

PANOCHÉ DRAINAGE DISTRICT MEETING MINUTES
ADJOURNED REGULAR MEETING OF THE BOARD OF DIRECTORS
January 17, 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
 Wayne Western, Director

- Directors Absent: Beau Correia, Director

- 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 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 9:02 a.m.

DETERMINATION

General Manager Azhderian presented the Board a Resolution and explained it was identical to previous COVID-19 determinations adopted by the Board except that it extended the proclaimed state of emergency and ability for the Board and public to meet virtually until February 16, 2023. Azhderian said the State had passed a new set of rules governing virtual meetings that would go into effect on March 1, so he expected this to be the last COVID-19 determination to be made by the Board. After consideration, on a motion by Director Western, seconded by Director Linneman, the Board unanimously adopted the Resolution as presented.

The vote on the matter was as follows:

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

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 December 13, 2022, regular meeting of the Board; and the monthly financial statements for the period ending December 31, 2022. After consideration, on a motion by Director Linneman, seconded by Director Fausone, the Board accepted the Consent Calendar as presented.

The vote on the matter was as follows:

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

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

General Manager Azhderian reported the Water District was working to establish contiguous control of property from the proposed eastern solar project location to provide for net metering. He explained the Water District had reached out to five landowners along the Koda and Russell lifts and that four had expressed a willingness to sign leases but that the fifth was expressing reservations that may not be resolvable in the time remaining under the state’s Net Energy Metering 2 policy. Azhderian said that in order to expedite submission of the interconnection application so to avoid a significant reduction in the value of the eastern project, the Water District was requesting the Drainage District enter into a lease of parcels it owns solely, or with Firebaugh Canal Water District, for the San Joaquin River Improvement Project, which could create the needed continuity. He explained the lease provided in the package was the same as that presented to the private landowners and said that Palmer McCoy had sent an alternative lease used by the Henry Miller Reclamation District 2131, which clarified the purpose of the lease was for a solar project and to allow for aggregation of meters. McCoy also questioned whether the proposed lease might inhibit future opportunities for the Grassland Basin Authority to pursue its own solar project. After discussion of the concerns, the Board decided to hold consideration of the lease until after a conversation could be had with the GBA Board at its next meeting. The matter was then tabled and no action was taken.

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 Fausone, 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, Western
Nays:	None

Abstain: None
Absent: Correia

FINANCIAL REPORTS

General Manager Azhderian presented the Board the Budget-to-Actual report.

DRAINAGE MANAGEMENT REPORT

General Manager Azhderian and Grassland Basin Authority Manager McCoy reported on recent storm related and flood management activities at the San Joaquin River Improvement Project and Grassland Bypass Project. They stated significant flooding had occurred in the Mendota area following peak flows of 6,900 cubic-feet per second on Silver Creek but that flooding in and around the SJRIP area was moderate and being managed by releases into the Grassland Bypass Channel. They said flows into the Channel had peaked on January 10th at approximately 94 cfs and were receding with current flows at about 62 cfs, which included flood flows draining from the Firebaugh Canal Water District system. Lastly, they explained initial water quality monitoring results indicated that the Central Valley Regional Water Quality Control Board's Waste Discharge Requirements had not been exceeded and that continued monitoring of Los Banos Creek and Mud Slough flows would be critical towards informing when to cease stormwater releases.

GENERAL MANAGER'S REPORT

General Manager Azhderian updated the Board on various Proposition 84 activities.

DIVISION REPORTS

- A. Water Resources Manager Juan Cadena reported December deliveries were 89 acre-feet and that there had been no deliveries whatsoever for the past three weeks. He said crews had dewatered Pump Station 6E, cleaned the structure, and installed a new foundation for the traveling water screens to be installed. Crews were also installing new control gates and trash racks in five turnouts and overhauling water meters. In the Drainage District, Cadena said crews had cleaned 2.4 miles of drains and were performing routine maintenance.
- B. General Manager Azhderian reported that staff were working on tax and other year-end reporting requirements. He said work was continuing on the FYE 2023 budget and the ongoing monthly ag and M&I water billings and the reporting of water usage and payments to the San Luis & Delta-Mendota Water Authority and Reclamation. For the Drainage District, Azhderian reported the Price Paige audit of the FYE 2022 financial statements had begun.
- C. Ethics & Compliance Officer Lorena Chagoya reported on risk management activities for the month of December 2022. She informed the Board there were no worker's compensation claims nor activities on the SpeakUp Hotline; however, there was one new COVID-19 case, which was managed and the employee has since returned to work. Chagoya reported the 4th quarter safety inspection had been postponed from December to January. She also reported on a workshop she conducted for all employees on the upcoming annual performance evaluations, which are scheduled to be completed by the end of January. She noted the new employees will complete their 90-day probation period in January and that they have settled in to their new responsibilities well. Lastly, Chagoya report on upcoming monthly employees safety trainings.

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 9:48 a.m., President Barcellos called the joint closed session to order.

At approximately 11:19 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 authorized execution of a Settlement Agreement and Mutual Release with Michael L. Dresick. No other reportable action was taken.

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

No reports were given.

FUTURE MEETING DATES

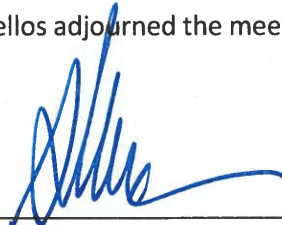
The next regular meeting of the Board was scheduled for February 14, 2023, at 9:00 a.m.

ADJOURNMENT

With no further business on the agenda, President Barcellos adjourned the meeting at 11:20 a.m.



Aaron Barcellos, President



Steve Fausone, Secretary