

**PANOCHÉ DRAINAGE DISTRICT MEETING MINUTES  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
July 13, 2021, at 9:00 A.M.**

A regular meeting of the Board of Directors was held in accordance with Governor Newsom's Executive Order N-09-21 issued in response to the COVID-19 Pandemic, which allows local and state legislative bodies to hold meetings by web and teleconference, and to make meetings accessible to the public electronically. Those present at the meeting were:

Directors Present: John Bennett, President  
Sue Redfern-West, Vice-President  
Mike Stearns, Secretary  
Michael Linneman, Director  
Ross Koda, Director

Directors Absent: None

District Staff Present: Ara Azhderian, General Manager  
Juan Cadena, Water Resources Manager  
John Paul Otollo, Treasurer & Controller  
Lorena Chagoya, Ethics & Compliance Officer

Others Present: Philip Williams, General Counsel  
Diane Rathmann, Of Counsel  
Steve Smith, Turlock Fruit  
Palmer McCoy, Grassland Basin Authority  
Will Gleason, West Hills Farms

**ANNOUNCEMENT PURSUANT TO GOVERNMENT CODE SECTION 54952.3**

Pursuant to the Brown Act, President Bennett announced that Directors do not receive compensation or a stipend for simultaneous or serial order meetings of Panoche Water District, Panoche Drainage District, Panoche Financing Authority, and/or the Panoche Resource Conservation District.

**CALL TO ORDER**

President Bennett called the regular meeting to order at 9:01 a.m.

**REVIEW OF AGENDA**

General Manager Azhderian reported the draft minutes from the December 8, 2020, regular meeting of the Board were not included in the meeting packet and should be struck from the Consent Calendar. He also reported that the Consent Calendar erroneously included meeting minutes for December 28, 2020, and that the Drainage District did not hold a meeting on that date.

**ROLL CALL**

A quorum of the Board and presence of the District's Officers were confirmed.

**POTENTIAL CONFLICTS OF INTEREST**

There were no conflicts reported.

## **PUBLIC COMMENT**

There was no public comment.

## **DIVISION REPORTS**

- A. Water Resources Manager Juan Cadena reported on water deliveries and maintenance activities, including various turnout repairs, weed control treatments, and cleaning of drains.
- B. Controller JP Otollo reported the water department was focused on the monthly water usage billings and closely monitoring water usage daily to avoid overdrafts and communicating frequently with growers about usage and water supply issues. Otollo also reported the accounting staff were working with field staff to update the fixed assets register and updating the depreciation values. Lastly, Otollo stated the Drainage District FYE 2020 audit was in its final stages and he expects to present a draft at the next Board meeting while preparation for the Water District FYE2021 audit was in full swing with the aim to begin the audit in August.
- C. Ethics & Compliance Officer Lorena Chagoya reported on various risk management activities for the month of June. She said there had been no worker's compensation, property, or liability insurance claims, nor COVID-19 cases, during the month. She indicated one internal report had been opened during the month while two had been closed. Regarding staffing, she explained that following the lay-off of the Human Resources Generalist, she and Contract Administrator Elisa Cardoza were redistributing the responsibilities. She also reported the District was advertising for a part-time janitor to facilitate compliance with the District's COVID-19 policies more cost effectively than contract services. Lastly, Chagoya reported on safety inspections and trainings, noting the last safety inspection scored 94%, and that the District's Declaration of Candidacy Forms would be available to landowners on July 19<sup>th</sup>.

*At approximately 9:15 a.m., President Bennett suspended the Drainage District meeting and continued the Water District-only meeting.*

## **CLOSED SESSION**

General Counsel Williams announced that the Panoche Drainage District Board would meet in closed session for a conference with legal counsel and its Real Property Negotiator pursuant to Government Code Section 54956.8:

- i. Property: Assessor's Parcel Numbers 089-290-022, 089-290-023, 089-300-004, and 089-300-005 in Merced County.
- ii. Agency Negotiator: Mr. Christopher A. Brown
- iii. Negotiating Parties: Panoche Drainage District and Mr. Brian Pereira
- iv. Under Negotiation: Price and Terms of Payment

*At approximately 11:23 a.m., President Bennett called the closed session to order.*

*At approximately 11:36 p.m., President Bennett adjourned the closed session.*

## **REPORT FROM CLOSED SESSION**

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

**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 11:37 a.m., President Bennett called the joint closed session to order.*

*At approximately 12:17 p.m., President Bennett adjourned the joint closed session.*

**JOINT CLOSED SESSION REPORT**

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

**CONSENT CALENDAR**

General Manager Azhderian presented the Board with the Consent Calendar items, which included the draft minutes from the November 10, 2020, regular meeting of the Board and November 24, 2020, special meeting of the Board; and, the monthly financial statements for the period ending June 30, 2021. After consideration, on a motion by Director Linneman, seconded by Director Stearns, the Board unanimously accepted the Consent Calendar as presented.

The vote on the matter was as follows:

- Ayes: Bennett, Redfern-West, Stearns, Linneman, Koda
- Nays: None
- Abstain: None
- Absent: None

**THE BOARD TO REVIEW AND CONSIDER AWARDED A CONTRACT TO BRADLEY AND SONS, INC., TO IMPLEMENT A REGIONAL GROUNDWATER MONITORING PROGRAM**

General Manager Azhderian explained the Grassland Basin Drainage Steering Committee and the Grassland Water District had agreed to implement a shallow groundwater monitoring program and that the District was being asked to facilitate the program under its Grassland Bypass Project operations and maintenance agreement with the San Luis & Delta-Mendota Water Authority. He said Summers Engineering had worked with Ken Schmidt to identify proposed locations for the shallow observation wells and that the District would work with potential affected landowners and the counties to secure the necessary permissions. He reported that an Invitation for Bids had been issued and Bradley and Sons were the sole respondents. Azhderian said the costs associated with the work would be billed back to the GBD Steering Committee. After consideration, on a motion by Director Stearns, seconded by Director Linneman, the Board unanimously approved award of the contract.

The vote on the matter was as follows:

- Ayes: Bennett, Redfern-West, Stearns, Linneman, Koda
- Nays: None
- Abstain: None
- Absent: None

**THE BOARD TO REVIEW AND CONSIDER APPROVING PAYMENT OF BILLS**

Controller Otollo presented the Board with the District’s accounts payable. After consideration, on a motion by Director Stearns, seconded by Director Redfern-West, the Board unanimously approved payment of the bills.

The vote on the matter was as follows:

Ayes:	Bennett, Redfern-West, Stearns, Linneman, Koda
Nays:	None
Abstain:	None
Absent:	None

**CONTROLLER’S REPORT**

Controller Otollo reviewed the District’s Budget-to-Actual report with the Board.

**DRAINAGE MANAGEMENT REPORT**

General Manager Azhderian reported on various drainage management activities, noting that the Grassland Bypass Project water quality monitoring results remain well within the Regional Water Quality Control Board’s objectives.

**GENERAL MANAGER’S REPORT**

General Manager Azhderian reported on various Prop 84 grant administration activities, noting that the eastern portion of the Tile Sump SCADA project was nearing completion while work on the Western portion was continuing.

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

Vice-President Sue Redfern-West announced her intention to retire from the Board of Directors effective August 11, 2021. She expressed her gratitude to the other Directors for their support and ongoing commitment to serve. The Directors expressed their appreciation for Sue’s leadership and directed staff to develop a succession plan.

**FUTURE MEETING DATES**

The next regular meeting of the Board was scheduled for August 10, 2021, at 9:00 a.m.

**ADJOURNMENT**

With no further business on the agenda, President Bennett adjourned the meeting at 12:35 p.m.




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John Bennett, President




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Mike Stearns, Secretary