVE AN UPDATE ON CONTOUR CANAL BUDGET-RELATED QUESTIONS (Smith)**
- 17. BOARD TO RECEIVE UPDATES FROM STAFF ON VARIOUS MATTERS AFFECTING THE DISTRICT (McGowan)**
- 18. GENERAL MANAGER'S REPORT (McGowan)**
 - A. SGMA
 - I. GSP Public Comments

- II. Groundwater Level Exceedances
- B. Domestic Water Treatment Plant Update
- C. Yuba Water
- D. Water Supply, Storage, and Conveyance Discussions
- E. Fresno County

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

20. 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)

21. 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
Unrepresented
Employees: District Staff
Employee Organization: International Brotherhood of Electrical Workers

REPORT FROM CLOSED SESSION

22. FUTURE MEETING DATES

A. Next Regular meeting date: October 13, 2026.

23. ADJOURNMENT

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

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

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

**PANOCHÉ WATER DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING MINUTES
August 11, 2026**

A regular meeting of the Board of Directors was held on August 11th, 2026, starting at 9:30 am. Those present at the meeting were:

Directors: Aaron Barcellos, President
Neill Callis, Director
Wayne Western, Director

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

Others: Ajay Chopra, USC Farms, LLC
Emily McCoy, Grassland Basin Authority
Phil Williams, Legal Counsel

CALL TO ORDER

President Barcellos called the meeting to order at 9:20 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

BOARD TO REVIEW AND CONSIDER APPROVING JULY 14, 2026, REGULAR BOARD MEETING MINUTES

Upon a motion by Director Callis and seconded by Director Western, the Board approved the July 14, 2026, regular board meeting minutes as presented.

The vote on the motion was as follows:

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

BOARD TO REVIEW AND CONSIDER APPROVING GARGIULO'S REQUEST TO TRANSFER WATER TO WESTLANDS WD

General Manager Patrick McGowan reported that the District had received a hardship request from Mr. Terry Doyle representing Gargiulo Farms to transfer a portion of his CVP Water to Westlands Water District (WWD). GM McGowan explained that the proposed transfer poses no detriment to the District and recommended approval of Mr. Doyle's request.

After discussion by the Board and upon a motion by Director Western and seconded by Director Callis, the Board approved Gargiulo's request to transfer water to Westlands WD.

The vote on the motion was as follows:

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

BOARD TO REVIEW AND CONSIDER ADOPTING RESOLUTION # 861-26 CALLING FOR A GENERAL ELECTION ON NOVEMBER 3, 2026, OF REPRESENTATIVES TO SERVE ON THE DISTRICT'S BOARD OF DIRECTORS

Legal Counsel Phil Williams reported that Resolution # 861-26 was ratifying the decision to hold and conduct the election on November 3, 2026. Mr. Williams explained that the ballots have all been mailed and that the window for any forms for declarations of candidacy needed to be submitted by this past Friday at 4 pm, noting that the only forms received were from the incumbents.

After discussion by the Board and upon a motion by Director Callis and seconded by Director Western, the Board adopting Resolution # 861-26 calling for a General Election.

The vote on the motion was as follows:

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

BOARD TO REVIEW AND CONSIDER PROPOSED AMENDMENTS TO THE INVESTMENT POLICY

General Manager Patrick McGowan presented the Board with the District's Investment Policy for an annual review as required. GM McGowan recommended an investment strategy with U.S. Bank who is currently offering a Platinum Business Money Market account paying up to 4.15% on qualifying balances. The proposed rate represents approximately a .30% increase over our current money market rate. After discussion by the Board, the direction was given to maximize the amount of interest the District could earn and to speak with a financial advisor to maximize our earnings overall.

FINANCIAL REPORTS

- A. Accounts Payable**
- B. Monthly Financials**
- C. FYE 2025 Budget-to-Actual Report**
- D. Other Financial Matters Affecting the District**

After discussion by the Board and upon a motion by Director Callis and seconded by Director Western, the board approved the financial reports as presented by Accounting Supervisor Mrs. Brazil.

The vote on the motion was as follows:

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

DIVISION REPORTS

A. Water Master Sandra Reyes gave the Water Supply Update as of August 1, 2026:

San Luis Reservoir Total Storage:	<u>1,141,907 AF</u>
San Luis Reservoir Federal Storage:	<u>391,780 AF</u>

San Luis Reservoir % of Total Capacity	<u>56%</u>	(100% = 2,041,000 AF)
San Luis Reservoir Federal % Share	<u>35%</u>	

Average 876,375 AF – As of Aug 1 – Overall at 130% of average

Panoche Update as of August 1, 2026:

USBR 2026 Water Balance:	<u>19,802 AF</u>	(25%)
USBR Resch. Water Balance	<u>0 AF</u>	
July, 2026 Grower Deliveries:	<u>10,292 AF</u>	
Total Deliveries to date (Mar-Jul):	<u>36,486 AF</u>	

The water figures do not include the Drought Pool of 2,202 AF, or the banked water of 1,500 AF.

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

- The June O&M billings, Interest billings, and M&I Water billings were completed and mailed out.
- July's Water Usage, Interest, and M&I Billings will go out on 8/14/2026.
- Worked with CCID/FCWD to color SJRECWA transfers, colored all other water, and will report July's Water, M&I, and Transfer Usage for PWD for the DMC and SLC to SJRECWA/SLDMWA/USBR/DWR.
- Will finalize the Water Payment Summaries for the DMC & SLC to the USBR & SLDMWA for July.
- Finalized the PDD and PWD Board Meeting Minutes for last month's meetings.
- Reconciled all the bank statements and Fresno County Fund for the month of July and posted any interest in the GL for all Districts.
- Processed the Board Meeting AR Reports for PDD & PWD
- Reached out to growers regarding their delinquencies for both PDD & PWD
- Verified USBR BORWORKS Delivery & Charges Reports for the DMC/SLC for June.
- Still working on a project for Juan of the overall District map APN's and ownership / researching and updating to current / Currently on Division I out of V. (Juan has completed Sections 3, 4, and 5 already).
- Updated the Water Forecast spreadsheet as of 8/1/26 for the board meeting.
- Billed an additional 500 AF of Supplemental Water sold July (Total of \$ 250,000).
- Processed the water transfer paperwork for Gargiulo and the add'l transfer for Marv Coit & coordinated those with Jose at Westlands WD and the USBR.
- Allocated all transfer in water and well water pumped to growers water accounts prior to billing.
- Started a "No Delivery Water List" for the canalmen letting them know who is low on water, or no longer has water to accept water orders / Working with growers on the list to bring them current / Also notes delinquencies, if any.
- Attended a USBR Teams Meeting on the WINN Act Credit.
- Worked with Patrick to get the YUBA Warren Act Contract in place with the USBR/ as well as the Power Letter of Agreement.

Ms. Reyes presented the Board with the District's Water Accounting Spreadsheet for July for WY 26-27, a graph of the current reservoir conditions, as well as graphs specific to the San Luis Reservoir, and a Water Forecast as of 8/1/26 spreadsheet. Water Resources Manager Juan Cadena presented the board with a total water delivery graph for the month of July, as well as water quality graphs for the District.

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

- General Maintenance.
- Staff made a trash rack for Russell turnout. (13E)
- Staff made repairs to T-2 discharge pipe. (Pump #2).
- Staff repaired concrete bowl on Russell Ave. & Shields Ave. (500W)
- Contour Canal Project – Just waiting for wintertime to install gates, once we can dewater the canal.
- Weed Control – Staff sprayed PWD main canal, T-Canal, 10E-2 ditch, and 11E. Canal treatments at Russell Lift, T-Canal, Russell Turnout, and 11-E turnout.
- Water Treatment Plant – No activity to report.
- Pacheco WD – Staff sprayed weeds at main lift canal and did a canal treatment on Lateral #6.
- GBA - No Activity to report.
- Preventative Pump Maintenance Plan. (work in progress)
- AgMonitor – The project is to improve visibility and management of water deliveries from the Delta-Mendota canal by measuring real-time flow at the inlet point into the Panoche conveyance system. The first phase of the project at Station 1 inlet consists of three lift pumps, each equipped with a digital flow meter. The objective is to collect and transmit real-time flow data from each meter to enable water and energy optimization across Panoche WD operations.

Mr. Carlucci reported to the board that the experience with AGMonitor has been great and we are currently sharing AGMonitor with Pacheco WD.

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

- I. Update on Forefront Solar Project
- II. Update on USBR Water Smart Grant Project for Contour Canal and Expenses

Ethics and Compliance:

- No calls were reported to the Hotline for the month of July.
- Conducted bloodborne pathogens training.
- Attended Ethico Training: DOJ Insider Perspective on the Current Regulatory Landscape.

Risk Management:

- Safety Compliance Company conducted safety training on Evacuation Plan and Asbestos.

Contract Administration:

- Contour Canal – Payment Request submitted to USBR and received \$ 1,660,275.
- PWD – Fresno County Assessments submitted, Merced County to follow.
- PDD – Fresno County Assessments submitted, Merced County to follow.
- Prop 84 – Engineer Chris Linneman has met with Charlie to discuss commencing work.

IFB for Midsize Truck: Mr. Marquez reported that a bid was put out for proposal of a mid-size Truck and we received three bid submittals. Lithia Ford, Future Ford, and Price Ford were the three companies that submitted a quote. After reviewing, staff recommended Price Ford.

Mr. Marquez also reported that he attended a Grants webinar at the SLDMWA's office and had a meeting with Maintenance Supervisor Carlucci and Water Resources Manager Cadena to discuss some projects that may be ready for any funds available.

- D. **Accounting Supervisor Marlene Brazil, in the absence of Human Resources Diana Moses, reported on the following risk management and human resources activities that occurred in July:**

Workers' Compensation Update: No Changes

Currently there are two active open workers' compensation claim:

- The employees' claim has been resolved with 0% permanent disability: however, the employee does have future medical. According to the labor code, the claim will remain open for 2 years from the last treatment, which was on 1/20/25, and can be closed as of 1/20/2027.

Employee Anniversaries:

- Jose Pimentel: 7 years. Jose was hired on July 22, 2019.

- E. **Other Matters:** GM McGowan noted that there were no other matters to discuss.

BOARD TO RECEIVE UPDATES ON CROP REPORT/MAP AND WATER BUDGET

Water Resources Manager Juan Cadena reported that he and Engineer Chris Linneman are waiting on some information from growers and would have the map updated as soon as possible.

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

General Manager Patrick McGowan reported on various items that had been completed, or were ongoing, on the Action Items List presented – dated July 14th, 2026, and answered any questions that the Board had.

GENERAL MANAGER'S REPORT

GM McGowan gave the following manager update for the month of July.

A. SGMA:

I. Delta-Mendota Subbasin JPA:

GM McGowan reported that the Delta-Mendota Subbasin JPA meeting was recently held and much of the discussion revolved around exceedances within our Subbasin. Mr. McGowan also reported that he has contacted all our growers within the exceedance Zone of Impact and had discussions implementing our pumping reduction plan.

II. Central Delta Mendota GSA:

GM McGowan reported that the CDMGSA discussions centered on overdraft protections moving forward, as well as the compliance side of our GSA. Panoche Water District is fully compliant and following all three of the adopted CDMGSA SGMA policies. The 2nd cash call was made for CDMGSA. Currently, the 2nd Installments will be handled on a 1/12th share basis. By 2027, it is expected to move to volumetric pumping fee schedule.

(a) CASP Program Update:

GM McGowan reported that a meeting was held for the California Aqueduct Subsidence Program. The purpose of the meeting was to educate the group on the specifics of our GSP and hopefully soften the tone of their public comments that are due on 8/15/26.

- B. Domestic Water Treatment Plant PER Update:** GM McGowan reported that Black Water Consulting Engineers has provided an update on Panoche Water District's Expedited Drinking Water Grant application. McGowan noted that he had created a checklist to ensure that the various tasks and documents are prioritized accordingly. Staff will continue coordinating with Black Water Consulting to ensure timely responses to future State requests and to position the District for successful execution of the Funding agreement.

- C. M & I Water Application Update:** GM McGowan reported that to date staff has worked with legal counsel to develop draft terms and conditions, and potable & agriculturally related M&I

water applications. Our next steps involve meeting with neighboring water districts to better understand how they have developed and maximized their M&I water program, as well as consulting with USBR staff to better understand their M&I water shortage policy and current USBR policies.

- D. Brackish Well Water Recovery Program:** GM McGowan reported that GBA and PWD have worked well on maximizing this water source while maintaining water quality standards.
- E. Forefront Power Update:** GM McGowan reported the Linneman Lot Solar Project PPA Rate will be \$ 0.1676/kWh. The Office lot Project is \$ 0.1242/kWh. The rate incorporates the PG&E interconnection costs, as well as the \$ 65,424.11 contractor change order. Forefront advised that Permission to Operate will be requested for the Office Lot Project once both Change Acknowledgements are executed. Construction is scheduled to begin on the Linneman Office Lot in mid-September.
- F. Water Supply, Storage, and Conveyance Discussions:** GM McGowan gave an update on the Central Valley Project Operations that included current reservoir conditions, as well as primary factors limiting additional allocations. GM McGowan did note that improvements in the Delta salinity have allowed Jones Pumping Plant exports to increase and that the San Luis Reservoir continues to hold above-average federal storage.

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

No other items.

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

At 11:02 am, the Board met in Closed Session to have discussions with legal counsel related to anticipated litigation. At 11:11 am, Mr. Williams reported that no reportable actions were taken in Closed Session.

PANOCHE WATER DISTRICT CLOSED SESSION:

At 11:21 am, the Board met in closed session to have discussions with legal counsel related to anticipated and existing litigation. At 12:02 pm, Mr. Williams reported that no reportable actions were taken in Closed session.

FUTURE MEETING DATES

- A. Next Regular Board Meeting Date: September 8th, 2026, at 9:30 am.

ADJOURNMENT

With no further business, President Barcellos adjourned the meeting at 12:04 pm.

Aaron Barcellos, President

Steve Fausone, Secretary



PANOCHÉ WATER DISTRICT

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

BOARD MEETING MEMORANDUM

TO: PANOCHÉ WATER DISTRICT BOARD OF DIRECTORS

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: INVESTMENT POLICY REVIEW AND PRESENTATION FROM
DECORUM WEALTH MANAGEMENT FOR INVESTMENT
MANAGEMENT SERVICES

DATE: SEPTEMBER 8, 2026

Background

At the August 11, 2026, Board meeting, the Board reviewed the District's Investment Policy and discussed opportunities to increase earnings on the District's substantial reserve and idle cash balances. At that time, staff reported approximately \$24.9 million in total cash and investments, with most of those funds earning approximately 3.85%. The Board directed staff to continue evaluating opportunities to maximize earnings while maintaining the District's required priorities of safety and liquidity.

Investment Policy Framework

The District's Investment Policy is intended to provide for the prudent investment of temporarily idle cash, trust funds, and restricted monies and to maximize the efficiency of the District's cash management system. The policy establishes investment priorities, in order, Safety, Liquidity, and Yield. It further directs that District funds be invested to the fullest extent possible and at the highest prudent yield consistent with those priorities and applicable law.

Decorum Wealth Management

Consistent with the Board's direction, staff requested information and a proposal for investment management services from Decorum Wealth Management. Decorum is a Merced-based financial management firm providing financial planning, investment management, retirement plan consulting, and related advisory services. Decorum's securities and advisory services are offered through LPL Financial, a registered investment advisor and FINRA/SIPC member.

Staff also understand that Decorum currently works with other irrigation and water districts. That public-agency experience is particularly relevant to Panoche's objective of improving returns on reserves while preserving the safety, liquidity, oversight, and statutory compliance required of District funds.

Potential Investment Approach

The purpose of engaging with Decorum would assist the District in evaluating and actively managing eligible reserve balances within the District's adopted Investment Policy and California Government Code.

Decorum's materials identify cash and cash alternatives, Treasury Bills, certificates of deposit, bonds, and other investment products among the investment categories it works with. For Panoche, any strategy would be limited to investments authorized by District policy and applicable law. The District's current policy authorizes, among other instruments, LAIF, U.S. Treasury obligations, certain state and local agency obligations, and qualifying banking institutions.

Potential Benefit to the District

A professional investment manager may also provide value by continually monitoring available rates, maturities, liquidity needs, and authorized investment alternatives rather than relying primarily on a single money market account or institution.

Recommendation

Receive and review Decorum Wealth Management's proposal for investment management services and authorize staff to continue discussions and due diligence regarding a potential engagement. Staff recommend that any final agreement be brought back to the Board for approval after confirming the proposed fee structure, investment strategy, custody arrangements, reporting requirements, and full compliance with the District's Investment Policy and applicable California Government Code.

PANOCHÉ WATER DISTRICT

STATEMENT OF INVESTMENT POLICY

Purpose: This statement is to provide a guideline for the prudent investment of temporarily idle cash, trust funds and restricted monies in the District's possession and to outline a policy for maximizing the efficiency of its cash management system.

Objective: The cash management system of the Panoche Water District will be maintained to accurately monitor and forecast expenditures and revenues, thus assuring the investment of monies to the fullest extent consistent with safety and liquidity. Funds will be invested in such a manner which will provide the highest interest yield within the confines of this policy and legal statutes consistent with safety and liquidity.

Policy: This policy applies only to idle funds in the District's possession or immediate control. "Idle funds" means funds the use of which is not required to meet the demands of cash flow for the succeeding month and all trust funds held by the District, including bond security funds which are unnecessary to make debt service payments within the next six months. Investments will be made under the terms and conditions of Sections 53600 through 53683 and Sections 16429.1 through 16429.3 of the Government Code. The criteria for selecting investments and the absolute order of priority in making investments are:

1. Safety
2. Liquidity
3. Yield

Except for deferred compensation invested pursuant to Government Code Section 53609, the following instruments are authorized for investment of District funds:

- 1) To the extent permitted by law and as conditions dictate, in the State of California Local Agency Investment Fund (LAIF) in accordance with Section 16429.1 of the Government Code;
- 2) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest;
- 3) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency or authority of the state.
- 4) Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the local agency, or by a department, board, agency or authority of the local agency;

- 5) To the extent otherwise permitted by law and as conditions dictate, in a bank or other institution;
- 6) To the extent permitted or required by law, the District may use general funds to advance or pay amounts due from one or more of the District's managed districts. While the District does not consider such advances or payments to be investments for purposes of this policy, the District will nevertheless make such advances or payments only to the extent they are consistent with the overall policy articulated herein and provide the District with an appropriate level of safety, liquidity and yield consistent with investments made pursuant to this policy.

Where the policy does not specify a limitation on the term or remaining maturity at the time of investment, no investment shall be made in any security that at the time of the investment has a term remaining to maturity in excess of five years, unless the Board has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board no less than three months prior to the investment.

The Treasurer shall annually review the investment policy and provide the Board of Directors with any recommendations for any changes or updates. The Treasurer shall render the report to the Board of Directors showing all investments as set forth in Section 53646(b) of the Government Code, on at least a quarterly basis. Such report, insofar as it is required by law, shall include:

- 1) For all securities, investments and moneys held by the District for each of the following: (a) the type of investment, (b) issuer, (c) date of maturity par and (d) dollar amount invested.
- 2) A description of any of the District's funds, investments or programs that are under the management of contracted parties, including lending programs.
- 3) A statement of the extent to which the District's investments are or may be out of compliance with this policy.
- 4) The report shall include a statement denoting the ability of the District to meet its cash demands for the next six months or shall provide an explanation as to why sufficient cash shall, or may, not be available.

To the extent all of the District's surplus or idle funds are invested in LAIF, or a bank or savings and loan association account insured by FDIC, or some combination thereof, the report may consist of the last statement from the institutions holding the funds plus each of the items set forth in paragraphs 2, 3 and 4 above.

This investment policy will remain in effect until rescinded or modified by the Board of Directors, but shall be reviewed annually insofar as such a review is required by law.



Respect for doing things *right*.



At Decorum Wealth Management, we believe financial guidance should be thoughtful, personal, and rooted in values. Whether you're building your future, navigating change, or planning your legacy, we're here to help you move forward with clarity and confidence.

WELCOME & MISSION

*Committed to Your Future—**And Your Values***

At Decorum Wealth Management, we believe financial guidance should be built on trust, transparency, and long-term relationships.

Our mission is to help individuals, families, and business owners navigate financial complexity with clarity and confidence.

We proudly serve Merced and the surrounding communities with a values-driven approach that puts your goals first.



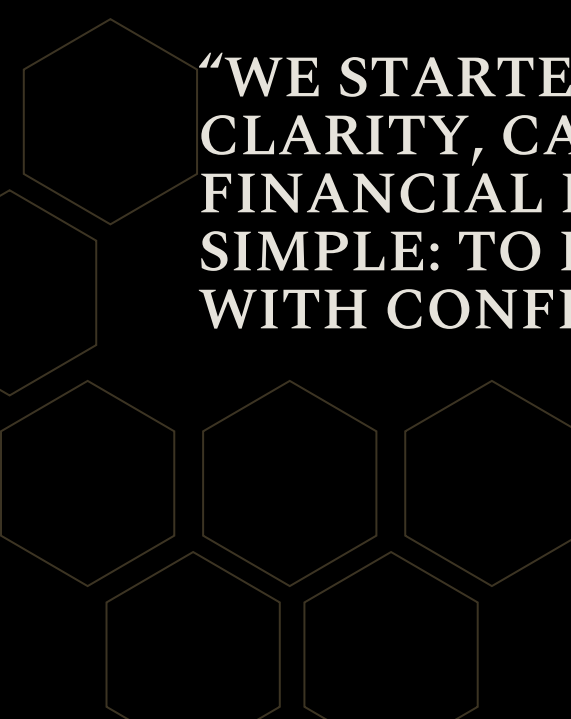


OUR CLIENTS

Personalized Planning for Life's Milestones

We serve individuals, families, and business owners who value thoughtful guidance and long-term relationships. Our clients are hardworking, humble, and intentional—people who care deeply about doing things right, not just fast.

We're proud to serve the Merced community and the broader San Joaquin Valley, offering steady support through every season of life. If you're looking for a financial partner who respects your story and puts your best interests first, we'd be honored to walk alongside you.



"WE STARTED DECORUM TO BRING CLARITY, CARE, AND INTEGRITY TO FINANCIAL PLANNING. OUR GOAL IS SIMPLE: TO HELP YOU MOVE FORWARD WITH CONFIDENCE."

-The Decorum Wealth Management Team

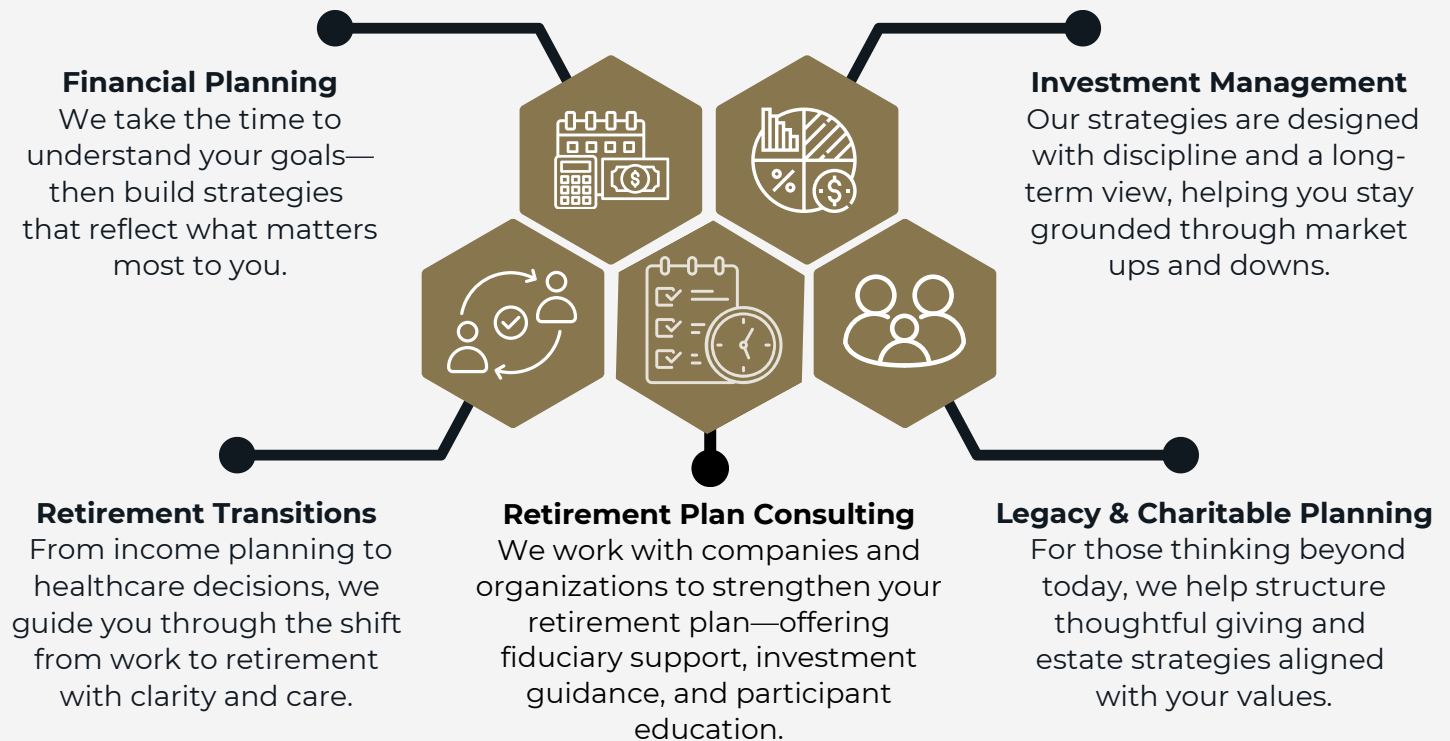
OUR SERVICES

Comprehensive Planning for Every Stage of Life.

We work with individuals, families, and businesses nationwide, taking a thoughtful approach to understanding each client's financial landscape, family structure, and long-term objectives. As stewards, we provide guidance grounded in responsibility, integrity, and a steady perspective—helping clients make informed decisions at every stage of life.

We offer a full suite of financial services designed to support your evolving needs:

How We Support You



OUR STRATEGIC PARTNER

Strength Behind the Service

We believe that trust is built not only through personal relationships, but also through the strength of the institutions that support us. That's why we've chosen to partner with **LPL Financial**.

LPL empowers us to serve you with independence, integrity, and clarity—free from sales quotas or proprietary product requirements. This means our advice is always tailored to your best interests, not someone else's agenda.

UNPARALLELED SUPPORT FOR YOUR FINANCIAL FUTURE



\$1.9 T

In brokerage and advisory assets serviced or custodied 1



7M

Client accounts served by LPL advisors and institutions 1



29k

LPL advisors 1



1,100

Financial institutions 2 that partner with LPL 1

**FORTUNE
500**

Company strength working for your advisor and you 4

[Learn more at LPL.com](https://lpl.com)



100%

Cyber Fraud Guarantee fully protects your assets 3



98%

Advisor retention rate, advisors value the autonomy flexibility, and support LPL provides 5



Zero

Your advisor is never pushed to sell proprietary products

1. Data as of June 30, 2025 2. 1,100 banks, credit unions and product manufacturers that partner with LPL. 3. LPL will reimburse you for 100% of realized losses in your impacted LPL accounts, which were incurred directly as a result of unauthorized access to an LPL system. 4. LPL ranked #340 on the Fortune 500 in 2025 5. Based on Q22025

Our relationship with LPL allows us to focus on what matters most—**YOU**. We care for your financial future with the same respect and responsibility we would want for our own families.



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OUR LEADERS

*The People **Behind the Planning.***

Our team is built on a foundation of shared values, mutual respect, and a deep commitment to client service.

WHY DECORUM?

A Steady Partner for Life's Financial Journey

We're not here for quick fixes—we're here for the long haul. At Decorum, we take the time to understand your story, your values, and your vision for the future. Our approach is steady, respectful, and rooted in doing things right.

Each client relationship begins with listening. We ask thoughtful questions, learn what matters most to you, and tailor our strategies to reflect your unique circumstances. Whether you're planning for retirement, growing a business, or preparing to pass on wealth to the next generation, we walk alongside you with clarity, care, and respect.

Our approach is steady and principled—we are committed to your best interests at every step. You can count on us to be a consistent, valued presence through life's transitions, challenges, and milestones.

*At Decorum, you're not just a portfolio.
You're a person with a vision—and we're here to help you bring it to life.*





Thoughtful Financial Guidance *Rooted in Integrity and Long-Term Perspective.*

368 E YOSEMITE AVE, SUITE 200 MERCED, CA 95340

DECORUMWM.COM | (209) 875-6170

THERE ARE 3 WAYS TO INVEST FOR YOUR FUTURE

1



EMPLOYER PLANS

Access through your employer

The only way you can access these plans is by working for one of these entities. You can save a vast amount of money into these plans, tax deferred, or Roth (if the option is available).



401(k)

Private Businesses



403(b)

Teachers, Hospitals, Nonprofits



457(b)

Government Employees



Save more. Grow Tax-Deferred. Prepare for Tomorrow.

2



INDIVIDUAL RETIREMENT ACCOUNT (IRA)

If you don't have an employer plan an IRA is an Individual Retirement Account. It comes in two main types:

TRADITIONAL IRA

- ✓ Money goes in Tax deferred
- ✓ You don't pay taxes now
- ✓ You pay taxes on the whole amount when you take it out

Withdrawals prior to age 59 ½ may result in a 10% IRS penalty tax in addition to current income tax.

ROTH IRA

- ✓ Money goes in after-tax (you pay taxes now)
- ✓ When you take it out, it's tax-free growth
- ✓ All the money is yours

Qualified withdrawals of earnings from the account are tax-free. Withdrawals of earnings prior to age 59 ½ or prior to the account being opened for 5 years, whichever is later, may result in a 10% IRS penalty tax. Limitations and restrictions may apply.

3



BROKERAGE ACCOUNTS

After-tax Investments

Money is invested with after-tax dollars. You can typically invest and withdraw anytime (no early withdrawal penalties). Earnings and withdrawals are taxed, but tax treatment depends on the investment.

TAX TREATMENT MAY INCLUDE:



Qualified Dividends*

Often taxed at lower long-term capital gains rates



Capital Gains*

Taxed-based on how long you hold the investment



Interest income

Generally taxed as ordinary income

WHAT CAN YOU INVEST IN?

There are 3 main types of investments we deal with:

1



CASH | Cash & Cash Alternatives

The equivalent of putting it under the mattress, but a little bit better.

- ✓ Your cash can earn interest
- ✓ Cash is safe
- ✓ Options include:



Money Market Accounts

**Insured by FDIC up to \$250,000 per depositor, per bank, per ownership category*



Treasury Bills

Guaranteed by the US government



Bank Certificates of Deposit (CDs)

CDs are FDIC insured to specific limits

2



BONDS | Debt of a Company or Municipality

You're lending money to a borrower (company or government) for a period of time

- ✓ You earn interest payments
- ✓ Get your principal back at maturity
- ✓ Municipal bonds (government bonds) may offer tax-free income at the federal level (and sometimes state level)

Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise. Bonds are subject to availability, change in price, call features and credit risk



Think of it like lending money to a friend - they pay you interest and return your principal at the end.

3



STOCKS | Equity - Ownership in a Company

You are part owner of the company

- ✓ You hope the company grows and the stock price appreciates
- ✓ Potential for higher returns over the long term
- ✓ You can buy and sell stocks providing flexibility and liquidity



Own a piece of the future. Growth happens when great companies succeed.

Stock investing includes risks, including fluctuating prices and loss of principal.



Save Consistently
Make saving a habit and pay yourself first.



Invest Wisely
Align investments with your goals, time horizon, and risk tolerance.



Think Long Term
Time in the market has historically been the greatest driver of wealth.



Manage Risk
Diversify your investments and review regularly.



Manage Wealth
Stay disciplined. Your future self will thank you.

Respect for doing things *right*.

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Securities and advisory services offered through LPL Financial, a registered investment advisor. Member FINRA/SIPC.

All investing involves risk including loss of principal. No strategy, asset class or investment can guarantee a profit or protect against loss. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.

PANOCHÉ WATER DISTRICT

52027 West Althea Ave., Firebaugh, CA 93622 – (209) 364-6136 – panochewd.specialdistrict.org



MEMORANDUM

TO: PANOCHÉ WATER DISTRICT BOARD OF DIRECTORS

FROM: Sandra Reyes, Water Master

SUBJECT: Request to Transfer Water from LAT Farming Trust

DATE: September 8, 2026

I received a phone call from Jennifer Cozart asking for Lee DeIDon to transfer 150 AF of his 719 AF USBR Allocation remaining to Pacheco WD.

LAT Farming Trust has a current Supplemental Water Balance of 2,125 AF and purchased 3,100 AF of Supplemental Water in total.

District's Recommendation:

As the proposed transfer poses no detriment to the District, we recommend approval of Mr. DeIDon's request to transfer a portion of his USBR supply.

PANOCHÉ WATER DISTRICT

52027 West Althea Ave., Firebaugh, CA 93622 – (209) 364-6136 – panochewd.specialdistrict.org



MEMORANDUM

TO: PANOCHÉ WATER DISTRICT BOARD OF DIRECTORS

FROM: Sandra Reyes, Water Master

SUBJECT: Request to Transfer Water from Kenneth Bethel 2015 Trust

DATE: September 8, 2026

I received a phone call from Lance LeVake asking to transfer 150 AF of his 279 AF USBR Allocation remaining to Pacheco WD. This would result in a balance remaining of 129 AF in his Panoche account.

In looking at his deliveries for last year, Bethel used a total of 62 AF from August, 2025 thru February, 2026. The remaining balance would be more than enough to cover his use assuming his deliveries are similiar to last years.

District's Recommendation:

As the proposed transfer poses no detriment to the District, we recommend approval of Mr. LeVake's request to transfer a portion of his USBR supply.

PANOCHÉ WATER DISTRICT

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



BOARD MEETING MEMORANDUM

TO: PANOCHÉ WATER DISTRICT BOARD OF DIRECTORS

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: EXCHANGE CONTRACTOR CONSERVED WATER-TRIANGLE T
DRAFT WATER TRANSFER AGREEMENT

DATE: SEPTEMBER 8, 2026

BACKGROUND

Panoche Water District has surplus water available for transfer that it purchased from the San Joaquin River Exchange Contractors Water Authority. Triangle T is seeking transfer water for agricultural use during calendar year 2026. The draft Agreement states that Triangle T lies within the geographic area analyzed and approved for conserved water transfers under the Exchange Contractors' 2014–2038 Long-Term EIR/EIS. Accordingly, the proposed Panoche-to-Triangle T transfer is intended to proceed under that existing environmental framework.

KEY AGREEMENT TERMS

- **Transfer Quantity:** Panoche will make available up to 1,953 acre-feet (AF) of conserved water. Triangle T will use its best efforts to take the full quantity, but the Agreement recognizes that operational limitations on the Exchange Contractor delivery system may prevent delivery of the entire amount.
- **Transfer Price:** Triangle T will pay Panoche \$650 per AF for water delivered. At the full 1,953 AF quantity, gross transfer revenue to Panoche would be \$1,269,450.
- **Additional Costs:** Triangle T is responsible for all losses and conveyance charges, applicable Reclamation facility/service charges, CCID and CCC wheeling charges, San Luis & Delta-Mendota Water Authority transportation costs, and conveyance or pumping required beyond the designated points of delivery.
- **Delivery Schedule:** Deliveries will be based on a written schedule and water orders provided by Triangle T. Panoche will use best efforts to meet the schedule. The draft specifically identifies real-time delivery constraints on CCID's Poso Canal as the circumstance that may require schedule adjustments.

- **Points of Delivery:** The identified delivery points are Mile Post 15.004 in CCID's Poso Canal system and turnouts TT1 and TT2 in the CCC Columbia Canal system.
- **Reclamation Approval:** The transfer is expressly conditioned on written approval by the U.S. Bureau of Reclamation. Panoche will pay Reclamation's administrative costs to process the transfer application. If Reclamation denies the transfer, the Agreement terminates without liability between the parties.
- **Term:** The Agreement begins on its Effective Date and terminates December 31, 2026, unless terminated earlier under its terms.

FINANCIAL CONSIDERATIONS

Panoche's revenue is based on the quantity delivered at \$650/AF. The maximum gross revenue is \$1,269,450 if all 1,953 AF is delivered. The draft does not establish a minimum purchase quantity; rather, Triangle T is required to use its best efforts to take the full amount, with recognition that system operational limitations may reduce actual deliveries. Panoche is responsible for Reclamation's transfer-application administrative costs, while the Agreement assigns the principal conveyance, wheeling, pumping, facility-service, and water-loss costs to Triangle T.

STAFF RECOMMENDATION

Staff recommend that the Board approve the proposed 2026 Water Transfer Agreement with Triangle T Water District and authorize the General Manager to execute the Agreement and any related administrative or transfer documents necessary to complete the transaction, subject to final legal review and all required agency approvals.

WATER TRANSFER AGREEMENT

This Water Transfer Agreement ("Agreement") is made and entered into this ____ day of 2026 (Effective Date) between PANOCHE WATER DISTRICT, a California Water District (**Panoche**) and TRIANGLE T WATER DISTRICT, a California Water District (**Triangle T**). Panoche and Triangle T are collectively referred to herein as the "**Parties**" and each individually as a "**Party**."

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1. RECITALS

A. Triangle T seeks transfer water for use for agricultural purposes within its boundaries for calendar year 2026.

B. Panoche possess surplus water available for transfer that it purchased from the San Joaquin River Exchange Contractors Water Authority (**Exchange Contractors**) pursuant to a contract dated _____.

C. Together with the United States Bureau of Reclamation (**Reclamation**), the Exchange Contractors prepared the Final Environmental Impact Statement/Environmental Impact Report Dated March 1, 2013, with the Record of Decision being adopted July 30, 2013, analyzing the environmental effects of the transfer of water for refuge use, irrigation and certain specified M&I uses within a defined geographic region for the Water Transfer Program for Exchange Contractors from 2014-2038 (**Long Term EIR/EIS**).

D. The Triangle T boundaries are located within the geographic region approved for conserved water transfers pursuant to the Long-Term EIR/EIS.

E. Transfer of surplus water Panoche holds from the Exchange Contractors to Triangle T would fall under the Long Term EIR/ EIS.

IN WITNESS of the foregoing Recitals and in accordance with the following terms and conditions, the parties agree as follows:

2. **TERM.** The term of this Agreement shall commence on the Effective Date and shall terminate on December 31, 2026 or upon any earlier termination provided hereunder ("**Term**").

3. WATER TO BE TRANSFERRED.

A. Amount. During the Term, and subject to the terms of this Agreement, Panoche shall make available for transfer to Triangle T for purchase a maximum of one thousand nine hundred fifty-three (1,953) acre feet of water ("**Transfer Water**").

B. Obligation to Purchase. As of the Effective Date, Triangle T will use its best efforts to take the full quantity of Transfer Water, but may not be able to take the full amount during the Term due to operation limitations on the Exchange Contractor delivery system.

Commented [PM1]: I would like to set a minimum amount.

Water Transfer Agreement

C. Re-transfer by Triangle T. All water delivered to Triangle T is solely for use within its service boundary. Triangle T shall not transfer or deliver Transfer Water outside of its service boundary, nor sell Transfer Water to any entity at a price exceeding the Transfer Price set forth herein without the Exchange Contractors written consent.

4. PRICE AND PAYMENT.

A. Price. Triangle T shall pay directly to Panoche Six Hundred Fifty Dollars (\$650.00) for each acre foot of Transfer Water delivered to Triangle T. All losses and conveyance charges will be borne by Triangle T.

B. USBR Facilities Charges. In addition to the price per acre foot, Triangle T shall pay directly to Reclamation the applicable water rate(s) for any facilities charges required to effectuate the transfer.

C. Water Rates. Triangle T shall pay directly to Reclamation the applicable water rate(s) for any additional facility services required to effectuate the transfer. Such payment shall be made to Reclamation prior to any Transfer Water being delivered.

D. Invoices and Payment. Exchange Contractors shall invoice Triangle T after the last day of each month in which Transfer Water has been delivered to Triangle T. Payment for all Transfer Water delivered during such month shall be paid within thirty (30) days upon receipt of the invoice.

5. **SCHEDULE.** Panoche agrees to deliver the Transfer Water to Triangle T based on a written delivery schedule provided by Triangle T to Panoche (**Schedule**), and based on orders from Triangle T to Panoche operations staff. Panoche shall use its best efforts to provide Transfer Water in accordance with the Schedule. Triangle T understands that the only reason that the Schedule may need to be adjusted would be a real time delivery constraint on CCID's Poso Canal.

6. **BUREAU APPROVAL.** Triangle T recognizes that the transfer contemplated in this Agreement is subject to written approval by Reclamation. Panoche shall pay directly to Reclamation the administrative costs incurred by Reclamation to process the transfer applications referred to in this Article. If Reclamation denies approval of the transfer, Panoche shall provide prompt written notice to Triangle T, neither party shall be liable to the other, and this Agreement shall automatically terminate. If Reclamation imposes conditions on the transfer not contemplated by this Agreement, Triangle T shall have thirty (30) days after receipt of written notice of such conditions to consider whether the conditions are acceptable. If Triangle T finds the conditions unacceptable, Triangle T may terminate this Agreement upon written notice to Panoche without incurring any further obligation to Panoche, and this Agreement shall automatically terminate. If Triangle T does not exercise its option to terminate within thirty (30) days of notice of conditions

Commented [PM2]: Can I get some help on the associated expense involved here?

of approval, this Agreement shall remain in effect, and the parties shall be bound by the conditions of approval.

7. **POINT OF DELIVERY.** The Points of Delivery for all Transfer Water are Mile Post 15.004 in the CCID Poso Canal system, and; turnouts TT1 and TT2 in the CCC Columbia Canal system. Panoche shall deliver all Transfer Water to the Points of Delivery. Triangle T shall pay CCID and CCC directly the applicable rate(s) associated with wheeling the Transfer Water through their respective systems. Triangle T shall pay directly to the San Luis Delta Mendota Water Authority all costs associated with transporting Transfer Water to the Points of Delivery, including without limitation, operation and maintenance, reserve and conveyance pumping charges. Triangle T shall be responsible to provide and pay for all arrangements for the conveyance and pumping required to deliver or use Transfer Water beyond the Points of Delivery.

8. **MISCELLANEOUS.**

A. Water Quality. Panoche is not responsible for the quality of water transferred and Panoche does not warrant its quality.

B. Water Rights Not Transferred. Nothing in this Agreement is intended to nor shall confer any appropriative, public trust or other right to water on any person or entity. The only rights granted to the parties as a result of this Agreement are those expressly set forth herein.

C. Permits and Approvals for Triangle T's Receipt and Use of Transfer Water. Triangle T shall be responsible, at its sole expense, to request, receive, and maintain all required permits and authorizations which may be necessary for it to receive and utilize Transfer Water.

D. General Indemnity. Each party agrees to protect, defend, indemnify and hold harmless the other party, its officers, directors, agents, servants, employees and consultants from and against any and all losses, claims, liens, demands and causes of action of every kind or character without limitation occurring on or in any way incidental to or arising directly or indirectly out of the performance or non-performance of the indemnifying party.

E. Governing Law. This Agreement will be interpreted and enforced pursuant to the laws of the State of California.

F. Entire Agreement. This Agreement contains the entire understanding between the parties relating to their interests, obligations and rights connected with the subject matters set forth herein. All prior communications, negotiations, stipulations or understandings, whether oral or in writing, are superseded by this Agreement. This Agreement may be modified only by a written instrument executed by both parties.

G. Waiver. The waiver or failure to declare a breach as a result of a violation of any terms of this Agreement shall not constitute a waiver of that term or condition and shall not provide the basis for a claim of estoppel, forgiveness or waiver by any party of that term or condition.

H. Notices. Any notice or communication required or permitted hereunder shall be in writing and shall be delivered personally, delivered by nationally recognized overnight courier service or sent by certified or registered mail, postage prepaid, or (if an email address is provided) sent by electronic transmission (subject to confirmation of such transmission). Any such notice or communication shall be deemed to have been given (i) when delivered, if personally delivered, (ii) one (1) Business Days after it is deposited with a nationally recognized overnight courier service, if sent by nationally recognized overnight courier service, (iii) the day of sending, if sent by email prior to 5:00 p.m. (PT) on any Business Day or the next succeeding Business Day if sent by email after 5:00 p.m. (PT) on any Business Day or on any day other than a Business Day or (iv) five (5) Business Days after the date of mailing, if mailed by certified or registered mail, postage prepaid, in each case, to the following address or email address, or to such other address or addresses or facsimile number or numbers as such party may subsequently designate to the other parties by notice given hereunder:

TO PANOCHE: Panoche Water District
Attention: General Manager
52027 W Althea Avenue
Firebaugh, CA 93622
Phone: 209.364.6136
Email: pmcgowan@panochewd.org

TO TRIANGLE T: Triangle T Water District
Attention: General Manager
4400 Hays Drive
Chowchilla, CA 93610
Phone: 209.704.5105
Email: hurleychase1927@yahoo.com

As used herein, “**Business Day**” means any day other than a Saturday, Sunday, or any other day on which banking institutions in the State of California are authorized by law or executive action to close.

IN WITNESS WHEREOF, the parties have executed this Water Transfer Agreement.

PANOCHE WATER DISTRICT

By: _____
General Manager

TRIANGLE T WATER DISTRICT

Water Transfer Agreement

By: _____
General Manager

Water Transfer Agreement
5

PANOCHÉ WATER DISTRICT

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



BOARD MEETING MEMORANDUM

TO: PANOCHÉ WATER DISTRICT BOARD OF DIRECTORS

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: TRIANGLE T DRAFT WATER TRANSFER AGREEMENT

DATE: SEPTEMBER 8, 2026

BACKGROUND

Panoche Water District (PWD) currently receives conserved water through the existing water transfer and exchange arrangement among East Side Canal & Irrigation Company (ESCC), San Luis Canal Company (SLCC), and PWD. Under that agreement, ESCC may transfer up to 5,000 AF per year to SLCC, and SLCC makes an equivalent volume of Central Valley Project water available to PWD for exchange. The existing agreement remains in effect through December 31, 2027.

Staff has been coordinating a proposed transaction with Triangle T Water District (TTWD) under which PWD would transfer 800 AF of water to TTWD. The proposed sale would allow PWD to remarket a portion of its available supply while utilizing the existing transfer/exchange framework and available conveyance facilities, subject to the required approvals and coordination. PWD will purchase 4,200 AF and TTWD will purchase the remaining 800 AF for the 2026 water year. SLCC has confirmed its support for the proposal and indicated its understanding that the parties involved in the transfer support the requested transaction.

FINANCIAL CONSIDERATIONS

At the proposed price of \$650 per AF, the 800 AF transfer would generate gross revenue of \$520,000 to PWD. This amount represents gross sale proceeds and does not account for PWD's underlying water acquisition cost, the applicable SLCC exchange fee, conveyance charges, losses, or other administrative/regulatory costs associated with completing the transaction.

BOARD ACTION

Staff recommends that the Board authorize the General Manager to finalize and execute the proposed agreement with Triangle T Water District for the transfer of up to 800 AF at a price of \$650 per AF.

WATER TRANSFER AGREEMENT

This Water Transfer Agreement ("Agreement") is made and entered into this day of MONTH 2026 (the "Effective Date") between PANOCHÉ WATER DISTRICT, a California Water District ("Panoche") and TRIANGLE T WATER DISTRICT, a California Water District ("Triangle T"). Panoche and Triangle T are collectively referred to herein as the "Parties" and each individually as a "Party."

1. RECITALS

A. Triangle T seeks transfer water for use for agricultural purposes within its boundaries for calendar year 2026.

B. Panoche possess surplus water available for transfer that it purchased from the East Side Canal & Irrigation Company ("East Side") pursuant to a contract dated April 1st, 2023, between Panoche, East Side, and San Luis Canal Company (the "East Side Transfer Agreement"). Panoche has 800 acre-feet of water available pursuant to the East Side Transfer Agreement, and the Parties desire to have that 800 acre-feet transferred to Triangle T.

C. The State Water Resources Control Board approved East Side's transfer of water to San Luis Canal Company, through which the transfer water is made available, and in doing so considered the Notice of Exemption filed which found the transfer to be categorically exempt under the Class 1 exemption for existing facilities (Cal. Code Regs., tit. 14, § 15301), Class 4 exemption for minor alterations to land (Cal. Code Regs., tit. 14, §15304), and under the common sense exemption for activities that will not have a significant effect on the environment (Cal. Code Regs., tit. 14, § 15061, subd. (b)(3)).

D. The water transferred pursuant to this Agreement must be conveyed to San Luis Canal Company via a canal located on private property owned by an entity not party to this Agreement or the East Side Transfer Agreement, and Panoche has no control over whether San Luis Canal Company or the private property owner in question will take steps to ensure the Transfer Water is delivered to Triangle T.

IN WITNESS of the foregoing Recitals and in accordance with the following terms and conditions, the parties agree as follows:

2. **TERM.** The term of this Agreement shall commence on the Effective Date and shall terminate on December 31, 2026, or upon any earlier termination provided hereunder (the "Term").

3. WATER TO BE TRANSFERRED; CONDITIONS.

A. Amount. During the Term, and subject to the terms of this Agreement, Panoche shall, to the extent it is in its control to do so, make available for transfer to Triangle T a maximum of eight hundred (800) acre feet of water (the “Transfer Water”).

B. Obligation to Purchase. As of the Effective Date, Triangle T will use its best efforts to take the full quantity of Transfer Water, but agrees to take and pay for no less than **seven hundred fifty (750) acre-feet** of the Transfer Water.

Commented [PW1]: Patrick, you had included a comment saying you'd like a minimum – I threw this in here as a marker for your review. -pw

C. Re-transfer by Triangle T. All water delivered to Triangle T is solely for use within its service boundary. Triangle T shall not transfer or deliver Transfer Water outside of its service boundary, nor sell Transfer Water to any entity at a price exceeding the Transfer Price set forth herein without the Exchange Contractors written consent.

D. State Water Board Approval. The Parties recognize that the Transfer Water is available due to the State Water Resources Control Board's (the “State Water Board”) approval for a 10-year long change petition for the transfer of water under East Side's License 5940 on March 2023, which was approved retroactively to 2022. If at any time during the term of this Agreement the State Water Board revokes approval of the Change Petition, or otherwise issues regulations or take action that restricts or prohibits the transfer of water under the East Side Transfer Agreement, the Parties shall be excused from all further obligations under this Agreement subsequent to the State Water Board's adverse action; *provided*, however, that any obligations incurred in accordance with this Agreement prior to such adverse action shall survive.

E. Conveyance of Transfer Water. The Parties shall be excused from all further obligations under this Agreement should East Side become unable to deliver the Transfer Water or any part thereof; *provided*, however, that any obligations incurred in accordance with this Agreement prior to such inability shall survive.

4. PRICE AND PAYMENT.

A. Price. Triangle T shall pay directly to Panoche Six Hundred Fifty Dollars (\$650.00) for each acre foot of Transfer Water delivered to Triangle T pursuant to this Agreement. All losses and conveyance charges will be borne by Triangle T.

B. USBR Facilities Charges. In addition to the price per acre foot, Triangle T shall pay directly to Reclamation the applicable water rate(s) for any facilities charges required to effectuate the transfer.

C. Other Water Rates, Fees, and Charges. Triangle T shall be solely responsible to pay any and all rates, fees, and charges that may be incurred due to this Agreement other than the Price agreed to in Paragraph 4.A.

D. **Invoices and Payment.** Triangle T shall provide a report to Panoche at the end of every month in which it took Transfer Water. Panoche shall have no more than thirty (30) days to review that report and confirm or contest it. If Panoche confirms the report, then Triangle T shall remit payment to Panoche within thirty (30) days of Panoche's confirmation.

Commented [PW2]: Who is billing who? I assume Panoche bills Triangle T. How do we know how much water they took, and when? Our Agreement with East Side and San Luis, in Paragraph 7.3, provide for a Measurement Station – is that relevant here as well?

5. **SCHEDULE.** No less than fifteen (15) days prior to taking Transfer Water, Triangle T shall provide Panoche a written delivery schedule (the "Schedule"). Panoche shall use its best efforts and those within its control to provide Transfer Water in accordance with the Schedule.

6. **BUREAU APPROVAL.** Triangle T recognizes that the transfer contemplated in this Agreement is subject to written approval by Reclamation. Panoche shall pay directly to Reclamation the administrative costs incurred by Reclamation to process the transfer applications referred to in this Article. If Reclamation denies approval of the transfer, Panoche shall provide prompt written notice to Triangle T, neither party shall be liable to the other, and this Agreement shall automatically terminate. If Reclamation imposes conditions on the transfer not contemplated by this Agreement, Triangle T shall have thirty (30) days after receipt of written notice of such conditions to consider whether the conditions are acceptable. If Triangle T finds the conditions unacceptable, Triangle T may terminate this Agreement upon written notice to Panoche without incurring any further obligation to Panoche, and this Agreement shall automatically terminate. If Triangle T does not exercise its option to terminate within thirty (30) days of notice of conditions of approval, this Agreement shall remain in effect, and the parties shall be bound by the conditions of approval.

Commented [PW3]: Does this transfer require approval by Reclamation?

Commented [PM4]: Can I get some help on the associated expense involved here?

7. **POINT OF DELIVERY.** The Points of Delivery for all Transfer Water are Mile Post 15.004 in the CCID Poso Canal system, and; turnouts TT1 and TT2 in the CCC Columbia Canal system. Panoche shall deliver all Transfer Water to the Points of Delivery. Triangle T shall pay CCID and CCC directly the applicable rate(s) associated with wheeling the Transfer Water through their respective systems. Triangle T shall pay directly to the San Luis Delta Mendota Water Authority all costs associated with transporting Transfer Water to the Points of Delivery, including without limitation, operation and maintenance, reserve and conveyance pumping charges. Triangle T shall be responsible to provide and pay for all arrangements for the conveyance and pumping required to deliver or use Transfer Water beyond the Points of Delivery.

Commented [PW5]: Is this all the case here with this Transfer?

8. MISCELLANEOUS.

A. **Water Quality.** Panoche is not responsible for the quality of water transferred and Panoche does not warrant its quality.

B. **Water Rights Not Transferred.** Nothing in this Agreement is intended to nor shall confer any appropriative, public trust or other right to water on any person or entity. The only rights granted to the parties as a result of this Agreement are those expressly set forth herein.

C. Permits and Approvals for Triangle T's Receipt and Use of Transfer Water. Triangle T shall be responsible, at its sole expense, to request, receive, and maintain all required permits and authorizations which may be necessary for it to receive and utilize the Transfer Water.

D. General Indemnity. Each party agrees to protect, defend, indemnify and hold harmless the other party, its officers, directors, agents, servants, employees and consultants from and against any and all losses, claims, liens, demands and causes of action of every kind or character without limitation occurring on or in any way incidental to or arising directly or indirectly out of the performance or non-performance of the indemnifying party.

E. Governing Law. This Agreement will be interpreted and enforced pursuant to the laws of the State of California.

F. Dispute Resolution. Should any dispute arise between the Parties as to any matter contained in this Agreement, before filing any pleadings or complaints in any court or administrative proceeding, the Parties shall meet and confer on the subject of the dispute.

G. Entire Agreement. This Agreement contains the entire understanding between the parties relating to their interests, obligations and rights connected with the subject matters set forth herein. All prior communications, negotiations, stipulations or understandings, whether oral or in writing, are superseded by this Agreement. This Agreement may be modified only by a written instrument executed by both parties.

H. Waiver. The waiver or failure to declare a breach as a result of a violation of any terms of this Agreement shall not constitute a waiver of that term or condition and shall not provide the basis for a claim of estoppel, forgiveness or waiver by any party of that term or condition.

I. Notices. Any notice or communication required or permitted hereunder shall be in writing and shall be delivered personally, delivered by nationally recognized overnight courier service or sent by certified or registered mail, postage prepaid, or (if an email address is provided) sent by electronic transmission (subject to confirmation of such transmission). Any such notice or communication shall be deemed to have been given (i) when delivered, if personally delivered, (ii) one (1) Business Days after it is deposited with a nationally recognized overnight courier service, if sent by nationally recognized overnight courier service, (iii) the day of sending, if sent by email prior to 5:00 p.m. (PT) on any Business Day or the next succeeding Business Day if sent by email after 5:00 p.m. (PT) on any Business Day or on any day other than a Business Day or (iv) five (5) Business Days after the date of mailing, if mailed by certified or registered mail, postage prepaid, in each case, to the following address or email address, or to such other address or addresses or facsimile number or numbers as such party may subsequently designate to the other parties by notice given hereunder:

TO PANOCHE: Panoche Water District
Attention: General Manager
52027 W Althea Avenue
Firebaugh, CA 93622
Phone: 209.364.6136
Email: pmcgowan@panochewd.org

TO TRIANGLE T: Triangle T Water District
Attention: General Manager
4400 Hays Drive
Chowchilla, CA 93610
Phone: 209.704.5105
Email: hurleychase1927@yahoo.com

As used herein, “**Business Day**” means any day other than a Saturday, Sunday, or any other day on which banking institutions in the State of California are authorized by law or executive action to close.

IN WITNESS WHEREOF, the parties have executed this Water Transfer Agreement.

PANOCHE WATER DISTRICT

By: _____
General Manager

TRIANGLE T WATER DISTRICT

By: _____
General Manager

PANOCHE WATER DISTRICT

RESOLUTION NO. 862-26

**A RESOLUTION OF THE BOARD OF DIRECTORS
CERTIFYING A NO-CONTEST IN THE 2024 GENERAL ELECTION AND
REQUESTING THE FRESNO COUNTY BOARD OF SUPERVISORS TO APPOINT
THOSE CANDIDATES WHO FILED DECLARATIONS OF CANDIDACY**

WHEREAS, Panoche Water District (the "District") is a California Water District duly organized and existing under and pursuant to the California Constitution and the laws of the State of California, including the California Water District Act (Water Code §§ 34000, *et seq.*) and the Uniform District Election Law (Elections Code §§ 10500, *et seq.*)

WHEREAS, the District is governed by a Board of Directors consisting of five members who are elected for a term of four years; and

WHEREAS, the District holds at-large elections on even-numbered years in accordance with the California Election Law; and

WHEREAS, the terms of office for two positions on the Board of Directors expire in 2026; and

WHEREAS, through Resolution No. 861-26, the Board of Directors called for a General Election to be held on November 3rd, 2026, and that declarations of candidacy forms must be filed at the District no later than 5:00 p.m. on the 88th day prior to the election; and

WHEREAS, only two candidates filed declarations of candidacy forms by the 88th day prior to the election, all three of those candidates being incumbent members of the Board of Directors; and

WHEREAS, in accordance with Elections Code section 10515, the District extended the date for non-incumbents to file declarations of candidacy and no other person filed a declaration of candidacy by the 83rd day prior to the election; and

WHEREAS, Elections Code section 10515 requires in such a case that the Secretary submit a certification of the above facts to the Board of Supervisors and requests the Board of Supervisors to appoint those who filed declarations of candidacy.

NOW, THEREFORE, it is hereby resolved by the Board of Directors of the Panoche Water District that:

1. The Board finds that the above Recitals are true and correct.

2. This Resolution serves as the certification required by Elections Code section 10515 and the Board's request that the Board of Supervisors appoint the two candidates who filed declarations of candidacy, those candidates being:

Mr. Neill Callis
Mr. Steve Fausone

3. The Secretary of the District and District staff are authorized and directed to take any all actions necessary in order to carry out the purposes of this Resolution and in accordance with California Water District law, California Elections law, and the District's Bylaws.

PASSED AND ADOPTED this 8th day of September 2026, by the following vote, to wit:

Ayes:

Nays:

Abstain:

Absent:

Aaron Barcellos, President
Panoche Water District

Attest

Steve Fausone, Secretary
Panoche Water District

CERTIFICATE OF SECRETARY
OF
PANOCHÉ WATER DISTRICT
A California Water District

I, Steven 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 following is a true and correct copy of that certain resolution duly adopted and approved by the Board of Directors of the District on the 8th day of September, 2026; and that said resolution has not been modified or rescinded and remains in full force and effect as of the date hereof:

IN WITNESS WHEREOF, I have executed this Certificate on the 8th day of September, 2026.

Steve Fausone
Secretary of Panoche Water District



PANOCHÉ WATER DISTRICT

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

BOARD MEETING MEMORANDUM

TO: PANOCHÉ WATER DISTRICT BOARD OF DIRECTORS

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: LINNEMAN SOLAR PROJECT-LEASE AGREEMENT AND
MEMORANDUM OF LEASE AGREEMENT

DATE: SEPTEMBER 8, 2026

PURPOSE

The principal purpose of the replacement documents is to correct the legal ownership/lessor parties while preserving the District's leasehold rights for the solar project. To present the Linneman solar project Lease Agreement and related Memorandum of Lease Agreement for Board consideration. The documents correct the ownership/lessor parties identified in the District's prior March 1, 2023 lease while continuing the lease of approximately six acres needed for construction, operation, and maintenance of the District's solar project.

BACKGROUND

The District previously entered into a lease dated March 1, 2023 with landowner. The current Lease states that the original lease was executed by parties who did not hold legal title to the property and therefore lacked authority to lease it. The replacement Lease identifies the current owners/lessors and expressly voids and replaces the 2023 lease in its entirety.

The underlying parcel is approximately 83 acres in Merced County (APN 090-150-002). The leased premises consist of approximately 6.0 acres in the northwest corner of the parcel. Exhibit A's legal description identifies the leased area as approximately 6.01 acres.

KEY LEASE TERMS

- Purpose/Use. The leased premises may be used solely for construction, operation, and maintenance of the solar project.

- **Effective Date.** The replacement Lease is effective as of March 1, 2023, notwithstanding its 2026 execution.
- **Term.** The Lease continues until expiration or earlier termination of the June 9, 2023 Energy Services Agreement (ESA) between Panoche Water District and FFP BTM Solar, LLC, but may not extend beyond 34 years and 11 months from the effective date. It terminates earlier if the ESA ends or the premises are no longer used for the ESA project.
- **Removal at End of Term.** Upon expiration or earlier termination, the District must remove the project from the leased premises at its sole cost and expense.
- **Rent.** Annual rent is \$5,500, increasing 1.50% per year beginning with the first anniversary of the execution date. Rent may also be reassessed annually and adjusted by mutual agreement to reflect existing non-irrigation water-related landholding costs, including project-attributable property tax increases. The first year is payable upon execution; thereafter rent is due on or before February 1.
- **Operations and Costs.** The District is responsible for maintaining the leased premises and project-related facilities in good condition, complying with applicable laws, and paying project-related power, fuel, and utility costs.

MEMORANDUM OF LEASE

The companion Memorandum of Lease is intended to be recorded in Merced County to provide constructive notice of the District's leasehold interest. It summarizes the property, term, superseding effect of the replacement Lease, surface-use restrictions, and successor obligations. The Memorandum expressly provides that it does not amend or supersede the Lease; if there is a conflict, the Lease controls.

FINANCIAL IMPACT

The direct lease cost is \$5,500 per year, subject to a 1.50% annual escalation and any mutually agreed adjustment for qualifying landholding/property-tax costs. The District is also responsible for its project-related utility costs, insurance obligations, maintenance, and eventual removal of the solar project from the leased premises.

RECOMMENDED BOARD ACTION

Staff recommends that the Board approve and, to the extent necessary, ratify the replacement Linneman Lease Agreement; approve the related Memorandum of Lease Agreement.

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Agreement") entered into on 8/27, 2026, (the "Execution Date"), but shall be effective as of March 1, 2023 (the "Effective Date"), by and between **Carol Linneman**, an individual; **James Christopher Linneman**, as Successor Trustee of the Trust established by Declaration of Trust dated February 1, 1963, for the benefit of Nancy Linneman; **James Christopher Linneman**, as Successor Trustee of the Trust established by Declaration of Trust dated February 1, 1963, for the benefit of Lawrence Michael Linneman III; **James Christopher Linneman**, as Successor Trustee of the Trust established by Declaration of Trust dated February 1, 1963, for the benefit of Mary Jane Linneman; and **James Christopher Linneman**, as Successor Trustee of the Trust established by Declaration of Trust dated February 1, 1963, for the benefit of Andrea Carroll Linneman (also known as the Linneman Irrevocable Intervivos Trust), hereinafter referred to as "Lessors"; and Panoche Water District, a California water district, hereinafter referred to as "Lessee". Lessors and Lessee may be referred to individually as a "Party," or collectively as "Parties". This Agreement voids and replaces the Lease Agreement dated March 1, 2023 ("Original Lease"), by and between Lawrence Michael Linneman III, as Trustee of the OL Ranch Trust, and Carol Linneman, an individual.

RECITALS

WHEREAS, the Original Lease was executed by parties who did not hold legal title to property described below and therefore lacked authority to lease such property; and

WHEREAS, the Parties desire to enter into this Agreement to correctly identify the proper owners of the Parcel (defined below) and to replace the Original Lease in its entirety, and

WHEREAS, Lessors are the owners of that certain real property, consisting of approximately 83.00 acres and located in Merced County, described as Assessor's Parcel Number ("APN") 090-150-002 ("Parcel"); and

WHEREAS, Lessee plans to construct, operate and maintain a solar project (the "Project"). The Project will be constructed on a portion of the Parcel, consisting of approximately 6.00 acres located at the north-western corner of the Parcel, and more particularly depicted in Exhibit A, attached hereto and incorporated herein by this reference (the "Leased Premises"); and

WHEREAS, Lessors do hereby lease to Lessee, and Lessee hires from Lessors, on the terms and conditions hereinafter set forth in this Agreement.

AGREEMENT

IT IS AGREED BETWEEN THE Parties hereto as follows:

1. **Description of Land:** Lessors do hereby lease to Lessee, and Lessee hires from Lessors, on the terms and conditions hereinafter set forth, the Leased Premises. Lessee shall provide to Lessors any final maps or illustrations of the Project location upon completion of construction. Lessee accepts the Leased Premises: (i) on an "AS IS", "WITH ALL FAULTS", and "WHERE IS" basis; (ii) in its existing condition as of the Effective Date; (iii) subject to any and all applicable Laws affecting

the occupancy and use of, and governing and regulating operations upon the Leased Premises; and, (iv) subject to any and all conditions, covenants or restrictions of record.

2. **Term:** The term of this Agreement shall commence on the Effective Date and shall continue until the expiration or earlier termination of the Energy Services Agreement – Solar for the Project, dated June 9, 2023, between Lessee and FFP BTM Solar, LLC (as may be amended from time to time) (“ESA”); provided, however, that in no event shall the Term exceed thirty-four (34) years and eleven (11) months from the Effective Date (the “Term”). This Agreement shall automatically terminate upon the earlier to occur of: (i) the expiration or termination of the ESA, or (ii) the date on which the Leased Premises is no longer used for the purposes contemplated under the ESA. Upon expiration or earlier termination of the Term, Lessee shall, at its sole cost and expense, remove the Project from the Leased Premises.
3. **Rent:** Lessee promises and agrees to pay as rental of all the Leased Premises, the sum of Five Thousand Five Hundred and No/100 Dollars (\$5,500.00) per year (“Rent”). The Rent shall be increased by 1.50% per year, starting with the first anniversary of the Execution Date of this Agreement. The Rent may be reassessed annually and adjusted by mutual agreement of the Parties in consideration of then existing, non-irrigation water related, land holding costs of Lessors in connection with the Leased Premises, including any increases in the property tax attributed to the existence of the Project on the Leased Premises. The entire amount of first year Rent is due and payable by Lessee directly to Lessors upon execution and thereafter on or before February 1st of each year during the Term.
4. **Use/Care of Leased Premises:** Lessee shall use the Leased Premises for the sole purpose of construction, operation, and maintenance of the Project. Lessee promises and agrees to keep the Leased Premises, conveyance facilities, pumping stations, and appurtenances, now located or hereafter placed thereon, in good condition and repair. Lessee promises and agrees to furnish all tools, materials, equipment, and labor necessary for said care.
 - a. Lessee shall comply with all requirements of all governmental authorities affecting the use of the Leased Premises. Without limiting the foregoing, Lessee shall, without cost to Lessor, fully comply with all environmental, pollution and “Hazardous Substance” rules and regulations relating to the storage, use and disposal of Hazardous Substances. “Hazardous Substance” means any substance subject to federal, state or local regulation as potentially injurious to either public health or welfare or the environment.
 - b. All improvements and repairs must be performed in a good and workmanlike manner and in accordance with all applicable laws and regulations. Lessee anticipates work associated with the Project to begin before the end of the 2026 year. For any additional work, it may not commence until Lessee has provided Lessors with at least ten (10) business days’ notice of the date for commencement of work, to permit Lessors an opportunity to post an appropriate notice of nonresponsibility.
5. **Power Costs:** Lessee promises and agrees to pay all costs of power, fuel, or other utilities used by Lessee upon the Leased Premises during the Term, as when said charges fall due.

6. **Reservations of Rights:** Except as otherwise provided in Section 20, Lessors expressly reserve all rights, privileges, obligations, and liabilities associated with the Parcel, including reservation of irrigation water allocations. Lessee shall construct, operate and maintain the Project on the Leased Premises, consisting of approximately 6 acres in the northwestern corner of the Parcel, as more particularly described and illustrated in Exhibit A attached hereto.
7. **Indemnification:** Lessee shall indemnify, defend, and hold harmless Lessors, its employees, agents, officers, directors, successors, and permitted assigns against and from any and all damages, losses, liabilities, obligations, fines, penalties, claims, causes of action litigation, demands, defenses, judgments, suits proceedings, liens, encumbrances, costs, disbursements, or expenses of any kind or of any nature whatsoever, which may be imposed upon, incurred by or asserted against Lessors or the Leased Premises or the Parcel, arising out of Lessee's use of the Leased Premises.
8. **Insurance:** Lessee promises and agrees, at its sole expense, to obtain and to keep in full force and effect during the Term (or any extensions thereof), policies of insurance adequately protecting and indemnifying said Lessors from any claims or actions arising by reason of injuries to persons or property sustained upon or arising out of the use of the Leased Premises during the Term, and further, to hold Lessors fully harmless with reference to any such claims or actions.
9. **Default:** The following shall constitute events of default under this Agreement: (a) the failure to pay any of the portions of the Rent when due, or (b) breach of any of the covenants or agreements herein stated to be kept and performed by the Lessee. Lessors shall have all remedies permitted by California law resulting from any breach thereof. Any and all remedies herein or by law provided in the event of default on the part of Lessee shall be cumulative and not exclusive of any other remedies exercised by Lessors. The waiver by Lessors of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent term, covenant or condition herein contained.
10. **Quiet Enjoyment:** The Lessors does hereby covenant and agree that the Lessee paying the Rent and performing the covenants and agreements aforesaid, shall and may at all times during the Term peaceably and quietly have, hold and enjoy the Leased Premises, without any manner of suit or hindrance of or from the Lessors or any other person or persons under the control of the Lessors.
11. **Others Bound:** It is further agreed that all the terms and provisions of this Agreement shall extend to and include the heirs, executors, administrators, and assigns of the respective Parties hereto. Lessors shall provide this Agreement to any such heirs, executors, administrators, or assigns. The Parties agree to record a Memorandum of Agreement regarding this Agreement with Merced County, at the sole cost of the Lessee.
12. **Attorney's Fees:** Should it be necessary to file any suit or suits to enforce any provision or covenant of this Agreement, then the prevailing party shall, in addition to any other remedies or relief, be entitled to reasonable attorney's fees and costs, as fixed by the court.

13. **Entire Agreement:** This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes and replaces the Original Lease, which shall have no further force or effect. This Agreement may not be amended or modified except by a writing signed by all Parties or their authorized respective representatives or successors in interest.

14. **Warranty:** The undersigned warrant that they have authority to bind their respective party to the terms of this Agreement.

15. **Notices:** All notices and other communications required under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service, if served personally on the person to whom notice is to be given, (ii) on the date of receipt, if sent by e-mail or facsimile to the person to whom notice is to be given at the facsimile number set forth below, or (iii) on the third day after mailing, if mailed to the Party to whom notice is to be given by first-class mail, registered or certified, postage prepaid, and property addressed as follows:

To Lessors:	Attn:
	E-mail: _____
	Phone: _____
	Facsimile: _____
To Lessee:	Panoche Water District
	Attn: General Manager
	52027 W. Althea Ave., Firebaugh, CA 93622
	E-mail: _____
	Phone: 209-364-6136
	Facsimile: _____

16. **Governing Law and Venue:** This Agreement shall be governed by and construed in accordance with the laws of the State of California. The Parties agree that venue for any litigation arising under this Agreement shall be in Merced County Superior Court.

17. **Severability:** If any provision of this Agreement, or any portion thereof, is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement, including, without limitation, the portions thereof not held to be invalid, void, or unenforceable, shall nevertheless continue to be in full force and effect without being impaired or invalidated in any way.

18. **Waiver:** A waiver of any breach of this Agreement by any Party to this Agreement shall not constitute a continuing waiver, or a waiver of any subsequent breach of the same, or any breach of another, provision of this Agreement.

19. **Subdivision Map Act Compliance.** The Parties acknowledge and agree that this Agreement constitutes a lease of land for commercial purposes between the fee owner of the Property and Tenant and is intended to qualify for the exemption set forth in Section 66428(a)(2) of the California Government Code under the California Subdivision Map Act. The Parties further acknowledge that, as a result of such exemption, the execution and performance of this Agreement does not require the approval or recordation of a parcel map or subdivision map. Each Party agrees to cooperate and execute such additional documents as may be reasonably requested to evidence or confirm the applicability of such exemption.
20. **Surface Waiver; Limited Subsurface Rights.** During the Term, Lessors agree that they shall not enter upon, access, or use the surface of the Leased Premises without the prior written consent of Lessee, except as may be reasonably necessary in the event of an emergency affecting the health or safety of persons or property. Lessors further agree not to conduct or permit any activities on the Property that would interfere with Lessee's use of the Leased Premises or the construction, installation, operation, maintenance, repair, replacement, financing, or removal of the solar energy system and related improvements contemplated under the ESA for the Project. Notwithstanding the foregoing, Lessors reserve the right to access and use the subsurface of the Property at depths greater than five hundred (500) feet below the surface of the Leased Premises, provided that such activities do not interfere with the Project or Lessee's rights under this Agreement.
21. **Assignment and Subletting.** Lessee shall not assign this Agreement, sublease the Leased Premises, or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of Lessors, which consent shall not be unreasonably withheld, conditioned, or delayed. Any assignment or sublease made without such consent shall be void and of no force or effect. Notwithstanding anything in this Agreement to the contrary, Lessee may permit Forefront Power, LLC, FFP BTM Solar, LLC and its affiliates, contractors, and agents to enter upon and use the Leased Premises for the purpose of constructing, installing, operating, maintaining, repairing, replacing, financing, and removing the solar energy system and related improvements associated with the Project pursuant to the ESA, as may be amended, restated, or replaced from time to time.

[signature pages to follow]

IN WITNESS WHEREOF, the Parties hereto agree to the terms and conditions set above:

LESSORS:

Signature: Carol Linneman
Carol Linneman

Date: 7-20-26

Signature: James Christopher Linneman
James Christopher Linneman, as Successor
Trustee of the Trust established by
Declaration of Trust dated February 1, 1963,
for the benefit of Nancy Linneman

Date: 7-31-2026

Signature: James Christopher Linneman
James Christopher Linneman, as Successor
Trustee of the Trust established by
Declaration of Trust dated February 1, 1963,
for the benefit of Lawrence Michael Linneman III

Date: 7-31-2026

Signature: James Christopher Linneman
James Christopher Linneman, as Successor
Trustee of the Trust established by
Declaration of Trust dated February 1, 1963,
for the benefit of Mary Jane Linneman

Date: 7-31-2026

Signature: James Christopher Linneman
James Christopher Linneman, as Successor
Trustee of the Trust established by Declaration
of Trust dated February 1, 1963, for the benefit
of Andrea Carroll Linneman (also known as the
Linneman Irrevocable Intervivos Trust)

Date: 7-31-2026

LESSEE:

Signature: Petrus M. Linneman

Date: 8/27/26

EXHIBIT A

A PORTION OF PARCEL 16 AS DESCRIBED IN THAT CERTAIN CONVEYANCE TO CAROL LINNEMAN, RECORDED JUNE 5, 1963, IN BOOK 1613, AT PAGE 126, OFFICIAL RECORDS OF MERCED COUNTY, IN THE NW 1/4 OF SECTION 12, T12S, R11E, M.D.M., IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF MERCED, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 12;

THENCE, ALONG THE WEST LINE OF SAID QUARTER, S 1°01'15" E, 1320.63 FEET TO THE SOUTH LINE OF THE DELTA-MENDOTA CANAL, AS DESCRIBED IN THE FINAL DECREE OF CONDEMNATION, DATED APRIL 24, 1952, A CERTIFIED COPY OF WHICH WAS RECORDED OCTOBER 1, 1952, IN BOOK 1062, AT PAGE 389, OFFICIAL RECORDS OF SAID COUNTY;

THENCE, ALONG SAID SOUTH LINE, N 85°10'48" E, 220.49 FEET TO THE INTERSECTION WITH THE EAST LINE OF PANOCHE LIFT CANAL, AS DESCRIBED IN DEED TO PANOCHE WATER DISTRICT, RECORDED MARCH 11, 1957, IN BOOK 1307, AT PAGE 389, OFFICIAL RECORDS OF SAID COUNTY;

THENCE, ALONG SAID EAST LINE, S 1°01'15" E. 160.99 FEET TO THE POINT OF BEGINNING;

THENCE, LEAVING SAID EAST LINE, N 76°47'35" E, 26.10 FEET;

THENCE, N 1°01'15" W, 42.54 FEET;

THENCE, N 88°58'45" E, 510.30 FEET;

THENCE, S 1°01'15" E, 509.63 FEET;

THENCE, S 88°, 54'04" W, 510.30 FEET;

THENCE, N 1°01'15" W, 405.61 FEET;

THENCE, N 79°20'58" W, 26.05 FEET TO SAID EAST LINE;

THENCE, ALONG SAID EAST LINE, N 1°01'15" W, 51.40 FEET TO THE POINT OF BEGINNING.

CONTAINING 6.01 ACRES.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Fresno)

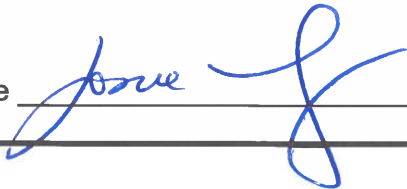
On July 31, 2026 before me, Josue Marquez / Notary Public
(insert name and title of the officer)

personally appeared James Christopher Linneman,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

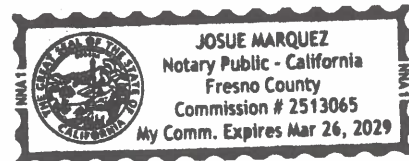
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)



RECORDING REQUESTED BY AND
WHEN RECORDED PLEASE RETURN TO:

Forefront Power, LLC
Attn: Legal
255 California Street, Suite 900
San Francisco, CA 94111

NO DOCUMENTARY TRANSFER TAX DUE

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT ("Memorandum") is made and entered into as of July 21, 2026, by and between **Carol Linneman**, an individual; **James Christopher Linneman**, as Successor Trustee of the Trust established by Declaration of Trust dated February 1, 1963, for the benefit of Nancy Linneman; **James Christopher Linneman**, as Successor Trustee of the Trust established by Declaration of Trust dated February 1, 1963, for the benefit of Lawrence Michael Linneman III; **James Christopher Linneman**, as Successor Trustee of the Trust established by Declaration of Trust dated February 1, 1963, for the benefit of Mary Jane Linneman; and **James Christopher Linneman**, as Successor Trustee of the Trust established by Declaration of Trust dated February 1, 1963, for the benefit of Andrea Carroll Linneman (also known as the Linneman Irrevocable Intervivos Trust), hereinafter referred to as "Lessors"; and Panoche Water District, a California water district, hereinafter referred to as "Lessee". Lessors and Lessee may be referred to individually as a "Party," or collectively as "Parties":

1. **Property.** Lessors are the owners of that certain real property located in the County of Merced, State of California, consisting of approximately 83.00 acres, designated as Assessor's Parcel Number 090-150-002 (the "Parcel").

Pursuant to the Lease (defined below), Lessee leases from Lessors a portion of the Parcel consisting of approximately 6.00 acres located in the northwest corner of the Parcel, as more particularly depicted in Exhibit A attached to the Lease ("Leased Premises").

2. **Lease Agreement.** Lessors and Lessee entered into that certain Lease Agreement dated as of _____, 2026, but effective as of March 1, 2023 (the “Effective Date”) (the “Lease”).
3. **Term.** The term of the Lease commenced on the Effective Date and shall continue until the expiration or earlier termination of the Energy Services Agreement – Solar for the Project dated June 9, 2023, between Lessee and FFP BTM Solar, LLC (as may be amended from time to time) (“ESA”); provided, however, that in no event shall the Term exceed thirty-four (34) years and eleven (11) months from the Effective Date. The Lease may terminate earlier upon the expiration or termination of the ESA or if the Leased Premises are no longer used for the purposes contemplated under the ESA, all as more particularly provided in the Lease.
4. **Superseding Prior Lease.** The Lease voids and replaces the Lease Agreement dated March 1, 2023, by and between Lawrence Michael Linneman III, as Trustee of the OL Ranch Trust, and Carole Linneman, an individual (the “Original Lease”), and the Original Lease has no further force or effect.
5. **Purpose of Memorandum.** This Memorandum is executed and recorded for the purpose of giving constructive notice of Lessee’s leasehold interest in the Leased Premises. This Memorandum does not amend, modify, or supersede the Lease, and is not intended to provide full notice of the terms of the Lease. In the event of any conflict between this Memorandum and the Lease, the Lease shall control.
6. **Surface Use Restriction; Subsurface Reservation.** The Parties acknowledge that, pursuant to the Lease, the surface of the Leased Premises is reserved for the Project. During the Term of the Lease, Lessors have agreed to restrict access to and use of the surface of the Leased Premises except as permitted under the Lease. Notwithstanding the foregoing, Lessors reserve the right to access and use the subsurface of the Parcel at depths greater than five hundred (500) feet below the surface of the Leased Premises, provided that such activities do not require surface entry onto the Leased Premises and do not interfere with the Project or Lessee’s rights under the Lease.
7. **Execution in Counterparts.** This Memorandum may be executed in counterparts, each of which shall be deemed an original and all of which together constitute one instrument.

8. **Non-Interference.** Lessors agree that during the Term of the Lease they shall not grant any easement, license, lease, or other right affecting the Parcel that would materially interfere with the Project or Lessee's rights under the Lease.
9. **Subdivision Map Act.** The Parties acknowledge that the Lease constitutes a lease of land for commercial purposes between the owner of the Parcel and Lessee and is intended to qualify for the exemption set forth in Section 66428(a)(2) of the California Government Code. The Parties acknowledge that the execution and performance of the Lease does not require the approval or recordation of a parcel map or subdivision map.
10. **Parcel Division; Successors Bound.** The Lease and the rights granted therein shall run with the Parcel and shall be binding upon any successor owner of all or any portion of the Parcel. Any subdivision, conveyance, or transfer of the Parcel or any portion thereof shall be made subject to the Lease and the rights of Lessee thereunder.

[Signature page to follow]

LESSORS:

Signature: Carol Linneman
Carol Linneman
Date: 7-21-26

Signature: _____
James Christopher Linneman, as Successor
Trustee of the Trust established by Declaration of
Trust dated February 1, 1963, for the benefit of
Nancy Linneman
Date: _____

Signature: _____
James Christopher Linneman, as Successor
Trustee of the Trust established by Declaration of
Trust dated February 1, 1963, for the benefit of
Lawrence Michael Linneman III
Date: _____

Signature: _____
James Christopher Linneman, as Successor
Trustee of the Trust established by Declaration of
Trust dated February 1, 1963, for the benefit of Mary
Jane Linneman
Date: _____

Signature: _____
James Christopher Linneman, as Successor
Trustee of the Trust established by Declaration of
Trust dated February 1, 1963, for the benefit of
Andrea Carroll Linneman (also known as the
Linneman Irrevocable Intervivos Trust)

LESSEE:

Signature: Patrick McGowan
Name: Patrick McGowan
Title: GM
Date: 8/27/26

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Merced)

On July 21, 2026 before me, Deann L. Floro (inset name and title of the Officer) personally appeared

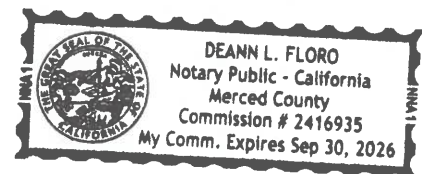
Carol Linneman, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Deann L. Floro

(Seal)



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____)

On _____ before me, _____ (inset name and title of the Officer) personally appeared

_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.

Signature _____

(Seal)

ACKNOWLEDGMENT

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State of California

County of _____)

On _____ before me, _____ (inset name and title of the Officer) personally appeared

_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

PANOCHE WATER DISTRICT				
ACCOUNTS PAYABLE LIST				
PAYMENTS RUN FROM 8/12/2026 THRU 9/8/2026				
MECHANICS O & M CHECKING # 8566				
DATE	CHECK NUMBER	NAME	CHECK AMOUNT	MEMO
8/12/2026	43669	BAKER MANOCK & JENSEN	\$ 297.48	MAY & JULY 2026 LEGAL SERVICES
8/12/2026	43670	GILTON SOLID WASTE INC.	\$ 881.18	JULY 2026 DISTRICT WASTE SERVICE
8/12/2026	43671	MIKE GONZALEZ	\$ 150.00	BOOT REIMBURSEMENT
8/12/2026	43672	LAW OFFICE OF PHILIP A. WILLIAMS	\$ 4,042.50	JULY 2026 LEGAL SERVICE
8/12/2026	43673	MCGUIRE BOTTLED WATER	\$ 196.05	JULY 2026 DRINKING WATER
8/12/2026	43674	DIANA MOSES	\$ 43.50	MILEAGE REIMBURSEMENT
8/12/2026	43675	SAGASER, WATKINS & WIELAND PC	\$ 350.00	JUNE & JULY LEGAL SERVICES
8/12/2026	43676	SAVEMART SUPERMARKET	\$ 1,092.82	JULY 2026 OFFICE SUPPLIES
8/13/2026	43677	PRICE FORD	\$ 40,669.04	2026 FORD RANGER SUPERCREW XL 4X4
8/24/2026	43678	AAA WORKSPACE	\$ 241.13	COPY PAPER
8/24/2026	43679	AGILE OCCUPATIONAL MEDICINE, PC	\$ 50.00	EMPLOYEE DOT TESTING
8/24/2026	43680	AMAZON CAPITAL SERVICES	\$ 431.98	DISTRICT SUPPLIES
8/24/2026	43681	BCT CONSULTING	\$ 1,980.00	DISTRICT COMPUTER CONNECTION ISSUES
8/24/2026	43682	JUSTIN'S TIRE AND AUTO	\$ 94.06	SERVICE # 52
8/24/2026	43683	BRENNTAG PACIFIC, INC.	\$ 1,341.35	5 DRUMS OF CHLORINE
8/24/2026	43684	ELECTRIC DRIVES	\$ 9,135.27	SERVICE STATION T4
8/24/2026	43685	FIREBAUGH CANAL WATER DISTRICT	\$ 781,508.72	JULY 2026 BASIC WELL WATER - CONSERVED 422 AF @ \$ 650, FALLOW 114 AF @ \$ 650 & DRAINAGE 926 AF @ \$ 467.72
8/24/2026	43686	CORELOGIC INFORMATION SOLUTION	\$ 220.42	JULY 2026 APN RESEARCH
8/24/2026	43687	MARFAB	\$ 155.04	SUPPLIES FOR # 03
8/24/2026	43688	MANUEL'S TIRE SERVICE	\$ 592.80	TIRE/TUBE FOR # 28
8/24/2026	43689	NAPA AUTO PARTS	\$ 334.49	BATTERY FOR # 40
8/24/2026	43690	PACIFIC GAS & ELECTRIC	\$ 88.82	AUGUST 2026 ELECTRIC SERVICE
8/24/2026	43691	SAN LUIS CANAL COMPANY	\$ 143,959.56	WATER TRANSFER EASTSIDE CANAL 1,386.76 AF @ 103.81
8/24/2026	43692	SANTOS FORD	\$ 246.82	MAINTENANCE # 46
8/24/2026	43693	SGS NORTH AMERICA INC.	\$ 1,875.00	WATER SAMPLES
8/24/2026	43694	TECHNOFLO SYSTEMS	\$ 325.54	METER - DOMESTIC TREATMENT PLANT
8/24/2026	43695	VALLEY BUSINESS CENTER	\$ 99.22	JULY 2026 PRINTER SUPPORT
8/24/2026	43696	WATER RECLAMATION EQUIPMENT	\$ 15,412.84	CLEAN & INSPECT PUMP & MOTORS - PWD & CCID CANAL, MATERIALS TO REPAIR ABAR RAW WATER LINE, NET FOR CANALS, CHECK ELECTRICAL & REPLACE AUTO OIL SOLENOID STATION T5, SUPPLIES FOR DISTRICT HOUSE # 4, PARTS FOR WATER METER - DOMESTIC PLANT & BOOM TRUCK TO PULL/CLEAN PUMP # 13E
8/24/2026	43697	WESTSIDE WATER	\$ 7,916.70	PRESSURE, BACTERIA & CHEMICAL TEST, DROUGHT REPORT & WEEKLY SERVICE
8/24/2026	43698	WINDECKER INC.	\$ 9,228.70	5 GALS HYDRAULIC OIL, 600 GALS DYED DEISEL @ \$ 4.46 & UNLEADED GAS 1,300 GALS @ \$ 4.92
8/24/2026	43699	XEROX FINANCIAL SERVICES	\$ 156.55	STAPLE CARTRIDGE
9/8/2026	43700	ACWA/JPIA	\$ 38,838.45	OCTOBER 2026 INSURANCE - HEALTH \$ 36,373.46, DENTAL \$ 2,050.24, VISION \$ 334.08 & LIFE \$ 80.67
9/8/2026	43701	AG & INDUSTRIAL SUPPLY	\$ 320.29	DRIP BOX # 62B
9/8/2026	43702	AG MONITOR INC.	\$ 9,625.00	MONITOR METERS
9/8/2026	43703	AMAZON CAPITAL SERVICES	\$ 461.55	DISTRICT SUPPLIES
9/8/2026	43704	AARON BARCELLOS	\$ 500.00	BOARD STIPEND AUGUST 2026
9/8/2026	43705	BELKORP AG, LLC	\$ 1,015.20	REPAIRS # 53
9/8/2026	43706	JUSTIN'S TIRE AND AUTO	\$ 23.00	FLAT REPAIR # 14
9/8/2026	43707	CALIFORNIA FARM WATER COALITION	\$ 7,045.00	MEMBERSHIP DUES FOR 2026
9/8/2026	43708	EDWARD NEILL CALLIS	\$ 500.00	BOARD STIPEND AUGUST 2026
9/8/2026	43709	ROGER CANDELARIA	\$ 150.00	BOOT REIMBURSEMENT
9/8/2026	43710	CLARK PEST CONTROL	\$ 744.00	DISTRICT PEST CONTROL SERVICES
9/8/2026	43711	BEAU CORREIA	\$ 500.00	BOARD STIPEND AUGUST 2026
9/8/2026	43712	FEDERAL EXPRESS	\$ 31.27	SHIPPING
9/8/2026	43713	STEVE FAUSONE	\$ 500.00	BOARD STIPEND AUGUST 2026
9/8/2026	43714	GRASSLAND BASIN AUTHORITY	\$ 70,122.50	JULY 2026 BRACKISH WELL WATER 400.7 AF @ \$ 175.00
9/8/2026	43715	HOFFMAN SECURITY	\$ 358.40	DISTRICT SECURITY
9/8/2026	43716	LAW OFFICE OF PHILIP A. WILLIAMS	\$ 3,795.00	AUGUST 2026 LEGAL SERVICES
9/8/2026	43717	JOSUE MARQUEZ	\$ 35.36	SNACKS FOR SAFETY MEETING
9/8/2026	43718	DIANA MOSES	\$ 230.25	MILEAGE REIMBURSEMENT

	CHECK		CHECK	
DATE	NUMBER	NAME	AMOUNT	MEMO
9/8/2026	43719	NAPA AUTO PARTS	\$ 319.44	DEF/GREASE FOR HEAVY VEHICLES
9/8/2026	43720	PACIFIC GAS & ELECTRIC	\$ 290,103.42	AUGUST 2026 ELECTRIC SERVICE
9/8/2026	43721	PEGBOARD	\$ 235.64	DAILY HERBICIDE REPORTS
9/8/2026	43722	PRICE PAIGE & COMPANY	\$ 2,815.00	AUDIT WORK IN PROGRESS FYE2026
9/8/2026	43723	SGS NORTH AMERICA INC.	\$ 1,365.00	WATER SAMPLES
9/8/2026	43724	PROFESSIONAL CPR	\$ 3,447.87	AED DEFIBRILLATORS (2)
9/8/2026	43725	SUMMERS ENGINEERING INC.	\$ 719.32	JULY 2026 ADMINISTRATION
9/8/2026	43726	SUMMERS ENGINEERING INC.	\$ 550.20	JULY 2026 CONTOUR CANAL
9/8/2026	43727	UNWIRED BROADBAND, INC.	\$ 359.99	SEPTEMBER 2026 INTERNET SERVICES
9/8/2026	43728	TURLOCK TRUCK STUFF LLC	\$ 612.68	BEDLINER FOR # 14
9/8/2026	43729	US BANK CORPORATE TRUST SERVICE	\$ 2,700.00	BONDS ADMINISTRATION SERVICE
9/8/2026	47370	VERIZON CONNECT	\$ 307.58	AUGUST 2026 GPS SERVICE
9/8/2026	47371	WATER RECLAMATION EQUIPMENT	\$ 180.34	CHECK ELECTRICAL & REPLACE BURNT FUSE STATION # T6
9/8/2026	47372	WAYNE WESTERN JR.	\$ 500.00	BOARD STIPEND AUGUST 2026
9/8/2026	47373	XEROX FINANCIAL SERVICES	\$ 690.91	COPIER LEASE
8/10/2026	W000001133	ISOLVED INC.	\$ 102.38	SAGE TIME SUPPORT JULY 2026
8/13/2026	W000001134	SLDM WATER AUTHORITY	\$ 20,729.00	DHCCP PROJECT SERIES 2021B BOND INTEREST
8/13/2026	W0000001135	PURCHASE POWER	\$ 603.75	POSTAGE
8/13/2026	W0000001136	PITNEY BOWES	\$ 261.67	RED INK CARTRIDGE
8/14/2026	W0000001137	SLDM WATER AUTHORITY	\$ 136,943.44	JULY 2026 SLDMWA CONVEYANCE COST SLC \$ 98,141.96 & DMC \$ 35,848.24 AND YUBA WARREN ACT COSTS \$ 2,953.24
8/14/2026	W00000001138	US BUREAU OF RECLAMATION	\$ 75,750.81	JULY 2026 USBR WATER COSTS SLC \$ 52,065.95 & DMC \$ 21,838.58 AND YUBA WARREN ACT COSTS \$ 1,846.28
8/21/2026	W0000001139	US BANK TRUST N.A.	\$ 662,837.40	PFA REVENUE BOND SERIES 2021A INTEREST \$ 172,055.97 & SERIES 2021B INTEREST \$ 490,781.43
8/25/2026	W000001141	WESTAMERICA VISA	\$ 517.01	STAFF & BOARD LUNCHES, EMAIL DOMAIN RENEWAL FEE, DISTRICT EMAIL MONTHLY FEE, SERVICE # 20, MONTHLY CHAT GPT FEE & MONTHLY EXTRA ICLOUD STORAGE
8/26/2026	W0000001142	US BUREAU OF RECLAMATION	\$ 5,000.00	POWER LETTER OF AGREEMENT
		TOTAL	\$ 2,365,565.70	

		MECHANICS PAYROLL CHECKING # 7895		
DATE	CHECK	NAME	AMOUNT	MEMO
8/5/2026	3529	PRINCIPAL LIFE INSURANCE COMPANY	\$ 620.68	AUGUST 2026 EMPLOYEE PAID INSURANCE
8/19/2026	PR-1573	NET PAYROLL	\$ 47,330.36	PAYROLL DATED 8/20/2026
8/20/2026	JE-134	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$ 2,964.66	STATE PAYROLL TAX DEPOSIT
8/20/2026	JE-135	INTERNAL REVENUE SERVICE	\$ 15,742.55	FEDERAL TAX DEPOSIT
8/20/2026	JE-136	JOHN HANCOCK	\$ 8,624.22	401K RETIREMENT

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

	JUNE INTEREST RATE	JULY INTEREST RATE	AUGUST INTEREST RATE	<u>August 31, 2026</u>	<u>July 31, 2026</u>
<u>CURRENT LIABILITIES</u>					
ACCOUNTS PAYABLE				\$396,366	\$3,759,337
TOTAL CURRENT LIABILITIES				\$396,366	\$3,759,337
<u>CASH AND INVESTMENT ACCOUNTS</u>					
MECHANICS BANK O&M CHECKING				\$100,972	\$18,423
MECHANICS BANK PAYROLL CHECKING				\$9,129	\$8,039
MECHANICS BANK MONEY MARKET	3.85%	3.85%	3.85%	\$14,724,474	\$17,497,845
MECHANICS BANK CONTRACTUAL OBLIGATION FUND MM (OVERCOLLECTION)	3.85%	3.85%	3.85%	\$2,311,283	\$2,965,132
LAIF	3.92%	3.92%	3.85%	\$340,107	\$340,107
2021 REVENUE BONDS - LAIF RESTRICTED (RATE STABILIZATION FUND)	3.92%	3.92%	3.85%	\$1,257,033	\$1,257,033
TOTAL CASH AND INVESTMENTS				\$18,742,998	\$22,086,579
<u>ACCOUNTS RECEIVABLES</u>					
WATER				\$798,275	\$988,154
GROUNDWATER MANAGEMENT FEE				-	-
DELINQUENT ACCOUNT CHARGES				\$108,886	\$84,541
OTHER				\$5,283	\$44,510
GBA NOTE RECEIVABLE (5 YEARS @ 1.75%)				\$140,692	\$140,692
PDD NOTE RECEIVABLE (1/2 AR) \$ 716,521 (5 YEARS @ 3.00%)				\$72,124	\$84,040
CASH ADVANCE - PROP 84				\$163,800	-
TOTAL ACCOUNTS RECEIVABLES				\$1,289,060	\$1,341,937
TOTAL CURRENT UNAUDITED ASSETS				\$20,032,058	\$23,428,516
NET CURRENT UNAUDITED ASSETS (NET CASH POSITION)				\$19,635,692	\$19,669,179

General Ledger Detail Report
Summary Report for Period 01 Thru 06 Ending 8/31/2026

PANOCHE WATER DISTRICT (PWD)					
Account Number/Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
13112-000					
MECHANIC CKNG #*****8566	1,452,889.79	36,106,405.58	37,458,323.65	1,351,918.07-	100,971.72
13132-000					
MECHANIC MM # 2305	42,211.25	22,216,924.46	7,534,661.68	14,682,262.78	14,724,474.03
13412-000					
MECHANIC PR#*****7895	16,069.82	902,944.61	909,885.35	6,940.74-	9,129.08
13465-000					
2021 REVENUE BONDS - LAIF	1,232,800.10	24,233.15	0.00	24,233.15	1,257,033.25
13470-000					
CONTRACTUAL OBLIGATION FUND #9745	2,190,517.09	783,603.38	662,837.40	120,765.98	2,311,283.07
13520-000					
LOCAL AGENCY INVESTMENT FD	9,446,756.60	2,522,350.50	11,629,000.00	9,106,649.50-	340,107.10
Report Total:	14,381,244.65	62,556,461.68	58,194,708.08	4,361,753.60	18,742,998.25

INTER-DISTRICT ACCOUNT RECONCILIATION
NON-AUDITED
8.31.2026

PWD	
PANOCHÉ WATER DISTRICT ACCOUNTS/NOTES RECEIVABLE	
GBA NOTE RECEIVABLE (1.75% INTEREST OVER 5 YEARS)	\$ 634,108
PANOCHÉ DRAINAGE DISTRICT OUTSTANDING INVOICES (AR)	\$ 704,845
PANOCHÉ DRAINAGE DISTRICT NOTE RECEIVABLE FOR 1/2 OUTSTANDING INVOICES (3.00% INTEREST OVER 5 YEARS)	\$ 371,673
PROP 84 CASH ADVANCES	\$ 163,800
Balance	\$ 1,874,425

PWD/PROP 218 FUNDING STATUS	
FRESNO/MERCED COUNTIES - 2021 CVP BOND	
FUNDS FOR 2025-2026 (APPROXIMATE FIGURE)	\$ 1,428,083
PAYMENTS FOR 2025-2026	\$ 936,378
Overcollection For Bond 2025-2026	\$ 491,705
ESTIMATED BOND ASSESSMENT REFUND 22/23	\$ 495,000
ESTIMATED BOND ASSESSMENT REFUND 23/24	\$ 505,264

PWD/USBR SMART WATER GRANT	
CONTOUR CANAL	
GRANT FUNDS ANTICIPATED TO BE RECEIVED FOR THE PROJECT	\$ 1,605,047
PWD RESERVE FUNDS TO BE USED FOR PROJECT	\$ 1,772,844
Total Cost	\$ 3,377,891
TOTAL PWD RESERVE FUNDS USED TO DATE	\$ 1,772,844
TOTAL GRANT FUNDS RECEIVED TO DATE	\$ 1,660,276

PDD	
PANOCHÉ DRAINAGE DISTRICT ACCOUNTS/NOTES PAYABLE	
PANOCHÉ DRAINAGE DISTRICT OUTSTANDING INVOICES (AP)	\$ 704,845
PANOCHÉ DRAINAGE DISTRICT NOTE PAYABLE FOR 1/2 OUTSTANDING INVOICES (3.00% INTEREST OVER 5 YEARS)	\$ 371,673
Balance	\$ 1,076,518

PDD/PROP 84	
PROP 84 ACCOUNTS PAYABLE	
PANOCHÉ WATER DISTRICT	\$ 163,800
Balance	\$ 163,800

PDD PROP 84 FUNDING STATUS	
GRANT AMOUNT	\$ 34,162,400
REQUESTED FUNDS (THRU INVOICE # 35)	\$ 30,600,522
FUNDS AVAILABLE	\$ 3,561,878

FP>Finance>Accounts Payable>Board Reports>Breakdown of AR.NR.NP

PANOCHE WATER DISTRICT
FY 2026 - 2027
BUDGET TO ACTUAL
MARCH 1, 2026 - FEBRUARY 28, 2027

	WATER REVENUE	BUDGET	ACTUAL THRU 8/31/2026	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/27	\$ DIFFERENCE (OVER)UNDER	ESTIMATED % OF BUDGET REMAINING
1	Supplemental Water	\$11,196,810	\$10,885,824	97%	\$310,986	\$310,986	\$310,986	3%
2	USBR Rescheduled Water (WY 25-26)	\$958,624	\$1,009,706	105%	-\$51,082	(\$51,082.00)	(\$51,082)	-5%
3	CVP Ag Water Contract (Based on 25%)	\$3,045,600	\$1,646,432	54%	\$1,399,168	\$1,399,168	\$1,399,168	46%
4	Other Revenue	\$600,000	\$479,438	80%	\$120,562	\$120,562	\$120,562	20%
5	Reserves - Supplemental Water	\$400,000	\$400,000	100%	-	-	-	0%
TOTAL WATER REVENUE		\$16,201,034	\$14,421,400	89%	\$1,779,634	\$1,779,634	\$1,779,634	11%

	WATER EXPENSES	BUDGET	ACTUAL THRU 8/31/2026	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/27	\$ DIFFERENCE (OVER)UNDER	ESTIMATED % OF BUDGET REMAINING
6	Supplemental Water	\$11,196,810	\$9,524,190	85%	\$1,672,620	\$1,672,620	\$1,672,620	15%
7	USBR Rescheduled Water (WY25-26)	\$958,624	\$996,325	104%	-\$37,701	-\$37,701	(\$37,701)	-4%
8	CVP Ag Water Contract (Based on 25%)	\$3,045,600	\$1,845,639	61%	\$1,199,961	\$1,199,961	\$1,199,961	39%
9	Planning & Engineering	\$70,000	\$17,068	24%	\$52,932	\$52,932	\$52,932	76%
10	Reserves - Supplemental Water	\$400,000	\$400,000	100%	-	-	-	0%
TOTAL WATER EXPENSES		\$15,671,034	\$12,783,222	82%	\$2,887,812	\$2,887,812	\$2,887,812	18%

NET WATER REVENUE/(DEFICIT)	\$530,000	\$1,638,178	(\$1,108,178)	(\$1,108,178)	(\$1,108,178)
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	O & M REVENUE	BUDGET	ACTUAL THRU 8/31/2026	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/27	\$ DIFFERENCE (OVER)UNDER	ESTIMATED % OF BUDGET REMAINING
11	Operations & Maintenance	\$4,811,078	\$3,483,305	72%	\$1,327,773	\$1,327,773	\$1,327,773	28%
12	Labor Reimbursement	\$90,000	\$48,703	54%	\$41,297	\$41,297	\$41,297	46%
13	Reimbursed Expenses	\$230,000	\$123,762	54%	\$106,238	\$106,238	\$106,238	46%
14	Domestic Water Treatment Plant	\$169,500	\$180,018	106%	-\$10,518	-\$10,518	-\$10,518	-6%
15	Central Delta-Mendota Region SGMA Fund 65	\$22,663	\$22,948	101%	-	-	-	0%
16	SGMA Coordinated Fund 63	\$12,771	\$12,771	100%	-	-	-	0%
17	Grant Revenue (Contour Canal)	\$1,877,823	-	0%	\$1,877,823	\$1,877,823	\$1,877,823	100%
18	Domestic Plant Reimbursement - Grant	\$100,000	-	0%	\$100,000	\$100,000	\$100,000	100%
19	GBA Note Receivable \$ 1,201,924 3/1/2024 Less: Interest	\$240,311	\$99,619	41%	\$140,692	\$140,692	\$140,692	59%
20	PDD Note Receivable \$ 716,521.50 2/29/2024 Less: Interest	\$143,176	\$71,052	50%	\$72,124	\$72,124	\$72,124	50%
21	Reserves - Service Truck w/ Boom	\$185,000	\$173,865	94%	-	-	-	0%
22	Reserves - Computer Replacements	\$17,000	\$13,102	77%	\$3,898	\$3,898	\$3,898	23%
23	Reserves - New VFD Station	\$65,250	-	0%	\$65,250	\$65,250	\$65,250	100%
24	Reserves - Forefront Power	\$80,864	\$80,864	100%	-	-	-	0%
25	Reserves - Pumps & Structures Repairs	\$250,000	\$30,267	12%	\$219,733	\$219,733	\$219,733	88%
TOTAL O & M REVENUE		\$8,295,436	\$4,340,276	52%	\$3,944,310	\$3,944,310	\$3,955,160	48%

	ADMINISTRATION EXPENSES	BUDGET	ACTUAL THRU 8/31/2026	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/27	\$ DIFFERENCE (OVER)UNDER	ESTIMATED % OF BUDGET REMAINING
26	Legal Costs	\$75,000	\$22,369	30%	\$52,631	\$52,631	\$52,631	70%
27	Salaries and Wages	\$666,826	\$305,439	46%	\$361,387	\$361,387	\$361,387	54%
28	Employees' Benefits	\$210,000	\$114,002	54%	\$95,999	\$95,999	\$95,999	46%
29	Payroll Burden	\$75,000	\$39,112	52%	\$35,888	\$35,888	\$35,888	48%
30	SLDMWA Activity Agreements	\$132,105	\$66,053	50%	\$66,052	\$66,052	\$66,052	50%
31	SLDMWA DHCCP Bond Payment	\$134,291	\$20,729	15%	\$113,562	\$113,562	\$113,562	85%
32	Directors' Benefits	\$30,000	\$15,000	50%	\$15,000	\$15,000	\$15,000	50%
33	Insurance Costs	\$103,000	\$67,005	65%	\$35,995	\$35,995	\$35,995	35%
34	SWRCB Water Rights Fee	\$140,943	-	0%	\$140,943	\$140,943	\$140,943	100%
35	Central Delta-MendotaRegion SGMA Fund 65	\$22,663	\$23,967	106%	-\$1,304	-\$1,304	-\$1,304	-6%
36	SGMA Coordinated Fund 63	\$12,771	\$17,717	139%	-\$4,946	-\$4,946	-\$4,946	-39%
37	Other Supplies & Services	\$100,000	\$54,366	54%	\$45,634	\$45,634	\$45,634	46%
38	Professional Services	\$60,000	\$36,801	61%	\$23,199	\$23,199	\$23,199	39%
39	Annual Audits	\$42,400	\$17,720	42%	\$24,680	\$24,680	\$24,680	58%
40	Communication Costs	\$38,500	\$24,535	64%	\$13,965	\$13,965	\$13,965	36%
41	Conferences and Training Costs	\$22,500	\$3,986	18%	\$18,514	\$18,514	\$18,514	82%
42	Utilities	\$49,000	\$18,828	38%	\$30,172	\$30,172	\$30,172	62%
TOTAL ADMINISTRATION EXPENSES		\$1,914,999	\$847,628	44%	\$1,067,371	\$1,067,371	\$1,067,371	56%

	OPERATIONS & MAINTENANCE EXPENSES	BUDGET	ACTUAL THRU 8/31/2026	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/27	\$ DIFFERENCE (OVER)UNDER	ESTIMATED % OF BUDGET REMAINING
43	Energy Costs	\$1,800,000	\$1,088,277	60%	\$711,723	\$711,723	\$711,723	40%
44	Salaries and Wages	\$950,000	\$461,227	49%	\$488,773	\$488,773	\$488,773	51%
45	Employees' Benefits	\$358,000	\$172,148	48%	\$185,853	\$185,853	\$185,853	52%
46	Payroll Burden	\$132,000	\$59,061	45%	\$72,939	\$72,939	\$72,939	55%
47	Reimbursable Expenses	\$230,000	\$51,203	22%	\$178,797	\$178,797	\$178,797	78%
48	Chemical Application	\$193,000	\$77,241	40%	\$115,759	\$115,759	\$115,759	60%
49	Domestic Water Treatment Plant	\$269,500	\$63,843	24%	\$205,657	\$205,657	\$205,657	76%
50	Fuel & Oil costs	\$95,000	\$58,544	62%	\$36,456	\$36,456	\$36,456	38%
51	Pumps & Structures Repairs	\$200,000	\$200,000	100%	-	-	-	0%
52	Equipment repairs	\$55,000	\$25,987	47%	\$29,013	\$29,013	\$29,013	53%
53	Vehicle repairs & Maintenance	\$37,000	\$10,228	28%	\$26,772	\$26,772	\$26,772	72%
54	Buildings Repairs & Maintenance	\$100,000	\$11,901	12%	\$88,099	\$88,099	\$88,099	88%
55	Laboratory - Water Testing	\$15,000	\$11,138	74%	\$3,862	\$3,862	\$3,862	26%
56	Grant Expenses (Contour Canal)	\$1,877,823	\$90,384	5%	\$1,787,439	\$1,787,439	\$1,787,439	95%
57	Reserves - Service Truck w/ Boom	\$185,000	\$173,865	94%	-	-	\$11,135	6%
58	Reserves - Computer Replacements	\$17,000	\$13,102	77%	\$3,898	\$3,898	\$3,898	23%
59	Reserves - New VFD Station	\$65,250	-	0%	\$65,250	\$65,250	\$65,250	100%
60	Reserves - Forefront Power	\$80,864	\$80,864	100%	-	-	-	0%
61	Reserves - Pumps & Structures	\$250,000	\$30,267	12%	\$219,733	\$219,733	\$219,733	88%
TOTAL OPERATIONS & MAINTENANCE EXPENSES		\$6,910,437	\$2,679,279	39%	\$4,220,023	\$4,220,023	\$4,231,158	61%

TOTAL EXPENSES	\$8,825,436	\$3,526,908	\$5,287,393	\$5,287,393	\$5,298,528
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NET O & M REVENUE/(DEFICIT)	-\$530,000	\$813,368	-\$1,343,083	-\$1,343,083	-\$1,343,368
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TOTAL REVENUE/(DEFICIT)	\$2,451,546
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RESERVES	
Capital Improvement - Service Truck w/ boom	\$ 185,000
Capital Improvement - Computer Replacement	\$ 17,000
Capital Improvement - New VFD Station	\$ 65,250
Reserves - Pumps & Structures	\$ 250,000
Reserves - Forefront Power	\$ 80,864
Reserves - Balance from 25.26 1/2 Pistachio Fencing	\$ 20,937
Reserves - Supplemental Water	\$ 400,000
Board Approved 3.10.2026 Subject to Prop 218	\$ 1,019,051

Water O & M Rate \$ 86.50

Land Based Assessment \$ 11.25

Purchased Ford Ranger

\$40,169

PANOCHE WATER DISTRICT 2026/2027	
OTHER REVENUE BREAKDOWN	
EMPLOYEE RENT	\$24,780
DELIQUENT CUSTOMER CHARGES	\$1,313
MECHANICS MONEY MARKET INTEREST	\$185,430
LAIF INTEREST	\$146,584
PDD INTEREST ON LOAN INSTALLMENT PYMTS	\$6,198
SALE OF DISTRICT VEHICLES	-
FRONTIER REFUND - CLOSED PHONE ACCOUNT	\$231
REFUND DEPT OF PESTICIDE	\$180
LATE FEE - RENT	\$100
SALE OF METALS - A & S METALS	\$525
SETTLEMENT CHECK CINTAS - UNIFORMS	\$252
GBA PROP 84 INTEREST ON ADVANCES	\$58,178
PROP 218 MONEY MARKET INTEREST	\$50,607
GBA INTEREST ON LOAN INSTALLMENT PYMTS	\$5,060
TOTAL OTHER REVENUE	\$479,438

8.31.2026

PROP 218 BOND RECONCILIATION ACT # 13470					
	AMOUNT	AMOUNT	AMOUNT		
	AMOUNT	COLLECTED	COLLECTED	TOTAL	OVER
FISCAL YEAR	PAID	1ST INSTALL	2ND INSTALL	COLLECTED	COLLECTED
2021-2022	\$ 1,055,820.59	\$ 749,561.18	\$ 622,392.27	\$ 1,371,953.45	\$ 316,132.86
2022-2023	\$ 931,982.70	\$ 720,029.77	\$ 722,731.77	\$ 1,442,761.54	\$ 510,778.84
2023-2024	\$ 932,292.26	\$ 719,997.07	\$ 717,375.26	\$ 1,437,372.33	\$ 505,080.07
2024-2025	\$ 931,902.50	\$ 729,934.98	\$ 732,895.55	\$ 1,462,830.53	\$ 530,928.03
2025-2026	\$ 935,910.50	\$ 729,969.24	\$ 730,055.22	\$ 1,460,024.46	\$ 524,113.96
	\$ 4,787,908.55			\$ 7,174,942.31	\$ 2,387,033.76
21/22 OVERCOLLECTION REFUND FRESNO COUNTY				\$	323,556.68
TOTAL OVERCOLLECTION BALANCE				\$	2,387,033.76
MONEY MARKET ACCOUNT BALANCE WITH INTEREST 8.31.2026				\$	2,311,283.07
22/23 ESTIMATED BOND OVERCOLLECTION REFUND - IN PROGRESS AT FRESNO COUNTY				\$	495,000.00
23/24 ESTIMATED BOND OVERCOLLECTION REFUND				\$	505,263.65

2025 - 2026 TAX ASSESSMENT COLLECTIONS & PAYMENTS	
1ST INSTALL TAX ASSESSMENT COLLECTED 2025-2026 12/30/2025	\$ 729,969.24
PAYMENT MADE 2/28/2026 2025-2026 (INTEREST ONLY)	\$ 273,073.10
2ND INSTALL TAX ASSESSMENT COLLECTON 2025-2026 5/21/2026	\$ 730,055.22
PAYMENT DUE 8/31/2026 2025-2026 (INTEREST & PRINCIPAL)	\$ 662,837.40
25.26 OVERCOLLECTION (ESTIMATE)	\$ 524,113.96

ORIGINAL BOND AMOUNT JULY 2021			
2021A BOND	4%	\$	10,290,000
2021B BOND	3.51%	\$	8,110,000
		\$	18,400,000

\$242,760.66 INTEREST @ 3.85%
 \$5,045.00 FUNDS TO START ACCOUNT
 \$2,063,477.41 OVERCOLLECTION BALANCE
 \$2,311,283.07 AUGUST 2026 BALANCE

MONEY MARKET FUND EARNING 3.85% INTEREST

8.31.2026

BANK ACCOUNT BALANCES THRU 8.31.2026

MECHANIC CKNG #*****8566

\$	100,971.72
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MECHANIC MM # 2305

\$ 14.724.474.03

MECHANIC PR#*****7895

\$ 9,129.08

2021 REVENUE BONDS - LAIF

\$ 1.257.033.25

CONTRACTUAL OBLIGATION FUND #9745

\$ 2,311,283.07

LOCAL AGENCY INVESTMENT FD

\$	340.107.10
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Report Total: \$ 18,742,998.25

FP>Finance>Budget-Backup Information>26.27>PWD>Reserve Report

Aaron Barcellos

August 28th, 2026

Review Period 07/08/2026 – 08/06/2026

Statement and documentation made available: 08/25/2026

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

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

Mr. Patrick McGowan – General Manager

Mr. Juan Cadena – Director of Operations

Mr. Chris Carlucci

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Aaron Barcellos', with a stylized, flowing script.

Aaron Barcellos

PANOCHÉ WATER DISTRICT
AGED ACCOUNTS RECEIVABLE, BY DUE DATE
As of 8/31/2026

Delinquency Notification Steps

Name	L Day + 1 Month 31-60 Days		L Day + 2 Months 61-90 Days		L Day + 75 Days		L Day + 3 Months Over 90 Days		Total A/R
B & C Farms c/o Raquel Barron	408.81	✓	36.46	✓			2,637.85	✓	3,083.12
Carbajal, Sylvia	82.84	✓	7.39	✓			663.94	✓	754.17
Correia, Beau and Katherine	4,342.23	✓	1,976.66	✓			2,664.75	✓	8,983.64
Correia 2015 Living Trust	3,541.34	✓							3,541.34
Epic Farms	90.00	✓							90.00
Hanna M&M Family Trust							29,523.00	✓	29,523.00
Harvest Point, LLC							19,128.00	✓	19,128.00
Hugh Bennett Ranch, Inc.	16,897.22	✓							16,897.22
John S. Diedrich Farms	12,000.00	✓							12,000.00
KB Family Farm	13.25	✓	13.25	✓			12,600.00		12,626.50
Mary K. McGrath Trust	1,631.09	✓							1,631.09
Old Oak Land Company	148.17	✓							148.17
Peri, David J. & Pamela	479.33	✓							479.33
Total:	39,634.28		2,033.76		0.00		67,217.54		\$ 108,885.58

Re-Issue Invoice	Re-Issue Invoice	Re-Issue Invoice	Re-Issue Invoice
Send Copy of Policy	Send Copy of Policy	Send Copy of Policy	Send Copy of Policy
	Notify Owner & Wtr User	Notify Owner & Wtr User	Notify Owner & Wtr User
	Deny New Wtr Orders	Deny New Wtr Orders	Deny New Wtr Orders
	GM to call	GM to call	GM to call
		15 Day Notice to Service	15 Day Notice to Service
		Assign 1.5% Interest	Assign 1.5% Interest
			Discontinue Wtr Service
			May Discontinue Drainage
			May Lien Property

NOTES:

B&C Farms / Mailed letter / Invoice/ Statement - Along with a copy of the delinquency policy to Daughter 7/7/2025 / Realtor contacted me 8/4/25 / Still Continuing to send statements & billings. 10/31 Sent Certified Letter - Have not heard back / Mailed Statement 1/5/26 & 2/4 & 3/4 & 4/6 & 5/6 & 6/2 & 7/7 & 8/4 & 9/3
Carbajal / Mailed out Letter along with a copy of the delinquency policy 7/7/ & 8/5 & 9/2 & 9/30 & 10/31 / Still Continuing to send statements & billings
Sent Certified Letter - Have not head back. / Mailed Statement 1/5/26 & 2/4 & 3/4 & 4/6 & 5/6 & 6/2 & 7/7 & 8/4 & 9/3

Beau Correia made a payment for \$ 4,641.41 on 9/2/2026

Correia Trust made a payment for \$ 13,209.74 on 9/2/206

Epic Farms / E-mailed this over to Bryant - it will get processed for payment

Hanna/Harvest Point / The amounts owed are the Allocation Deposit USBR Water Cost Billings / I, Chris, and Patrick have talked to him

John Diedrich / Mary K. McGrath - Jay brought a check in for \$ 35,068.56

KB Family Farm made a payment for \$ 12,613.25 on 9/2/2026



panoche 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: AUGUST DIVISION REPORT – WATER DEPT.
DATE: SEPTEMBER 8, 2026
CC : JUAN CADENA, WATER RESOURCES MANAGER
PATRICK MCGOWAN, GENERAL MANAGER

Water Supply as of September 1, 2026:

San Luis Reservoir Total Storage	<u>1,287,386 AF</u>
San Luis Reservoir Federal Storage	<u>428,772 AF</u>
San Luis Reservoir % of Total Capacity	<u>63 % (100% = 2,041,000 AF)</u>
San Luis Reservoir Federal % Share	<u>34 %</u>

Average 781,740 AF – As of Sep 1 – Overall at 165% of average

Panoche Water Supply as of September 1, 2026:

USBR 2026 Water Balance	<u>19,125 AF (28%)</u>
USBR Resch. Water Balance	<u>0 AF</u>
August, 2026 Grower Deliveries	<u>6,036 AF</u>
Total Deliveries to Date (Mar-Aug)	<u>42,522 AF</u>

The water figures do not include the Drought Pool of 2,202 AF, or the banked water of 1,500 AF.

Water Department Updates:

The July O&M billings, Interest billings, & M&I water billings were completed & mailed out. August's Water Usage, Interest, and M&I Billings will go out 9/15/2026.

Worked with CCID/FCWD to color SJRECWA transfers, colored all other water and will report August's Water, M&I, and Transfer Usage for PWD for the DMC & SLC to SJRECWA/SLDMWA/USBR/DWR

Will finalize the Water Payment Summaries for the DMC & SLC to the USBR & SLDMWA for August.

Finalized the PDD and PWD Board Meeting Minutes for last month's meetings. (CDD's too)

Reconciled all the bank statements and the Fresno County Fund for the month of August and posted any interest in the GL for all Districts / Scanned them all onto the server.

Processed the Board Meeting AR Reports for PDD & PWD

Reached out to Growers regarding their delinquencies for both PDD & PWD

Verified USBR BORWORKS Delivery & Charges Reports for the DMC/SLC for July
Still working on a project with Juan on the overall District map APN's and ownership / researching and updating to current / Currently on Division 1 out of 5. (Juan has completed Sections 3, 4, and 5 already)

Updated the Water Forecast spreadsheet as of 9/1/26 for the board meeting.

Allocated all transfer in water and well water pumped to grower's water accounts prior to billing.

Kept updating a "No Delivery Water List" for the canalmen letting them know who is low on water, or no longer has water to accept water orders/ Working with the growers on the list to bring them to current / Also notes delinquencies, if any.

Processed a 92 AF water transfer for Gargiulo to Westlands and coordinated it with Jose Rangel and the USBR.

Attended a zoom meeting with Patrick and Phil to discuss the M&I Water Applications. Scanned some requested information over to the PWD auditors.

E-mailed the growers about the add'l 3% USBR allocation and updated the grower's books in Storm to show the add'l allocation.

Finalized the USBR spreadsheet showing rescheduling allotments / Water Usage estimated to 2/28/27.

**USBR Allocation 28%, or 26,420 AF will equal approximately .68 AF/AC
At 100%, the allocation is 2.46 AF/AC**

PANOCHÉ WATER DISTRICT WATER ACCOUNTING

Month: August, 2026

9/4/2026

Water Supply																		
District Water March, 2026 - Feb, 2027	Annual AF	2026 March	2026 Apr	2026 May	2026 June	2026 July	2026 Aug	2026 Sept	2026 Oct	2026 Nov	2026 Dec	2027 Jan	2027 Feb	YTD Usage	Transfers Out	Not Pumped	Stored	Remaining Balance
Grower Transfer Ins	480			250	225	5								480				0
Transfer 1	3,000	242	307	572	750	1,129								3,000				0
Transfer 2	3,876			300	1,071	1,293	412							3,076	800	Sold / Transfer		0
Transfer 4	1,500			250	400	422	250							1,322				178
Transfer 5	271			8	55	114	94							271				0
Transfer 8	1,213			79	378	383	373							1,213				0
Grower Well Water	3,575		35	517	1,222	1,430	371							3,575				0
Gains or Losses	3,437	(291)	98	1,353	988	863	426							3,437				0
District Water Total	17,352	(49)	440	3,329	5,089	5,639	1,926	0	0	0	0	0	0	16,374				178
Bureau Water March, 2026 - Feb, 2027	Annual AF	2026 March	2026 Apr	2026 May	2026 June	2026 July	2026 Aug	2026 Sept	2026 Oct	2026 Nov	2026 Dec	2027 Jan	2027 Feb	YTD Usage	Transfers Out	Loss	Transfer In	Remaining Balance
Rescheduled Water	9,320	3,578	3,663	2,001										9,242		(78)		0
2026-20267 28% USBR	26,420			10	15	2,766	3,412							6,203	1,092			19,125
USBR Drought Program	2,350													0		(148)		2,202
Banked Water Program	1,500													0				1,500
Transfer 2	1,124			785	216	93	30							1,124				0
Transfer 3	5,000			1,225	2,407	1,219								4,851		(149)		0
Transfer 6	3,907				1,953									1,953	1,954	Sold / Transfer		0
Transfer 7	797					101	296							397		(27)		373
Transfer 9	175				175									175				0
Grower Transfers In	2,236			525	865	474	372							2,236				0
Bureau Water Total	52,829	3,578	3,663	4,546	5,631	4,653	4,110	0	0	0	0	0	0	26,181	3,046	(402)	0	23,200
Total Water Supply	70,181	3,529	4,103	7,875	10,720	10,292	6,036	0	0	0	0	0	0	42,555	3,046	(402)	0	23,378
Usage																		
Growers		3,529	4,103	7,875	10,720	10,292	6,036							42,555				
Grower Transfers Out					600	400	92							1,092				
District Transfers/Sales														0				
USBR Drought Program														0				
Total Usage/Transfers		3,529	4,103	7,875	11,320	10,692	6,128	0	0	0	0	0	0	43,647				
Diff/Losses: % of Supply	%	-8%	2%	17%	8%	8%	7%							8%				
Budget to Actual - AF	52,000	3,529	4,070	7,875	10,720	10,292	6,036							42,522	1,092			8,386

* Water Supply Numbers are estimates of known Transfers at this time - Deliveries are Actual * / * USBR Allocation 28% includes M&I. YUBA Allocation for July increased from 96 AF to 101 AF - Used 5AF less USBR Water

Panoche Water District

DELIVERIES, RECYCLED, POWER CHARGES REPORT

DISTRICT DELIVERIES						RETURN FLOWS					RUSSELL RECIRCULATION Energy Charges					PG&E CHARGES				
2022	2023	2024	2025	2026		2022	2023	2024	2025	2026	2022	2023	2024	2025	2026	2022	2023	2024	2025	2026
MAR	982	978	1,992	2,101	3,529	130	3	(164)	37	(291)	\$ 63	\$ 49	\$ 104	\$ 45	\$ 146	\$ 38,061	\$ 20,336	\$ 30,342	\$ 29,501	\$ 24,530
APR	2,303	2,980	3,690	5,012	4,103	556	85	90	145	98	\$ 128	\$ 920	\$ 236	\$ 17,091	\$ 23,155	\$ 95,409	\$ 60,283	\$ 100,923	\$ 81,246	\$ 96,572
MAY	3,839	6,411	7,313	8,294	7,875	728	538	747	8	1,353	\$ 1,413	\$ 1,266	\$ 24,408	\$ 35,782	\$ 28,310	\$ 103,548	\$ 76,265	\$ 131,564	\$ 129,334	\$ 113,552
JUN	5,434	9,792	10,019	11,370	10,720	782	566	1,028	833	988	\$ 27,615	\$ 11,491	\$ 54,027	\$ 59,609	\$ 43,592	\$ 148,032	\$ 115,412	\$ 182,855	\$ 178,339	\$ 193,651
JUL	5,612	11,545	12,186	11,576	10,292	83	650	1,787	2,122	863	\$ 46,544	\$ 12,039	\$ 74,553	\$ 68,501	\$ 50,086	\$ 209,145	\$ 213,325	\$ 332,340	\$ 271,389	\$ 246,862
AUG	4,165	8,888	7,724	7,545	6,036	(253)	862	609	367	426	\$ 36,685	\$ 28,407	\$ 65,701	\$ 53,744	\$ 46,300	\$ 179,674	\$ 203,428	\$ 258,161	\$ 248,974	\$ 243,804
SEP	2,790	4,724	4,062	4,631		(240)	37	274	228		\$ 22,748	\$ 39,151	\$ 49,877	\$ 50,021		\$ 143,734	\$ 163,960	\$ 196,922	\$ 219,763	
OCT	1,693	2,790	3,614	2,208		(171)	223	(64)	16		\$ 8,034	\$ 2,365	\$ 3,657	\$ 35,291		\$ 82,107	\$ 119,971	\$ 147,887	\$ 150,265	
NOV	266	1,134	748	384		(161)	(107)	(171)	(105)		\$ 7,014	\$ 202	\$ 105			\$ 202,938	\$ 86,638	\$ 112,013		
DEC	89	1,223	240	374		(15)	(58)	(18)	(48)		\$ 113	\$ 211	\$ 105			\$ 33,649	\$ 64,191	\$ 39,249		
JAN	15	1,860	2,466	1,533		(83)	98	(49)	(8)		\$ 93	\$ 222	\$ 110	\$ 227		\$ 25,041	\$ 70,825	\$ 18,785	\$ 14,505	
FEB	743	1,827	3,750	2,633		137	16	292	(143)		\$ 101	\$ 311	\$ 3,120	\$ 222		\$ 31,647	\$ 54,764	\$ 56,196	\$ 26,099	
Total	27,931	54,152	57,804	57,661	42,555	1,493	2,913	4,361	3,452	3,437	\$ 150,552	\$ 96,633	\$ 276,004	\$ 320,533	\$ 191,588	\$ 1,292,985	\$ 1,249,397	\$ 1,607,237	\$ 1,349,416	\$ 918,970
YEAR TO DATE	22,335	40,594	42,924	45,898	42,555	2,026	2,704	4,097	3,512	3,437	\$ 112,449	\$ 54,172	\$ 219,029	\$ 234,772	\$ 191,588	\$ 773,869	\$ 689,048	\$ 1,036,185	\$ 938,784	\$ 918,970

Water Year	2022-23	2023-24	2024-25	2025-26	2026-27	5 Yr. Average
USBR Allocation	0.00%	100.00%	50.00%	55.00%	28.00%	47%
Total Alloc. Acreage	38,202	38,317	38,317	38,317	38,317	38,294
A/F / acre	0.73	1.41	1.51	1.50	1.11	1.25
Effective Precip.	0.31	0.41	0.19	0.29	0.07	0.25
Total Applied a/f	1.04	1.82	1.70	1.79	1.18	1.51

Total Precip. Inches 7.34 9.73 4.56 6.92 1.73 (From Mar 1 to Apr 22)

Total rainfall /2/12

Total Rainfall from Oct. 2025 to today is 7.78 inches.

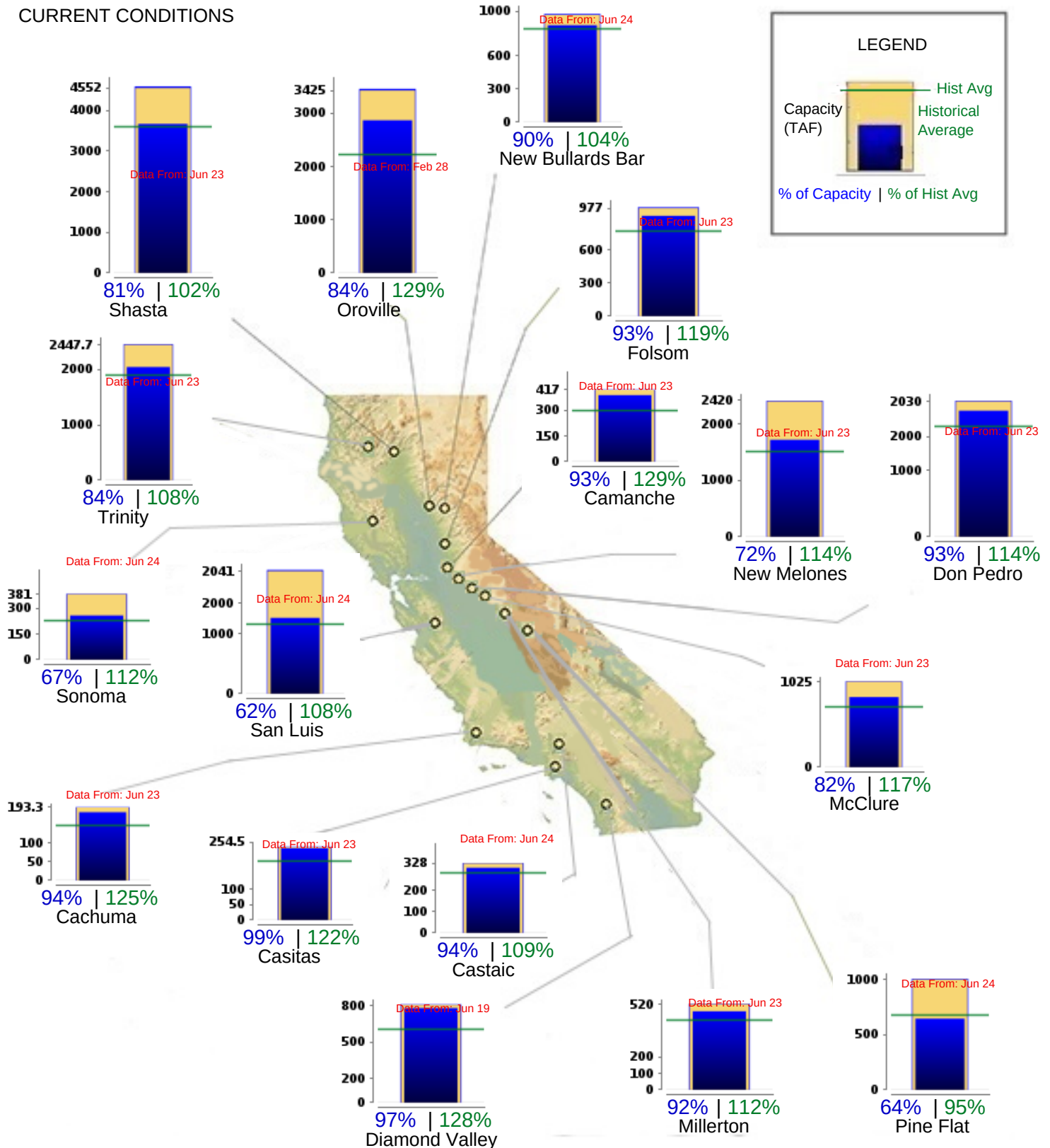


CURRENT RESERVOIR CONDITIONS

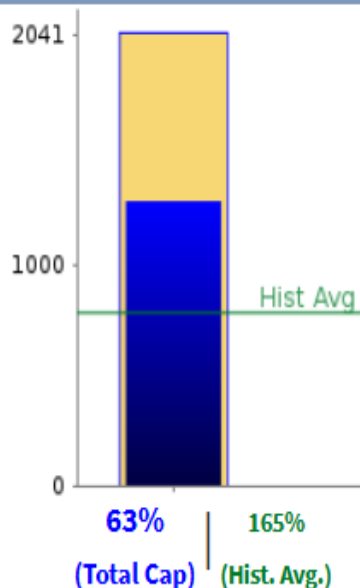
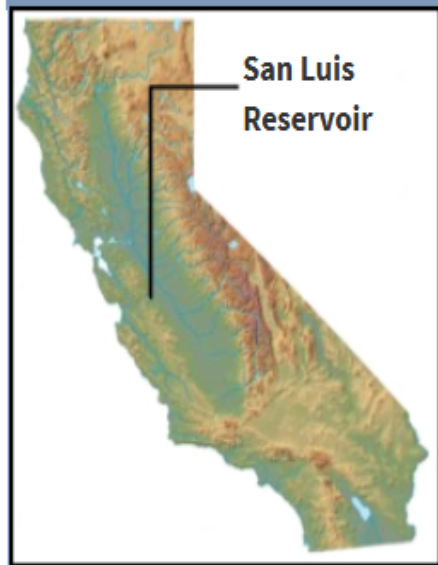
CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

Midnight - August 31, 2026

CURRENT CONDITIONS



San Luis - Storage Conditions, August 31, 2026



Data as of Midnight: August 31, 2026

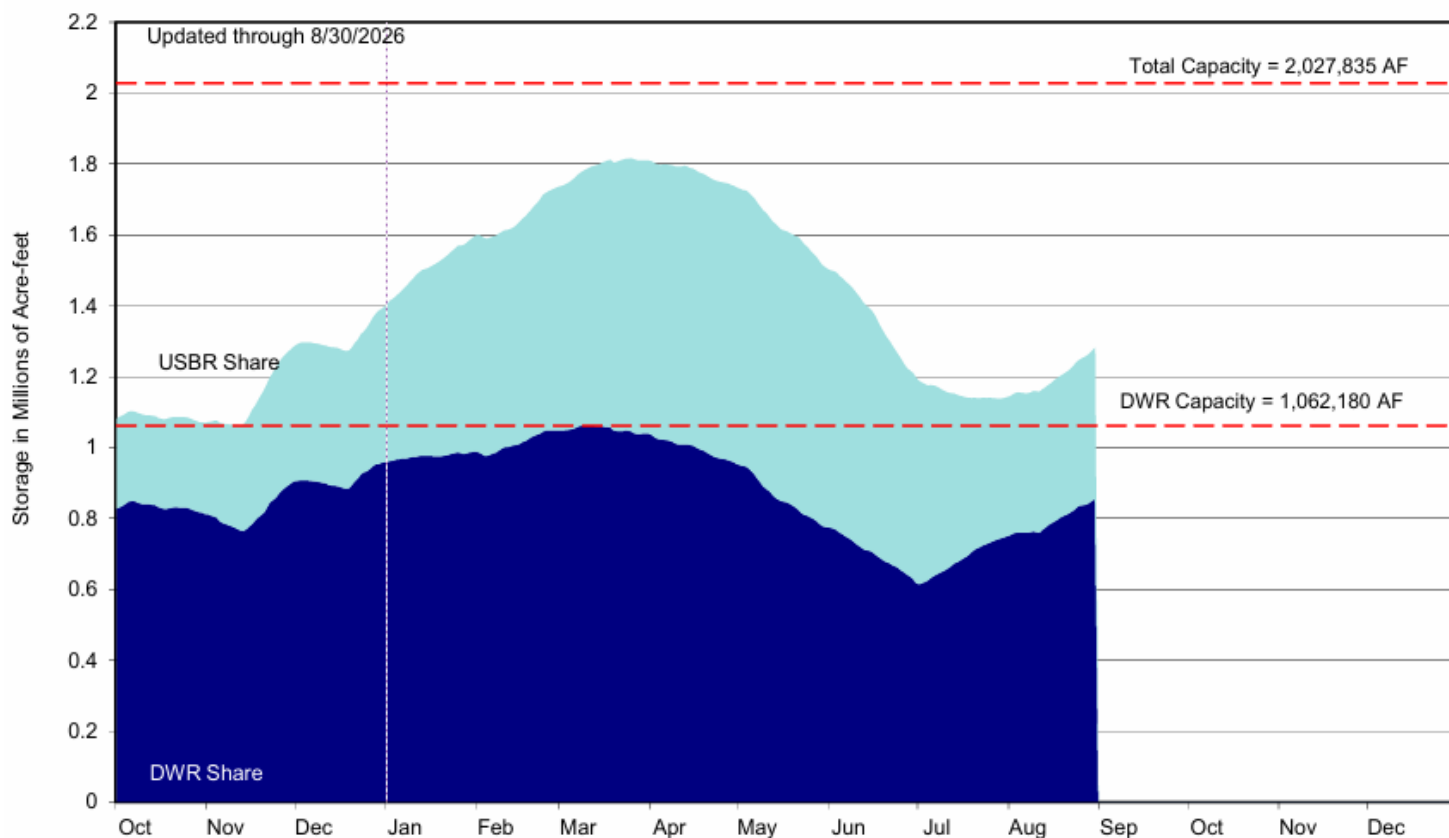
- Storage: 1,287,386 AF
- Reservoir Elevation: 480.29 FT
- **63% of Total Capacity**
- **165% of Historical Avg. For This Date**
- Total Capacity: 2,041,000 AF
- Avg. Stor. for August 31: 781,740 AF

Change Date: 31-Aug-2026

Major Reservoirs Current Conditions Graphs

[Printable Version of Current Data](#)

San Luis Reservoir Storage Combination Water/Calendar Year



Project Operations Summary Update

TABES Consulting, LLC

August 26, 2026

[View email in browser](#)

CVP Reservoir Status

Shasta – Storage is 2,691 TAF (103% of the 15-year average). Releases have declined from 11,000 cfs early last week to 9,500 cfs as upper Sacramento River diversions continue to taper. Power bypass operations have also decreased, falling from 12% last week to 6% as temperature management becomes less challenging. Storage is now trending about 140 TAF above Reclamation’s latest forecast, up from about 120 TAF above forecast last week.

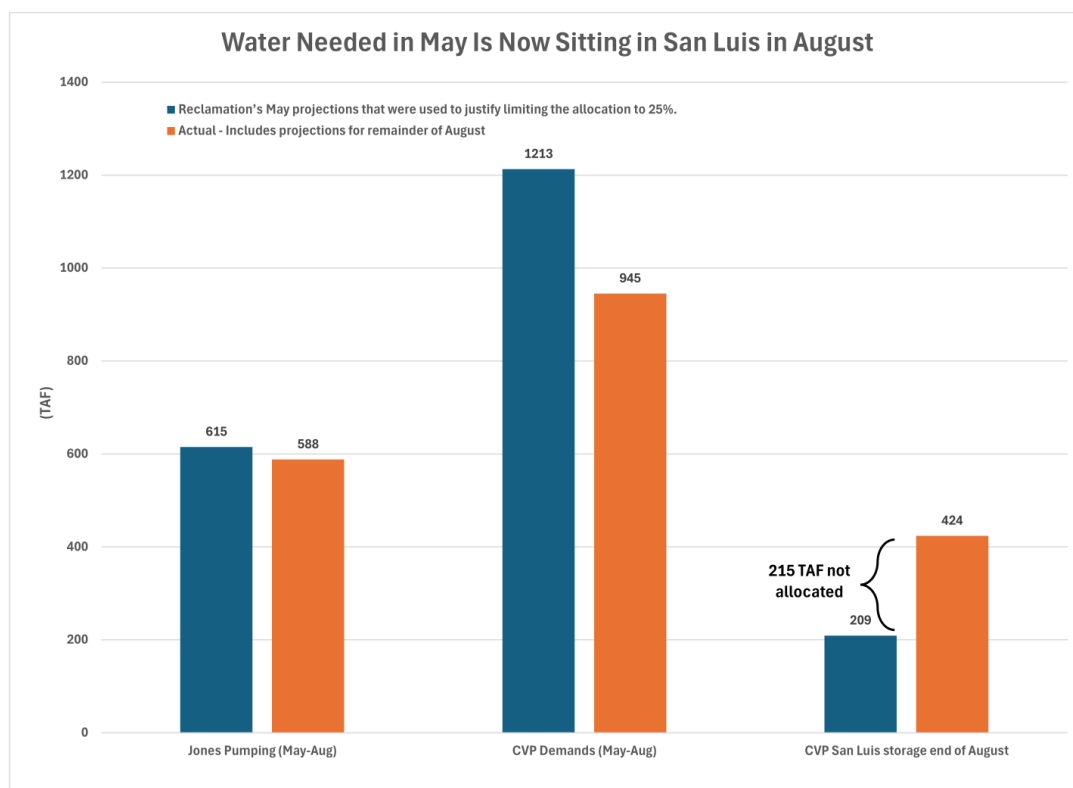
Trinity – Storage is 1,793 TAF (125% of the 15-year average). Releases to the Trinity River remain at 450 cfs but are expected to increase in September to augment fall flows in the Klamath River. August imports to the Sacramento River total about 71 TAF to date and are on pace to finish roughly 20 TAF below Reclamation’s latest forecast.

Folsom – Storage is 478 TAF (97% of the 15-year average). Releases have declined over the past week from 4,500 cfs to 3,500 cfs as Delta outflow and water quality requirements remain comfortably manageable. Storage continues to track about 60 TAF above Reclamation’s latest forecast.

Delta Conditions

Total exports remain at capacity, with Banks pumping 7,180 cfs and Jones pumping 4,250 cfs, supported by reduced Delta requirements under D-1641. Jones is expected to maintain capacity pumping until maintenance work begins at the O'Neill Pumping Plant around September 10. During the approximately 10-day maintenance period, CVP pumping will be limited to 40% of capacity. However, it remains unclear how much Jones pumping can increase following the work, given reduced upstream releases.

CVP San Luis Reservoir Storage Projections



TABES Consulting LLC
8/26/2026

Disclaimer

The information contained in this report is compiled from data provided by Central Valley Project and State Water Project operators, in addition to biological reports from state and federal agency biologists. Projections related to export pumping and San Luis Reservoir storage may be based on estimates from Project operators or on independent analyses using historical trends and correlations. While every effort is made to ensure the accuracy and reliability of the information, TABES Consulting, LLC makes no guarantees regarding the completeness or precision of the information. Your feedback, corrections, or suggestions to improve this report are always welcome.



Panoche Water District
Water Year 2026-2027
 Water Forecast

9/3/2026 3:46 PM

PWD Forecasted Water Usage

/ AF Could Change

District Direct Delivery	AF	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
CCID/FCWD	3,000	242	307	572	750	1,129							
SLCC Eastside Water	3,076			300	1,071	1,293	412						
FCWD Conserved Wtr	1,500			250	400	422	250						
FCWD Add'l Wtr	271			8	55	114	94						
Brackish Wtr Recovery Proj	1,213			79	378	383	373						
Grower Transfer Ins	480			250	225	5							
Grower Well Water	3,575		35	517	1,222	1,430	371						
Gains	3,820	(291)	98	1,353	988	863	426	250	50	(1)	(36)	17	103
Total	16,935	(49)	440	3,329	5,089	5,639	1,926	250	50	(1)	(36)	17	103

0
0
178
0
0
0
0
0
0

Bureau CVP Delivery	AF	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Rescheduled Water 25-26	9,320	3,578	3,663	2,001									
WY26-27 28% USBR Alloc.	26,420			10	15	2,766	3,412	3,541	1,828	328	370	1,363	2,267
USBR Drought Pool	2,350												
Banked Water Program	1,500												
SLCC Eastside Water	1,124			785	216	93	30						
West Stanislaus ID	5,000			1,225	2,407	1,219							
SJRECWA/SLDMWA	1,953				1,953								
YUBA	797					101	296	297	76				
MSWD Rescheduled Wtr	175				175								
Grower Transfers In	2,372			525	865	474	372	80	34	19	3		
Total	51,011	3,578	3,663	4,546	5,631	4,653	4,110	3,918	1,938	347	373	1,363	2,267

Losses		USBR Surplus	
0	(242)	10,520	
10,520		10,520	
2,066	(284)	(600)	X-fer Out/Coit
1,500		(284)	Fill Drought Pool
0		(300)	X-fer Out/Gargiulc
0	(149)	(100)	X-fer Out/Coit
0		(92)	X-fer Out/Gargiulc
0	(27)	9,144	
0			
0			

Rescheduling 9,400

Totals	67,946	3,529	4,103	7,875	10,720	10,292	6,036	4,168	1,988	346	337	1,380	2,370
USBR Rescheduled Wtr Losses	(78)		(57)	(21)									
USBR Drought Pool Losses	(284)	(42)	(23)	(23)	(23)	(22)	(22)	(22)	(22)	(22)	(21)	(21)	(21)

PWD Estimated Grower Usage

For Water Year 2026-2027	60%	-18%	-6%	-5%	-11%	-20%	-10%	-10%	-10%	-10%	-10%	-10%	-10%
	AF	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Grower Deliveries	53,144	3,529	4,103	7,875	10,720	10,292	6,036	4,168	1,988	346	337	1,380	2,370
Transfers Out	600				600	400	92						
Sales	0												
Totals	53,744	3,529	4,103	7,875	11,320	10,692	6,128	4,168	1,988	346	337	1,380	2,370

PWD Grower Deliveries

For Water Year 2025-26													
Last Year Delivery Comparison	AF	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Grower Deliveries	57,661	2,101	5,012	8,294	11,370	11,576	7,545	4,631	2,208	384	374	1,533	2,633
Transfers Out	522	0	0	0	0	300	0	0	0	0	222	0	35
Sales	13,000	0	0	0	4,500	500	1,572	1,428	0	2,000	0	0	3,000
Totals	71,183	2,101	5,012	8,294	15,870	12,376	9,117	6,059	2,208	2,384	596	1,533	2,633

PANOCHÉ WATER DISTRICT WY 2026-2027 RESCHEDULED WATER INTO WY 2027-2028

\$115
 \$500

		7/31/2026 Water Balances			Resched. Share		Resched. Actual		USBR		Supplemental	
		USBR Water Balance	All Other Available Water	Supplemental Water Balance	9,400 Pro Rata Share Rescheduling	Aug. Act. Wtr Usage Est. to 2/28/2027	Total of Actual Rescheduled Water		Water Balance	Refund for Water Cost	Water Balance	Refund for Water Cost
Grower Name	Acreage											
A-Bar Ag Enterprises	1,758.47	1,177	-	47	453	(822)	402		-	-	-	-
Almendra Properties III, LP	134.88	93	-	-	35	-	35		(58)	\$ (6,670)	-	-
Gopher Ridge I, LP	601.84	415	-	632	155	(643)	155		(249)	\$ (28,635)	-	-
Gopher Ridge II, LP	633.60	437	-	-	163	(380)	57		-	-	-	-
Gopher Ridge Entities Total	1,370.32	945	-	632	353	(1,023)	247		(307)	\$ (35,304)	-	-
Hugh Bennett Ranch, Inc.	947.74	652	-	-	244	(561)	244		-	-	-	-
JFB Ranch, Inc.	2,020.43	1,392	-	212	520	(771)	520		(160)	\$ (18,400)	-	-
Bennett Entities Total	2,968.17	2,044	-	212	764	(1,332)	764		(160)	\$ (18,400)	-	-
Bethel, Kenneth 2015 Trust	477.28	279	-	-	123	(49)	123		(107)	\$ (12,305)	-	-
Correia, Beau & Katherine	40.00	28	-	-	10	-	10		(18)	\$ (2,070)	-	-
KB Family Farm	420.00	289	-	-	108	(73)	108		(31)	\$ (3,565)	-	-
Correia 2015 Living Trust	170.13	43	-	-	44	(76)	44		-	-	-	-
Correia Entities Total	630.13	360	-	-	162	(149)	162		(49)	\$ (5,635)	-	-
LAT Farming Trust	1,047.12	719	-	2,125	270	(581)	270		(399)	\$ (45,885)	(1,337)	\$ (668,500)
WMD Farming, Et Al #1	195.92	-	-	-	50	(207)	50		-	-	-	-
Del Don Entities Total	1,243.04	719	0	2,125	320	(788)	320		(399)	(45,885)	(1,337)	\$ (668,500)
Diedrich, William Living Trust	19.14	13	-	30	5	(15)	5		(8)	\$ (920)	(15)	\$ (7,500)
Echeveste, Cecilia Survivors Trust	304.85	102	-	7	78	(113)	-		-	-	4	\$ 2,000
Epic Farms (Creeside)	638.81	264	-	-	164	(439)	-		-	-	175	\$ 87,500
Gargiulo, Inc.	637.14	48	-	454	164	(483)	19		-	-	-	-
Gil Management, Inc.	579.13	81	-	-	149	(308)	-		-	-	227	\$ 113,500
Hammonds Ranch, Inc.	1,685.05	1,158	-	31	434	(708)	434		-	-	-	-
Homeland Ranch	923.19	636	-	0	238	(501)	238		-	-	-	-
Mar-Hi Farms	1,042.80	720	-	0	268	(369)	268		-	-	-	-
San Joaquin West Ranch	1,075.39	740	-	0	277	(518)	249		-	-	-	-
Hammonds Entities Total	4,726.43	3,254	-	31	1,217	(2,096)	1,189		-	-	-	-
John S. Diedrich Farms	290.23	34	-	62	75	(234)	-		-	-	138	\$ 69,000
Linneman Ranch, Inc.	1,341.09	640	-	-	345	(474)	289		-	-	-	-
Tierra Loma Ranch, Inc.	286.16	197	-	-	74	-	74		-	-	-	-
Linneman Entities Total	1,627.25	837	-	-	419	(474)	363		-	-	-	-
Little Green Nut, LLC	316.48	211	-	-	81	(196)	15		-	-	-	-
Marv Coit Farms, LP	1,896.42	604	-	40	488	(777)	-		-	-	133	\$ 66,500
Nees Avenue Farms	1,245.78	360	-	-	321	(538)	-		-	\$ -	178	\$ 89,000
Nellore Farms, LLC	404.92	220	-	-	104	(297)	-		-	-	77	\$ 38,500
Grandland Pistachio, LP	615.05	423	-	220	158	(755)	-		-	-	112	\$ 56,000
Kariz, LP	312.40	216	-	413	80	(290)	80		(259)	\$ (29,785)	-	-

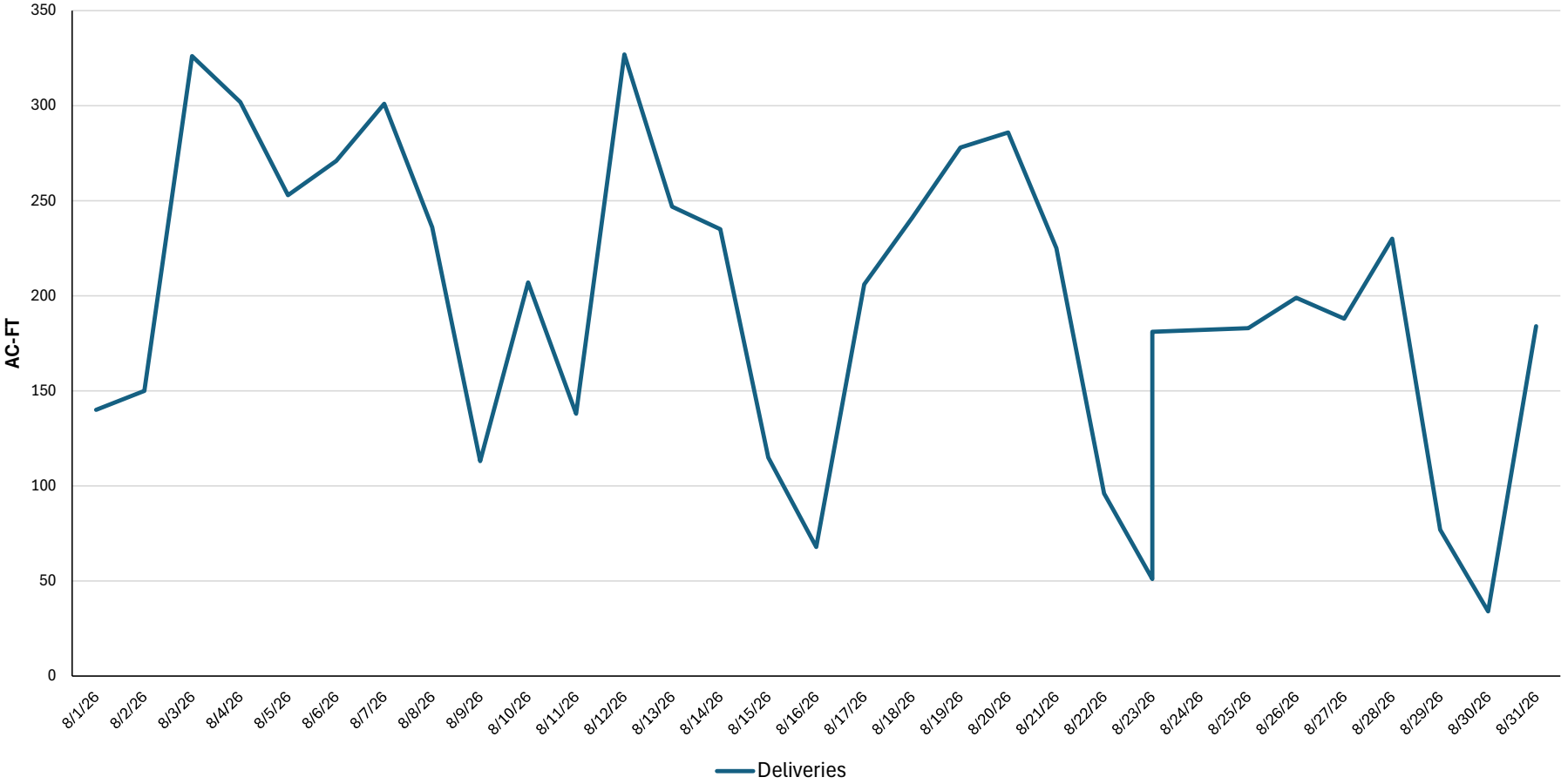
			7/31/2026 Water Balances			Resched. Share		Resched. Actual		USBR		Supplemental		
			USBR Water Balance	All Other Available Water	Supplemental Water Balance	9,400 Pro Rata Share Rescheduling	Aug. Act. Wtr Usage Est. to 2/28/2027	Total of Actual Rescheduled Water		Water Balance	Refund for Water Cost		Water Balance	Refund for Water Cost
Grower Name		Acreage												
Pardis, LP		466.61	328	-	211	120	(498)	41		-	-		-	-
Yazd, LP		598.70	411	-	198	154	(607)	2		-	-		-	-
NIA Investments Entities Total		1,992.76	1,378	-	1,042	512	(2,150)	123		(259)	\$ (29,785)		112	\$ 56,000
Nyman, Brad & Kristi		612.07	69	-	-	158	(277)	-		-	-		208	\$ 104,000
Nyman, Rebecca		783.75	89	-	-	202	(161)	-		-	-		72	\$ 36,000
Nyman Entities Total		1,395.82	158	-	-	360	(438)	-		-	-		280	\$ 140,000
Olam West Coast, Inc.		292.11	192	-	-	75	-	-		-	-		-	-
Peri & Sons Farms of CA, LLC		73.18	50	-	-	19	-	19		(31)	\$ (3,565)		-	-
Redfern Ranches, Inc.		2,075.41	222	145	-	534	(668)	-		-	-		301	\$ 150,500
Thiel Air Care, Inc.		11.26	-	-	-	3	-	-		-	-		-	-
AJS Farms, Inc.		157.00	109	-	-	40	-	40		-	-		-	-
Donald J. Smith Farms, Inc.		274.39	190	-	-	71	(40)	71		-	-		-	-
J.W. Palmer Farms, Inc.		636.89	439	-	-	164	(87)	164		-	-		-	-
S.H. Smith Farms		714.36	203	-	-	184	(396)	184		-	-		-	-
SHS Family Limited Partnership		706.64	192	-	-	182	(331)	182		-	-		-	-
SSR Farms		590.74	58	-	-	152	(36)	140		-	-		-	-
Stuart J. Smith Farms		1,188.23	759	-	-	306	-	306		-	-		-	-
Turlock Fruit Company		305.21	210	58	-	79	(162)	79		-	-		-	-
Turlock Fruit Entities Total		4,573.46	2,160	58	-	1,178	(1,052)	1,166		-	-		-	-
USC Farms, LLC		1,761.35	422	-	-	453	(778)	-		-	-		356	\$ 178,000
Dehbala Orchards, LP		470.96	312	-	-	121	(504)	-		-	-		192	\$ 96,000
Fadak Orchards, LP		149.72	95	-	-	39	(177)	-		-	-		82	\$ 41,000
Sisters Ranch, LP		302.49	200	-	-	78	(329)	-		-	-		129	\$ 64,500
West Hills Entities Total		923.17	607	-	-	238	(1,010)	-		-	-		403	\$ 201,500
Green Nut, LLC		318.58	220	-	145	82	(331)	34		-	-		-	-
Hanza Farms		609.78	251	-	127	157	(457)	-		-	-		79	\$ 39,500
Zagros Farms, LLC		298.70	132	-	100	77	(301)	-		-	-		69	\$ 34,500
Western Farm Entities Total		1,227.06	603	-	372	316	(1,089)	34		-	-		148	\$ 74,000
Westside Transplant		19.88	-	-	-	5	-	-		-	-		-	-
Wood Farming, Doug		1,042.95	707	-	-	268	(437)	268		(2)	\$ (230)		-	-
Grand Totals		36,522.40	17,707	203	5,054	9,402	-	5,219		(1,322)	\$ (152,029)		1,180	\$ 590,000

0.25738

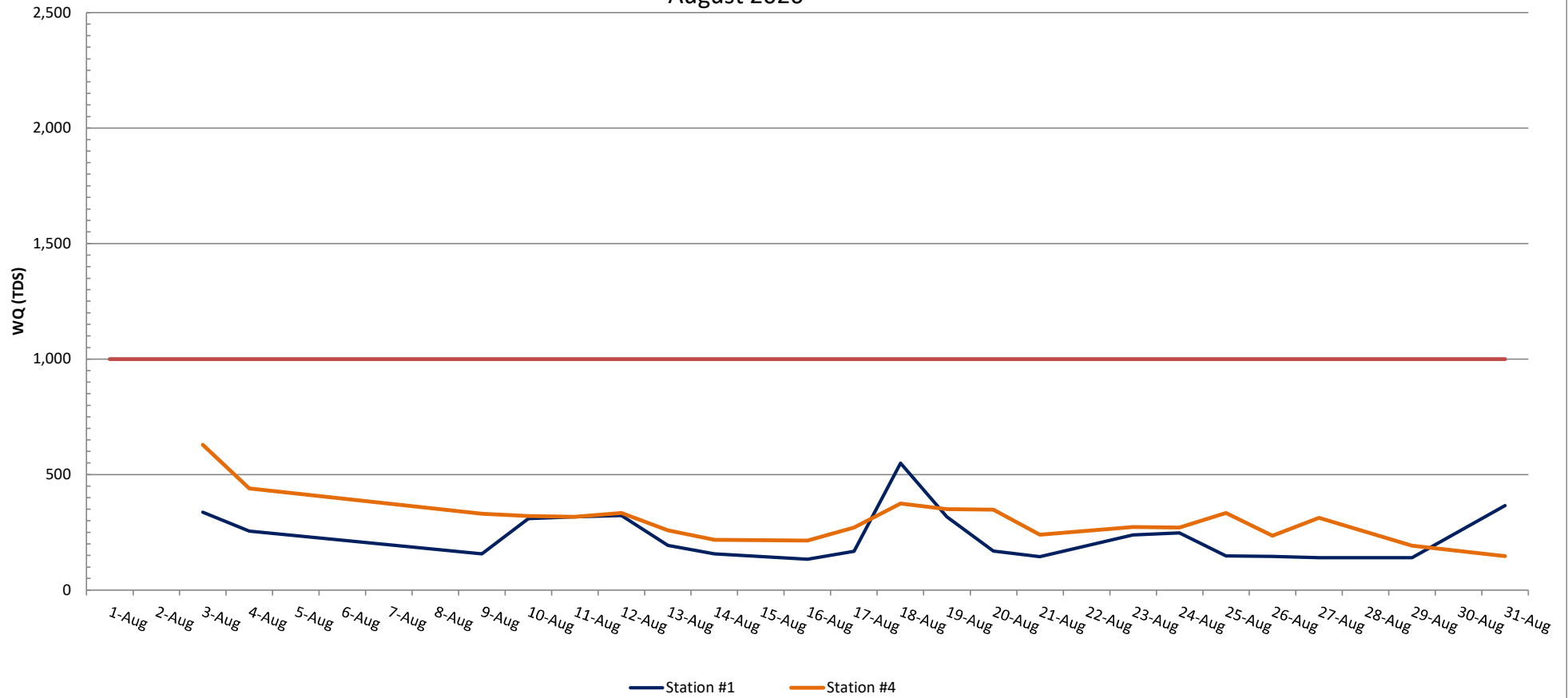
22,963

PWD's USBR Wtr Balance 2/28/2027	9,144 AF
Grower Water to Reschedule	5,219 AF
Water Sent to Supp'l Pool	3,925 AF

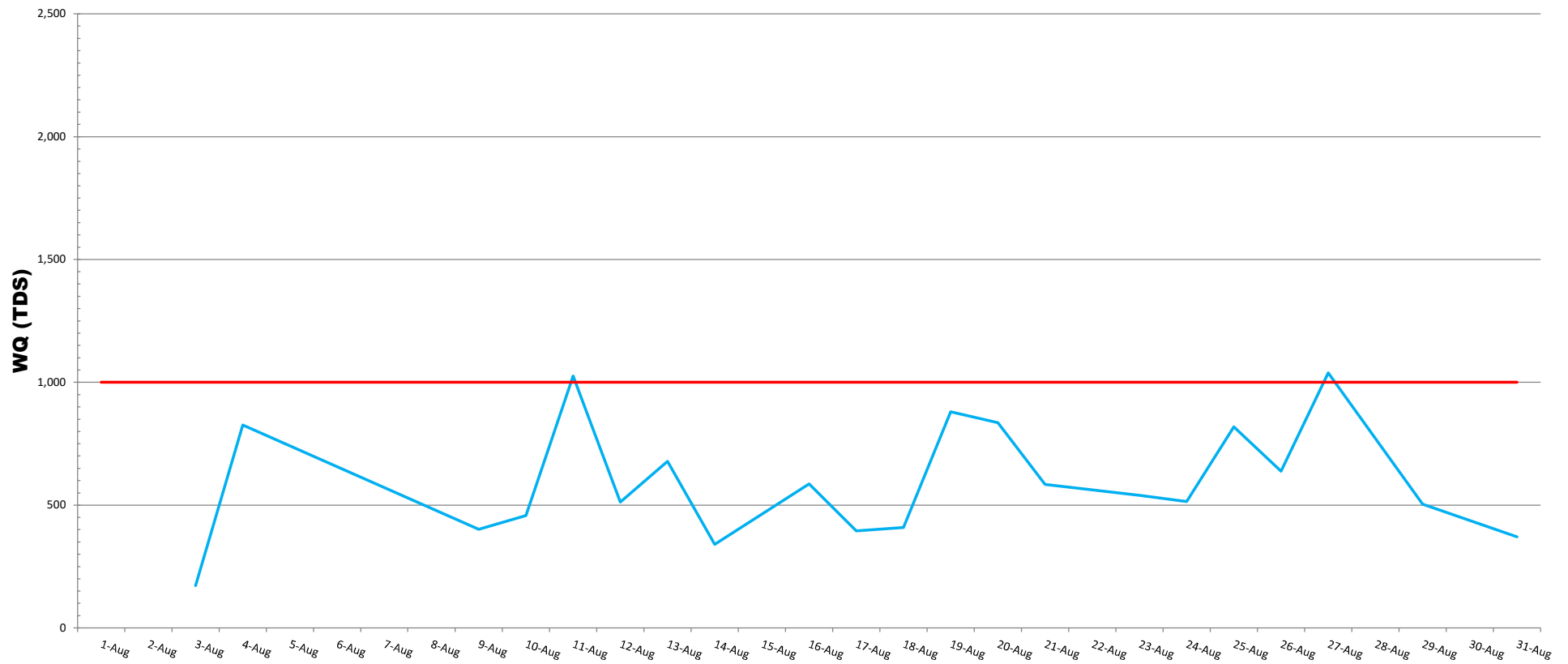
**Panoche Water District
August 2026 Deliveries**



Panoche Water District
Main Canal Water Quality
August 2026



**Panoche Water District
T-2 Water Quality
August 2026**





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: PROP 218 OVERCOLLECTION

DATE: SEPTEMBER 15TH, 2026

CC: PATRICK MCGOWAN, GENERAL MANAGER

Panoche Water District (PWD) staff are currently working with Fresno County to review and resolve a discrepancy identified in the refund amounts associated with the following Assessor's Parcel Numbers (APNs). Staff are coordinating with the County to verify the applicable records, confirming the correct refund amounts. Once the review is completed and the appropriate amounts have been confirmed, staff will work with the County to ensure the necessary corrections are made, and any outstanding refunds are processed accordingly.

004-140-1
004-140-4
005-030-1
005-030-1
005-140-0
005-140-1
005-140-1
005-140-1
005-140-1
005-150-4
005-150-5
005-160-0
005-160-1
005-160-1

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: CHRIS CARLUCCI, OPERATIONS & MAINTENANCE MANAGER

SUBJECT: DIVISION REPORT – OPERATIONS & MAINTENANCE

DATE: SEPTEMBER 8TH, 2026

CC: PATRICK MCGOWAN, GENERAL MANAGER

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

- General Maintenance.
- Staff repaired the head gate at 509 box. (Shields Ave)
- Staff made repairs to Old Station pipeline. (Pump #1)
- Staff made repairs to turnout #48 box. (Lateral 1)
- Staff made repairs to Raw water line backflow and meter piping. (Bennett Rd)
- Contour Canal Project- Just waiting for wintertime to install gates, once we can dewater the canal.
- Weed Control- Staff sprayed PWD main canal, T-Canal, Lateral 2, and Russell lift. Canal treatments at T-Canal and Russell lift.
- Water Treatment Plant- Weekly site visits. (Mondays & Fridays)
- Pacheco WD- No Activity
- GBA- No Activity
- Preventive Pump Maintenance Plan. (work in progress)
- AgMonitor-



PANOCHÉ WATER DISTRICT

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

SEPTEMBER 8, 2026 BOARD MEETING MEMORANDUM

TO: BOARD OF DIRECTORS

FROM: JOSH MARQUEZ, ETHICS & COMPLIANCE / RISK MANAGEMENT/
CONTRACTS ADMINISTRATOR

SUBJECT: AUGUST 2026 UPDATE

DATE: SEPTEMBER 8, 2026

CC: PATRICK MCGOWAN, GENERAL MANAGER

ETHICS & COMPLIANCE:

- No calls were reported to the hotline for the month of August.
- Updating Emergency Action Plan to include AED's and will train.
- Attended Ethico Training.

RISK MANAGEMENT:

- Safety Compliance Company conducted safety training on In Case of Serious Injury.

CONTRACT ADMIN:

- Contour Canal – Semi annual report due 10/1.
- PWD – Uncontested election.
- PDD – Uncontested election.
- Prop 84 – Budget update with Chris Linneman and monthly meetings scheduled to begin with DWR for the 16th.



PANOCHÉ WATER DISTRICT

52027 WEST ALTHEA AVE, FIREBAUGH, CA 93622 (209) 364-6136

MEMORANDUM

TO: BOARD OF DIRECTORS

FROM: DIANA MOSES, RISK MANAGEMENT ASSISTANT

SUBJECT: DIVISION REPORT – HUMAN RESOURCES

DATE: SEPTEMBER 8, 2026

CC: PATRICK MCGOWAN, GENERAL MANAGER

For August 2026, the following risk management and human resources activities occurred:

Workers' Compensation Update:

Currently, there are 2 active open workers' compensation claims:

- The employee's claim has been resolved with 0% permanent disability; however, the employee does have future medical. According to the labor code, the claim will remain open for 2 years from the last treatment, which was on 1/20/25, and can be closed as of 1/20/27.
- There were no claims for August

Training:

- Diana attended the 2026 Regional HR Group Training, which covered several key human resources topics and discussions, including **Workers' Compensation and Employment Practices, Resolving Performance Issues, and Leaves of Absence**. The training featured presentations and insights from representatives of **ACWA-JPIA, LCW Legal, and Regional Government Services**. The sessions provided valuable information and practical guidance on addressing workplace and employment-related matters, managing employee performance issues, and effectively handling leave of absence processes.

PWD
AUGUST 11, 2026
BOARD MEETING ACTION ITEMS

1. Contact financial planner. PATRICK
COMPLETE
2. Find a home for excess water. PATRICK
COMPLETE
3. Contact all delinquent accounts. PATRICK
COMPLETE
4. Contact all growers within the Hot Spot Pumping Reduction area. PATRICK
COMPLETE
5. Submitting uncontested election results to County. JOSH
COMPLETE
6. Work with grower to take surface water. CHRIS
COMPLETE
7. Review and finalize solar lease agreement. PHIL & PATRICK
COMPLETE
8. Develop draft agreements for water transfer. PHIL & PATRICK
COMPLETE
9. Provide an update on Prop 218 Overcollection for our September meeting. JUAN
COMPLETE
10. Provide an update on Crop Map for our September meeting. JUAN
COMPLETE
11. Last call for supplemental water. SANDRA
COMPLETE
12. Develop Board expectations document. PHIL & PATRICK
IN PROGRESS
13. O&M Contour Canal questions. MARLENE & DARRYL
COMPLETE
14. Work with GBA to maximize brackish well water program. PATRICK & JUAN
COMPLETE
15. Develop internal true up process for WIIN Act overpayment money to be distributed to landowners. SANDRA
IN PROGRESS
16. Memo to landowners and growers explaining the WIIN Act overpayment process once we are prepared to issue refunds. PATRICK & SANDRA
IN PROGRESS
17. Develop Water Use Policy. PATRICK & PHIL
IN PROGRESS
18. M&I water application. PATRICK & PHIL
IN PROGRESS
19. Approved plans to Fresno County for mitigation work for House 6 and O&M Shop. CHRIS & JUAN
ON GOING
20. Request estimates for mitigation work for House 6 and O&M Shop. CHRIS & JUAN
ON GOING



PANOCHÉ WATER DISTRICT

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BOARD MEETING MEMORANDUM

TO: PANOCHÉ WATER DISTRICT BOARD OF DIRECTORS

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: DELTA-MENDOTA SUBBASIN AMENDED GSP AUGUST 2026 PUBLIC
COMMENTS

DATE: SEPTEMBER 8, 2026

PURPOSE

This memorandum provides the Board with a focused overview of the principal August 2026 public comments submitted on the Delta-Mendota Subbasin Amended Groundwater Sustainability Plan (GSP), with emphasis on issues that could affect Panoche Water District and the Central delta-Mendota GSA groundwater operations. The comments indicate the areas where the Department of Water Resources (DWR) may face pressure to require additional revisions, monitoring, or management measures.

EXECUTIVE SUMMARY

- The dominant issue across the comments is protection of critical water-conveyance infrastructure from additional subsidence, particularly the Delta-Mendota Canal (DMC) and San Luis Canal/California Aqueduct.
- The State Water Project and Friant Water Authority are seeking more localized monitoring, stronger links between groundwater-level thresholds and subsidence, and earlier, enforceable pumping responses near critical facilities. Friant further recommends expanding the current management-trigger zone from 0.5 mile to at least one mile, evaluating a two-mile zone, extending subsidence management protections through Mile Post 126, and establishing specific and enforceable pumping actions when triggers are exceeded.
- CDFW is focused on the Mendota Wildlife Area, Fresno Slough, water quality, interconnected surface water, and groundwater-dependent ecosystems. Its most significant operational request is coordinated cessation of groundwater pumping in the affected Mendota Wildlife Area vicinity from mid-August through October.

- CSPA/Environmental Law Foundation takes the most aggressive legal position and asks DWR to determine the Amended GSP inadequate.
- For Panoche, the principal concern is that future revisions could expand subsidence management or trigger zones, require more detailed well-by-well pumping information, and require faster or more prescriptive Pumping Reduction Plan (PRP) actions.

POTENTIAL IMPLICATIONS FOR PANOCHÉ / CDMGSA

- Expanded management areas. If DWR requires larger DMC or San Luis Canal management/trigger zones, additional Panoche or CDMGSA wells could become subject to localized pumping controls.
- More detailed pumping data. Panoche should anticipate increasing emphasis on meter data, well construction and perforation information, aquifer identification, and well-specific pumping history.
- Faster PRP implementation. Future GSP revisions may require clearer mandatory actions that activate earlier as groundwater or subsidence thresholds are approached, reducing local discretion after a trigger occurs.
- Need to preserve operational flexibility. District planning should maintain the ability to reduce groundwater pumping or shift to available surface-water supplies on relatively short notice if a localized management response is required.
- Seasonal pumping restrictions are a developing risk concept. Although CDFW's proposed August-through-October cessation is focused on the Mendota Wildlife Area vicinity, it illustrates the type of seasonal restriction that agencies may advocate where groundwater pumping is alleged to affect water quality, habitat, or surface-water deliveries.

RECOMMENDED DISTRICT POSITION / NEAR-TERM APPROACH

Staff recommends that Panoche continue to emphasize its proactive, localized approach to groundwater management and infrastructure protection while closely tracking DWR's response to these comments. In particular, the District should be prepared to demonstrate that its groundwater monitoring, pumping records, Zone of Impact evaluations, and PRP implementation provide a timely mechanism to respond to localized groundwater-level declines and subsidence concerns.

- Continue maintaining defensible well-level pumping and construction data for wells that could fall within future DMC/SLC management areas.
- Continue frequent review of groundwater levels and available subsidence information near critical infrastructure.
- Preserve the District's ability to implement localized pumping reductions rather than broad, unnecessary restrictions where the data support a targeted response.
- Coordinate through the Central Delta-Mendota GSA and Subbasin process so any future revisions recognize local conditions, existing management actions, and the operational consequences of new pumping restrictions.

BOTTOM LINE

The August 2026 comment package signal a clear push toward tighter, more localized, and more data-driven groundwater management around critical infrastructure. The most important issue for Panoche is whether DWR ultimately requires expanded DMC/SLC management areas, more prescriptive pumping triggers, or additional monitoring and reporting. Staff will continue to monitor the review process and advocate for measures that protect critical infrastructure while remaining technically supported, locally targeted, and operationally workable for the District.

PANOCHÉ WATER DISTRICT

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BOARD MEETING MEMORANDUM

TO: CENTRAL DELTA MENDOTA GSA

FROM: PWD GENERAL MANGAER, PATRICK MCGOWAN

SUBJECT: GROUNDWATER LEVELS EXCEEDANCES

DATE: SEPTEMBER 8, 2026

Background

Panoche Water District has consistently taken a proactive and aggressive approach toward groundwater management, with the objective of addressing overdraft, protecting groundwater conditions, and maintaining groundwater levels consistent with our Groundwater Sustainability Plan, 2015 baseline conditions.

The District recognizes the importance of responding quickly when monitoring indicates groundwater levels are moving in an undesirable direction. Our approach has been to identify areas of concern, evaluate pumping activity, implement corrective measures where necessary, increase monitoring, continually adjust operations based upon observed groundwater conditions, and most importantly; communicate with our landowners.

The groundwater-level declines observed during the 2025 irrigation season are an example of this approach. Panoche did not wait for a long-term exceedance to develop before acting. Upon identifying declining groundwater levels during the Spring 2025 monitoring period, the District established a two-mile Zone of Impact surrounding RMW #18 and RMW #31, notified affected landowners, reviewed pumping activity, and implemented a Pumping Reduction Plan for the affected area. The District established a pumping reduction target of 1.0 AF/acre despite its subsequent review of pumping records indicating that growers within the 8,000-acre Zone of Impact had historically pumped only approximately 0.25 AF/acre.

Similarly, the groundwater-level declines observed during the 2026 irrigation season were acted upon immediately. Of the 25 Wells located within the two-mile Zone of Impact, 9 were actively pumping. Panoche Water District scheduled meetings with each landowner to discuss our commitment to maintaining 2015 water levels. The District established a pumping reduction

target of 0.5 AF/acre despite its subsequent review of pumping records indicating that growers within the 8,000-acre Zone of Impact had historically pumped only approximately 0.20 AF/acre.

2025 Conditions and Subsequent Recovery

While groundwater levels declined during the seasonal pumping period, monitoring conducted following the irrigation season demonstrated substantial recovery.

At RMW #18, groundwater levels declined from 264 feet in November 2024 to 295 feet in August 2025. By February 2026, the groundwater level recovered to 258 feet—approximately six feet shallower than the November 2024 measurement.

Similarly, RMW #31 measured 252 feet in November 2024 and declined to 285 feet by August 2025. By February 2026, the groundwater level had recovered to 244 feet—approximately eight feet shallower than the November 2024 measurement.

The District believes the available monitoring record demonstrates a significant seasonal component to the groundwater-level fluctuations observed within this area. Based upon the recovery experienced following the 2025 irrigation season, continued pumping management, and the District's ongoing groundwater-management efforts, Panoche is confident that groundwater levels will again recover during the 2027 seasonal high and return to levels remarkably like those previously observed.

Representative Monitoring Network and Minimum Thresholds

Panoche's Representative Monitoring Network remains new. Data collection for RMW #18 and RMW #31 began in November 2024, and the District therefore does not yet have a sufficiently long monitoring history at these locations to conclusively distinguish long-term groundwater decline from seasonal fluctuations.

For that reason, the District has increased groundwater-level measurements to a monthly frequency and is continuing to develop a more representative monitoring record.

The District believes that Minimum Thresholds should accurately reflect local hydrogeologic conditions and the seasonal groundwater response occurring within the Panoche service area. Where existing Minimum Thresholds were established using limited historical information or regional contour mapping rather than a sufficient site-specific monitoring record, adjustment of those thresholds may be appropriate as additional data becomes available.

The purpose of refining the MTs is to ensure that the GSP's compliance framework accurately reflects actual groundwater conditions while the District continues taking the management actions necessary to protect the resource.

Next Steps

- Conduct monthly groundwater-level monitoring at RMW #18 and RMW #31.
- Re-measure wells following adequate pumping shutoff periods to obtain stabilized groundwater-level measurements.
- Monitor nearby wells to determine whether similar seasonal groundwater trends are occurring.
- Review pumping activity within the Zone of Impact and compare current pumping against historical practices.
- Reduce pumping within affected areas when groundwater conditions warrant additional action.
- Evaluate groundwater recovery through the 2027 seasonal high.
- Continue managing groundwater conditions toward the District's objective of maintaining 2015 groundwater levels.
- Work with our neighboring subbasins to evaluate regional groundwater trends.
- Work with the Central Delta-Mendota GSA to evaluate whether existing Minimum Thresholds appropriately represent local groundwater conditions as the monitoring record continues to develop.

PANOCHÉ WATER DISTRICT

EDWG ACTION CHECKLIST

Surface Water Treatment Plant Replacement Project (EDWG-1000345-004C)

Status as of August 13, 2026

WORKING DEADLINE: The State referenced a 30-day period. Black Water reports the State clarified that it is not a strict deadline; however, Black Water intends to submit well within 30 days to avoid delays. Accordingly, Panoche should provide the items below to Black Water as soon as practical.

Statu s	Item	Panoche Action	Responsible	Timing
☐	G5 – Authorizing Resolution/Ordinance	Review, obtain required authorization/signature, and return to Black Water for uploading.	Panoche	ASAP
☐	G7 – Government Agency Taxpayer ID Form	Enter District FEIN, sign and date, and return to Black Water for uploading.	Panoche	ASAP
☐	G9 – Self-Certification Form	Review, sign and return to Black Water for uploading.	Panoche	ASAP
☐	TMF Element 7 – Ownership	Provide available District formation/governing and ownership records requested for Section 7 (e.g., formation documents, governing ordinances/bylaws if applicable, deeds or other relevant ownership documentation).	Panoche provides records; Black Water completes/submits	ASAP
☐	TMF Element 12 – Budget / Capital Improvement Plan	Provide current adopted budget, existing CIP/capital planning documents, and other available capital information. If no formal standalone CIP exists, advise Black Water. Black Water will identify gaps and coordinate State clarification.	Panoche provides records; Black Water completes/submits	PRIORITY – ASAP
—	Attachment 1 – Scope of Work	No Panoche action required. Black Water will complete and upload.	Black Water	No action
✓	Attachment 2 – Project Engineering Report	Previously completed and uploaded. No Panoche action required.	Black Water / Complete	Complete
—	TMF Cover Page	No Panoche action required. State requires full completion; Black Water will complete and upload.	Black Water	Within submission period
—	TMF Element 1 – Consolidation Feasibility	No Panoche action required. State requires full completion; Black Water will complete and upload.	Black Water	Within submission period
—	TMF Element 8 – Water Rights	No Panoche action required. State requires full completion; Black Water will complete and upload.	Black Water	Within submission period

Latest State Clarification

Black Water reported that the State confirmed the TMF Cover Page and Elements 1, 7, 8 and 12 require full completion. This supersedes the earlier uncertainty regarding whether Element 12 could be submitted only as a draft.

Recommended Immediate Sequence

1. Send Black Water the current budget and any CIP/capital planning documents first, because Element 12 is expected to require the most effort.
2. Assemble and send the formation/governing/ownership records for Element 7.
3. Complete and return G5, G7 and G9.
4. Ask Black Water to confirm receipt and identify any remaining gaps after reviewing Panoche's Element 7 and Element 12 materials.