

**BOARD OF DIRECTORS MEETING  
May 17, 2023 @ 9:30 am**

**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. PLEDGE OF ALLEGIANCE**
- 3. 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.
- 4. POTENTIAL CONFLICTS OF INTEREST:** Any Board member who has a potential conflict of interest may now identify the Agenda Item and recuse themselves from discussing and voting on the matter. [Government Code Section 87105]
- 5. 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.
- 6. PANOCHÉ WATER & DRAINAGE DISTRICTS JOINT CLOSED SESSION:** Conference with Legal Counsel.
  - A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**  
Significant Exposure to Litigation pursuant to Section 54956.9(d), paragraph (2) or (3):  
Number of Cases: Three
  - B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**  
Pursuant to Section 54956.9(d)(1):

Names of Cases:

- i. PCFFA v. Glaser, et. al.  
US District Court, E.D. Cal, Case No. 2:11-cv-02980

**7. REPORT FROM JOINT CLOSED SESSION (GOVERNMENT CODE SECTION 54957.1)**

**8. 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:

- ii. Imani Percoats & Chris Bettencourt vs. Panoche Water District  
Fresno County Superior Court Case No. 18CECG01651
- iii. 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
- v. 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
- vi. 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: Chase Hurley, General Manager  
Negotiating Parties: Panoche Water District, ForeFront  
Under Negotiation: Price and Terms

D. CONFERENCE REGARDING LABOR NEGOTIATIONS AND RECRUITMENT [GOV CODE §54950]

Pursuant to Section 54957.6:

Agency Designated Representative: Che Johnson; Legal Counsel  
Employee Organization: International Brotherhood of Electrical Workers Local 1245

Pursuant to Section 54957(b)(1):

The Board will confer regarding recruitment for the position of General Manager.

**9. REPORT FROM CLOSED SESSION**

**10. CONSENT CALENDAR**

All matters listed on the Consent Calendar are considered to be routine and non-controversial and will be acted upon by a single action of the Board of Directors, unless a Board Member requests separate consideration of the item. If such a request is made, the item may be heard as an Action Item at this meeting. The Board will review and consider:

- Approving minutes from the April 18, 2023, regular meeting of the Board
- Accepting the monthly financial statements for the period ending April 30, 2023
- Accepting the Director’s Monthly Credit Card Usage Report

**ACTION ITEMS**

- 11. THE BOARD TO REVIEW AND CONSIDER APPROVAL OF AN AGREEMENT FOR PROFESSIONAL SERVICES WITH CHASE HURLEY OF WATER AND LAND SOLUTIONS, LLC. ACTING AS INTERIM GENERAL MANAGER (Director Fausone)**
- 12. THE BOARD TO REVIEW AND CONSIDER APPROVAL AND EXECUTION OF AN UPGRADES, SCOPE AND/OR SCHEDULE CHANGE ACKNOWLEDGEMENT TO THE ENERGY SERVICES AGREEMENT -- SOLAR FOR THE OFFICE LOT, BETWEEN THE DISTRICT AND FFP BTM SOLAR, INC. (ForeFront Rep, Williams)**
- 13. THE BOARD TO REVIEW AND CONSIDER APPROVAL OF RESOLUTION #837-23, FORMALIZING THE PROPOSITION 218 VOTING TABULATION THAT SUBSEQUENTLY IMPLEMENTED THE PANOCHÉ WATER DISTRICT LAND BASED ASSESSMENT RATE FOR OPERATIONS AND MAINTENANCE OF DISTRICT FACILITIES (Williams)**
- 14. THE BOARD TO REVIEW AND CONSIDER APPROVAL OF RESOLUTION #838-23, AGREEING ON A MULTI-YEAR POWER LETTER OF AGREEMENT WITH THE UNITED STATES BUREAU OF RECLAMATION PURSUANT TO SUBDIVISION (G) OF ARTICLE 3 OF THE THEN CURRENT WARREN ACT CONTRCT NO. 20-WC-20-5643 (Williams)**
- 15. THE BOARD TO REVIEW AND CONSIDER APPROVAL OF REVISIONS TO CERTAIN DISTRICT HEALTH AND SAFETY POLICIES: (Chagoya)**
  - A. Drug Alcohol Free Workplace
  - B. Substance Abuse Policy Statement
  - C. Lock-out, Tag-out Program
  - D. Respiratory Protection Program
- 16. FINANCIAL REPORT (Brazil)**
  - A. Accounts Payable
  - B. FYE 2023 Budget-to-Actual Report;
  - C. FYE 2024 Budget-to-Actual Report;
  - D. Other financial matters affecting the District.
- 17. THE BOARD TO REVIEW AND CONSIDER APPROVAL OF THE WATER RATE FOR THE 2023 USBR ADDITIONAL 73% CENTRAL VALLEY PROJECT ALLOCATION (Reyes)**

**REPORT ITEMS**

**18. DIVISION REPORTS**

- A. Water Supply Update - Reyes
- B. Operations & Maintenance – Carlucci
- C. Domestic Water Treatment Plant - Cadena
- D. Ethics, Compliance, & Human Resources – Chagoya

**19. GENERAL MANAGER’S REPORT**

- A. Sustainable Groundwater Management Act
- B. Los Vaqueros Expansion Project
- C. B.F. Sisk Expansion Project
- D. Legislative Update
- E. ACWA Conference
- F. Other Matters Affecting the District

**20. REPORTS UNDER DISTRICT POLICIES**

- A. Emergency COVID-19 Pandemic Response Policy
- B. Report(s) on Brown Act Meetings & Conferences Attended at District Expense  
(may be written or oral and may be joint for multiple attendees)
- C. Board to Consider Update(s) or Approval(s) Required Under Any Other District Policies

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

**22. FUTURE MEETING DATES**

- A. Board to Consider Action to Set Special Meeting Date for review of GM applications
- B. Next Regular Meeting Date: June 13, 2023

**23. ACTION ITEMS**

**24. ADJOURNMENT**

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

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

Investment Information Disclaimer: This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq., and has not been prepared with a view to informing an investment decision in any of the District’s bonds, notes, or other obligations. Any projections, plans, or other forward-looking statements included in the



information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the District's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the District on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.

**PANOCHÉ WATER DISTRICT MEETING MINUTES**  
**ADJOURNED REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**April 18, 2023, at 9:30 A.M.**

A meeting of the Board of Directors was held at 52027 West Althea Ave., Firebaugh, CA 93622. Those present at the meeting were:

Directors Present: Aaron Barcellos, President  
Beau Correia, Vice-President  
Steve Fausone, Secretary  
Wayne Western, Director  
Neill Callis, Director

Directors Absent: None

District Staff Present: Ara Azhderian, General Manager  
Marlene Brazil, Treasurer  
Lorena Chagoya, Ethics & Compliance Officer  
Chris Carlucci, Maintenance Manager  
Diana Moses, Risk Management Assistant

Others Present: Philip Williams, General Counsel  
Darryl Smith, Consulting Accountant, Bryant Jolley Accountancy  
Josh Giosa, Financial Audit Principal, Price Paige & Company  
Larisa Murren, Financial Auditor, Price Paige & Company  
Palmer McCoy, Grassland Basin Authority  
Steve Creighton, S3 Group  
John Bennett, Bennett Ranches

**ANNOUNCEMENT PURSUANT TO GOVERNMENT CODE SECTION 54952.3**

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.

**CALL TO ORDER**

President Barcellos called the regular meeting to order at 9:30 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**

Directors Barcellos and Correia announce recusal from Agenda Item 16 due to existing landlord/tenant relationships.

## **PUBLIC COMMENT**

General Manager Azhderian noted that this would be his last meeting as General Manager of the Panoche Water District. He thanked the Board for their continuing support and committed to help the District through the transition to a new general manager over the coming months. The Board thanked Azhderian for his service and continued support.

## **PROPOSED 2023-2024 WATER RATES AND LAND-BASED CHARGES PUBLIC HEARING**

Pursuant to Proposition 218, President Barcellos opened the public hearing to receive testimony regarding the proposed water rates and land-based charges. After waiting three minutes and receiving no testimony, President Barcellos closed the public hearing.

*At approximately 9:35 a.m., President Barcellos suspended the Water District meeting and resumed the Drainage District meeting.*

## **DIVISION REPORTS**

Maintenance Manager Chris Carlucci provided the Board a report on the District's maintenance activities over the prior month. General Manager Azhderian reported the accounting staff had been focused on finalizing the Drainage District's FYE 2022 financial audit and FYE 2024 fiscal-year budget and rates. They had also been developing FYE 2024 budgets and rates for the Mercy Springs Water District and Charleston Drainage District. With budgets and rates now adopted, staff would be turning to preparing landowner and water users billings as well as working to closeout the FYE 2023 books and preparing for the next round of audits, Azhderian said. Ethics & Compliance Officer Lorena Chagoya updated the Board on the District's risk management activities. She reported on one worker's compensation claim in which no wages were lost. She also reported the District's 2022 4<sup>th</sup> quarterly safety inspection received the highest score since 2018, scoring 99%. Lastly, Chagoya reported that all annual employee evaluations had been completed as of March and the job advertisement for the General Manager had been posted and that the District had received five applications by the April 13<sup>th</sup> deadline.

## **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 10:20 a.m., President Barcellos called the joint closed session to order.*

*At approximately 11:28 a.m., President Barcellos adjourned the joint closed session.*

## **JOINT CLOSED SESSION REPORT**

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

## **CLOSED SESSION**

General Counsel Williams announced that the Panoche Water District Board would meet in closed session for a conference with legal counsel on anticipated litigation pursuant to Subdivision (a),

Paragraphs (1), (2), or (3) of Subdivision (d) of Government Code Section 54956.9; to conference with Real Property Negotiators regarding the potential purchase of irrigation water; and to conference with legal counsel regarding Labor Negotiations and Recruitment pursuant to Government Code Sections 54957.6 and 54957(b)(1), respectively.

*At approximately 11:30 a.m., President Bennett called the closed session to order.*

*At approximately 11:54 a.m., President Bennett adjourned the closed session.*

### **CLOSED SESSION REPORT**

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

*At approximately 12:00 p.m., Director Fausone departed the meeting.*

### **CONSENT CALENDAR**

General Manager Azhderian presented the Board with the Consent Calendar, which included the Quarterly Investment Report for the period ending March 31, 2023; the monthly financial statements for the period ending March 31, 2023; and the Director's Monthly Credit Card Usage Report. After consideration, on a motion by Director Callis, seconded by Director Western, the Board accepted the Consent Calendar as presented.

The vote on the matter was as follows:

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

### **THE BOARD TO REVIEW AND CONSIDER AUTHORIZING EXECUTION OF A RECLAMATION REFORM ACT SECTION 215 WATER CONTRACT WITH THE BUREAU OF RECLAMATION**

General Manager Azhderian presented the Board a memo and reported that with the filling of San Luis Reservoir, Reclamation was making Section 215 Water available from the Delta and that a small number of growers had expressed interest in receiving some. Azhderian explained the dilemma with satisfying this request is the risk the delivery of 215 Water places on the potential loss of the District's \$4.9M worth of Rescheduled water. Rescheduled water is to be the first water used by the District, he said, though there is an exception for contractors that can demonstrate the 215 Water "will satisfy additional demand". Azhderian said this poses two issues for the District. First, those requesting 215 Water generally do not have any or much Rescheduled water; therefore, the risk of loss of Rescheduled is not put upon the requester but is shifted to other growers and the District. Second, the exception provided for in Reclamation's Rescheduling Guidelines requires the District to demonstrate the use of 215 water is to meet "additional demand". The District currently has no mechanism to meet this requirement, he noted. Given the abundance of 2023 CVP Contract water and a cost differential of only +\$13.04 per acre-foot, Azhderian recommended the District promote the use of 2023 Contract water instead of 215 Water and protect some, if not all, of its 2022 Rescheduled water from loss. After consideration, the Board elected to follow the recommendation and took no action to authorize execution of a 215 Water contract.

**THE BOARD TO REVIEW AND CONSIDER AUTHORIZING NEGOTIATION OF A CONVEYANCE AGREEMENT WITH WEST STANISLAUS IRRIGATION DISTRICT**

General Manager Azhderian reported he had been meeting with West Stanislaus General Manager Bobby Pierce to frameup conceptual points of agreement for a multi-year conveyance agreement that would allow Panoche to convey water from the San Joaquin River to the Delta-Mendota Canal. He presented the Board a draft term sheet and reviewed the reviewed the concepts thus far agreed upon. After consideration, on a motion by Director Western, seconded by Director Correia, the Board authorized staff to negotiate a multi-year Conveyance Agreement with West Stanislaus.

The vote on the matter was as follows:

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

**THE BOARD TO REVIEW AND CONSIDER AMENDING 1) THE 2023-24 FISCAL-YEAR BUDGET; 2) THE CENTRAL VALLEY PROJECT AND SUPPLEMENTAL WATER RATES; AND 3) THE 2023-24 OPERATIONS & MAINTENANCE RATES**

General Manager Azhderian presented a memorandum addressing the actions to be considered by the Board. He explained the need to amend the fiscal-year budget stemmed from Reclamation’s increase in the 2023 CVP contract allocation and related reduction in the San Luis & Delta-Mendota Water Authority’s operations & maintenance rates. He said the need to reconsider the water rates, which were originally set on March 1, was the fact that 75% of the District’s supplemental supply had yet to be purchased and that the District’s multi-year agreements would start requiring payments beginning in May. Lastly, Azhderian stated that following the successful outcome of the Proposition 218 “majority protest” process in which no protests were received, the Board now needed to set operations and maintenance rates for the 2023-24 fiscal-year. After consideration, on a motion by Director Callis, seconded by Director Western, the Board: 1) amended the FYE 2024 budget to reflect the recent changes in water costs; 2) directed staff to retract allocations made in March and refund the payments made for supplemental water then invoiced and reallocate water based upon a blending of CVP and supplemental water supplies assuming 45,000 acre-feet of demand, and bill for the blended rate in two installments, half in May and the second half in September; and 3) established a 2023-24 Operations and Maintenance water rate and land-based charge based upon the just amended budget of \$110.47 per acre-foot and \$21.22 per acre, with the water rate to be billed monthly following usage and the land-base rate to be billed in two installments, half in June and the second half in December. The Board also determined that the amount of water allocated could be customized on a grower-by-grower basis, with each able to elect to take more or less water than their allocation and to encourage growers to shut off their wells and let the groundwater aquifer recover for the next dry period.

The vote on the matter was as follows:

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

**THE BOARD TO REVIEW AND CONSIDER AUTHORIZING EXECUTION OF A CONSULTING SERVICES AGREEMENT WITH WATER & LAND SOLUTIONS**

Consistent with Government Code section 1091, Directors Barcellos and Correia recused themselves from the meeting, citing the existence of remote interests in Water and Land Solutions under Gov. Code section 1091, subd. (b)(5). General Counsel Williams presented a draft agreement to engage Water & Land Solutions, and in particular Chase Hurley, to serve as Interim General Manager until a permanent replacement for Mr. Azhderian could be seated. The remaining Directors reviewed the proposals, discussed the anticipated needs of the District, and directed staff to work with Mr. Hurley to finalize an agreement around the proposed Scenario 3 Fee Structure and delegated authority to Treasurer Fausone to execute a final draft to be presented to the Board at the May 9<sup>th</sup> Board meeting. No further action was taken on the matter.

**THE BOARD TO REVIEW AND CONSIDER AUTHORIZING EXECUTION OF AN AGREEMENT FOR PROFESSIONAL SERVICES WITH ARA AZHDERIAN**

General Manager Azhderian recused himself from the meeting. General Counsel Williams presented the Board a draft agreement and outlined key issues such as pay and scope of services. The Board discussed the need to work with Mr. Azhderian to refine the timing of the approved payments and the scope of services Mr. Azhderian would provide.

After consideration, on a motion by Director Correia, seconded by Director Callis, the Board approved the agreement with direction to Mr. Williams and delegation to President Barcellos to finalize an agreement consistent with the terms in the draft agreement and those approved at the meeting.

The vote on the matter was as follows:

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

**THE BOARD TO REVIEW AND CONSIDER ADOPTING A RESOLUTION UPDATING THE DISTRICT'S RETIREMENT PLAN TRUSTEE(S)**

General Manager Azhderian presented the Board the draft Resolution and explained it was to remove him as an authorized designee to administer the District's retirement plan and to add Director Correia and Treasurer Brazil as authorized Trustees. After consideration, on a motion by Director Western, seconded by Director Callis, the Board adopted the Resolution as presented.

The vote on the matter was as follows:

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

**THE BOARD TO REVIEW AND CONSIDER ADOPTING A RESOLUTION UPDATING DISTRICT REPRESENTATIVES AUTHORIZED TO EXECUTE LOCAL AGENCY INVESTMENT FUND (LAIF) TRANSACTIONS**

General Manager Azhderian presented the Board the draft Resolution and explained it was to remove him as an authorized designee to administer the District's Local Agency Investment Fund and to

add Director Correia and Treasurer Brazil as authorized agents. After consideration, on a motion by Director Callis, seconded by Director Western, the Board adopted the Resolution as presented.

The vote on the matter was as follows:

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

#### **THE BOARD TO REVIEW AND CONSIDER APPROVING REVISIONS TO CERTAIN DISTRICT HEALTH AND SAFETY POLICIES**

General Manager Azhderian explained that over the past few years as the District has worked to develop and implement mandated compliance and safety programs, it has worked with a number of different vendors to explore the scope, quality, and cost of services while working deliberately to develop in-house expertise. As the effort has progressed, the need for external services has diminished, he said. Ethics & Compliance Officer Chagoya reported the District's contract with California Safety Training Corporation is set to expire in May and that the plan was to not renew, which would save the District at least \$15,000 annually. She explained that staff training, along with resources provided by the ACWA Joint Powers Insurance Authority, were now capable of providing the District the necessary level of service. However, Chagoya went on, a number of the health and safety programs the District has been relying upon are CTSC copywritten material so, to facilitate the departure, she has been redrafting the necessary policies to ensure continuing compliance with the numerous laws and regulations. Today's tranche of policies, Chagoya reported, were the first in a series that the Board would need to review as part of the transition. After consideration, on a motion by Director Correia, seconded by Director Callis, the Board adopted the Policies as presented.

The vote on the matter was as follows:

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

#### **THE BOARD TO REVIEW AND CONSIDER APPROVING REVISIONS TO CERTAIN DISTRICT FINANCE AND ADMINISTRATION POLICIES**

General Manager Azhderian presented the Board a number of related Policies and explained the proposed changes were aimed at addressing his imminent departure as well as that of former Controller JP Otollo. He explained that as of April 24<sup>th</sup>, the only remaining employee with authority to use a District credit card would be Water Resources Manager Juan Cadena and that the proposed changes would expand that authority to include Maintenance Manager Chris Carlucci and Ethics & Compliance Officer Lorena Chagoya, both of whom have legitimate needs and reasons to make purchases on the District's behalf. After consideration, on a motion by Director Callis, seconded by Director Western, the Board adopted the Policies as presented.

The vote on the matter was as follows:

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

**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 Western, seconded by Director Callis, the Board approved payment of the bills as presented.

The vote on the matter was as follows:

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

**FINANCIAL REPORTS**

No report was given.

**REPORTS UNDER DISTRICT POLICIES**

No report was given.

**GENERAL MANAGER’S REPORT**

No report was given.

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

No report was given.

**FUTURE MEETING DATES**

The next regular meeting of the Board was scheduled for 9:30 a.m. on May 9, 2023.

**ADJOURNMENT**

With no further business on the agenda, President Barcellos adjourned the meeting at 1:15 p.m.

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Aaron Barcellos, President

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Steve Fausone, Secretary



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

	<u>April 30, 2023</u>	<u>March 31, 2023</u>
<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLE	\$157,407	\$438,208
PREPAYMENTS/CREDIT ACCOUNTS	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$157,407</b>	<b>\$438,208</b>
<b>CASH AND INVESTMENT ACCOUNTS</b>		
O&M CHECKING	\$2,348,930	\$892,961
PAYROLL CHECKING	\$14,113	\$10,490
CONTRACTUAL OBLIGATION FUND MONEY MARKET	\$760,462	\$760,439
LAIF	\$2,123,241	\$2,094,981
2021 REVENUE BONDS - LAIF RESTRICTED	\$1,189,080	\$1,181,119
<b>TOTAL CASH AND INVESTMENTS</b>	<b>\$6,435,826</b>	<b>\$4,939,990</b>
<b>ACCOUNTS RECEIVABLES</b>		
WATER	\$2,530,424	\$7,842,836
GROUNDWATER MANAGEMENT FEE	-	-
DELINQUENT ACCOUNT CHARGES	\$139,913	\$210,802
OTHER	\$1,622	-
GBA NOTE RECEIVABLE	\$172,801	\$189,943
PDD NOTE RECEIVABLE	\$122,935	\$135,061
CASH ADVANCE - PROP 84	\$2,640,000	\$2,615,000
CASH ADVANCE - PDD	\$135,000	-
<b>TOTAL ACCOUNTS RECEIVABLES</b>	<b>\$5,607,695</b>	<b>\$10,993,642</b>
<b>TOTAL CURRENT UNAUDITED ASSETS</b>	<b>\$12,043,521</b>	<b>\$15,933,632</b>
<b>NET CURRENT UNAUDITED ASSETS (NET CASH POSITION)</b>	<b>\$11,886,113</b>	<b>\$15,495,424</b>

**General Ledger Detail Report**  
**Summary Report for Period 01 Thru 02 Ending 4/30/2023**




**PANOCHÉ WATER DISTRICT (PWD)**

Account Number/Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
13112-000					
MECHANIC CKNG #*****8566	191,704.46	5,374,738.34	3,217,512.85	2,157,225.49	2,348,929.95
13412-000					
MECHANIC PR#*****7895	23,847.54	280,000.00	289,734.46	9,734.46-	14,113.08
13465-000					
2021 REVENUE BONDS - LAIF	1,181,119.41	7,960.55	0.00	7,960.55	1,189,079.96
13470-000					
CONTRACTUAL OBLIGATION FUND #9745	760,413.07	49.16	0.00	49.16	760,462.23
13520-000					
LOCAL AGENCY INVESTMENT FD	4,194,980.79	28,259.82	2,100,000.00	2,071,740.18-	2,123,240.61
<b>Report Total:</b>	<b>6,352,065.27</b>	<b>5,691,007.87</b>	<b>5,607,247.31</b>	<b>83,760.56</b>	<b>6,435,825.83</b>

RETURN SERVICE REQUESTED

PANOCHÉ 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](http://www.mechanicsbank.com)
-  Mobile Download Our Mobile Apps



**BUSINESS LINE OF CREDIT  
 UP TO \$100,000**

**Prime +0%**  
APR

LIMITED TIME OFFER  
[www.MechanicsBank.com/GrowIt](http://www.MechanicsBank.com/GrowIt)

All loans and credit products subject to program eligibility, collateral, underwriting approval and credit approval. Offer is for new lines of credit and does not apply to renewing lines of credit. Subject to change or cancellation without notice. Offer is effective as of 3/17/2022 and subject to change or cancellation without notice. Prime Rate is defined as "the Prime Rate as published daily in the Money Rates section of the Wall Street Journal." For the current Prime Rate, talk to a banker or visit <https://www.wsj.com/market-data/bonds/moneyrates>.

#### WATCH OUT FOR GOVERNMENT IMPERSONATION SCAMS

Scammers pose as technology support representatives and offer to fix non-existent computer or technology issues. Learn how to spot this scam at [www.MechanicsBank.com/Security](http://www.MechanicsBank.com/Security).




### Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX8566	\$2,351,169.51

RETURN SERVICE REQUESTED

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

### Managing Your Accounts

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-  Online [www.mechanicsbank.com](http://www.mechanicsbank.com)
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**BUSINESS LINE OF CREDIT  
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### Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX7895	\$15,243.99

RETURN SERVICE REQUESTED

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

### Managing Your Accounts

-  Client Services 800.797.6324
-  Online [www.mechanicsbank.com](http://www.mechanicsbank.com)
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**BUSINESS LINE OF CREDIT  
 UP TO \$100,000**

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APR

LIMITED TIME OFFER  
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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	\$760,462.23

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
 P.O. Box 942809  
 Sacramento, CA 94209-0001  
 (916) 653-3001

May 12, 2023

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

PANOCHÉ WATER DISTRICT

GENERAL MANAGER/ACCT SUPERVISOR  
 52027 WEST ALTHEA  
 FIREBAUGH, CA 93622

[Tran Type Definitions](#)

**Account Number:** 90-10-005

April 2023 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
4/14/2023	4/13/2023	QRD	1727418	N/A	SYSTEM	28,259.82

**Account Summary**

Total Deposit:	28,259.82	Beginning Balance:	2,094,980.79
Total Withdrawal:	0.00	Ending Balance:	2,123,240.61

# California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

May 12, 2023

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

PANOCHÉ WATER DISTRICT

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

Account Number: 11-10-004

Apr 2023 Statement

[Tran Type Definitions](#)

<u>Effective Date</u>	<u>Transaction Date</u>	<u>Trans Type</u>	<u>Confirm Number</u>	<u>Web Confirm Number</u>	<u>Bond ID</u>	<u>Auth. Caller</u>	<u>Amount</u>
4/14/2023	4/13/2023	QBD	1725974	N/A		SYSTEM	7,960.55

**Account Summary**

Total Deposit: 7,960.55  
Total Withdrawal: 0.00

**Beginning Balances**

Principal: 1,167,000.00  
Interest: 14,119.41

**Ending Balances**

Principal: 1,167,000.00  
Interest: 22,079.96  
**Grand Total:** 1,189,079.96

<u>Bond ID</u>	<u>Bond Name</u>	<u>Principal Balance</u>	<u>Next Maturity Date</u>
2108261	REVENUE BONDS, SERIES 2021	1,167,000.00	5/8/2023



Steve Fausone

May 15, 2023

Review Period: 3/8/2023 – 4/6/2023

Statement and documentation made available: 5/4/2023

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

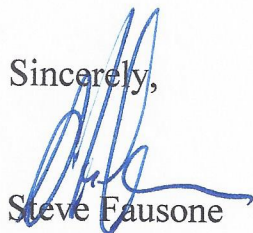
Included in the packet were credit card statement detail and supporting documentation. Activity for this time period include charges from the following cardholders:

Mr. Ara Azhderian – General Manager

Mr. Juan Cadena – Director of Operations

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

Sincerely,



Steve Fausone



# PANOCHÉ WATER DISTRICT

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



## AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into effective April 26, 2023, (the "Effective Date") between the Panoche Water District (the "District") and Water and Land Solutions, LLC, (the "Consultant") for professional services as set forth herein.

### 1. Scope of Services.

Consultant shall provide the District, to include its Board of Directors and any Committee appointed by the Board, General Manager, staff, consultants, and legal counsel, professional services as an interim General Manager for the District to aid in the transition to a permanent General Manager and the administration, and management of ongoing District efforts, to include the District's roles and relationships with Panoche Drainage District and neighboring public agencies such as Charleston Drainage District and Mercy Springs Water District (the "Consulting Services"). Such Consulting Services shall be construed to encompass any issue affecting the District which Consultant has knowledge of and may include privileged and confidential matters. Consultant's Consulting Services shall specifically include consultation with District leadership and legal counsel on ongoing District legal matters of which Consultant has intimate and personal knowledge.

Mr. Chase Hurley, the Managing Member of the Consultant, shall personally provide the Consulting Services and shall use existing District staff and consultants in all work related to the Consulting Services. While serving as the interim General Manager, Mr. Hurley acknowledges that his attention may be required at any time, day or night, and regardless of the day of week, and agrees to make himself so available. The Consulting Services are further described below under three broad categories of Policy, Administration, and Operations. The Consulting Services shall specifically include:

#### POLICY

- a. All matters related to water supply and drainage management.
  - i. Water transfers
  - ii. Supplemental water supply acquisition and contract negotiations
  - iii. Oversight at the SWRCB
  - iv. Discussions, negotiations, oversight with the USBR, Department of Water Resources (DWR) and the San Luis Delta Mendota Water Authority (SLDMWA) related to water contracts, wheeling, and conveyance.
  - v. Oversight at the SWRCB and RWQCB related to all subsurface drainage management programs, policies, and procedures.
- b. SGMA Implementation
- c. Representation/attendance at meetings and/or representation in conversations with

Board of Directors: Aaron Barcellos, *President*

Beau Correia, *Vice-President*

Steve Fausone, *Secretary*

Wayne Western, *Director*

Neill Callis, *Director*

Ara Azhderian, *General Manager*

# PANOCHÉ WATER DISTRICT

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



the following entities on behalf of the District:

- i. SLDMWA
- ii. Grassland Basin Authority
- iii. Central Delta Mendota Groundwater Sustainability Agency
- iv. DWR
- v. USBR
- vi. ACWA Conferences
- vii. San Joaquin River Exchange Contractors Water Authority
- viii. Other local, regional, state, and federal agencies, organizations, etc.

## ADMINISTRATION

### d. Oversight

- i. Work with staff to support their daily functions. It may require weekly meetings (in person or by phone) with staff to coordinate activities, answer questions, provide guidance, give approval, etc.

### e. Coordinate, manage and lead District Board Meeting in the following areas.

- i. agendas,
- ii. board packets,
- iii. financials,
- iv. notices,
- v. meeting minutes, and
- vi. other administrative tasks, as needed.

### f. Be an effective conduit with the Districts engineer, attorney, and other professional consultants.

## OPERATIONS

- g. Provide guidance on any operational issues that may arise related to District infrastructure, canal and pipeline maintenance, daily water deliveries, and management of the District's sub surface drainage water conveyance system.

For purposes of the Consulting Services, and upon the express provision by the Board of Directors or its delegated authority, Consultant shall serve as the District's agent and representative, and shall have the authority to bind the District; *provided*, however, that Consultant shall not bind the District to any agreement, whether written or oral, without directly consulting with the District's General Counsel or the District Board of Directors.

Once the District has hired a permanent General Manager, the District shall provide written notice to Consultant of the last day Consultant shall serve as the interim General Manager for purposes of this Agreement (the "Handover Date"), at which time Consultant shall no longer serve as the interim General Manager and shall serve as an advisor to aid the permanent General Manager assume his or her duties and responsibilities.

Board of Directors: Aaron Barcellos, *President*

Beau Correia, *Vice-President*

Steve Fausone, *Secretary*

Wayne Western, *Director*

Neill Callis, *Director*

Ara Azhderian, *General Manager*

# PANOCHÉ WATER DISTRICT

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Any change in the Scope of the Services or to any other matter materially affecting the performance of or nature of the Consulting Services shall not be paid for or accepted unless such change, addition, or deletion be approved in advance, in writing, by the District.

## 2. Termination and Term of Agreement.

This Agreement may be terminated by either party with 14 days written notice to the other party and specifying the termination date (the "Termination Date"). This Agreement shall become effective as of the Effective Date, and shall continue until and through the Termination Date (the "Term").

## 3. Compensation.

In exchange for Consultant's performance in accordance with the terms of this Agreement, the District shall pay Consultant \$16,500.00 (sixteen thousand five hundred dollars and no cents) a month up to the Handover Date. The monthly rate shall be prorated according to the date and the number of days in the relevant month.

As of the Handover Date, the Consultant shall continue to provide the Consulting Services, as needed and directed by the District, according to the fee schedule described in Exhibit #1. The Consultant shall daily record all hourly time, and such time shall be provided to the District in a line-itemed invoice to the District.

At the end of each calendar month, Consultant shall provide the District with an invoice for the Consulting Services.

## 4. Independent Contractor.

Consultant is an independent contractor and is solely responsible for his acts or omissions. Consultant (including his agents, servants, and employees) is not the District's employee for any purpose. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between the District and Consultant.

It is the express intention of the parties hereto that Consultant is an independent contractor and not an employee, joint venturer, or partner of the District for any purpose whatsoever. The District shall have no right to, and shall not control the manner or prescribe

# PANOCHÉ WATER DISTRICT

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



the method of accomplishing those services contracted to and performed by Consultant under this Agreement, and the general public and all governmental agencies regulating such activity shall be so informed.

Consultant shall pay all estimated and actual federal and state income and self-employment taxes that are due the state and federal government and shall furnish and pay worker's compensation insurance, unemployment insurance and any other benefits required by law for himself and his employees, if any. Consultant agrees to indemnify and hold the District and its officers, agents and employees harmless from and against any claims or demands by federal, state or local government agencies for any such taxes or benefits due but not paid by Consultant, including the legal costs associated with defending against any audit, claim, demand or law suit.

## 5. Ownership of Work Product.

All documents furnished to Consultant by the District and all documents or reports and supportive data prepared by Consultant under this Agreement are owned and become the property of the District upon their creation and shall be given to the District immediately upon demand and at the completion of Consultant's services at no additional cost to the District. All documents produced by Consultant in performing the Consulting Services shall be furnished to the District in whatever format the District requests or in whatever format it was created.

## 6. Confidentiality and Non-Disclosure.

For purposes of this Agreement, "Confidential Information" means any data, document, material, or information that is proprietary to or privileged or confidential for the District and is not generally known to the public, whether in tangible or intangible form, in whatever medium provided, whenever and however disclosed, including, but not limited to: (i) any plans, information, communications, documents, or materials regarding water transfers and/ or participation in water storage or supply projects; (ii) any all communications with District legal counsel, in whatever form; (iii) any communications or documents regarding, or documents finalizing, settlement of a dispute with another party, whether a governmental entity, water user, land owner, or private business or entity; (iv) any other information that should reasonably be recognized as confidential information of the District; and (vi) any information generated by the District that contains, reflects, or is derived from any of the foregoing. The Consultant acknowledges that the Confidential Information is proprietary to the District or that Confidential Information is information which can only be disclosed upon lawful authorization



# PANOCHÉ WATER DISTRICT

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by the Board of Directors as the owner of the property and holder of the privilege or confidence on behalf of the District.

The parties acknowledge that Consultant, as a result of the Consulting Services, have knowledge of extremely sensitive, privileged, and Confidential Information affecting the District. Any and all such knowledge shall only be used by Consultant to aid the District as described in this Agreement, and any information, communications, documents, or other material or resources related to the Consulting Services identified above shall be treated by the parties as privileged and/ or confidential to the maximum extent provided for by law. Any communications conducted pursuant to this Agreement shall retain any privileged or confidential nature and shall not lose such character solely through any communication conducted pursuant to this Agreement. This confidentiality provision shall remain in effect and survive after the Term of this Agreement expires.

Consultant agrees to use the Confidential Information solely in connection with the Consulting Services and not for any purpose other than as authorized by this Agreement without the prior written consent of the District. No other right or license, whether expressed or implied, in the Confidential Information is granted to the Receiving Party hereunder. Title to the Confidential Information will remain solely in the District. All use of Confidential Information by the Consultant shall be for the benefit of the District and any modifications and improvements thereof by the District shall be the sole property of the District. In no event shall the Consultant use, share, distribute, disclose, copy, or in any other way distribute Confidential Information absent direct authorization from the Board of Directors and consultation with the General Counsel. Consultant acknowledges and agrees that any disclosure of Confidential Information that violates this Agreement will result in significant financial, reputational, and strategic harm to the District and its landowners and water users.

## 7. Party Representatives and Notices.

Each party's designated representative for administration of this Agreement and receipt of notices is designated below. All informal notices or other communications provided for by the Agreement, such as those scheduling times for Consulting Services, shall be conducted via email or phone, whichever is most efficient for the parties.

Formal notice, such as for termination, providing for the Handover Date, or the need to amend a material term of this Agreement, ("Formal Notice") shall be in writing and shall be sent by 1) personal delivery; 2) nationally-recognized overnight delivery service (such as Federal Express) which provides evidence of delivery; 3) first class United States mail (postage prepaid),

Board of Directors: Aaron Barcellos, *President*

Beau Correia, *Vice-President*

Steve Fausone, *Secretary*

Wayne Western, *Director*

Neill Callis, *Director*

Ara Azhderian, *General Manager*

# PANOCHÉ WATER DISTRICT

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registered or certified, return receipt requested; or 4) e-mail with a copy by first class U.S. mail. Formal Notice shall be deemed received on the date actually delivered if delivered by personal delivery, overnight delivery, or U.S. Mail with return receipt requested and delivered during normal business hours on a business day. Notice by e-mail shall be deemed delivered on the date of transmission, unless the same is after 5:00 p.m. or on a weekend or holiday, in which event delivery shall be on the next business day.

A party may change its address for notices under the Agreement by giving notice as provided herein. Notices shall be sent to the following party representatives at the following addresses:

Panoche Water District:

Aaron Barcellos  
President, PWD Board of Directors  
27480 S. Bennett Rd  
Firebaugh, CA 93622  
[aaron@abarag.com](mailto:aaron@abarag.com)  
(209) 675-9586

Consultant:

Water and Land Solutions, Inc  
Chase Hurley  
643 "J" Street  
Los Banos, CA 93635  
[churley@waterandlandsolutions.com](mailto:churley@waterandlandsolutions.com)  
(209) 704-5105

Philip Williams  
General Counsel, PWD  
141 North Street, Suite A  
Healdsburg, CA 95448  
[pwilliams@wellyweaver.com](mailto:pwilliams@wellyweaver.com)  
(707) 433-4842

8. Governing Law.

Consultant shall comply with the laws and regulations of the United States, the State of California, and all local governments having jurisdiction over this Agreement. The interpretation and enforcement of this Agreement shall be governed by California law and any action arising under or in connection with this Agreement must be filed in a Court of competent jurisdiction in Fresno County.

9. Entire Agreement.

This Agreement plus its Attachment(s) and executed Amendments set forth the entire understanding between the parties.

Board of Directors: Aaron Barcellos, *President*  
Wayne Western, *Director*

Beau Correia, *Vice-President*  
Neill Callis, *Director*

Steve Fausone, *Secretary*  
Ara Azhderian, *General Manager*

# PANOCHÉ WATER DISTRICT

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## 10. Severability.

If any term of this Agreement is held invalid by a court of competent jurisdiction, the remainder of this Agreement shall remain in effect.

## 11. Modification.

No modification of this Agreement is valid unless made with the agreement of both parties in writing.

## 12. Non-Assignment.

Consultant's services are considered unique and personal. Consultant shall not assign, transfer, or sub-contract his interest or obligation under all or any portion of this Agreement without the District's prior written consent.

## 13. Waiver.

No waiver of a breach of any covenant, term, or condition of this Agreement shall be a waiver of any other or subsequent breach of the same or any other covenant, term or condition or a waiver of the covenant, term or condition itself.

## 14. Termination.

This Agreement may be terminated upon written notice by either party to the other party. A party shall notify the other party of any alleged breach of the Agreement and of the action required to cure the breach. If the breaching party fails to cure the breach within the time specified in the notice, the Agreement shall be terminated as of that time. If terminated for abandonment of the Consulting Services, the contract shall terminate on the date notice of termination is given to Consultant and the District shall pay the Consultant only for services performed and expenses incurred as of the effective termination date. In such event, as a condition to payment, Consultant shall provide to the District all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Consultant under this Agreement. Consultant shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder, subject to off-set for any direct or consequential damages the District may incur as a result of Consultant's breach of contract.

# PANOCHÉ WATER DISTRICT

52027 West Althea Ave, Firebaugh, CA 93622 – (209) 364-6136 – [panochewd.specialdistrict.org](http://panochewd.specialdistrict.org)



## 15. Execution of Agreement.

This Agreement may be executed in duplicate originals, each bearing the original signature of the parties. Alternatively, this Agreement may be executed and delivered by facsimile or other electronic transmission, and in more than one counterpart, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. When executed using either alternative, the executed agreement shall be deemed an original admissible as evidence in any administrative or judicial proceeding to prove the terms and content of this Agreement.

## 16. Warranty.

By signing below, each signatory warrants they have the authority to bind their respective party.

IN WITNESS WHEREOF, this Agreement has been executed by and on behalf of the parties to this Agreement, and is effective as of the Effective Date.

Panoche Water District

Water and Land Solutions, Inc.

By: \_\_\_\_\_

Steve Fausone  
Secretary, Board of Directors  
Panoche Water District

By: \_\_\_\_\_

Chase Hurley  
Managing Member

## Exhibits:

1: Consultant Hourly Fee Schedule

Board of Directors: Aaron Barcellos, *President*  
Wayne Western, *Director*

Beau Correia, *Vice-President*  
Neill Callis, *Director*

Steve Fausone, *Secretary*  
Ara Azhderian, *General Manager*





P.O. BOX 2657, 643 "J" STREET, LOS BANOS, CALIFORNIA 93635 • WWW.WATERANDLANDSOLUTIONS.COM

*Exhibit I*

**Water & Land Solutions, LLC  
2023 Rate Schedule**

	<u>Rate/Hour</u>
Principal	\$ 250
Water Specialist	\$ 145
GIS Specialist	\$ 80
Accounting	\$ 60

Brad Samuelson, *Managing Member*  
209.658.8487  
bsamuelson@waterandlandsolutions.com

Chase Hurley, *Managing Member*  
209.704.5105  
churley@waterandlandsolutions.com



**ENERGY SERVICES AGREEMENT – SOLAR**

**Panoche WD – San Joaquin Drainage Field Single Axis Tracker Linneman Solar Project**

This Energy Services Agreement (“Agreement”) is made and entered into as of this 1st, day of June, 2022-2023 (or, if later, the latest date of a Party’s execution and delivery to the other Party of this Agreement, the “Effective Date”), between FFP BTM SOLAR, LLC, a Delaware limited liability company (“Provider”), and *Panoche Water District* (“Purchaser”; and, together with Provider, each, a “Party” and together, the “Parties”).

Formatted: Underline

**RECITALS**

- A. Purchaser desires that Provider install and operate a solar photovoltaic system at the Premises (as hereafter defined) for the purpose of providing Energy Services (as hereafter defined), and Provider is willing to have the Installation Work performed by using one or more qualified contractors holding the appropriate licenses required in the jurisdiction where the System will be installed;
- B. Provider is in the business of designing, constructing, owning, financing, and operating solar photovoltaic systems for the purpose of selling power generated by the systems to its purchasers;
- C. California Government Code sections 4217.10 et seq. authorizes a public entity to enter into energy service contracts, facility financing contracts, and related agreements to implement the State’s conservation and alternative energy supply source policy;
- D. Purchaser’s governing body has made those findings required by Government Code section 4217.12 that the anticipated cost to the Purchaser for Energy Services provided by the System under this Agreement is expected to be less than the anticipated marginal cost to the Purchaser of electrical energy that would have been consumed by Purchaser in the absence of its purchase of the Energy Services;
- E. Provider and Purchaser acknowledged those certain General Terms and Conditions of Energy Services Agreement between FFP BTM Solar, LLC and Purchaser dated as of June 1, 2022 (“General Terms and Conditions”), which are incorporated by reference as set forth herein; and
- F. The terms and conditions of this Energy Services Agreement, excluding the General Terms and Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Terms and Conditions.

In consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. Incorporation of General Terms and Conditions. The General Terms and Conditions are incorporated herein as if set forth in their entirety.
- 2. Initial Term. The initial term of this Agreement shall commence on the Effective Date and shall continue for Twenty (20) years from the Commercial Operation Date (as defined in the General Terms and Conditions), unless and until extended or terminated earlier pursuant to the provisions of this Agreement (the “Initial Term”). After the Initial Term, this Agreement may be renewed for an additional five (5) year term (a “Renewal Term”). At least one hundred and eighty (180) days, but no more than three hundred and sixty-five (365) days, prior to the expiration of the Initial Term, Provider shall give written notice to Purchaser of the availability of the Renewal Term. Purchaser shall have sixty (60) days to agree to continuation of this Agreement for the Renewal Term. Absent agreement to the Renewal Term this Agreement shall expire on the Expiration Date. The Initial Term and the subsequent Renewal Term, if any, are referred to collectively as the “Term”.
- 3. Schedules. The following Schedules hereto are hereby incorporated into this Agreement:

Schedule 1	Description of the Premises, System and Subsidy
Schedule 2	Energy Services Payment
Schedule 3	Early Termination Fee
Schedule 4	Estimated Annual Production
Schedule 5	Notice Information
Schedule 6	Reserved
Schedule 7	Specific Items for Scope of Work
Schedule 8	Acknowledgment of Upgrades, Schedule or Scope Change
Schedule 9	Site Diagram

4. Privacy. Purchaser acknowledges that the System may collect certain information about Purchaser's electricity usage and the System performance. Such information may be stored and processed in the United States or any other country in which Provider or its third-party service providers, or its or their respective affiliates, subsidiaries, or service providers, maintain facilities. Purchaser consents to any such transfer of information outside of Purchaser's country.
5. Milestone Dates.
- 5.1 ~~The Guaranteed Construction Start Date is 730 days from Effective Date provided that the Local Electric Utility is prepared to begin its construction on any required utility, (distribution or transmission), upgrades, if any. In the event that the Local Electric Utility is not prepared to commence construction on required upgrades, if any are required, Provider will be allowed a day for day extension to the Guaranteed Construction Start Date, as defined in the General Terms and Conditions between the Parties~~  
The Guaranteed Construction Start Date is 360 days from Effective Date.
- 5.2 ~~The Guaranteed Commercial Operation Date is: (i) 60 days from the date on which the Local Electric Utility authorizes Provider to schedule an inspection to energize the System after confirming completion of installation, and testing, or (ii) April 14, 2026, whichever occurs later.~~  
The Guaranteed Commercial Operation Date is 210 days from Guaranteed Construction Start Date.
6. Purchase Requirement: Energy Services Payment. "Energy Services" means the supply of electrical energy output from the System and any associated reductions in Purchaser's peak demand from its Local Electric Utility. Purchaser agrees to purchase one hundred percent (100%) of the Energy Services generated by the System and made available by Provider to Purchaser during each relevant month of the Term, up to a maximum of one hundred and ten percent (110%) of Estimated Annual Production, as defined in Schedule 4. While the Energy Services are calculated and billed on a per kWh basis as set forth in Schedule 2 of these Special Conditions, they represent a package of services and benefits.
7. Net Energy Metering.
- 7.1 The Parties acknowledge that the pricing assumes Net Energy Metering (NEM) 2.0 for the Initial Term. If (i) Provider fails to submit interconnection applications by the CPUC final decision for Net Energy Metering, or (ii) prior to the Commercial Operation Date, Provider fails to keep such interconnection applications in good standing such that the System would not be eligible for NEM 2.0, Purchaser may terminate this Agreement with no liability whatsoever, including, but not limited to the Early Termination Fee. The foregoing shall not apply to the extent Provider's failure is caused by an act or omission by Purchaser in connection with Provider's submittal of interconnection applications.

*Provided, however,* that in the event of a change in Applicable Law that occurs after the Commercial Operation Date and results in a loss of NEM 2.0 grandfathering, Purchaser shall have no such termination right. Provided further that Purchaser shall ensure any correspondence with the Local Electric Utility regarding the tariff and changes to the interconnection agreement are promptly shared with Provider.

8. Estimated Annual Production. The annual estimate of electricity generated by the system for each year of the initial term is set as forth in Schedule 4 of the Special Conditions (“Estimated Annual Production”). Within sixty (60) days of each annual anniversary of the Commercial Operation Date, Provider will provide a statement to Purchaser that shows the actual annual kWh production from the System for the Term Year, the Estimated Annual Production, and the Minimum Guaranteed Output (defined below).
9. Minimum Guaranteed Output. If the System fails to generate at least ninety-five percent (95%) of the Estimated Annual Production for a full Term Year (such amount, the “Minimum Guaranteed Output”), other than as a result of the acts or omissions of Purchaser or the Local Electric Utility (including a Disruption Period), or an Event of Force Majeure, Provider shall credit Purchaser an amount equal to Purchaser’s Lost Savings on the next invoice or invoices during the following Term Year. The formula for calculating Lost Savings for the applicable Term Year is as follows:

$$\text{Lost Savings} = (\text{MGO} * \text{WPR} - \text{AE}) \times \text{RV}$$

MGO = Minimum Guaranteed Output, as measured in total kWh, for the System for the applicable Term Year.

WPR = Weather Performance Ratio, measured as the ratio of the actual insolation over typical (pro-forma) insolation. Such Weather Performance Ratio shall only apply if the ratio is less than 1.00.

AE = Actual Electricity, as measured in total kWh, delivered by the System for the Term Year plus the estimated lost energy production during a Disruption Period.

$$\text{RV} = (\text{ATP} - \text{kWh Rate})$$

ATP = Average tariff price, measured in \$/kWh, for the Term Year paid by Purchaser with respect to the Premises. This price is determined by dividing the total cost for delivered electricity, including all charges associated with such electricity howsoever named, including, without limitation, charges for distribution, transmission, demand, and systems benefits, paid to the Local Electric Utility during the applicable Term Year by the total amount of delivered electricity by the electric utility during such Term Year.

kWh Rate = the kWh Rate in effect for the applicable Term Year(s), measured in \$/kWh.

If the RV is zero or less, then no Lost Savings payment is due to Purchaser. Any Lost Savings payment shall occur no later than sixty (60) days after the end of the Term Year during which such Lost Savings occurred.

10. Allowed Disruption Time. Notwithstanding the provisions in Section 4.3 of the General Terms and Conditions to the contrary, during years 4 through 20 (but not years 1 through 3) of the Term, Purchaser shall be afforded a one-time allocation of fifteen (15) days which may be used consecutively or in separate periods of at least twenty-four (24) hours each (“Allowed Disruption Time”) during which the System shall be rendered non-operational. Purchaser shall not be obligated to make payments to Provider for electricity not received during the Allowed Disruption Time, nor shall Purchaser be required to reimburse Provider for any other lost revenue during the Allowed Disruption Time, including any lost revenue associated with any reduced sales of Environmental Attributes, and Provider shall be credited for the estimated lost production the System would have produced during such Allowed Disruption Time toward satisfaction of its Minimum Guaranteed Output, as set forth in Section 8 of the Special Conditions, such estimated lost production to be calculated in the same manner as set forth in Section 4.3 of the General Conditions.
11. Distribution Upgrades, Scope and Schedule Changes.
- 11.1 For any distribution upgrades required or changes to the scope of Installation Work made pursuant to Schedule 2 of the Special Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the description of the distribution upgrades or change in

scope of the Installation Work (ii) the amount of the adjustment in the kWh Rate and Early Termination Fee that corresponds to such costs, if any (iii) changes to the Estimated Annual Production in Schedule IV, if any, and (iv) any change to the Guaranteed Construction Start Date and Guaranteed Commercial Operation Date resulting from such upgrades or scope changes;

- 11.2 For any day for day extensions made pursuant to Section 2.2(b) of the General Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the circumstances that warrant such day for day extension and (ii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date;
- 11.3 For any extensions that are not made pursuant to Section 2.2(b) of the General Conditions, Provider may request extensions to the Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date to the extent that Provider can demonstrate to Purchaser that Provider is seeking such extension for good cause. Purchaser in its sole discretion may approve such extension(s) by executing an acknowledgment in the form attached hereto as Schedule 8 on which Provider details (i) the circumstances for which Provider deems good cause for such extension(s), (ii) the actions that Provider is taking to complete the System on a schedule agreeable to the Purchaser and (iii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date.

For the avoidance of doubt, Purchaser designates the District General Manager as authorized to execute the acknowledgment form attached hereto as Schedule 8 provided the terms of such acknowledgment comply with this Section 11.

- 12. Sunlight Access. Purchaser will take all reasonable actions as necessary to prevent other buildings, structures or flora from overshadowing or otherwise blocking access of sunlight to the System.
- 13. Use of System. Purchaser will not use electrical energy generated by the System for the purposes of heating a swimming pool within the meaning of Section 48 of the Internal Revenue Code.

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and Purchaser have executed this Agreement as of the Effective Date.

**PROVIDER:**  
FFP BTM SOLAR, LLC

**PURCHASER:**  
Panoche Water District

By: \_\_\_\_\_  
Name:  
Title:  
Date:

By: \_\_\_\_\_  
Name:  
Title:  
Date:

**SCHEDULES**

**I. Schedule 1 – Description of the Premises, System and Subsidy**

<b><u>A. Premises</u></b>	Adjacent to <u>10759 N Russell Ave, Firebaugh, CA 93622</u> <u>Delta Mendota Canal &amp; Panoche Lift Canal Road</u> APN #: <u>090-150-002-000004-120-24ST</u>
<b>Site diagram attached:</b>	X Yes <input type="checkbox"/> No
<b><u>B. Description of Solar System</u></b>	Net Energy Metering Aggregation, grid interconnected, ground mounted solar.
<b>Solar System Size:</b>	<u>1081.08720-36</u> kW (DC) (this is an estimate (and not a guarantee) of the System size; Provider may update the System Size prior to the Commercial Operation Date.)
<b><u>C. Anticipated Subsidy or Rebate</u></b>	\$0

**II. Schedule 2 – Energy Services Payment**

Purchaser shall pay to Provider a monthly payment (the “Energy Services Payment”) for the Energy Services provided by the System during each calendar month of the Term equal to the product of (x) Actual Monthly Production for the System for the relevant month multiplied by (y) the kWh Rate.

The “Actual Monthly Production” means the amount of energy recorded by Provider’s metering equipment during each calendar month of the Term.

The kWh Rate with respect to the System under this Agreement shall be in accordance with the following schedule:

PPA Rate Table

<b>Term Year</b>	<b>kWh Rate (\$/kWh)</b>	<b>Term Year</b>	<b>\$/kWh Rate (\$/kWh)</b>
1	\$0.0977	11	\$0.0977
2	\$0.0977	12	\$0.0977
3	\$0.0977	13	\$0.0977
4	\$0.0977	14	\$0.0977
5	\$0.0977	15	\$0.0977
6	\$0.0977	16	\$0.0977
7	\$0.0977	17	\$0.0977
8	\$0.0977	18	\$0.0977
9	\$0.0977	19	\$0.0977
10	\$0.0977	20	\$0.0977

Distribution Upgrades. Within thirty (30) days of receipt of notice from the Local Electric Utility of distribution upgrade costs required by the Local Electric Utility, Purchaser will provide written notice (email is acceptable) to Provider of Purchaser's election of one of the following options:

- a. Purchaser will bear all the distribution upgrade costs, and the kWh Rates stated in the PPA Rate Table will remain unchanged. Purchaser shall make payments directly to the Local Electric Utility in accordance with the requirements of the Local Electric Utility.
- ~~b. For every \$0.01 per watt DC of such distribution upgrade costs, the kWh rate in the PPA Rate Table will increase \$0.00055 per kWh, with a maximum kWh rate increase of \$0.0307 per kWh. Provider shall then be responsible for all associated costs and payments.~~
- ~~e.b. If distribution upgrades are required and exceed the maximum kWh increase of \$0.0307 per kWh, then ForeFront Power has the option to terminate this Agreement.~~

Scope Changes (ITC Eligible). If changes in project scope occur that are eligible for the Federal Investment Tax Credit (including but not limited to adverse geotechnical conditions or the inclusion of spare conduit) and the costs directly related such changes go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such costs to Purchaser. Within thirty (30) days after Purchaser receives such documentation, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- a. Purchaser will bear all of the reasonably documented scope change costs, and the kWh rate as stated in Table 1 will remain unchanged.
- b. For every \$0.01 per watt DC of such costs, the kWh rate in Table 1 will increase \$0.00035 per kWh, with an additional maximum kWh rate increase of \$0.0048 per kWh. Provider shall then be responsible for all associated costs and payments.

Scope Changes (Non-ITC Eligible). If changes in project scope occur that are not eligible for the Federal Investment Tax Credit (including but not limited to ADA compliance costs not related to System configuration or construction) and the costs directly related such changes go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such costs to Purchaser. Within thirty (30) days after Purchaser receives such documentation, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in the PPA Rate Table will remain unchanged.
- b. For every \$0.01 per watt DC of such associated costs, the kWh rate in the PPA Rate Table will increase \$0.00046 per kWh, with an additional maximum kWh rate increase of \$0.00639 per kWh. Provider shall then be responsible for all associated costs and payments.

If the aggregate of costs set forth above for which Purchaser has elected to pay for via increased kWh Rate exceed the maximum total kWh Rate increase of \$0.04189, the Provider has the option to terminate this Agreement and to remove the System pursuant to Section 2.4 of the General Conditions. In no event shall Purchaser be responsible for costs that exceed the stated maximum total kWh Rate increase.

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**III. Schedule 3 – Early Termination Fee**

The Early Termination Fee with respect to the System under this Agreement shall be calculated in accordance with the following:

Early Termination Occurs in Year:	Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal)	Purchase Date Occurs on the 91 <sup>st</sup> day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date)	Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal)
1*	\$3.75\$3.71		--
2	\$3.00\$3.21		--
3	\$2.85\$3.03		--
4	\$2.75\$2.86		--
5	\$2.68\$2.70		--
6	\$2.61\$2.54	5 <sup>th</sup> Anniversary	\$2.11\$2.04
7	\$2.58\$2.50	6 <sup>th</sup> Anniversary	\$2.08\$2.00
8	\$2.56\$2.48	7 <sup>th</sup> Anniversary	\$2.06\$1.98
9	\$2.55\$2.45	8 <sup>th</sup> Anniversary	\$2.05\$1.95
10	\$2.53\$2.42	9 <sup>th</sup> Anniversary	\$2.03\$1.92
11	\$2.52\$2.38	10 <sup>th</sup> Anniversary	\$2.02\$1.88
12	\$2.51\$2.35	11 <sup>th</sup> Anniversary	\$2.01\$1.85
13	\$2.50\$2.32	12 <sup>th</sup> Anniversary	\$2.00\$1.82
14	\$2.49\$2.28	13 <sup>th</sup> Anniversary	\$1.99\$1.78
15	\$2.48\$2.25	14 <sup>th</sup> Anniversary	\$1.98\$1.75
16	\$2.48\$2.20	15 <sup>th</sup> Anniversary	\$1.98\$1.70
17	\$2.47\$2.17	16 <sup>th</sup> Anniversary	\$1.97\$1.67
18	\$2.47\$2.13	17 <sup>th</sup> Anniversary	\$1.97\$1.63
19	\$2.46\$2.09	18 <sup>th</sup> Anniversary	\$1.96\$1.59
20	\$2.46\$2.05	19 <sup>th</sup> Anniversary	\$1.96\$1.55

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At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).  
\*Includes Early Termination prior to the Commercial Operation Date.

**IV. Schedule 4 – Estimated Annual Production**

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under this Agreement shall be as follows:

Term Year	Estimated Production (kWh)	Term Year	Estimated Production (kWh)
11	2,274,592+468,094	1111	2,163,388+396,319
22	2,263,219+460,753	1212	2,152,571+389,337
33	2,251,903+453,449	1313	2,141,808+382,390
44	2,240,644+446,182	1414	2,131,099+375,479
55	2,229,441+438,951	1515	2,120,443+368,601
66	2,218,293+431,757	1616	2,109,841+361,758
77	2,207,202+424,598	1717	2,099,292+354,949
88	2,196,166+417,475	1818	2,088,796+348,175
99	2,185,185+410,387	1919	2,078,352+341,434
1010	2,174,259+403,335	2020	2,067,960+334,727

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The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System assuming the System size indicated in Schedule 1 and based on initial System designs. Provider may deliver to Purchaser an updated table on or about the Commercial Operation Date based on the actual System size and design.

**V. Schedule 5 – Notice Information**

**Purchaser:**

District General Manager  
Panoche Water District  
(209) 364-6136  
aazhderian@panochewd.org  
52027 W Althea Ave, Firebaugh, CA 93622

**Provider:**

FFP BTM Solar, LLC  
c/o Forefront Power, LLC  
Attn: Director, Energy Services  
100 Montgomery St., Suite 725  
San Francisco, CA 94104

*With a copy to*

FFP BTM Solar, LLC  
c/o Forefront Power, LLC  
Attn: Legal Department  
100 Montgomery St., Suite 725  
San Francisco, CA 94104  
Email: FPLegal@forefrontpower.com

**Financing Party:**

[To be provided by Provider when known]

**VI. Schedule 6 – Reserved**

**VII. Schedule 7 – Specific Items for Scope of Work**

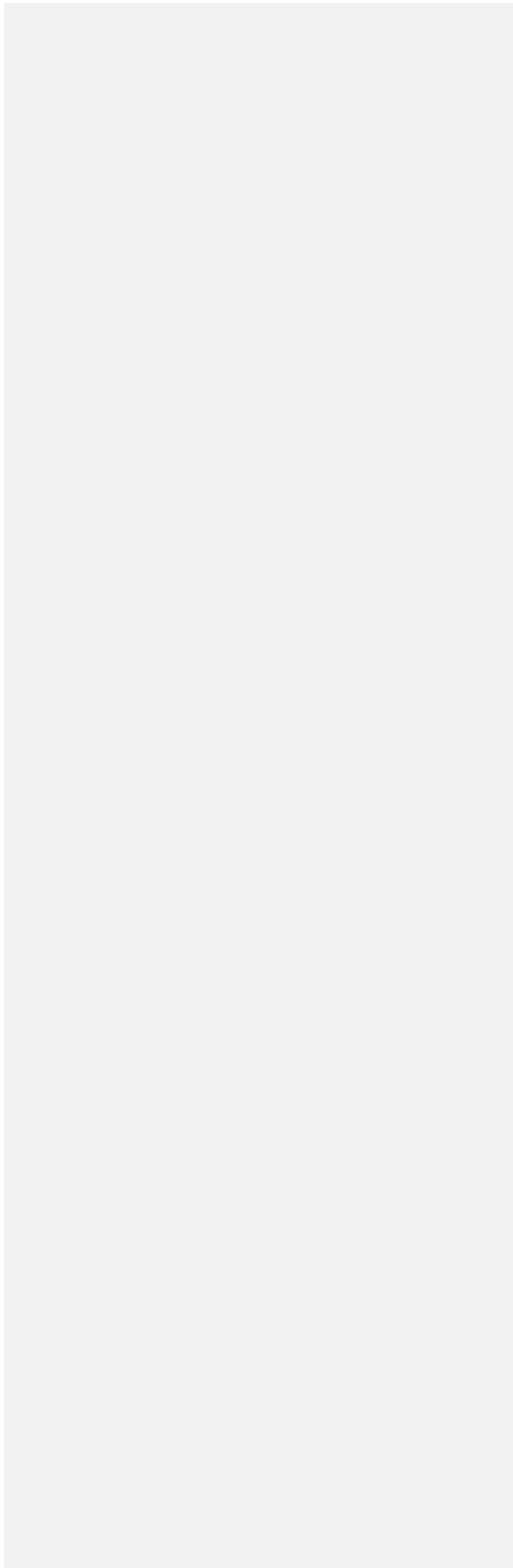
1. Provider Responsibilities:

- 1.1. All System structures shall be permitted through the authority having jurisdiction as ground mounted structures. Provider shall obtain permits on behalf of the project(s), including building department, structural, grading, and/or electrical permits as required.
- 1.2. Provider and Purchaser are operating under the assumption that the premises will be eligible for a CEQA Notice of Exemption, and that a special use, conditional use, or zoning permit will not be required. Provider assumes that Purchaser, as lead agency, will issue a Notice of Exemption for CEQA. Upon request, Provider shall provide such limited support as necessary to Purchaser to obtain the NOE, including, if necessary, biological study and associated consultant work. Provider shall not be responsible for costs or delays associated with any unforeseen required special use, conditional use, zoning permits or mitigations that may result from a CEQA submittal and public comment.
- 1.3. Provider intends to interconnect the System to a new Local Electric Utility meter placed on site by the Local Electric Utility. Provider shall provide a new 480V 1000A electrical service at a mutually agreeable location at Provider's cost. Provider has specifically excluded any costs from the Local Electric Utility for work by the Local Electric Utility to install and enable the new utility meter at the new service including but not limited to installing a new meter, installing

a new transformer or any reconducting required. Provider and Purchaser acknowledge that additional costs by the Local Electric Utility are expected but are not knowable as of the effective date. Such additional costs shall be handled in accordance with Schedule 2.

- 1.4. Provider intends to configure the System to be operated in parallel with electric distribution services from the Local Electric Utility. Provider and Purchaser agree that during Local Electric Utility power outages, public safety power shut offs or other instances when the Local Electric Utility ceases to provide electric distribution services to the Premises, the System shall cease providing Energy Services to the Premises until such time as the Local Electric Utility resumes electrical distribution services.
  - 1.5. Provider shall not be responsible for exporting soils. Any spoils that result from the installation of the System are assumed to be spread on site.
  - 1.6. Provider assumes Risk Level I BMPs as it relates to relevant SWPP assumptions for the installation of the System.
  - 1.7. Provider shall be responsible for all fees associated with the interconnection application, except that Provider shall not be responsible for transmission and distribution upgrades determined necessary by the Local Electric Utility.
  - 1.8. Provider will execute a Phase I ESA, in accordance with ASTM e1527. Provider assumes that there are no REC's, HREC's or de minimis concerns associated with the Project Site.
  - 1.9. Provider assumes that there is a potable water source on site, and available for Provider's use in cleaning and maintaining the system. The estimated quantity of water needed is approximately 8,000 gallons annually.
  - 1.10. Provider assumes that soil conditions are not such soils that are rocky, sandy, contaminated, ground water, caving, or otherwise have problematic construction limitations. Specifically, ForeFront Power assumes no required shoring or de-watering for trenches, and a maximum required pile depth of not more than 10' and W6X9 pile sizing. If soil conditions prove to be more adverse than these assumptions, Provider shall not be responsible for such additional expenses as a result of additional subterranean geotechnical work including boring and trenching. Provider shall work with Purchaser in good faith to determine a mutually acceptable solution for Purchaser to pay such additional costs, including potentially an increase in the kWh rate in Schedule 2.
  - 1.11. Provider agrees to construct the System in no more than a single construction phase.
  - 1.12. Provider shall be responsible for all inspection and inspector costs associated with the installation of the system.
2. Purchaser Responsibilities:
- 2.1. Purchaser shall deliver to Provider all as-built drawings in order to fully develop the solar plan sets and designs. Provider shall not be responsible for the accuracy of the as-built drawings.
  - 2.2. Purchaser shall be responsible for all costs associated with all efforts and expenses required to obtain CEQA approval beyond the securing of a CEQA Notice of Exemption. The Construction Start Date shall be extended on a day for day basis for delays associated with CEQA review.

**VIII. Schedule 8 – Acknowledgment of Upgrades, Schedule or Scope Change**



**Upgrades, Scope and/or Schedule Change Acknowledgment**

This Acknowledgment is made in accordance with Section 10 of the Special Conditions, as defined in that Energy Service Agreement – [Solar], between [PURCHASER] (“Purchaser”) and FFP BTM Solar, LLC (“Provider”), dated [\_\_\_\_\_, 20\_\_] (the “Agreement”). Upon execution by both Purchaser and Provider, this Acknowledgment shall be effective as of [INSERT DATE] (the “Acknowledgment Effective Date”).

1. Type of Change:

- Distribution Upgrades
- Scope Changes (ITC Eligible)
- Scope Changes (Non-ITC Eligible)
- Day for Day Extension
- Extension for Good Cause

2. Description of Change

[INSERT DESCRIPTION AND IF PROVIDER SEEKING EXTENSION FOR GOOD CAUSE, PROVIDER TO DETAIL CIRCUMSTANCES AND ACTIONS PROVIDER IS TAKING TO COMPLETE SYSTEM ON AGREED UPON SCHEDULE]

3. kWh Rate and Early Termination Fee [IF NO IMPACT TO RATE OR ETF THEN DELETE]

[INSERT UPDATED KWH RATE AND EARLY TERMINATION FEE TABLE]

4. Estimated Annual Production [IF NO IMPACT TO ESTIMATED ANNUAL PRODUCTION THEN DELETE]

[INSERT UPDATED SCHEDULE 4 ESTIMATED ANNUAL PRODUCTION TABLE]

5. Updated Guaranteed Construction Start Date and Guaranteed Commercial Operation Date [IF NO IMPACT TO CLIFF DATES THEN DELETE]

The Parties hereby agree that the Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date as defined in the Agreement are updated as follows:

Guaranteed Construction Start Date: [\_\_\_\_\_]
Guaranteed Commercial Operation Date: [\_\_\_\_\_]

The Parties hereby acknowledge and confirm the terms set forth herein as of the Acknowledgment Effective Date.

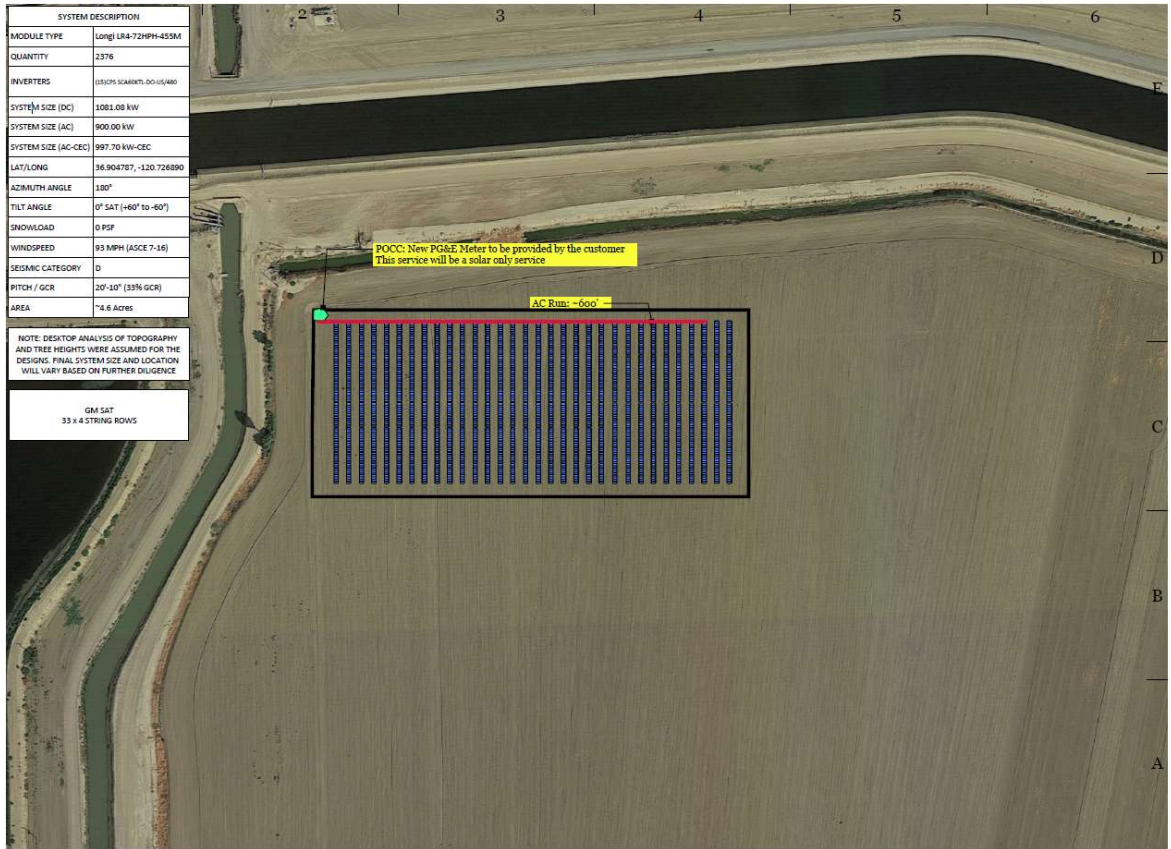
[PURCHASER] FFP BTM Solar, LLC

By: \_\_\_\_\_ By: \_\_\_\_\_

Name: \_\_\_\_\_ Name: \_\_\_\_\_

Title: \_\_\_\_\_ Title: \_\_\_\_\_

**IX. Schedule 9 – Site Diagram**



SYSTEM DESCRIPTION	
MODULE TYPE	Longi LR4-72HPH-85SM
QUANTITY	2376
INVERTERS	US3075-SUNMAX1-00-16/400
SYSTEM SIZE (DC)	1081.08 kW
SYSTEM SIZE (AC)	900.00 kW
SYSTEM SIZE (AC-CEC)	997.70 kW-CEC
LAT/LONG	36.904787, -120.726890
AZIMUTH ANGLE	180°
TILT ANGLE	0° SAT (+60° to -60°)
SNOWLOAD	0 PSF
WINDSPEED	93 MPH (ASCE 7-16)
SEISMIC CATEGORY	D
PITCH / GCR	20°-10" (23% GCR)
AREA	~4.6 ACRES

NOTE: DESKTOP ANALYSIS OF TOPOGRAPHY AND TREE HEIGHTS WERE ASSUMED FOR THE DESIGN. FINAL SYSTEM SIZE AND LOCATION WILL VARY BASED ON FURTHER DILIGENCE

GM SAT  
33 x 4 STRING ROWS



**FOREFRONT  
POWER**

MULTI-TENANT POWER, LLC (A/S/ST)  
AFFILIATE ALL RIGHTS RESERVED  
100 MONTGOMERY STREET #1400  
SAN FRANCISCO, CA 94104  
(855) 204-5083  
www.ForefrontPower.com

STAMP:

**NOT FOR  
CONSTRUCTION**

**Panoche Water District  
San Joaquin River  
Drainage Field**

11000-11140 N Russell Ave,  
Firebaugh, CA 93622

PROJECT NUMBER:  
CA-21-0372

SHEET TITLE:  
CONCEPTUAL LAYOUT

SHEET SIZE:  
TABLOID 11" X 17"

THIS DRAWING IS THE PROPERTY OF FOREFRONT POWER, LLC. THIS INFORMATION IS CONFIDENTIAL AND IS TO BE USED ONLY IN CONNECTION WITH WORK DESCRIBED BY FOREFRONT POWER, LLC. NO PART IS TO BE DISCLOSED TO OTHERS WITHOUT WRITTEN PERMISSION FROM FOREFRONT POWER, LLC.

NO.	REVISION	DATE	INIT.

DATE: Mar 13 2023  
DRAWN BY: RP  
ENGINEER: RP  
APPROVED BY:

PROJECT PHASE:  
PRELIMINARY DESIGN

SCALE: 1" = 125'

SHEET NO:  
**CL-1**

## ENERGY SERVICES AGREEMENT – SOLAR

### Linneman Solar Project

This Energy Services Agreement (“Agreement”) is made and entered into as of this \_\_\_ day of \_\_\_, 2023 (or, if later, the latest date of a Party’s execution and delivery to the other Party of this Agreement, the “Effective Date”), between FFP BTM SOLAR, LLC, a Delaware limited liability company (“Provider”), and *Panoche Water District* (“Purchaser”; and, together with Provider, each, a “Party” and together, the “Parties”).

### RECITALS

- A. Purchaser desires that Provider install and operate a solar photovoltaic system at the Premises (as hereafter defined) for the purpose of providing Energy Services (as hereafter defined), and Provider is willing to have the Installation Work performed by using one or more qualified contractors holding the appropriate licenses required in the jurisdiction where the System will be installed;
- B. Provider is in the business of designing, constructing, owning, financing, and operating solar photovoltaic systems for the purpose of selling power generated by the systems to its purchasers;
- C. California Government Code sections 4217.10 et seq. authorizes a public entity to enter into energy service contracts, facility financing contracts, and related agreements to implement the State’s conservation and alternative energy supply source policy;
- D. Purchaser’s governing body has made those findings required by Government Code section 4217.12 that the anticipated cost to the Purchaser for Energy Services provided by the System under this Agreement is expected to be less than the anticipated marginal cost to the Purchaser of electrical energy that would have been consumed by Purchaser in the absence of its purchase of the Energy Services;
- E. Provider and Purchaser acknowledged those certain General Terms and Conditions of Energy Services Agreement between FFP BTM Solar, LLC and Purchaser dated as of June 1, 2022 (“General Terms and Conditions”), which are incorporated by reference as set forth herein; and
- F. The terms and conditions of this Energy Services Agreement, excluding the General Terms and Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Terms and Conditions.

In consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. Incorporation of General Terms and Conditions. The General Terms and Conditions are incorporated herein as if set forth in their entirety.
- 2. Initial Term. The initial term of this Agreement shall commence on the Effective Date and shall continue for Twenty (20) years from the Commercial Operation Date (as defined in the General Terms and Conditions), unless and until extended or terminated earlier pursuant to the provisions of this Agreement (the “Initial Term”). After the Initial Term, this Agreement may be renewed for an additional five (5) year term (a “Renewal Term”). At least one hundred and eighty (180) days, but no more than three hundred and sixty-five (365) days, prior to the expiration of the Initial Term, Provider shall give written notice to Purchaser of the availability of the Renewal Term. Purchaser shall have sixty (60) days to agree to continuation of this Agreement for the Renewal Term. Absent agreement to the Renewal Term this Agreement shall expire on the Expiration Date. The Initial Term and the subsequent Renewal Term, if any, are referred to collectively as the “Term”.
- 3. Schedules. The following Schedules hereto are hereby incorporated into this Agreement:

Schedule 1	Description of the Premises, System and Subsidy
Schedule 2	Energy Services Payment
Schedule 3	Early Termination Fee
Schedule 4	Estimated Annual Production
Schedule 5	Notice Information
Schedule 6	Reserved
Schedule 7	Specific Items for Scope of Work
Schedule 8	Acknowledgment of Upgrades, Schedule or Scope Change
Schedule 9	Site Diagram

4. Privacy. Purchaser acknowledges that the System may collect certain information about Purchaser’s electricity usage and the System performance. Such information may be stored and processed in the United States or any other country in which Provider or its third-party service providers, or its or their respective affiliates, subsidiaries, or service providers, maintain facilities. Purchaser consents to any such transfer of information outside of Purchaser’s country.

5. Milestone Dates.

5.1 The Guaranteed Construction Start Date is 730 days from Effective Date provided that the Local Electric Utility is prepared to begin its construction on any required utility, (distribution or transmission), upgrades, if any. In the event that the Local Electric Utility is not prepared to commence construction on required upgrades, if any are required, Provider will be allowed a day for day extension to the Guaranteed Construction Start Date, as defined in the General Terms and Conditions between the Parties.

5.2 The Guaranteed Commercial Operation Date is: (i) 60 days from the date on which the Local Electric Utility authorizes Provider to schedule an inspection to energize the System after confirming completion of installation, and testing, or (ii) April 14, 2026, whichever occurs later..

6. Purchase Requirement; Energy Services Payment. “Energy Services” means the supply of electrical energy output from the System and any associated reductions in Purchaser’s peak demand from its Local Electric Utility. Purchaser agrees to purchase one hundred percent (100%) of the Energy Services generated by the System and made available by Provider to Purchaser during each relevant month of the Term, up to a maximum of one hundred and ten percent (110%) of Estimated Annual Production, as defined in Schedule 4. While the Energy Services are calculated and billed on a per kWh basis as set forth in Schedule 2 of these Special Conditions, they represent a package of services and benefits.

7. Net Energy Metering.

7.1 The Parties acknowledge that the pricing assumes Net Energy Metering (NEM) 2.0 for the Initial Term. If (i) Provider fails to submit interconnection applications by the CPUC final decision for Net Energy Metering, or (ii) prior to the Commercial Operation Date, Provider fails to keep such interconnection applications in good standing such that the System would not be eligible for NEM 2.0, Purchaser may terminate this Agreement with no liability whatsoever, including, but not limited to the Early Termination Fee. The foregoing shall not apply to the extent Provider’s failure is caused by an act or omission by Purchaser in connection with Provider’s submittal of interconnection applications.

*Provided, however,* that in the event of a change in Applicable Law that occurs after the Commercial Operation Date and results in a loss of NEM 2.0 grandfathering, Purchaser shall have no such termination right. Provided further that Purchaser shall ensure any correspondence with the Local Electric Utility regarding the tariff and changes to the interconnection agreement are promptly shared with Provider.

8. Estimated Annual Production. The annual estimate of electricity generated by the system for each year of the initial term is set as forth in Schedule 4 of the Special Conditions (“Estimated Annual Production”). Within sixty (60) days of each annual anniversary of the Commercial Operation Date, Provider will provide

a statement to Purchaser that shows the actual annual kWh production from the System for the Term Year, the Estimated Annual Production, and the Minimum Guaranteed Output (defined below).

9. Minimum Guaranteed Output. If the System fails to generate at least ninety-five percent (95%) of the Estimated Annual Production for a full Term Year (such amount, the “Minimum Guaranteed Output”), other than as a result of the acts or omissions of Purchaser or the Local Electric Utility (including a Disruption Period), or an Event of Force Majeure, Provider shall credit Purchaser an amount equal to Purchaser’s Lost Savings on the next invoice or invoices during the following Term Year. The formula for calculating Lost Savings for the applicable Term Year is as follows:

$$\text{Lost Savings} = (\text{MGO} * \text{WPR} - \text{AE}) \times \text{RV}$$

MGO = Minimum Guaranteed Output, as measured in total kWh, for the System for the applicable Term Year.

WPR = Weather Performance Ratio, measured as the ratio of the actual insolation over typical (pro-forma) insolation. Such Weather Performance Ratio shall only apply if the ratio is less than 1.00.

AE = Actual Electricity, as measured in total kWh, delivered by the System for the Term Year plus the estimated lost energy production during a Disruption Period.

$$\text{RV} = (\text{ATP} - \text{kWh Rate})$$

ATP = Average tariff price, measured in \$/kWh, for the Term Year paid by Purchaser with respect to the Premises. This price is determined by dividing the total cost for delivered electricity, including all charges associated with such electricity howsoever named, including, without limitation, charges for distribution, transmission, demand, and systems benefits, paid to the Local Electric Utility during the applicable Term Year by the total amount of delivered electricity by the electric utility during such Term Year.

kWh Rate = the kWh Rate in effect for the applicable Term Year(s), measured in \$/kWh.

If the RV is zero or less, then no Lost Savings payment is due to Purchaser. Any Lost Savings payment shall occur no later than sixty (60) days after the end of the Term Year during which such Lost Savings occurred.

10. Allowed Disruption Time. Notwithstanding the provisions in Section 4.3 of the General Terms and Conditions to the contrary, during years 4 through 20 (but not years 1 through 3) of the Term, Purchaser shall be afforded a one-time allocation of fifteen (15) days which may be used consecutively or in separate periods of at least twenty-four (24) hours each (“Allowed Disruption Time”) during which the System shall be rendered non-operational. Purchaser shall not be obligated to make payments to Provider for electricity not received during the Allowed Disruption Time, nor shall Purchaser be required to reimburse Provider for any other lost revenue during the Allowed Disruption Time, including any lost revenue associated with any reduced sales of Environmental Attributes, and Provider shall be credited for the estimated lost production the System would have produced during such Allowed Disruption Time toward satisfaction of its Minimum Guaranteed Output, as set forth in Section 8 of the Special Conditions, such estimated lost production to be calculated in the same manner as set forth in Section 4.3 of the General Conditions.

11. Distribution Upgrades, Scope and Schedule Changes.

11.1 For any distribution upgrades required or changes to the scope of Installation Work made pursuant to Schedule 2 of the Special Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the description of the distribution upgrades or change in scope of the Installation Work (ii) the amount of the adjustment in the kWh Rate and Early Termination Fee that corresponds to such costs, if any (iii) changes to the Estimated Annual



Production in Schedule IV, if any, and (iv) any change to the Guaranteed Construction Start Date and Guaranteed Commercial Operation Date resulting from such upgrades or scope changes;

- 11.2 For any day for day extensions made pursuant to Section 2.2(b) of the General Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the circumstances that warrant such day for day extension and (ii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date;
- 11.3 For any extensions that are not made pursuant to Section 2.2(b) of the General Conditions, Provider may request extensions to the Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date to the extent that Provider can demonstrate to Purchaser that Provider is seeking such extension for good cause. Purchaser in its sole discretion may approve such extension(s) by executing an acknowledgment in the form attached hereto as Schedule 8 on which Provider details (i) the circumstances for which Provider deems good cause for such extension(s), (ii) the actions that Provider is taking to complete the System on a schedule agreeable to the Purchaser and (iii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date.

For the avoidance of doubt, Purchaser designates the District General Manager as authorized to execute the acknowledgment form attached hereto as Schedule 8 provided the terms of such acknowledgment comply with this Section 11.

- 12. Sunlight Access. Purchaser will take all reasonable actions as necessary to prevent other buildings, structures or flora from overshadowing or otherwise blocking access of sunlight to the System.
- 13. Use of System. Purchaser will not use electrical energy generated by the System for the purposes of heating a swimming pool within the meaning of Section 48 of the Internal Revenue Code.

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and Purchaser have executed this Agreement as of the Effective Date.

**PROVIDER:**  
**FFP BTM SOLAR, LLC**

**PURCHASER:**  
**Panoche Water District**

By: \_\_\_\_\_  
Name:  
Title:  
Date:

By: \_\_\_\_\_  
Name:  
Title:  
Date:

**SCHEDULES**

**I. Schedule 1 – Description of the Premises, System and Subsidy**

<b><u>A. Premises</u></b>	Adjacent to Delta Mendota Canal & Panoche Lift Canal Road APN #: 090-150-002-000
<b>Site diagram attached:</b>	X Yes <input type="checkbox"/> No
<b><u>B. Description of Solar System</u></b>	Net Energy Metering Aggregation, grid interconnected, ground mounted solar.
<b>Solar System Size:</b>	1081.08kW (DC) (this is an estimate (and not a guarantee) of the System size; Provider may update the System Size prior to the Commercial Operation Date.)
<b><u>C. Anticipated Subsidy or Rebate</u></b>	\$0

**II. Schedule 2 – Energy Services Payment**

Purchaser shall pay to Provider a monthly payment (the “Energy Services Payment”) for the Energy Services provided by the System during each calendar month of the Term equal to the product of (x) Actual Monthly Production for the System for the relevant month multiplied by (y) the kWh Rate.

The “Actual Monthly Production” means the amount of energy recorded by Provider’s metering equipment during each calendar month of the Term.

The kWh Rate with respect to the System under this Agreement shall be in accordance with the following schedule:

PPA Rate Table

<b>Term Year</b>	<b>kWh Rate (\$/kWh)</b>	<b>Term Year</b>	<b>\$/kWh Rate (\$/kWh)</b>
1	\$0.0977	11	\$0.0977
2	\$0.0977	12	\$0.0977
3	\$0.0977	13	\$0.0977
4	\$0.0977	14	\$0.0977
5	\$0.0977	15	\$0.0977
6	\$0.0977	16	\$0.0977
7	\$0.0977	17	\$0.0977
8	\$0.0977	18	\$0.0977
9	\$0.0977	19	\$0.0977
10	\$0.0977	20	\$0.0977

Distribution Upgrades. Within thirty (30) days of receipt of notice from the Local Electric Utility of distribution upgrade costs required by the Local Electric Utility, Purchaser will provide written notice (email is acceptable) to Provider of Purchaser's election of one of the following options:

- a. Purchaser will bear all the distribution upgrade costs, and the kWh Rates stated in the PPA Rate Table will remain unchanged. Purchaser shall make payments directly to the Local Electric Utility in accordance with the requirements of the Local Electric Utility.
- b. For every \$0.01 per watt DC of such distribution upgrade costs, the kWh rate in the PPA Rate Table will increase \$0.00055 per kWh.

Scope Changes (ITC Eligible). If changes in project scope occur that are eligible for the Federal Investment Tax Credit (including but not limited to adverse geotechnical conditions or the inclusion of spare conduit) and the costs directly related such changes go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such costs to Purchaser. Within thirty (30) days after Purchaser receives such documentation, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- a. Purchaser will bear all of the reasonably documented scope change costs, and the kWh rate as stated in Table 1 will remain unchanged.
- b. For every \$0.01 per watt DC of such costs, the kWh rate in Table 1 will increase \$0.00035 per kWh.

Scope Changes (Non-ITC Eligible). If changes in project scope occur that are not eligible for the Federal Investment Tax Credit (including but not limited to ADA compliance costs not related to System configuration or construction) and the costs directly related such changes go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such costs to Purchaser. Within thirty (30) days after Purchaser receives such documentation, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in the PPA Rate Table will remain unchanged.
- b. For every \$0.01 per watt DC of such associated costs, the kWh rate in the PPA Rate Table will increase \$0.00046 per kWh.

If the aggregate of costs set forth above for which Purchaser has elected to pay for via increased kWh Rate exceed the maximum total kWh Rate increase of \$0.04189, the Provider has the option to terminate this Agreement and to remove the System pursuant to Section 2.4 of the General Conditions. In no event shall Purchaser be responsible for costs that exceed the stated maximum total kWh Rate increase.

**III. Schedule 3 – Early Termination Fee**

The Early Termination Fee with respect to the System under this Agreement shall be calculated in accordance with the following:

<b>Early Termination Occurs in Year:</b>	<b>Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal)</b>	<b>Purchase Date Occurs on the 91<sup>st</sup> day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date)</b>	<b>Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal)</b>
1*	\$3.75		--
2	\$3.00		--
3	\$2.85		--
4	\$2.75		--
5	\$2.68		--
6	\$2.61	5 <sup>th</sup> Anniversary	\$2.11
7	\$2.58	6 <sup>th</sup> Anniversary	\$2.08
8	\$2.56	7 <sup>th</sup> Anniversary	\$2.06
9	\$2.55	8 <sup>th</sup> Anniversary	\$2.05
10	\$2.53	9 <sup>th</sup> Anniversary	\$2.03
11	\$2.52	10 <sup>th</sup> Anniversary	\$2.02
12	\$2.51	11 <sup>th</sup> Anniversary	\$2.01
13	\$2.50	12 <sup>th</sup> Anniversary	\$2.00
14	\$2.49	13 <sup>th</sup> Anniversary	\$1.99
15	\$2.48	14 <sup>th</sup> Anniversary	\$1.98
16	\$2.48	15 <sup>th</sup> Anniversary	\$1.98
17	\$2.47	16 <sup>th</sup> Anniversary	\$1.97
18	\$2.47	17 <sup>th</sup> Anniversary	\$1.97
19	\$2.46	18 <sup>th</sup> Anniversary	\$1.96
20	\$2.46	19 <sup>th</sup> Anniversary	\$1.96

At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).

\*Includes Early Termination prior to the Commercial Operation Date.

**IV. Schedule 4 – Estimated Annual Production**

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under this Agreement shall be as follows:

<b>Term Year</b>	<b>Estimated Production (kWh)</b>	<b>Term Year</b>	<b>Estimated Production (kWh)</b>
1	2,274,592	11	2,163,388
2	2,263,219	12	2,152,571
3	2,251,903	13	2,141,808
4	2,240,644	14	2,131,099
5	2,229,441	15	2,120,443
6	2,218,293	16	2,109,841
7	2,207,202	17	2,099,292
8	2,196,166	18	2,088,796
9	2,185,185	19	2,078,352
10	2,174,259	20	2,067,960

The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System assuming the System size indicated in Schedule 1 and based on initial System designs. Provider may deliver to Purchaser an updated table on or about the Commercial Operation Date based on the actual System size and design.

**V. Schedule 5 – Notice Information**

**Purchaser:**

District General Manager  
Panoche Water District  
(209) 364-6136  
aazhderian@panochewd.org  
52027 W Althea Ave, Firebaugh, CA 93622

**Provider:**

FFP BTM Solar, LLC  
c/o Forefront Power, LLC  
Attn: Director, Energy Services  
100 Montgomery St., Suite 725  
San Francisco, CA 94104

*With a copy to*

FFP BTM Solar, LLC  
c/o Forefront Power, LLC  
Attn: Legal Department  
100 Montgomery St., Suite 725  
San Francisco, CA 94104  
Email: FPLegal@forefrontpower.com

**Financing Party:**

[To be provided by Provider when known]

**VI. Schedule 6 – Reserved**

**VII. Schedule 7 – Specific Items for Scope of Work**

1. Provider Responsibilities:

- 1.1. All System structures shall be permitted through the authority having jurisdiction as ground mounted structures. Provider shall obtain permits on behalf of the project(s), including building department, structural, grading, and/or electrical permits as required.
- 1.2. Provider and Purchaser are operating under the assumption that the premises will be eligible for a CEQA Notice of Exemption, and that a special use, conditional use, or zoning permit will not be required. Provider assumes that Purchaser, as lead agency, will issue a Notice of Exemption for CEQA. Upon request, Provider shall provide such limited support as necessary to Purchaser to obtain the NOE, including, if necessary, biological study and associated consultant work. Provider shall not be responsible for costs or delays associated with any unforeseen required special use, conditional use, zoning permits or mitigations that may result from a CEQA submittal and public comment.
- 1.3. Provider intends to interconnect the System to a new Local Electric Utility meter placed on site by the Local Electric Utility. Provider shall provide a new 480V 1000A electrical service at a mutually agreeable location at Provider’s cost. Provider has specifically excluded any costs from the Local Electric Utility for work by the Local Electric Utility to install and enable the new utility meter at the new service including but not limited to installing a new meter, installing

a new transformer or any reconductoring required. Provider and Purchaser acknowledge that additional costs by the Local Electric Utility are expected but are not knowable as of the effective date. Such additional costs shall be handled in accordance with Schedule 2.

- 1.4. Provider intends to configure the System to be operated in parallel with electric distribution services from the Local Electric Utility. Provider and Purchaser agree that during Local Electric Utility power outages, public safety power shut offs or other instances when the Local Electric Utility ceases to provide electric distribution services to the Premises, the System shall cease providing Energy Services to the Premises until such time as the Local Electric Utility resumes electrical distribution services.
  - 1.5. Provider shall not be responsible for exporting soils. Any spoils that result from the installation of the System are assumed to be spread on site.
  - 1.6. Provider assumes Risk Level I BMPs as it relates to relevant SWPP assumptions for the installation of the System.
  - 1.7. Provider shall be responsible for all fees associated with the interconnection application, except that Provider shall not be responsible for transmission and distribution upgrades determined necessary by the Local Electric Utility.
  - 1.8. Provider will execute a Phase I ESA, in accordance with ASTM e1527. Provider assumes that there are no REC's, HREC's or de minimis concerns associated with the Project Site.
  - 1.9. Provider assumes that there is a potable water source on site, and available for Provider's use in cleaning and maintaining the system. The estimated quantity of water needed is approximately 8,000 gallons annually.
  - 1.10. Provider assumes that soil conditions are not such soils that are rocky, sandy, contaminated, ground water, caving, or otherwise have problematic construction limitations. Specifically, ForeFront Power assumes no required shoring or de-watering for trenches, and a maximum required pile depth of not more than 10' and W6X9 pile sizing. If soil conditions prove to be more adverse than these assumptions, Provider shall not be responsible for such additional expenses as a result of additional subterranean geotechnical work including boring and trenching. Provider shall work with Purchaser in good faith to determine a mutually acceptable solution for Purchaser to pay such additional costs, including potentially an increase in the kWh rate in Schedule 2.
  - 1.11. Provider agrees to construct the System in no more than a single construction phase.
  - 1.12. Provider shall be responsible for all inspection and inspector costs associated with the installation of the system.
2. Purchaser Responsibilities:
- 2.1. Purchaser shall deliver to Provider all as-built drawings in order to fully develop the solar plan sets and designs. Provider shall not be responsible for the accuracy of the as-built drawings.
  - 2.2. Purchaser shall be responsible for all costs associated with all efforts and expenses required to obtain CEQA approval beyond the securing of a CEQA Notice of Exemption. The Construction Start Date shall be extended on a day for day basis for delays associated with CEQA review.

**VIII. Schedule 8 – Acknowledgment of Upgrades, Schedule or Scope Change**

## Upgrades, Scope and/or Schedule Change Acknowledgment

This Acknowledgment is made in accordance with Section 10 of the Special Conditions, as defined in that Energy Service Agreement – [Solar], between [PURCHASER] (“Purchaser”) and FFP BTM Solar, LLC (“Provider”), dated [\_\_\_\_\_, 20\_\_] (the “Agreement”). Upon execution by both Purchaser and Provider, this Acknowledgment shall be effective as of [INSERT DATE] (the “Acknowledgment Effective Date”).

1. Type of Change:

- Distribution Upgrades
- Scope Changes (ITC Eligible)
- Scope Changes (Non-ITC Eligible)
- Day for Day Extension
- Extension for Good Cause

2. Description of Change

[INSERT DESCRIPTION AND IF PROVIDER SEEKING EXTENSION FOR GOOD CAUSE, PROVIDER TO DETAIL CIRCUMSTANCES AND ACTIONS PROVIDER IS TAKING TO COMPLETE SYSTEM ON AGREED UPON SCHEDULE]

3. kWh Rate and Early Termination Fee [IF NO IMPACT TO RATE OR ETF THEN DELETE]

[INSERT UPDATED KWH RATE AND EARLY TERMINATION FEE TABLE]

4. Estimated Annual Production [IF NO IMPACT TO ESTIMATED ANNUAL PRODUCTION THEN DELETE]

[INSERT UPDATED SCHEDULE 4 ESTIMATED ANNUAL PRODUCTION TABLE]

5. Updated Guaranteed Construction Start Date and Guaranteed Commercial Operation Date [IF NO IMPACT TO CLIFF DATES THEN DELETE]

The Parties hereby agree that the Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date as defined in the Agreement are updated as follows:

Guaranteed Construction Start Date: [\_\_\_\_\_]

Guaranteed Commercial Operation Date: [\_\_\_\_\_]

The Parties hereby acknowledge and confirm the terms set forth herein as of the Acknowledgment Effective Date.

[PURCHASER]

FFP BTM Solar, LLC

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

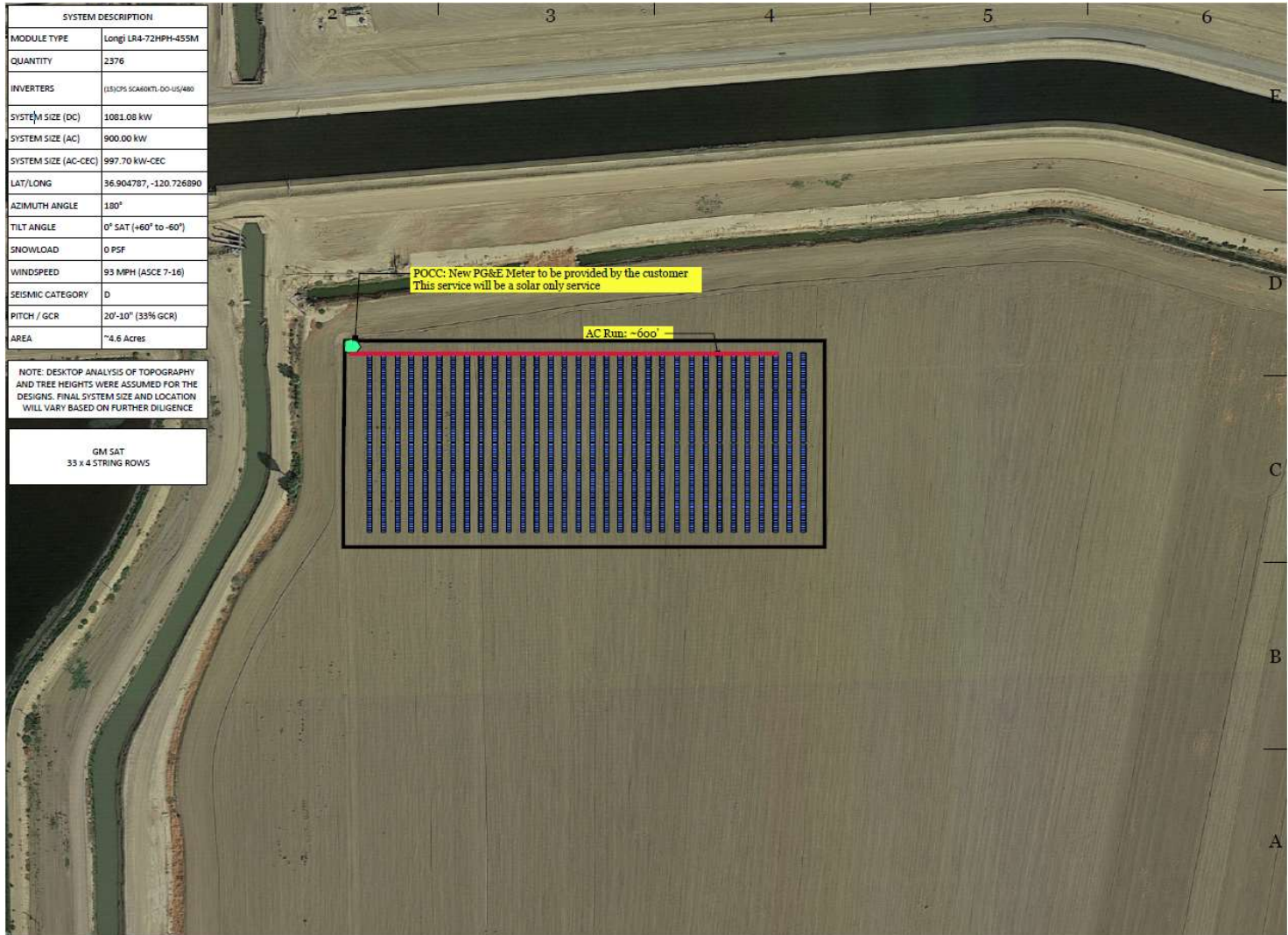
Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_




**IX. Schedule 9 – Site Diagram**



SYSTEM DESCRIPTION	
MODULE TYPE	Longi LR4-72HPH-455M
QUANTITY	2376
INVERTERS	151CPS SCARONTL-DO-US/480
SYSTEM SIZE (DC)	1081.08 kW
SYSTEM SIZE (AC)	900.00 kW
SYSTEM SIZE (AC-CEC)	997.70 kW-CEC
LAT/LONG	36.904787, -120.726890
AZIMUTH ANGLE	180°
TILT ANGLE	0° SAT (+60° to -60°)
SNOWLOAD	0 PSF
WINDSPEED	93 MPH (ASCE 7-16)
SEISMIC CATEGORY	D
PITCH / GCR	20°-10" (33% GCR)
AREA	~4.6 Acres

NOTE: DESKTOP ANALYSIS OF TOPOGRAPHY AND TREE HEIGHTS WERE ASSUMED FOR THE DESIGN. FINAL SYSTEM SIZE AND LOCATION WILL VARY BASED ON FURTHER DILIGENCE

GM SAT  
33 x 4 STRING ROWS



**FOREFRONT POWER**

2017 FOREFRONT POWER, LLC AND ITS AFFILIATES ALL RIGHTS RESERVED

100 MONTGOMERY STREET #1400  
SAN FRANCISCO, CA 94104  
(855) 204-5083  
[www.ForefrontPower.com](http://www.ForefrontPower.com)

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STAMP:

**NOT FOR CONSTRUCTION**

**Panoche Water District**  
**San Joaquin River Drainage Field**

11000-11140 N Russell Ave,  
Firebaugh, CA 93622

PROJECT NUMBER:  
CA-21-0372

SHEET TITLE:  
CONCEPTUAL LAYOUT

SHEET SIZE:  
TABLOID 11" X 17"

THIS DRAWING IS THE PROPERTY OF FOREFRONT POWER, LLC. THIS INFORMATION IS CONFIDENTIAL AND IS TO BE USED ONLY IN CONNECTION WITH WORK DESCRIBED BY FOREFRONT POWER, LLC. NO PART IS TO BE DISCLOSED TO OTHERS WITHOUT WRITTEN PERMISSION FROM FOREFRONT POWER, LLC.

NO.	REVISION	DATE	INIT.

DATE: Mar. 13, 2023  
DRAWN BY: RP  
ENGINEER: RP  
APPROVED BY: \_\_\_\_\_

PROJECT PHASE:  
PRELIMINARY DESIGN

SCALE: 1" = 125'

SHEET NO:  
**CL-1**

**PANOCHÉ WATER DISTRICT**

**RESOLUTION NO. 837-23**

**RESOLUTION FORMALIZING AND ADOPTING THE DISTRICT'S PROPOSED 2023-2024 WATER RATES AND LAND-BASED CHARGES**

WHEREAS, Panoche Water District (the "District") is a California water district established in 1953 with statutory authority pursuant to California Water District Law (Water Code sections 34000-38500) to provide water service to users spanning over 38,000 acres in the Central Valley of California. The District is a multi-county district located on the west side of the San Joaquin Valley, spanning portions of Merced and Fresno Counties, and is authorized, pursuant to the California Constitution, to levy rates and charges for the services the District provides; and

WHEREAS, on March 1, 2023, at the direction of the Board of Directors, District staff identified for the Board of Directors proposed changes to the District's water rates and charges (the "Proposed Water Rates and Charges") as part of the District's annual budget; and

WHEREAS, on March 2, 2023, notice of the Proposed Water Rates and Charges, which notice included the amounts of the Proposed Water Rates and Charges, the bases upon which they were calculated, the reasons for the Proposed Water Rates and Charges, and the date, time, and location of the hearing, along with a protest form were mailed to all landowners and owners of record of lands within the District whose lands were subject to the Proposed Water Rates and Charges; and

WHEREAS, on March 28, 2023, the District held a public workshop to explain the District's Proposed Water Rates and Charges and the process for submitting a protest, and provided the time, date, and location of the hearing; and

WHEREAS, Article XIII D of the California Constitution and the Proposition 218 Omnibus Implementation Act provide that if written protests against the Proposed Water Rates and Charges are presented by a majority of the owners of identified parcels in the District, the Proposed Water Rates and Charges could not be imposed; and

WHEREAS, on April 18, 2023, the District held a public hearing on the Proposed Water Rates and Charges, and invited verbal or written comments and written protest regarding the Proposed Water Rates and Charges; and

WHEREAS, no verbal objection or protest was offered at the public hearing and the District did not receive a single written protest; and

WHEREAS, at the close of the public hearing, the District staff confirmed that the District had not received any written protest on the Proposed Water Rates and Charges.

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

1. The Board finds that the above Recitals are true and correct.
2. The Board hereby finds that no written or oral protests were received protesting the proposed water rates and charges and that it has the authority under the California Constitution and other law to implement the Proposed Water Rates and Charges.
3. The Board hereby finds that the Proposed Water Rates and Charges are necessary and proper for the District to operate and provide water service to its landowners and water users.
4. The Board hereby resolves to adopt, implement, and levy the Proposed Water Rates and Charges.
5. District staff are hereby directed to take all actions necessary and appropriate to levy the water rates and charges.

PASSED AND ADOPTED this 17<sup>th</sup> day of May, 2023, in a duly noticed and open meeting of the Board of Directors by the following vote, to wit:

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
Aaron Barcellos, President  
Panoche Water District

Attest:

\_\_\_\_\_  
Steve Fausone, Secretary

**CERTIFICATE OF SECRETARY  
OF  
PANOCHÉ 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 17<sup>th</sup> day of May, 2023; 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 17<sup>th</sup> day of May, 2023.

---

STEVE FAUSONE  
Secretary of Panoche Water District

# **PANOCHÉ WATER DISTRICT RESOLUTION NO. 838-23**

## **A RESOLUTION AUTHORIZING EXECUTION A POWER LETTER OF AGREEMENT FOR THE REPLACEMENT OF CVP ELECTRICAL POWER (ENERGY) AND FEES INCURRED FOR CONVEYANCE OF NON-PROJECT WATER PURSUANT TO WARREN ACT, MAKING CERTAIN FINDINGS OF EXEMPTION, AND AUTHORIZING RELATED ACTIONS**

---

WHEREAS, since approximately 1990, the Panoche Water District (the “District”) has suffered chronic shortages in the water supply available from the Central Valley Project (“CVP”) to the District pursuant to its water service contract with the United States.

WHEREAS, the District’s CVP contract supply is a supplemental supply, providing up to 94,000 acre-feet for irrigation at full contract quantity, which is an inadequate supply for many crops.

WHEREAS, that certain Temporary Contract Between the United States and Panoche Water District Providing for Storage and/or Conveyance of Non-Project Water, Contract No. 20-WC-20-5643, of up to 10,000 acre-feet per year from specified identified sources that are made available or acquired by and delivered to the District over a five-year term (the “2018-2023 Warren Act Contract”) was set to expire on February 28, 2023.

WHEREAS, the District has policies in place to discourage the production of drainwater, to manage subsurface drainage, and to promote the efficient use of water to meet crop demand within the District, and use of water transferred into the District will not increase drainage production, degrade existing groundwater, cause the conversion of lands not previously farmed or increase the supply of water utilized within the District above the District’s historic crop demand. Furthermore, Panoche Drainage District has programs in place to monitor groundwater quality and depth to groundwater for its wells that may pump into the DMC under a Warren Act Contract.

WHEREAS, Reclamation’s policy requires the District to reimburse certain costs incurred by Reclamation at the request of the District, such as costs associated with development and administration of Warren Act contracts, and requires an executed letter of agreement for such reimbursement such letter for the 2018-2023 Warren Act Contract having not been executed and delivered.

WHEREAS, the Board of Directors of the District has considered the standard form of Power Letter Agreement historically required by Reclamation (the “PLOA”), the terms of which provide for the District to reimburse Reclamation for costs associated with the analysis, development and administration of Warren Act contract requests made by the District as it relates to 2018-2023 Warren Act Contract.

WHEREAS, the District has reviewed the PLOA and the provisions of CEQA and has considered whether any direct or indirect physical change to the environment will result from entering the PLOA

and has considered whether entering the PLOA may possibly have a significant effect on the environment.

WHEREAS, entry into the PLOA for purposes of providing payment for reimbursement of costs incurred by Reclamation at the request of the District will result in continued operation of existing facilities with no expansion of use.

**NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:**

1. Declaration of Board. The Board of Directors of the Panoche Water District hereby finds and determines the above Recitals are true and correct and are incorporated herein by this reference.

2. CEQA Exemption Findings. Executing the PLOA is statutorily exempt from compliance with CEQA as provided in the California Public Resources Code and implemented through Title 14 of the California Code of Regulations, Sections 15260 through 15285, with particular reference to Section 15261, subdivision (a), because it is merely a continuation of a project approved, funded, and fully operated prior to November 23, 1970, and no modification or alteration in the CVP or the amount of CVP Water delivered is proposed. Execution of the 2018 - 2023 Warren Act Contract is categorically exempt from CEQA as provided in Title 14 of the California Code of Regulations, Section 15300 through 15333, with particular reference to Section 15301, because it provides for the continued operation of existing facilities with no expansion of the District’s current water use or infrastructure. Furthermore, the District finds that executing the PLOA and thereby merely providing a mechanism for Reclamation to be reimbursed for costs associated with the 2018-2023 Warren Act Contract may not possibly have a significant effect on the environment.

3. Power Letter of Agreement for Reimbursement of Costs. The President and Secretary of the District are hereby authorized to execute and deliver the PLOA, subject to such further revisions, omissions and deletions as the President and Secretary may require prior to execution, said execution providing conclusive proof of the approval of said executing officers.

4. Resolution to be Conformed. Should Reclamation require any specific material change in language to the PLOA or additional information to be set forth in this Resolution, such language and information is deemed incorporated here as though fully set forth, with the requirement of amendment or re-adoption of this Resolution.

5. Further Action. The President, Secretary, and General Manager, or any staff member of the District authorized by the General Manager, are hereby authorized to do any and all things and to execute and deliver any and all documents, which they may deem necessary or advisable in order to give effect to and comply with the terms and intent of this Resolution, the PLOA or any successors or amendments thereto. The General Manager is authorized to prepare and file a Notice of Exemption with the Fresno County Clerk consistent with the findings in this Resolution.

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PASSED AND ADOPTED this 17<sup>th</sup> day of May 2023, in a duly noticed and open meeting of the Board of Directors by the following vote, to wit:

Ayes:  
Nays:  
Abstain:  
Absent:

\_\_\_\_\_  
Aaron Barcellos, President

Attest: \_\_\_\_\_  
Steve Fausone, Secretary

**CERTIFICATE OF SECRETARY  
OF  
PANOCHÉ 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 foregoing 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 17<sup>th</sup> day of May 2023; 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 \_\_\_\_\_ day of May 2023.

\_\_\_\_\_  
Steve Fausone, Secretary



# PANOCHÉ WATER DISTRICT

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



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## BOARD MEETING MEMORANDUM

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**TO:** BOARD OF DIRECTORS

**FROM:** LORENA CHAGOYA, ETHICS & COMPLIANCE OFFICER

**SUBJECT:** AGENDA ITEM 15  
SAFETY PROGRAM REVISED POLICIES

**DATE:** MAY 17, 2023

**CC:** CHASE HURLEY, INTERIM GENERAL MANAGER

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**BACKGROUND:** Since June of 2017, the District has been contracting the California Safety Training Corporation (CSTC) to write and maintain our Safety Program. The District pays more than \$15,000.00 annually for a fixed 3-year contract agreement, including additional charges in events that CSTC provides safety trainings. The contract will expire on May 31, 2023 and the District will not be renewing the contract with CSTC.

The District will continue maintaining our Safety Program and improve compliance with laws and regulations. Due to CSTC's copy rights of the current written policies, I have begun to revise the policies within our program.

Please consider the following revised draft policies:

1. Drug and Alcohol Free Workplace Policy
2. Substance Abuse Policy Statement
3. Lock-out, Tag-out Program
4. Respiratory Protection Program

<u><b>Panoche Water District</b></u>	<del><b>Panoche Water District</b></del> <b>Drug and Alcohol Free Workplace Policy</b>	<u><b>Date:</b></u> <u><b>Adopted</b></u> <u><b>5/17/2018</b></u> <u><b>Revised 5/17/2023</b></u>
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Panoche Water District is committed to providing ensuring safe, healthful and efficient working conditions for District employees. The District also has a vital interest in taking steps to reasonably ensure safety in its workplace and safety and quality in its service. The unlawful or improper presence or use of drugs or alcohol in the workplace conflicts with these important interests. For these reasons ~~t~~The District has established a drug and alcohol-free workplace policy.

The District has established the following policy strictly prohibiting the unlawful or improper manufacture, distribution, dispensing, use, possession, sale or attempted sale or purchase of alcohol and/or drugs or controlled substances while on duty, while on District premises, while operating vehicles on District business, and while on controlled or uncontrolled standby status for the District. The objective of this policy is to keep the work environment drug and alcohol-free. Violation of any provision of this policy may result in disciplinary action, up to and including termination of employment. There are two components to this policy. The first explains prohibited conduct. The second explains methods of detecting inappropriate drug or alcohol use.

**PROHIBITED CONDUCT**

The District absolutely prohibits any use, sale, manufacture, distribution, dispensing, purchase, transfer or possession of any illegal or non-prescribed drug by its employees while on duty, while on District premises, while operating vehicles on District business, and while on controlled or uncontrolled standby status for the District. The term “illegal drug” includes marijuana, even if medically prescribed. In addition, the District strictly prohibits employees from being under the influence of alcohol and/or any drug while on duty or performing District business. Legally prescribed medications, other than marijuana, are excluded from this rule and permitted only to the extent that the use of such medications does not adversely affect the employee’s work ability, job performance, ability to drive safely, or the safety of the employee, co-workers, or members of the public. The use of marijuana while on duty or on District premises is prohibited, even if prescribed.

Employees who perform safety-sensitive functions on the job are prohibited from working within four hours after using alcohol, drugs, illegal drugs, and/or controlled substances, even if such use did not occur while on duty or stand by status. [Refer to the District’s Substance Abuse Policy Statement.](#)

Employees are prohibited from reporting to work when they are unable to safely perform their job due to the use of any drug(s), including legally prescribed medications. Any employee who is using prescription or over-the-counter drugs that may impair the employee’s ability to safely perform the job, or affect the safety or wellbeing of others, must notify a supervisor, the ~~Office Manager~~[Ethics and Compliance Officer \(ECO\)](#) or the General Manager of such use immediately before starting or resuming work. In reporting such medication use, the employee is

not required to identify the medication or specify the reasons why the employee is taking the medication.

The District may, in its sole discretion, determine that an employee's use of a legally prescribed drug poses a threat to the employee's own safety, the safety of the public or the safety of co-workers, or impairs the employee's job performance. In that event, the employee may be required to take a leave of absence or comply with other appropriate action determined by the District. The employee may be required to provide information from the employee's prescribing physician concerning the effect of the prescribed drug, and any limitations the drug causes relative to the employee's job performance.

Every employee's employment or continued employment with the District is conditioned upon the employee's full compliance with this drug and alcohol-free workplace policy. Any violation may result in disciplinary action up to and including discharge.

### **ENFORCEMENT OF POLICY**

The District reserves the right to take all appropriate and lawful actions where there is reasonable cause to believe an employee has violated this policy. When an employee's behavior raises any question about the employee's physical condition or ability to perform the employee's job, or poses a risk or potential risk to the public and/or other employees, the employee in question shall be suspended pending an investigation.

The District may require urinalysis or other drug/alcohol screening in the following situations:

1. Post offer pre-employment drug and alcohol testing. All applicants for employment at the District including safety-sensitive classifications to whom an offer of employment has been made will be subject to pre-employment testing for drugs, including marijuana. The offer of employment is conditioned on a negative drug test result. A refusal to test, invalid test, or diluted sample will be treated as a positive test result and may disqualify the applicant from further consideration for employment. Pre-Employment testing requirements will be conducted in compliance with current law.

2. Reasonable suspicion testing. Employees in safety sensitive jobs, including but not limited to employees with driving responsibilities and those who operate machinery, may be subject to reasonable suspicion testing procedures designed to detect the presence of drugs, including marijuana and other controlled substances, and alcohol. Reasonable suspicion testing may be required when the District determines, at its sole discretion, that the employee is acting in a manner that suggests the employee possesses, controls, or is under the influence of a drug and/or alcohol; or is suspected as being involved in the use, possession, dispensing, transfer, distribution, manufacture, and/or sale of drugs or alcohol in District-controlled areas, on District property, while on duty or on standby status, or while performing District business.

The District's determination that reasonable suspicion exists to require the employee to undergo a drug and alcohol detection test will be based on objective factors. An employee may

be directed by the District to undergo reasonable suspicion testing while the employee is performing job functions, just before the employee is to perform job functions, or just after the employee has ceased performing such functions.

3. Post-accident testing. An employee directly or indirectly involved in a work-related accident or any violation of safety precautions or standards, whether or not an injury resulted from such accident or violation, may be required to undergo drug and alcohol testing procedures if the employee is reasonably suspected to have been impaired by drugs and/or alcohol when the accident or violation occurred, and that such impairment likely contributed to the incident.

If an applicant or employee refuses to cooperate with the administration of any drug, alcohol, or controlled substance test, the refusal will be handled in the same manner as a positive test result. An invalid test or a diluted sample will be treated as a positive test result. The applicant or employee will be subject to withdrawal of offer of employment and/or immediate termination of employment as set forth in this policy.

Inspection and Searches. Panoche Water District reserves the right (without employee consent) to inspect and/or search all property on Panoche Water District premises for alcohol, and controlled or illegal drugs and substances, including marijuana. Refusal to submit to any such inspection or refusal to cooperate in any investigation will subject the employee to disciplinary action up to and including immediate suspension or termination of employment.

Report of Drug Convictions. In accordance with Department of Interior regulations, as a condition of employment on any project the District is engaged in with the Bureau of Reclamation, employees are required to report to the General Manager any conviction of a criminal drug statute occurring in the workplace. Such report must be made within five calendar days after the conviction.

## **CONFIDENTIALITY**

Every effort will be made to ensure that all information and records regarding drug and alcohol testing will be kept confidential and only be distributed to District officials on a need-to-know basis. The information and records will be placed in a medical folder and not in the employee's personnel file. The records shall be maintained in a secure location with controlled access.

Disclosures made by employees to the District concerning their use of legal drugs will be treated confidentially and will not be revealed to managers or supervisors unless there is an important work-related reason to do so in order to determine whether it is advisable for the employee to continue working. Disclosures made by employees to the District concerning their participation in any drug or alcohol rehabilitation program will be treated confidentially.

Treatment and/or counseling for substance abuse may be provided in accordance with the District's medical benefits plans. Additionally, the District may grant a leave of absence for an employee to seek treatment to the extent these measures do not impose an undue burden upon the

District or co-workers. Before returning to work, the employee must present a doctor's certificate certifying that the employee can meet the safety and performance standards of the District.

Any questions about this policy should be directed to ~~Human Resources~~the ECO or the General Manager.

DRAFT

## Employee Acknowledgement and Agreement

This will acknowledge that I have received a copy of the **Panoche Water District Alcohol and Drug Free Workplace Policy** ~~dated May 2018~~, and that I understand and agree to comply with the requirements of that policy at all times. I also understand that I am required to notify the ~~District's Ethics & Compliance Officer~~ **General Manager** if I am convicted for a violation of a criminal drug statute occurring in the workplace and I agree to do so no more than five calendar days after the conviction.

\_\_\_\_\_  
Employee's Printed Name

\_\_\_\_\_  
Position

\_\_\_\_\_  
Employee's Signature

\_\_\_\_\_  
Date

DRAFT

<b>Panoche Water District</b>	<b>Substance Abuse Policy Statement</b>	<b>Date: 5/17/2023</b>
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As with any Panoche Water District policy, the District reserves the right to amend this policy from time to time in order to comply with changes, amendments or interpretations of Federal Regulations.

The purpose of this policy is to assure worker fitness for duty and to protect our safety-sensitive employees and the public from risks posed by the use of alcohol and controlled substances. This policy is also intended to comply with all applicable Federal regulations governing workplace anti-drug programs in the transportation industry. The Federal Motor Carrier Safety Administration (FMCSA) of the Department of Transportation has enacted 49 CFR Part 382 that mandate urine drug testing and breathalyzer alcohol testing for safety-sensitive positions and prevents performance of safety-sensitive functions when there is a positive test result. The Department of Transportation has also enacted 49 CFR Part 40 that sets standards for the collection and testing of urine and breath specimens. In addition, the Department of Transportation has enacted 49 CFR Part 29, "The Drug-Free Workplace Act of 1988," which requires the establishment of drug free workplace policies and the reporting of certain drug-related offenses to the Department of Transportation. The policy incorporates those requirements of safety sensitive employees and others when so noted.

Panoche Water District recognizes that the use of alcohol and/or controlled substances in the workplace is not conducive to safe working conditions. In order to promote a safe, healthy and productive work environment for all employees, it is the objective of the District to have a work force that is free from the influence of alcohol and controlled substances.

**A. APPLICABILITY**

This policy applies to all safety-sensitive employees and contractors when they are on District property or when performing any District related business. It applies to off-site lunch periods and breaks when a safety-sensitive employee is scheduled to return to work. Visitors, vendors, and contracted employees are governed by this policy while on District premises, and they will not be permitted to conduct business if found to be in violation of this policy.

A listing of Panoche Water District employee function and/or position classifications can be found in Appendix 'A' of this policy statement. A safety-sensitive employee is considered to be performing a safety-sensitive function during any period in which that employee is actually performing, ready to perform, or immediately available to perform any safety-sensitive functions.

**B. PROHIBITED SUBSTANCES**

"Prohibited substances" addressed by this policy include the following:



- **Drugs:** Amphetamines, Cocaine, Marijuana, Opiates and Phencyclidine (PCP).
- **Alcohol:** The use of beverages or substances, including any medication, containing alcohol such that it is present in the body at a level in excess of that stated in Department of Transportation guidelines while actually performing, ready to perform, or immediately available to perform any District business is prohibited. "Alcohol" is defined as: the intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohol, including methyl or isopropyl alcohol.

## **C. PROHIBITED CONDUCT**

### **Manufacture, Trafficking, Possession, and Use**

Any safety-sensitive employee engaging in the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance or alcohol on District premises, in District vehicles or while conducting District business off the premises is absolutely prohibited. Violation will result in removal from safety-sensitive duty and referral to a Substance Abuse Professional (SAP).

### **Impaired/Not Fit for Duty**

Any safety-sensitive employee who is reasonably suspected of being impaired, under the influence of a prohibited substance, or not fit for duty shall be removed from safety-sensitive job duties and be required to undergo a reasonable suspicion controlled substance or alcohol test. Employees failing to pass this reasonable suspicion controlled substance or alcohol test shall remain off duty and be referred to a Substance Abuse Professional (SAP). A controlled substance or alcohol test is considered positive (failed) if the individual is found to have a quantifiable presence of a prohibited substance in the body above the minimum thresholds defined in the Department of Transportation guidelines.

### **Alcohol Use**

No safety-sensitive employee may report for duty or remain on duty when his/her ability to perform assigned functions is adversely affected by alcohol or when his/her breath alcohol concentration is 0.04 or greater. No safety-sensitive employee shall use alcohol while on duty or while performing safety-sensitive functions. No safety-sensitive employee shall use alcohol within four hours of reporting for duty nor during hours that he/she is on call. Violation of this provision is prohibited and will subject the employee to removal from safety-sensitive duty and referral to a Substance Abuse Professional (SAP).

### **Compliance with Testing Requirements**

All safety-sensitive employees are subject to controlled substance testing and breath alcohol testing. Any safety-sensitive employee who refuses to comply with a request for testing, who provides false information in connection with a test or who attempts to falsify test results through tampering, contamination, adulteration, or substitution shall be removed from duty immediately and be referred to a Substance Abuse Professional (SAP). Refusal to submit to a test can include an inability to provide a urine specimen or breath sample without a valid medical explanation, as



well as a verbal declaration, obstructive behavior or physical absence resulting in the inability to conduct the test.

### **Treatment/Rehabilitation Program**

An employee with a controlled substance and/or alcohol problem will be afforded an opportunity for treatment in accordance with the following provisions:

#### **Positive Controlled Substance and/or Alcohol Test:**

A Rehabilitation Program is available for safety-sensitive employees who have tested positive for a prohibited substance on a one time basis only. Employee will be immediately terminated on the occurrence of a second verified positive test result. Program costs and subsequent controlled substance and/or alcohol testing costs will be paid by the safety sensitive employee. When recommended by the Substance Abuse Professional (SAP), participation and completion of the rehabilitation program is mandatory. Failure of a safety sensitive employee to attend and/or complete a prescribed program will result in termination from employment. Prior to return-to-duty testing, an employee must follow the rehabilitation program recommended by the SAP and agree to and sign a Return-To-Duty Agreement. The duration and frequency of follow-up testing will be determined by the SAP but will not be shorter than one year or longer than five years.

#### **Voluntary Admittance:**

All employees who feel they have a problem with controlled substances and/or alcohol may request voluntary admission to a rehabilitation program. Requests must be submitted to an Administrator or his/her designee for review. Program costs and subsequent controlled substance and/or alcohol testing costs will be paid by the safety sensitive employee. An employee failing to complete the program will be subject to termination from employment. An employee completing a rehabilitation program must agree to and sign a Return-To-Duty Agreement, pass a return-to-duty controlled substance and/or alcohol test and be subject to unannounced follow-up testing for 36 months following return to duty. A positive result on the return-to-duty test or on the unannounced follow-up tests within a 36 month period will result in termination from employment.

Participants in the rehabilitation program may use accumulated sick leave, vacation and floating holidays, if any.

### **D. NOTIFYING THE DISTRICT OF CRIMINAL DRUG CONVICTION**

Pursuant to the "Drug Free Workplace Act of 1988" any employee who fails to immediately notify the District of any criminal controlled substance statute conviction shall be subject to disciplinary action, up to and including termination of employment.

## **E. PROPER APPLICATION OF THE POLICY**

The District is dedicated to assuring fair and equitable application of this Substance Abuse Policy. Therefore, supervisors are required to administer all aspects of the policy in an unbiased and impartial manner. Any supervisor who knowingly disregards the requirements of

this policy, or who is found to deliberately misuse the policy with respect to his/her subordinates shall be subject to disciplinary action, up to and including termination.

## **F. TESTING FOR PROHIBITED SUBSTANCES**

Analytical urine controlled substance testing and breath testing for alcohol will be conducted as required under Department of Transportation guidelines. All safety-sensitive employees shall be subject to testing prior to employment, randomly, for reasonable suspicion, and following an accident, as defined in the Department of Transportation guidelines. In addition, all safety sensitive employees will be tested prior to returning to duty after failing a controlled substance and/or alcohol test. Employees who have returned to duty will be subject to unannounced follow-up tests for up to five years, as determined by a Substance Abuse Professional (SAP). Safety-sensitive employees who perform safety-sensitive functions as defined in the

Department of Transportation guidelines shall also be subject to testing on randomly selected, unannounced basis.

Testing shall be conducted in a manner to assure a high degree of accuracy and reliability and using techniques, equipment, and laboratory facilities which have been approved by the Department of Health and Human Services (DHHS). All testing will be conducted consistent with the procedures put forth in the Department of Transportation guidelines.

The controlled substances that will be tested for include amphetamines, cocaine, marijuana, opiates and phencyclidine (PCP). An initial controlled substance screen will be conducted on each specimen. For those specimens that are positive, a confirmatory Gas

Chromatography/Mass Spectrometry (GC/MS) test will be performed. The test will be considered positive if the controlled substance levels present are above the minimum thresholds established in the Department of Transportation guidelines.

Tests for alcohol concentration will be conducted utilizing an approved Evidential Breath Testing device (EBT) operated by a trained Breath Alcohol Technician (BAT). If the initial test indicated an alcohol concentration of 0.02 or greater, a confirmation test will be performed to confirm the result of the initial test. An employee who has a confirmed alcohol concentration of 0.02 but less than 0.04 will be removed from his/her position for at least twenty-four hours unless a retest results in an alcohol concentration less than 0.02. An alcohol concentration of 0.04 or greater will be considered a positive alcohol test and in violation of Department of Transportation guidelines and this policy.

Any safety-sensitive employee who has a confirmed positive controlled substance or alcohol test will be removed from his/her position, informed of educational and rehabilitation program available, and evaluated by a Substance Abuse Professional (SAP).

The District affirms the need to protect individual dignity, privacy and confidentiality throughout the testing process.

**Employees in Safety-sensitive positions may be tested under any of the following circumstances:**

**Pre-Employment Testing**

All applicants for safety-sensitive classifications shall undergo urine controlled substance testing prior to employment. Receipt of a satisfactory test result is required prior to employment and failure of a controlled substance test will disqualify the applicant from further consideration for employment. Pre-Employment testing requirements will be conducted in compliance with current law.

**Reasonable Suspicion Testing**

All safety-sensitive employees will be subject to urine and /or other drug/alcohol screening when there is a reasons to believe that controlled substances or alcohol use is adversely affecting job performance. Reasonable suspicion testing may be required when the District determines, at its sole discretion, that the employee is acting in a manner that suggests the employee possesses, controls, or is under the influence of a drug and/or alcohol; or is suspected as being involved in the use, possession, dispensing, transfer, distribution, manufacture, and/or sale of drugs or alcohol in District-controlled areas, on District property, while on duty or on standby status, or while performing District business.

The District's determination that reasonable suspicion exists to require the employee to undergo a drug and alcohol detection test will be based on objective factors. An employee may be directed by the District to undergo reasonable suspicion testing while the employee is performing job functions, just before the employee is to perform job functions, or just after the employee has ceased performing such functions.

**Post-Accident Testing**

All safety-sensitive employees will be required to undergo controlled substance and/or other drug/alcohol screening whether an employee directly or indirectly has been involved in a work-related accident or any violation of safety precautions or standards, whether or not an injury resulted from such accident, violation, and or in a fatality. This includes all safety-sensitive employees who are on duty in the vehicles and any other whose performance could have contributed to the accident. In addition, a post-accident test will be conducted if the safety-sensitive employee receives a citation within eight (8) hours of the occurrence under State or local law for a moving traffic violation arising from the accident, if the accident involved bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or if one or

more motor vehicles incurring disabling damage as a result of the accident, requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.

Following an accident, the safety-sensitive employee will be tested as soon as possible, but not to exceed eight (8) hours for alcohol and 32 hours for controlled substances. If an alcohol test is not administered within two hours following the accident, the District shall prepare and maintain a record stating the reasons the test was not promptly administered. Further, if an alcohol test is not administered within eight (8) hours or a controlled substance test is not administered within 32 hours following the accident, the District shall cease attempts to administer testing and shall prepare and maintain a written record. Any safety-sensitive employee who leaves the scene of an accident without appropriate authorization prior to submission to controlled substance and/or breath alcohol testing will be considered to have refused the test and subject to termination. That being said, the testing requirement should not be construed to require the delay of necessary medical attention for injured people following an accident or to prohibit a safety-sensitive employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident, or to obtain necessary emergency medical care. Furthermore, the results of a breath alcohol, a blood alcohol or a urine controlled substance test conducted by Federal, State, or local officials having independent authority for the test, shall be considered valid, provided those tests conform to the applicable Federal, State or local testing requirements, and that the results of the tests are obtained by the District.

### **Random Testing**

Employees working in safety-sensitive classifications will be subjected to randomly selected, unannounced testing. The random selection will be by a scientifically valid method. Each safety-sensitive employee will have an equal chance of being tested each time selections are made. Safety-sensitive employees will be tested either just before departure, or during duty, or just after the safety-sensitive employee has ceased performing his/her duty.

### **Return-to-Duty Testing**

All safety-sensitive employees who previously tested positive on a controlled substance or alcohol test must test negative and be evaluated and released to duty by the Substance Abuse Professional (SAP) before returning to duty. Employees will be required to undergo unannounced follow-up controlled substance and/or alcohol breath testing following returning to duty. The duration and frequency will be determined by the SAP. However, it shall not be less than 6 tests during the first 12 months, nor longer than 60 months in total, following return to duty.

### **Employee Requested Testing**

Any safety-sensitive employee who questions the result of a required controlled substance test under Department of Transportation guidelines may request that an additional test be conducted. This additional test may be conducted at the same laboratory or at a different DHHS certified laboratory. The test must be conducted on the split sample that was provided at the same time as the original sample. All costs for such testing are to be paid by the employee unless the second

test invalidated the original test. The method of collecting, storing, and testing the split sample will be consistent with the procedures set forth in the Department of Transportation guidelines. The safety-sensitive employee's request for a retest must be made to the MRO within 72 hours of notice of the initial test result. Requests after 72 hours will only be accepted if the delay was due to documentable facts that were beyond the control of the employee.

## **G. EMPLOYEE ASSESSMENT**

Any safety-sensitive employee who tests positive for the presence of controlled substances or whose breath alcohol concentration is above the minimum thresholds set forth in the Department of Transportation guidelines will be assessed by a Substance Abuse Professional (SAP). A SAP is a licensed physician, psychologist, social worker, employee assistance professional, or addiction counselor with knowledge of and clinically experienced in the diagnosis and treatment of alcohol related disorders. The SAP will evaluate each employee to determine what assistance, if any, the employee needs in resolving problems associated with prohibited substance abuse or misuse.

If a safety-sensitive employee is returned to duty following rehabilitation, he/she must agree to and sign a Return-To-Duty Agreement, pass a return-to-duty controlled substance and/or alcohol test and be subject to unannounced follow-up tests for a period of one to five years, as determined by the SAP. The cost of any rehabilitation and subsequent controlled substance and/or alcohol testing is borne by the safety-sensitive employee and is on a one time basis only. Employee will be immediately terminated on the occurrence of a second verified positive test result. Employees may use accumulated sick leave, vacation and floating holidays, if any, to participate in the prescribed rehabilitation program.

## **H. CONTACT PERSON**

**Any questions regarding this policy should contact the following District DER:**

Ethics and Compliance Officer or Designee

Address: 52027 West Althea Avenue, Firebaugh, California 93622

Telephone: (209) 364-6136

## **I. DEFINITIONS**

**ACCIDENT** - means an unintended happening or mishap where there is loss of human life (regardless of fault), bodily injury or significant property damage.

**ADULTERATED SPECIMEN** - means a specimen that has been altered, as evidenced by test results showing either a substance that is not a normal constituent for that type of specimen or showing an abnormal concentration of an endogenous substance.

**ALCOHOL** - means the intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohol including methyl or isopropyl alcohol.

**ALCOHOL CONCENTRATION** - means the alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by an evidential breath test under this regulation. For example, 0.02 means 0.02 grams of alcohol in 210 liters of expired deep lung air.

**ALCOHOL USE** - means consumption of any beverage, mixture, or preparation, including any medication containing ethyl alcohol. Since ingestion of a given amount of alcohol produces the same alcohol concentration in an individual whether the alcohol comes from a mixed drink or cough syrup, the Department of Transportation prohibits the use of any substance containing alcohol, such as prescription or over-the-counter medication or liquor-filled chocolates. Prescription medications containing alcohol may have a greater impairing affect due to the presence of other elements (e.g., antihistamines).

**BREATH ALCOHOL TECHNICIAN (BAT)** - means a person trained to proficiency in the operation of the Evidential Breath Testing (EBT) device that the technician is using in the alcohol testing procedures. BATs are the only qualified personnel to administer the EBT tests.

**CHAIN OF CUSTODY** - means the procedures to account for the integrity of each urine specimen by tracking its handling and storage from point of collection to final disposition.

**COLLECTION SITE** - means a place designated by the District where individuals present themselves for the purpose of providing a specimen of either urine and/or breath.

**COMMERCIAL MOTOR VEHICLE** - means a motor vehicle, or combination of motor vehicles used in commerce to transport passengers or property if the motor vehicle: (1) has a gross combination weight rating of 26,001 or more pounds inclusive of a towed unit with a gross vehicle weight rating of more than 10,000 pounds; or (2) has a gross vehicle weight rating of 26,001 or more pounds; or (3) is designed to transport 16 or more passengers, including the driver; or (4) is of any size and is used in the transportation of materials found to be hazardous for the purposes of the Hazardous Materials Transportation Act and which require the motor vehicle to be placarded under the Hazardous Materials Regulations.

**DISTRICT** - means Panoche Water District

**DISTRICT TIME** - means any period of time in which the safety-sensitive employee is actually performing, ready to perform, or immediately available to perform any safety-sensitive functions.

**CONFIRMATION TEST** - for alcohol testing means a second test, following a screening test with a result of 0.02 or greater, that provides quantitative data of alcohol concentration. For controlled substances testing this means a second analytical procedure to identify the presence of a specific drug or metabolite which is independent of the screen test and which uses a different technique and chemical principle from that of the screen test in order to ensure reliability and



accuracy. (Gas chromatography/mass spectrometry (CG/MS) is the only authorized confirmation method of cocaine, marijuana, opiates, amphetamines, and phencyclidine.)

**CONTROLLED SUBSTANCE (DRUG) TEST** - A method of detecting and measuring the presence of alcohol and other controlled substances, whether legal or illegal, in a person's body. A controlled substance test may be either an initial test or confirmation test. An initial controlled substance test is designed to identify specimens having concentrations of a particular class of drug above a specified concentration level. It eliminates negative specimens from further consideration.

Controlled substances will be tested under the Department of Health and Human Services guidelines. The primary (initial or screening) controlled substance test thresholds for a verified positive test result are those that are equal to or greater than:

Amphetamines	
Amphetamine/Methamphetamine	500 ng/mL
MDMA (4) / MDA (5)	500 ng/mL
Cocaine Metabolites (Benzoylecgonine)	150 ng/mL (3)
Marijuana Metabolites (THCA) (2)	50 ng/mL (3)
Opiate Metabolites	
Codeine/Morphine	2000 ng/mL
6-Acetylmorphine	10 ng/mL
Hydrocodone/Hydromorphone	300 ng/mL
Oxycodone/Oxymorphone	100 ng/mL
Phencyclidine (PCP)	25 ng/mL

A confirmation drug testing is a second analytical procedure to detect the presence of a specific drug or its metabolite. The confirmation procedure is conducted independent of the initial test and uses a different technique and chemical principle in order to confirm reliability and accuracy. The confirmatory controlled substance test thresholds for a verified positive test result are those that are equal to or greater than:

Amphetamines	
Amphetamine/Methamphetamine	250 ng/mL
MDMA (4) / MDA (5)	250 ng/mL
Cocaine Metabolites (Benzoylecgonine)	100 ng/mL (3)
Marijuana Metabolites (THCA) (2)	15 ng/mL (3)
Opiate Metabolites	
Codeine/Morphine	2000 ng/mL
6-Acetylmorphine	10 ng/mL
Hydrocodone/Hydromorphone	100 ng/mL
Oxycodone/Oxymorphone	100 ng/mL
Phencyclidine (PCP)	25 ng/mL

(1) For grouped analytes (i.e., two or more analytes that are in the same drug class and have the same initial test cutoff):

- A. Immunoassay: The test must be calibrated with one analyte from the group identified as the target analyte. The cross-reactivity of the immunoassay to the other analyte(s) within the group must be 80 percent or greater; if not, separate immunoassays must be used for the analytes within the group.
  - B. Alternate technology: Either one analyte or all analytes from the group must be used for calibration, depending on the technology. At least one analyte within the group must have a concentration equal to or greater than the initial test cutoff or, alternatively, the sum of the analytes present (i.e., equal to or greater than the laboratory's validated limit of quantification) must be equal to or greater than the initial test cutoff.
- (2) An immunoassay must be calibrated with the target analyte,  $\Delta$  -9-tetrahydrocannabinol-9-carboxylic acid (THCA).
  - (3) Alternate technology (THCA and Benzoylecgonine): When using an alternate technology initial test for the specific target analytes of THCA and Benzoylecgonine, the laboratory must use the same cutoff for the initial and confirmatory tests (i.e., 15 ng/mL for THCA and 100ng/mL for Benzoylecgonine).
  - (4) Methylenedioxyamphetamine (MDMA).
  - (5) Methylenedioxyamphetamine (MDA).

**COVERED EMPLOYEE** - means a person including a volunteer, applicant, or transferee, who performs a safety-sensitive function for the District.

**DEPARTMENT OF TRANSPORTATION GUIDELINES** - means the controlled substance and alcohol testing rules (49 CFR Part 199 (PHMSA - Pipeline), Part 219 (FRA - Railroad), Part 382 (FMCSA - Commercial Motor Vehicle), 654 (FTA - Mass Transit) and 14 CFR 61 (FAA - Aviation) et. al.) setting forth the procedures for controlled substance and alcohol testing (49 CFR Part 40) in all the transportation industries.

**DESIGNATED EMPLOYER REPRESENTATIVE (DER)** - means an employee authorized by the employer to take immediate action to remove employees from safety-sensitive duties and to make required decisions in testing. The DER also receives test results and other communications for the employer, consistent with Department of Transportation Guidelines.

**DILUTE SPECIMEN** - means a specimen with creatinine and specific gravity values that are lower than expected for human urine.

**DRIVER** - means any person who operates a commercial motor vehicle. This includes full time, regularly employed drivers; casual, intermittent or occasional drivers; leased drivers and independent, owner-operator contractors who are either directly employed by or under lease to an employer or who operate a commercial motor vehicle at the direction of or with the consent of an employer. For the purposes of pre-employment/pre-duty testing only, the term driver includes a person applying to an employer to drive a commercial motor vehicle.



**DRUG (CONTROLLED SUBSTANCE) METABOLITE** - means the specific substance produced when the human body metabolizes (changes) a given drug (controlled substance) as it passes through the body and is excreted in urine.

**EVIDENTIAL BREATH TESTING DEVICE (EBT)** - means the device to be used for breath alcohol testing.

**HHS** - means the United States Department of Health and Human Services.

**INITIAL SPECIMEN VALIDITY TEST** - means the first test used to determine if a urine specimen is adulterated, diluted, substituted, or invalid.

**INVALID DRUG TEST** - means the results reported by an HHS-certified laboratory in accordance with the criteria established by HHS Mandatory Guidelines when a positive, negative, adulterated, or substituted result cannot be established for a specific drug or specimen validity test.

**LABORATORY** - means any United States laboratory certified by HHS under the National Laboratory Certification Program as meeting the minimum standards of HHS Mandatory Guidelines for Federal Workplace Drug Testing Programs; or, in the case of foreign laboratories, a laboratory approved for participation by DOT under 49 CFR Part 40.

**LIMIT OF DETECTION (LOD)** - means the lowest concentration at which a measurand can be identified, but (for quantitative assays) the concentration cannot be accurately calculated.

**LIMIT OF QUANTITATION** - for quantitative assays, means the lowest concentration at which the identity and concentration of the measurand can be accurately established.

**MEDICAL REVIEW OFFICER (MRO)** - means a licensed physician responsible for analyzing laboratory results generated by an employer's controlled substance (drug) testing program. The MRO is knowledgeable about substance abuse disorders and has appropriate medical training to interpret and evaluate positive test results.

**NEGATIVE DILUTE TEST RESULTS** - means drug test results that are negative for the five drug/drug metabolites but has a specific gravity value lower than expected for human urine.

**NEGATIVE TEST RESULTS** - means for: (1) a drug test the result reported by an HHS certified laboratory to an MRO when a specimen contains no drug or the concentration of the drug is less than the cutoff concentration level for the drug or drug class and the specimen is a valid specimen; and (2) an alcohol test with an alcohol concentration of less than 0.02 BAC.

**NON-NEGATIVE TEST RESULTS** - means a test result found to be adulterated, substitute, invalid, or positive for drug/drug metabolites.

**PERFORMING (SAFETY SENSITIVE FUNCTION)** - means a safety-sensitive employee is considered to be performing a safety sensitive function and includes any period in which the safety-sensitive employee is actually performing, ready to perform, or immediately available to perform such functions.

**POSITIVE TEST RESULTS** - means for: (1) for a drug test means the result reported by an HHS-certified laboratory when a specimen contains a drug or drug metabolite equal to or greater than the cutoff concentrations; and (2) an alcohol test with a confirmed alcohol concentration of 0.04 BAC or greater.

**POST-ACCIDENT ALCOHOL AND/OR CONTROLLED SUBSTANCE TESTING** - conducted after accidents on employees whose performance could have contributed to the accident. For drivers this is determined by a citation for a moving traffic violation and for all fatal accidents even if the driver is not cited for a moving traffic violation. See Accident.

**PRE-EMPLOYMENT CONTROLLED SUBSTANCE TESTING** - conducted before applicants are hired or after an offer to hire, but before actually performing safety-sensitive functions for the first time. Also required when employees transfer to a safety sensitive position.

**PROHIBITED DRUGS (CONTROLLED SUBSTANCES)** - means Amphetamines, Cocaine, Marijuana, Opiates or Phencyclidine.

**PROHIBITED SUBSTANCES** - means and is synonymous to drug abuse and/or alcohol misuse or abuse.

**RANDOM ALCOHOL AND/OR CONTROLLED SUBSTANCE TESTING** - conducted on a random unannounced basis just before, during or just after performance of safety sensitive functions.

**REASONABLE SUSPICION ALCOHOL AND/OR CONTROLLED SUBSTANCE TESTING** - conducted when a trained supervisor observes behavior or appearance that is characteristic of alcohol misuse or controlled substance abuse.

**RECONFIRMED** - means the result reported for a split specimen when the second laboratory is able to corroborate the original result reported for the primary specimen.

**REFUSE TO SUBMIT (TO AN ALCOHOL AND/OR CONTROLLED SUBSTANCE TEST)** - The following are considered a refusal to test if the employee: (a) Fails to appear for any test (excluding pre-employment) within a reasonable time, as determined by the employer, after being directed to do so by the employer; or (b) Fails to remain at the testing site until the testing process is complete; or (c) Fails to provide a urine or breath specimen for any drug or alcohol test required by Part 40 or DOT agency regulations; or (d) In the case of a directly observed or monitored collection in a drug test, fails to permit the observation or monitoring of your provision of a specimen; or (e) Fails to provide a sufficient amount of urine or breath when directed, and it has been determined, through a required medical evaluation, that there was no adequate medical explanation for the failure; or (f) Fails or declines to take a second test the

employer or collector has directed you to take; or (g) Fails to undergo a medical examination or evaluation, as directed by the MRO as part of the verification process, or as directed by the DER as part of the 'shy bladder' or 'shy lung' procedures; or (h) Fails to cooperate with any part of the testing process (e.g., refuse to empty pockets when so directed by the collector, behave in a confrontational way that disrupts the collection process); or (i) If the MRO reports that there is verified adulterated or substituted test result; or (j) Failure or refusal to sign Step 2 of the alcohol testing form.

**REHABILITATION** - The total process of restoring an employee to satisfactory work performance through constructive confrontation, referral to the SAP and participation in SAP recommendations such as education, treatment and/or support groups to resolve personal, physical or emotional/mental problems which contributed to job problems.

**REJECTED FOR TESTING** - means the result reported by an HHS-certified laboratory when no tests are performed for a specimen because of a fatal flaw or a correctable flaw that is not corrected.

**RETURN-TO-DUTY AND FOLLOW-UP ALCOHOL AND/OR CONTROLLED SUBSTANCE TESTING** - conducted when an individual who has violated the prohibited alcohol or controlled substance conduct standards returns to performing safety sensitive-duties. Follow-up tests are unannounced and at least 6 tests must be conducted in the first 12 months after an employee returns to duty. Follow-up testing may be extended for up to 60 months following return to duty upon the SAP recommendation.

**RETURN-TO-DUTY AGREEMENT** - means a document agreed to and signed by the employer, safety-sensitive employee and the Substance Abuse Professional that outlines the terms and conditions under which the safety-sensitive employee may return to duty after having had a verified positive controlled substance test result or an alcohol concentration of 0.04 or greater on an alcohol test.

**SAFETY-SENSITIVE EMPLOYEE (FUNCTION AND/OR POSITION)** - An employee is considered to be performing a safety-sensitive function during any period in which that employee is actually performing, ready to perform, or immediately available to perform any safety-sensitive functions.

**SCREENING (INITIAL) TEST** - In alcohol testing, it means an analytical procedure to determine whether a safety-sensitive employee may have a prohibited concentration of alcohol in their system. In controlled substance testing, it means an immunoassay screen to eliminate negative urine specimens from further consideration.

**SPLIT SPECIMEN COLLECTION** - means a collection in which the urine collected is divided into two separate specimen bottles, the primary specimen (Bottle A) and the split specimen (Bottle B).

**SUBSTANCE ABUSE PROFESSIONAL (SAP)** - means a licensed physician (Medical Doctor or Doctor of Osteopathy), or a licensed or certified psychologist, social worker (with knowledge

of and clinical experience in the diagnosis and treatment of drug and alcohol- related disorders, the license alone does not authorize this), Certified Employee Assistance Professional (CEAP), or addiction counselor certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission (NAADAC) with knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substances-related disorders.

**SUBSTITUTED SPECIMEN** - means a specimen with creatinine and specific gravity values that are so diminished that they are not consistent with normal human urine.

**SUPERVISOR** - means a person in authority who has had one hour of training on the signs and symptoms of alcohol abuse and an additional hour of training on the signs and symptoms of controlled substance abuse.

**VEHICLE** - means a bus, electric bus, van, automobile, rail car, trolley car, trolley bus, or vessel used for mass transportation

**VERIFIED NEGATIVE DRUG TEST** - means a drug test result reviewed by a Medical Review Officer and determined to have no evidence of prohibited drug use above the minimum cutoff levels established by Department of Transportation Guidelines.

**VERIFIED POSITIVE DRUG TEST** - means a drug test result reviewed by a Medical Review Officer and determined to have evidence of prohibited drug use above the minimum cutoff levels established by Department of Transportation Guidelines.

#### **J. CLEARINGHOUSE [FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION REGULATED EMPLOYEES ONLY]**

The Clearinghouse is a repository of the records of Federal Motor Carriers Safety Administration (FMCSA) safety-sensitive employee's alcohol, drug and regulatory violations.

The Clearinghouse will be queried upon an applicant's hire and when an employee is being promoted to safety-sensitive duty. If a violation is detected, the record would verify if the Substance Abuse Professional (SAP) Process has been completed. Additionally, all safety sensitive employees will be queried annually to determine if there had been any violations at any other employers during that 12-month period.

#### **Queries are of two types:**

(1) Limited Query – a search of the Clearinghouse used to determine if a record of violation exists; and

(2) Full Query – a search of the Clearinghouse that reveals the actual violation indicated in the Limited Query and its status with regards to completion. A full query must be performed within 24 hours of the limited query; with the results only being released upon the execution of a Specific Electronic Consent Form.

**Panoche Water District must report the following information to the Clearinghouse:**

- Negative Return-to-Duty tests; and
- Completion of follow-up testing recommended by the SAP.

Panoche Water District will remove an employee from performing safety-sensitive functions, provide a referral list of SAPs, and report any of the following regulatory violations to the Clearinghouse if a safety-sensitive employee:

- Has an alcohol test of .04 and higher; or
- Refuses to test; or
- If there is Actual Knowledge:
  - Of alcohol or controlled substances use while on duty that was directly observed; or
  - Upon receiving information of a violation provided by a previous employer; or
  - By receiving information of a traffic citation for driving a Commercial Motor Vehicle while under the influence of alcohol or controlled substances; or
  - Upon admission of alcohol or controlled substance use.

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**APPENDIX A**  
**SAFETY-SENSITIVE EMPLOYEE (FUNCTION AND/OR POSITION)**  
**CLASSIFICATIONS FOR**  
**Panoche Water District**

Class "A" commercial drivers license holder

Class "B" commercial drivers license holder

Class "C" drivers license holder with a Hazardous Materials Endorsement

The DER of the District will maintain a list of the specific positions within the above listed classifications that are covered under Department of Transportation regulations.

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## PROCEDURES

### A. PROCEDURES - REASONABLE SUSPICION TESTING

1. A safety-sensitive employee who may possibly be under the influence of alcohol and/or controlled substances is observed by a supervisor.
2. Any employee may identify someone suspected of alcohol and/or controlled substance to any supervisor. Employees should realize, however, that it is against District policy to make false or malicious statements about other employees and doing so can result in disciplinary action being taken against the offending employee. However, the supervisor must witness firsthand the safety-sensitive employee's signs and symptoms.
3. The supervisor is then obligated to insure that the matter is immediately investigated. If possible, two supervisors determine (independently or together) that the safety sensitive employee in question may indeed be under the influence of alcohol and/or controlled substances.
4. When the supervisor(s) suspect and believe that the safety-sensitive employee may be under the influence of alcohol and/or controlled substances, the safety-sensitive employee is then immediately suspended from duty (with pay) and driven by District staff (or others designated) to the District specified collection site. Because of a testing facility requirement, the safety-sensitive employee in question must show proof of identification, such as a photo drivers license or state-issued photo identification card.
5. Whenever practical, an Administrator should be notified in advance of the employee being taken to the collection site.
6. At the collection site, the safety-sensitive employee will be required to submit a urine sample in the event that controlled substances are suspected or a breath sample in the event that alcohol intoxication is suspected to the on-duty technician. Care will be taken to provide the safety-sensitive employee with maximum privacy without compromising the integrity of the sample.
7. The District will take precautions to prevent the safety-sensitive employee being tested from going back to work and driving their own car home. Instead, the safety sensitive employee will be given assistance in obtaining a ride home from the collection site.
8. The safety-sensitive employee whose test results are negative (less than 0.02 alcohol concentration) will be reinstated. The safety-sensitive employee whose confirmation test results indicate an alcohol concentration greater than 0.02 but less than 0.04, will not be permitted to return to duty or perform a safety-sensitive function for 24 hours after administration of the test. The safety-sensitive employee whose confirmation test result indicates an alcohol concentration of 0.04 or greater for alcohol will be referred to a District specified outside Substance Abuse Professional (SAP) who will assess the safety-sensitive employee's condition and make a recommendation for treatment which, if



accepted by the District, must be followed by the safety-sensitive employee. Failure to follow the accepted recommendations or refusal to submit to return-to-duty and unannounced follow-up testing will result in the safety-sensitive employee's termination.

9. The safety-sensitive employee whose controlled substance test results are verified negative will be reinstated. The safety-sensitive employee whose controlled substance test is verified positive by the Medical Review Officer will be referred to a District specified outside Substance Abuse Professional who will assess the safety sensitive employee's condition and make a recommendation for treatment which, if accepted by the District, must be followed by the safety-sensitive employee. Failure to follow the accepted recommendations or refusal to submit to return-to-duty and unannounced follow-up testing will result in the safety-sensitive employee's termination.

## **B. PROCEDURES - RANDOM TESTING**

1. The compliance company notifies the supervisor to send the safety-sensitive employee to the collection site for alcohol and/or controlled substance testing.
2. The supervisor notifies the safety-sensitive employee to go to the collection site for alcohol and/or controlled substance testing immediately. Because of a testing facility requirement, the safety-sensitive employee in question must have proof of identification, such as a photo drivers license or state-issued photo identification card.
3. At the collection site, the safety-sensitive employee will be required to submit a urine sample in the event that controlled substances are to be tested for, or a breath sample in the event that alcohol is being tested for to the on-duty technician. Care will be taken to provide the safety-sensitive employee with maximum privacy without compromising the integrity of the sample.
4. The safety-sensitive employee whose test results are negative (less than 0.02 alcohol concentration) will be reinstated. The safety-sensitive employee whose confirmation test results indicate an alcohol concentration greater than 0.02 but less than 0.04, will not be permitted to return to duty or perform a safety-sensitive function for 24 hours after administration of the test. The safety-sensitive employee whose confirmation test result indicates an alcohol concentration of 0.04 or greater for alcohol will be referred to a District specified outside Substance Abuse Professional (SAP) who will assess the safety-sensitive employee's condition and make a recommendation for treatment which, if accepted by the District, must be followed by the safety-sensitive employee. Failure to follow the accepted recommendations or refusal to submit to return-to-duty and unannounced follow-up testing will result in the safety-sensitive employee's termination.
5. The safety-sensitive employee whose controlled substance test results are verified negative will be reinstated. The safety-sensitive employee whose controlled substance test is verified positive by the Medical Review Officer will be referred to a District specified outside Substance Abuse Professional who will assess the safety sensitive



employee's condition and make a recommendation for treatment which, if accepted by the District, must be followed by the safety-sensitive employee. Failure to follow the accepted recommendations or refusal to submit to return-to-duty and unannounced follow-up testing will result in the safety-sensitive employee's termination.

### **C. PROCEDURES - POST ACCIDENT**

1. The safety-sensitive employee notifies a supervisor that an accident has occurred.
2. The supervisor determines that the circumstances of the accident warrant a post-accident test when a citation was issued or a fatality occurred. Thereafter, the supervisor directs the safety-sensitive employee to immediately go to the collection site for alcohol and controlled substance testing. Because of a testing facility requirement, the safety-sensitive employee in question must have proof of identification, such as a photo drivers license or state-issued photo identification card.
3. At the collection site, the safety-sensitive employee will be required to submit a urine sample for controlled substances and a breath sample for alcohol testing to the on-duty technician. Care will be taken to provide the safety-sensitive employee with maximum privacy without compromising the integrity of the sample.
4. An Administrator will be notified that an accident has occurred and that the safety sensitive employee was instructed to go to the collection site.
5. The safety-sensitive employee whose test results are negative (less than 0.02 alcohol concentration) will be reinstated. The safety-sensitive employee whose confirmation test results indicate an alcohol concentration greater than 0.02 but less than 0.04, will not be permitted to return to duty or perform a safety-sensitive function for 24 hours after administration of the test. The safety-sensitive employee whose confirmation test result indicates an alcohol concentration of 0.04 or greater for alcohol will be referred to a District specified outside Substance Abuse Professional (SAP) who will assess the safety-sensitive employee's condition and make a recommendation for treatment which, if accepted by the District, must be followed by the safety-sensitive employee. Failure to follow the accepted recommendations or refusal to submit to return-to-duty and unannounced follow-up testing will result in the safety-sensitive employee's termination.
6. The safety-sensitive employee whose controlled substance test results are verified negative will be reinstated. The safety-sensitive employee whose controlled substance test is verified positive by the Medical Review Officer will be referred to a District specified outside Substance Abuse Professional who will assess the safety sensitive employee's condition and make a recommendation for treatment which, if accepted by the District, must be followed by the safety-sensitive employee. Failure to follow the accepted recommendations or refusal to submit to return-to-duty and unannounced follow-up testing will result in the safety-sensitive employee's termination.

#### **D. PROCEDURES - RETURN-TO-DUTY AND FOLLOW-UP**

1. The compliance company notifies the Company to send the safety-sensitive employee to the collection site for alcohol and controlled substance testing.
2. The supervisor notifies the safety-sensitive employee to immediately go to the collection site for alcohol and controlled substance testing. Because of a testing facility requirement, the safety-sensitive employee in question must have proof of identification, such as a photo drivers license or state-issued photo identification card.
3. At the collection site, the safety-sensitive employee will be required to submit a urine sample for controlled substances and a breath sample for alcohol testing to the on-duty technician. Care will be taken to provide the safety-sensitive employee with maximum privacy without compromising the integrity of the sample.
4. The safety-sensitive employee whose confirmation test results indicate an alcohol concentration greater than 0.02 or whose controlled substance test is verified positive will be terminated.

#### **E. PROCEDURES - CHAIN OF CUSTODY FOR CONTROLLED SUBSTANCE SPECIMENS**

1. At the time a specimen is collected, the safety-sensitive employee will be given a copy of the specimen collection procedures.
2. Urine will be in a wide-mouthed clinic specimen container which will remain in full view of the safety-sensitive employee until split, transferred to, sealed and initialed in two tamper-resistant urine bottles.
3. Immediately after the specimens are collected, the urine bottles will, in the presence of the safety-sensitive employee, be labeled and then initialed by the employee. If the sample must be collected at the site other than the controlled substance and/or alcohol testing laboratory, the specimens will then be placed in the transportation container. The container will be sealed in the safety-sensitive employee's presence and the safety-sensitive employee will be asked to initial or sign the container. The container will be sent to the designated testing laboratory on that day or the earliest business day by the fastest available method.
4. A chain of custody form will be completed by the on-duty technician during the specimen collection process and attached to and mailed with the specimen.

## **F. PROCEDURES - SPECIMEN COLLECTION OF STRANGE AND/OR UNRECOGNIZABLE SUBSTANCES**

1. A safety-sensitive employee is observed with a strange and/or unrecognizable substance.
2. The supervisor, in the presence of a witness, places the strange and/or unrecognizable substance into a clear plastic bag. The bag is sealed, labeled and signed by both the supervisor and a witness.
3. An incident report is made and signed by both the supervisor and a witness.
4. The plastic bag containing the specimen and a copy of the incident report is taken to the collection site for transportation to the laboratory for analysis.

## **G. PROCEDURES - ALCOHOL CONCENTRATION**

1. The safety-sensitive employee and the on duty Breath Alcohol Technician (BAT) complete the alcohol testing form to ensure that the results are properly recorded.
2. After an explanation of how the breathalyzer works, an initial breath sample is taken.
3. If the results of the initial test show an alcohol concentration of 0.02 or greater a second or confirmation test must be conducted. The confirmation test must not be conducted less than 15 minutes after, nor more than 20 minutes after the screening test.
4. The confirmation test will utilize Evidential Breath Testing devices that prints out the results, date and time, a sequential test number, and the name and serial number of the Evidential Breath Testing device to ensure the reliability of the results.

## Employee Acknowledgement and Agreement

This will acknowledge that I have received a copy of the **Panoche Water District Substance Abuse Policy Statement**, and that I understand that I am identified as a Safety-Sensitive employee and agree to comply with the requirements of that policy at all times. I also understand that I am required to notify the Ethics & Compliance Officer if I am convicted for a violation of a criminal drug statute occurring in the workplace and I agree to do so no more than five calendar days after the conviction.

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Employee's Printed Name

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Position

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Employee's Signature

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Type of Driver's License

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<b>Panoche Water District</b>	<b>Lock-out, Tag-out Program</b>	<b>Date: 5/17/2023</b>
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**Purpose**

Panoche Water District’s Lock-out, Tag-out (LOTO) Program establishes the minimum performance standards required to protect employee and outside service personnel from injuries or death that may result unexpected energization or startup of machines or equipment, or the release of energy (potential or kinetic) from machines and equipment, during maintenance or servicing operations. This Program complies with California Code of Regulations, Title 8, Section 3314.

**Scope**

This program requires supervisors and employees to follow basic lockout principles when cleaning, repairing, servicing, setting up, unjamming, and adjusting machinery and equipment at our facility.

**Compliance**

The Ethics & Compliance Officer will ensure compliance with Cal/OSHA’s lockout requirement in accordance with the Panoche Water District’s written Injury and Illness Prevention Program. All supervisors and employees shall comply with this LOTO program and procedures at all times. Failure to follow the procedures will result in disciplinary action, up to and including termination.

**Definition**

**Affected Employee** - An employee whose job requires them to operate or use a machine or equipment on which cleaning, repairing, servicing, setting-up, or adjusting operations are being performed under lockout or tagout, or whose job requires the employee to work in an area in which activities are being performed under lockout or tagout.

**Authorized Employee or Person** - A qualified person who locks out or tags out specific machines or equipment in order to perform cleaning, repairing, servicing, setting-up, or adjusting operations on that machine or equipment. An affected employee becomes an authorized employee when that employee’s duties include performing cleaning, repairing, servicing, setting-up, or adjusting operations.

**Locked Out / Blocked Out / Blinded / Bled** – Refers to any energy source that is isolated in the safe position to prevent energy flow and/or movement. For example electrical sources must be disengaged and shut off, pressurized fluids / gases must be de-energized and bled to atmospheric pressure with the bleed-valves locked open, and/or valves or switches locked and piping blinded in an off and safe condition.

## Responsibilities

1. The ECO is responsible for the following:
  - Maintain hazardous energy control training and inspection records.
  - Review and evaluate the Program for effectiveness and update the Program as needed.
2. Supervisors are responsible for the following:
  - Ensure all aspects of the Program and LOTO procedures are understood and followed by affected and authorized employees.
  - Conduct, certify, and document inspections of LOTO procedures, and provide inspection records to the ECO.
  - Provide authorized employee and affected employee LOTO training to employees and provide training records to the ECO.
  - Instruct all other employees that they are prohibited from attempting to restart or reenergize equipment that is locked out or tagged out.
3. Authorized Personnel are responsible to maintain required training on an annual basis to conduct cleaning, servicing, adjusting, unjamming, repairing, or setting-up operations.

The following authorized personnel are:

1. Chris Carlucci, Maintenance Manager
2. Arnold Jorge, Equipment Operator
3. Rafael Marquez, Maintenance Worker
4. Jose Pimentel, Chemical Applicator

## Training

All employees and supervisors will be instructed on the significance of the safety and lockout procedures. New employees shall also be instructed. Training on energy control procedures (i.e., LOTO) shall be provided by the ECO and or Maintenance Manager to all employees whose work operations may be in an area where energy control procedures may be utilized. Requirements include:

- Authorized employees shall be trained on hazardous energy control procedures and on the hazards related to performing activities required for cleaning, repairing, servicing, setting-up and adjusting prime movers, machinery and equipment.
- Affected employees shall be instructed in the purpose and use of the energy control procedure.
- All other employees shall be instructed that they are prohibited from attempting to restart or reenergize equipment that are locked out or tagged out.
- Authorized employee and affected employee training records shall be maintain at Panoche Water District.

## Preparation for Lockout/Tagout

Employees authorized to perform LOTO must know which switch, valve, or other energy isolating devices apply to the equipment being locked out. More than one energy source (electrical, mechanical, or others) may be involved. Employees must follow the separate procedural steps for controlling the hazardous energy or energies associated with the machinery or equipment on which they are working by completing the LOTO form (Appendix 2). Employees must clear any questionable identification of sources with their supervisors.

## General Lockout/Tagout Procedures

The steps for shutting down, isolating, blocking, and securing machines or equipment to control hazardous energy include:

1. **Equipment Identification** - Authorized employees shall ensure they are performing cleaning, servicing, repair work, etc. on the correct equipment. Additionally, they shall follow the appropriate LOTO equipment-specific procedures for the equipment they will be working on.
2. **Notify Affected Employees** – All affected employees shall be notified when a LOTO operation will be performed. The notification shall include the reason the procedure is being performed, the schedule (dates/times) of the work, and how long the equipment may be unavailable.
3. **Shut Down Equipment** - The equipment shall be shut down following proper shut-down procedures. The equipment shall have all energy sources de-energized or disengaged.
4. **Isolate Primary Energy Sources** - The energy isolating device (e.g., switch, valve, lever, etc.) shall be positioned/moved to the “closed”, “off”, or “neutral” position which completely isolates the equipment from the energy source.
5. **Release/Retrain Secondary Energy Sources** - Stored energy, such as that in springs, rotating parts, capacitors, hydraulic pressure, air/gas pressure, steam, or water pressure, must be dissipated or restrained by methods such as mechanical blocking, bleeding down, repositioning, etc. Other movable parts shall be mechanically blocked out or locked out, as necessary, to prevent accidental movement, and/or to prevent the release of stored energy during cleaning, servicing, and adjusting operations.
6. **Ensure Proper Lockout/Tagout** - Once the primary and secondary energy sources have been addressed, verify that all affected employees are clear of the equipment operating area. Then attempt to start/turn on the equipment by activating the controls/switches to verify isolation procedures were successful and that the machine or equipment will not operate.
7. **Restore Equipment to Normal Operations** - Communicating to all affected and



authorized employees that all work is complete. Then checking the equipment area to see that no one is exposed to the danger zone, when the job is complete and equipment is ready for testing or normal service. Removing all locks and other energy isolating devices by the authorized employee or person, when the equipment is cleared.

### **Hand-off For Shift or Personnel Changes**

If maintenance and servicing operations require more than one person, each group member shall follow the preceding steps listed above. Each person who is involved in the operation shall attach a lockout and/or tagout device to the controls of the equipment and energy isolating devices of the equipment. No group member shall have the capability to remove any other group member's lock.

If it is not physically possible for all of the authorized employees in the operation to attach an individual lock, then only one lock shall be used. The key to this lock will be placed in a designated LOTO cabinet.

As each group member completes their part of the task, they will then remove their lock. Upon removal of their lock, the group member will inform their job supervisor.

### **Contractors**

All contractors must follow their own LOTO policy. Additionally, contractors shall review the Panoche Water District's LOTO program to ensure there is compliance. As a best practice, the District's authorized representative will perform the initial LOTO step-by-step process. The outside contractor will then attach and secure individual LOTO locks and Cal-OSHA approved lockout/tagout tags to the same energy-isolating devices that the CSUDH representative has locked out.

### **Inspections**

The ECO, Maintenance Manager and or authorized designee shall conduct periodic inspections of each energy control procedure annually or as necessary to evaluate their continued effectiveness and determine necessity for updating the written procedures.

### **Recordkeeping**

Records related to the implementation and maintenance of this program including documentation of the periodic inspections, completed lockout, tagout procedure forms (Appendix 1), and employee training records shall be retained at Panoche Water District.

### **Appendix 1 - Lockout, Tagout Procedure Form**



**Panoche Water District**  
**Appendix 1 - Lock Out, Tag Out Procedure Form**

Equipment/Facility: \_\_\_\_\_ Date: \_\_\_\_\_

Supervisor Name: \_\_\_\_\_

LOTO Employees Name(s): \_\_\_\_\_

**1. Shut Down Preparation**

Type(s) of Energy: (a) \_\_\_\_\_ (b) \_\_\_\_\_ (c) \_\_\_\_\_

Hazards of Energy: (a) \_\_\_\_\_ (b) \_\_\_\_\_ (c) \_\_\_\_\_

Controls of Energy: (a) \_\_\_\_\_ (b) \_\_\_\_\_ (c) \_\_\_\_\_

**2. Equipment Shutdown**

Notify Area Personnel: \_\_\_\_\_

Power off at equipment control switch(es): (a) \_\_\_\_\_

(b) \_\_\_\_\_

(c) \_\_\_\_\_

**3. Equipment Isolation**

Disconnect(s) # \_\_\_\_\_ in OFF position \_\_\_\_\_

Lock and/or Lockout device disconnected in off position: \_\_\_\_\_

Tag, Name, Date disconnected (standardized tags & locks only) \_\_\_\_\_

**4. Control Stored Energy**

Parts have stopped moving \_\_\_\_\_

Grounding cables/wires have been installed \_\_\_\_\_

Pressure has been relieved in all lines/pipes \_\_\_\_\_

Tension/springs have been removed or movement otherwise blocked \_\_\_\_\_

**5. Verify Isolation of Equipment**

Personnel out of area \_\_\_\_\_

Attempt to start equipment to verify shut down/lock out \_\_\_\_\_

Return start switch for equipment set to off position \_\_\_\_\_

**6. Perform the Work** \_\_\_\_\_

**7. Repair/Paint/Replace as set forth in the Repair Schedule** \_\_\_\_\_

**8. Remove Lock-Out, Tag-Out**

Remove all tools, parts, & chemicals from the area \_\_\_\_\_

Verify ALL equipment controls are in "Neutral" \_\_\_\_\_

Notify personnel in the area and make sure the area is clear \_\_\_\_\_

Remove LOTO devices (The person who applied them is the only person allowed to remove them) \_\_\_\_\_

Return Lock-Out locks and devices to Control Area \_\_\_\_\_

**Panoche Water District  
Lock Out, Tag Out Program Training Roster**

Date: \_\_\_\_\_

Training Conducted by (Name and Title): \_\_\_\_\_

Type:  Initial training       Annual training       Changes to the LOTO Program

Employee Name	Signature

**Introduction**

Panoche Water District has developed this Respiratory Protection Program (RPP), which we implement and maintain as an important component of our Injury and Illness Prevention Program (required by T8 CCR, section 3203) to enhance our employees’ health and safety.

The program follows the requirement of section 5144 in the California Code of Regulations (CCR) and ensures that any employee using a respirator voluntarily or as a requirement is medically able to use that respirator, and that the respirator is cleaned, stored, and maintained so that its use does not present a health hazard to the user. In addition, the program shall be updated as necessary to reflect any changes in the workplace conditions that affect respirator use.

**Elements of the Respiratory Protection Program**

All of the following topics will be addressed:

1. Respirator Selection
2. Medical Evaluation
3. Fit Testing
4. Proper use for routine and emergency use of respirators
5. Maintenance, cleaning, and care
6. Instruction and Training
7. Evaluation and Employee Consultation

**Responsibilities**

- The Respirator Program Administrator (RPA) is the Ethics & Compliance Officer.
- Supervisors and/or authorized designee has the responsibility to ensure all aspects of the RPP are understood and followed by affected and authorized employees.
- All affected and authorized employees have responsibility to follow this plan and report any hazards immediately to their supervisor and or the RPA.

**Scope**

All affected and authorized employees are required to use respirators during normal and non-routine work operations in accordance with the training they receive and as indicated by manufacturer and/or certified by NIOSH (National Institute for Occupational Safety and Health).

We provide employees with appropriate respirators for voluntary use and encourage, but do not require, their use.

## 1. Respirator Selection

Only respiratory protective equipment approved by NIOSH will be used. The equipment must be approved for the specific hazard. We base our use and selection of respirators on:

Chemical  Label  Safety Data Sheets  Manufacturer Instructions  
 Regulation

### Training Materials

We use the following means to train our employees in the proper use, care, and limitations of respirators:

Chemical Safety Information, SDSs  
 Regulations (i.e. silica, asbestos, etc.)  
 Manufacturer's Instructions  
 Atmospheric Testing/Industrial Hygiene studies  
 Audio/Video Instruction: Title \_\_\_\_\_  
 Outside Training/Instruction: \_\_\_\_\_

## 2. Medical Evaluations

All affected and authorized employees who must wear a respirator will be provided with a medical evaluation before they are allowed to use the respirator. The first step is to give a medical questionnaire form (Attachment A) to those employees. Employees are required to fill out the questionnaire in private and send or give them to the District's primary medical provider.

To the extent feasible, the District will assist employees who are unable to read the questionnaire. When this is not feasible, the employee will be sent directly to the District's primary medical provider for a medical evaluation. Completed questionnaires are confidential and will be sent directly to the District's primary medical provider without review by management.

If the medical questionnaire indicates to the District's medical provider that a further medical exam is required, this will be provided at no cost to employees. The medical provider will provide recommendation(s) on whether or not the employee is medically able to wear a respirator.

Additional medical evaluations will be done in the following situations:

- Our medical provider recommends it;
- Our respirator program administrator decides it is needed;
- An employee shows signs of breathing difficulty;
- Changes in work conditions that increase employee physical stress (such as high temperatures or greater physical exertion).

### 3. Fit Testing

All employees that are required to use a tight-fitting facepiece respirator must be fit tested before use. Check which test or tests used:

#### Qualitative

- Iso-amyl acetate test (banana oil)
- Saccharin Test
- Bitrex ® Test
- Irritant Smoke Test

#### Quantitative

- Generated Aerosol
- Condensation Nuclei Counter
- Controlled Negative Pressure

### 4. Proper Use for Routine and Emergency Use of Respirators

Supervisors will monitor the work area in order to be aware of changing conditions where employees are using respirators.

Employees will not be allowed to wear respirators with tight-fitting facepieces if they have facial hair (e.g., stubble, bangs) absence of normally worn dentures, facial deformities (e.g., scars, deep skin creases, prominent cheekbones), or other facial features that interfere with the facepiece seal or valve function. Jewelry or headgear that projects under the facepiece seal is also not allowed.

If corrective glasses or other personal protective equipment is worn, it will not interfere with the seal of the facepiece to the face.

**Note:** Full-facepiece respirators can be provided with corrective glasses since corrective lenses can be mounted inside a full-facepiece respirator. Contact lenses can also be used with full facepiece respirators if they do not cause any problems for the employee.

A seal check will be performed every time a tight-fitting respirator is put on.

All filters, cartridges, and canisters must be labeled with the appropriate NIOSH label(s). The label(s) must not be removed or defaced while it is in use.

Employees will leave the area where respirators are required for any of the following reasons:

- To replace filters or cartridges,
- When they smell or taste a chemical inside the respirator,
- When they notice a change in breathing resistance
- To adjust their respirator,
- To wash their faces or respirator,
- If they become ill,
- If they experience dizziness, nausea, weakness, breathing difficulty, coughing, sneezing vomiting, fever or chills.

Where any area or confined space is designated as an immediately dangerous to life or health (IDLH), at least one standby employee will be located outside the area. The standby employee will be trained in effective emergency rescue, and will be in constant visual, voice or signal line communication with the employees in and out of the IDLH area. The standby

employee will notify the Supervisor or authorized designee before entering the IDLH area. Necessary assistance, appropriate to the situation, will be provided. (Please refer to the District's Confined Spaces Program for confined space entry and rescue procedures)

For any malfunction or damages to the respirator, the respirator wearer must inform their supervisor that the respirator no longer functions. The Supervisor must ensure that the employee receives the needed parts to repair the respirator, or is provided with a new respirator.

In cases of an emergency evacuation, employees are to follow the proper rules and procedures as stated in the District's Emergency Action and Evacuation Plan.

## 5. Maintenance, cleaning, and care

- Respirators issued for the exclusive use of an employee are to be cleaned and disinfected as often as necessary to maintain sanitary conditions.
- Respirators issued to more than one employee will be cleaned and disinfected before being worn by different individuals.
- The District will ensure an adequate supply of appropriate cleaning and disinfection material are readily available to employees. If supplies are low, employees should contact their supervisor or the RPA.
- Respirators are to be properly maintained at all times to ensure that they function properly and adequately protect the employees.
- Worn or deteriorated parts will be replaced prior to use.
- No components will be replaced or repairs made beyond those recommended by the manufacturer.
- Respirators must be stored to protect them from damage and contamination.
- Disposable filtering face piece (dust masks) respirators shall be discarded at the end of the workday or sooner if breathing resistance becomes too great.
- Cartridges and disposable respirators with non-removable cartridges shall be discarded and replaced at the first indication of odor, taste, or irritation during use. They shall also be discarded at the end of the workday unless specific instructions are found on labels or specific manufacturer's instructions allow for longer use. This does not apply to voluntary use respirators.
- Each employee will clean and inspect their own respirator before wearing it each day using Attachment E – Respirator Inspection Form.

## 6. Instruction and Training

The RPA will provide training to respirator users and their supervisors on the contents of this Respiratory Protection Program, their responsibilities under it, and on the standards of section 5144 in the California Code of Regulations (CCR).

Employees who are required to use respirators must be trained before wearing a respirator. The RPA will ensure that employees are retrained at least annually or as needed, such as when the following situations occur:

- Changes in the workplace conditions or the types of respirator render previous training obsolete.
- Inadequacies in the employee's knowledge or use of the respirator indicate that

- the worker has not retained the requisite understanding or skill.
- Any other situation arises in which retraining appears necessary to ensure safe respirator use.

All records must be kept for at least three years and made available for inspection.

After training, employees should be able to demonstrate knowledge of at least:

- Why the respirator is necessary and how improper fit, use, or maintenance can compromise its protective effect
- Limitations and capabilities of the respirator
- Effective use in emergency situations
- How to inspect, put on and remove, use and check the seals
- Inspection, maintenance, cleaning and storage requirements
- Recognition of medical signs and symptoms that may limit or prevent effective use

## 7. Evaluation and Employee Consultation

This written program shall be evaluated annually and periodically by the Ethics & Compliance Officer to ensure that the provisions of this program are being implemented and maintained.

During the annual training, employees should be asked about fit, maintenance, etc. to ensure worker feedback concerning their use of respirators.

The Employee Respirator Assignment Form – Attachment B will be used to document exposures, medical evaluation, respirator selection, and fit testing.

If Voluntary use of NIOSH approved filtering facepieces (dust masks) is allowed, no formal written training program or medical evaluation is needed; however, Appendix D of Section 5144 (Mandatory) Information for Employees Using Respirators When Not Required Under the Standard: <https://www.dir.ca.gov/title8/5144d.html> will be followed.

### Attachments:

- A. Employee Medical Questionnaire Form
- B. Respirator Assignment Form
- C. Respirator Use/Agreement to be Clean Shaven Form
- D. Voluntary Respirator Use Form
- E. Respirator Inspection Form

**Panoche Water District  
Respiratory Protection Plan Training Roster**

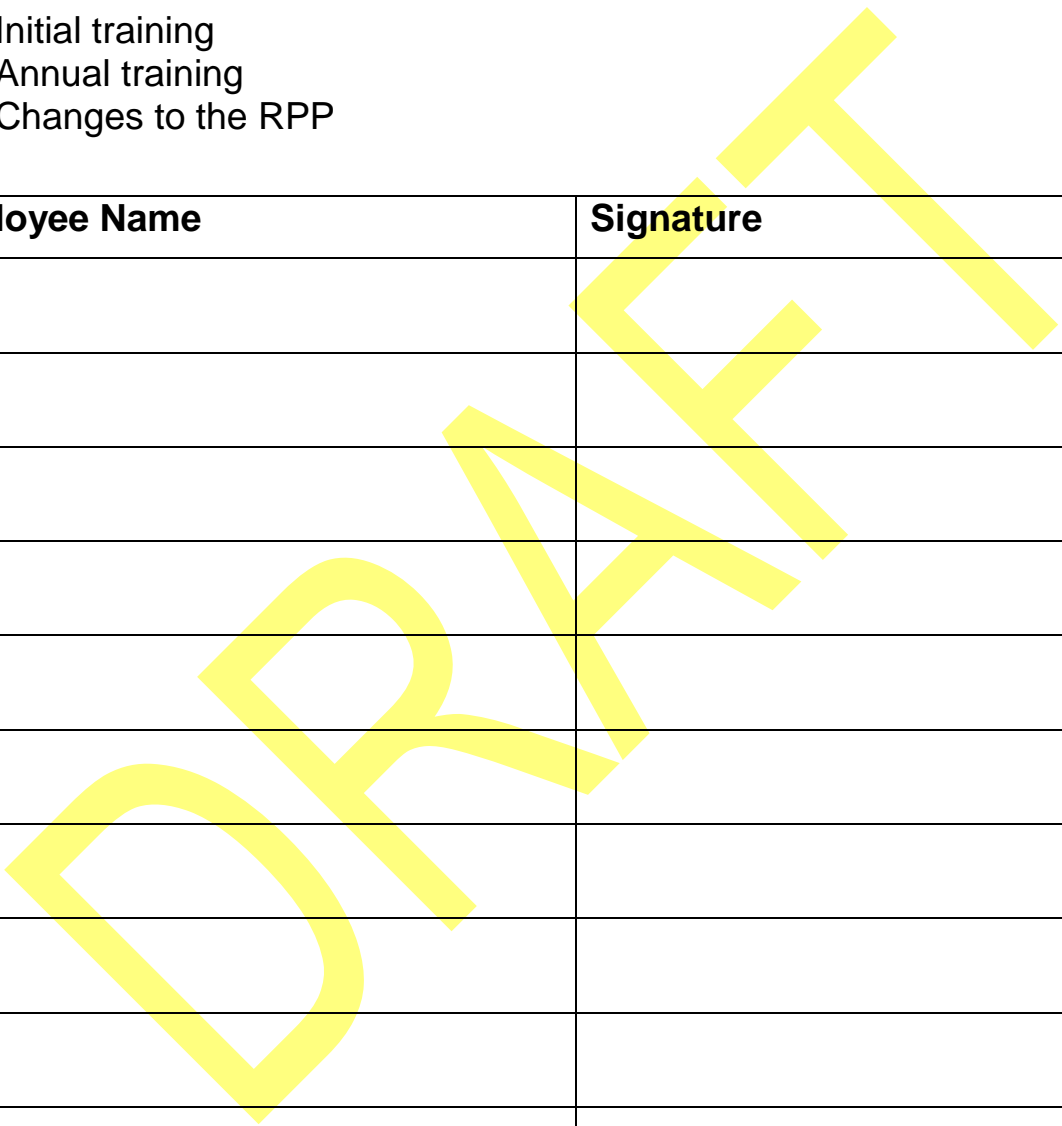
Date: \_\_\_\_\_

Training Conducted by (Name and Title): \_\_\_\_\_

Type:

- Initial training
- Annual training
- Changes to the RPP

Employee Name	Signature





# Panoche Water District Medical Evaluation Questionnaire For Respiratory Fit Test Attachment A

**To the employer:** Answers to questions in Section 1, and to question 9 in Section 2 of Part A, do not require a medical examination.

**To the employee:**

Can you read (circle): Yes/No

Your employer must allow you to answer the questionnaire during normal working hours, or at a time and place that is convenient to you. To maintain your confidentiality, your employer or supervisor must not look at or review your answers, and your employer must tell you how to deliver or send this questionnaire to the health care professional who will review it.

Part A. Section 1. (Mandatory) The following information must be provided by every employee who has been selected to use any type of respirator (please print).

1. Today's date: \_\_\_\_\_

2. Your name: \_\_\_\_\_

3. Your age (to nearest year): \_\_\_\_\_

4. Sex (circle one): Male/Female

5. Your height: \_\_\_\_\_ ft. \_\_\_\_\_ in.

6. Your weight: \_\_\_\_\_ lbs.

7. Your job title: \_\_\_\_\_

8. A phone number where you can be reached by the health care professional who reviews this questionnaire (include the Area Code): \_\_\_\_\_

9. The best time to phone you at this number: \_\_\_\_\_

10. Has your employer told you how to contact the health care professional who will review this questionnaire (circle one): Yes/No

11. Check the type of respirator you will use (you can check more than one category):

a. \_\_\_ N, R, or P disposable respirator (filter-mask, non-cartridge type only).

b. \_\_\_ Other type (for example, half- or full-facepiece type, powered-air purifying, supplied-air, self-contained breathing apparatus).

12. Have you worn a respirator (circle one): Yes/No

If “yes,” what type(s): \_\_\_\_\_

Part A. Section 2. (Mandatory) Questions 1 through 9 below must be answered by every employee who has been selected to use any type of respirator (please circle “yes” or “no”).

1. Do you currently smoke tobacco, or have you smoked tobacco in the last month: Yes/No

2. Have you ever had any of the following conditions?

a. Seizures: Yes/No

b. Diabetes (sugar disease): Yes/No

c. Allergic reactions that interfere with your breathing: Yes/No

d. Claustrophobia (fear of closed-in places): Yes/No

e. Trouble smelling odors: Yes/No

3. Have you ever had any of the following pulmonary or lung problems?

a. Asbestosis: Yes/No

b. Asthma: Yes/No

c. Chronic bronchitis: Yes/No

d. Emphysema: Yes/No

e. Pneumonia: Yes/No

f. Tuberculosis: Yes/No

g. Silicosis: Yes/No

h. Pneumothorax (collapsed lung): Yes/No

i. Lung cancer: Yes/No

j. Broken ribs: Yes/No

k. Any chest injuries or surgeries: Yes/No

l. Any other lung problem that you've been told about: Yes/No

4. Do you currently have any of the following symptoms of pulmonary or lung illness?
- a. Shortness of breath: Yes/No
  - b. Shortness of breath when walking fast on level ground or walking up a slight hill or incline: Yes/No
  - c. Shortness of breath when walking with other people at an ordinary pace on level ground: Yes/No
  - d. Have to stop for breath when walking at your own pace on level ground: Yes/No
  - e. Shortness of breath when washing or dressing yourself: Yes/No
  - f. Shortness of breath that interferes with your job: Yes/No
  - g. Coughing that produces phlegm (thick sputum): Yes/No
  - h. Coughing that wakes you early in the morning: Yes/No
  - i. Coughing that occurs mostly when you are lying down: Yes/No
  - j. Coughing up blood in the last month: Yes/No
  - k. Wheezing: Yes/No
  - l. Wheezing that interferes with your job: Yes/No
  - m. Chest pain when you breathe deeply: Yes/No
  - n. Any other symptoms that you think may be related to lung problems: Yes/No
5. Have you ever had any of the following cardiovascular or heart problems?
- a. Heart attack: Yes/No
  - b. Stroke: Yes/No
  - c. Angina: Yes/No
  - d. Heart failure: Yes/No
  - e. Swelling in your legs or feet (not caused by walking): Yes/No
  - f. Heart arrhythmia (heart beating irregularly): Yes/No
  - g. High blood pressure: Yes/No

- h. Any other heart problem that you've been told about: Yes/No
6. Have you ever had any of the following cardiovascular or heart symptoms?
- a. Frequent pain or tightness in your chest: Yes/No
  - b. Pain or tightness in your chest during physical activity: Yes/No
  - c. Pain or tightness in your chest that interferes with your job: Yes/No
  - d. In the past two years, have you noticed your heart skipping or missing a beat: Yes/No
  - e. Heartburn or indigestion that is not related to eating: Yes/No
  - f. Any other symptoms that you think may be related to heart or circulation problems: Yes/No
7. Do you currently take medication for any of the following problems?
- a. Breathing or lung problems: Yes/No
  - b. Heart trouble: Yes/No
  - c. Blood pressure: Yes/No
  - d. Seizures (fits): Yes/No
8. If you've ever used a respirator, have you ever had any of the following problems?  
(If you've never used a respirator, check the following space and go to question 9:)
- a. Eye irritation: Yes/No
  - b. Skin allergies or rashes: Yes/No
  - c. Anxiety: Yes/No
  - d. General weakness or fatigue: Yes/No
  - e. Any other problem that interferes with your use of a respirator: Yes/No
9. Would you like to talk to the health care professional who will review this questionnaire about your answers to this questionnaire: Yes/No

**Questions 10 to 15 below must be answered by every employee who has been selected to use either a full-facepiece respirator or a self-contained breathing apparatus (SCBA). For employees who have been selected to use other types of respirators, answering these questions is voluntary.**

10. Have you ever lost vision in either eye (temporarily or permanently): Yes/No

11. Do you currently have any of the following vision problems?

a. Wear contact lenses: Yes/No

b. Wear glasses: Yes/No

c. Color blind: Yes/No

d. Any other eye or vision problem: Yes/No

12. Have you ever had an injury to your ears, including a broken ear drum: Yes/No

13. Do you currently have any of the following hearing problems?

a. Difficulty hearing: Yes/No

b. Wear a hearing aid: Yes/No

c. Any other hearing or ear problem: Yes/No

14. Have you ever had a back injury: Yes/No

15. Do you currently have any of the following musculoskeletal problems?

a. Weakness in any of your arms, hands, legs, or feet: Yes/No

b. Back pain: Yes/No

c. Difficulty fully moving your arms and legs: Yes/No

d. Pain and stiffness when you lean forward or backward at the waist: Yes/No

e. Difficulty fully moving your head up or down: Yes/No

f. Difficulty fully moving your head side to side: Yes/No

g. Difficulty bending at your knees: Yes/No

h. Difficulty squatting to the ground: Yes/No

i. Climbing a flight of stairs or a ladder carrying more than 25 lbs: Yes/No

j. Any other muscle or skeletal problem that interferes with using a respirator: Yes/No

Part B. Any of the following questions, and other questions not listed, may be added to the questionnaire at the discretion of the health care professional who will review the questionnaire.

1. In your present job, are you working at high altitudes (over 5,000 feet) or in a place that has lower than normal amounts of oxygen: Yes/No

If "yes," do you have feelings of dizziness, shortness of breath, pounding in your chest, or other symptoms when you're working under these conditions: Yes/No

2. At work or at home, have you ever been exposed to hazardous solvents, hazardous airborne chemicals (e.g., gases, fumes, or dust), or have you come into skin contact with hazardous chemicals: Yes/No

If "yes," name the chemicals if you know them: \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_.

3. Have you ever worked with any of the materials, or under any of the conditions, listed below:

a. Asbestos: Yes/No

b. Silica (e.g., in sandblasting): Yes/No

c. Tungsten/cobalt (e.g., grinding or welding this material): Yes/No

d. Beryllium: Yes/No

e. Aluminum: Yes/No

f. Coal (for example, mining): Yes/No

g. Iron: Yes/No

h. Tin: Yes/No

i. Dusty environments: Yes/No

j. Any other hazardous exposures: Yes/No

If "yes," describe these exposures: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. List any second jobs or side businesses you have: \_\_\_\_\_

\_\_\_\_\_

5. List your previous occupations: \_\_\_\_\_

\_\_\_\_\_

6. List your current and previous hobbies: \_\_\_\_\_

\_\_\_\_\_

7. Have you been in the military services? Yes/No

If “yes,” were you exposed to biological or chemical agents (either in training or combat):  
Yes/No

8. Have you ever worked on a HAZMAT team? Yes/No

9. Other than medications for breathing and lung problems, heart trouble, blood pressure, and seizures mentioned earlier in this questionnaire, are you taking any other medications for any reason (including over-the-counter medications): Yes/No

If “yes,” name the medications if you know them: \_\_\_\_\_

10. Will you be using any of the following items with your respirator(s)?

a. HEPA Filters: Yes/No

b. Canisters (for example, gas masks): Yes/No

c. Cartridges: Yes/No

11. How often are you expected to use the respirator(s) (circle “yes” or “no” for all answers that apply to you)?:

a. Escape only (no rescue): Yes/No

b. Emergency rescue only: Yes/No

c. Less than 5 hours per week: Yes/No

d. Less than 2 hours per day: Yes/No

e. 2 to 4 hours per day: Yes/No

f. Over 4 hours per day: Yes/No

12. During the period you are using the respirator(s), is your work effort:

a. Light (less than 200 kcal per hour): Yes/No

If "yes," how long does this period last during the average shift: \_\_\_\_ hrs. \_\_\_\_ mins.

Examples of a light work effort are sitting while writing, typing, drafting, or performing light assembly work; or standing while operating a drill press (1-3 lbs.) or controlling machines.

b. Moderate (200 to 350 kcal per hour): Yes/No

If "yes," how long does this period last during the average shift: \_\_\_\_ hrs. \_\_\_\_ mins.

Examples of moderate work effort are sitting while nailing or filing; driving a truck or bus in urban traffic; standing while drilling, nailing, performing assembly work, or transferring a moderate load (about 35 lbs.) at trunk level; walking on a level surface about 2 mph or down a 5-degree grade about 3 mph; or pushing a wheelbarrow with a heavy load (about 100 lbs.) on a level surface.

c. Heavy (above 350 kcal per hour): Yes/No

If "yes," how long does this period last during the average shift: \_\_\_\_ hrs. \_\_\_\_ mins.

Examples of heavy work are lifting a heavy load (about 50 lbs.) from the floor to your waist or shoulder; working on a loading dock; shoveling; standing while bricklaying or chipping castings; walking up an 8-degree grade about 2 mph; climbing stairs with a heavy load (about 50 lbs.).

13. Will you be wearing protective clothing and/or equipment (other than the respirator) when you're using the respirator: Yes/No

If "yes," describe this protective clothing and/or equipment:

\_\_\_\_\_.

14. Will you be working under hot conditions (temperature exceeding 77 deg. F): Yes/No

15. Will you be working under humid conditions: Yes/No

16. Describe the work you'll be doing while you're using your respirator(s):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



17. Describe any special or hazardous conditions you might encounter when you're using your respirator(s) (for example, confined spaces, life-threatening gases):

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18. Provide the following information, if you know it, for each toxic substance that you'll be exposed to when you're using your respirator(s):

Name of first toxic substance: \_\_\_\_\_

Estimated maximum exposure level per shift: \_\_\_\_\_

Duration of exposure per shift: \_\_\_\_\_

Name of second toxic substance: \_\_\_\_\_

Estimated maximum exposure level per shift: \_\_\_\_\_

Duration of exposure per shift: \_\_\_\_\_

Name of third toxic substance: \_\_\_\_\_

Estimated maximum exposure level per shift: \_\_\_\_\_

Duration of exposure per shift: \_\_\_\_\_

The name of any other toxic substances that you'll be exposed to while using your respirator:

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19. Describe any special responsibilities you'll have while using your respirator(s) that may affect the safety and well-being of others (for example, rescue, security):

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Note: Authority cited: Section 142.3, Labor Code. Reference: Section 142.3, Labor Code.

**Panoche Water District  
Employee Respirator Assignment Form  
Attachment B**

**(To be performed initially and renewed annually.)**

Date: \_\_\_\_\_ Employer: Panoche Water District

Employee \_\_\_\_\_ Position: \_\_\_\_\_

Supervisor: \_\_\_\_\_ Title: \_\_\_\_\_

List all chemicals and processes for which respirator is needed:  
\_\_\_\_\_  
\_\_\_\_\_

**MEDICAL SCREENING:** Has the above employee been given medical approval for the use of respiratory protection by a physician?

YES \_\_\_\_\_ NO \_\_\_\_\_ Date of the Screening/Medical Clearance \_\_\_\_\_

TYPE: (circle type) Initial Refresher

**RESPIRATOR TRAINING PROVIDED:**

Date: \_\_\_\_\_ Trainer: \_\_\_\_\_  
Respirator Type:(circle type) SCBA Full Face Half Face Disposal Voluntary Use

Date: \_\_\_\_\_ Trainer: \_\_\_\_\_  
Respirator Type:(circle type) SCBA Full Face Half Face Disposal Voluntary Use

**SELECTION AND FITTING**

Date	Make / Model	Size	Quantitative Fit	Qualitative Fit	Performed by
_____	_____	_____	PASS / FAIL	PASS / FAIL	_____
_____	_____	_____	PASS / FAIL	PASS / FAIL	_____
_____	_____	_____	PASS / FAIL	PASS / FAIL	_____
_____	_____	_____	PASS / FAIL	PASS / FAIL	_____

The employee has been medically cleared, trained, and fitted in the use of the respirator(s) listed above.

Respirator Administrator: \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Employee Acknowledgment**

I have received training in respiratory protection, medical clearance, fit testing, and instructions on the proper care of my respirator(s). I am aware of the limitations of the above respirator(s) and I will only wear the one(s) that is/are issued to me. I understand that I must update the medical clearance, training, and fitting once a year as long as I have a respirator in my possession.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

**NOTES:** 1. Attach the appropriate documents from medical screening. 2. Attach fit test results.

**Panoche Water District**  
**Required Respirator Use - Agreement to be Clean Shaven**  
**Attachment C**

**(Form to be signed and renewed annually as part of fit-testing training and requirement)**

I understand that Title 8 of the California Code of Regulations (T8CCR) section 5144(g)(1)(A)1 (Respiratory Protection) prohibits the use of respirators with tight-fitting facepieces if an employee has facial hair where the respirator sealing surfaces contact the face.

I affirm that I will not enter areas or perform tasks, as part of my employment or engage in other activities that would require me to use respiratory protection if I have facial hair that comes between the sealing surface of the facepiece of a respirator and the face.

I further affirm that if circumstances arise that require my use of a respirator; I will shave before using a respirator with a tight-fitting facepiece. Form to be signed and renewed annually as part of fit-testing training and requirement.

Employee name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Supervisor Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Respirator Administrator Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Panoche Water District Voluntary Respirator Use Form Attachment D

### A. Applicability

Certain situations require the use of appropriate respirators. If a respirator is not specifically required, it may still be used in what is termed a "voluntary" fashion. Dust mist respirators, often called disposable respirators, may be used "voluntarily," provided that management has determined that no "significant hazard" exists. A "significant hazard" is defined to mean that either of the following conditions exists:

1. Oxygen level below 19.5%, or
2. Uncontrolled air contaminant exposure exceeding a short term exposure limit (STEL) or long term exposure limit (usually 8 hours) established by ACGIH, NIOSH, or OSHA. This information may be found on SDS.

### B. Written Program

Although Cal/OSHA Section 5144 waives a written program for voluntary use, all personnel should follow the following guidelines:

1. Employee will determine what level and type of respiratory protection is needed based on a hazard analysis and review of any SDS. The Supervisor and employee will review this decision. It is critical that management not put employees at risk. If in doubt about the hazard, ask your supervisor or contact a Safety Professional immediately.
2. Once it is determined that some minimal level of respiratory protection is desirable, selection may be made from a variety of disposable styles. Two strap respirators with an adjustable nosepiece offer the best protection within this class of respirators.
3. No medical monitoring is required, but management should warn the user that this respirator has limitations and only provides protection against nuisance dusts/mists/aerosols.
4. Fit testing per manufacturer's instructions is required.
5. Facial hair may be worn, but facial hair should not reduce the effectiveness of the respirator.
6. Training must consist of explaining why the respirator may be worn, how to put it on, and how to get the best fit.
7. Disposable respirators **must not** be interchanged. Often, they are disposed of after a single-use. If used for a very short term where the use is primarily precautionary such as weighing out a powder, it is OK to label the respirator with your name and reuse it a limited number of times until it becomes clogged and there is increased breathing resistance. In no case, should a disposal respirator be used for more than a single shift. Throw away disposable respirators when they become dirty or damaged.
8. Dust/mist respirator users shall be required to read Appendix D to Section 5144 and complete a waiver statement.

# VOLUNTARY RESPIRATOR USE FORM

I, \_\_\_\_\_, am requesting to voluntarily use the following dust/mist respirator (\_\_\_\_\_ ) for the following tasks (\_\_\_\_\_).

I understand the hazard to myself is minimal, and I should be able to complete the task without a respirator, if necessary. I am not aware of any current health conditions or family history involving heart/lung disease or breathing disorders that may be affected by the wearing of a disposal respirator. If I develop any health conditions, I will immediately stop work, notify my immediate supervisor, and consult with a medical professional for further evaluation.

## **Appendix D to Section 5144. Information for Employees Using Respirators When Not Required Under the Standard**

Respirators are an effective method of protection against designated hazards when properly selected and worn. Respirator use is encouraged even when exposures are below the exposure limit, to provide an additional level of comfort and protection for workers. However, if a respirator is used improperly or not kept clean, the respirator itself can become a hazard to the worker. Sometimes, workers may wear respirators to avoid exposures to hazards, even if the amount of hazardous substance does not exceed the limits set by OSHA standards. If your employer provides respirators for your voluntary use, or if you provide your own respirator, you need to take certain precautions to be sure that the respirator itself does not present a hazard.

You should do the following:

1. Read and heed all instructions provided by the manufacturer on use, maintenance, cleaning and care, and warnings regarding the respirators limitations.
2. Choose respirators certified for use to protect against the contaminant of concern. NIOSH, the National Institute for Occupational Safety and Health of the U.S. Department of Health and Human Services, certifies respirators. A label or statement of certification should appear on the respirator or respirator packaging. It will tell you what the respirator is designed for and how much it will protect you.
3. Do not wear your respirator into atmospheres containing contaminants for which your respirator is not designated to protect against. For example, a respirator designed to filter dust particles will not protect you against gases, vapors, or very small solid particles of fumes or smoke.
4. Keep track of your respirator so that you do not mistakenly use someone else's respirator.

# VOLUNTARY RESPIRATOR USE FORM

I have read Appendix D to Section 5144 (above). My supervisor or the Safety Director can answer questions on respirator use.

Respirator User: \_\_\_\_\_ Date: \_\_\_\_\_

Immediate Supervisor: \_\_\_\_\_ Date: \_\_\_\_\_

Employer: \_\_\_\_\_ Department: \_\_\_\_\_

DRAFT

## Respirator Inspection Form

### Attachment E

Inspected By:		Date:		
Respirator Type:		Good	Bad	Comments:
<b>Face Piece</b>	Cracks, tears, or holes			
	Face mask distortion			
	Cracked or loose lenses/face shield			
<b>Head Straps</b>	Breaks or tears			
	Broken buckles			
<b>Valves</b>	Residue or dirt			
	Cracks or tears in valve material			
<b>Filters/Cartridges</b>	Approval designation			
	Gaskets			
	Cracks or dents in housing			
	Proper cartridge			
<b>Rubber/Elastic Parts</b>	Pliability			
	Deterioration			

## Formulario de inspección del respirador Anexo E

Revisado por:		Fecha:		
Tipo de respirador:		Bueno	Malo	Comentarios:
<b>Pieza Facial</b>	Grietas, quebradas, or agujeros			
	Face mask distortion			
	Cracked or loose lenses/face shield			
<b>Correas para la cabeza</b>	Breaks or tears			
	Broken buckles			
<b>Válvulas</b>	Residue or dirt			
	Cracks or tears in valve material			
<b>Filtros/Cartuchos</b>	Approval designation			
	Gaskets			
	Cracks or dents in housing			
	Proper cartridge			
<b>Rubber/Elastic Parts</b>	Pliability			
	Deterioration			

PANOCHÉ WATER DISTRICT				
ACCOUNTS PAYABLE LIST				
PAYMENTS RUN FROM 4/19/2023 THRU 5/17/2023				
MECHANICS O & M CHECKING # 8566				
DATE	CHECK NUMBER	NAME	CHECK AMOUNT	MEMO
4/19/2023	41080	APPL, INC.	\$ 60.00	GBP WATER SAMPLES
4/19/2023	41081	CENCAL MACHINE AND FABRICATION, INC.	\$ 199.67	FLAT BAR FOR WEIRS & STRUCTURES
4/19/2023	41082	DATCO SERVICE CORPORATION	\$ 102.00	2ND QTR 2023 DRUG TESTING SERVICE
4/19/2023	41083	FEDERAL EXPRESS	\$ 203.43	GBP WATER SAMPLE SHIPPING
4/19/2023	41084	CORELOGIC INFORMATION SOLUTION	\$ 244.76	APN RESEARCH MARCH 2023
4/19/2023	41085	LOOPUP	\$ 131.39	CONFERENCE LINE MARCH 2023
4/19/2023	41086	SAVEMART SUPERMARKET	\$ 474.77	OFFICE SNACKS
4/19/2023	41087	WATER RECLAMATION EQUIPMENT	\$ 12,103.70	MATERIALS FOR STA # 2 PUMP # 3, PULL PUMP/MOTOR T-1 PUMP # 2 & T-2 PUMP # 1
4/19/2023	41088	WELTY WEAVER & CURRIE	\$ 750.00	LEGAL SERVICES FEBRUARY 2023
4/19/2023	41089	WESTSIDE WATER	\$ 9,573.90	WATER BACTERIA TEST, CARBON FILTER, TURBIDITY REPAIR & WEEKLY SERVICES
5/10/2023	41090	BANKS & CO.	\$ 600.00	PRESSURE TEST GAS TANK
5/10/2023	41091	FRONTIER COMMUNICATION	\$ 422.30	APRIL 2023 TELEPHONE SERVICE
5/10/2023	41092	GILTON SOLID WASTE INC.	\$ 405.22	APRIL 2023 WASTE SERVICE
5/10/2023	41093	HOFFMAN SECURITY	\$ 347.40	MAY 2023 SECURITY SERVICES
5/10/2023	41094	FERRELLGAS	\$ 683.32	PROPANE FOR DISTRICT HOUSE # 4 & 172 GALLONS OF PROPANE FOR TRAPWAGON
5/10/2023	41095	MCGUIRE BOTTLED WATER	\$ 134.35	APRIL 2023 DRINKING WATER
5/10/2023	41096	SAVEMART SUPERMARKET	\$ 697.88	APRIL 2023 OFFICE SNACKS
5/10/2023	41097	UNWIRED BROADBAND , INC	\$ 549.99	MAY 2023 INTERNET SERVICE
5/10/2023	41098	VERIZON WIRELESS	\$ 921.76	APRIL 2023 CELL PHONES
5/17/2023	41099	ACWA/JPIA	\$ 18,299.47	JUNE 2023 INSURANCE - HEALTH \$ 16,853.10, DENTAL \$ 1,197.51, VISION \$ 204.16 & LIFE \$ 44.70
5/17/2023	41100	AAA BUSINESS SUPPLIES & INTERIORS	\$ 215.38	COPY PAPER
5/17/2023	41101	WATER & LAND SOLUTIONS, LLC	\$ 2,750.00	APRIL 2023 CONSULTING SERVICE
5/17/2023	41102	APPL, INC.	\$ 90.00	GBP WATER SAMPLES
5/17/2023	41103	APEX ANNEX HEALTH CENTER, INC.	\$ 190.00	DOT MEDICAL EXAM C CARLUCCI
5/17/2023	41104	BAKER MANOCK & JENSEN	\$ 32.50	MARCH 2023 LEGAL SERVICES
5/17/2023	41105	AARON BARCELLOS	\$ 500.00	APRIL 2023 DIRECTOR STIPEND
5/17/2023	41106	JUSTIN'S TIRE AND AUTO	\$ 1,856.70	REPAIR # 01AA & # 13B
5/17/2023	41107	JUAN CADENA	\$ 63.15	FUEL FOR # 12C & REIMBURSEMENT FOR TRAIL EXPENSES
5/17/2023	41108	EDWARD NEILL CALLIS	\$ 500.00	APRIL 2023 DIRECTOR STIPEND
5/17/2023	41109	CLARK PEST CONTROL	\$ 652.00	APRIL 2023 PEST CONTROL
5/17/2023	41110	CPU TREND	\$ 11,203.66	IT SERVICES FROM AUGUST 2022 THRU MARCH 2023
5/17/2023	41111	COMMERCIAL LIGHTING	\$ 1,282.36	LIGHTS FOR OFFICE
5/17/2023	41112	BEAU CORREIA	\$ 500.00	APRIL 2023 DIRECTOR STIPEND
5/17/2023	41113	LIGHTHOUSE DOCUMENT TECHNOLOGIES, INC.	\$ 516.00	MARCH 2023 LEGAL CONSULTANT
5/17/2023	41114	DELL MARKETING L.P.	\$ 3,535.18	SERVICE CONTRACT FOR SERVERS
5/17/2023	41115	FEDERAL EXPRESS	\$ 594.24	GBP WATER SAMPLE SHIPPING
5/17/2023	41116	FENTON & KELLER	\$ 6,059.00	FEBRUARY 2023 LEGAL SERVICES
5/17/2023	41117	STEVE FAUSONE	\$ 500.00	APRIL 2023 DIRECTOR STIPEND
5/17/2023	41118	FIREBAUGH CANAL WATER DISTRICT	\$ 11,700.00	HALF PROCEEDS FOR SALE OF PETERBILT TRUCK PURCHASED TOGETHER
5/17/2023	41119	MIGUEL GONZALEZ	\$ 146.81	BOOT REIMBURSEMENT
5/17/2023	41120	GRASSLAND BASIN AUTHORITY	\$ 9,036.29	1ST QTR DYED DIESEL 2,273.7 GALLONS
5/17/2023	41121	HICKS PENSION SERVICE	\$ 300.00	FEE FOR TRUSTEE CHANGE



DATE	CHECK NUMBER	NAME	AMOUNT	MEMO
5/17/2023	41122	HOLT OF CALIFORNIA	\$ 378.73	FEE FOR TRAVEL TIME FOR WARRANTY WORK
5/17/2023	41123	HOME DEPOT CREDIT SERVICES	\$ 707.45	OFFICE, SHOP & DISTRICT SUPPLIES
5/17/2023	41124	KCOE ISOM, LLP	\$ 4,250.00	UPDATING ANNUAL FINANCIAL MODEL
5/17/2023	41125	LINCOLN GRANTOR FARMS, LLC	\$ 9,659.00	REFUND CUSTOMER FOR OVERPAYMENT
5/17/2023	41126	MANUEL'S TIRE SERVICE	\$ 6,932.26	TIRES FOR # SJ55A
5/17/2023	41127	DIANA MOSES	\$ 213.54	REIMBURSEMENT FOR MILEAGE & MEAL FOR TRAINING
5/17/2023	41128	PACIFIC GAS & ELECTRIC	\$ 61,202.81	APRIL 2023 ELECTRICAL POWER
5/17/2023	41129	PANOCHÉ DRAINAGE DISTRICT	\$ 625.05	2023-2024 DRAINAGE SERVICE FEE 1ST INSTALLMENT
5/17/2023	41130	SUMMERS ENGINEERING INC.	\$ 874.11	MARCH 2023 ENGINEERING SERVICE
5/17/2023	41131	TECHNO-FLO	\$ 3,323.81	FLO METER FOR DOMESTIC PLANT & SADDLE METER FOR TURNOU 510G
5/17/2023	41132	VALLEY IRON INC.	\$ 2,820.38	STEEL FOR WEIRS & STRUCTURES
5/17/2023	41133	WATER RECLAMATION EQUIPMENT	\$ 8,292.23	CHECK ELECTRICAL T-2, STATION #2 & T-4, STEEL PIPE FOR 98E, PULL PUMP/MOTOR LINNEMAN LIFT # 1, REPLACE FLOAT STATION # 2, PARTS FOR METER AT DOMESTIC PLANT & RUN NEW WIRES FROM ELECTRICAL PANEL TO MOTOR T-4
5/17/2023	41134	WELTY WEAVER & CURRIE	\$ 300.00	MARCH 2023 LEGAL SERVICES
5/17/2023	41135	WESTAIR GASES & EQUIP, INC.	\$ 416.15	OXYGEN & ACETYLENE FOR SHOP
5/17/2023	41136	WAYNE WESTERN JR.	\$ 500.00	APRIL 2023 DIRECTOR STIPEND
5/17/2023	41137	WEST STANISLAUS IRRIGATION DISTRICT	\$ 281,250.00	WATER TRANSFER PURCHASE WY2023-2024 7,500 AF 3RD INSTALLMENT OF 5
5/17/2023	41138	WINSTON FARMS, LLC	\$ 37,278.00	CUSTOMER REFUND FOR OVERPAYMENT
5/17/2023	41139	XEROX FINANCIAL SERVICES	\$ 613.31	COPIER LEASE
5/17/2023	41140	YOUNG'S AIR CONDITIONING	\$ 82.00	SERVICE AC IN OFFICE
5/17/2023	41141	ANTHONY ZAVALA, SR.	\$ 221.32	REIMBURSEMENT FOR DOT MEDICAL EXAM & SUPPLIES FOR ARA'S PARTY
4/11/2023	TC0000056176	PAI SERVICES, LLC	\$ 114.71	SAGE TIME SERVICE MARCH 2023
4/19/2023	W000000847	U.S. BUREAU OF RECLAMATION	\$ 124,594.34	MARCH 2023 USBR WATER COSTS SLC \$ 108,341.50 & DMC \$ 5,324.74, RESTORATION WATER COSTS SLC \$ 9,394.96 & DMC \$ 1,533.14
4/19/2023	W000000848	SLDM WATER AUTHORITY	\$ 62,579.54	MARCH 2023 SLDMWA CONVEYANCE COSTS SLC \$ 60,625.28 & DMC \$ 1,954.26
4/18/2023	JE-33	TRANSFER FUNDS FOR PAYROLL	\$ 70,000.00	PAYROLL DATED 4/20/2023
5/2/2023	JE-46	TRANSFER FUNDS FOR PAYROLL	\$ 100,000.00	PAYROLL DATED 5/2/2023 & 5/5/2023
5/3/2023	W000000850	WELTY WEAVER & CURRIE	\$ 9,150.00	MARCH 2023 LEGAL SERVICES
5/3/2023	W000000849	WESTAMERICA VISA	\$ 6,432.91	AMAZON-DISTRICT SUPPLIES & OFFICE SUPPLIES, CONTRACT ADMINISTRATION COLLEGE COURSE, FEDERAL & STATE PAYROLL TAX FILING FEE FOR THE 1ST QTR, BUSINESS LUNCHES, UBER CHG, DEPOSIT FOR LODGING FOR ACWA CONFERENCE, REPAIRS ON # 18A, FUEL FOR # 18A, ADVERTISEMENT FOR GM & DISTRICT EMAILS
5/12/2023		SLDM WATER AUTHORITY	\$ 153,766.14	APRIL 2023 SLDMWA CONVEYANCE COST SLC \$ 140,597.97 & DMC \$ 13,168.17
5/12/2023		U.S. BUREAU OF RECLAMATION	\$ 179,569.81	APRIL 2023 USBR WATER COSTS SLC \$ 120,121.41 & DMC \$ 24,083.92 & APRIL 2023 RESTORATION WATER COST FOR SLC \$ 25,786.97 & DMC \$ 9,577.51
			\$ 1,225,276.18	

MECHANICS PAYROLL CHECKING # 7895				
DATE	CHECK NUMBER	NAME	AMOUNT	MEMO
4/19/2023	PR-1472	NET PAYROLL	\$ 42,267.02	PAYROLL DATED 4/20/2023
4/20/2023	JE-37	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$ 2,510.53	STATE PAYROLL TAX DEPOSIT
4/20/2023	JE-38	INTERNAL REVENUE SERVICE	\$ 15,256.31	FEDERAL PAYROLL TAX DEPOSIT
4/20/2023	JE-39	JOHN HANCOCK	\$ 7,538.74	401K RETIREMENT
4/21/2023	JE-40	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$ 97.67	STATE PAYROLL TAX DEPOSIT
4/21/2023	JE-41	INTERNAL REVENUE SERVICE	\$ 1,030.29	FEDERAL PAYROLL TAX DEPOSIT
4/21/2023	JE-42	JOHN HANCOCK	\$ 1,375.03	401K RETIREMENT
4/21/2023	PR-1473	NET PAYROLL	\$ 2,201.64	PAYROLL DATED 4/21/2023
4/27/2023	3239	PRINCIPAL LIFE INSURANCE COMPANY	\$ 631.70	EMPLOYEE PAID INSURANCE
5/2/2023	JE-48	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$ 2,218.75	STATE PAYROLL TAX DEPOSIT
5/2/2023	JE-49	INTERNAL REVENUE SERVICE	\$ 9,164.27	FEDERAL PAYROLL TAX DEPOSIT
5/2/2023	JE-50	JOHN HANCOCK	\$ 1,384.56	401K RETIREMENT
5/2/2023	PR-1474	NET PAYROLL	\$ 13,458.31	PAYROLL DATED 5/2/2023
5/4/2023	PR-1475	NET PAYROLL	\$ 39,604.61	PAYROLL DATED 5/5/2023
5/5/2023	JE-53	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$ 2,188.05	STATE PAYROLL TAX DEPOSIT
5/5/2023	JE-54	INTERNAL REVENUE SERVICE	\$ 13,557.69	FEDERAL PAYROLL TAX DEPOSIT
5/5/2023	JE-55	JOHN HANCOCK	\$ 6,670.53	401K RETIREMENT
			\$ 161,155.70	

**PANOCHÉ WATER DISTRICT**

**FYE 2023 BUDGET (March 1, 2022 - February 28, 2023) - Adopted Feb 22, 2022**

March 2022 thru February 2023 - 100%		Budget	Actual	REMAINING BALANCE	
<b>Operating Revenues</b>					
1	Supplemental Water	\$ 10,362,366	\$ 9,332,834	\$ 1,029,532	90%
2	Operations & Maintenance	\$ 5,861,058	\$ 4,485,906	\$ 1,375,152	77%
3	Fresno/Merced Counties - 2021 CVP Bond	\$ 1,509,263	\$ 1,371,976	\$ 137,287	91%
4	Labor Reimbursements	\$ 583,740	\$ 224,255	\$ 359,485	38%
5	Other Revenues	\$ 250,000	\$ 519,302	\$ (269,302)	208%
6	Reimbursed Expenses	\$ 200,000	\$ 402,036	\$ (202,036)	201%
7	Domestic Water Treatment Plant	\$ 140,000	\$ 144,864	\$ (4,864)	103%
8	Sustainable Groundwater Management <sup>1</sup>	\$ 46,497	\$ 46,726	\$ (229)	100%
9	CVP AG Water Contract	\$ -	\$ 159,600	\$ (159,600)	0%
<b>Total Revenue</b>		\$ 18,952,924	\$ 16,687,499	\$ 2,265,425	88%

Operating Expenses		Budget	Actual	REMAINING BALANCE	
<b>Water</b>					
10	Supplemental Water	\$ 10,362,366	\$ 8,782,919	\$ 1,579,447	85%
11	Planning & Engineering	\$ 150,000	\$ 174,423	\$ (24,423)	116%
12	CVP Water Contract	\$ -	\$ 86,378	\$ (86,378)	
		\$ 10,512,366	\$ 9,043,720	\$ 1,468,646	86%
<b>Administration</b>					
13	2021 CVP Bond	\$ 928,866	\$ 930,566	\$ (1,700)	100%
14	Legal	\$ 600,000	\$ 215,934	\$ 384,066	36%
15	2021 CVP Bond Assessment Refund	\$ 580,397	\$ -	\$ 580,397	0%
16	Salaries and Wages	\$ 569,425	\$ 491,866	\$ 77,559	86%
17	Employees' Benefits	\$ 202,961	\$ 173,325	\$ 29,636	85%
18	SLDMWA Activity Agreements	\$ 186,146	\$ 178,220	\$ 7,926	96%
19	SLDMWA DHCCP Bond Payment	\$ 148,592	\$ 44,876	\$ 103,716	30%
20	Directors' Benefits	\$ 138,352	\$ 74,519	\$ 63,833	54%
21	Insurance	\$ 127,750	\$ 90,889	\$ 36,861	71%
22	SWRCB Water Rights Fee	\$ 125,000	\$ 124,262	\$ 738	99%
23	Other Supplies & Services	\$ 105,000	\$ 119,082	\$ (14,082)	113%
24	Payroll Burden	\$ 68,642	\$ 79,353	\$ (10,711)	116%
25	Professional Services	\$ 60,000	\$ 96,006	\$ (36,006)	160%
26	Annual Audits	\$ 50,000	\$ 47,650	\$ 2,350	95%
27	Central Delta-Mendota Region SGMA <sup>1</sup>	\$ 46,497	\$ 14,893	\$ 31,604	32%
28	Communications	\$ 45,000	\$ 46,234	\$ (1,234)	103%
29	Conferences and Trainings	\$ 45,000	\$ 32,669	\$ 12,331	73%
30	Utilities	\$ 30,000	\$ 43,110	\$ (13,110)	144%
		\$ 4,057,629	\$ 2,803,454	\$ 1,254,175	69%

March thru February 2023		Budget	Actual	REMAINING BALANCE	
<b>Operations &amp; Maintenance</b>					
31	Energy	\$ 1,440,000	\$ 1,445,909	\$ (5,909)	100%
32	Salaries and Wages	\$ 1,258,610	\$ 789,755	\$ 468,855	63%
33	Employees' Benefits	\$ 431,839	\$ 322,477	\$ 109,362	75%
34	Pumps & Structures Repairs	\$ 250,000	\$ 331,933	\$ (81,933)	133%
35	Payroll Burden	\$ 197,481	\$ 127,714	\$ 69,767	65%
36	Reimbursable Expenses	\$ 200,000	\$ 154,158	\$ 45,842	77%
37	Chemical Application	\$ 170,000	\$ 108,748	\$ 61,252	64%
38	Domestic Water Treatment Plant	\$ 140,000	\$ 200,902	\$ (60,902)	144%
39	Fuel & Oil	\$ 90,000	\$ 222,592	\$ (132,592)	247%
40	Capital Cost - Depreciation	\$ 75,000	\$ -	\$ 75,000	0%
41	Equipment Repairs	\$ 50,000	\$ 74,139	\$ (24,139)	148%
42	Vehicle Repairs & Maintenance	\$ 45,000	\$ 36,237	\$ 8,763	81%
43	Buildings Repairs & Maintenance	\$ 20,000	\$ 40,216	\$ (20,216)	201%
44	Laboratory - Water Testing	\$ 15,000	\$ 18,241	\$ (3,241)	122%
		\$ 4,382,929	\$ 3,873,021	\$ 509,908	88%
<b>Total Expenses</b>		\$ 18,952,924	\$ 15,720,195	\$ 3,232,729	83%

<b>Net Revenue/(Deficit)</b>		\$ 967,304			
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<sup>1</sup> SGMA Costs historically billed on an pro-rata acreage basis

**PANOCHÉ WATER DISTRICT**

**Budget to Actual March 1, 2023 thru April 30, 2023 - 17%**

<b>BOD Approved Mar. 1, 2023 BOD Adopted Apr. 18, 2023, after Prop 218 Process</b>		<b>Approved Budget 2023-2024</b>	<b>Actual thru April 2023</b>	<b>Remaining</b>	
<b>Operating Revenues</b>					
1	Supplemental Water	\$ 8,937,467	\$ 2,322,363	\$ 6,615,104	74%
2	Operation & Maintenance	\$ 5,784,364	\$ -	\$ 5,784,364	100%
3	Fresno/Merced Counties - 2021 CVP Bond	\$ 1,303,892	\$ -	\$ 1,303,892	100%
4	Labor Reimbursements	\$ 350,079	\$ 19,096	\$ 330,983	95%
5	Other Revenue	\$ 125,416	\$ 87,495	\$ 37,921	30%
6	Reimbursed Expenses	\$ 340,000	\$ 19,724	\$ 320,276	94%
7	Domestic Water Treatment Plant	\$ 174,000	\$ -	\$ 174,000	100%
8	Sustainable Groundwater Management <sup>1</sup>	\$ 4,852	\$ -	\$ 4,852	100%
9	CVP AG Water Contract (80%)	\$ 6,075,000	\$ 3,274,847	\$ 2,800,153	46%
<b>Total Revenue</b>		<b>\$ 23,095,070</b>	<b>\$ 5,723,525</b>	<b>\$ 17,371,545</b>	

<b>Operating Expenses</b>					
<b>Water Costs</b>					
10	Supplemental Water	\$ 8,937,467	\$ 1,746,165	\$ 7,191,302	80%
11	Planning & Engineering	\$ 57,000	\$ 1,189	\$ 55,812	98%
12	Los Vaqueros Expansion	\$ 224,500	\$ 215,733	\$ 8,767	4%
13	BF Sisk Expansion	\$ 366,500	\$ 1,151	\$ 365,350	100%
14	Central Delta-Mendota Region SGMA <sup>1</sup>	\$ 4,852	\$ (1,568)	\$ 6,420	132%
15	CVP AG Water Contract (80%)	\$ 6,075,000	\$ -	\$ 6,075,000	100%
		<b>\$ 15,665,319</b>	<b>\$ 1,962,669</b>	<b>\$ 13,702,650</b>	
<b>Administration</b>					
16	2021 CVP Bond Payment	\$ 929,978	\$ -	\$ 929,978	100%
17	Legal Costs	\$ 250,000	\$ 9,699	\$ 240,301	96%
18	2021 CVP Bond Assessment Refund	\$ -	\$ -	\$ -	0%
19	Salaries and Wages	\$ 686,975	\$ 116,845	\$ 570,131	83%
20	Employees' Benefits	\$ 198,151	\$ 36,563	\$ 161,589	82%
21	SLDMWA Activity Agreements	\$ 106,863	\$ 53,310	\$ 53,553	50%
22	SLDMWA DHCCP Bond Payment	\$ 148,592	\$ -	\$ 148,592	100%
23	Directors' Benefits	\$ 36,000	\$ 5,000	\$ 31,000	86%
24	Insurance Costs	\$ 95,000	\$ 49,352	\$ 45,648	48%
25	SWRCB Water Rights Fee	\$ 125,000	\$ -	\$ 125,000	100%
26	Other Supplies & Services	\$ 106,500	\$ 33,575	\$ 72,925	68%
27	Payroll Burden	\$ 85,268	\$ 17,092	\$ 68,176	80%
28	Professional Services	\$ 78,000	\$ 8,318	\$ 69,682	89%
29	Annual Audits	\$ 40,000	\$ -	\$ 40,000	100%
30	Communication Costs	\$ 45,000	\$ 13,608	\$ 31,392	70%
31	Conferences and Training Costs	\$ 45,000	\$ 968	\$ 44,032	98%
32	Utilities	\$ 45,000	\$ 3,026	\$ 41,974	93%
		<b>\$ 3,021,328</b>	<b>\$ 347,356</b>	<b>\$ 2,673,972</b>	

<b>BOD Approved Mar. 1, 2023 BOD Adopted Apr. 18, 2023, after Prop 218 Process</b>		<b>Proposed Budget 2023-2024</b>	<b>Actual thru April 2023</b>	<b>Remaining</b>	
<b>Operations &amp; Maintenance</b>					
33	Energy Costs	\$ 1,795,500	\$ 19,728	\$ 1,775,772	99%
34	Salaries and Wages	\$ 915,001	\$ 149,640	\$ 765,362	84%
35	Employees' Benefits	\$ 325,888	\$ 46,825	\$ 279,063	86%
36	Pumps & Structures Repairs	\$ 241,000	\$ 21,939	\$ 219,061	91%
37	Payroll Burden	\$ 153,734	\$ 21,890	\$ 131,844	86%
38	Reimbursable Expenses	\$ 340,000	\$ 6,957	\$ 333,043	98%
39	Chemical Application	\$ 111,000	\$ 330	\$ 110,670	100%
40	Domestic Water Treatment Plant	\$ 174,000	\$ 15,773	\$ 158,227	91%
41	Fuel & Oil costs	\$ 145,000	\$ 8,157	\$ 136,843	94%
42	Capital Cost - Depreciation	\$ -	\$ -	\$ -	0%
43	Equipment repairs	\$ 100,000	\$ 8,559	\$ 91,441	91%
44	Vehicle repairs & Maintenance	\$ 40,000	\$ 4,415	\$ 35,585	89%
45	Buildings Repairs & Maintenance	\$ 50,000	\$ 2,783	\$ 47,217	94%
46	Laboratory - Water Testing	\$ 17,300	\$ -	\$ 17,300	100%
		<b>\$ 4,408,423</b>	<b>\$ 306,995</b>	<b>\$ 4,101,428</b>	
<b>Total Expenses</b>		<b>\$ 23,095,070</b>	<b>\$ 2,617,020</b>	<b>\$ 20,478,050</b>	
<b>Net Revenue/(Deficit)</b>		<b>\$ -</b>	<b>\$ 3,106,505</b>	<b>\$ (3,106,505)</b>	
		<b>Current O&amp;M <sup>2</sup></b>	<b>Water Rate <sup>3</sup></b>	<b>Acresage Rate <sup>4</sup></b>	
		<b>\$ 128.54</b>	<b>\$ 110.47</b>	<b>\$ 21.22</b>	
			<b>\$ (18.07)</b>		

<sup>1</sup> SGMA costs historically billed on an acresage basis  
<sup>2</sup> FYE 2023-24 proposed O&M Rate assumes 45,000 acre-feet of deliveries  
<sup>3</sup> Potential Water Rate assumes 45,000 acre-feet of deliveries  
<sup>4</sup> Potential Acresage Rate assumes 38,317 acres

**PANOCHÉ WATER DISTRICT**  
**AGED ACCOUNTS RECEIVABLE - Delinquent**  
**As Of 4/30/2023**

<b>Name</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>Over 90 Days</b>	<b>Total A/R</b>
Brown, Lupe	-	-	2.53	2.53
Cecilia Echeveste Survivor's Trust	558.73	558.73	43,818.91	44,936.37
Imperial Merchants USA, LLC	3.53	3.53	270.45	277.51
Olam West Coast, Inc. (OSVI)	5.35	5.35	423.01	433.71
	567.61	567.61	44,514.90	45,650.12
<u>Other</u>				
Camp 13 Drainage District	-	-	57,050.97	57,050.97
Grassland Basin Authority	-	7,868.64	29,343.32	37,211.96
	-	7,868.64	86,394.29	94,262.93
<b>Total Accounts - Delinquent</b>	<b>567.61</b>	<b>8,436.25</b>	<b>130,909.19</b>	<b>139,913.05</b>

**\*\* We received CCID's payment of \$ 71,456.33 last month \*\***

<b>PANOCHÉ WATER DISTRICT</b> <b>WY 2023-2024</b> <b>USBR Water Cost Only</b>	
Water Cost	USBR 100%
SLDMWA	\$ 32.17
USBR	\$ 35.86
Restoration	\$ 12.02
Trinity PUD	\$ 0.15
Power	
Storage/USBR	
Other Costs	
<b>Totals</b>	<b>\$ 80.20</b>
Rate Based on Delivery Method	
Direct Connect	NA
SLC	\$ 80.20
DMC	\$ 64.03

Created by Sandra Reyes / Water Master

**PANOCHÉ WATER DISTRICT WATER ACCOUNTING**

**Month: April, 2023**

5/9/2023

Water Supply																		
District Water March, 2023 - Feb, 2024	Annual AF	2023 March	2023 Apr	2023 May	2023 June	2023 July	2023 Aug	2023 Sept	2023 Oct	2023 Nov	2023 Dec	2024 Jan	2024 Feb	YTD Usage	Transfers Out	Not Pumped	Stored	Remaining Balance
Grower Transfer Ins	500													0				500
PWD Grower Wells f/Crdt	4,000	81												81				3,919
Gains or Losses	1,100	3	85											88				1,012
<b>District Water Total</b>	<b>5,600</b>	<b>84</b>	<b>85</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>169</b>				<b>5,431</b>
Bureau Water March, 2023 - Feb, 2024	Annual AF	2023 March	2023 Apr	2023 May	2023 June	2023 July	2023 Aug	2023 Sept	2023 Oct	2023 Nov	2023 Dec	2024 Jan	2024 Feb	YTD Usage	Transfers Out	Loss	Stored	Remaining Balance
Rescheduled Water	9,757	894	2,895											3,789		(158)		5,810
2023-2024 100% USBR	94,000													0				94,000
Transfer 2	3,000													0				3,000
Transfer 3	4,750													0				4,750
Transfer 4	7,500													0				7,500
Transfer 5	3,007													0				3,007
Transfer 6	1,000													0				1,000
Grower Transfers In	500													0				482
<b>Bureau Water Total</b>	<b>123,514</b>	<b>894</b>	<b>2,895</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,789</b>	<b>0</b>	<b>(158)</b>	<b>0</b>	<b>119,549</b>
<b>Total Water Supply</b>	<b>129,114</b>	<b>978</b>	<b>2,980</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,958</b>	<b>0</b>	<b>(158)</b>		<b>124,980</b>
Usage																		
Growers		978	2,980											3,958				
Transfers Out/Sales		0	0											0				
<b>Total Usage/Transfers</b>		<b>978</b>	<b>2,980</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,958</b>				
<b>Diff/Losses: % of Supply</b>	<b>%</b>	<b>1%</b>	<b>3%</b>											<b>3%</b>				
<b>Budget to Actual - AF</b>	<b>36,000</b>	899	2,980											3,879				32,121

\* Water Supply Numbers are estimates of known Transfers at this time - Deliveries are Actual \*

**Panoche Water District  
SJRECWA 5 Year Exchange Contractor Transfer**

5/12/2023 10:01 AM

Grower	2019-20 Acreage	Year 1	Year 2	Year 3	Year 4
		WY 2020-21 3,981	WY 2021-22 0	WY 2022-23 0	WY 2023-24 3,007
Ken Bethel 2015 Trust	162.16	34			31
DelMar Farms	551.70	117			
LAT Farming Trust	952.62	202			183
WMD Farming, Et Al #1	159.32	34			31
Almendra Properties I, LP	63.25	13			
Hall, Laurie Revocable Trust	219.39	47			
Hall, Tim R. Revocable Trust	383.21	81			
Hall Family Land Trust #1	704.45	149			
Hall Family Land Trust #2	16.73	4			
Hammonds Ranch, Inc.	1,296.02	275			249
Homeland Ranch	1,233.36	262			237
Mar-Hi Farms	1,042.58	221			200
San Joaquin West Ranch	1,229.23	261			236
John S. Diedrich Farms	142.00	30			27
Calmex Orchards, LP	594.08	126			
Dehbala Orchards, LP	777.38	165			149
Grandland Pistachio, LP	615.04	130			118
Kariz, LP	312.40	66			60
Pardis Orchards, LP	462.11	98			89
Redfern Ranches, Inc.	1984.40	421			381
AJS Farms, Inc.	157.00	33			30
Donald J. Smith Farms	534.28	113			103
J.W. Palmer Farms, Inc.	782.00	166			150
S.H. Smith Farms	558.27	118			107
SSR Farms	559.26	119			107
Stuart J. Smith Farms	332.57	71			64
Green Nut, LLC	318.58	68			61
Hanza Farms	607.32	129			117
California Pistachio, LLC	455.23	97			
Fadak Orchards, LLC	149.72	32			29
Sister Ranch, LP	299.26	63			57
Panoche Pistachio	122.44	26			
Doug Wood Farming	992.00	210			
<b>Grand Total</b>	<b>18,769.36</b>	<b>3,981</b>	<b>0</b>	<b>0</b>	<b>2,817</b>
<b>No Longer Farming</b>	<b>(3,110.48)</b>	<b>Going back into the District Pot</b>			<b>190</b>
<b>Revised Grand Total</b>	<b>15,658.88</b>	<b>Total AF</b>			<b>3,007</b>

Panoche Water District SJRECWA Total Cost	
SJRECWA Water Cost	\$ 90.04
SLDWMA	\$ 32.17
USBR	\$ 2.00
<b>Total</b>	<b>\$ 124.21</b>
Rate Based on Delivery Method	
Direct Connect	NA
SLC	\$ 124.21
DMC	\$ 106.09

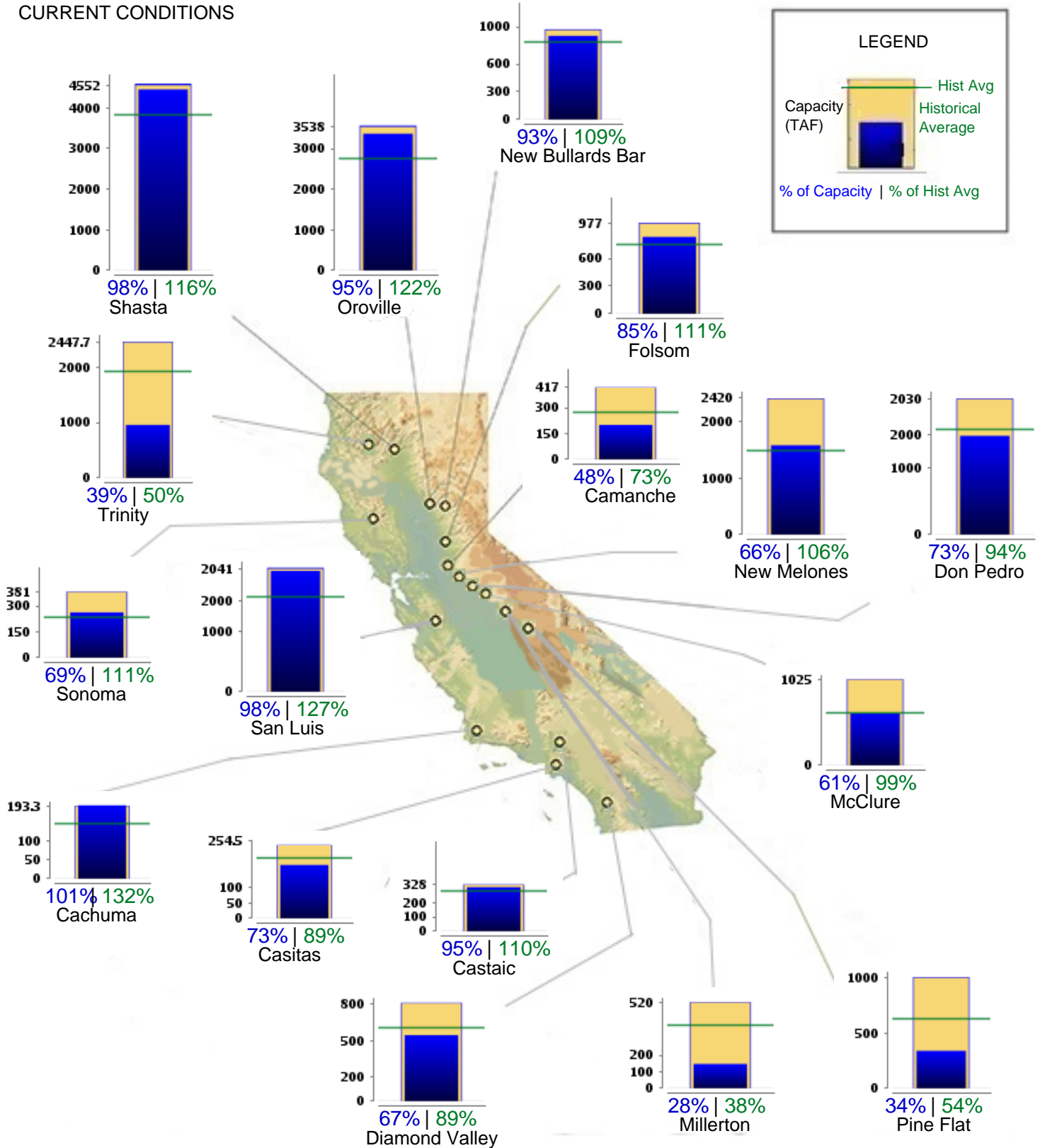


# CURRENT RESERVOIR CONDITIONS

## CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

Midnight - May 11, 2023

### CURRENT CONDITIONS





Monday, May 15, 2023  
7:00 AM

**San Joaquin River Basin**

Total Upstream Storage	363,093	AF	611,688	Capacity	59%
Millerton Lake Storage	169,021	AF	520,500	Capacity	32%
Total Storage	532,114	AF	1,132,188	Max Capacity	47%

Millerton Available Storage 351,479 AF

**Buchanan Res.**

Capacity in (AF)	150,000
Storage (AF)	134,504
% of Max Storage	90%
% of avg.	159%
Above Top Of Con.	-11,769 AF
Inflows ( CFS )	159
Outflows (CFS)	68

**Hidden Res.**

Capacity in (AF)	90,000
Storage (AF)	65,560
% of Max Storage	73%
% of avg.	136%
Above Top Of Con.	-22,049 AF
Inflows ( CFS )	221
Outflows (CFS)	186

**Millerton Lake / Friant Dam**

Capacity in (AF)	520,000
Storage (AF)	169,021
% of Max Storage	33%
% of avg.	44%
Above Top Of Con. (AF)	169,021
Inflows ( CFS )	13,180
Outflows (CFS)	10,998
Side Flows ( CFS )	4

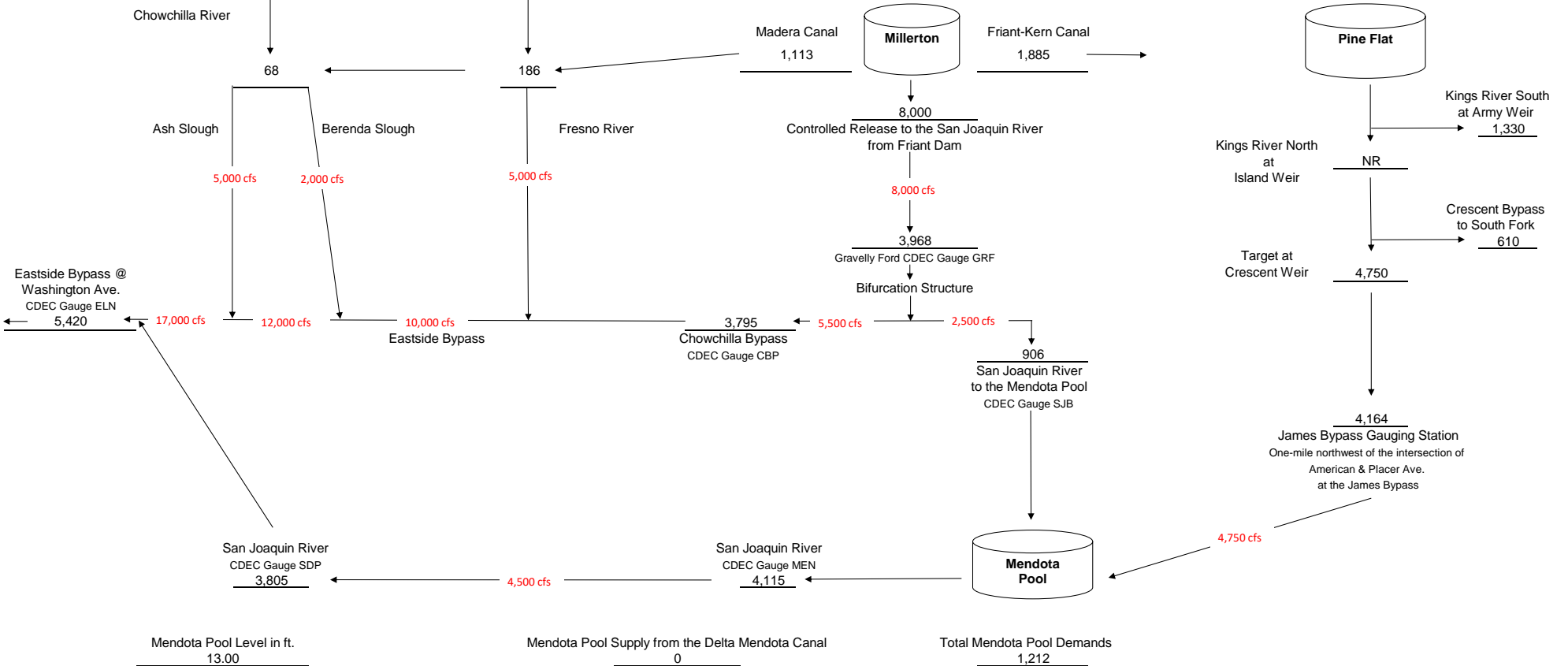
**Kings River Basin**

Total Upstream Storage	107,138	AF	251,900	Capacity	43%
Pine Flat Lake Storage	332,506	AF	1,000,000	Capacity	33%
Total Storage	439,644	AF	1,251,900	Max Capacity	35%

Available Storage 812,256 AF

**Pine Flat Dam**

Capacity in (AF)	1,000,000
Storage (AF)	332,506
% of Max Storage	33%
% of avg.	52%
Above Top Of Con. (AF)	332,503
Inflows ( CFS )	13,203
Outflows (CFS)	12,710
Side Flows ( CFS )	66



Note: Information in this report is gathered from a variety of sources including DWR-CDEC...BOR...ACOE...KRWA...SJRECWA...SLDMWA along with personal contacts etc. and is for informational purposes only.

\*\*\* Channel capacities are shown in red. These are flood channel design capacities from 1985 and may not be the actual channel capacities today.