

PANOCHÉ WATER DISTRICT MEETING MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
June 2, 2023

A special meeting of the Board of Directors was held on June 2, 2023, at 8:30am.

Those present at the meeting were:

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

Others: Chase Hurley, Interim General Manager

CALL TO ORDER

President Barcellos called the meeting to order at 8:40 am.

PLEDGE OF ALLEGIANCE

President Barcellos led the group in the pledge of allegiance.

ROLL CALL

A quorum of the Board of Directors was present.

POTENTIAL CONFLICTS OF INTEREST

Director Fausone stated that he would have a conflict of interest with one of the proposed general manager candidates and he would recuse himself from the meeting at that time.

PUBLIC COMMENT

There was no public comment.

BOARD TO GIVE STAFF DIRECTION RELATED TO BF SISK DAM RAISE PROJECT

Mr. Hurley gave the board an update on the latest 2023 budget details and timeline for the Project. He noted that if Panoche wanted to stay in the activity agreement and continue to be one of the private investors, they will need to make a cash call to the San Luis and Delta Mendota Water Authority (SLDMWA) for approximately \$129,000 on July 1st.

Mr. Hurley covered various other topics such as the proposed operating agreement with the United States Bureau of Reclamation, the updated list of private investors remaining in the Project and the latest storage allocation percentages amongst the activity agreement members. He also noted that Panoche's current requested storage capacity for the project is 30,000 Acre Feet. Based on other storage related projects that Panoche is currently investigating and the high cost of the BF Sisk Dam Raise project, Mr. Hurley recommended that the board change their requested storage capacity from 30,000 Acre Feet to 5,000 Acre Feet. Such a change would be submitted to the SLDMWA, and they would recalculate requested storage capacity numbers amongst the membership.

Based on the board discussion, Mr. Hurley recommended that the board not make a decision on moving forward with the July 1st call date and have this similar discussion at their June board meeting.

Upon a motion by Director Correia, seconded by Director Fausone, and unanimously approved, the board approved changing the requested storage capacity from 30,000 Acre Feet to 5,000 Acre Feet and tabling the decision to sign off on the July 1, 2023, call date until the June 2023 Panoche Water District board meeting. The vote on the matter was as follows:

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

PANOCHÉ WATER DISTRICT CLOSED SESSION: Pursuant to Section 54957 (b)(1) @ 8:57am

The board met in closed session to consider the employment of the District's General Manager

REPORT FROM CLOSED SESSION @ 2:40pm

President Barcellos stated that there was no action taken and staff was given direction on next steps related to the employment of the District's General Manager.

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

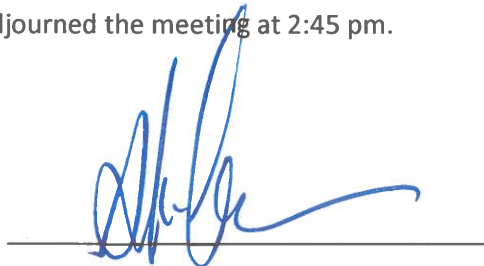
There were no other reports.

ADJOURNMENT

With no further business, President Barcellos adjourned the meeting at 2:45 pm.



Aaron Barcellos, President



Steve Fausone, Secretary