

**PANOCHÉ DRAINAGE DISTRICT MEETING MINUTES  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
February 14, 2023, at 9:00 A.M.**

A regular meeting of the Board of Directors was held pursuant to Assembly Bill 361 authorizing the District’s legislative body to hold meetings by web and teleconference, and to make meetings accessible to the public electronically. Those present at the meeting were:

- Directors Present:       Aaron Barcellos, President  
                                  Michael Linneman, Vice-President  
                                  Steve Fausone, Secretary  
                                  Beau Correia, Director  
                                  Wayne Western, Director
  
- Directors Absent:       None
  
- District Staff Present:  Ara Azhderian, General Manager  
                                  Juan Cadena, Water Resources Manager
  
- Others Present:         Philip Williams, General Counsel  
                                  Palmer McCoy, Grassland Basin Authority  
                                  Will Gleason, West Hills Farm Services

**ANNOUNCEMENT PURSUANT TO GOVERNMENT CODE SECTION 54952.3**

Pursuant to the Brown Act, President Barcellos 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 Barcellos called the regular meeting to order at 9:00 a.m.

**REVIEW OF AGENDA**

There were no changes to the Agenda.

**ROLL CALL**

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

**POTENTIAL CONFLICTS OF INTEREST**

No conflicts were reported.

**PUBLIC COMMENT**

There was no public comment.

**CONSENT CALENDAR**

General Manager Azhderian presented the Board with the Consent Calendar, which included draft minutes from the January 17, 2023, adjourned regular meeting of the Board; the monthly financial statements for the period ending January 31, 2023; and the Treasurer’s Quarterly Investment Report for

the period ending December 31, 2022. After consideration, on a motion by Director Linneman, seconded by Director Western, the Board accepted the Consent Calendar as presented.

The vote on the matter was as follows:

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

#### **THE BOARD TO REVIEW AND CONSIDER AUTHORIZING EXECUTION OF A LAND LEASE WITH PANOCHÉ WATER DISTRICT**

General Manager Azhderian explained the District had been working with its solar provider, ForeFront Power, and various landowners for almost a year trying to establish a location for its 2<sup>nd</sup> one megawatt solar project. He explained a location near Reclamation's Demonstration Treatment Plant was preferred because Pacific Gas & Electric's existing infrastructure at that location was robust and that would minimize interconnection costs and delays. He said the original plan to demonstrate contiguousness of property from the preferred location to the District's T-Canal was to enter into leases with landowners along the Koda and Russell lifts; however, one landowner was concerned about the lease arrangement and requested the District pursue a title transfer instead. Azhderian noted in the long-run, that would be the best approach; however, with the end of the Net Energy Metering 2 tariff being only about 60 days away, there was not enough time to pursue the more permanent solution. So, as an expedient alternative, Azhderian said the District is proposing to lease lands in the San Joaquin River Improvement Project owned by the Panoche Drainage District and Firebaugh Canal Water District that connect from the preferred location to the Main Canal to satisfy the contiguous property requirement. The proposal was first brought to the Drainage District Board on January 17<sup>th</sup> at which time they directed staff to work with the Grassland Basin Authority to address concerns with the proposed lease. District staff met with the GBA Board on January 24<sup>th</sup> at which time the GBA Board directed its General Manager, Palmer McCoy, to work with the District to resolve any concerns. Azhderian reported the lease presented today is the result of that effort and GBA General Manager McCoy concurred. After consideration, on a motion by Director Correia, seconded by Director Fausone, the Board authorized execution of the Lease.

The vote on the matter was as follows:

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

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

General Manager Azhderian presented the Board with the District's accounts payable. After consideration, on a motion by Director Correia, seconded by Director Linneman, the Board approved payment of the bills as presented.

The vote on the matter was as follows:

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

## **FINANCIAL REPORTS**

General Manager Azhderian presented the Budget-to-Actual Report noting that expenses were right on track with projections.

## **DRAINAGE MANAGEMENT REPORT**

The Grassland Basin Authority General Manager, Palmer McCoy, provided the Board an update on activities at the San Joaquin River Improvement Project. General Manager Azhderian reported on Grassland Bypass Project activities.

## **GENERAL MANAGER'S REPORT**

General Manager Azhderian updated the Board on Proposition 84 grant funded Westside Regional Drainage Management Plan implementation activities noting that with the recent wet weather, field work has been on hold.

## **DIVISION REPORTS**

- A. Water Resources Manager Juan Cadena reported January water deliveries of only 15 acre-feet and that current deliveries were averaging only 5 cubic-feet per second. He reported on flood management activities resulting for the recent storms and said maintenance staff had installed 5 new canal gates, pulled pump #2 from station TC-2, and cleaned 1.5 miles of the Contour Canal.
- B. General Manager Azhderian reported that accounting staff had completed the calendar year-end tax reports and were continuing the FYE 2023 budget preparation. He said the Watermaster was assisting growers with new CVP contract year forms and processing the January ag and M&I water billings and the monthly reporting of water usage and payments to the San Luis & Delta-Mendota Water Authority and Reclamation. For the Drainage District, staff was assisting Price Paige with the audit of the FYE 2022 financial statements.

## **PANOCHÉ WATER & DRAINAGE DISTRICTS' 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 9:33 a.m., President Barcellos called the joint closed session to order.*

*At approximately 9:49 a.m., President Barcellos adjourned the joint closed session.*

## **JOINT CLOSED SESSION REPORT**

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

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

No reports were given.

## **FUTURE MEETING DATES**

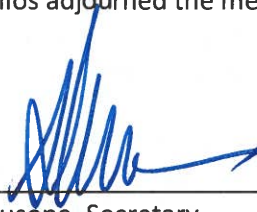
A special meeting of the Board was scheduled for 9:00 a.m. on March 1, 2023. The next regular meeting of the Board was scheduled for 9:00 a.m. on March 14, 2023.

**ADJOURNMENT**

With no further business on the agenda, President Barcellos adjourned the meeting at 9:50 a.m.



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Aaron Barcellos, President



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Steve Fausone, Secretary