

**PANOCHÉ DRAINAGE DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING MINUTES
April 14, 2026**

A regular meeting of the Board of Directors was held on April 14th, 2026, at 9:00 am. Those present at the meeting were:

Directors: Aaron Barcellos, President
Neill Callis, Vice President
Steve Fausone, Secretary
Beau Correia, Director (Arrived at 9:12am)
Wayne Western, Director

Staff: Patrick McGowan, General Manager
Marlene Brazil, Accounting Supervisor
Juan Cadena, Water Resources Manager
Chris Carlucci, Operations & Maintenance Manager
Josh Marquez, Contracts Administrator
Sandra Reyes, Water Master

Others: Chase Hurley, Water and Land Solutions
Chris Linneman, Summers Engineering
Palmer McCoy, Grassland Basin Authority
Rachel McLaughlin, Forefront Power
Phil Williams, Legal Counselor

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 APPROVING MARCH 10, 2026, REGULAR BOARD MEETING MINUTES

Upon a motion by Vice President Neill Callis and seconded by Director Western, the Board approved the March 10, 2026, Regular Board Meeting minutes as presented.

The vote on the motion was as follows:

Ayes: Barcellos, Fausone, Western, Callis

Nays: None
Absent: Correia
Abstain: None

BOARD TO REVIEW AND CONSIDER AMENDING WY 2026-2027 DRAINAGE SERVICE FEES

General Manager Patrick McGowan presented an amended budget for the fiscal year ending February 28, 2027, and noted that due to the San Luis & Delta-Mendota Water Authority (SLDMWA) decreases in their SGMA related costs, there had been an overall decrease to the budget.

After discussion by the Board, this matter was tabled and brought into Closed Session.

FINANCIAL REPORTS

- A. Accounts Payable**
- B. Monthly Financials**
- C. FYE 2025 Budget to Actual**
- D. Other financial matters**

Upon a motion by Secretary Fausone and seconded by Director Western, the board approved the financial reports as presented by Accounting Supervisor Mrs. Brazil.

The vote on the motion was as follows:

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

REPORT ITEMS

OPERATIONS & MAINTENANCE

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

- General Maintenance.
- Staff sprayed Hammond and Sabbatti Drain.
- Staff cleaned Sabbatti Drain. (North of DMC to CCID Canal)
- Staff made repairs to the Hammonds Drain crossing pipe. (Shaw Ave)
- Charleston Drainage District – Checking oilers on CH-2 pumps.

DRAINAGE MANAGEMENT

Water Resources Manager Juan Cadena reported on the following drainage management activities for the month of March:

- There has been no activity at Mud Slough, so Site D has continued to remain below the target.

Mr. Cadena also noted that rain is expected this month.

At this time, the meeting continued with Agenda Item 12 – Grassland Basin Authority being discussed prior to Agenda Item 11 – Board to Receive Update from District Engineer.

GRASSLAND BASIN AUTHORITY

The General Manager of the Grassland Basin Authority (GBA) Mr. Palmer McCoy presented the Board with a report on the following activities:

- I). Administrative: • Open position – Advertised for the Maintenance / Spray Technician position as

discussed in February Board meeting. One promising candidate has applied and already holds a QAL certification.

II). Operations and Maintenance:

- New Storage Basins – Late December 2025 storm events saturated the soil profile, causing significant runoff and field ponding across the GBA service area. Diversions from the regional drainage system into the short-term storage ponds occurred from December 26, 2025, through January 13, 2026. All four basins are now in use to alleviate flooding and support project operations. With minimal additional rainfall forecasted, water is being retained in the basins until operational conditions allow for release and reuse for irrigation.
- San Luis Drain – GBA staff continue conducting weekly inspections, debris removal, and repairs to fencing, gates, and signage. The washout repair northwest of Swift Road, completed by Superior Construction, has been reviewed with Summers Engineering; the costs were deemed prohibitive for continuing similar repairs. Weed control efforts remain ongoing.
- DMC Tile – On March 25, 2026, I received a call from a Firebaugh Canal Water District representative reporting that tile F/G was offline and could not be restarted. I contacted Waer Rec for an on-site assessment, which confirmed the tile had been removed. The sump is currently being pumped down to identify the source of sand accumulation. Discussions with SLDMWA continue regarding the transfer of operations and maintenance responsibilities.
- JTWG – We continue to manage irrigation scheduling based on available fields.
- Old Ponds – Ground leveling operations has resumed working with CCID to get survey stakes to help with progress.
- Well Pumping Program - Working with PWD staff to evaluate potential water deliveries for the current year. Water rate discussions are scheduled for the April Board meeting.
- RP9 Siphon – Approved by the GBA Board in October and now fully completed and operational.
- RP3 Rebuild – Approved by the GBA Board in October and now fully completed and operational.

III). Prop 84:

- Awaiting DWR funding updates for the project, expected in late June, or July.
- OD Pump Station – Coordination continues with Garney Construction. Summers Engineering is assisting with the project punch list.
- O'Banion Area – Work has been halted due to funding issues. There is concern that the ripped acres may dry out and harden, potentially hindering future planting efforts. After discussions with local farmer Miguel Cory and Vice-President Western, both agreed this is a legitimate issue and recommended discing the areas. Bids have been received for discing approximately 600 acres, with the lowest bids totaling about \$15,000 per pass. Based on input staff estimates at least two passes will be needed for beneficial results and some area possible three times. This would bring the total to approximately \$35-45K.
- Westside Conveyance & Pumps – Work has been halted due to funding issues. Will be discussed at next GBA Board Meeting.
- Basin Project Phase 2 – This phase includes the middle siphon. License agreements with CCID were approved at the October GBA Board Meeting. McElvaney Construction has completed siphon installation through the Outside Canal and is currently installing control gates. They are working to complete the pipeline from the siphon to the control box for the new basins prior to the funding stop date.

Mr. Palmer McCoy also touched on the Brackish Water Well Recovery Program and then went on to discuss a few other projects such as the ponds, leveling ground, and knocking down the remainder of some levies once Prop 84's funding comes through in July.

BOARD TO RECEIVE UPDATE FROM DISTRICT ENGINEER

Engineer Chris Linneman of Summers Engineering proceeded to update the board on a few ongoing projects for the District. On Prop 84, Mr. Linneman noted that funding is still frozen, but we anticipate having access again in July and right now he and staff are working on a draft final report.

Mr. Linneman also reported that the gates have been closed since March of 2024 for the Grassland Basin Drainers (GBD) and that their annual report is due at the end of April. Mr. Linneman noted that SLDMWA just completed the 2023 and 2024 audit and had found additional carryover funds, resulting in significant reductions in GBP dues to all the member districts. Panoche Drainage District's dues alone were reduced to \$395K. Mr. Linneman discussed a contractual obligation with Newman Land Company that is referenced as Mud Slough/Newman Lake Agreement that addresses what a structure in Mud Slough would look like and how we can get water into Newman Lake.

The San Joaquin Valley Drainage Authority (SJVDA) is mostly running status quo at the moment with Valley Water Collaborative working on various Management Plan reports. Mr. Linneman pointed out that the Expert Panel draft report is out and the comment period is currently open and will be closing on April 30th. GDA forms have gone out to all growers. AB2447 is currently in assembly and the bill focuses on limiting nitrogen fertilizer use, increases monitoring and reporting requirements, and applies quantitative limits on nitrogen fertilizer applications.

Mr. Linneman also noted that the annexation application and MSR have been submitted and comments have been received and addressed. LAFCO is expected to review and approve the application at the May 13th meeting.

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

GM Mc Gowan reported on various items that had been completed, or were ongoing, on the Action Items List presented – dated March 10th, 2026.

GENERAL MANAGER'S REPORT

General Manager Mr. McGowan reported on the following:

A. Prop 84 Grant Program Fund Expiration

GM McGowan noted that Prop 84 projects and funding expiration had been covered thoroughly in the meeting discussion.

B. Prop 218 Drainage Assessment Process

I. Notice to Landowners

GM McGowan reported that the Proposition 218 Letter and Official Protest Form had been mailed out to the landowners and the District has yet to receive any protests.

C. GBD Steering Committee

GM McGowan noted that GBD had already been covered under the Engineer's report.

D. San Joaquin Valley Drainage Authority (SJVDA)

GM McGowan noted that SJVDA had already been covered under the Engineer's report.

E. Annexation

GM McGowan noted that annexation had already been covered under the Engineer's report.

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

There were no other items.

PANOCHÉ DRAINAGE DISTRICT CLOSED SESSION: Conference with Legal Counsel

At 12:11 pm, the Board met in Closed Session to discuss with legal counsel on related anticipated litigation.

At 12:26 pm, Mr. Williams stated that no reportable actions were taken in Closed session.

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

At 12:09 pm, the Boards met in Closed Session to discuss with legal counsel on related anticipated litigation.

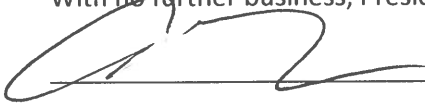
At 12:10 pm Mr. Williams stated that no reportable actions were taken in Closed Session.

FUTURE MEETING DATES

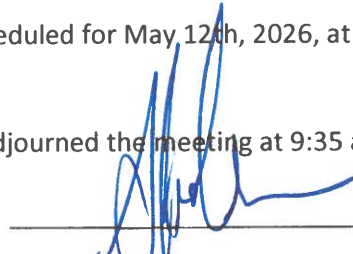
The next Regular meeting of the Board was scheduled for May 12th, 2026, at 9:00 am.

ADJOURNMENT

With no further business, President Barcellos adjourned the meeting at 9:35 am.



Aaron Barcellos, President



Steve Fausone, Secretary