

**PANOCHÉ WATER DISTRICT MEETING MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
May 24, 2022, at 9:30 A.M.**

A special meeting of the Board of Directors was held in accordance with District Resolution 806-22 proclaiming a local emergency due to the COVID-19 pandemic and authorizing the District's legislative body to hold meetings by web and teleconference, and to make meetings accessible to the public electronically, pursuant to Assembly Bill 361. Those present at the meeting were:

Directors Present: John Bennett, President
 Aaron Barcellos, Vice-President
 Mike Stearns, Secretary
 Steve Fausone, Director
 Beau Correia, Director

Directors Absent: None

District Staff Present: Ara Azhderian, General Manager

Others Present: Philip Williams, General Counsel
 Palmer McCoy, Grassland Basin Authority

ANNOUNCEMENT PURSUANT TO GOVERNMENT CODE SECTION 54952.3

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

CALL TO ORDER

President Bennett called the meeting to order at 9:19 a.m.

REVIEW OF AGENDA

There were no changes to the Agenda.

ROLL CALL

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

POTENTIAL CONFLICTS OF INTEREST

No conflicts were reported.

PUBLIC COMMENT

There was no public comment.

PANOCHÉ WATER & DRAINAGE DISTRICTS' JOINT CLOSED SESSION

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

At approximately 9:19 a.m., President Bennett called the joint closed session to order.

At approximately 10:29 a.m., President Bennett adjourned the joint closed session.

JOINT CLOSED SESSION REPORT

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

PANOCHÉ WATER DISTRICT ONLY CLOSED SESSION

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

CONSENT CALENDAR

General Manager Azhderian presented the Board with the Consent Calendar items, which included draft meeting minutes from the April 12, 2022, regular meeting of the Board, the April 26, 2022, special meeting of the Board; the District’s Conflict of Interest Code; the District’s Disclosure Procedure Policy; the Treasurer’s Quarterly Investment Report for the period ending March 31, 2022; the monthly financial statements for the period ending April 30, 2022; and, the Director’s Monthly Credit Card Usage Report. After consideration, on a motion by Director Barcellos, seconded by Director Stearns, the Board unanimously accepted the Consent Calendar as presented.

The vote on the matter was as follows:

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

THE BOARD TO REVIEW AND CONSIDER AUTHORIZING EXECUTION OF A WATER TRANSFER AGREEMENT WITH FIREBAUGH CANAL WATER DISTRICT

Director Stearns reported he would recuse himself from consideration of this matter due to his position as Board President of the Firebaugh Canal Water District. General Manager Azhderian presented the proposed Firebaugh Canal Water District Water Transfer Agreement. He explained subsequent to receiving the proposed Agreement, FCWD General Manager Jeff Bryant reported that the amount available for transfer had increased to 100 acre-feet at a price of \$634 per acre-foot available for delivery in May and June of 2022. After consideration, on a motion by Director Barcellos, seconded by Director Fausone, the Board authorized execution of the Transfer Agreement.

The vote on the matter was as follows:

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

THE BOARD TO REVIEW AND CONSIDER AUTHORIZING EXECUTION OF A TECHNICAL SERVICES AGREEMENT TO PREPARE A MANDATED ENGINEERING REPORT AS PART OF A TECHNICAL APPLICATION FOR FINANCIAL ASSISTANCE FROM THE STATE WATER RESOURCES CONTROL BOARD FOR REPLACEMENT OF THE DISTRICT’S SURFACE WATER TREATMENT PLANT

General Manager Azhderian presented the Board the proposed agreement from Gartung Consulting for up-to \$20,000 to prepare an Engineering Report in support of a financial assistance

application to the State Water Resources Control Board to help fund the upgrade of the District's surface water treatment plant. He explained the Engineering Report is a required element of the application and that it would be most efficient for Gartung Consulting to prepare it due to their experience with the project from the design work they have already preformed. After consideration, on a motion by Director Barcellos, seconded by Director Correia, the Board unanimously authorized execution of the Technical Services Agreement.

The vote on the matter was as follows:

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

THE BOARD TO REVIEW AND CONSIDER APPROVING PAYMENT OF BILLS

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

The vote on the matter was as follows:

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

CVP OPERATIONS & WATER SUPPLY UPDATE

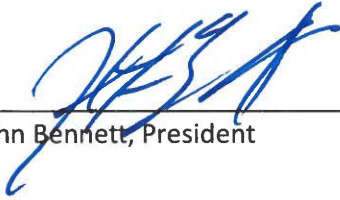
General Manager Azhderian provided the Board an update on CVP operations and the District's water supply situation, noting in particular that due to significant April rain in the Yuba watershed, the quantity of water available for transfer from the Yuba County Water Agency would diminish significantly due to changes triggered in the Yuba Accord baseline flow requirements. He explained that because the Yuba transfer had historically been so reliable, the District included this anticipated quantity of water in the amount it allocated to growers earlier in the year. He stated that offsetting the loss of the Yuba water, rather than adding to the District's drought shortened supply, would be the commencement of the Eastside/Stevinson transfer. Regarding the solar project, Azhderian reported the District had received updated production and cost estimates related to the change in configuration at the proposed site on the San Joaquin River Improvement Project. At the request of the Grassland Basin Authority, the District requested an analysis of a panhandle shaped array meant to minimize the number of acres of Jose Tall Wheat Grass taken out of production. He said the analysis needed further review but the initial indication is the panhandle configuration results in higher costs and less production. Lastly, Azhderian reported receiving some calls from growers concerned with the tiered O&M rate proposal. He said the concerns expressed centered on why growers without the ability to transfer water in directly from other Districts should subsize costs for those that could. Azhderian explained that there are pros and cons to the proposal and suggested the matter be further considered at the next Board meeting.

FUTURE MEETING DATES

The next regular meeting of the Board was scheduled for June 14, 2022, at 9:30 a.m.

ADJOURNMENT

With no further business on the agenda, President Bennett adjourned the meeting at 11:18 a.m.



John Bennett, President



Ara Azhderian, Acting Secretary