

**PANOCHÉ DRAINAGE DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
DECEMBER 12, 2023**

A regular meeting of the Board of Directors was held on December 12, 2023, at 9:00 am. Those present at the meeting were:

Directors: Aaron Barcellos, President
Michael Linneman, Vice President
Steve Fausone, Secretary
Wayne Western, Director

Staff: Juan Cadena, Water Resources Manager
Chris Carlucci, Maintenance Manager
Josh Marquez, Contracts Administrator
Patrick McGowan, General Manager
Sandra Reyes, Water Master

Others: Neill Callis, Turlock Fruit
Steve Creighton, Landowner Representative
Palmer McCoy, GBA
Phil Williams, Legal Counsel

CALL TO ORDER

President Barcellos called the meeting to order at 9:02 am.

PLEDGE OF ALLEGIANCE

President Barcellos led those in attendance in the Pledge of Allegiance.

ROLL CALL

A quorum of the Board of Directors was present.

POTENTIAL CONFLICTS OF INTEREST

There were no conflicts of interest.

PUBLIC COMMENT

There was no public comment.

ACTION ITEMS

BOARD TO REVIEW AND CONSIDER APPROVAL OF THE NOVEMBER 14, 2023, BOARD MEETING MINUTES

On a motion by Director Linneman and seconded by Director Fausone, the Board approved the November 14, 2023, board meeting minutes. The vote on the motion was as follows:

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

FINANCIAL REPORTS

- A. Accounts Payable**
- B. Monthly Financials**
- C. FYE 2024 Budget to Actual**
- D. Other financial matters**

Upon a motion by Director Fausone and seconded by Director Western, the board approved the financial report as presented by Ms. Reyes for Accounting Supervisor Mrs. Brazil, who was absent. The vote on the motion was as follows:

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

REPORT ITEMS

OPERATIONS & MAINTENANCE

Maintenance Manager Mr. Carlucci reported on the following operations and maintenance activities for the month of November:

- General Maintenance
- Made repairs to 11-44 drainpipe crossing for Buick Drain
- Finished disking and dozing outside drain spoil piles
- Weed control – Sprayed Bennett drain, Sabbatti drain, Northside drain (1144), Davidson drain, and sprayed sterilant Althea drain, Russell drain
- In Charleston Drainage District - Checking oilers on CH-2 pumps
- San Luis Drain Weed Control – Sprayed Dimension “sterilant” from Russell to Site D
- On the San Luis Drain – Placed STOP signs at 3 locations between Henry Miller Road to Hwy 165 and replaced Guard Rails between Check 8 and Check 9. Also, picked up trash from Check 15 to Wolfsen Road.

GRASSLAND BASIN AUTHORITY

The General Manager of the Grassland Basin Authority Mr. McCoy reported on the following:

- There were zero discharges and no workmen’s compensation claims for November.
- GBA’s income was based on the price of hay being sold at \$150/bale, but the actual price of hay sold was \$80/bale. The GBA does have the funds to cover the differential. Not all the money budgeted for equipment had been spent and there were also reserves that the Board could decide to utilize to assist in budget deficit. GBA will be working on a reasonable rate to use for hay sales moving forward.
- The GBA is currently working with legal staff to finalize the Settlement Agreement and hopes to do so by the end of the month.
- The GBA is currently discing the O’Banion property which should update cash flow.
- Mr. McCoy also reported that the GBA sent out a memo to the member agencies that listed a few options moving forward to adequately fund Prop 84 projects.
- Mr. McCoy also stated the younger pistachio trees showed more output this year than last year, but that the older trees did not.

THE BOARD TO RECEIVE UPDATES FROM STAFF ON VARIOUS MATTERS AFFECTING THE DISTRICT

Staff reported on various items that had been completed, or were ongoing, on the Action Items List from the previous board meeting held on November 14, 2023.

GENERAL MANAGER’S REPORT

General Manager Mr. McGowan reported on the following:

A. Prop 84 Grant for Westside Regional Drainage Plan

- i. Tile Sump SCADA Project: The installation of the SCADA & tower toppers is complete. The next step is to set employees up to log in and complete their training. We are also awaiting inspections by the County to finalize the projects.
- ii. Land Acquisition: The District is looking to minimize under-utilized lands at this time. With the prior years of drought, and efficient farming practices of the growers within our area, the flows have greatly decreased feeding the GBA. There are current conversations in progress to discontinue certain land lease agreements.
- iii. Land Development: No additional information to report.
- iv. Other – Mr. McGowan stated that the District is currently working with the GBA to provide a 24 month expense analysis moving forward. This will assist the GBA in planning and PDD in funding the remaining projects associated with the Prop 84 funding.

B. Annexation

- i. PDD is working with three landowners regarding the potential annexation of their properties. We have received all pertinent information from Fresno County LAFCO to move forward in the process.

C. San Joaquin Valley Drainage Authority

Mr. McGowan is now the official representative for the Board of Directors. It is anticipated that the Regional board is going to be issuing notices to comply and the District/GSA is working on plans for our area and how we are going to comply.

D. Other Matters:

Potentially including the Russell Avenue estates in our Domestic Water System would benefit us both. There are forty existing wells that serve the small rural community. Providing potable surface water through our new proposed surface water treatment plant would assist with water quality and minimize wells within GSA. Mr. McGowan is in the process of speaking with the entities involved to develop a game plan moving forward.

Mr. McGowan informed the Board of Directors that Bob Nunn from Sunset Exploration has been in contact inquiring if we have any additional questions or are ready to sign a letter of intent at this time.

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

There were no other items.

PANOCHÉ DRAINAGE DISTRICT CLOSED SESSION:

At 11:45 am, the Board met in Closed Session regarding real property negotiations and conference with legal counsel regarding anticipated litigation. At 12:00 pm, Mr. Williams stated that no reportable actions were taken in Closed Session.

PANOCHÉ WATER AND DRAINAGE DISTRICTS CLOSED SESSION: Conference with Legal Counsel

At 12:00 pm, the Boards met in Closed Session to meet with legal counsel on related anticipated litigation. At 12:30 pm, Mr. Williams stated that no reportable actions were taken in Closed Session.

FUTURE MEETING DATES

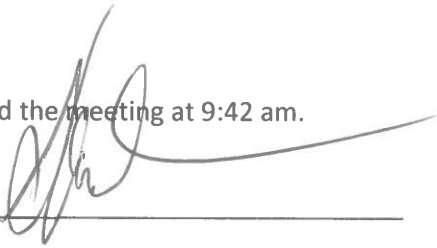
The next regular meeting of the Board was scheduled for January 9, 2024, at 9:00 am.

ADJOURNMENT

With no further business, President Barcellos adjourned the meeting at 9:42 am.



Aaron Barcellos, President



Steve Fausone, Secretary