

**PANOCHÉ WATER DISTRICT MEETING MINUTES  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
May 10, 2022, at 9:30 A.M.**

A regular 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

***SPECIAL NOTE:*** *A power outage unavoidably disrupted the District's ability to provide the public virtual access to the meeting as noticed. After discussion with General Counsel Williams, the Board elected to proceed with the non-public closed session agenda items and non-action reports. All action items were deferred to a May 24<sup>th</sup>, 2022, special meeting of the Board.*

**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 regular meeting to order at 9:15 a.m.

**REVIEW OF AGENDA**

The Consent Calendar and all other Action Items were deferred to a special meeting of the Board scheduled for May 24<sup>th</sup>, 2022.

**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 9:15 a.m., President Bennett called the joint closed session to order.*

*At approximately 10:45 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.

## **FINANCIAL REPORTS**

General Manager Azhderian presented the Board the Budget-to-Actual report. Director Fausone requested staff consider modifying the report to compare both the budget and actual for the respective timeframe, in this case two months, as opposed to the current method of comparing the actual for the respective timeframe to the budget for the year, e.g. two months vs twelve months. Mr. Fausone offered to work with staff to explore revising the report. Azhderian also reported that on the tiered O&M rate proposal, District staff had not identified a means by which to value a higher rate to compensate for water quality degradation caused by growers using the District's systems to convey groundwater. However, he said calculating a reduced rate for water transferred-in could be accomplished with a "with and without" analysis. He explained that if a reduced rate for growers transferred-in water was implemented, it would either require an increase in the existing O&M rate applied to all the supplemental sources of water the District has already allocated or be funded from reserves. He stated further analysis of the proposal was necessary and that staff would report again at the next meeting. Lastly, Azhderian reported that Standard & Poors Global Ratings was reassessing the District's outlook and he expected an updated report in the coming weeks.

## **REPORTS UNDER DISTRICT POLICIES**

General Manager Azhderian updated the Board on the District's ongoing COVID-19 management efforts. He also reported on staff participation in other Brown Act meetings including the San Luis & Delta-Mendota Water Authority, Central Delta-Mendota Subbasin Groundwater Sustainability Agency, and the Grassland Basin Authority.

## **GENERAL MANAGER'S REPORT**

General Manager Azhderian presented the Board the District's Water Accounting Report for March; the District's DMC Warren Act water blending project report; the Project Operations Report and water supply forecasts prepared by Westlands Water District; the District's monthly water quality monitoring report; and a draft outline of District priorities.

## **CLOSED SESSION**

General Counsel Williams announced that the Panoche Water District's Board would meet in closed session for a conference with legal counsel to discuss those items listed on the Agenda pursuant to Government Code Section 54956.9, Subdivision (d), Paragraphs (1), (2), or (3), and Government Code Section 54957.6.

*At approximately 12:30 p.m., President Bennett called the closed session to order.*

*At approximately 12:59 p.m., President Bennett adjourned the closed session.*

**CLOSED SESSION REPORT**


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

**FUTURE MEETING DATES**

A special meeting of the Board was scheduled for May 24, 2022 at 9:30 a.m. 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 1:00 p.m.



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John Bennett, President



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Ara Azhderian, Acting Secretary