

**PANOCHÉ DRAINAGE DISTRICT MEETING MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
April 12, 2022, at 9:00 A.M.**

A regular meeting of the Board of Directors was held in accordance with District Resolution 807-22 proclaiming a local emergency due to the COVID-19 pandemic and authorizing the District's legislative body to hold meetings by web and teleconference, and to make meetings accessible to the public electronically, pursuant to Assembly Bill 361. Those present at the meeting were:

Directors Present: John Bennett, President
 Michael Linneman, Vice-President
 Steve Fausone, Secretary
 Aaron Barcellos, Director
 Beau Correia, Director

Directors Absent: None

District Staff Present: Ara Azhderian, General Manager
 Juan Cadena, Water Resources Manager
 Lorena Chagoya, Ethics & Compliance Officer

Others Present: Philip Williams, General Counsel
 Palmer McCoy, Grassland Basin Authority

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

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 items, which included draft meeting minutes from the May 25, 2021, special meeting of the Board, the March 8, 2022, regular meeting of the Board, the March 29, 2022, special meeting of the Board, and the monthly financial statements for the period ending March 31, 2022. As Directors Bennett and Linneman were present at the May 25, 2021, meeting, they reviewed and approved the minutes. After consideration, on a motion by Director Barcellos, seconded by Director Correia, the Board unanimously accepted the Consent Calendar as presented.

The vote on the matter was as follows:

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

THE BOARD TO REVIEW AND CONSIDER ADOPTING A 2022-23 FISCAL-YEAR BUDGET

General Manager Azhderian presented the Board a proposed budget for the fiscal-year ending February 28, 2023. He reported over all the budget reflected about a 14% reduction from the prior year largely due to a reduction in fees being charged by the Grassland Basin Authority for the operation of the San Joaquin River Improvement Project due to increased revenue and reduced costs. He noted that costs for the Grassland Bypass Project and administration were projected to be higher in part due to inflation and in part due to work anticipated to support the annexation of District-owned and private lands, the costs for which will be allocated proportionately to the individual landowners. Azhderian responded to questions from the Board and requested adoption of the proposed budget so that the District could issue Drainage Service Fee invoices to landowners to generate revenue in time to meet its first payment obligation to the Grassland Basin Authority on June 1, 2022. The Board requested staff create information “fact sheets” and post them on the District’s web site to help further explain the various aspects of drainage management and the related costs. After discussion, on a motion by Director Barcellos, seconded by Director Linneman, the Board unanimously adopted the proposed budget and Drainage Service Fees as presented.

The vote on the matter was as follows:

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

THE BOARD TO REVIEW AND CONSIDER AUTHORIZING ISSUANCE OF A REQUEST FOR PROPOSALS FOR FINANCIAL AUDITING SERVICES

General Manager Azhderian presented the Board a draft Request for Proposal to solicit proposals from auditing firms to perform financial audits for the District for four fiscal-years. He noted the timing of the request stemmed from the Board’s prior interest in exploring alternative vendors and the potential cost variances. The Board asked if the request represented the base needs of the District, which Azhderian confirmed. After consideration, on a motion by Director Correia, seconded by Director Linneman, the Board unanimously authorized issuance of the Request for Proposal as presented.

The vote on the matter was as follows:

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

THE BOARD TO REVIEW AND CONSIDER ADOPTING A RESOLUTION REVISING THE DISTRICT'S AUTHORIZED BANK SIGNED

General Manager Azhderian requested the Board consider adopting a resolution to update names and positions authorized to make transactions on the District's Mechanics Bank accounts. After consideration, on a motion by Director Barcellos, seconded by Director Linneman, the Board unanimously adopted the resolution as presented.

The vote on the matter was as follows:

Ayes: Bennett, Linneman, Fausone, Barcellos, Correia
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 Barcellos, the Board unanimously approved payment of the bills.

The vote on the matter was as follows:

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

FINANCIAL REPORTS

General Manager Azhderian presented the Board the Budget-to-Actual report. The Board asked staff to look into why 80% of the General Overhead budget appeared to have been spent in the first month of the fiscal-year.

DRAINAGE MANAGEMENT REPORT

Palmer McCoy, General Manager of the Grassland Basin Authority, updated the Board on activities at the San Joaquin River Improvement Project. General Manager Azhderian updated the Board on the District's activities at the Grassland Bypass Project and noted that the monthly water quality report was not presented because South Dakota labs was still working to restore its selenium testing capability.

GENERAL MANAGER'S REPORT

General Manager Azhderian reported the District was still waiting on permit approval from Fresno County to erect the electric tile sump SCADA project radio towers. He also reported that design of the short-term stormwater storage basins was nearing completion and that a virtual "job showing" for the pumps and motors element of the project was scheduled for April 20, 2022. He said he expected the construction element of the Invitation for Bids to be released in June.

DIVISION REPORTS

- A. Water Resources Manager, Juan Cadena reported on water deliveries and maintenance activities. He said March's deliveries totaled 968 acre-feet and that average deliveries were running approximately 50 cubic-feet per second. He said the maintenance crew had repaired a leak at San Luis Canal turnout 97.50L and were spraying weeds on both the Main and T-Canal. They had also repaired a pipeline leak feeding the District's DMC well blending project and leveled dredge spoils in Charleston Drainage District.
- B. General Manager Azhderian reported the financial accounting staff were working on the fiscal-year end close out and that the water accounting staff were calculating potential water supply volumes to process the District's first supplemental pool allocations and invoices.
- C. Ethics & Compliance Officer, Lorena Chagoya reported on risk management activities for the month. She informed the Board there were no worker's compensation claims or positive COVID-19 cases, nor any reports on the District's SpeakUp Hotline. She said there was one vehicle incident and five internal reports made, four of which had been resolved and one was pending follow-up with an employee. She reported the District was shifting its primary care services to a new vendor as the previous vendor was no longer performing Department of Transportation mandated drug and alcohol screenings. Lastly, Chagoya summarized completed trainings, including the 2-hour Ethics & Compliance – Code of Conduct Training for new board members, employee job specific trainings, and other trainings scheduled for April.

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 10:10 a.m., President Bennett called the joint closed session to order.

At approximately 11:23 a.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.

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 April 26, 2022 at 9:30 a.m. The next regular meeting of the Board was scheduled for May 10, 2022, at 9:00 a.m.

ADJOURNMENT

With no further business on the agenda, President Bennett adjourned the meeting at 11:14 a.m.



John Bennett, President



Steve Fausone, Secretary