

AGENDA
PANOCHÉ DRAINAGE DISTRICT
REGULAR BOARD OF DIRECTORS MEETING
February 14, 2023 – 9:00 a.m.

**PURSUANT TO AB 361, THE OPEN SESSION OF THIS MEETING MAY BE JOINED
FROM YOUR COMPUTER, TABLET OR SMARTPHONE THROUGH THE FOLLOWING MEANS:**

<https://meet.goto.com/325026821>

AND PLEASE DIAL

Conference call in number: (866) 705-2554 Passcode: 148 890

PRESIDENT’S ANNOUNCEMENT: Pursuant to Government Code Section 54952.3, let it be known that Board Members receive no compensation or stipend for simultaneous or serial order meetings of the Panoche Water District, Panoche Drainage District, Panoche Financing Authority, and/or the Panoche Resource Conservation District.

- 1. CALL TO ORDER**
- 2. REVIEW OF AGENDA:** The Board will consider corrections and/or additions to the Agenda of items requiring immediate action that came to the attention of the Board after the Agenda was posted.
- 3. ROLL CALL:** A quorum will be confirmed and the Board will consider appointment of an acting Officer(s) in the event the President, Vice-President, and/or Secretary is absent from the meeting.
- 4. POTENTIAL CONFLICTS OF INTEREST:** Any Board member who has a potential conflict of interest may now identify the Agenda Item and recuse themselves from discussing and voting on the matter. [Government Code Section 87105]
- 5. PUBLIC COMMENT:** The Board of Directors welcomes participation in Board meetings. The public may address matters under the jurisdiction of the Board that have not been posted in the Agenda. The public will be given the opportunity to address the Board on any item in the Agenda at this time or before the Board’s consideration of that item. If members of the public desire to address the Board relative to a particular Agenda item at the time it is to be considered, they should so notify the President of the Board at this time. Please note, California Law prohibits the Board from taking action on any matter during a regular meeting that is not on the posted Agenda unless the Board determines that it is an emergency or one of the other situations specified in Government Code Section 54954.2. During a special meeting, the Board may not take action on any matter that is not on the posted Agenda. The President may limit the total amount of time allocated for public comment on particular issues to 3 minutes for each individual speaker.

6. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered to be routine and non-controversial and will be acted upon by a single action of the Board of Directors, unless a Board Member requests separate consideration of the item. If such a request is made, the item may be heard as an Action Item at this meeting. The Board will review and consider (Tab 2):

- Approving DRAFT minutes from the January 17, 2023, adjourned regular meeting of the Board;
- Accepting the monthly financial statements for the period ending January 31, 2023;
- Accepting the Treasurer’s Quarterly Investment Report for the period ending December 31, 2022.

ACTION ITEMS

7. The Board to review and consider authorizing execution of a land lease with Panoche Water District (Azhderian – Tab 3);
8. The Board to review and consider approving the accounts payable (Azhderian – Tab 4).

REPORT ITEMS

9. **FINANCIAL REPORTS** (Tab 5)
 - A. FYE 2023 Budget-to-Actual Report;
 - B. Other financial matters affecting the District.
10. **DRAINAGE MANAGEMENT REPORT** (Tab 6)
 - A. San Joaquin River Improvement Project;
 - B. Grassland Bypass Project Long-Term Stormwater Management;
 - C. Storm Water Management Water Quality Report;
 - D. Other Drainage Related Matters Affecting the District.
11. **GENERAL MANAGER’S REPORT** (Tab 7)
 - A. Prop 84 Grant for Westside Regional Drainage Plan:
 - i. Tile Sump SCADA Project;
 - ii. Land Acquisition;
 - iii. Stormwater Regulating Basins Expansion;
 - iv. Land Development;
 - v. Conveyance Optimization.
 - B. Annexation;
 - C. CVRWQCB Nitrate Control/Drinking Water Substitution Program
 - D. Other Matters Affecting the District.
12. **DIVISION REPORTS:**
 - A. Water Operations & Maintenance – Juan Cadena
 - B. Administration – Ara Azhderian
 - C. Ethics, Compliance, & Human Resources – Lorena Chagoya

13. PANOCHÉ WATER & DRAINAGE DISTRICTS JOINT CLOSED SESSION: Conference with Legal Counsel.**A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant Exposure to Litigation pursuant to Section 54956.9(d), paragraph (2) or (3):

Number of Cases: Three

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Section 54956.9(d)(1):

Names of Cases:

- i. PCFFA v. Glaser, et. al.
US District Court, E.D. Cal, Case No. 2:11-cv-02980

14. REPORT FROM JOINT CLOSED SESSION (GOVERNMENT CODE SECTION 54957.1)**15. REPORTS ON OTHER ITEMS PURSUANT TO GOVERNMENT CODE SECTION 54954.2(a)(3)****16. FUTURE MEETING DATES**

- A. Board to Consider Action to Set Special Meeting Date(s): *March 1, 2023.*
- B. Next Regular Meeting Date: March 14, 2023.

17. ADJOURNMENT

- ❖ Items on the Agenda may be taken in any order.
- ❖ Action may be taken on any item listed on the Agenda.
- ❖ Writings relating to open session: Agenda items that are distributed to members of the Board of Directors will be available for inspection at the District office, excluding writings that are not public records or are exempt from disclosure under the California Public Records Acts.

Americans with Disabilities Act of 1990: Under this Act, a qualifying person may request that the District provide a disability-related modification or accommodation in order to participate in any public meeting of the District. Such assistance includes alternative formats for the agendas and agenda packets used for any public meetings of the District. Requests for assistance shall be made in person, in written form, or via telephone by calling (209) 364-6136. Requests must be received at least 18 hours prior to a scheduled public meeting.

**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

No reports were given.

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

DRAFT

PANOCHE DRAINAGE DISTRICT		
TREASURER'S MONTHLY FINANCIAL REPORT		
BALANCE SHEET-CURRENT ASSETS & LIABILITIES		
DATE AS OF	January 31, 2023	December 31, 2023
<u>CURRENT LIABILITIES</u>		
ACCOUNTS PAYABLE	\$106,394	\$212,363
NOTE PAYABLE - PWD	\$12,065	\$24,100
CUSTOMER PREPAYMENTS		-
TOTAL CURRENT LIABILITIES	\$118,459	\$236,463
<u>CASH AND INVESTMENT ACCOUNTS</u>		
CHECKING ACCOUNT	\$366,141	\$599,239
FRESNO COUNTY FUNDS	\$424,126	\$417,148
PROP 84 CHECKING	\$39,379	\$40,729
LAIF ACCOUNT	\$186,146	\$185,179
TOTAL CASH AND INVESTMENTS	\$1,015,792	\$1,242,294
<u>ACCOUNTS RECEIVABLES</u>		
DRAINAGE SERVICE CHARGES	\$30,647	\$1,906
OTHER RECEIVABLES	-	-
DELINQUENT ACCOUNT CHARGES	\$195,314	\$352,313
TOTAL ACCOUNTS RECEIVABLES	\$225,961	\$354,219
TOTAL CURRENT UNAUDITED ASSETS	\$1,241,753	\$1,596,513
NET CURRENT UNAUDITED ASSETS (NET CASH POSITION)	\$1,123,294	\$1,360,050

General Ledger Detail Report
 Feb 14, 2023 – PDD Regular Board Meeting – PACKET
Summary Report for Period 01 Thru 11 Ending 1/31/2023




PANOCHE DRAINAGE DISTRICT (PDD)

Account Number/Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
1311-000 FRESNO COUNTY CASH ACCOUNT	152,667.51	278,015.24	6,556.58	271,458.66	424,126.17
1311-600 MECHANIC CKNG#*****0066	165,528.95	3,763,186.75	3,562,574.58	200,612.17	366,141.12
1312-010 MECHANIC-PROP 84 CK ACCT#*****6000	388,252.02	2,428,347.86	2,777,221.19	348,873.33-	39,378.69
1313-000 L. A. I. F.	283,957.40	3,660.08	101,471.51	97,811.43-	186,145.97
Report Total:	990,405.88	6,473,209.93	6,447,823.86	25,386.07	1,015,791.95

RETURN SERVICE REQUESTED

PANOCHÉ DRAINAGE DISTRICT
 PDD CHECKING
 52027 W ALTHEA AVE
 FIREBAUGH CA 93622-9401

Managing Your Accounts

-  Client Services 800.797.6324
-  Online www.mechanicsbank.com
-  Mobile Download Our Mobile Apps



BUSINESS LINE OF CREDIT
UP TO \$100,000
Prime +0%
APR

LIMITED TIME OFFER
www.MechanicsBank.com/GrowIt

All loans and credit products subject to program eligibility, collateral, underwriting approval and credit approval. Offer is for new lines of credit and does not apply to renewing lines of credit. Subject to change or cancellation without notice. Offer is effective as of 3/17/2022 and subject to change or cancellation without notice. Prime Rate is defined as "the Prime Rate as published daily in the Money Rates section of the Wall Street Journal." For the current Prime Rate, talk to a banker or visit <https://www.wsj.com/market-data/bonds/moneyrates>.




Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX0066	\$390,790.17

RETURN SERVICE REQUESTED

PANOCHÉ DRAINAGE DISTRICT
 PROP 84 NO 4600012787
 52027 W ALTHEA AVE
 FIREBAUGH CA 93622-9401

Managing Your Accounts

-  Client Services 800.797.6324
-  Online www.mechanicsbank.com
-  Mobile Download Our Mobile Apps



BUSINESS LINE OF CREDIT
UP TO \$100,000
Prime +0%
APR

LIMITED TIME OFFER
www.MechanicsBank.com/GrowIt

All loans and credit products subject to program eligibility, collateral, underwriting approval and credit approval. Offer is for new lines of credit and does not apply to renewing lines of credit. Subject to change or cancellation without notice. Offer is effective as of 3/17/2022 and subject to change or cancellation without notice. Prime Rate is defined as "the Prime Rate as published daily in the Money Rates section of the Wall Street Journal." For the current Prime Rate, talk to a banker or visit <https://www.wsj.com/market-data/bonds/moneyrates>.

Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX6000	\$55,758.69

Report ID: GLSF9109
 Program: GLSF9109

PeopleSoft
 MONTHLY GENERAL LEDGER TRIAL BALANCE

Page No. 1
 Run Date 02/02/2023

Fiscal Year 2023
 Through Period 7

Run Time 09:07:23

Fund: 4440 Panoche Drainage Subclass: 10000 General Subclass	Beginning Balance		Year-to-Date Transaction		Current Balances	
	Debit Accts	Credit Accts	Debits	Credits	Debits Accts	Credit Accts
0110 Cash In Treasury	284,060.51	0.00	140,065.66	0.00	424,126.17	0.00
0315 Interest Receivable	846.22	0.00	0.00	846.22	0.00	0.00
1435 Due To Other Governmental	0.00	128,358.44	0.00	0.00	0.00	128,358.44
1480 Fiduciary Closing	0.00	2,035,059.86	0.00	0.00	0.00	2,035,059.86
2230 Fund Balance - Unassigned	0.00	-1,878,511.57	0.00	0.00	0.00	-1,878,511.57
3010 Property Taxes-Current Sec	0.00	0.00	0.00	128,486.65	0.00	128,486.65
3011 Suppl-Current Secured	0.00	0.00	0.00	2,775.04	0.00	2,775.04
3017 Property Taxes-Curr Unsec	0.00	0.00	0.00	347.23	0.00	347.23
3046 Joint County Funds	0.00	0.00	0.00	5,604.66	0.00	5,604.66
3380 Interest	0.00	0.00	0.00	1,196.00	0.00	1,196.00
3565 State-I/L Homeowners Prop	0.00	0.00	0.00	809.86	0.00	809.86
SUB CLASS TOTAL	284,906.73	284,906.73	140,065.66	140,065.66	424,126.17	424,126.17

Marlene Brazil
 2/2/23

End of Report

PANOCHÉ DRAINAGE DISTRICT					
AGED ACCOUNTS RECEIVABLE, BY DUE DATE					
As of 1/31/2023					
	Name	31-60 Days	61-90 Days	Over 90 Days	Total A/R
	B & C Farms, c/o Francisco & Romelia Nunez	157.43	2,189.83	23,832.42	26,179.68
	Carbajal, Sylvia	-	411.84	4,698.13	5,109.97
	Cecilia Echeveste Survivor's Trust	196.82	11,095.20	24,427.13	35,719.15
	Correia 2015 Living Trust	-	22,527.15	-	22,527.15
	Imperial Merchants USA, LLC	162.96	162.96	20,748.02	21,073.94
	Lupe Brown	-	74.00	-	74.00
	Miles, Earlynn Rebecca	-	2,108.18	-	2,108.18
	Olam West Coast, Inc.	188.57	10,631.51	24,265.19	35,085.27
	Panoche Drainage District	-	8,251.10	39,185.22	47,436.32
	Total:	705.78	57,451.77	137,156.11	\$ 195,313.66

PANOCHÉ DRAINAGE DISTRICT

2022 Quarterly Investment Report
 For Quarter Ending December 31, 2022

DATE: February 14, 2023

TO: Board of Directors

FROM: Marlene Brazil

In accordance with Government Code Section 53646 and the Panoche Drainage District Investment Policy, the following shall constitute the quarterly report of investment on behalf of the Panoche Drainage District:

	MECHANICS BANK (2 ACCTS)	LAIF	FRESNO COUNTY FUND	TOTAL
INVESTMENT BALANCES December 31, 2022	\$ 639,967.56	\$ 186,145.97	\$ 417,147.57	\$ 1,243,261.10

1. As of the date of the report, the majority of District funds are deposited in Federal Deposit Insurance Corporation (FDIC) insured accounts at Mechanics Bank. Therefore, as provided by Government Code Section 53646 (e), attached are the most recent statement(s) received by the District.
2. As of the date of the report, other District funds are invested in the State of California Local Agency Investment Fund (LAIF) in accordance with Section 16429.1 of the Government Code. The remaining District funds are held in the Fresno County Fund Account. Attached are the most recent statements received by the District.
3. The portfolio of the District is in compliance with the District’s Statement of Investment Policy.
4. It is expected the District will be able to meet its expenditure requirements for the next six months based on projected revenue from drainage service charges, reimbursement for project costs and with application of funds from Fresno County tax allocations.

PANOCHÉ DRAINAGE DISTRICT QUARTERLY FINANCIAL STATUS	
CASH BOOK ACCOUNTS AS OF 12/31/2022	
PANOCHÉ DRAINAGE DISTRICT	
Balance as per bank statement	\$643,821
<u>Reconciling Items</u>	
Add: Outstanding deposits	-
Deduct: Outstanding checks	\$44,582
Balance as reported in the general ledger account	\$599,239
PDD PROP 84 CHECKING	
Balance as per bank statement	\$422,442
<u>Reconciling Items</u>	
Add: Outstanding deposits	-
Deduct: Outstanding checks	381,713.40
Balance as reported in the general ledger account	\$40,729
FRESNO COUNTY CASH ACCOUNT	
Balance as per statement of account	\$417,148
PANOCHÉ DRAINAGE DISTRICT LAIF ACCOUNT	
LAIF Account balance as of 12/31/2022	\$186,146
TOTAL OF GENERAL LEDGER ACCOUNT BALANCES AND LAIF	\$1,243,261

General Ledger Detail Report
 Feb 14, 2023 – PDD Regular Board Meeting – PACKET
Summary Report for Period 01 Thru 10 Ending 12/31/2022




PANOCHÉ DRAINAGE DISTRICT (PDD)

Account Number/Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
1311-000 FRESNO COUNTY CASH ACCOUNT	152,667.51	271,036.64	6,556.58	264,480.06	417,147.57
1311-600 MECHANIC CKNG#*****0066	165,528.95	3,601,400.17	3,167,690.25	433,709.92	599,238.87
1312-010 MECHANIC-PROP 84 CK ACCT#*****6000	388,252.02	2,411,967.86	2,759,491.19	347,523.33-	40,728.69
1313-000 L. A. I. F.	283,957.40	3,660.08	101,471.51	97,811.43-	186,145.97
Report Total:	990,405.88	6,288,064.75	6,035,209.53	252,855.22	1,243,261.10

RETURN SERVICE REQUESTED

PANOCHÉ DRAINAGE DISTRICT
 PDD CHECKING
 52027 W ALTHEA AVE
 FIREBAUGH CA 93622-9401

Managing Your Accounts

-  Client Services 800.797.6324
-  Online www.mechanicsbank.com
-  Mobile Download Our Mobile Apps



BUSINESS LINE OF CREDIT
UP TO \$100,000

Prime +0%
APR

LIMITED TIME OFFER
www.MechanicsBank.com/GrowIt

All loans and credit products subject to program eligibility, collateral, underwriting approval and credit approval. Offer is for new lines of credit and does not apply to renewing lines of credit. Subject to change or cancellation without notice. Offer is effective as of 3/17/2022 and subject to change or cancellation without notice. Prime Rate is defined as "the Prime Rate as published daily in the Money Rates section of the Wall Street Journal." For the current Prime Rate, talk to a banker or visit <https://www.wsj.com/market-data/bonds/moneyrates>.

WATCH OUT FOR CARD OR ACCOUNT LOCKED SCAMS

Criminals contact you via phone, text or email pretending to be your bank or a credit card company, and tell you that your account is "locked" or "frozen" from fraudulent attempts to access it. They then ask for your card number, account number, password or PIN to "unlock" the account. **Learn how to spot this scam at www.MechanicsBank.com/Security.**




Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX0066	\$643,820.67

RETURN SERVICE REQUESTED

PANOCHÉ DRAINAGE DISTRICT
 PROP 84 NO 4600012787
 52027 W ALTHEA AVE
 FIREBAUGH CA 93622-9401

Managing Your Accounts

-  Client Services 800.797.6324
-  Online www.mechanicsbank.com
-  Mobile Download Our Mobile Apps



BUSINESS LINE OF CREDIT
UP TO \$100,000

Prime +0%
APR

LIMITED TIME OFFER
www.MechanicsBank.com/GrowIt

All loans and credit products subject to program eligibility, collateral, underwriting approval and credit approval. Offer is for new lines of credit and does not apply to renewing lines of credit. Subject to change or cancellation without notice. Offer is effective as of 3/17/2022 and subject to change or cancellation without notice. Prime Rate is defined as "the Prime Rate as published daily in the Money Rates section of the Wall Street Journal." For the current Prime Rate, talk to a banker or visit <https://www.wsj.com/market-data/bonds/moneyrates>.

WATCH OUT FOR CARD OR ACCOUNT LOCKED SCAMS

Criminals contact you via phone, text or email pretending to be your bank or a credit card company, and tell you that your account is "locked" or "frozen" from fraudulent attempts to access it. They then ask for your card number, account number, password or PIN to "unlock" the account. **Learn how to spot this scam at www.MechanicsBank.com/Security.**

Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX6000	\$422,442.09



MALIA M. COHEN

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name	PANOCHE DRAINAGE DIST
Account Number	90-10-001

As of 01/13/2023, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 12/31/2022.

Earnings Ratio		.00005680946709337
Interest Rate		2.07%
Dollar Day Total	\$	17,028,267.85
Quarter End Principal Balance	\$	185,178.60
Quarterly Interest Earned	\$	967.37

Report ID: GLSF9109
 Program: GLSF9109

PeopleSoft
 MONTHLY GENERAL LEDGER TRIAL BALANCE

Page No. 1
 Run Date 01/04/2023

Fiscal Year 2023
 Through Period 6

Run Time 08:54:28

Fund: 4440 Panoche Drainage Subclass: 10000 General Subclass	Beginning Balance		Year-to-Date Transaction		Current Balances	
	Debit Accts	Credit Accts	Debits	Credits	Debits Accts	Credit Accts
0110 Cash In Treasury	284,060.51	0.00	133,087.06	0.00	417,147.57	0.00
0315 Interest Receivable	846.22	0.00	0.00	846.22	0.00	0.00
1435 Due To Other Governmental	0.00	128,358.44	0.00	0.00	0.00	128,358.44
1480 Fiduciary Closing	0.00	2,035,059.86	0.00	0.00	0.00	2,035,059.86
2230 Fund Balance - Unassigned	0.00	-1,878,511.57	0.00	0.00	0.00	-1,878,511.57
3010 Property Taxes-Current Sec	0.00	0.00	0.00	128,486.65	0.00	128,486.65
3011 Suppl-Current Secured	0.00	0.00	0.00	1,752.65	0.00	1,752.65
3017 Property Taxes-Curr Unsec	0.00	0.00	0.00	347.23	0.00	347.23
3046 Joint County Funds	0.00	0.00	0.00	532.47	0.00	532.47
3380 Interest	0.00	0.00	0.00	1,121.84	0.00	1,121.84
SUB CLASS TOTAL	284,906.73	284,906.73	133,087.06	133,087.06	417,147.57	417,147.57

Marlene Brazil
 1/4/23

End of Report

General Ledger Detail Report
Detail Postings for Period 01 Thru 10 Ending 12/31/2022

PANOCHÉ DRAINAGE DISTRICT (PDD)

Account Number/Description	Period Date	Journal	Source Batch	Beginning Balance	Debit	Credit	Net Change	Ending Balance	
1311-000				152,667.51					
FRESNO COUNTY CASH ACCOUNT									
01	3/31/2022	JE-000008	G/L 00001		10,732.44	0.00		163,399.95	
		Comments: JE-8 POST FRESNO CO FUND FOR MAR 2022							
02	4/30/2022	JE-000015	G/L 00001		103,329.50	0.00		266,729.45	
		Comments: JE-15 POST FRESNO COUNTY FUND FOR APRIL 2022							
03	5/31/2022	JE-000022	G/L 00001		3,721.45	0.00		270,450.90	
		Comments: JE-22 POST MAY 2022 FRESNO CO FUND							
04	6/30/2022	JE-000031	G/L 00001		8.14	0.00		270,459.04	
		Comments: Post June, 2022 Fresno County Fund							
04	6/30/2022	JE-000032	G/L 00001		0.00	8.14		270,450.90	
		Comments: Reverse June, 2022 Posting to Fresno County Fund- Incorrect Total							
04	6/30/2022	JE-000033	G/L 00001		14,455.83	0.00		284,906.73	
		Comments: POST FRESNO COUNTY FUND FOR JUNE, 2022							
05	7/31/2022	JE-000047	G/L 00001		783.06	0.00		285,689.79	
		Comments: Post July, 2022 Fresno County Fund							
05	7/31/2022	JE-000052	G/L 00001		0.00	783.06		284,906.73	
		Comments: JE-52 REVERSE JE-47 TO CORRECT FRESNO CO FUND BALANCE							
05	7/31/2022	JE-000053	G/L 00001		0.00	783.06		284,123.67	
		Comments: JE-53 POST JULY 22 FRESNO CO FUND CORRECTLY							
06	8/31/2022	JE-000046	G/L 00001		1,793.45	0.00		285,917.12	
		Comments: JE-46 POST AUGUST 2022 FRESNO COUNTY FUND							
07	9/30/2022	JE-000054	G/L 00001		1,082.11	0.00		286,999.23	
		Comments: JE-54 POST SEPT 22 FRESNO CO FUND							
08	10/31/2022	JE-000058	G/L 00001		399.47	0.00		287,398.70	
		Comments: Post October, 2022 Fresno County Fund							
10	12/31/2022	JE-000071	G/L 00001		0.00	4,982.32		282,416.38	
		Comments: JE- 71 Post December, 2022 Fresno County Fund							
10	12/31/2022	JE-000072	G/L 00001		4,982.32	0.00		287,398.70	
		Comments: Reverse JE-71 Posting of December, 2022 Fresno County Fund							
10	12/31/2022	JE-000073	G/L 00001		129,748.87	0.00		417,147.57	
		Comments: Post December, 2022 County Fresno Fund							
				152,667.51	271,036.64	6,556.58	264,480.06	417,147.57	
				Report Total:	152,667.51	271,036.64	6,556.58	264,480.06	417,147.57

marlene Brezic
1/4/23

BACK

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Agreement") is entered into on January 1, 2023 (the "Effective Date"), by and between Panoche Drainage District, hereinafter referred to as the "Lessor", and Panoche Water District, hereinafter referred to as the "Lessee" and collectively as the "Parties".

RECITALS

WHEREAS, the Parties enter this Agreement for the purpose of establishing a solar project in accordance with the Energy Savings Agreement between Panoche Water District and FFP BTM SOLAR, LLC, (the "Solar Project");

WHEREAS, the Parties expect that the solar panels to be constructed and installed on the Premises shall only encompass approximately 6 acres of land and not the entire 1,887.92 acres of the Premises; and

WHEREAS, all of the 1,887.92 acres of the Premises is necessary to aggregate account meters to permit net energy metering, to facilitate the solar generation project to be constructed, and other necessary and incidental uses related thereto ("Permitted Uses"). Lessee may not erect any facilities or use any property or equipment on the Premises that is not expressly permitted under the terms of this Agreement without first obtaining consent from Lessor, in consultation with the Grassland Basin Authority, which consent shall not be unreasonably withheld, delayed or conditioned.;

IT IS AGREED between the Parties as follows:

1. **Description of the Premises:** Lessor does hereby lease to Lessee and Lessee hires from Lessor, on the terms and conditions hereinafter set forth, that certain tract of contiguous land containing approximately 1,887.92 acres located in Fresno and Merced Counties, State of California, as described in Exhibit A (the "Premises"). The placement of the solar panels shall be in accordance with the description in Exhibit A.
2. **Term:** The term of the Agreement shall commence on the Effective Date and shall continue for twenty-five (25) years (the "Term"), unless extended by mutual agreement of the Parties.
3. **Rent:** Lessee promises and agrees to pay as rental of all the Premises, the sum of Ten Dollars (\$10.00) per year. The entire amount is due and payable by Lessee directly to Lessor upon execution and thereafter on or before January 1st of each year during the Term.
4. **Default:** Should default be made in the payment of the rent when due, or in the keeping of any of the covenants or agreements herein stated to be kept and performed by the Lessee, then Lessor shall have all remedies permitted by California law resulting from any breach thereof. Any and all remedies herein or by law provided in the event of default on the part of Lessee shall be cumulative and not exclusive of any other remedies exercised by Lessor. The waiver by Lessor of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent term, covenant, or condition herein contained.
5. **Quiet Enjoyment:** The Lessor does hereby covenant and agree that the Lessee paying the rent and performing the covenants and agreements aforesaid, shall and may at all times during the said term peaceably and quietly have, hold, and enjoy the Premises, without any manner of suit or hindrance of

or from the Lessor or any other person or persons under the control of the Lessor, for the Permitted Uses.

- 6. **No Third-Party Beneficiaries:** This Agreement is intended solely for the benefit of the Parties and nothing herein is intended by the Parties to confer upon any other person or entity any legal or equitable right, remedy, benefit, or obligation.
- 7. **Non-Interference With Existing Rights:** Nothing in this Agreement shall be construed to limit or infringe upon the rights of any other person or entity to the Premises.
- 8. **Others Bound:** It is further agreed that all the terms and provisions of the Agreement shall extend to and include the heirs, executors, administrators, and assigns of the respective Parties. Lessor shall provide this Agreement to any such heirs, executors, administrators, or assigns.
- 9. **Attorney's Fees:** Should it be necessary to file any suit or suits to enforce any provision or covenant of this Agreement, then the prevailing party shall, in addition to any other remedies or relief, be entitled to reasonable attorney's fees and costs, as fixed by the court.
- 10. **Entire Agreement:** This Agreement contains all the terms and conditions made between the Parties to this Agreement, and the same shall not be modified orally or in any other manner than by agreement in writing signed by all the Parties or their respective representatives or successors in interest.
- 11. **Warranty:** The undersigned each warrant that they have authority to bind their respective party to the terms of this Agreement.

IN WITNESS WHEREOF, the parties hereto agree to the terms above:

BACK

LESSOR

Signature: _____ Date: _____

Ara Azhderian
General Manager
Panoche Water District

LESSEE

Signature: _____ Date: _____

Ara Azhderian
General Manager
Panoche Water District

PANOCHÉ DRAINAGE DISTRICT				
ACCOUNTS PAYABLE LIST				
PAYMENTS RUN FROM 1/11/2023 TO 2/14/2023				
DATE	CHECK NUMBER	VENDOR	AMOUNT	MEMO
1/25/2023	7072	BRYANT L. JOLLEY	\$ 1,125.00	WORK WITH AUDITOR ON YE22 AUDIT
1/25/2023	7073	MCCORMICK BARSTOW	\$ 475.00	SEPTEMBER 2022 LEGAL SERVICES
1/25/2023	7074	PACIFIC GAS & ELECTRIC	\$ 2,030.29	ELECTRICAL POWER
1/25/2023	7075	PANOCHÉ WATER DISTRICT	\$ 55,244.33	NOVEMBER 22 LABOR \$ 8,270.35, EQUIPMENT \$ 11,046.16, BANK FEES OCT 22 \$ 109.75, NOV 22 \$ 65.50, INSURANCE \$ 2,348.66 & ADMIN ALLOCATION \$ 817.78 & SLD O & M BYPASS \$ 32,586.13
1/25/2023	7076	PRICE PAIGE & COMPANY	\$ 14,200.00	WORK IN PROGRESS FY22 AUDIT
1/25/2023	7077	SUMMERS ENGINEERING INC.	\$ 274.70	ENGINEERING - ANNEXATION
1/31/2023	7078	WELTY WEAVER & CURRIE	\$ 2,543.76	DECEMBER 2022 LEGAL SERVICES
2/14/2023	7079	COUNTY OF FRESNO	\$ 212.54	CHARGE FOR OUR SHARE OF PROJECTED EXPENSE OF COUNTY'S PEOPLESFT ACCOUNTING SYSTEM
1/11/2022	JE-75	PANOCHÉ WATER DISTRICT	\$ 12,810.00	LOAN INSTALLMENT PAYMENT FOR JANUARY 2023
1/12/2023	W000000588	SLDM WATER AUTHORITY	\$ 106,181.25	FY23 2ND INSTALL MEMBERSHIP DUES (5TH PYMT)
		TOTAL	\$ 195,096.87	
PANOCHÉ DRAINAGE DISTRICT/PROP 84				
ACCOUNTS PAYABLE LIST				
PAYMENTS RUN FROM 1/11/2023 thru 2/14/2023				
DATE	CHECK NUMBER	VENDOR	AMOUNT	MEMO
1/25/2023	10164	BRYANT L. JOLLEY	\$ 1,350.00	BOOKKEEPING FOR PROP 84
1/31/2023	10165	DOUG WOOD FARMING	\$ 16,380.00	REPLACEMENT FOR VOIDED CHECK # 10148
		TOTAL	\$ 17,730.00	

BACK

PANOCHÉ DRAINAGE DISTRICT				
FYE 2023 BUDGET (March 1, 2022 - February 28, 2023) - Adopted April 12, 2022				
March thru December - 92%	Budget	Actual	Remaining	
OPERATING REVENUES				
Drainage Service Fee	\$ 2,773,567	\$ 3,447,430	\$ (673,863)	124%
Fresno County Property Tax	\$ 240,000	\$ 271,459	\$ (31,459)	113%
SLDMWA Reimbursement	\$ 223,000	\$ 119,553	\$ 103,447	54%
Other Revenues	\$ 74,500	\$ 9,862	\$ 64,638	13%
TOTAL REVENUES	\$ 3,311,067	\$ 3,848,304	\$ (537,237)	116%
OPERATING EXPENSES				
San Joaquin River Improvement Proj	\$ 1,176,930	\$ 1,176,930	\$ -	100%
Grassland Bypass Project	\$ 1,274,175	\$ 1,274,175	\$ -	100%
San Luis Drain Maintenance	\$ 223,000	\$ 118,104	\$ 104,896	53%
Irrigated Lands Program	\$ 203,462	\$ 203,462	\$ -	100%
Professional Fees	\$ 145,000	\$ 136,402	\$ 8,598	94%
Labor - Field	\$ 105,000	\$ 78,704	\$ 26,296	75%
Mercy Springs WD/SGMA	\$ 28,000	\$ -	\$ 28,000	0%
Labor - Admin	\$ 75,000	\$ 26,455	\$ 48,545	35%
General Overhead	\$ 32,000	\$ 66,418	\$ (34,418)	208%
Interest	\$ 15,000	\$ 9,801	\$ 5,199	65%
Energy	\$ 13,000	\$ 12,756	\$ 244	98%
Herbicides	\$ 12,000	\$ 12,749	\$ (749)	106%
Water Quality Monitoring	\$ 3,500	\$ 1,504	\$ 1,996	43%
Repairs & Maintenance	\$ 140,000	\$ 74,972	\$ 65,028	54%
TOTAL EXPENSES	\$ 3,446,067	\$ 3,192,432	\$ 253,635	93%
INCOME/(LOSS)				
		\$ 655,872		

BACK

SUMMERS ENGINEERING

887 N. Irwin St. – PO Box 1122
Hanford, CA 93232

MEMORANDUM

TO: Panoche Drainage District

FROM: Chris Linneman

DATE: February 9, 2023

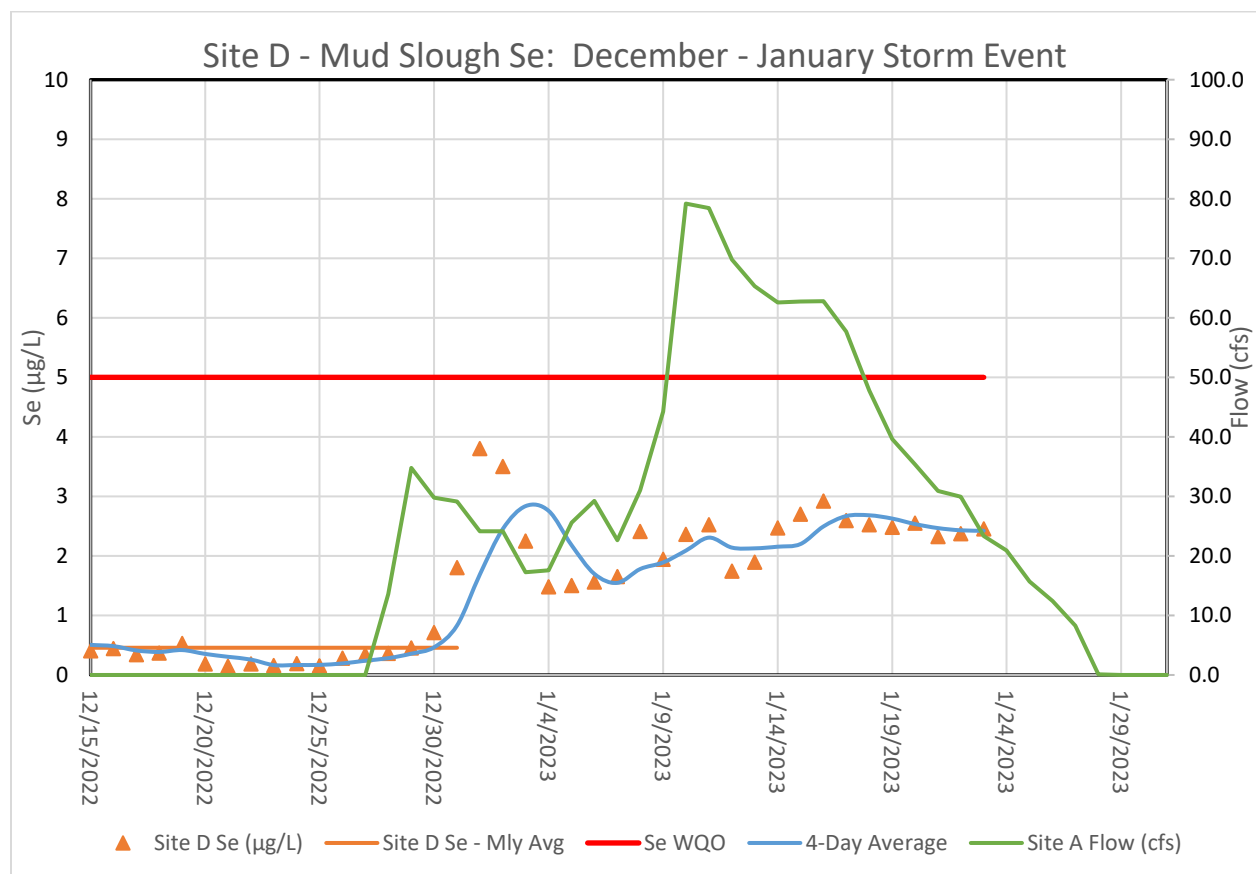
SUBJECT: Summary of December – January Storm Event Discharge

Timeline of the 2022/23 Storm Event:

- November 1 to November 9: A moderate storm push through the Grassland Drainage Area, dropping about 0.8” of rainfall over the area.
- December 1 to December 12: A second storm pushed through the GDA dropping about 1.2” of rain. This provided saturated soil conditions but did not require discharge.
- On December 22, in reaction to a forecast of significant rainfall, all districts were directed to de-energize their tile pumps. A Notice of Potential Discharge was issued on December 23.
- A series of large storm events pushed through the GDA beginning December 27, with 0.77” and continuing through January 9, totaling more than 3.3”.
- On December 27, Panoche Silver Creek began to flow at low levels. The Creek peaked at 871 cfs on January 5th then up to 6,900 cfs on January 9th, then a third peak of 1,100 cfs on January 10. This resulted in wide spread flooding within Firebaugh Canal Water District, with floodwater spilling into the 3rd and 2nd Lift Canals. Operational changes within FCWD’s system pushed approximately 30 cfs of this water into the Grassland Bypass Channel drainage system, with the rest of the flood water draining back into the Mendota Pool. By January 11th, flow in Panoche-Silver creek had dropped to 50 cfs. However, discharge between January 5th to January 10th from Panoche-Silver Creek reached almost 5,000 acre feet, with most of that volume occurring on January 9th and 10th.

- On December 28 the inlet gates to the Grassland Bypass Channel were opened and Notice of Discharge was issued. Discharge through Site A (inlet to the San Luis Drain) peaked at 79 cfs on January 11th. The gates to the Grassland Bypass Channel were closed on January 27th and flow reached zero cfs on January 29th.

Throughout the period of discharge Summers Engineering worked closely with Panoche Drainage District and Grassland Basin Authority staff to manage discharges and monitor water quality. The graph below shows the Mud Slough selenium concentrations, the 4-day selenium average (used as the compliance value), and Site A discharge. Selenium data has been received through January 23 and there have been no exceedances of the selenium water quality objective in Mud Slough.



Regulatory Background:

The Grassland Drainage Area is obligated to manage agricultural and storm induced drain water in accordance with Waste Discharge Order R5-2019-0077 (2019

Order). This is a long and complicated document but essentially requires the following:

- Water quality objectives in Mud Slough must be met. This primarily affects selenium, but boron and molybdenum objectives also need to be addressed.
- Agricultural subsurface drain water needs to be managed internally at the San Joaquin River Improvement Project and not discharged through the Grassland Bypass Project.
- Storm-induced drainwater can be discharged through the Grassland Bypass Project to prevent ponding.

The 2019 Order also required the development of a Drainage Management Plan (DMP) to outline how the GDA would comply with the order requirements. The DMP was finalized in 2021 and incorporated the following objectives:

1. To eliminate, to the extent feasible, stormwater drainage discharged from the GDA into wetland water supply conveyance channels.
2. To facilitate stormwater management that maintains the viability of agriculture in the GDA and protects water quality in the San Joaquin River.
3. To keep stormwater drainage from breaking into irrigation and wetland water supply channels and causing damage.
4. To avoid ponding of stormwater that could impact the integrity of water supply channels and impact soil and water quality.
5. To avoid unplanned/inadvertent/unmanaged ponded water containing selenium (Se) that could impact birds within the GDA as well as downstream habitat and water quality in the wetland areas and wildlife refuges.
6. To provide an outlet for stormwater to flow to the San Joaquin River from the GDA (similar to what occurred historically and before the Use Agreement for use of the SLD), that also protects the integrity and quality of wetlands and wildlife refuges.

Compliance Monitoring:

There is a substantial amount of the water column and sediment monitoring, including aquatic and sediment toxicity, as well as biological monitoring, however the primary compliance point for the 2019 Order is at Mud Slough for selenium.

The selenium water quality objective for Mud Slough is 5 µg/L¹, 4-day average. An autosampler maintained by PDD located at Site D on Mud Slough collects daily samples to ensure compliance.

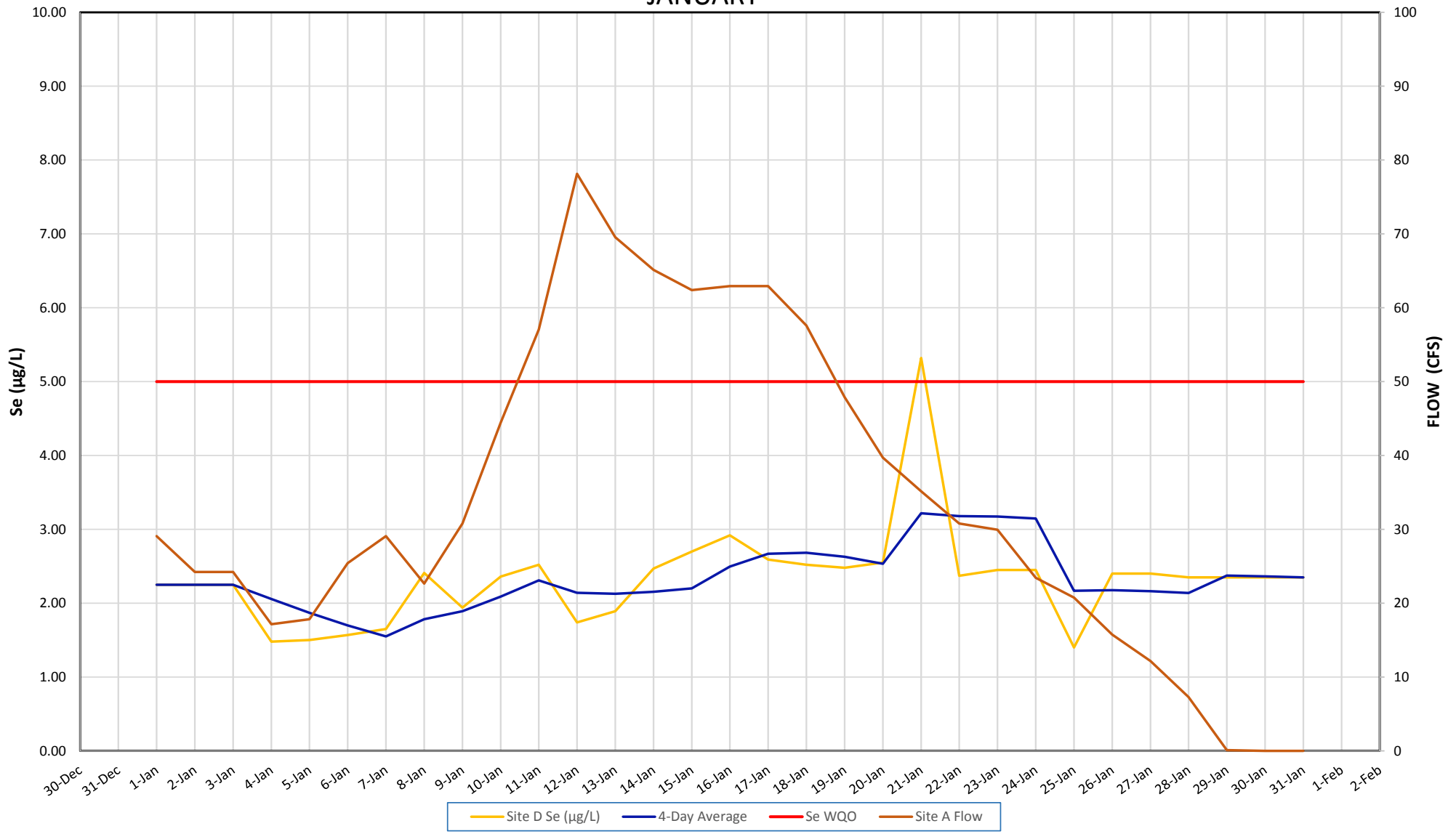
Outside of storm events when there is no discharge from the GDA into the San Luis Drain, selenium levels in Mud Slough are well below this threshold – the only periods of concern are when there is discharge from the GDA due to a storm event.

There have been 6 storm-induced discharge events since the adoption of the 2019 Order (excluding the 2022/23 event). In each case, there was sufficient flow in Mud Slough that discharges from the GDA during those events did not cause an exceedance of the selenium objective. Selenium data is available for the first three days of discharge and indicate compliance with the Mud Slough selenium objective. Additional data is pending.

BACK

¹ 1 µg/L = 1 ppb

Mud Slough Water Quality - 2023 JANUARY



BACK

SUMMERS ENGINEERING

887 N. Irwin St. – PO Box 1122
Hanford, CA 93232

MEMORANDUM

TO: Panoche Drainage District
FROM: Chris Linneman
DATE: February 9, 2023
SUBJECT: Summary of Short Term Storage Basin Construction

Bids for the Short Term Storage Basin Project were opened in July of 2022 with the winning bid going to McElvany, Inc. Construction began in September 2022 with the installation of the Basin Feed Pump Station and the Control Box Structures, as well as accumulation of materials. To date, the pump station and control box structures have been installed and the reinforced concrete pipe and PVC pipe have been delivered to the site. Storm events in December and January halted construction and the site is still very wet. McElvany expects to get on site the 2nd week of February to pump out wet areas and restart construction, focusing on the installation of pipelines.

Other Issues:

- Supply chain issues have impacted delivery of electrical equipment (switchgear, VFDs, etc.). Expected delivery is 90 weeks after submittal approval (which has been completed on most items).
- Pumps and motors are complete and waiting for the structures to be ready for installation.
- All pipeline materials and irrigation valves have been delivered.
- Basin earthwork will likely begin over the summer.



Basin Feed Pump Station inlet structure.



Inlet structure and box culvert.



Pump sump and box culvert.

BACK

From: [Cheri Worthy](#)
Cc: [Joe McGahan](#)
Subject: Management Zone Development Subcommittee
Date: Wednesday, February 8, 2023 11:50:26 AM

Sending on Behalf of Joe McGahan:

At yesterday's SJVDA meeting a subcommittee of board members was asked to meet and give input on the formation of the upcoming management zone development. Adam Scheuber and Ara Azhderian agreed to serve. The committee would meet one or more times in person to give direction to the Board of Directors. The subcommittee cannot have more than 4 board members so up to two more board members can serve. Please let me know if you are interested in being a part of this.

BACK