PANOCHE WATER DISTRICT

REGULAR BOARD OF DIRECTORS MEETING
August 11, 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 themself 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 JULY 14, 2026, REGULAR BOARD MEETING MINUTES** (Reyes)

6. **BOARD TO REVIEW AND CONSIDER APPROVING GARGIULO'S REQUEST TO TRANSFER WATER TO WESTLANDS WD (**McGowan/Reyes**)**

7. **BOARD TO REVIEW AND CONSIDER ADOPTING RESOLUTION # 861-26 CALLING FOR A GENERAL ELECTION ON NOVEMBER 4, 2026, OF REPRESENTATIVES TO SERVE ON THE DISTRICT'S BOARD OF DIRECTORS** (Williams)

8. **BOARD TO REVIEW AND CONSIDER PROPOSED AMENDMENTS TO THE INVESTMENT POLICY** (McGowan)

9. **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

10. **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

11. **BOARD TO RECEIVE UPDATES ON CROP REPORT/MAP AND WATER BUDGET (**Cadena)

12. **BOARD TO RECEIVE UPDATES FROM STAFF ON VARIOUS MATTERS AFFECTING THE DISTRICT** (McGowan)

13. **GENERAL MANAGER'S REPORT** (McGowan)
    A. SGMA
       I. Delta Mendota Subbasin JPA
       II. Central Delta Mendota GSA
          (a) CASP Program Update
    B. Domestic Water Treatment Plant Update
    C. M&I Water Application Update
    D. Brackish Well Water Recovery Program
    E. ForeFront Power Update
    F. Water Supply, Storage, and Conveyance Discussions

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

15. **PANOCHE 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 SCTION 54957.1)

16. PANOCHE 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

17. FUTURE MEETING DATES

A. Next Regular meeting date: September 8, 2026.

18. ADJOURNMENT

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

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

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

PANOCHE WATER DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING MINUTES
July 14, 2026

A regular meeting of the Board of Directors was held on July 14th, 2026, starting at 9:30 am. Those present at the meeting were:

Directors:	Aaron Barcellos, President Steve Fausone, Secretary Neill Callis, Director
Staff:	Patrick McGowan, General Manager Marlene Brazil, Accounting Supervisor Juan Cadena, Water Resources Manager Chris Carlucci, Operations & Maintenance Manager Josh Marquez, Contracts Administrator Sandra Reyes, Water Master
Others:	Jess Gonzales, J.F.B. Ranch, Inc. Chase Hurley, Water and Land Solutions Chris Linneman Summers Engineering Palmer McCoy, Grassland Basin Authority Phil Williams, Legal Counsel

CALL TO ORDER
President Barcellos called the meeting to order at 9:55 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 JUNE 9, 2026, REGULAR BOARD MEETING MINUTES
Upon a motion by Director Callis and seconded by Secretary Fausone, the Board approved the June 9, 2026, regular board meeting minutes as presented.
The vote on the motion was as follows:

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

BOARD TO REVIEW AND CONSIDER DEFFERING COLLECTION OF OUTSTANDING INVOICE BALANCE OWED BY PANOCHE DRAINAGE DISTRICT

General Manager Patrick McGowan reported that Panoche Drainage District (PDD) currently has outstanding invoices payable to Panoche Water District (PWD). Staff working at the direction of the PWD board evaluated the financial relationship between the two districts and recommends deferring collection of these amounts until the existing note payable between the districts has been fully satisfied, which is anticipated to occur in March 2029. Staff recommend deferring the collection and authorizing the execution of the accompanying letter documenting the agreement between the Districts.
After discussion by the Board and upon a motion by Director Callis and seconded by Secretary Fausone, the Board approved deferring collection of the outstanding invoice balance owed by PDD to PWD.
The vote on the motion was as follows:

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

BOARD TO REVIEW AND CONSIDER PROPOSAL FROM AGMONITOR FOR REAL-TIME FLOW MONITORING SYSTEM

General Manager Patrick McGowan presented the Board with a quote received from AGMonitor and Pumpsight to implement a real-time flow monitoring system at the District's Delta-Mendota Canal pumping station. The project is intended to improve operational visibility, water accounting, and energy management by collecting and transmitting real-time flow data for three of the District's lift pumps.
After discussion by the Board and upon a motion by Secretary Fausone and seconded by Director Callis, the Board approved the proposal received from AgMonitor and Pumpsight to install the real-time flow monitoring system.
The vote on the motion was as follows:

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

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

General Manager Patrick McGowan and Water Master Sandra Reyes explained that they had received a phone call from Terry Doyle representing Gargiulo, Inc. asking to transfer a portion of his 2026-27 Central Valley Project water from his account in Panoche Water District to his account in Westlands Water District.
After discussion by the Board and upon a motion by Director Callis and seconded by Secretary Fausone, the Board approved Gargiulo's request to transfer water to Westlands WD.
The vote on the motion was as follows:

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

BOARD TO REVIEW AND CONSIDER APPROVING MARV COIT FARM'S REQUEST TO TRANSFER WATER TO WESTLANDS WD

General Manager Patrick McGowan and Water Master Sandra Reyes explained that they had received a request from Mitch Coit representing Marv Coit Farms asking to transfer a portion of his 2026-27 Central Valley Project water from his account in Panoche Water District to his account in Westlands Water District.
After discussion by the board and upon a motion by Secretary Fausone and seconded by Director Callis, the board approved Coit's request to transfer water to Westlands WD.
The vote on the motion was as follows:

Ayes: Barcellos, Callis, Fausone
Nays: None

Absent: Correia, Western
Abstain: None

At this time, the Board decided the next three Agenda Items pertaining to the Central Delta-Mendota Groundwater Sustainability Agency's Policies and Resolutions would be voted on in one vote after the three items had been discussed.

BOARD TO REVIEW AND CONSIDER IMPLEMENTATION OF CENTRAL DELTA-MENDOTA GSA WELL CENSUS AND REGISTRATION POLICY ONE

General Manager Patrick McGowan reported that the Central Delta-Mendota GSA's Well Census and Registration Policy One establishes uniform procedures for registering groundwater wells throughout the Central Delta-Mendota GSA. It applies to agricultural, domestic, monitoring, inactive, and abandoned wells and is intended to improve the quality and accuracy of groundwater information used to implement SGMA and the Delta-Mendota Subbasin GSP. The policy also supports the implementation of the Domestic Well Mitigation Program and the Central Pumping Reduction Plan by ensuring groundwater management decisions are based on actual well information rather than estimated pumping. Staff recommends that Panoche Water District adopt the Central Delta-Mendota Groundwater Sustainability Agency (CDMGSA) Administrative Policy No. 1 – Well Census and Registration, as adopted by CDMGSA Resolution No. 2026-02 on March 26, 2026.

BOARD TO REVIEW AND CONSIDER IMPLEMENTATION OF CENTRAL DELTA-MENDOTA GSA WELL METERING AND REPORTING POLICY TWO

General Manager Patrick McGowan reported that the CDMGSA policy establishes standardized requirements for groundwater well metering, annual reporting of groundwater extraction, meter installation standards, inspection authority, and enforcement procedures. It supports implementation of the Delta-Mendota Subbasin Groundwater Sustainability Plan, including the Central Pumping Reduction Plan (PRP) and Domestic Well Mitigation Program by ensuring reliable groundwater extraction data. Adopting this policy locally aligns PWD with CDMGSA requirements while preserving local oversight and accountability. It provides growers with a consistent regulatory framework, improves the quality of groundwater data used for management decisions, and positions the District to successfully implement future SGMA requirements. GM McGowan also noted that Panoche Water District's well are all metered and reporting as of April 26, 2026. Staff recommends that Panoche Water District adopt the CDMGSA Administrative Policy No. 2 – Well Metering and Reporting, as adopted by CDMGSA Resolution No. 2026-03 on March 26, 2026.

BOARD TO REVIEW AND CONSIDER IMPLEMENTATION OF CENTRAL DELTA-MENDOTA GSA ADMINISTRATIVE POLICY THREE

General Manager Patrick McGowan reported that the CDMGSA policy establishes a framework intended to reduce groundwater extraction by prioritizing the use of reasonably available surface water supplies before groundwater pumping occurs. The policy supports the implementation of the Delta-Mendota Subbasin Groundwater Sustainability Plan (GSP) and associated Pumping Reduction Plan (PRP). Staff recommends that Panoche Water District adopt the CDMGSA Administrative Policy No. 3 – Surface Water Prioritization and Groundwater Extraction Management, as adopted by CDMGSA Resolution No. 2026-04 on March 26, 2026.

After discussion by the Board and upon a motion by Director Callis and seconded by Secretary Fausone, the board approved the three CDMGSA Policies and Resolutions as presented.

The vote on the motion was as follows:

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

BOARD TO REVIEW AND CONSIDER APPROVAL OF WY 2023-24 USBR REFUNDS TO GROWERS

General Manager Patrick McGowan reported to the Board that in FY2023-2024 the U.S. Bureau of Reclamation (USBR) had made the District aware of a refund after the Central Valley Project Contractor Annual Accounting Analysis for Irrigation and M&I Water had been completed. Initially the District had planned to issue the growers in that timeframe their pro-rata share of the credit, but at the same time, an invoice was received from the San Luis & Delta-Mendota Water Authority (SLDMWA) after they had performed their Final Water Year 2023-2024 Final Accounting. GM McGowan explained that the SLDMWA invoice received was the result of an overall underbilling due to the Lower/Pool volumes being projected at 64% higher that the actual volumes delivered, the O'Neill storage volumes projected at 43% higher than actual volumes, the projected percentage splits between the O'Neill direct and storage budgeted costs were not realized, and last but not least the Project Use Energy true-up billings. As a result, the Board agreed to utilize the refund from the USBR to offset the invoice owed to the SLDMWA.

BOARD TO REVIEW AND CONSIDER APPROVAL OF CHANGE ACKNOWLEDGEMENT REVISIONS TO THE PURCHASE POWER AGREEMENT RATE WITH FOREFRONT POWER, LLC

General Manager Patrick McGowan reported that Forefront Power has requested amendments due to increased security costs from copper theft risk, utility upgrade delays, permitting delays, potential loss of the Low-Income Community Bonus (LICB) tax credit, and potential property tax assessments on the Linneman project. The Office Solar Project proposes a revised fixed PPA rate of $0.1242/kWh while the Linneman Solar Project's current contracted PPA rate is $0.1175/kWh would be revised to between $0.1300 - $0.1636/kWh depending on the LICB tax credit and property assessments.

After discussion by the board and upon a motion by Secretary Fausone and Director Callis, the board approved the change acknowledgement revisions and authorized the General Manager to execute the agreements and related documents as presented.

The vote on the motion was as follows:

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

BOARD TO REVIEW AND CONSIDER APPROVING RESOLUTION #860-26 AUTHORIZING THE GENERAL MANAGER TO EXECUTE A NEW FIVE-YEAR WARREN ACT CONTRACT WITH THE UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION FOR THE CONVEYANCE OF YUBA ACCORD WATER

General Manager Patrick McGowan reported that Panoche Water District is in the process of entering into a five-year (2026-2031) Warren Act contract with the USBR that could help supplement our water supply by up to 5,400 acre-feet annually of YUBA Accord non-project water.

After discussion by the board and upon a motion by Director Callis and seconded by Secretary Fausone, the board approved Resolution #860-26 authorizing the General Manager to execute the YUBA Accord non-project water warren act contract and any related documents.

The vote on the motion was as follows:

Ayes:	Barcellos, Callis, Fausone
Nays:	None

Absent: Correia, Western
Abstain: None

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 Secretary Fausone, the board approved the financial reports as presented by Accounting Supervisor Mrs. Brazil.
The vote on the motion was as follows:

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

DIVISION REPORTS

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

San Luis Reservoir Total Storage:	1,198,273 AF
San Luis Reservoir Federal Storage:	579,935 AF
San Luis Reservoir % of Total Capacity	59% (100% = 2,041,000 AF)
San Luis Reservoir Federal % Share	49%

Average 1,105,633 AF – As of Jul 1 – Overall at 108% of average

Panoche Update as of July 1, 2026:

USBR 2026 Water Balance:	22,973 AF (20%)
USBR Resch. Water Balance	0 AF
June, 2026 Grower Deliveries: `	10,720 AF
Total Deliveries to date (Mar-Jun):	26,227 AF

The water figures do not include the Drought Pool of 2,242 AF, or the banked water of 1,500 AF.

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

- The May O&M billings, Interest billings, and M&I Water billings were completed and mailed out.
- June's Water Usage, Interest, and M&I Billings will go out on 7/15/2026.
- Worked with CCID/FCWD to color SJRECWA transfers, colored all other water, and will report June'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 June.
- 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 June 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 May.

- 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 7/1/26 for the board meeting.
- Billed an additional 1,265 AF of Supplemental Water sold 6-16-26 (Total of $ 632,500)
- Billed Westside Transplant for their Mar-May quarterly billing.
- Processed the water transfer paperwork for Marv Coit & e-mailed it over to Jose at Westlands WD.
- Billed the 1st Installment of the WY26-27 Land O&M Assessment this month $ 5.62/AC 6/24/26 (Total of $ 215,847.66).
- Billed the WY26-27 Groundwater Management Assessment of $ .93/AC on 6/19/26 (Total of $ 35,718.55)
- Allocated all transfer in water and well water pumped to growers prior to billing.
- Typed up Letters for Insurance Co. for three growers (Water allocation information and acreage totals).
- Worked on gathering some revenue test sampling for the auditor.

Ms. Reyes presented the Board with the District's Water Accounting Spreadsheet for June for WY 26-27, a graph of the current reservoir conditions, as well as graphs specific to the San Luis Reservoir, a Water Forecast as of 7/1/26 spreadsheet, and a USBR water grower delivery spreadsheet for USBR FY 2023-2024.
Water Resources Manager Juan Cadena presented the board with a total water delivery graph for the month of June, 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 June:**
   - General Maintenance.
   - Staff made repairs to the trash racks at station 7W (Main Canal).
   - Staff made repairs to Turnout #13 discharge pipe. (Main Canal).
   - Staff cleaned Lateral 3 ditch. (Millux Ave to Davidson Ave).
   - Contour Canal Project – Just waiting for wintertime to install gates, once we can dewater the canal.
   - Weed Control – Staff sprayed PWD main canal, contour canal, 10E-2 ditch, and Lateral 5. Staff also did canal treatments at Russell Lift, T-Canal, 500E ditch, Russell Turnout, and Old Station 1.
   - Water Treatment Plant – Staff made repairs to the Raw water line, made repairs to the PWD treated water line, and pulled and cleaned the Siphon screen.
   - Pacheco WD – Staff did a canal treatment on Lateral 5.
   - GBA - No Activity to report.
   - Preventative Pump Maintenance Plan. (work in progress)

Mr. Carlucci presented the board with a spreadsheet noting the dates that sample testing was done and at what depth. Mr. Carlucci also presented the board with pictures of the small amount of golden mussels found.

C. **Contracts Administrator Josh Marquez, reported on the following ethics, compliance, and risk management activities that occurred in June:**
   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 June.
- Conducted make up trainings for Staff.

Risk Management:

- Safety Compliance Company conducted safety training on Housekeeping, Slips, Trips, and Falls (All Staff). Traffic Control/Flagger (O&M Staff).

Contract Administration:

- Contour Canal – Engineer Chris Linneman reviewed financial report, summary updated to Matthew Stonebridge (USBR) funds to be drawn this week.
- Forefront – Patrick providing update.
- PWD- Working with Fresno and Merced Counties regarding assessments.
- PDD- Working with Fresno and Merced Counties regarding assessments.

Mr. Marquez noted that the deadlines for both Merced and Fresno counties is tomorrow.

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 June:**

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:

- Joseph Westbrook: 28 years. Joey was hired on June 23, 1998.

E. **Other Matters:** GM McGowan and Legal Counsel Mr. Williams announced that Panoche Water District will be holding a General Election on November 3rd, 2026, to fill two vacant seats on the Board of Directors.

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 June 9th, 2026, and answered any questions that the Board had.

GENERAL MANAGER'S REPORT

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

A. SGMA:

I. Central Delta-Mendota GSA:

GM McGowan reported that the CDMGSA discussions have focused on the different policies and resolutions that were discussed earlier in the board meeting. A commitment has been made to move towards volumetric pumping this year, so even more reason for getting the polices and resolutions established and in place were so important.

II. Delta Mendota JPA:

GM McGowan reported that the USBR has discontinued handling the DMC subsidence monitoring benchmarks, however, Provost & Pritchard recently submitted a proposal to continue the work along the San Joaquin River Restoration Program. Mr. Chase Hurley also explained that the JPA is waiting for some model calibration costs from EKI to complete the second installment billing. GM McGowan also reported upcoming meetings to educate various groups on the Central Delta-Mendota GSA pumping reduction plan.

At approximately 11:25 am, President Barcellos announced that the Water District would be taking a short break.

At approximately 11:32 am, President Barcellos announced that the Water District meeting would resume picking up on Agenda Item 20 – Item B the Domestic Water Treatment Plant PER Update.

- **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 letting us know that the application has officially entered the State review process. Based on discussions with the SWRCB Division of Financial Assistance Project Manager, the State intends to execute the funding agreement during FY 2026-2027. Due to the current state workload, the review process may take up to one year. 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. USBR Contour Canal Reimbursement:** GM McGowan reported that $1.7 million in non-reimbursable grant assistance funding will be drawn down this week.
- **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 noted that his had already been discussed earlier in the meeting.
- **F. WINN Act Overcollection:** GM McGowan noted that there was nothing new to report.
- **G. Water Supply, Storage, and Conveyance Discussions:** GM McGowan reported that PWD continues to maximize the delivery of our water supply and transfers in the most efficient and economical way possible.

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 11:41 am, the Board met in Closed Session to have discussions with legal counsel related to anticipated litigation. At 11:45 am, Mr. Williams reported that no reportable actions were taken in Closed Session.

PANOCHE WATER DISTRICT CLOSED SESSION:
At 11:46 am, the Board met in closed session to have discussions with legal counsel related to anticipated and existing litigation. At 12:23 pm, Mr. Williams reported that no reportable actions were taken in Closed session.

FUTURE MEETING DATES

A. Next Regular Board Meeting Date: August 11th, 2026, at 9:30 am.

ADJOURNMENT
With no further business, President Barcellos adjourned the meeting at 12:25 pm.

__________________________________ __________________________________

Aaron Barcellos, President

Steve Fausone, Secretary

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

MEMORANDUM

TO: PANOCHE WATER DISTRICT BOARD OF DIRECTORS

FROM: Sandra Reyes, Water Master

SUBJECT: Request to Transfer Water from Gargiulo Farms, Inc.

DATE: August 11, 2026

I received a phone call from Terry Doyle asking to transfer his remaining 92 AF of his USBR Allocation to Westlands WD.

Gargiulo Farms has a current Supplemental Water Balance of 454 AF and purchased 800 AF of Supplemental Water in total.

District's Recommendation:

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

PANOCHE WATER DISTRICT

RESOLUTION NO. 861-26

RESOLUTION OF THE BOARD OF DIRECTORS CALLING THE 2026 DISTRICT GENERAL ELECTION AND AUTHORIZING REQUIRED ACTIONS

WHEREAS, Panoche Water District (the "District") is a California Water District duly organized and existing under and pursuant to the Constitution and laws of the State of California; and

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

WHEREAS, California Water District law, California Elections law, and the District's Bylaws prescribe the time and manner for the conduct of the election to fill these elective offices, including the use of an all-mail ballot; and

WHEREAS, California Elections law provides that forms for declaration of candidacy shall be first available on the 113th day prior to the election and shall be filed no later than 5:00 p.m. on the 88th day prior to the election; and

WHEREAS, the California Water District law prescribes that each voter shall have one vote for each dollar's worth of land to which he or she holds title, and that the last equalized assessment book of the District is conclusive evidence of ownership and of the value of the land; *provided*, however, the Board of Directors may authorize correction of the assessment book to reflect those persons who as of the 45th day prior to the election appear as owners on the records of the counties; and

WHEREAS, during its July 14th, 2026, Regular Board of Directors Meeting, the District Manager reported to the Board that staff were prepared to conduct the 2026 General Election for two open seats, and that a Notice to that effect and forms for Declarations of Candidacy would be available by close of business that day, which report the Board received and then directed the General Manager to conduct the 2026 General Election; and

WHEREAS, this Resolution formalizes and ratifies the decision to hold the 2026 General Election; and

WHERAS, California Elections law prescribes the duties and responsibilities of the District, as well as those of the county clerk if requested by the District.

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

1. In the event that the number of candidates for director exceed the number of positions on the Board of Directors which are to be filled by election this year and an election is required, such election shall be held on Tuesday, the 3rd of November, 2026.

2. The election shall be conducted pursuant to the all-mail ballot procedure authorized and described by California Elections laws. Through this Resolution the Board specifically adopts California Elections Code section 10531.

3. Forms for declarations of candidacy have been made available as of July 14th, 2026, and shall be filed not later than 5:00 p.m. on the 88th day after they were made available.

4. In accordance with Water Code section 35003, each voter shall have one vote for each dollar's worth of land to which he, she, or it holds title. The Secretary of the District shall have prepared a list of voters for the election based upon the last equalized assessment book of the District, corrected to reflect, as of September 21st, 2026, those persons or entities who as of that date appear as owners of land within the District on the County's records.

5. The Secretary of the District and District staff are authorized and directed to take any and all actions necessary in order to properly and efficiently conduct the election pursuant to and in compliance with California Water District law, California Elections law, and the District's Bylaws.

PASSED AND ADOPTED this 11th day of August, 2026, by the following vote, to wit:

AYES: ______
NOES: ______
ABSENT: ______
ABSTAIN: ______

____
Aaron Barcellos, President
Panoche Water District

Attest:

____
Steve Fausone, Secretary

CERTIFICATE OF SECRETARY
OF
PANOCHE WATER DISTRICT,
A California Water District

I, Steve Fausone, do hereby certify that I am the duly authorized and appointed Secretary of the Panoche Water District, a California Water District (the "District"); that the following is a true and correct copy of that certain resolution duly and unanimously adopted and approved by the Board of Directors of the District on the 11th day of August, 2026; and that said resolution has not been modified or rescinded and remains in full force and effect as the date hereof:

IN WITNESS WHEREOF, I have executed this Certificate on this 11th day of August, 2026.

____
STEVE FAUSONE
Secretary of Panoche Water District

PANOCHE WATER DISTRICT

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

BOARD MEETING
MEMORANDUM

TO: PANOCHE WATER DISTRICT BOARD OF DIRECTORS

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: INVESTMENT POLICY REVIEW AND RECOMMENDATION TO INCREASE EARNINGS THROUGH U.S. BANK MONEY MARKET ACCOUNTS

DATE: AUGUST 11, 2026

BACKGROUND

The District's Investment Policy establishes the priorities of Safety, Liquidity, and Yield. It directs that idle funds be invested to maximize returns while preserving principal and maintaining adequate liquidity for operational needs. The policy authorizes investment in qualified banking institutions and other investments allowed under California Government Code.

CURRENT FINANCIAL POSITION

As of June 30, 2026, the District reported Total Cash and Investments of approximately $24.9 million, including approximately $20.24 million in a Mechanics Bank Money Market earning 3.85%, approximately $2.95 million in a Mechanics Bank Contractual Obligation Fund earning 3.85%, and approximately $1.56 million invested in LAIF earning 3.81%.

PROPOSED INVESTMENT STRATEGY

U.S. Bank is currently offering a Platinum Business Money Market account paying up to 4.15% on qualifying balances between $1 million and $2.999 million per account. Staff propose opening multiple qualifying accounts, if necessary, to maximize the amount of District funds earning the higher rate while maintaining liquidity.

ESTIMATED FINANCIAL BENEFIT

The proposed rate represents approximately a 0.30% increase over the current Mechanics Bank money market rate. Every $3 million transferred would generate approximately $9,000 in additional annual interest. If larger idle balances are transferred, annual earnings could increase proportionally while maintaining safety and liquidity.

INVESTMENT POLICY COMPLIANCE

The proposal is consistent with the District's Investment Policy because it preserves safety, maintains liquidity, improves investment yield, and utilizes an authorized financial institution.

OPERATIONAL CONSIDERATIONS

Staff recommends maintaining sufficient operating balances at Mechanics Bank for payroll, accounts payable, and routine operating expenses while transferring excess idle funds to U.S. Bank to maximize interest earnings.

RECOMMENDATION

Authorize staff to establish U.S. Bank Platinum Business Money Market accounts, transfer eligible funds as appropriate, and continue monitoring market rates to ensure the District receives the highest prudent return while maintaining safety and liquidity.

PANOCHE 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.

PANOCHE WATER DISTRICT				
ACCOUNTS PAYABLE LIST				
PAYMENTS RUN FROM 7/15/2026 THRU 8/11/2026				
		MECHANICS O & M CHECKING # 8566		
	CHECK		CHECK	
DATE	NUMBER	NAME	AMOUNT	MEMO
7/15/2026	43608	BAKER MANOCK & JENSEN	$ 118.89	JUNE 2026 LEGAL SERVICE
7/15/2026	43609	LAW OFFICES OF PHILIP A. WILLIAMS	$ 3,877.50	JUNE 2026 GENERAL COUNSEL
7/15/2026	43610	MCGUIRE BOTTLED WATER	$ 123.40	JUNE 2026 DRINKING WATER
7/15/2026	43611	SAVEMART SUPERMARKET	$ 3,448.36	OFFICE SUPPLIES (MARCH - JUNE 2026)
7/23/2026	43612	AMAZON CAPITAL SERVICES	$ 448.07	DISTRICT & OFFICE SUPPLIES
7/23/2026	43613	JUSTIN'S TIRE & AUTO	$ 119.06	OIL CHANGE # 34
7/23/2026	43614	BRYANT L. JOLLEY	$ 2,500.00	CONTOUR CANAL GRANT
7/23/2026	43615	CIVIC PLUS	$ 900.00	WEBSITE ANNUAL SUPPORT FEE 25/26
7/23/2026	43616	ELECTRIC DRIVES	$ 1,849.62	REPLACE FUSE & TIME DELAY STA # 3 PUMP # 2 & CHECK ELECTRICAL FOR STA # T4
7/23/2026	43617	HOME DEPOT CREDIT SERVICES	$ 133.13	METER & CHEMICAL SHOP
7/23/2026	43618	KIMBALL MIDWEST	$ 1,029.89	SHOP INVENTORY
7/23/2026	43619	MARFAB	$ 147.62	SUPPLIES # 64A & # 62B
7/23/2026	43620	MANUEL'S TIRE SERVICE	$ 324.46	TIRE REPAIR # 28
7/23/2026	43621	NAPA AUTO PARTS	$ 396.32	DEF/GREASE
7/23/2026	43622	PACIFIC GAS & ELECTRIC	$ 94.90	JULY 2026 ELECTRICAL SERVICE
7/23/2026	43623	PROVOST & PRITCHARD	$ 2,870.10	JUNE 2026 CONTROL SURVEY FOR SUBSIDENCE MONITORING
7/23/2026	43624	SAFETY COMPLIANCE COMPANY	$ 550.00	SNAKE AWARENESS, SLIPS, TRIPS & FALLS TRAINING
7/23/2026	43625	SANTOS FORD	$ 195.00	DIAGNOSTIC FOR # 40
7/23/2026	43626	SGS NORTH AMERICA INC.	$ 1,496.25	WATER SAMPLES
7/23/2026	43627	SORENSEN'S TRUE VALUE	$ 97.88	RENTAL PUSH WEED EATER HOUSE # 6
7/23/2026	43628	SUMMERS ENGINEERING INC.	$ 2,841.60	JUNE 2026 ENGINEERING SERVICE
7/23/2026	43629	SUMMERS ENGINEERING INC.	$ 520.18	JUNE 2026 CONTOUR CANAL LINING PROJECT
7/23/2026	43630	TECHNOFLO SYSTEMS	$ 595.84	FLO METER BATTERIES
7/23/2026	43631	TORO PETROLEUM CORPORATION	$ 7,815.17	500 GALLONS PUMP OIL
7/23/2026	43632	VALLEY BUSINESS CENTER	$ 285.96	JUNE 2026 PRINTER SUPPORT
7/23/2026	43633	VALLEY IRON INC.	$ 2,373.07	METAL FOR WELDING SHOP
7/23/2026	43634	VALLEY WIDE	$ 96.60	SUPPLIES FOR PISTACHIO FENCING
7/23/2026	43635	WATER RECLAMATION EQUIPMENT	$ 35,811.90	STRAINER TRAY FOR PUMP # 13E, SUPPLIES FOR RECIRCULATION PUMP # 3, INSTALL PUMP/MOTOR & INSTALL 14 INCH 3 STAGE BOWL FOR RECIRCULATION PUMP # 1 SPARE & PULL & CLEAN PUMP AT PUMP # 13E
7/23/2026	43636	WINDECKER INC.	$ 9,166.46	1,000 GALLONS UNLEADED @ $ 4.54, 550 GALLONS DIESEL @ $ 4.94 & 450 GALLONS DYED DIESEL @ $ 4.25
8/11/2026	43637	ACWA/JPIA	$ 38,838.45	SEPTEMBER 2026 HEALTH $ 36,373.46, DENTAL $ 2,050.24, VISION $ 334.08 & LIFE $ 80.67
8/11/2026	43638	AG & INDUSTRIAL SUPPLY	$ 12.36	WIRE FOR PISTACHIO FENCE (REBILL)
8/11/2026	43639	AMAZON CAPITAL SERVICES	$ 519.52	OFFICE & DISTRICT SUPPLIES
8/11/2026	43640	AARON BARCELLOS	$ 500.00	BOARD STIPEND JULY 2026
8/11/2026	43641	BCT CONSULTING	$ 2,566.20	IT SERVICE AUGUST 2026
8/11/2026	43642	JUSTIN'S TIRE & AUTO	$ 1,731.49	TIRES # 13A, REPAIRS FOR # 42 & # 34
8/11/2026	43643	EDWARD NEILL CALLIS	$ 500.00	BOARD STIPEND JULY 2026
8/11/2026	43644	CENTRAL DELTA-MENDOTA GSA	$ 23,966.79	2ND CASH CALL TO FUND LAST SIX MONTH OF FY2027
8/11/2026	43645	BEAU CORREIA	$ 500.00	BOARD STIPEND JULY 2026
8/11/2026	43646	EAST SIDE CANAL & IRRIGATION CO.	$ 994,282.80	1,358.76 AF WATER SALES @ $ 717.50
8/11/2026	43647	STEVE FAUSONE	$ 500.00	BOARD STIPEND JULY 2026
8/11/2026	43648	FRESNO COUNTY TAX COLLECTOR	$ 2,205.50	PROPERTY TAX FOR DISTRICT HOUSES
8/11/2026	43649	GRASSLAND BASIN AUTHORITY	$ 76,963.25	BRACKISH WATER RECOVERY 2026 MAY 78.75 AF @ $ 175 & JUNE 361.04 AF @ $ 175
8/11/2026	43650	HCL MACHINE WORKS INC.	$ 2,929.95	FILTER SCREEN FOR SIPHON LINE - DOMESTIC PLANT
8/11/2026	43651	HOFFMAN SECURITY	$ 358.40	DISTRICT SECURITY AUGUST 2026
8/11/2026	43652	MARFAB	$ 217.16	PARTS FOR # 42

DATE	CHECK NUMBER	NAME	CHECK AMOUNT	MEMO
8/11/2026	43653	JOSH MARQUEZ	$ 61.39	SNACKS FOR SAFETY MEETING
8/11/2026	43654	MC REGIONAL WASTE MANAGEMENT AUTHORITY	$ 46.00	DISTRICT WASTE DISPOSAL
8/11/2026	43655	MERCY SPRINGS WATER DISTRICT	$ 6,865.25	TRANSFER OF RESCHEDULED WATER 175 AF
8/11/2026	43656	PACIFIC GAS & ELECTRIC	$ 296,947.35	ELECTRICAL POWER JULY 2026
8/11/2026	43657	PRICE PAIGE & COMPANY	$ 14,905.00	WORK IN PROGRESS FYE 2026
8/11/2026	43658	SGS NORTH AMERICA INC.	$ 2,200.00	WATER SAMPLES
8/11/2026	43659	SORENSEN'S TRUE VALUE	$ 118.50	DISTRICT SUPPLIES
8/11/2026	43660	UNWIRED BROADBAND, INC.	$ 359.99	INTERNET SERVICE AUGUST 2026
8/11/2026	43661	VERIZON WIRELESS	$ 863.90	CELL PHONE SERVICE JULY 2026
8/11/2026	43662	VERIZON CONNECT	$ 307.58	GPS SERVICE JULY 2026
8/11/2026	43663	WATER RECLAMATION	$ 5,204.40	DRESSER FOR STA #4 PUMP # 2, PARTS FOR THE DOMESTIC PLANT, CHECK ELECTRICAL, RESET BREAKER & ADJUST BACKSPIN TIMER STA # 2 PUMP # 3, BEAD WELL SOUNDER FOR PUMPS & STRUCTURES, SHOP & YARD SUPPLIES
8/11/2026	43664	WAYNE WESTERN JR.	$ 500.00	BOARD STIPEND JULY 2026
8/11/2026	43665	WEST STANISLAUS IRRIGATION DISTRICT	$ 2,650,000.00	PAYMENT IN FULL FOR TRANSFER # 3 - 5,000 AF @ $ 530.00
8/11/2026	43666	WINDECKER INC.	$ 38.60	GUAGE STICK FOR FUEL TANK
8/11/2026	43667	XEROX FINANCIAL SERVICES	$ 690.91	COPIER LEASE
8/11/2026	43668	YOUNG'S AIR CONDITIONING	$ 1,351.00	REPAIR AIR CONDITIONING IN CONFERENCE ROOM & CLEANED COIL AT PUMP STATION ON RUSSELL AVE.
7/13/2026	W000001129	ISOLVED, INC.	$ 102.38	SAGE TIME SUPPORT JUNE 2026
7/15/2026	W000001125	US BUREAU OF RECLAMATION	$ 27,322.83	JUNE 2026 USBR WATER COSTS SLC $22,019.85 & DMC $ 5,302.98
7/15/2026	W000001126	SLDM WATER AUTHORITY	$ 329,901.32	JUNE 2026 SLDMWA CONVEYANCE COSTS SLC $ 284,257.68 & DMC $ 45,643.64
7/16/2026	W000001127	SLDM WATER AUTHORITY	$ 1,269,450.00	1,953 AF @ $ 650.00 - WY26 SLRECWA WATER TRANSFER - JUNE 2026
7/16/2026	W000001128	SLDM WATER AUTHORITY	$ 624,221.75	WY23 FINAL ACCOUNTING
7/16/2026	JE-108	TRANSFER FOR PAYROLL	$ 80,000.00	PAYROLL DATED 7/20/2026
7/24/2026	W000001130	PITNEY BOWES	$ 504.83	POSTAGE METER
7/28/2026	W000001131	WESTAMERICA VISA	$ 551.44	STAFF LUNCHES, SUPPLIES FOR # 38, DISTRICT EMAILS, 2ND QTR 26 FEDERAL & STATE PAYROLL TAX FILING FEES, BUREAU OF AUTO REPAIRS COMPLIANCE & FEES, ICLOUD MONTHLY EXTRA STORAGE FEE & MONTHLY CHAT GPT
8/3/2026	JE-123	TRANSFER FOR PAYROLL	$ 100,000.00	PAYROLL DATED 8/5/2026
		TOTAL	**$ 6,639,333.52**	

		MECHANICS PAYROLL CHECKING # 7895		
DATE	CHECK NUMBER	NAME	AMOUNT	MEMO
7/17/2026	JE-110	EMPLOYMENT DEVELOPMENT DEPARTMENT	$ 3,150.72	STATE PAYROLL TAX DEPOSIT
7/17/2026	JE-111	INTERNAL REVENUE SERVICE	$ 16,634.88	FEDERAL PAYROLL TAX DEPOSIT
7/17/2026	JE-112	JOHN HANCOCK	$ 9,011.14	401K RETIREMENT
7/17/2026	PR-1571	NET PAYROLL	$ 49,374.09	PAYROLL DATED 7/20/2026
8/4/2026	JE-125	EMPLOYMENT DEVELOPMENT DEPARTMENT	$ 3,316.02	STATE PAYROLL TAX DEPOSIT
8/4/2026	JE-126	INTERNAL REVENUE SERVICE	$ 17,342.36	FEDERAL PAYROLL TAX DEPOSIT
8/4/2026	JE-127	JOHN HANCOCK	$ 9,313.98	401K RETIREMENT
8/4/2026	PR-1572	NET PAYROLL	$ 53,034.19	PAYROLL DATED 8/5/2026
8/5/2026	3529	PRINCIPAL LIFE INSURANCE	$ 620.68	EMPLOYEE PAID INSURANCE AUGUST 2026
		TOTAL	**$ 161,177.38**	

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

	MAY INTEREST RATE	JUNE INTEREST RATE	JULY INTEREST RATE	July 31, 2026	June 30, 2026
CURRENT LIABILITIES					
ACCOUNTS PAYABLE				$3,759,337	$1,038,475
TOTAL CURRENT LIABILITIES				**$3,759,337**	**$1,038,475**
CASH AND INVESTMENT ACCOUNTS					
MECHANICS BANK O&M CHECKING				$18,423	$72,070
MECHANICS BANK PAYROLL CHECKING				$8,039	$84,475
MECHANICS BANK MONEY MARKET	3.85%	3.85%	3.85%	$17,497,845	$20,237,704
MECHANICS BANK CONTRACTUAL OBLIGATION FUND MM (OVERCOLLECTION)	3.85%	3.85%	3.85%	$2,965,132	$2,952,531
LAIF	3.81%	3.92%	3.92%	$340,107	$313,018
2021 REVENUE BONDS - LAIF RESTRICTED (RATE STABILIZATION FUND)	3.81%	3.92%	3.92%	$1,257,033	$1,244,881
TOTAL CASH AND INVESTMENTS				**$22,086,579**	**$24,904,679**
ACCOUNTS RECEIVABLES					
WATER				$988,154	$1,012,627
GROUNDWATER MANAGEMENT FEE				-	-
DELINQUENT ACCOUNT CHARGES				$84,541	$72,709
OTHER				$44,510	$8,121
GBA NOTE RECEIVABLE (5 YEARS @ 1.75%)				$140,692	$160,674
PDD NOTE RECEIVABLE (1/2 AR) $ 716,521 (5 YEARS @ 3.00%)				$84,040	$95,926
CASH ADVANCE - PROP 84				-	-
TOTAL ACCOUNTS RECEIVABLES				**$1,341,937**	**$1,350,057**
TOTAL CURRENT UNAUDITED ASSETS				**$23,428,516**	**$26,254,736**
NET CURRENT UNAUDITED ASSETS (NET CASH POSITION)				**$19,669,179**	**$25,216,261**

Account Number/Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
13112-000					
MECHANIC CKNG #******8566	1,452,889.79	29752704.17	31187171.44	1,434,467.27-	18,422.52
13132-000					
MECHANIC MM # 2305	42,211.25	22006495.25	4,550,861.68	17455633.57	17497844.82
13412-000					
MECHANIC PR#******7895	16,069.82	742,944.61	750,975.65	8,031.04-	8,038.78
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 OBLIGTION FUND #9745	2,190,517.09	774,614.99	0.00	774,614.99	2,965,132.08
13520-000					
LOCAL AGENCY INVESTMENT FD	9,446,756.60	2,522,350.50	11629000.00	9,106,649.50-	340,107.10
Report Total:	14381244.65	55823342.67	48118008.77	7,705,333.90	22086578.55

PANOCHE WATER DISTRICT QUARTERLY FINANCIAL STATUS		
CASH BOOK ACCOUNTS AS OF 6/30/2026		
PANOCHE WATER DISTRICT CHECKING	**INTEREST RATE**	
Balance as per bank statement		$342,674
Reconciling Items		
Add: Outstanding deposits		-
Deduct: Outstanding checks		($270,604)
Balance as reported in the general ledger account		$72,070
PANOCHE WATER DISTRICT MONEY MARKET		
Balance as per bank statement		$20,237,704
Reconciling Items		
Add: Outstanding deposits		-
Deduct: Outstanding checks		-
Balance as reported in the general ledger account	3.850%	$20,237,704
PANOCHE WATER DISTRICT PAYROLL		
Balance as per bank statement		$87,137
Reconciling Items		
Add: Outstanding deposits		-
Deduct: Outstanding checks		($2,662)
Balance as reported in the general ledger account		$84,475
PANOCHE WATER DISTRICT 2021 BOND ACQUISITION FUND		
Balance as per bank statement		$2,952,531
Reconciling Items		
Add: Outstanding deposits		-
Deduct: Outstanding checks		-
Balance as reported in the general ledger account	3.850%	$2,952,531
PANOCHE WATER DISTRICT LAIF ACCOUNT		
LAIF Account balance as of 6/30/2026	3.920%	$340,107
PANOCHE WATER DISTRICT 2021 LAIF REVENUE BONDS		
LAIF Account balance as of 6/30/2026	3.920%	$1,257,033
TOTAL OF GENERAL LEDGER ACCOUNT BALANCES AND LAIF		$24,943,920

Account Number/Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
13112-000					
MECHANIC CKNG #******8566	56,327.01	20208340.04	20192597.23	15,742.81	72,069.82
13132-000					
MECHANIC MM # 2305	22,886.13	21345679.28	1,130,861.68	20214817.60	20237703.73
13412-000					
MECHANIC PR#******7895	29,832.75	512,944.61	458,302.26	54,642.35	84,475.10
13465-000					
2021 REVENUE BONDS - LAIF	1,244,881.03	12,152.22	0.00	12,152.22	1,257,033.25
13470-000					
CONTRACTUAL OBLIGTION FUND #9745	2,197,430.72	755,100.72	0.00	755,100.72	2,952,531.44
13520-000					
LOCAL AGENCY INVESTMENT FD	8,482,018.03	27,089.07	8,169,000.00	8,141,910.93-	340,107.10
Report Total:	12033375.67	42861305.94	29950761.17	12910544.77	24943920.44

PANOCHE WATER DISTRICT

2026 Quarterly Investment Report
For Quarter Ending June 30, 2026

DATE: August 11, 2026

TO: Board of Directors

FROM: Marlene Brazil

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

	MECHANICS BANK (4 ACCTS)	LAIF	TOTAL
INVESTMENT BALANCES June 30, 2026	$ 23,346,780.09	$ 1,597,140.35	$ 24,943,920.44

1. As of the date of the report, the majority of District funds are deposited in Federal Deposit Insurance Corporation(FDIC) insured accounts at Mechanics Bank. Therefore as provided by Government Code Section 53646 (e), attached are the most recent statement(s) received by the District.

2. As of the date of the report, the remaining District funds are invested in the State of California Local Agency Investment Funds (LAIF) in accordance with Section 16429.1 of the Government Code. Attached are the most recent statements received by the District.

3. The portfolio of the District is in compliance with the District's Statement of Investment Policy.

4. It is expected the District will be able to meet its expenditure requirements for the next six months based on projected revenue from drainage service charges, reimbursement for project costs and with application of funds from Fresno County tax allocations.

State of California
Office of the
State Treasurer

LAIF Monthly Statement

PANOCHE WATER DISTRICT
2021A REVENUE BONDS
GENERAL MANAGER
52027 W. ALTHEA AVENUE
FIREBAUGH, CA 93622

LAIF Account #: 11-10-004
June 2026 Statement

Account Summary

Total Deposit:	0.00
Total Withdrawal:	0.00

Beginning Balances		Ending Balances	
Principal:	1,167,000.00	Principal:	1,167,000.00
Interest:	77,881.03	Interest:	77,881.03
		Grand Total:	**1,244,881.03**

Bond ID	Bond Name	Principal Balance	Next Maturity Date
2108261	REVENUE BONDS, SERIES 2021	1,167,000.00	7/27/2026

MALIA M. COHEN

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

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

As of 7/15/2026, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 6/30/2026.

Earnings Ratio		0.00010743238142967
Interest Rate		3.92%
Dollar Day Total	$	252,149,980.71
Quarter End Principal Balance	$	313,018.03
Quarterly Interest Earned	$	27,089.07

Mechanics Bank
P.O. Box 2200
Corona, CA 92878
800.797.6324
www.mechanicsbank.com

Statement Ending 06/30/2026

PANOCHE WATER DISTRICT
O & M ACCOUNT
52027 W ALTHEA AVE
FIREBAUGH CA 93622-9401

Managing Your Accounts

Client Services	800.797.6324
Online	www.mechanicsbank.com
Mobile	Download Our Mobile Apps

Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX8566	$342,673.68

PUBLIC CHECKING - XXXXXXXX8566

✓

Account Summary

Date	Description	Amount
05/30/2026	**Beginning Balance**	**$23,845.08**
	22 Credit(s) This Period	$6,169,797.00
	49 Debit(s) This Period	$5,850,968.40
06/30/2026	**Ending Balance**	**$342,673.68**

Deposits

Date	Description	Amount
06/05/2026	DEPOSIT	$1,849,438.00

Electronic Credits

Date	Description	Amount
06/03/2026	Remote Deposit	$911,436.27
06/04/2026	Wire/In/113015500/GOLDEN BK NA HOUS/NOT PROVIDED/GRANDLAND PISTACHIOS LLC	$503,040.00
06/04/2026	Remote Deposit	$264,400.55

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Statement Ending 06/30/2026

Managing Your Accounts

Client Services	800.797.6324
Online	www.mechanicsbank.com
Mobile	Download Our Mobile Apps

PANOCHE WATER DISTRICT
PAYROLL ACCOUNT
52027 W ALTHEA AVE
FIREBAUGH CA 93622-9401

Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX7895	$87,137.22

PUBLIC CHECKING - XXXXXXXX7895

Account Summary

Date	Description	Amount
05/30/2026	**Beginning Balance**	**$7,803.48**
	4 Credit(s) This Period	$230,040.30
	14 Debit(s) This Period	$150,706.56
06/30/2026	**Ending Balance**	**$87,137.22**

Electronic Credits

Date	Description	Amount
06/03/2026	JE-74 Transfer funds for payroll	$80,000.00
06/08/2026	Remote Deposit	$40.30
06/15/2026	JE-90 Transfer funds for payroll	$80,000.00
06/30/2026	JE-97 Transfer funds for payroll	$70,000.00

Electronic Debits

Date	Description	Amount
06/05/2026	IRS USATAXPYMT 270655682488459	$15,526.85

EQUAL HOUSING LENDER
Member FDIC

Mechanics Bank
P.O. Box 2200
Corona, CA 92878
800.797.6324
www.mechanicsbank.com

Statement Ending 06/30/2026

Managing Your Accounts

Client Services	800.797.6324
Online	www.mechanicsbank.com
Mobile	Download Our Mobile Apps

PANOCHE WATER DISTRICT
CONTRACTUAL OBLIGATION FUND
52027 W ALTHEA AVE
FIREBAUGH CA 93622-9401

The "Per Check Charge" defined on your statement represents a $15 charge for each check that exceeds the six check limitation on your account. Refer to Mechanics Bank's Account Agreement for additional information.

Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC MONEY MARKET	XXXXXXXX9745	$2,952,531.44

PUBLIC MONEY MARKET - XXXXXXXX9745

✓

Account Summary

Date	Description	Amount
05/30/2026	**Beginning Balance**	**$2,872,985.56**
	2 Credit(s) This Period	$79,545.88
	0 Debit(s) This Period	$0.00
06/30/2026	**Ending Balance**	**$2,952,531.44**

Interest Summary

Description	Amount
Interest Earned From 05/30/2026 Through 06/30/2026	
Annual Percentage Yield Earned	3.92%
Interest Days	32
Interest Earned	$9,748.85
Interest Paid This Period	$9,748.85
Interest Paid Year-to-Date	$45,441.07

Electronic Credits

Date	Description	Amount
06/24/2026	Remote Deposit	$69,797.03

EQUAL HOUSING LENDER
Member FDIC

Mechanics Bank
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Corona, CA 92878
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www.mechanicsbank.com

Statement Ending 06/30/2026

Managing Your Accounts

Client Services	800.797.6324
Online	www.mechanicsbank.com
Mobile	Download Our Mobile Apps

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

The "Per Check Charge" defined on your statement represents a $15 charge for each check that exceeds the six check limitation on your account. Refer to Mechanics Bank's Account Agreement for additional information.

Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC MONEY MARKET	XXXXXXXX2305	$20,237,703.73

PUBLIC MONEY MARKET - XXXXXXXX2305

Account Summary

Date	Description	Amount
05/30/2026	**Beginning Balance**	**$8,880,676.63**
	4 Credit(s) This Period	$11,437,027.10
	1 Debit(s) This Period	$80,000.00
06/30/2026	**Ending Balance**	**$20,237,703.73**

Interest Summary

Description	Amount
Interest Earned From 05/30/2026 Through 06/30/2026	
Annual Percentage Yield Earned	3.92%
Interest Days	32
Interest Earned	$59,943.97
Interest Paid This Period	$59,943.97
Interest Paid Year-to-Date	$81,085.00

Electronic Credits

Date	Description	Amount
06/03/2026	JE-27 Pay back PWD for advancement	$7,577,083.13
06/08/2026	JE-86 Transfer funds from Checking into Money Market	$3,200,000.00

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

	WATER REVENUE	BUDGET	ACTUAL THRU 7.31.2026	% 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	$10,624,226	95%	$572,584	$572,584	$572,584	5%
2	USBR Rescheduled Water (WY 25-26)	$958,624	$1,009,439	105%	-$50,815	(50,815.00)	($50,815)	-5%
3	CVP Ag Water Contract (Based on 25%)	$3,045,600	$1,658,342	54%	$1,387,258	$1,387,258	$1,387,258	46%
4	Other Revenue	$600,000	$412,724	69%	$187,276	$187,276	$187,276	31%
5	Reserves - Supplemental Water	$400,000	$400,000	100%	-	-	-	0%
	TOTAL WATER REVENUE	**$16,201,034**	**$14,104,731**	**87%**	**$2,096,303**	**$2,096,303**	**$2,096,303**	**13%**

	WATER EXPENSES	BUDGET	ACTUAL THRU 7.31.2026	% 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	$7,247,620	65%	$3,949,190	$3,949,190	$3,949,190	35%
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	$1,557,417	51%	$1,488,183	$1,488,183	$1,488,183	49%
9	Planning & Engineering	$70,000	$16,349	23%	$53,651	$53,651	$53,651	77%
10	Reserves - Supplemental Water	$400,000	$400,000	100%	-	-	-	0%
	TOTAL WATER EXPENSES	**$15,671,034**	**$10,217,711**	**65%**	**$5,453,323**	**$5,453,323**	**$5,453,323**	**35%**
	NET WATER REVENUE/(DEFICIT)	**$530,000**	**$3,887,020**		**($3,357,020)**	**($3,357,020)**	**($3,357,020)**	

	O & M REVENUE	BUDGET	ACTUAL THRU 7/31/2026	% 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	$2,574,366	54%	$2,236,712	$2,236,712	$2,236,712	46%
12	Labor Reimbursement	$90,000	$31,279	35%	$58,721	$58,721	$58,721	65%
13	Reimbursed Expenses	$230,000	$83,705	36%	$146,295	$146,295	$146,295	64%
14	Domestic Water Treatment Plant	$169,500	$96,094	57%	$73,406	$73,406	$73,406	43%
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	$59,136	41%	$84,040	$84,040	$84,040	59%
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	$1,291	1%	$248,709	$248,709	$248,709	99%
	TOTAL O & M REVENUE	**$8,295,436**	**$3,249,040**	**39%**	**$5,035,546**	**$5,035,546**	**$5,046,396**	**61%**

	ADMINISTRATION EXPENSES	BUDGET	ACTUAL THRU 7/31/2026	% 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	$17,679	24%	$57,321	$57,321	$57,321	76%
27	Salaries and Wages	$666,826	$255,784	38%	$411,042	$411,042	$411,042	62%
28	Employees' Benefits	$210,000	$95,534	45%	$114,466	$114,466	$114,466	55%
29	Payroll Burden	$75,000	$32,862	44%	$42,138	$42,138	$42,138	56%
30	SLDMWA Activity Agreements	$132,105	$66,053	50%	$66,052	$66,052	$66,052	50%
31	SLDMWA DHCCP Bond Payment	$134,291	-	0%	$134,291	$134,291	$134,291	100%
32	Directors' Benefits	$30,000	$12,500	42%	$17,500	$17,500	$17,500	58%
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	$42,653	43%	$57,347	$57,347	$57,347	57%
38	Professional Services	$60,000	$29,558	49%	$30,442	$30,442	$30,442	51%
39	Annual Audits	$42,400	$14,905	35%	$27,495	$27,495	$27,495	65%
40	Communication Costs	$38,500	$23,517	61%	$14,983	$14,983	$14,983	39%
41	Conferences and Training Costs	$22,500	$3,986	18%	$18,514	$18,514	$18,514	82%
42	Utilities	$49,000	$14,230	29%	$34,770	$34,770	$34,770	71%
	TOTAL ADMINISTRATION EXPENSES	**$1,914,999**	**$717,949**	**37%**	**$1,197,050**	**$1,197,050**	**$1,197,050**	**63%**

	OPERATIONS & MAINTENANCE EXPENSES	BUDGET	ACTUAL THRU 7/31/2026	% 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	$884,423	49%	$915,577	$915,577	$915,577	51%
44	Salaries and Wages	$950,000	$381,337	40%	$568,663	$568,663	$568,663	60%
45	Employees' Benefits	$358,000	$142,428	40%	$215,572	$215,572	$215,572	60%
46	Payroll Burden	$132,000	$48,992	37%	$83,008	$83,008	$83,008	63%
47	Reimbursable Expenses	$230,000	$46,537	20%	$183,463	$183,463	$183,463	80%
48	Chemical Application	$193,000	$49,106	25%	$143,894	$143,894	$143,894	75%
49	Domestic Water Treatment Plant	$269,500	$51,281	19%	$218,219	$218,219	$218,219	81%
50	Fuel & Oil costs	$95,000	$48,179	51%	$46,821	$46,821	$46,821	49%
51	Pumps & Structures Repairs	$200,000	$200,000	100%	$0	$0	$0	0%
52	Equipment repairs	$55,000	$19,348	35%	$35,652	$35,652	$35,652	65%
53	Vehicle repairs & Maintenance	$37,000	$8,197	22%	$28,803	$28,803	$28,803	78%
54	Buildings Repairs & Maintenance	$100,000	$11,727	12%	$88,273	$88,273	$88,273	88%
55	Laboratory - Water Testing	$15,000	$7,898	53%	$7,102	$7,102	$7,102	47%
56	Grant Expenses (Contour Canal)	$1,877,823	$89,834	5%	$1,787,989	$1,787,989	$1,787,989	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	$1,291	1%	$248,709	$248,709	$248,709	99%
	TOTAL OPERATIONS & MAINTENANCE EXPENSES	**$6,910,437**	**$2,258,409**	**33%**	**$4,640,893**	**$4,640,893**	**$4,652,028**	**67%**
	TOTAL EXPENSES	**$8,825,436**	**$2,976,358**		**$5,837,943**	**$5,837,943**	**$5,849,078**	
	NET O & M REVENUE/(DEFICIT)	**-$530,000**	**$272,681**		**-$802,396**	**-$802,396**	**-$802,681**	
	TOTAL REVENUE/(DEFICIT)		**$4,159,701**					

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

PANOCHE WATER DISTRICT 2026/2027	
OTHER REVENUE BREAKDOWN	
EMPLOYEE RENT	$20,650
DELIQUENT CUSTOMER CHARGES	$1,021
MECHANICS MONEY MARKET INTEREST	$133,000
LAIF INTEREST	$146,584
PDD INTEREST ON LOAN INSTALLMENT PYMTS	$5,239
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	$41,704
GBA INTEREST ON LOAN INSTALLMENT PYMTS	$5,060
TOTAL OTHER REVENUE	**$412,725**

7.31.2026

INTER-DISTRICT ACCOUNT RECONCILLIATION
NON-AUDITED
7.31.2026

	PWD	
	PANOCHE WATER DISTRICT ACCOUNTS/NOTES RECEIVABLE	
1	GBA NOTE RECEIVABLE (1.75% INTEREST OVER 5 YEARS)	$ 634,108
2	PANOCHE DRAINAGE DISTRICT OUTSTANDING INVOICES (AR)	$ 704,845
3	PANOCHE DRAINAGE DISTRICT NOTE RECEIVABLE FOR 1/2 OUTSTANDING INVOICES (3.00% INTEREST OVER 5 YEARS)	$ 383,589
4	PROP 84 CASH ADVANCES	$ -
	Balance	**$ 1,722,541**

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

	PWD/USBR SMART WATER GRANT	
	CONTOUR CANAL	
8	GRANT FUNDS ANTICIPATED TO BE RECEIVED FOR THE PROJECT	$ 1,887,823
9	PWD RESERVE FUNDS TO BE USED FOR PROJECT	$ 1,942,677
	Total Cost	**$ 3,830,500**
10	TOTAL PWD RESERVE FUNDS USED TO DATE	**$ 1,942,677**
11	TOTAL GRANT FUNDS RECEIVED TO DATE	$ -

	PDD	
	PANOCHE DRAINAGE DISTRICT ACCOUNTS/NOTES PAYABLE	
12	PANOCHE DRAINAGE DISTRICT OUTSTANDING INVOICES (AP)	$ 704,845
13	PANOCHE DRAINAGE DISTRICT NOTE PAYABLE FOR 1/2 OUTSTANDING INVOICES (3.00% INTEREST OVER 5 YEARS)	$ 383,589
	Balance	**$ 1,088,434**
	PDD/PROP 84	
	PROP 84 ACCOUNTS PAYABLE	
14	PANOCHE WATER DISTRICT	$ -
	Balance	**$ -**

	PDD PROP 84 FUNDING STATUS	
15	GRANT AMOUNT	**$ 34,162,400**
16	REQUESTED FUNDS (THRU INVOICE # 35)	**$ 28,646,694**
17	FUNDS AVAILABLE	**$ 5,515,705**

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

PROP 218 BOND RECONCILIATION ACT # 13470					
		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	$ 273,073.10	$ 729,969.24	$ 729,969.92	$ 1,459,939.16	$ 1,186,866.06
	$ 4,125,071.15			$ 7,174,857.01	$ 3,049,785.86
21/22 OVERCOLLECTION REFUND FRESNO COUNTY					$ 323,556.68
TOTAL OVERCOLLECTION BALANCE					$ 3,049,785.86
MONEY MARKET ACCOUNT BALANCE WITH INTEREST 7.31.2026					**$ 2,965,132.08**

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	$ 660,172.89
PAYMENT DUE 8/31/2026 2025-2026 (INTEREST & PRINCIPAL)	$ 663,305.05
25.26 OVERCOLLECTION (ESTIMATE)	**$ 453,763.98**

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

$233,857.90	INTEREST @ 3.85%
$5,045.00	FUNDS TO START ACCOUNT
$2,726,229.18	OVERCOLLECTION BALANCE
$2,965,132.08	JULY 2026 BALANCE

MONEY MARKET FUND EARNING 3.85% INTEREST

7.31.2026

PANOCHE WATER DISTRICT CASH RESERVE REPORT

BANK ACCOUNT BALANCES THRU 7.31.2026

13112-000		
MECHANIC CKNG #******8566	$	18.422.52
13132-000		
MECHANIC MM # 2305	$	17.497.844.82
13412-000		
MECHANIC PR#******7895	$	8.038.78
13465-000		
2021 REVENUE BONDS - LAIF	$	1.257.033.25
13470-000		
CONTRACTUAL OBLIGTION FUND #9745	$	2.965.132.08
13520-000		
LOCAL AGENCY INVESTMENT FD	$	340.107.10
Report Total:	$	22,086,578.55

EXPECTED EXPENSES FOR 2026 - 2027			
RESERVE BALANCE AVAILABLE	$	17,856,374	
SERVICE TRUCK W/ BOOM	$	-	2024 FORD F550 PICKUP
PUMPS & STRUCTURES	$	250,000	PUMP REHAB
COMPUTER REPLACEMENTS	$	3,926	UPDATE COMPUTERS
NEW VFD STATION	$	65,200	VFD FOR PUMP
FOREFRONT POWER	$	-	SETTLEMENT
PISTACHIO FENCING (FORWARD FROM 25.26)	$	20,937	PISTACHIO FENCING - BALANCE OF 1/2 COST
GRASSLAND BASIN AUTHORITY	$	-	PROP 84 ADVANCE REIMBURSEMENT EXPECTED * (ADDED IN)
MID SIZE PICKUP	$	48,000	2026 FORD RANGER PICKUP
WATER REVENUE USED 2026-2027	$	400,000	USED TO OFFSET 2026-27 SUPP'L WATER RATE ($515 TO $500)
WATER REVENUE OVERAGE	$	2,174,666	WATER YEAR 2024 - 2025 (TRACKING PURPOSES ONLY - NEEDS UPDATE)
RESERVE BALANCE AFTER EXPENDITURES	$	17,116,311	

Aaron Barcellos

July 31st, 2026

Review Period 06/05/2026 – 07/07/2026

Statement and documentation made available: 07/29/2026

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,

Aaron Barcellos

PANOCHE WATER DISTRICT
AGED ACCOUNTS RECEIVABLE, BY DUE DATE
As of 7/31/2026

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	445.27	✓	36.46	✓	36.46	✓	2,601.39	✓	3,119.58
Carbajal, Sylvia	90.23	✓	7.39	✓	7.39	✓	656.55	✓	761.56
Correia, Beau and Katherine	1,976.66	✓	2,664.75	✓			1,577.00	✓	6,218.41
Crimsonco, LLC			293.70	✓					293.70
Hanna M&M Family Trust			29,523.00	✓					29,523.00
Harvest Point, LLC			19,128.00	✓					19,128.00
John S. Diedrich Farms	12,000.00	✓							12,000.00
KB Family Farm	13.25	✓	12,600.00	✓			883.30		13,496.55
Total:	**14,525.41**		**64,253.30**		**43.85**		**5,718.24**		**$ 84,540.80**

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
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

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

Correia/KB Family / E-mailed Statement 4/6/26 & 5/6/2026 / Sent e-mail along with delinquency policy 6/2/26 / Provided copies at board meeting 8/11

Crimsonco turned their USBR Water back to the District / Credit issued

Hanna/Harvest Point / The amounts owed are the Allocation Deposit USBR Water Cost Billings / Phoned to say would be using water, but hasn't yet

John Diedrich / Remaining Balance of Supp'l Wtr / They have paid for 201 AF so far of their 225 AF / Only allocated what's been paid for

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: JULY DIVISION REPORT – WATER DEPT.

DATE: AUGUST 11, 2026

CC : JUAN CADENA, WATER RESOURCES MANAGER
PATRICK MCGOWAN, GENERAL MANAGER

Water Supply as of August 1, 2026:

San Luis Reservoir Total Storage	1,141,907 AF	
San Luis Reservoir Federal Storage	391,780 AF	
San Luis Reservoir % of Total Capacity	56 %	(100% = 2,041,000 AF)
San Luis Reservoir Federal % Share	35 %	

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

Panoche Water Supply as of August 1, 2026:

USBR 2026 Water Balance	19,802 AF	(25%)
USBR Resch. Water Balance	0 AF	
July, 2026 Grower Deliveries	10,292 AF	
Total Deliveries to Date (Mar-Jul)	36,486 AF	

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 June O&M billings, Interest billings, & M&I water billings were completed & mailed out.
July's Water Usage, Interest, and M&I Billings will go out 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 & 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 the 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 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 8/1/26 for the board meeting.
Billed an additional 500 AF of Supplemental Water Sold in 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 grower's 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 the growers on the list to bring them to 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.

USBR Allocation 25%, or 23,500 AF will equal approximately .61 AF/AC
At 100%, the allocation is 2.46 AF/AC

PANOCHE WATER DISTRICT WATER ACCOUNTING **Month: July, 2026** 8/4/2026

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	3,906			300	1,071	1,293								2,664				**1,242**
Transfer 4	1,500			250	400	422								1,072				**428**
Transfer 5	271			8	55	114								177				**94**
Transfer 8	1,250			79	378	383								840				**410**
Grower Well Water	3,715		35	517	1,222	1,430								3,204				**511**
Gains or Losses	3,011	(291)	98	1,353	988	863								3,011				**0**
District Water Total	17,133	(49)	440	3,329	5,089	5,639	0	0	0	0	0	0	0	14,448				**2,685**
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 25% USBR	23,598			10	15	2,771								2,796	1,000			**19,802**
USBR Drought Program	2,350													0		(148)		**2,202**
Banked Water Program	1,500													0				**1,500**
Transfer 2	1,094			785	216	93								1,094				**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**
Transfer 7	797					96								96		(5)		**696**
Transfer 9	175				175									175				**0**
Grower Transfers In	2,000			525	865	474								1,864				**136**
Bureau Water Total	49,741	3,578	3,663	4,546	5,631	4,653	0	0	0	0	0	0	0	22,071	1,000	(380)	0	26,290
Total Water Supply	**66,874**	**3,529**	**4,103**	**7,875**	**10,720**	**10,292**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**36,519**	**1,000**	**(380)**	**0**	**28,975**
Usage																		
Growers		3,529	4,103	7,875	10,720	10,292								36,519				
Grower Transfers Out					600	400								1,000				
District Transfers/Sales														0				
USBR Drought Program														0				
Total Usage/Transfers		3,529	4,103	7,875	11,320	10,692	0	0	0	0	0	0	0	37,519				
Diff/Losses: % of Supply	%	-8%	2%	17%	8%	8%								8%				
Budget to Actual - AF	**52,000**	3,529	4,070	7,875	10,720	10,292								36,486				**15,514**

*** Water Supply Numbers are estimates of known Transfers at this time - Deliveries are Actual * / * USBR Allocation 25% .**

Panoche Water District

DELIVERIES, RECYCLED, POWER CHARGES REPORT

DISTRICT DELIVERIES	2022	2023	2024	2025	2026
MAR	982	978	1,992	2,101	3,529
APR	2,303	2,980	3,690	5,012	4,103
MAY	3,839	6,411	7,313	8,294	7,875
JUN	5,434	9,792	10,019	11,370	10,720
JUL	5,612	11,545	12,186	11,576	10,292
AUG	4,165	8,888	7,724	7,545	
SEP	2,790	4,724	4,062	4,631	
OCT	1,693	2,790	3,614	2,208	
NOV	266	1,134	748	384	
DEC	89	1,223	240	374	
JAN	15	1,860	2,466	1,533	
FEB	743	1,827	3,750	2,633	
Total	27,931	54,152	57,804	57,661	36,519
YEAR TO DATE	18,170	31,706	35,200	38,353	36,519

RETURN FLOWS	2022	2023	2024	2025	2026
MAR	130	3	(164)	37	(291)
APR	556	85	90	145	98
MAY	728	538	747	8	1,353
JUN	782	566	1,028	833	988
JUL	83	650	1,787	2,122	863
AUG	(253)	862	609	367	
SEP	(240)	37	274	228	
OCT	(171)	223	(64)	16	
NOV	(161)	(107)	(171)	(105)	
DEC	(15)	(58)	(18)	(48)	
JAN	(83)	98	(49)	(8)	
FEB	137	16	292	(143)	
Total	1,493	2,913	4,361	3,452	3,011
YEAR TO DATE	2,279	1,842	3,488	3,145	3,011

RUSSELL RECIRCULATION Energy Charges	2022	2023	2024	2025	2026
MAR	$ 63	$ 49	$ 104	$ 45	$ 146
APR	$ 128	$ 920	$ 236	$ 17,091	$ 23,155
MAY	$ 1,413	$ 1,266	$ 24,408	$ 35,782	$ 28,310
JUN	$ 27,615	$ 11,491	$ 54,027	$ 59,609	$ 43,592
JUL	$ 46,544	$ 12,039	$ 74,553	$ 68,501	$ 50,086
AUG	$ 36,685	$ 28,407	$ 65,701	$ 53,744	
SEP	$ 22,748	$ 39,151	$ 49,877	$ 50,021	
OCT	$ 8,034	$ 2,365	$ 3,657	$ 35,291	
NOV	$ 7,014	$ 202	$ 105		
DEC	$ 113	$ 211	$ 105		
JAN	$ 93	$ 222	$ 110	$ 227	
FEB	$ 101	$ 311	$ 3,120	$ 222	
Total	$ 150,552	$ 96,633	$ 276,004	$ 320,533	$ 145,288
YEAR TO DATE	$ 75,764	$ 25,765	$ 153,328	$ 181,029	$ 145,288

PG&E CHARGES	2022	2023	2024	2025	2026
MAR	$ 38,061	$ 20,336	$ 30,342	$ 29,501	$ 24,530
APR	$ 95,409	$ 60,283	$ 100,923	$ 81,246	$ 96,572
MAY	$ 103,548	$ 76,265	$ 131,564	$ 129,334	$ 113,552
JUN	$ 148,032	$ 115,412	$ 182,855	$ 178,339	$ 193,651
JUL	$ 209,145	$ 213,325	$ 332,340	$ 271,389	$ 246,862
AUG	$ 179,674	$ 203,428	$ 258,161	$ 248,974	
SEP	$ 143,734	$ 163,960	$ 196,922	$ 219,763	
OCT	$ 82,107	$ 119,971	$ 147,887	$ 150,265	
NOV	$ 202,938	$ 86,638	$ 112,013		
DEC	$ 33,649	$ 64,191	$ 39,249		
JAN	$ 25,041	$ 70,825	$ 18,785	$ 14,505	
FEB	$ 31,647	$ 54,764	$ 56,196	$ 26,099	
Total	$ 1,292,985	$ 1,249,397	$ 1,607,237	$ 1,349,416	$ 675,166
YEAR TO DATE	$ 594,195	$ 485,620	$ 778,024	$ 689,810	$ 675,166

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%	20.00%	45%
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	0.95	1.22
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**	**1.03**	**1.47**
Total Precip. Inches	7.34	9.73	4.56	6.92	1.73	(From Mar 1 to Apr 22)

Total rainfall /2/12

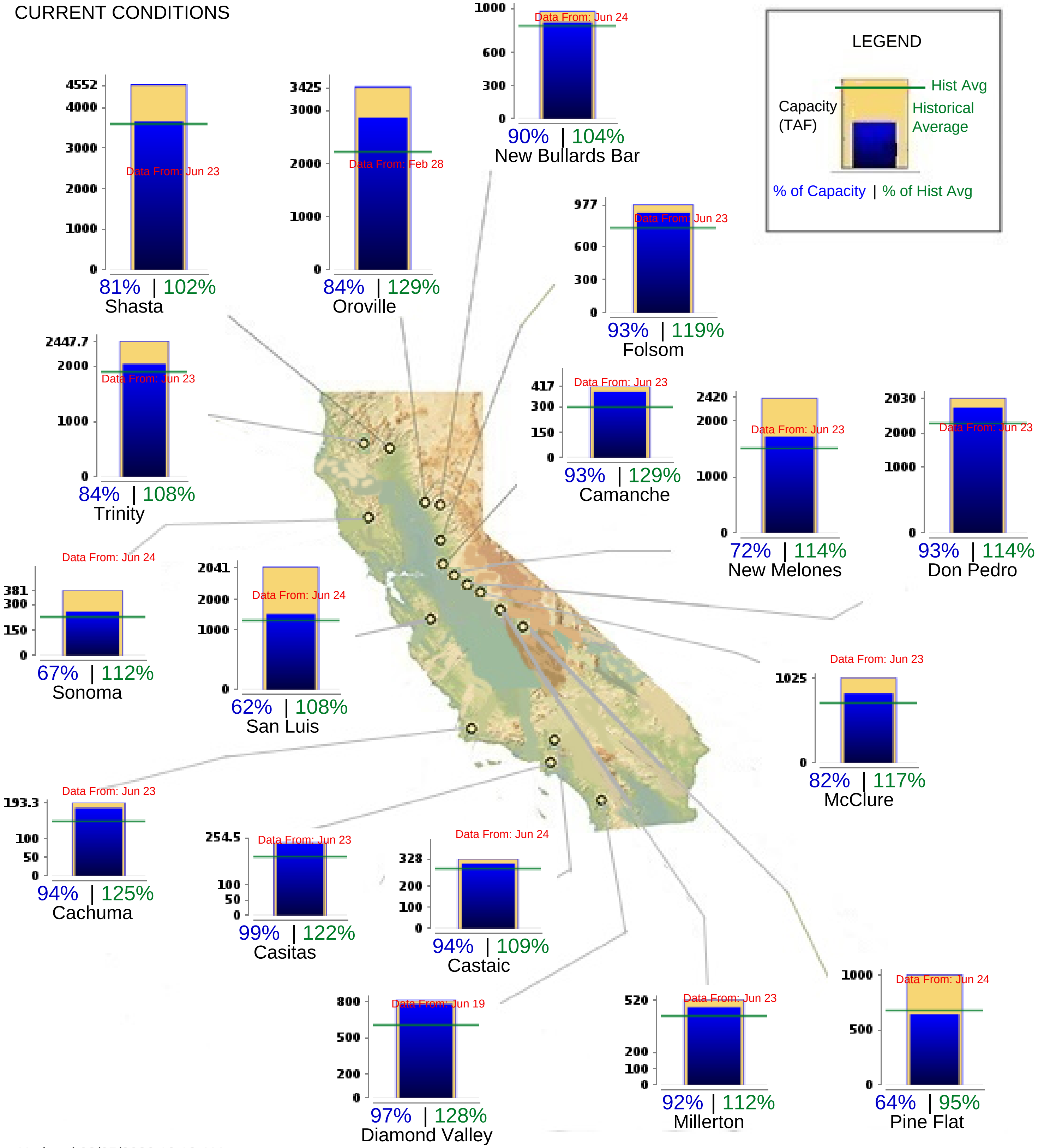
Total Rainfall from Oct. 2025 to today is 7.78 inches.

Prepared by Sandra Reyes - PWD/Water Year 2026/2027 Water Deliveries Power Reclaim Wk Sheet

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

Midnight - August 4, 2026

CURRENT CONDITIONS



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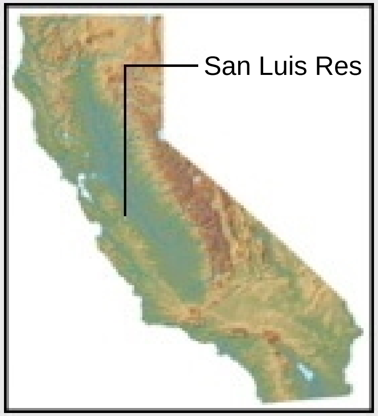
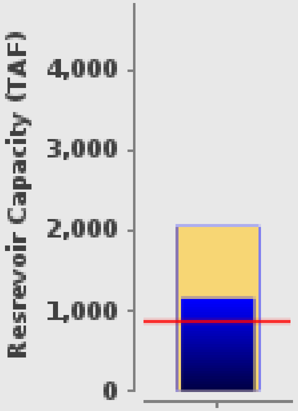


San Luis Res Conditions

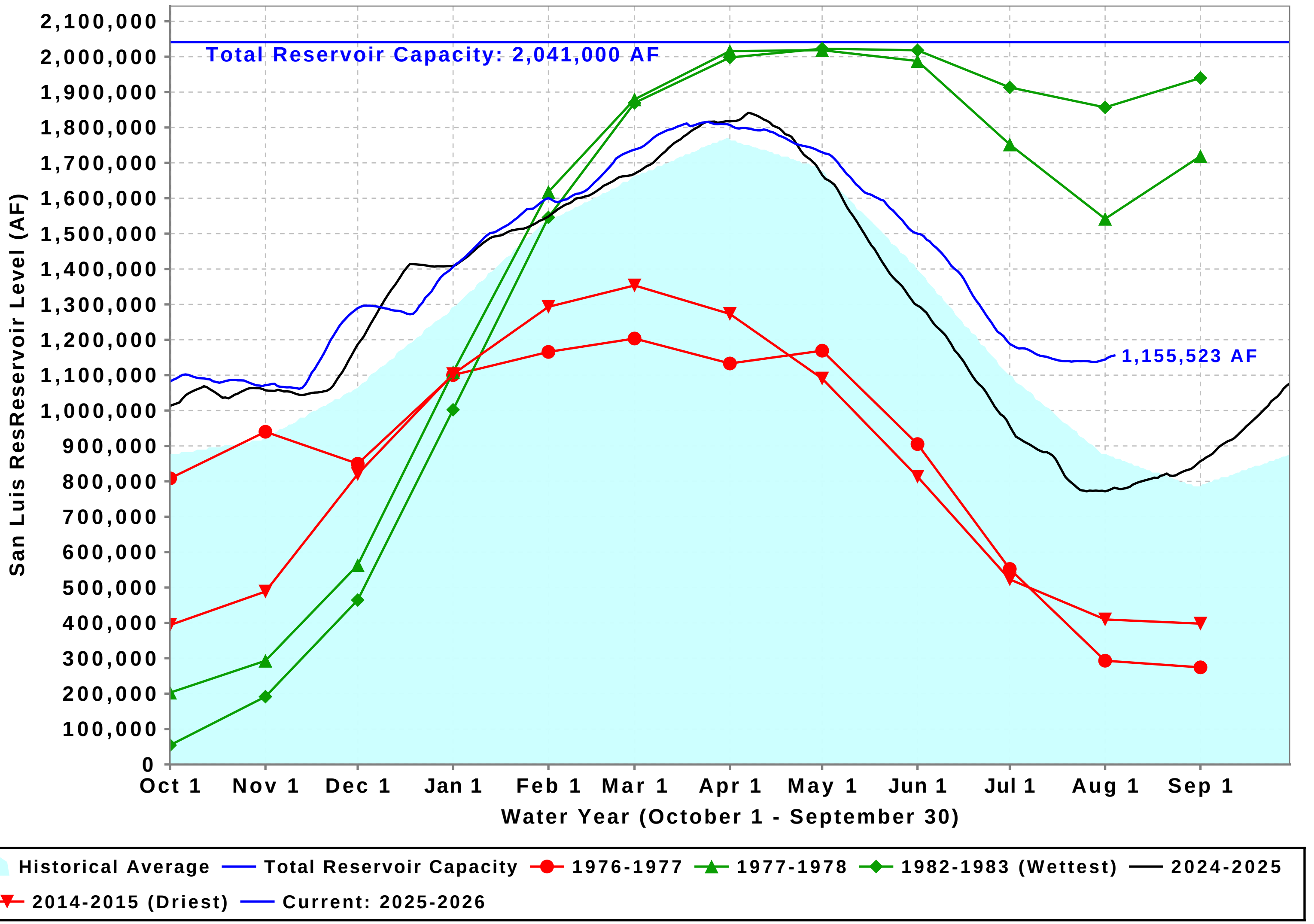
(as of Midnight - August 4, 2026)



Current Level: 1,155,523 AF

57% (Total Capacity) | 134% (Historical Avg.)

San Luis Res Levels: Various Past Water Years and Current Water Year, Ending At Midnight August 4, 2026



Data Updated 08/05/2026 09:48 AM

Panoche Water District
Water Year 2026-2027
Water Forecast

8/4/2026 4:38 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								0
SLCC Eastside Water	3,906			300	1,071	1,293	*1,242*							0
FCWD Conserved Wtr	1,500			250	400	422	*428*							0
FCWD Add'l Wtr	271			8	55	114	*94*							0
Brackish Wtr Recovery Proj	1,250			79	378	383	*375*	*35*						0
Grower Transfer Ins	480			250	225	5								0
Grower Well Water	3,804		35	517	1,222	1,430	*600*							0
Gains	4,011	(291)	98	1,353	988	863	*395*	*329*	*193*	*(1)*	*(36)*	*17*	*103*	0
Total	18,222	(49)	440	3,329	5,089	5,639	*3,134*	*364*	*193*	*(1)*	*(36)*	*17*	*103*	

Bureau CVP Delivery	AF	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb		*Losses*		
Rescheduled Water 25-26	9,320	3,578	3,663	2,001										0	*(242)*	**USBR Surplus**	
WY26-27 25% USBR Alloc.	23,500			10	15	2,771	*2,873*	*3,346*	*1,441*	*332*	*383*	*1,483*	*2,497*	8,349		8,349	
USBR Drought Pool	2,350													2,066	*(284)*	(600)	X-fer Out/Coit
Banked Water Program	1,500													1,500		(284)	Fill Drought Pool
SLCC Eastside Water	1,094			785	216	93								0		(300)	X-fer Out/Gargiulc
West Stanislaus ID	5,000			1,225	2,407	1,219								0	*(149)*	(100)	X-fer Out/Coit
SJRECWA/SLDMWA	3,907				1,953		*909*	*513*	*532*					0		(92)	X-fer Out/Gargiulc
YUBA	797					96	399	297						0	*(5)*	6,973	
MSWD Rescheduled Wtr	175				175									0			
Grower Transfers In	2,185			525	865	474	*185*	*80*	*34*	*19*	*3*			0			
Total	49,828	3,578	3,663	4,546	5,631	*4,653*	*4,366*	*4,236*	*2,007*	*351*	*386*	*1,483*	*2,497*			*Rescheduling 9,400*	

	AF	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Totals	**68,050**	**3,529**	**4,103**	**7,875**	**10,720**	**10,292**	***7,500***	***4,600***	***2,200***	***350***	***350***	***1,500***	***2,600***
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

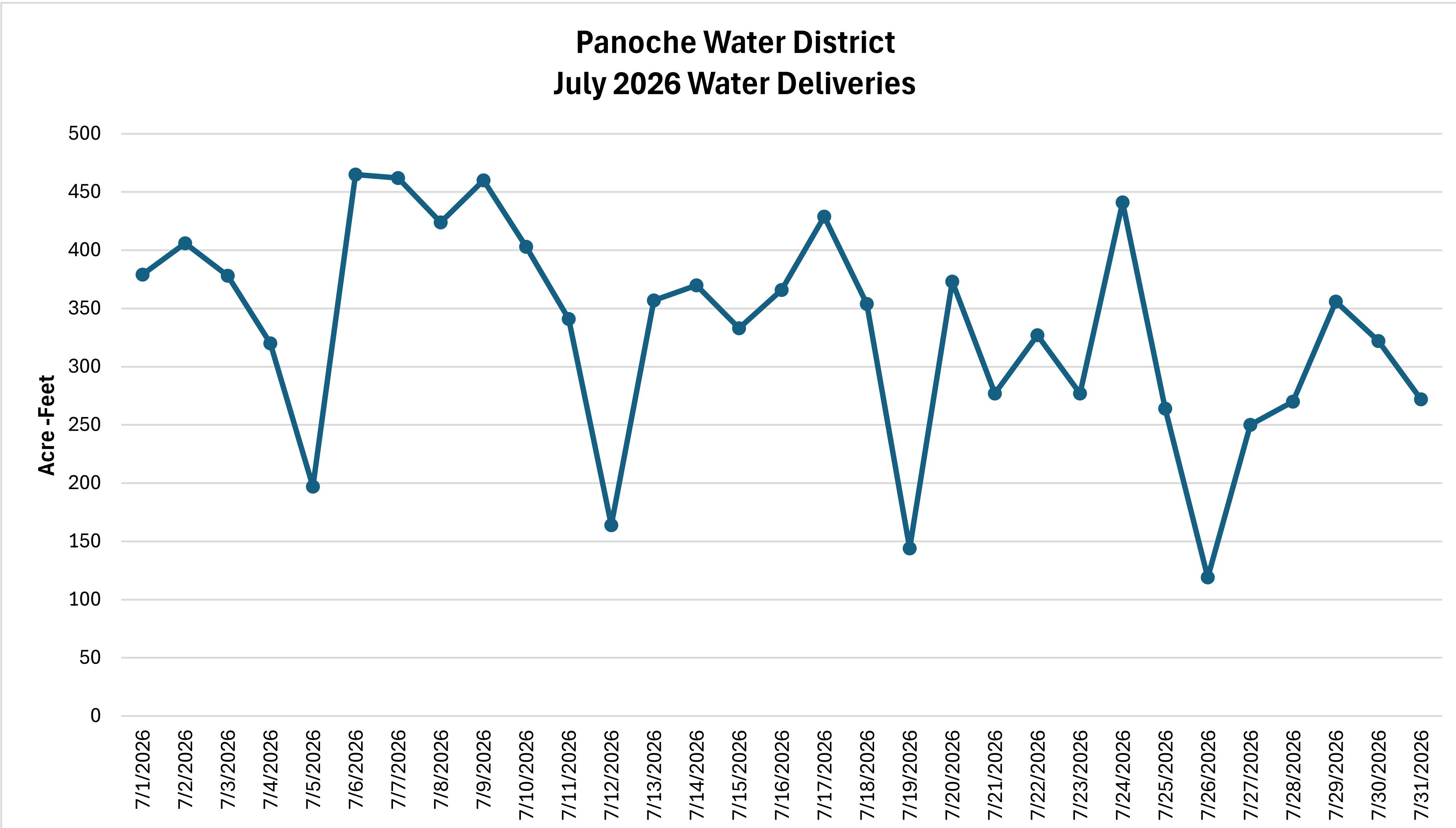
	AF	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
		60%	-18%	-6%	-5%	-11%							
Grower Deliveries	**55,619**	3,529	4,103	7,875	10,720	10,292	*7,500*	*4,600*	*2,200*	*350*	*350*	*1,500*	*2,600*
Transfers Out	**600**				600	400	*92*						
Sales	**0**												
Totals	**56,219**	**3,529**	**4,103**	**7,875**	**11,320**	**10,692**	***7,592***	***4,600***	***2,200***	***350***	***350***	***1,500***	***2,600***

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**

Created by Sandra Reyes, Water Master



Panoche Water District
July 2026 Water Deliveries
Acre -Feet
500
450
400
350
300
250
200
150
100
50
0
7/1/2026
7/2/2026
7/3/2026
7/4/2026
7/5/2026
7/6/2026
7/7/2026
7/8/2026
7/9/2026
7/10/2026
7/11/2026
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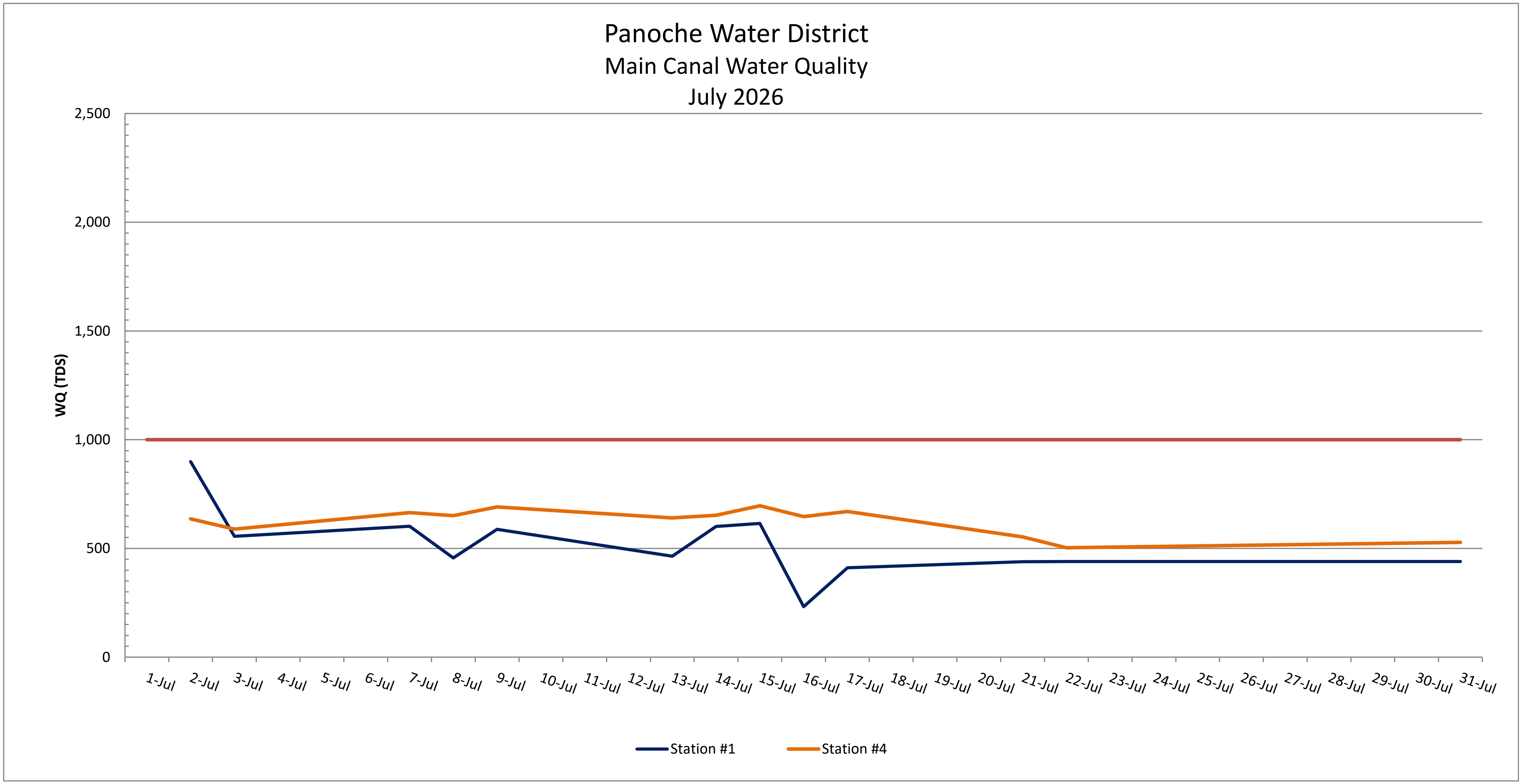
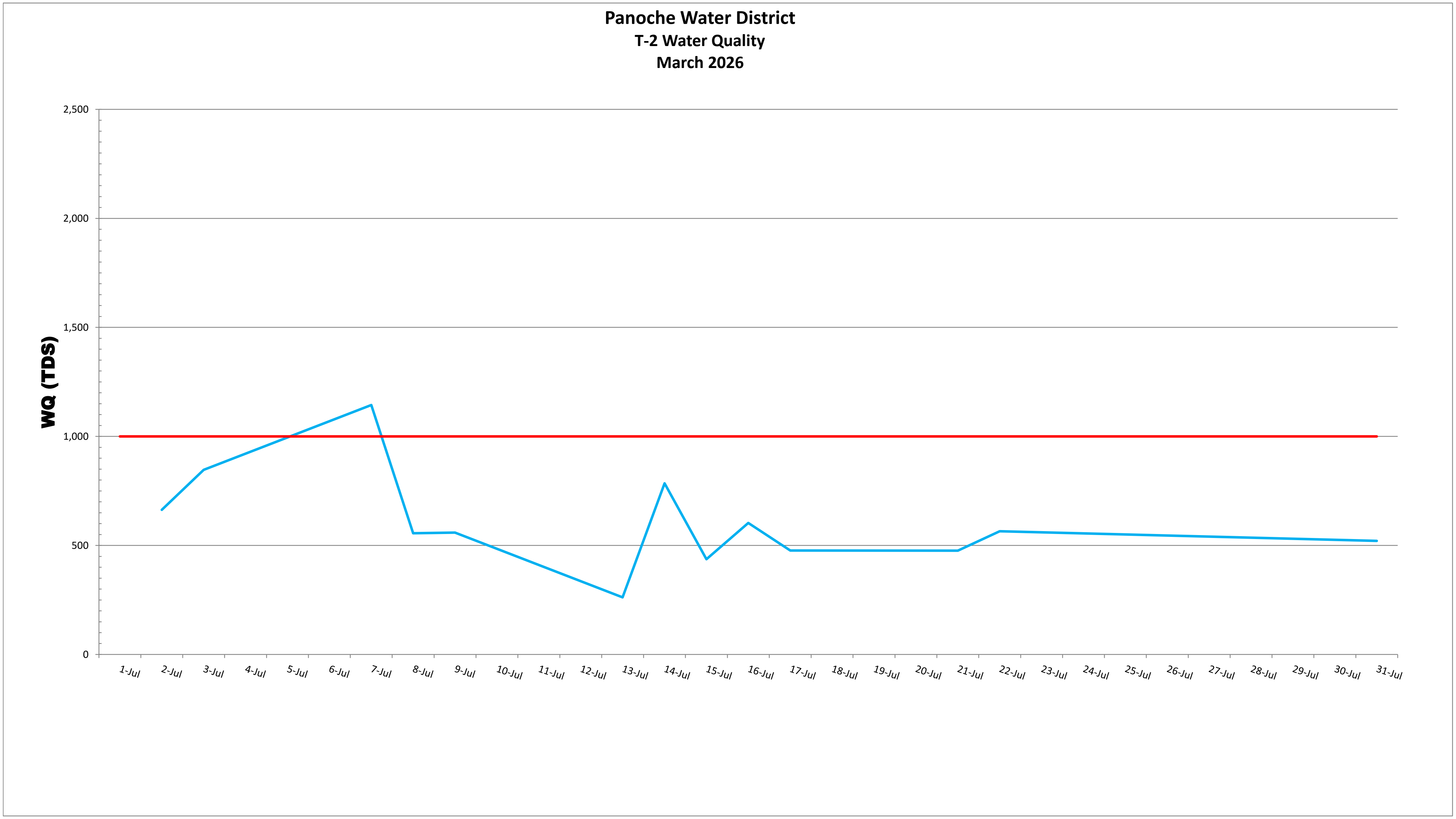
7/30/2026
7/31/2026



Panoche Water District
Main Canal Water Quality
July 2026
2,500
2,000
1,500
1,000
500
0
WQ (TDS)
1-Jul 2-Jul 3-Jul 4-Jul 5-Jul 6-Jul 7-Jul 8-Jul 9-Jul 10-Jul 11-Jul 12-Jul 13-Jul 14-Jul 15-Jul 16-Jul 17-Jul 18-Jul 19-Jul 20-Jul 21-Jul 22-Jul 23-Jul 24-Jul 25-Jul 26-Jul 27-Jul 28-Jul 29-Jul 30-Jul 31-Jul
Station #1
Station #4



Panoche Water District
T-2 Water Quality
March 2026
WQ (TDS)
2,500
2,000
1,500
1,000
500
0
1-Jul
2-Jul
3-Jul
4-Jul
5-Jul
6-Jul
7-Jul
8-Jul
9-Jul
10-Jul
11-Jul
12-Jul
13-Jul
14-Jul
15-Jul
16-Jul
17-Jul
18-Jul
19-Jul
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21-Jul
22-Jul
23-Jul
24-Jul
25-Jul
26-Jul
27-Jul
28-Jul
29-Jul
30-Jul
31-Jul

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: CHRIS CARLUCCI, OPERATIONS & MAINTENANCE MANAGER

SUBJECT: DIVISION REPORT – OPERATIONS & MAINTENANCE

DATE: AUGUST 11TH, 2026

CC: PATRICK MCGOWAN. GENERAL MANAGER

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

- 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, and 11E. Canal treatments at Russell lift, T-Canal, Russell Turnout, and 11E turnout.
- Water Treatment Plant-
- Pacheco WD- Staff sprayed weeds at main lift canal and did a canal treatment on Lateral #6.
- GBA- No Activity
- Preventive 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.

PANOCHE WATERDISTRICT

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AUGUST 11, 2026 BOARD MEETING MEMORANDUM

TO: BOARD OF DIRECTORS

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

SUBJECT: JULY 2026 UPDATE

DATE: AUGUST 11, 2026

CC: PATRICK MCGOWAN, GENERAL MANAGER

ETHICS & 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 ADMIN:

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

PANOCHE 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: AUGUST 11, 2026

CC: PATRICK MCGOWAN, GENERAL MANAGER

For July 2026, the following risk management and human resource 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 July

Employee Anniversaries:

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

PWD
July 14, 2026
BOARD MEETING ACTION ITEMS

1. Continued discussions with ForeFront Power. **PATRICK**
   COMPLETE
2. Investigate Bond early payment. **PATRICK**
   COMPLETE
3. Invitation for proposals for midsized truck. **JOSH & CHRIS**
   COMPLETE
4. Declaration of candidacy forms. **JOSH**
   COMPLETE
5. Develop Board expectations document prior to election. **PHIL & PATRICK**
   IN PROGRESS
6. Election timeline and resolutions. **PHIL & JOSH**
   COMPLETE
7. Work with GBA to maximize brackish well water program. **PATRICK & JUAN**
   ON GOING
8. Develop internal true up process for WIIN Act overpayment money to be distributed to landowners. **SANDRA**
   IN PROGRESS
9. Memo to landowners and growers explaining the WIIN Act overpayment process once we are prepared to issue refunds. **PATRICK & SANDRA**
   IN PROGRESS
10. Follow up with growers not utilizing their allocated surface water. **PATRICK**
    COMPLETE
11. Investment policy review on August agenda. **PATRICK & SANDRA**
    COMPLETE
12. Follow up with Mechanics Bank to ensure we are maximizing interest on reserve balance. **MARLENE**
    COMPLETE
13. Investigate if LAIF is federally insured. **MARLENE**
    COMPLETE
14. Develop Water Use Policy. **PATRICK & PHIL**
    IN PROGRESS
15. M&I water application. **PATRICK & PHIL**
    IN PROGRESS
16. Approved plans to Fresno County for mitigation work for House 6 and O&M Shop. **CHRIS & JUAN**
    ON GOING
17. Request estimates for mitigation work for House 6 and O&M Shop. **CHRIS & JUAN**
    ON GOING
18. Discuss fees associated with groundwater extractions and authority to enforce pumping reductions with the CDMGSA. **PHIL & PATRICK**
    COMPLETE

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BOARD MEETING
MEMORANDUM

TO: PANOCHE WATER DISTRICT BOARD OF DIRECTORS

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: SURFACE WATER TREATMENT PLANT EXPEDITED DRINKING WATER GRANT APPLICATION UPDATE

DATE: AUGUST 11, 2026

BACKGROUND

On July 28th, 2026 we requested guidance and inquired regarding the State's review status of the application with Joel Greathouse, Project Manager with the State Water Resources Control Board's Division of Financial Assistance.

Mr. Greathouse responded on August 4th, and advised that the State received updated guidance for new EDWG applicants and is preparing additional instructions to help keep applications moving.

We are awaiting that guidance and will review it once received to determine whether any additional information or actions are required from Black Water or Panoche Water District. We will continue coordinating with the State and will notify Panoche promptly of any significant developments or requests.

Thank you, **Paul G. Peschel, P.E.**
Engineering Manager – Fresno Office
BLACK WATER
CONSULTING ENGINEERS

PANOCHE WATER DISTRICT

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BOARD MEETING
MEMORANDUM

TO: PANOCHE WATER DISTRICT BOARD OF DIRECTORS

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: M&I WATER APPLICATION DEVELOPMENT UPDATE

DATE: AUGUST 11, 2026

BACKGROUND

The PWD Board directed staff to develop a potable water application. In our efforts we uncovered the potential to increase the district's M&I water allocation. To date staff have worked with General Counsel to develop draft Terms and Conditions, and Potable & Agriculturally related M&I Water Applications. Additionally, we have conducted a thorough review of the Bureau of Reclamation's Central Valley Project Municipal & Industrial Water Shortage Policy.

DISCUSSION

The Bureau of Reclamation's M&I Water Shortage Policy provides a process through which contractors may request consideration of adjustments to Historical Use based upon factors such as population growth, extraordinary conservation, use of non-CVP supplies, and other unique circumstances when sufficient documentation and demonstrated need exist.

At this time, staff is not recommending that the District pursue an immediate request for additional M&I allocation. Rather, staff believe the prudent approach is to fully understand the opportunities, requirements, and long-term implications before making any formal request.

NEXT STEPS

• Meet with neighboring Water District to better understand how they have developed and maximized their M&I water program.
• Consult directly with U.S. Bureau of Reclamation to confirm Panoche Water District's understanding of current USBR policies, documentation requirements, and any future

opportunities available under the M&I Water Shortage Policy.
• Evaluate whether Panoche's historical use, existing contracts, future demands, and adopted policies support additional opportunities in future years.
• Report findings and recommendations back to the Board before pursuing any formal action.

CONCLUSION

Staff will continue developing the District's new M&I program documents while completing outreach to our neighboring water districts, and USBR. Following completion of these discussions, staff will return to the Board with a comprehensive evaluation and recommendations regarding any opportunities to strengthen Panoche Water District's long-term M&I water allocation.

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BOARD MEETING
MEMORANDUM

TO: PANOCHE WATER DISTRICT BOARD OF DIRECTORS

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: PG&E SPECIAL FACILITIES AGREEMENT AND REVISED INTERCONNECTION COST ESTIMATE FOR LINNEMAN SOLAR PROJECT

DATE: AUGUST 11, 2026

BACKGROUND

Panoche Water District has received PG&E's formal Special Facilities Agreement, Detailed Cost Estimate, and invoice for the utility upgrades required to interconnect the Linneman solar project. The final PG&E estimate is substantially higher than the earlier Group Study estimate. ForeFront Power has provided additional clarification regarding how the revised utility and construction costs will be handled under the proposed Power Purchase Agreement (PPA) rate.

UPDATED SUMMARY OF FINDINGS

- Original PG&E Group Study estimate: approximately $191,657.
- Final PG&E estimated project cost: $336,510.19.
- Engineering advance previously paid: $18,200; remaining PG&E balance: $318,310.19.
- Separate MARS/contractor change order: $65,424.11 for construction of the transformer pad and conduit associated with the new PG&E service.
- ForeFront Power has confirmed that both the $318,310.19 remaining PG&E balance and the $65,424.11 contractor change order are encompassed within the revised proposed Linneman PPA rate of $0.1676/kWh; the District is not being asked to pay the $65,424.11 as a separate construction charge at this time.

PPA RATE AND PROJECT ECONOMICS

The revised proposed Linneman PPA rate is $0.1676/kWh, an increase of $0.0040/kWh from the previously Board-approved rate of $0.1636/kWh. ForeFront estimates the rate adjustment equates to approximately $85,000 through the contract pricing mechanism and absorbs a significant portion of the increased interconnection costs. ForeFront's updated savings analysis shows estimated 20-year savings of $2,524,759 at the $0.1676/kWh rate, compared with $2,720,320 at $0.1636/kWh, a reduction of $195,561 in projected 20-year savings. Estimated Year 1 savings change from a negative $13,731 to a negative $23,981, a difference of $10,251.

ADDITIONAL PROJECT STATUS AND CLARIFICATIONS

ForeFront also advised that Permission to Operate (PTO) will be requested once both Change Acknowledgements are executed. Following PTO and performance testing (approximately 10 days), the project will reach Commercial Operation Date (COD), at which point ForeFront's asset management team will assume responsibility. We have secured language in the latest Change Acknowledgements for both the Office and Linneman Projects stating; the rate shall remain fixed throughout the twenty-year Initial Term and shall not be subject to any further escalation or increase.

RECOMMENDATION

Staff recommends that the Board receive the updated information and acknowledge that the revised $0.1676/kWh PPA rate incorporates the identified PG&E interconnection costs and the $65,424.11 contractor change order. With the Change Acknowledgements executed, staff will continue coordinating with ForeFront Power through PTO, performance testing, and COD, and will monitor final project closeout to confirm that no additional District-funded construction or interconnection costs are assessed outside the approved PPA structure.

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**BOARD MEETING
MEMORANDUM**

TO: PANOCHE WATER DISTRICT BOARD OF DIRECTORS

FROM: GENERAL MANAGER, PATRICK MCGOWAN

SUBJECT: CENTRAL VALLEY PROJECT OPERATIONS UPDATE

DATE: AUGUST 11, 2026

SUMMARY

Hydrologic conditions remain favorable, with Shasta, Trinity, Folsom, and San Luis Reservoir all above historical averages despite seasonal drawdown. Reservoir storage alone would normally support consideration of additional South-of-Delta deliveries. However, the principal constraint is no longer water availability, but the Bureau of Reclamation's ability to move water through the Delta while complying with environmental regulations, Delta water quality standards, and operational requirements. The current South-of-Delta irrigation allocation remains at 25%.

CURRENT RESERVOIR CONDITIONS

Shasta Reservoir is approximately 105–108% of the 15-year average, Trinity approximately 122–124%, Folsom approximately 110–116%, and the federal share of San Luis Reservoir is approximately 392 TAF (122% of average). Total San Luis storage is approximately 1.15 MAF, or 56% of capacity, and approximately 132% of historical average.

PRIMARY FACTORS LIMITING ADDITIONAL ALLOCATION

• D-1641 Delta water quality and outflow requirements continue to limit export flexibility.
• Sacramento River temperature management requires continued cold-water pool protection in Shasta Reservoir.
• ESA biological opinions and fishery protections constrain export operations.
• Reclamation continues to preserve healthy end-of-year carryover storage to maintain flexibility entering Water Year 2027.

• Jones Pumping Plant exports remain below maximum capability despite recent operational improvements.

POSITIVE INDICATORS

Recent improvements in Delta salinity have allowed Jones Pumping Plant exports to increase. Additional relaxation of Jersey Point salinity standards later in August could improve export opportunities. Reservoir storage remains well above average, and San Luis Reservoir continues to hold above-average federal storage.

STAFF ASSESSMENT

Staff believes the CVP currently possesses sufficient stored water to support additional South-of-Delta deliveries. The primary limitation is operational and regulatory rather than hydrologic. If Delta conditions continue improving and export opportunities increase while maintaining environmental compliance, Reclamation could have the flexibility to consider a modest increase above the current 25% allocation. Conversely, deterioration in Delta water quality, increased temperature management demands, or additional fishery restrictions could delay any allocation increase.