

**PANOCHÉ DRAINAGE DISTRICT
BOARD OF DIRECTORS
REVISED REGULAR MEETING MINUTES
October 15, 2024**

A regular meeting of the Board of Directors was held on October 15, 2024, at 9:00 am. Those present at the meeting were:

- Directors: Aaron Barcellos, President
Steve Fausone, Secretary
Beau Correia, Director
Wayne Western, Director
- Staff: Patrick McGowan, General Manager
Marlene Brazil, Accounting Supervisor
Chris Carlucci, Maintenance Manager
Sandra Reyes, Water Master
- Others: Neill Callis, Turlock Fruit Company
David Cory, GBA President
Palmer McCoy, GBA
Phil Williams, Legal Counselor

CALL TO ORDER

President Barcellos called the meeting to order at 9:01 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 THE SEPTEMBER 10, 2024, REGULAR BOARD MEETING MINUTES

Upon a motion by Secretary Fausone and seconded by Director Western, the Board approved the September 10, 2024, regular board meeting minutes as presented. The vote on the motion was as follows:

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

BOARD TO REVIEW AND CONSIDER THE APPROVAL OF RESOLUTION # 840-24 REQUESTING FRESNO COUNTY BOARD OF SUPERVISORS TO APPOINT NEILL CALLIS AS DIRECTOR FOR DIVISION 1

General Manager Patrick McGowan explained that Mr. Michael Linneman has tendered his resignation letter effective September 30, 2024, and named Mr. Neill Callis as his representative for the purposes of serving on the Board of Directors for Division 1. The Board has also requested the County Board of Supervisors appoint Mr. Neill Callis to serve as Director for Division 1. Upon a motion by Director Correia and seconded by Secretary Fausone, the board approved Resolution # 840-24 requesting Fresno County Board of Supervisors appoint Neill Callis.

The vote on the matter was as follows:

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

BOARD TO REVIEW AND CONSIDER APPROVAL OF DRAFT TILE LINE POLICY

General Manager Patrick McGowan reported that we need to identify a schematic and look at the specifications being proposed for Prop 84 and mimic those in this policy. The tile line policy would go to our boards to be approved and then to the Grassland Basin Authority (GBA) Board for review. GBA Board President David Cory explained that the GBA has a risk from a regulatory perspective during the storm events in the winter with the water qualities in mud slough. To the extent that we can minimize those risks, those options should be pursued. Mr. McGowan noted that the goal would be to design a system that doesn't impact mud slough, but has huge benefits to the growers, as well as providing additional water for the GBA. General Manager of the GBA Palmer McCoy and Mr. David Cory reported that the GBA is in the process of getting a salinity tester that should expedite the process of identifying exceedances. There is no perfect solution, but to monitor the quality of water and flows in mud slough and try and understand and minimize the risk. Panoche Water District's (PWD) Board agreed that our draft policy is close, but they would like to see some items addressed such as priority of water, shut off terms, and tile lines being controlled by events and capacity. GBA's meeting is being held in December and the tile line policy will be on the agenda. The Board instructed General Manager Patrick McGowan to await GBA's discussions and bring the revised tile line policy before the board at January's meeting for approval for both Panoche Drainage District and Panoche Water District.

FINANCIAL REPORTS

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

Upon a motion by Director Correia and seconded by Secretary Fausone, the board approved the financial reports as presented by Accounting Supervisor Mrs. Brazil. The vote on the motion was as follows:

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

REPORT ITEMS

OPERATIONS & MAINTENANCE

Maintenance Manager Mr. Carlucci reported on the following operations and maintenance activities for

October 15, 2024 – PDD Regular Board Meeting Minutes – Initially Approved November 12, 2024 – Revision Approved on December 10, 2024

the month of September:

- General Maintenance
- Staff cleaned the Cambria drain.
- Staff made a new trash rack for Davidson drain and Bullard Avenue.
- Weed Control – Staff sprayed Althea, Davidson, Russell, T-Canal, Nees, and Buick drains.
- Charleston Drainage District – Checking oilers on CH-2 pumps.
- San Luis Drain Weed Control – Hwy 165 to Discharge outlet. Staff also placed squirrel bait at bait stations.
- Staff picked up trash on the San Luis Drain from Russell Avenue to HWY 152.

Mr. McGowan also informed the Board that Fresno County will pick up trash on any easements, so Chris will be looking into this further.

DRAINAGE MANAGEMENT

General Manager Patrick McGowan reported for Water Resources Manager Juan Cadena who was on a conference call, on the following drainage management activities for the month of September:

- Water quality looks good and there was hardly any activity happening due to no rainfall.

GRASSLAND BASIN AUTHORITY

The General Manager of the Grassland Basin Authority (GBA) Mr. Pamer McCoy reported on the following:

- Mr. McCoy reported that they have finished their Pistachio harvest and it was better than last year – 9 loads were sent in.
- Mr. McCoy also reported that the GBA was hit three times with electrical thefts and police reports were made. He noted that he is waiting to see if the GBA can survive until the modernization project, so that no money is wasted.
- Mr. McCoy met with Engineer Chris Linneman of Summers Engineering to go over the layout for the new O'Banion property, talk about the alignment of pipelines, and went out and looked at one of the pump stations. The good news being that one will be able to be used with the PG&E station already in place.
- Mr. McCoy reported that currently the GBA does not have SCADA, but it is being looked at for the future.
- Mr. McCoy stated that hay sales were averaging \$60/bale and that the second cutting did not look good due to the lack of water. GBA will be short on sales by approximately \$207,000.
- The GBA and the Grassland Basin Drainers (GBD) are starting their merger process and we should see a change right now with GBD expenses decreasing and GBA expenses increasing.

BOARD TO RECEIVE CV-SALTS, PRIORITIZATION & OPTIMIZATION STUDY UPDATE

GBA President David Cory was present to give the Board an update on the cv-salts, as well as the prioritization and optimization study. He explained the cv-salts started out as a salt control/salinity program for the central valley, but the program was then split into two programs, a nitrate control program and a salts control program. The question remains – how do we manage salts for the central valley in our region? An archetype for the prioritization and optimization study is modeling the Delta Mendota Subbasin. Currently the team is working with different managers to gauge the amounts of surface and groundwater used by each District. Salts will continue to accumulate; the question is where. One solution is the SJRIP – a salt and selenium disposal program that the Regional Board has analyzed. We need to look for an in-area solution. The first PNL study is projected to be 10 to 15 years, and we are currently in the 2nd to 3rd year.

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 presented - dated September 10, 2024. Mr. McGowan reported that Panoche Drainage District received a "District Transparency Certificate of Excellence" checklist from the Fresno County Grand Jury and that Contracts Administrator Josh Marquez had taken care of gathering the information to bring the website in compliance. Mr. McGowan noted that Water Resource Manager Juan Cadena was working on getting A&H wet signature on their landowner authorization form. Mr. McGowan also noted that the tile line policy is in progress.

GENERAL MANAGER'S REPORT

General Manager Mr. McGowan reported on the following:

A. Prop 84 Grant

Mr. McGowan reported that reimbursements for Invoice 24 and 25 have already been approved.

B. Annexation, Landowner Authorization Forms

Mr. McGowan reported that Mr. Cadena has submitted the annexation application for review.

C. San Joaquin Valley Drainage Authority (SJVDA)

Mr. McGowan reported that the transition away from the SLDMWA to the GBA is happening at this time. A quote was received from Summer's Engineering on taking over the management of GBD for \$95,000 annually.

D. Other

Mr. McGowan reported that Anthony's Laser Leveling representatives, along with Chris Linneman of Summers Engineering, Palmer McCoy of the GBA and Panoche staff recently had a pre-construction meeting. Alternative methods for the proposed re-bordering project were presented by the contractor and change orders were received.

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 11:45 am, the Board met in Closed Session to discuss with legal counsel on related anticipated litigation. At 12:07 pm, Mr. Williams stated that the Board met in closed session to discuss anticipated litigation and directed legal counsel to prepare and file a complaint in Fresno and/ or Merced County Superior Court for breach of contract and pursue a writ of attachment.

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

At 12:08 pm, the Boards met in Closed Session to discuss with legal counsel on related anticipated litigation.

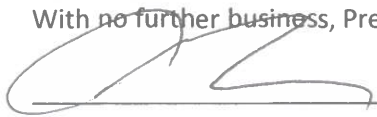
At 12:25 pm, Mr. Williams stated that no reportable actions were taken in Closed Session.

FUTURE MEETING DATES

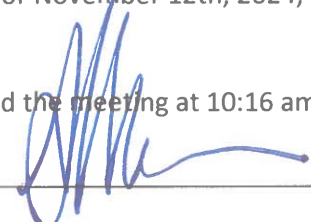
The next regular meeting of the Board was scheduled for November 12th, 2024, at 9:00 am.

ADJOURNMENT

With no further business, President Barcellos adjourned the meeting at 10:16 am.



Aaron Barcellos, President



Steve Fausone, Secretary