

PANOCHÉ DRAINAGE DISTRICT

BOARD OF DIRECTORS MEETING

October 10, 2023 at 9:00 a.m.

MEETING LOCATION

Panoche Water District Boardroom

52027 West Althea Ave.

Firebaugh, CA 93622

AGENDA

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. PLEDGE OF ALLEGIANCE

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.

ACTION ITEMS

6. THE BOARD TO REVIEW AND CONSIDER APPROVING LETTER OF INTENT FOR PANOCHÉ DRAINAGE DISTRICT CARBON SEQUESTRATION PROJECT PROPOSAL. (McGowan)

7. BOARD TO REVIEW AND CONSIDER APPROVING THE SEPTEMBER 18, 2023, ADJOURNED BOARD MEETING MINUTES (Reyes)

8. **FINANCIAL REPORTS** (Brazil)
 - A. Accounts Payable
 - B. Monthly Financials
 - C. FYE 2024 Budget-to-Actual Report
 - D. Other financial matters affecting the District

9. **THE BOARD TO REVIEW AND CONSIDER ADOPTING RESOLUTION # 828-23 DESIGNATING AUTHORIZED SIGNATORIES TO THE DISTRICT'S MECHANICS BANK ACCOUNT TO EXECUTE BANKING TRANSACTIONS, MAKE ACCOUNT TRANSFERS, AND WIRE TRANSFERS AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS** (Brazil)

REPORT ITEMS

10. **OPERATIONS & MAINTENANCE** (Carlucci)

11. **DRAINAGE MANAGEMENT** (Cadena)

12. **GRASSLAND BASIN AUTHORITY** (McCoy)

13. **GENERAL MANAGER'S UPDATE** (McGowan)
 - 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. San Joaquin Valley Drainage Authority
 - D. Other Matters

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

15. **FUTURE MEETING DATES**
 - A. Board to Consider Action to Set Special Meeting Date(s): *None requested.*
 - B. Next Regular Meeting Date: November 14, 2023.

16. **PANOCHÉ DRAINAGE CLOSED SESSION**
 - A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
 - Property: Fresno County Assessor's Parcel Number 004-070-06
 - Agency Negotiator: To Be Named
 - Negotiating Parties: Koda Farms and Randy Miles
 - Under Negotiation: Price and terms.

17. **REPORT FROM CLOSED SESSION**

18. **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: One

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

19. REPORT FROM JOINT CLOSED SESSION (GOVERNMENT CODE SECTION 54957.

20. 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.

August 28, 2023 (updated 09/06/23)

Presentation for
Panoche Drainage District



The Redfern/PDD Carbon Sequestration Project



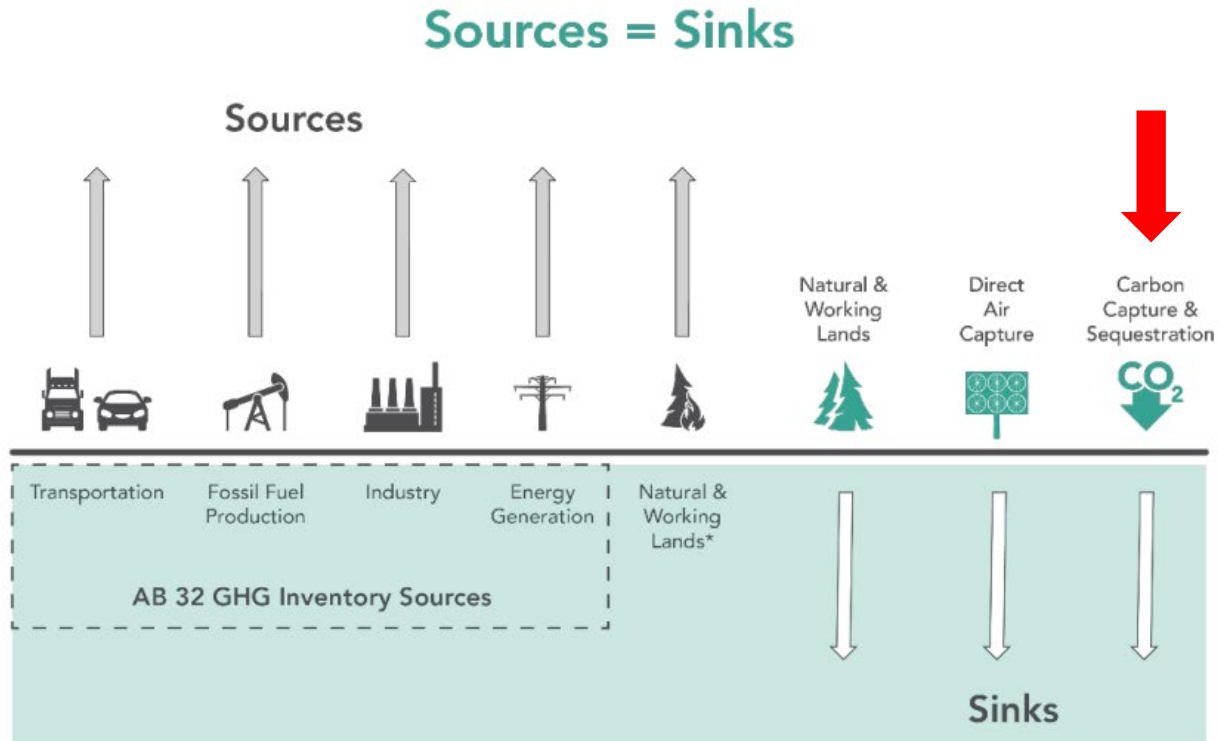
Office of Governor **GAVIN NEWSOM**

- **September 23, 2021**
- California Gov. Gavin Newsom today signed SB 27, a bill by Sen. Nancy Skinner that is designed to accelerate the removal of climate-harming carbon from the atmosphere. SB 27 will expand California's carbon removal capability, also known as sequestration, as well as improve the carbon retention of the state's natural and working lands
- **July 22, 2022**
- **Governor Newsom Calls for Bold Actions to Move Faster Toward Climate Goals**
- Carbon Removal: Setting a 20 MMT carbon removal target for 2030 and 100 MMT carbon removal target for 2045, (Million Metric Tons)
- Develop policy to support sequestration from natural and working lands while incorporating industrial carbon capture in carbon neutrality efforts; and finalize investments under the state's \$53.9 billion climate commitment.

Redfern/PDD Geologic Carbon Sequestration Project

Permanent Storage of CO2 in Saline Aquifers

CO2 Sequestration an important component to reach Net Zero emissions goals



*Natural and working land emissions come from wildfires, disease, land and ag management practices, and others



Redfern/PDD Geologic Carbon Sequestration Project Favorable Site Selection Criteria

- Integrity of confining zones
 - thick shale intervals with low permeability
- Injection zones at depth greater than 3500 feet
- Injection zones with high storage capacity
 - thick, multiple “stacked” reservoirs with high porosity and permeability
- USDW (fresh water) at shallow depths that do not interfere with storage project
- Low risk of induced seismicity
 - adequate distance from active faults/crystalline basement
- Low risk of vertical pathways for CO₂ migration
 - low number of legacy wellbores and faults that cut confining zone
- Surface and mineral owner cooperation
- Proximity to CO₂ sources with transportation infrastructure

Redfern/PDD Geologic Carbon Sequestration Project

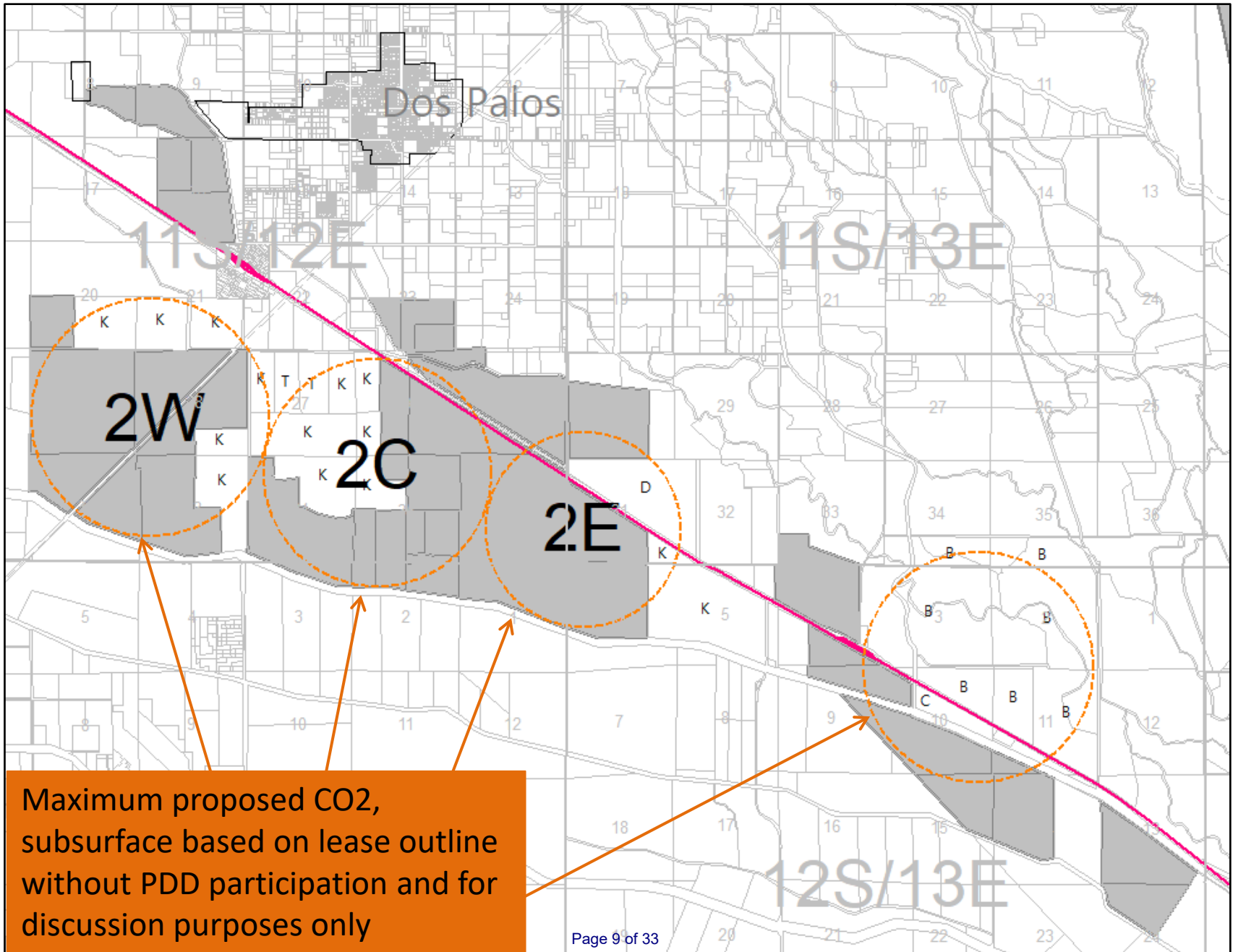
GCS Operation Summary

- CO2 captured from point sources (eg. power plants, refineries)
- Transported by rail to Firebaugh area (Sunset in contact with SJVRR, San Joaquin Valley Railroad)
- Pipeline to connect rail spur to Injection Sites (County Franchise Agreements and/or Redfern property)
- One Injection Site per project, centrally located on Redfern Ranches property, 4 acres, with 1-5 injection wells
 - CO2 injection duration 20-30 years
 - CO2 expands from central injection point in roughly circular pattern
 - CO2 footprint stays within project lands
 - Injection volumes TBD by dynamic modeling
- Monitoring of CO2 during and post injection
 - EPA guidelines for monitoring of CO2 footprint (monitoring wells, seismic)

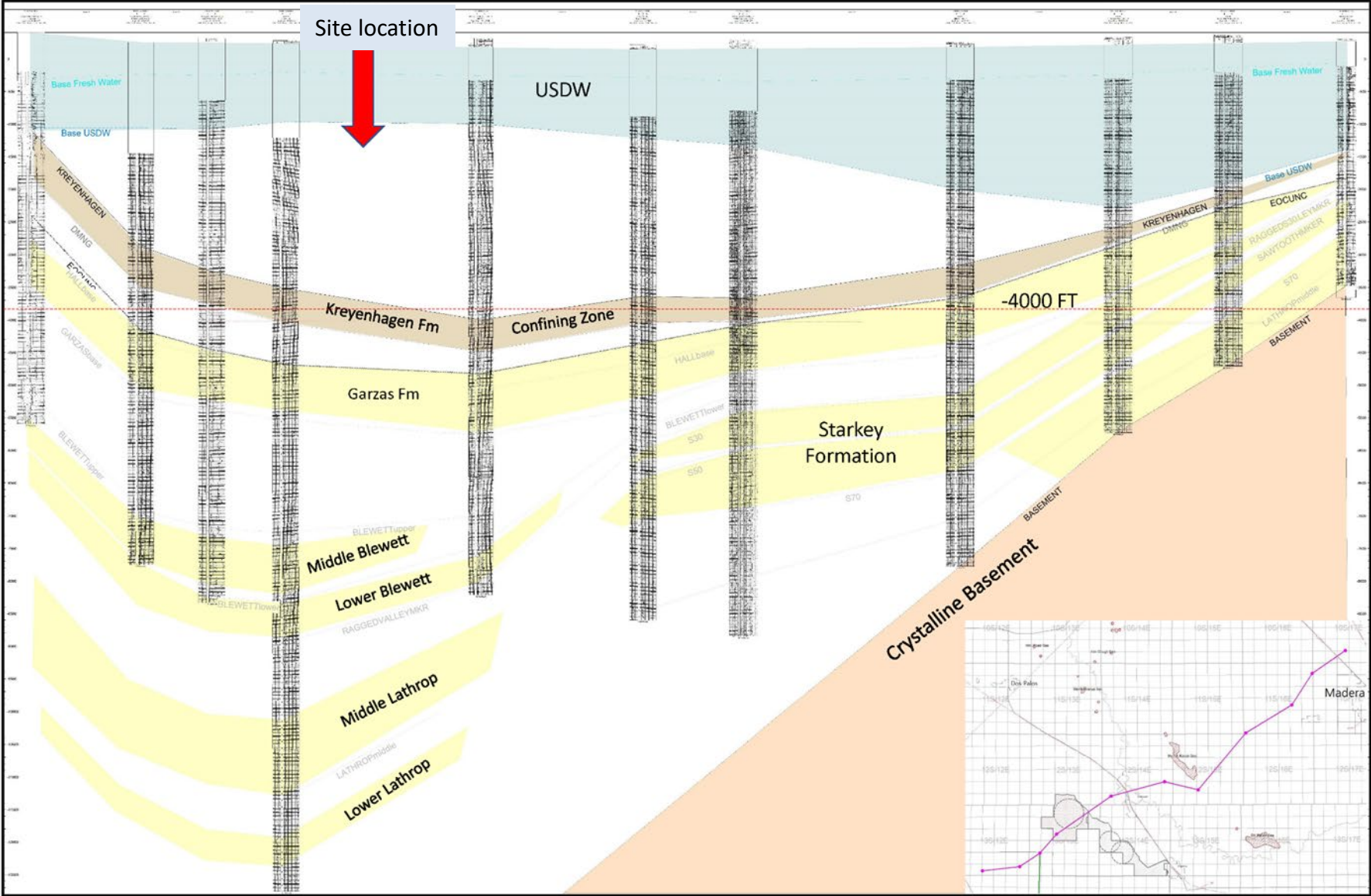
Redfern Advantages to Proposed Sunset Project

- As industry leaders in permitting, the regulatory approval process could be significantly reduced (estimated at 2-4 years).
- Funds in place for the substantial up-front costs, estimated at \$5-8 million.
- Majority of project area (surface and minerals) owned by Redfern Ranches
- Sunset has established a working relationship with SJVRR, CO2 emitters and development partners to fully fund project development while providing the indemnities necessary to fully protect the property owner

Sunset Exploration, Inc. Redfern/PDD Geologic Carbon Sequestration

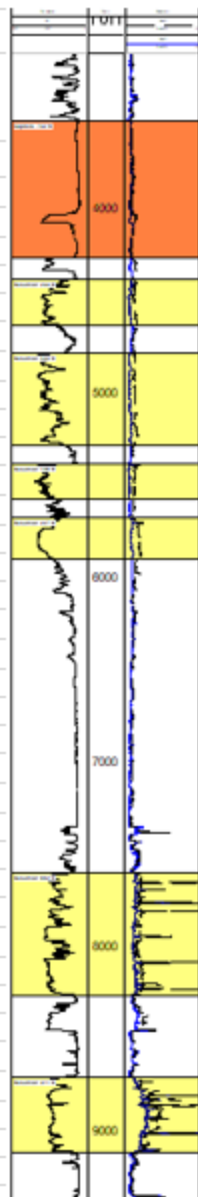


Redfern/PDD Geologic Carbon Sequestration Project



Sunset Exploration, Inc. Redfern Ranch Central Area, Fresno County, CA

Estimate of CO2 Storage Capacity in a Saline Aquifer



	CO2 capacity	Area	Thick ness	Total Porosity	CO2 density	Net to Total Area*	Net to Gross Thickness**	Effective to Total Porosity	Volumetric Displacement Efficiency	Microscopic Displacement Efficiency
	G _{CO2}	At	hg	Φ _{tot}	ρ	E _{An} /A _t	E _{hn} /hg	EΦ _{eff} /Φ _{tot}	E _v	E _d
	MMtons	m2	m	%	kg/m3			***	***	***
Upper Paleocene										
P10	6.97	9,519,508	75	0.39	698	1	1	0.64	0.16	0.35
P50	13.19	9,519,508	75	0.39	698	1	1	0.705	0.275	0.555
P90	20.43	9,519,508	75	0.39	698	1	1	0.77	0.39	0.76
Modeling	11.88									
Lower Paleocene										
P10	13.85	9,519,508	152	0.39	685	1	1	0.64	0.16	0.35
P50	26.23	9,519,508	152	0.39	685	1	1	0.705	0.275	0.555
P90	40.63	9,519,508	152	0.39	685	1	1	0.77	0.39	0.76
Modeling	11.88									
Upper Garzas										
P10	5.53	9,519,508	61	0.39	681	1	1	0.64	0.16	0.35
P50	10.47	9,519,508	61	0.39	681	1	1	0.705	0.275	0.555
P90	16.21	9,519,508	61	0.39	681	1	1	0.77	0.39	0.76
Modeling	11.88									
Lower Garzas										
P10	6.27	9,519,508	69	0.39	683	1	1	0.64	0.16	0.35
P50	11.87	9,519,508	69	0.39	683	1	1	0.705	0.275	0.555
P90	18.39	9,519,508	69	0.39	683	1	1	0.77	0.39	0.76
Modeling	11.88									
Upper Blewett										
P10	14.82	9,519,508	201	0.31	697	1	1	0.64	0.16	0.35
P50	28.05	9,519,508	201	0.31	697	1	1	0.705	0.275	0.555
P90	43.45	9,519,508	201	0.31	697	1	1	0.77	0.39	0.76
Modeling	11.88									
Lower Blewett										
P10	9.14	9,519,508	125	0.31	691	1	1	0.64	0.16	0.35
P50	17.30	9,519,508	125	0.31	691	1	1	0.705	0.275	0.555
P90	26.79	9,519,508	125	0.31	691	1	1	0.77	0.39	0.76
Modeling	11.88									
Total										
P10	56.57									
P50	107.11									
P90	165.90									
Modeling	71.25									

Similar capacities expected in western and eastern areas

* Reservoir is known to be present across the entire proposed AOR

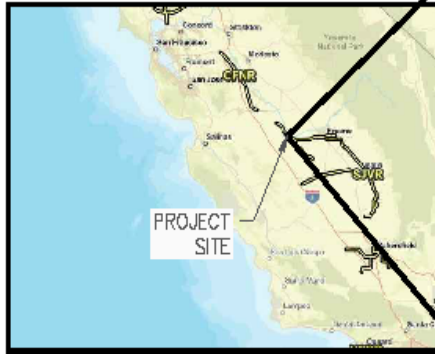
** hg represents the net thickness measured directly across the proposed AOR

*** Goodman et al (2011) Table 5

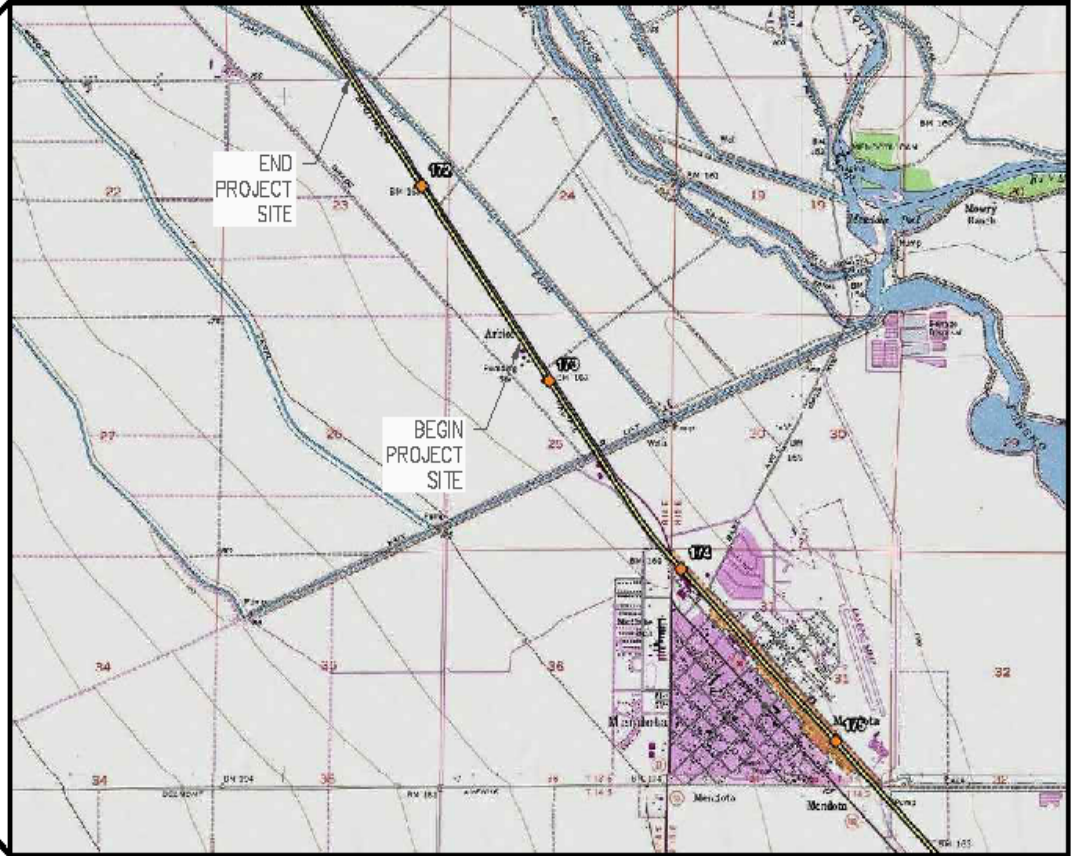
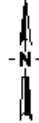
$$G_{CO2} = A_t * hg * \Phi_{tot} * \rho * E_{an}/A_t * E_{hn}/hg * E\Phi_{tot}/E\Phi_{eff} * E_v * E_d$$

Example of current SJVRR designed spur for Sunset's West Firebaugh Project

GENESEE & WYOMING RAILROAD SERVICES INC. SUNSET EXPLORATION MENDOTA, CA



VICINITY MAP
N.T.S.



LOCATION MAP
N.T.S.

GENESEE & WYOMING - JACKSONVILLE, FL

CONCEPTUAL DRAWING. NOT FOR CONSTRUCTION. ALL STATINGS AND DIMENSIONS ARE APPROXIMATE.

REVISIONS		

OPERATIONS &
ENGINEERING APPROVAL
PENDING



GENESEE & WYOMING
INDUSTRIAL DEVELOPMENT



SJVRR - SAN JOAQUIN
VALLEY RAILROAD

— EXISTING TRACK
— PROPOSED TRACK
— FUTURE TRACK

NOT FOR BIDDING

Sunset Exploration Mendota, CA		
DRAWN: JUN	CHECKED: JUN	DRAWING NO. C.01
DATE: 06/17/28		SHEET 1 OF 3

Genesee & Wyoming Railroad Services example of CO2 unloading system for Sunset's West Firebaugh Project

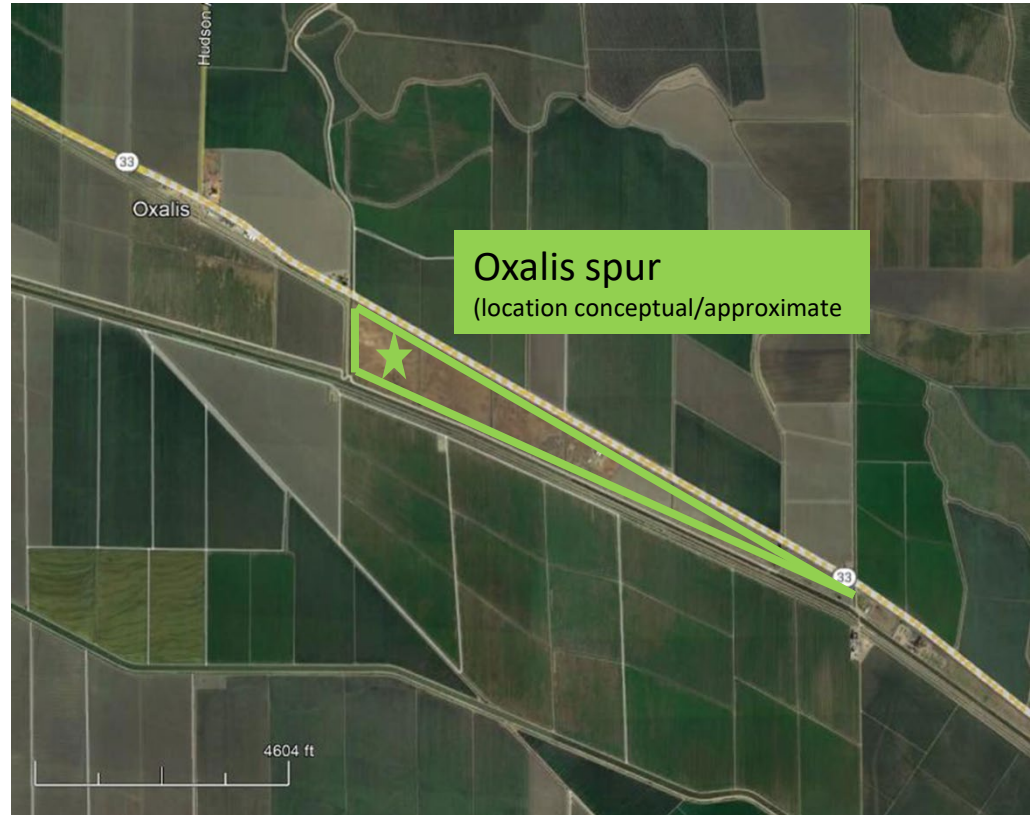


Genesee & Wyoming Rail Services spur selection and CO2 tank car example with proposed Oxalis spur for Redfern/PDD Project



21,964 Gallon Tank Car

21,964 gallon non-coiled, insulated tank car designed to operate at a 286,000 lbs gross rail load for the transportation of carbon dioxide. Various options are available to meet shipper requirements.



Rail Tanker delivery of CO2 is only being considered for the front end of the of the Project injection of CO2. For the volumes of carbon sequestration that we deem necessary for full development a pipeline from the emissions locations will be built. Estimated at 150 miles.

Summary of proposal

- Both surface ownership and mineral ownership must be leased for EPA approval. They have rigid requirements to satisfy that also include geologic constraints that can be discussed in greater detail at a board presentation
- Lands are leased at \$30/ac/year, equally divided between surface and mineral ownership during the entitlement phase of the project. If permitting and injection startup exceed 5 years the \$30/ac/year fee increases \$5/year until injection.
- Injection payments are \$300/ac/year with annually increased tied to the GNP index which is tied to the tax credits so project valuation increases are shared with the landowners.
- Based on current understanding of PDD owning 6,634 surface acres (*and the assumption of no mineral ownership which if incorrect the annual fee due PDD increases accordingly*), annual rent would be as follows;
- \$30/acre gross, \$15/acre surface ownership only = \$99,510/year, 5 years = \$497,550.
- \$300/acre gross, \$150/acre surface only = \$995,100/year or \$29,853,000 for 30 year project life which does not include annual rent increases per GNP above.

**PANOCHÉ DRAINAGE DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
SEPTEMBER 18, 2023**

An adjourned meeting of the Board of Directors was held on September 18, 2023, at 9:00 am. Those present at the meeting were:

Directors: Aaron Barcellos, President
 Michael Linneman, Vice President
 Steve Fausone, Secretary
 Wayne Western, Director

Staff: Marlene Brazil
 Chris Carlucci
 Lorena Chagoya
 Josh Marquez
 Patrick McGowan
 Sandra Reyes

Others: Neill Callis, Turlock Fruit
 Steve Creighton, Landowner Representative
 Chase Hurley, Water & Land Solutions, LLC
 Palmer McCoy, GBA
 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 CONSIDER APPROVAL OF THE AUGUST 8, 2023, BOARD MEETING MINUTES

On a motion by Director Linneman and seconded by Director Western, the Board approved the August 8, 2023, board meeting minutes. The vote on the motion was as follows:

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

FINANCIAL REPORTS

- A. Accounts Payable**
- B. Monthly Financials**
- C. FYE 2024 Budget to Actual**
- D. Other financial matters**

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

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

THE BOARD TO REVIEW AND CONSIDER APPROVAL OF A REIMBURSEMENT TO PANOCHÉ WATER DISTRICT, THROUGH THE GRASSLAND BASIN DRAINERS, FOR EXPENSES FROM 2017-2020 IN THE AMOUNT OF \$931,012.39

Mr. Hurley reviewed a negotiated settlement agreement between Panoche Water District (Panoche) and the Grassland Basin Authority (Authority) in the total amount of \$1,700,000. This settlement covered a list of expenses incurred by Panoche on lands within the San Joaquin River Improvement Project in the time frame of FY's 2017-2020. Panoche was asking for payment in arrears yet had a difficult time establishing documentation for various line-item expenses. The initial reimbursement request was much larger than the agreed upon \$1,700,000. As part of the Grassland Basin Authority, Panoche Drainage District would be responsible for \$931,012.39 of the total amount. Panoche also agreed to allow the five member entities to pay back their obligation over five years at an interest rate of 1.75%. The funds would be collective by the Grassland Basin Authority, who would then in turn cut an annual reimbursement check to Panoche. Upon a motion by Director Fausone, and seconded by Director Linneman, the board approved a reimbursement payment in the amount of \$931,012.39 to the Grassland Basin Authority to cover past expenditures made by Panoche for the benefit of all the Grassland Basin Drainers. The vote on the motion was as follows:

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

BOARD TO REVIEW AND CONSIDER ADOPTING RESOLUTION #827-23, REVISING THE DISTRICTS AUTHORIZED BANK SIGNED

Upon a motion by Director Fausone, and seconded by Director Linneman, the board approved Resolution #827-23 to revise the District's authorized bank signees. The vote on the motion was as follows:

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

THE BOARD TO REVIEW AND CONSIDER AUTHORIZING EXECUTION OF A PERMANENT EASEMENT TO PACIFIC GAS AND ELECTRIC FOR JOSE CARRILLO, TO CROSS ALTHEA DRAIN

Upon a motion by Director Linneman, and seconded by Director Western, the board approved an easement for PG&E, with the understanding that it doesn't interfere with District operations, and that legal counsel had full review and providing comments, if necessary, of the document prior to signatory. The vote on the motion was as follows:

Ayes: Barcellos, Linneman, Fausone, Western
Nays: None

Absent: Correia
Abstain: None

OPERATIONS & MAINTENANCE

Mr. Carlucci reported on the following operations and maintenance activities for the month of August:

- General Maintenance
- Cleaned the Outside Drain from PE-14 to 4 poles
- Spot Cleaned Millux Drain
- Weed control – Sprayed Courtney, Russell, Buick, 11-44, Millux, Hammond, Davidson, and Sabetti Drains
- In Charleston Drainage District - Checking oilers on CH-2 pumps
- On the San Luis Drain – Picked up tires from Russell Avenue to 152. Weed control sprayed from Hwy 152 to Check 14

DRAINAGE MANAGEMENT

Mr. Hurley stated that the Mud Slough Water objectives for 2023 are continuing to be met daily.

GRASSLAND BASIN AUTHORITY

Mr. McCoy reported on the following:

- The Jose Tall Wheat Grass revenue will continue to be less than budgeted.
- There is some uncertainty on if the Authority will be able to produce a second cutting of wheat grass based on limited drain water irrigation supplies.
- Mr. McCoy was very appreciative of the Drainage District agreeing to pay their share of the \$1,700,000 of attributable operations costs that were incurred during the 2017-2020 time period.
- The next GBA meeting will be held in November of 2023.

GENERAL MANAGER'S REPORT

Due to Mr. McGowan's short time as a General Manager, he asked the former interim General Manager Mr. Hurley to report on the following:

A. Prop 84 Grant for Westside Regional Drainage Plan

- i. Reimbursement Summary: The District is still waiting on multiple reimbursement requests made to the Department of Water Resources (DWR). Staff continues to press DWR for a more efficient process to reimburse the District in a timely manner.
- ii. Cash Flow Analysis: Panoche Water District continues to take on the full responsibility of paying all the contractors for all the Prop 84 reimbursable expenses. These payments also include a 10% withholding that Panoche cannot ask for reimbursement until the entire Prop 84 funds are expended. This ten percent withholding, along with the monthly contractor payments, along with the minimum 90-day reimbursement from DWR is putting a strain of the District's cash flow position. President Barcellos stated that he thought the GBA should investigate scenarios where they could help Panoche cash flow all the expenditures. Mr. McCoy interjected that he would have this conversation with his board to see if they have an idea on how they can help from a cash perspective. Mr. Hurley requested of Mr. McCoy that he help provide Panoche a monthly cash flow analysis for the remainder of the Regulating Pond project and the land leveling and planting of the new acreage on the west side of Russell Avenue. Mr. Palmer agreed to have the cash flow analysis available for Panoche to review at their October board meeting and the GBA board to review in November.
- iii. Tile Sump Scada Project: Mr. Marquez stated that the contractor has made progress on initial construction on the two antenna sites locations. Summers Engineering, along with

Panoche staff are still having conversations with PG&E on the issue they have with hanging hardware on existing poles at the individual time sump locations.

- iv. Land Acquisition: Staff, along with the District consultant are still working on the appraisal of the Koda/Miles property.
- v. Other: None

B. Annexation

Mr. Hurley has briefed Mr. McGowan on the status of the annexation and discussed next steps with the board. The board gave Mr. McGowan direction to (1) call Fresno County LAFCO and discuss with them if they are open to the idea of hop-scotching the Nelson property in order to annex in the other existing three properties and (2) discuss with Joe McGahan the long-term drainage implications of the Nelson property if they don't join with PDD.

C. San Joaquin Valley Drainage Authority: Nothing new to report

D. Sunset Exploration Proposed Project:

Mr. Hurley and Director Fausone discussed a carbon sequestration project being promoted by Sunset Exploration (Sunset). Sunset has been working with Redfern Ranches on an initial Letter of Intent that would cover the initial stages of executing an agreement to sequester carbon on large portions of their ranch. Sunset is looking for additional properties adjacent to the Redfern ranch and Mr. Fausone thought the six-thousand acres within the GBA might be a good fit. If the project is "non-evasive" to the existing farming practices within the GBA, then perhaps monthly or annual payments from Sunset could be a good revenue source to GBA members. The board asked staff to have Sunset join them at their October board meeting and give a more thorough presentation.

E. Other Matters: None

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

There were no other items.

CLOSED SESSION: The Board met in closed session and took no recordable action.

PANOCHÉ WATER & DRAINAGE DISTRICTS JOINT CLOSED SESSION: At 11:55 am Conference with Legal Counsel. The Board met in closed session and took no recordable action.

REPORT FROM JOINT CLOSED SESSION (GOVERNMENT CODE SECTION 54957.1) at 1:30 pm.

ADJOURNMENT

With no further business, President Barcellos adjourned the meeting at 1:32 pm.

Aaron Barcellos, President

Steve Fausone, Secretary

PANOCHÉ DRAINAGE DISTRICT				
ACCOUNTS PAYABLE LIST				
PAYMENTS RUN FROM 9/19/2023 thru 10/10/2023				
DATE	CHECK NUMBER	VENDOR	AMOUNT	MEMO
9/19/2023	7131	FENNEMORE DOWLING AARON	\$ 1,350.00	JULY 2023 LEGAL SERVICES
9/19/2023	7132	LAW OFFICE OF PHILIP A. WILLIAMS	\$ 1,575.00	AUGUST 2023 LEGAL SERVICES
9/25/2023	7133	GRASSLAND BASIN AUTHORITY	\$ 501,285.00	23/24 SJRIP DUES 2ND INSTALLMENT
9/25/2023	7134	PG&E	\$ 2,253.26	SEPTEMBER 2023 ELECTRICAL POWER
9/25/2023	7135	PRICE PAIGE & COMPANY	\$ 1,180.00	WORK IN PROGRESS FYE 2.28.2023
10/10/2023	7136	PANOCHÉ WATER DISTRICT	\$ 12,456.33	JULY 2023 SLD O & M BYPASS
10/10/2023	7137	PANOCHÉ WATER DISTRICT	\$ 22,033.39	JULY 2023 LABOR \$ 8,050.41, EQUIPMENT \$ 9,252.26, COMPUTER SUPPORT \$ 43.75, CHEMICALS \$ 3,315.36 & ADMIN \$ 1,371.61
TOTAL			\$ 542,132.98	
PANOCHÉ DRAINAGE DISTRICT/PROP 84				
ACCOUNTS PAYABLE LIST				
PAYMENTS RUN FROM 9/19/2023 thru 10/10/2023				
DATE	CHECK NUMBER	VENDOR	AMOUNT	MEMO
10/10/2023	10196	BOCKMON & WOODY ELECTRIC CO., INC.	\$ 33,820.34	ELECTRIC FOR SCADA PROJECT
10/10/2023	10197	MCELVANY INC.	\$ 1,454,257.99	PROGRESS PAYMENT # 7
10/10/2023	10198	SUMMERS ENGINEERING INC.	\$ 18,524.24	AUGUST 2023 ENGINEERING SERVICES
TOTAL			\$ 1,506,602.57	

**PANOCHÉ DRAINAGE DISTRICT
TREASURER'S MONTHLY FINANCIAL REPORT
BALANCE SHEET-CURRENT ASSETS & LIABILITIES**

DATE AS OF	INTEREST RATE	<u>September 30, 2023</u>	<u>August 31, 2023</u>
<u>CURRENT LIABILITIES</u>			
ACCOUNTS PAYABLE		\$359,364	\$432,590
NOTE PAYABLE - PWD		\$61,851	\$74,129
TOTAL CURRENT LIABILITIES		\$421,215	\$506,719
<u>CASH AND INVESTMENT ACCOUNTS</u>			
CHECKING ACCOUNT		\$110,369	\$80,343
FRESNO COUNTY FUNDS	2.659%	\$79,249	\$579,249
PROP 84 CHECKING		\$1,545,797	\$152,923
LAIF ACCOUNT	3.434%	\$113,266	\$113,266
TOTAL CASH AND INVESTMENTS		\$1,848,680	\$925,780
<u>ACCOUNTS RECEIVABLES</u>			
DRAINAGE SERVICE CHARGES		\$14,300	\$17,371
OTHER RECEIVABLES		-	-
DELINQUENT ACCOUNT CHARGES		\$91,148	\$158,662
TOTAL ACCOUNTS RECEIVABLES		\$105,448	\$176,033
TOTAL CURRENT UNAUDITED ASSETS		\$1,954,128	\$1,101,813
NET CURRENT UNAUDITED ASSETS (NET CASH POSITION)		\$1,532,913	\$595,093

General Ledger Detail Report
Summary Report for Period 01 Thru 07 Ending 9/30/2023




PANOCHÉ DRAINAGE DISTRICT (PDD)

<u>Account Number/Description</u>	<u>Beginning Balance</u>	<u>Debit</u>	<u>Credit</u>	<u>Net Change</u>	<u>Ending Balance</u>
1311-000					
FRESNO COUNTY CASH ACCOUNT	424,372.38	154,876.24	500,000.00	345,123.76-	79,248.62
1311-600					
MECHANIC CKNG#*****0066	242,229.08	2,143,041.33	2,274,901.67	131,860.34-	110,368.74
1312-010					
MECHANIC-PROP 84 CK ACCT#*****6000	39,378.69	5,928,486.11	4,422,067.64	1,506,418.47	1,545,797.16
1313-000					
L. A. I. F.	186,145.97	2,119.55	75,000.00	72,880.45-	113,265.52
Report Total:	<u>892,126.12</u>	<u>8,228,523.23</u>	<u>7,271,969.31</u>	<u>956,553.92</u>	<u>1,848,680.04</u>

RETURN SERVICE REQUESTED

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

Managing Your Accounts

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WATCH OUT FOR GRANDPARENT SCAMS

Criminals pose as a relative (usually a child or a grandchild) claiming to be in some kind of trouble that requires immediate financial support. **Learn how to spot this scam at www.MechanicsBank.com/Security.**

Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX0066	\$615,087.00

PUBLIC CHECKING-XXXXXXXX0066

Account Summary

Date	Description	Amount
09/01/2023	Beginning Balance	\$80,342.91
	5 Credit(s) This Period	\$608,474.29
	4 Debit(s) This Period	\$73,730.20
09/29/2023	Ending Balance	\$615,087.00

Electronic Credits

Date	Description	Amount
09/19/2023	Remote Deposit	\$17,326.55
09/21/2023	Remote Deposit	\$500,000.00








P.O. Box 2200
 Corona, CA 92878
 800.797.6324
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RETURN SERVICE REQUESTED

PANOCHÉ DRAINAGE DISTRICT
 PROP 84 NO 4600012787
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Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC CHECKING	XXXXXXXX6000	\$1,545,797.16

PUBLIC CHECKING-XXXXXXXX6000

Account Summary

Date	Description	Amount
09/01/2023	Beginning Balance	\$235,016.24
	2 Credit(s) This Period	\$2,157,218.38
	4 Debit(s) This Period	\$846,437.46
09/29/2023	Ending Balance	\$1,545,797.16

Deposits

Date	Description	Amount
09/28/2023	DEPOSIT	\$1,334,819.33



PANOCHÉ DRAINAGE DISTRICT				
BUDGET (March 1, 2023 - February 29, 2024)				
Report thru 9/30/2023 - 58%	Budget 2023-2024	Actual	Remaining	
OPERATING REVENUES				
Drainage Service Fee	\$ 2,118,869	\$ 1,073,188	\$ 1,045,681	49%
Fresno County Property Tax	\$ 275,000	\$ 155,363	\$ 119,637	44%
SLDMWA Reimbursement	\$ 145,000	\$ 133,923	\$ 11,077	8%
Annexation Reimbursement	\$ 120,000	\$ -	\$ 120,000	100%
Other Revenues	\$ 10,000	\$ 13,559	\$ (3,559)	-36%
TOTAL REVENUES	\$ 2,668,869	\$ 1,376,033	\$ 1,292,836	
OPERATING EXPENSES				
San Joaquin River Improvement Project	\$ 1,002,570	\$ 1,002,570	\$ -	0%
Grassland Bypass Project	\$ 695,951	\$ 695,951	\$ -	0%
Irrigated Lands Program	\$ 225,733	\$ 225,733	\$ -	0%
San Luis Drain Maintenance	\$ 145,000	\$ 164,710	\$ (19,710)	-14%
Annexation	\$ 120,000	\$ 14,943	\$ 105,057	88%
Repairs & Maintenance	\$ 105,000	\$ 52,318	\$ 52,682	50%
Labor - Field	\$ 85,000	\$ 43,666	\$ 41,334	49%
Professional Fees	\$ 75,000	\$ 15,952	\$ 59,048	79%
Legal Costs	\$ 67,000	\$ 23,358	\$ 43,642	65%
Labor - Admin	\$ 35,000	\$ 14,197	\$ 20,803	59%
General Overhead	\$ 30,000	\$ 8,660	\$ 21,340	71%
Dues & Subscriptions	\$ 20,000	\$ 19,640	\$ 360	2%
Energy	\$ 16,800	\$ 9,747	\$ 7,053	42%
Herbicides	\$ 15,000	\$ 8,588	\$ 6,412	43%
San Joaquin Valley Drainage Authority	\$ 10,803	\$ 10,803	\$ -	0%
Insurance	\$ 9,000	\$ 11,563	\$ (2,563)	-28%
Interest	\$ 8,012	\$ 16,449	\$ (8,437)	-105%
Water Quality Monitoring	\$ 3,000	\$ -	\$ 3,000	100%
TOTAL EXPENSES	\$ 2,668,869	\$ 2,338,848	\$ 330,021	
INCOME/(LOSS)	\$ -	\$ (962,815)	\$ 962,815	
Drainage Service Fee - Regular	\$ 54.75	\$ 71.75	\$ (17.00)	-24%
Drainage Service Fee - Landlocked	\$ 13.25	\$ 17.50	\$ (4.25)	-24%
			Reg/Ac.	LL/Ac.
San Joaquin River Improvement Project	\$ 1,002,570 38%	\$ 1,002,570 43%	\$ 20.57	\$ 4.98
Grassland Bypass Project	\$ 695,951 26%	\$ 695,951 30%	\$ 14.28	\$ 3.46
Irrigated Lands Program	\$ 225,733 8%	\$ 225,733 10%	\$ 4.63	\$ 1.12
San Joaquin Valley Drainage Authority	\$ 10,803 0%	\$ 14,943 -2%	\$ -	\$ -
Sub-Total	\$ 1,935,057	\$ 1,924,255		
Panoche Drainage District	\$ 733,812 27%	\$ 414,593 18%	\$ 15.05	\$ 3.64

PANOCHÉ DRAINAGE DISTRICT					
AGED ACCOUNTS RECEIVABLE, BY DUE DATE					
As of 9/30/2023					
Name	31-60 Days	61-90 Days	Over 90 Days	Total A/R	
B & C Farms, c/o Francisco & Romelia Nunez	-	-	27,888.99	27,888.99	
Carbajal, Sylvia	-	-	5,421.01	5,421.01	
Cecilia Echeveste Survivor's Trust	250.76	250.76	17,813.57	18,315.09	
Correia 2015 Living Trust	-	-	17,013.51	17,013.51	
Imperial Merchants USA, LLC	162.96	162.96	22,051.70	22,377.62	
Lupe Brown	1.09	1.09	129.89	132.07	
Total:	414.81	414.81	90,318.67	\$ 91,148.29	
NOTES:					
Talked to Echeveste / Property in Escrow - when closed will pay in full / Rec'd Payment of \$ 15,000 9/26/23					
Imperial Merchants - Mary K. McGrath / Letter being Sent					

PANOCHÉ DRAINAGE DISTRICT
RESOLUTION NO. 828-23

**A RESOLUTION DESIGNATING AUTHORIZED SIGNATORIES TO
THE DISTRICT'S MECHANICS MONEY MARKET ACCOUNT TO EXECUTE BANKING TRANSACTIONS,
MAKE ACCOUNTS TRANSFERS, AND WIRE TRANSFERS
AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS**

RECITALS

WHEREAS, the Board desires to update the names and positions authorized to execute the District's Mechanics Money Market account, as well as those authorized to engage in wire transfers and other banking transactions, including but not limited to online banking, and to provide for execution of any additional agreements required to update the District's accounts.

WHEREAS, the Board declares that the following are no longer authorized to engage in wire transfers, and/or undertake any other banking transactions, effective immediately, and shall be removed from the District's accounts:

Chase Hurley, Formerly Interim General Manager
Ara Azhderian, Former General Manager

WHEREAS, the Board declares that the following are hereby authorized to engage in wire transfers, and/or undertake any other banking transactions, effective immediately, and shall be confirmed or added to the District's accounts:

Aaron Barcellos, Director
Beau Correia, Director
Steve Fausone, Director
Michael Linneman, Director
Wayne Western, Director
Marlene Brazil, Treasurer & Accounting Supervisor
Patrick McGowan, General Manager

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

1. The Board of Directors of the Panoche Drainage District hereby finds and determines the above Recitals are true and correct and are incorporated herein by this reference.
2. The General Manager, or his designee, is hereby authorized to execute and deliver such agreements, documents and other instruments, and to perform such other acts as may be required by Mechanics Bank to recognize persons authorized to engage in wire transfers, and/or undertake any other banking transactions on behalf of the District.

- Insofar as Mechanics Bank requires a specific form of resolution in order to carry out the actions of this Resolution, such resolution as may be required is deemed to be hereby incorporated by this reference into this Resolution, as though fully set forth herein.

PASSED AND ADOPTED this 10th day of October 2023, in a duly noticed and open meeting of the Board of Directors by the following vote, to wit:

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

Aaron Barcellos, President

Attest: _____
Steve Fausone, Secretary

DRAFT

**CERTIFICATE OF SECRETARY
OF
PANOCHÉ DRAINAGE DISTRICT,
A California Drainage District**

I, Steve Fausone, do hereby certify that I am the duly authorized and appointed Secretary of the Panoche Drainage District, a California Drainage District (the "District"); that the foregoing is a true and correct copy of that certain resolution duly and unanimously adopted and approved by the Board of Directors of the District on the 10th day of October 2023; and that said resolution has not been modified or rescinded and remains in full force and effect as the date hereof:

IN WITNESS WHEREOF, I have executed this Certificate on this _____ day of October 2023.

Steve Fausone, Secretary

DRAFT

**BOARD MEETING
MEMORANDUM**

TO: BOARD OF DIRECTORS

FROM: CHRIS CARLUCCI, OPERATIONS & MAINTENANCE MANAGER

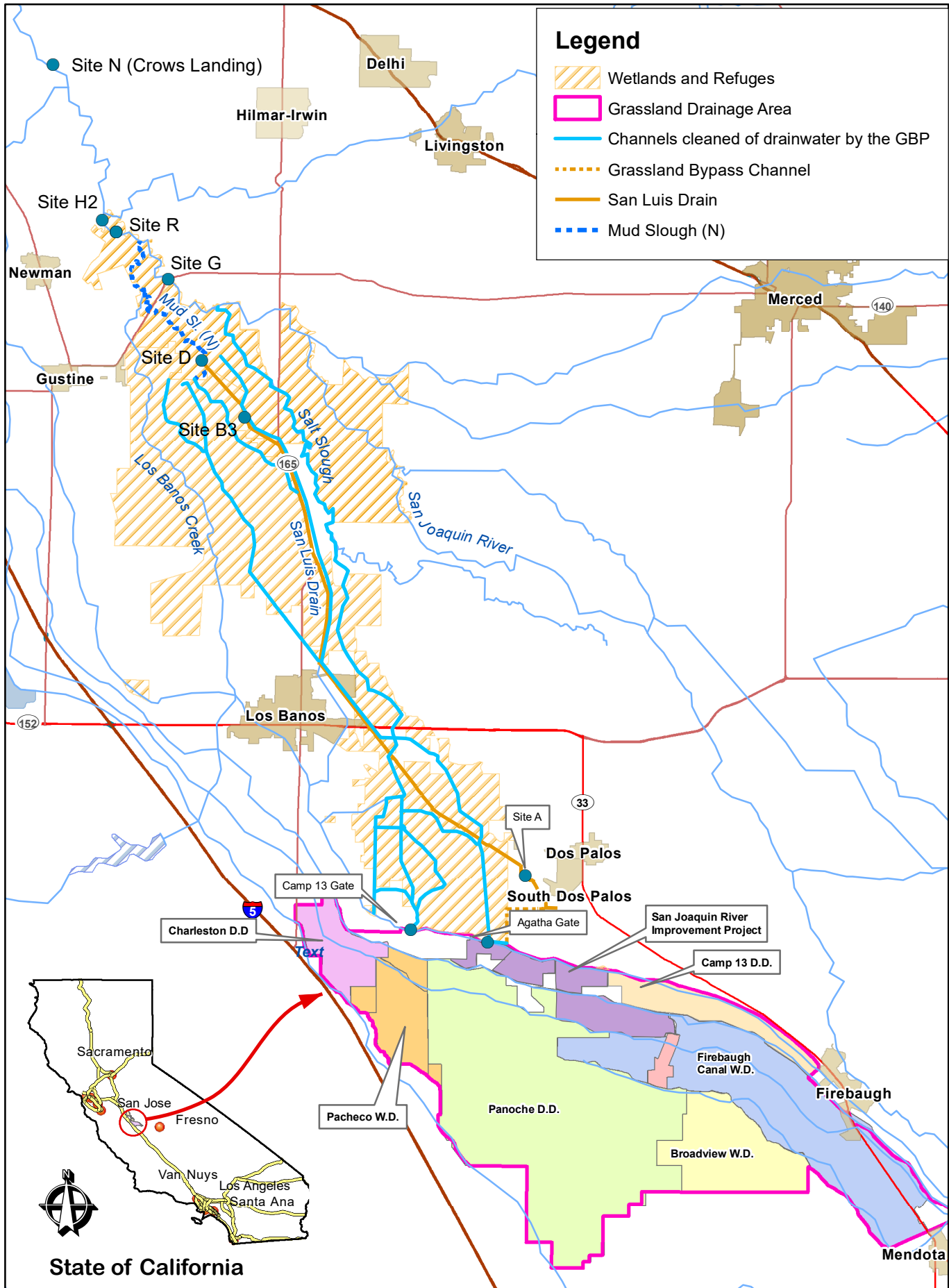
SUBJECT: DIVISION REPORT – OPERATIONS & MAINTENANCE

DATE: OCTOBER 10TH, 2023

CC: PATRICK MCGOWAN, GENERAL MANAGER

For the month of September, the following operations and maintenance activities occurred as follows:

- General Maintenance
- Put one new road Crossing at PO-3.
- Replaced raiser on Davidson Drain.
- Weed control- Sprayed Davidson Drain, Hicks Drain, Hammond Drain and Buick Drain.
- Charleston Drainage District- Checking oilers on CH-2 pumps. Weed Control- Sprayed Charleston Drain- CH-2 North to Cotton Gin Road.
- San Luis Drain- Placed STOP signs at 10 locations. Russell Ave to Check #11.



Coordinate System: NAD 83, US Foot
 Hydrology: Named_Rivers_STreams.shp
 Roads/Cities: ESRI, Tele Atlas North America
 Districts: wdfed24.shp

Grassland Bypass Project Location Map

Page 32 of 33

Prepared by:
 Summers Engineering, Inc.
 Consulting Engineers
 Hanford California

Mud Slough Water Quality - 2023

SEPTEMBER

