

**PANOCHÉ DRAINAGE DISTRICT  
BOARD OF DIRECTORS  
MEETING MINUTES  
AUGUST 8, 2023**

A regular meeting of the Board of Directors was held on August 8, 2023, at 9:00 am. Those present at the meeting were:

**Directors:** Aaron Barcellos, President  
Michael Linneman, Vice President  
Steve Fausone, Secretary (Via Phone)  
Wayne Western, Director

**Staff:** Marlene Brazil  
Juan Cadena  
Chris Carlucci  
Sandra Reyes

**Others:** Neill Callis, Turlock Fruit  
Chase Hurley, Water & Land Solutions, LLC  
Palmer McCoy, GBA  
Patrick McGowan, Public  
Phil Williams, Legal Counsel

**CALL TO ORDER**

President Barcellos called the meeting to order at 9 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.

**BOARD TO REVIEW AND COSIDER APPROVAL OF THE JULY 11, 2023, BOARD MEETING MINUTES**

On a motion by Director Linneman and seconded by Director Western, the Board approved the July 11, 2023, board meeting minutes. The vote on the matter was as follows:

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

**THE BOARD TO REVIEW AND CONSIDER AUTHORIZING THE INTERIM GENERAL MANAGER, HURLEY TO VOTE ON THE CANDIDATES FOR THE ACWA OFFICES OF PRESIDENT AND VICE PRESIDENT**

Upon a motion by Director Western, and seconded by Director Linneman, the board approved Mr. Hurley to vote for the ACWA offices as follows: President Cathy Green and Vice President Ernie Avila. The vote on the matter was as follows:

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

**THE BOARD TO REVIEW AND CONSIDER AUTHORIZING APPROVAL OF A FIVE-YEAR NOTE FOR PANOCHÉ DRAINAGE DISTRICT TO PAY BACK PANOCHÉ WATER DISTRICT FOR FUNDING OF EXPENSES FOR THE SJRIP AND GRASSLAND BASIN DRAINER ACTIVITIES FROM 2019 THROUGH 2020 IN THE AMOUNT OF \$1,433,041.53**

Mr. Hurley reviewed the drainage district expenses that were paid for by Panoche Water District from 2019 and 2020. At this time, the drainage district was experiencing cash flow issues and needed assistance from Panoche Water District. These expenses have been booked by the Drainage District auditor and are expected to be paid. Mr. Hurley reviewed the breakdown of the \$1,433,041.53 and explored various methods of repayment to the Water District. President Barcellos reminded the board members that there needs to be a clear delineation between the Drainage District and the Water District and that any future “transfers” of cash between the two entities need to be approved at the board level and not done by staff. President Barcellos would like staff to develop a policy on how this financial partnership could be developed through clear and concise protocols. After discussion amongst the directors and staff, President Barcellos tabled this item until a future meeting. Mr. Hurley stated that he would have it back on the agenda at the October 2023 meeting.

**FINANCIAL REPORTS**

- A. Accounts Payable**
- B. Monthly Financials**
- C. FYE 2024 Budget to Actual**
- D. Quarterly Reports ending June 30, 2023**

Upon a motion by Director Linneman and seconded by Director Western, the board approved the financial report as presented by Ms. Brazil. The vote on the matter was as follows:

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

**OPERATIONS & MAINTENANCE**

Mr. Carlucci reported on the following items:

- Cleaned the outside drain from Oxford west to Panoche main canal.
- Spot cleaned the Davidson drain.
- Sprayed the following locations: Courtney Drain, Russell Drain, Buick Drain, 11-44 Drain, Millux Drain, Hammond Drain, Davidson Drain and Sabbatti Drain
- Checked all the oilers on CH-2 pumps for Charleston Drainage District
- Spayed for weeds on the San Luis Drain from Hwy 152 to Check 14

**DRAINAGE MANAGEMENT**

Mr. Cadena reviewed the Mud Slough Water Quality sheet for the month ending July 2023 and stated that the objectives have been met for WY 2023.

**GRASSLAND BASIN AUTHORITY**

Mr. McCoy reported on the following:

- The prices for Jose Tall Wheat Grass continue to be exceptionally low. The current market is in the range of \$80/ton.
- There has been an increased effort to manage the weed issue in the drains.
- The next GBA meeting is set for August 17, 2023.

**GENERAL MANAGER'S REPORT - Hurley**

- A. Prop 84 Grant for Westside Regional Drainage Plan
  - i. The District is waiting on three reimbursements from the State of California. Staff is now sending in reimbursement requests monthly.
- B. Annexation
 

Mr. Hurley is continuing to set the advantages of annexing the property owned by the Nelson family along the southern edge of CCID's Main Canal. He has talked with the Nelson family and expects to set up a face-to-face meeting with them in late August or early September. Mr. Hurey reminded the board that there is a complete review of this item in their action item list that was sent out earlier.
- C. San Joaquin Valley Drainage Authority: Nothing new to report
- D. Other Matters Affecting the District
  - i. Mr. Hurley stated that he had a good discussion with staff of Westlands Water District, Pacheco Water District and San Luis Water District related to the Bureau of Reclamation's future obligations to provide drainage service through the Central Valley Project Act. It was an initial discussion that could lead to future thoughts on negotiating with the Bureau of Reclamation on site specific projects that could lead to self-sufficiency in managing each entities sub surface drainage flows.

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

There were no other items.

**CLOSED SESSION:** No closed session was needed.

**PANOCHÉ WATER & DRAINAGE DISTRICTS JOINT CLOSED SESSION:** At 12:32 pm Conference with Legal Counsel.

**REPORT FROM JOINT CLOSED SESSION (GOVERNMENT CODE SECTION 54957.1)** at 1:49 pm.

President Barcellos stated that there were no reportable actions.

**ADJOURNMENT**

With no further business, President Barcellos adjourned the meeting at 2:03 pm.

Aaron Barcellos, President

Steve Fausone, Secretary