



NOTICE

PANOCHÉ DRAINAGE DISTRICT

52027 WEST ALTHEA AVENUE

FIREBAUGH, CA 93622

panochedrainage.specialdistrict.org

TO: Board of Directors

FROM: Patrick McGowan, General Manager

RE: Meeting of the Board of Directors

A regular meeting of the Board of Directors has been scheduled for 9:00 a.m., June 11, 2024. The meeting will be held at the District's Office located at 52027 West Althea Ave., Firebaugh, CA, 93622. The Agenda will be posted at least 72 hours prior to the meeting at the District's office and web site under Governance/Board Meetings.

<https://panochedrainage.specialdistrict.org/board-meetings>

Any member of the public may address the Board of Directors concerning any item on the Agenda before or during its consideration of that matter, as appropriate. The President may limit the total amount of time allocated for public comment on particular issues to 3 minutes for each individual speaker. 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 under Government Code Section 54954.2.

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

REGULAR BOARD OF DIRECTORS MEETING

June 11, 2024 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 ACCEPTING AS FINAL THE PRICE, PAIGE, & COMPANY DRAFT AUDIT OF THE FINANCIAL STATEMENTS FOR THE FISCAL-YEAR ENDING FEBRUARY 28, 2023, SUBJECT TO ANY FURTHER BOARD DIRECTION (Fausto Hinojosa/Price, Paige / Brazil)

7. **THE BOARD TO REVIEW AND CONSIDER APPROVING THE MAY 21, 2024, REGULAR BOARD MEETING MINUTES** (Reyes)
8. **THE BOARD TO REVIEW AND CONSIDER ADOPTING RESOLUTION # 836-24 TO FORMALIZE AND ADOPT THE DISTRICT’S PROPOSED DRAINAGE SERVICE FEES** (McGowan)
9. **THE BOARD TO REVIEW AND GIVE DIRECTION TO STAFF CONCERNING PANOCHÉ DRAINAGE DISTRICT DRAFT SOLAR POLICY** (McGowan)
10. **THE BOARD TO REVIEW AND DISCUSS PANOCHÉ DRAINAGE DISTRICT TILE LINE MORATORIUM** (Cadena)
11. **THE BOARD TO REVIEW AND CONSIDER ADOPTING RESOLUTION # 837-24 CALLING FOR A GENERAL ELECTION ON NOVEMBER 5, 2024, OF REPRESENTATIVES TO SERVE ON THE DISTRICT’S BOARD OF DIRECTORS.** (Marquez/Williams)
12. **FINANCIAL REPORTS** (Brazil)
 - A. Accounts Payable
 - B. Monthly Financials
 - C. FYE 2025 Budget-to-Actual Report
 - D. Other financial matters affecting the District

REPORT ITEMS

13. **OPERATIONS & MAINTENANCE** (Carlucci)
14. **DRAINAGE MANAGEMENT** (Cadena)
15. **GRASSLAND BASIN AUTHORITY** (McCoy)
16. **THE BOARD TO RECEIVE UPDATES FROM STAFF ON VARIOUS MATTERS AFFECTING THE DISTRICT** (McGowan)
17. **GENERAL MANAGER’S UPDATE** (McGowan)
 - A. Prop 84 Grant for Westside Regional Drainage Plan
 - B. Annexation
 - C. San Joaquin Valley Drainage Authority
18. **REPORTS ON OTHER ITEMS PURSUANT TO GOVERNMENT CODE SECTION 54954.2(a)(3)**
19. **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.

REPORT FROM CLOSED SESSION

- 20. 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

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

21. FUTURE MEETING DATES

- A. Board to Consider Action to Set Special Meeting Date(s): July 16, 2024.
B. Next Regular Meeting Date: July 9, 2024.

22. 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.

Panoche Drainage District | Firebaugh, CA

Financial Statements

For the Year Ended February 28, 2023



PRICE PAIGE & COMPANY
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Panoche Drainage District
Firebaugh, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Panoche Drainage District (the District) as of and for the year ended February 28, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District, as of February 28, 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will

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always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Price Page & Company

Clovis, California
March 8, 2024

BASIC FINANCIAL STATEMENTS

PANOCHÉ DRAINAGE DISTRICT | FEBRUARY 28, 2023

Statement of Net Position

ASSETS

Current assets:

Cash and investments	\$	892,126
Accounts receivable, net of allowance of \$66,597		145,085
Grants receivable		3,322,612
Interest receivable		809
Prepaid expense		83,905
Note receivable - current portion		<u>92,711</u>

Total current assets 4,537,248

Noncurrent assets:

Note receivable		296,724
Capital assets, net of accumulated depreciation		<u>48,652,885</u>

Total other assets 48,949,609

Total assets \$ 53,486,857

LIABILITIES

Current liabilities:

Accounts payable and accrued expenses	\$	727,941
Retainage payable		378,665
Accounts payable to Panoche Water District - related party		4,186,143
Advance from Panoche Water District - related party		2,310,143
Current portion of notes payable to Panoche Water District - related party		<u>354,583</u>

Total current liabilities 7,957,475

Noncurrent liabilities:

Notes payable to Panoche Water District - related party		<u>138,099</u>
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Total liabilities 8,095,574

NET POSITION

Net investment in capital assets		48,652,885
Unrestricted		<u>(3,261,602)</u>

Total net position 45,391,283

Total liabilities and net position \$ 53,486,857

The notes to the basic financial statements are an integral part of this statement.

PANOCHÉ DRAINAGE DISTRICT | FOR THE YEAR ENDED FEBRUARY 28, 2023

Statement of Revenues, Expenses and Changes in Net Position

Operating revenues:	
Drainage assessment fees	\$ 3,447,430
Delinquent accounts charges	7,935
Other District reimbursements	149,610
Fresno and Madera Counties property assessments	<u>271,705</u>
Total operating revenues	<u>3,876,680</u>
Operating expenses:	
SL&DM water authorities' fees	1,624,613
Contract labor and benefits	104,202
Utilities	14,594
Depreciation	1,054,023
Chemicals	7,514
SJRIIP participation	1,176,930
Repairs and maintenance	132,367
Supplies and small tools	12,556
Professional fees	159,119
Wires, structures and gates	2,560
Other	10
Insurance	36,822
Dues and subscriptions	19,640
Laboratory	1,504
Bad debt expense	<u>34,233</u>
Total operating expenses	<u>4,380,687</u>
Operating income (loss)	<u>(504,007)</u>
Nonoperating revenues (expenses):	
Grant revenue	2,528,032
Interest income	2,853
Interest expense	<u>(16,106)</u>
Total nonoperating revenues (expenses)	<u>2,514,779</u>
Change in net position	2,010,772
Net position, beginning	<u>43,380,511</u>
Net position, ending	<u>\$ 45,391,283</u>

The notes to the basic financial statements are an integral part of this statement.

PANOCHÉ DRAINAGE DISTRICT | FEBRUARY 28, 2023

Statement of Cash Flows

CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers and others	\$ 3,528,773
Payments to suppliers	<u>(1,664,962)</u>
Net cash provided by (used for) operating activities	<u>1,863,811</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition of capital assets	(2,167,495)
Grants received	559,143
Payments on notes payable - related party	(346,642)
Interest paid on notes payable - related party	<u>(16,106)</u>
Net cash provided by (used for) capital and related financing activities	<u>(1,971,100)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest revenue	<u>2,188</u>
Net cash provided by (used for) by investing activities	<u>2,188</u>
Net increase (decrease) in cash	(105,101)
Cash and investments, beginning of year	<u>997,227</u>
Cash and investments, ending of year	<u>\$ 892,126</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:	
Operating income (loss)	\$ (504,007)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation expense	1,054,023
Bad debt expense	34,233
(Increase) decrease in accounts receivable	(347,907)
(Increase) decrease in prepaid expense	3,546
Increase (decrease) in accounts payable - related party	(226,220)
Increase (decrease) in cash advance - related party	<u>1,850,143</u>
Net cash provided by (used in) operating activities	<u>\$ 1,863,811</u>

The notes to the basic financial statements are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

Panoche Drainage District (the District) was created in 1957. It operates pursuant to the California Drainage District Act 1903 (Water Code, App. 8). The Drainage District Act of 1903 provides for the organization and government structure of special districts whose sole purpose is to drain agricultural lands. The District encompasses approximately 45,000 acres located in northwestern Fresno and Merced counties. The District manages subsurface drainage and stormwater for land within its borders.

B. Basis of Presentation and Accounting

The financial statements of the District are presented using the full accrual method of accounting and conform to accounting principles generally accepted in the United States of America and with the policies and procedures of the office of the State Controller, State of California.

The accounts of the District are organized based on a proprietary fund type; specifically, an enterprise fund. The activities of this fund are accounted for with a set of accounts that comprise the District's assets, liabilities, net position, revenues and expenses. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenue from fees and charges of the activity; or (ii) that are required by law or regulation that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenue; or (iii) that the pricing policies of the activity establishes fees and charges designated to recover its costs, including capital costs (such as depreciation or debt service).

The accounting and financial reporting treatment applied to the District is determined by its measurement focus. The transactions of the District are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the statement of net position. Net position (i.e., total assets less total liabilities) are segregated into net investment in capital assets, restricted and unrestricted components.

C. Budgetary Procedures

The District operates under a budget approved by the Board of Directors. The budget is prepared by staff on a detailed line-item basis. Revenue is budgeted by use (services and supplies, other charges, drainage supply and contingencies). Once approved, the Board of Directors may amend the adopted budget when unexpected modifications are required in estimated revenues and expenditures or expenses.

The District follows these procedures in establishing the budgetary data: First, staff prepares a draft budget after analysis of the prior year's revenues and expenditures and formulation of projections for the future year's activities. Staff then presents the draft budget and recommended service fee to the Board for review and comment, which may result in revisions to the draft budget and additional review. After all the Board's comments are adequately addressed, the Board will take action to approve a budget and resultant Drainage Service Fee rates. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America, except that loan and bond proceeds are treated as other financial sources, and loan and bond principal payments and fixed asset purchases are treated as expenditures.

D. Assets, Liabilities and Net Position

Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position (Continued)

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Capital Assets

Capital assets (fixed assets) are stated at historical cost, except for donated assets, which are stated at fair value on the date donated. It is the policy of the District to capitalize all property, plants and equipment (except equipment with a cost of less than \$5,000). Costs of assets sold or retired are eliminated from the accounts in the year of disposition, and the resulting proceeds, if any, are recorded as proceeds of sales in the applicable fund. Depreciation is recorded on enterprise fund fixed assets using the straight-line method. The estimated useful life for the irrigation distribution system of the District is 50 years.

Revenue and Expense

Operating revenues and expenses consist of those revenues that result from ongoing principal operations of the District. Operating revenues consist primarily of Drainage service fees collected from customers, Fresno County property taxes and charges for services. Nonoperating revenues and expenses consist of those revenue and expense items that are related to grants, financing and investing type of activities and results from nonexchange transactions or ancillary activities. When an expense is incurred for purposes for which there are both restricted and unrestricted net position available, it is the District's policy to apply those expenses to restricted net position to the extent such are available and then to unrestricted net position.

Net Position

Net position comprises the various net earnings from operating income, nonoperating revenue, expenses and capital contributions. Net position is classified in the following three components:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvements of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent process is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net components as the unspent proceeds.

Restricted – This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of net position that does not meet the definition of restricted or net investment in capital assets.

E. Estimates

Presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – CASH AND INVESTMENTS

Unrestricted cash and investments as of February 28, 2023 consisted of the following:

Cash in Fresno County Treasury	\$	424,372
Cash in bank		281,608
Local Agency Investment Fund (LAIF)		<u>186,146</u>
Total cash and investments	\$	<u>892,126</u>

A. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District maintains its cash balances in one financial institution: Mechanics Bank. The balances are insured by the federal deposit insurance corporation up to \$250,000.

The District's deposits as of February 28, 2023, were entirely covered by federal depository insurance or otherwise collateralized. The Government Code of the State of California requires California financial institutions to secure District deposits by pledging government securities as collateral.

The market value of pledged securities must equal at least 110 percent of the District's deposits. California law also allows financial institutions to secure the District's deposits by pledging first deed of mortgage notes having a value of at least 150 percent of the District's total deposits.

B. Investments Authorized

The District strives to maintain the level of investment of idle funds as near to 100 percent as possible and operates its pooled idle cash investments under the Prudent Investor Standard. This affords a broad spectrum of investment opportunities so long as the investment is deemed prudent and is permissible under currently effective legislation of the State of California and other imposed legal restrictions. Permitted investments are identified in Section 53635 of the Government Code of California. Criteria for selecting investments and the absolute order of priority are safety, liquidity and yield. The primary basic premise underlying the District's investment policy is to insure the safety of principal and to provide funds when needed. A high dollar yield on investments, though important, ranks third in the priority of investment strategy.

Investment maturities are selected to anticipate cash needs, thereby obviating the need for forced liquidation and the accompanying loss of interest income.

The District operates its investment program with many Federal, State and self-imposed constraints. It does not buy stocks; it does not speculate; and it does not deal in futures, options or security loan agreements. Longer-term investments (over one year) are generally limited to maturities of five years or less.

To maximize investment income, the District uses all available, economically feasible investment aids. Economic conditions and various money markets are monitored to assess the probable course of interest rates.

NOTE 2 – CASH AND INVESTMENTS (Continued)

C. Local Agency Investment Fund (LAIF)

The District participates in an external investment pool, as defined by the Government Accounting Standards Board (GASB) Statement No. 31, by way of its funds on deposit in the Local Agency Investment Fund (LAIF) managed by the State of California Treasurer and is not registered with the Securities and Exchange Commission. These funds are pooled with those of other agencies in the State and invested in accordance with State guidelines. The value of the District's shares in the LAIF that may be withdrawn is determined on an amortized costs basis, which may be different from the fair value of the District's position in the pool. The District's portion of the February 28, 2023 balance was \$186,146.

D. Cash in Fresno County Treasury

The District maintains cash deposits with the Fresno County Auditor-Controller/Treasurer and voluntarily participates in the common investment pool of the County. The fair value of the District's investment in the pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio. The balance available for withdrawal is based on the accounting records maintained by the County Treasurer and is recorded on the amortized cost basis. Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party, and because the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required. In accordance with applicable state laws, the Fresno County Treasurer may invest in derivative securities with the State of California. However, at , the Fresno County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles. The District's portion of the February 28, 2023 balance was \$424,372.

E. Credit Rate Risk

Credit rate risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. At February 28, 2023, the LAIF managed by the State of California and the Fresno County investment pool were not rated.

F. Concentration of Credit Rate Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) did not exceed 5 percent or more of total District investments.

G. Fair Value

LAIF and The Fresno County Treasury investment pools invest in numerous types of investments ranging all levels in the fair value hierarchy, and, accordingly, are not investment types that can be categorized in any particular level in the fair value hierarchy.

PANOCHÉ DRAINAGE DISTRICT | FEBRUARY 28, 2023

Notes to the Basic Financial Statements

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at February 28, 2023:

Drainage service charges	\$	171,415
Other drainage activities charges		40,267
Allowance for doubtful accounts		<u>(66,597)</u>
 Total accounts receivable, net	 \$	 <u>145,085</u>

NOTE 4 – CAPITAL ASSETS

Following is a summary of activity affecting capital assets for the year ended February 28, 2023:

	Balance March 1, 2022	Additions	Deletions	Balance February 28, 2023
Nondepreciable assets:				
SJRIIP land	\$ 30,723,660	\$ -	\$ -	\$ 30,723,660
Construction in progress	<u>2,931,957</u>	<u>2,528,032</u>	<u>-</u>	<u>5,459,989</u>
Total nondepreciable assets	<u>33,655,617</u>	<u>2,528,032</u>	<u>-</u>	<u>36,183,649</u>
Depreciable assets:				
SJRIIP land improvements	20,267,248	-	-	20,267,248
Buildings and improvements	1,761,414	-	-	1,761,414
Equipment	1,567,495	-	-	1,567,495
GDMIP land improvements	<u>787,606</u>	<u>-</u>	<u>-</u>	<u>787,606</u>
Total capital assets, being depreciated	<u>24,383,763</u>	<u>-</u>	<u>-</u>	<u>24,383,763</u>
Less accumulated depreciation	<u>(10,860,504)</u>	<u>(1,054,023)</u>	<u>-</u>	<u>(11,914,527)</u>
Total capital assets, being depreciated, net	<u>13,523,259</u>	<u>(1,054,023)</u>	<u>-</u>	<u>12,469,236</u>
Total capital assets	<u>\$ 47,178,876</u>	<u>\$ 1,474,009</u>	<u>\$ -</u>	<u>\$ 48,652,885</u>

Depreciation expense for the year ended February 28, 2023 was \$1,054,023.

NOTE 5 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Following is a summary of accounts payable and accrued expenses as of February 28, 2023:

Accounts payable vendors	\$ 153,996
Accounts payable GBA	561,945
Deposit from sublease	<u>12,000</u>
 Total accounts payable and accrued expenses	 <u>\$ 727,941</u>

NOTE 6 – RELATED PARTY

The District is governed by a five-member Board of Directors elected by divisions. The District, which has no employees, utilizes staff of the Panoche Water District and outside contractors to meet its administrative, operational, and maintenance needs. The Panoche Water District is a separate Special District organized to furnish irrigation water to a portion of the District’s land in Fresno and Merced counties.

The District reimburses Panoche Water District for the cost of providing the District with personnel and other services. The total amount charged to the District by Panoche Water District for the year ended February 28, 2023 was \$261,920 in total. As of February 28, 2023, the amount due to related party is summarized as follows:

Accounts payable	\$ 4,186,143
Notes payable	492,682
Cash advance from PWD	<u>2,310,143</u>
Total	<u>\$ 6,988,968</u>

Effective February 2024, \$716,524 of the account payable balance was converted to a note payable with 3% interest payable over 60 months.

NOTE 7 – NOTES PAYABLE – RELATED PARTY

Following is a summary of noncurrent (long-term) liabilities for the year ended February 28, 2023:

Note payable to Panoche Water District, with monthly payment of \$17,419 including principal and interest at 1.75%, maturity March 2024.	\$ 207,059
Note payable to Panoche Water District, with monthly payment of \$12,810 including principal and interest at 3%, maturity February 2025.	<u>285,623</u>
Total long-term debt	492,682
Less: Amounts due within one year	<u>(354,583)</u>
Total long-term debt, due after one year	<u>\$ 138,099</u>

NOTE 7 – NOTES PAYABLE – RELATED PARTY (Continued)

Total maturities on long-term debt were as follows at February 28, 2023:

2024	\$	354,583
2025		<u>138,099</u>
Total	\$	<u>492,682</u>

NOTE 8 – COMMITMENTS AND CONTINGENCIES

A. Litigation

The District understands that the United States Attorney’s Office, the Federal Bureau of Investigation, the Internal Revenue Service, Criminal Investigations Division, and the United States Bureau of Reclamation/Office of the Inspector General of the Department of the Interior (OIG) are no longer actively investigating the District’s general financial and accounting controls. The investigation, which had been primarily focused on the Panoche Water District, was concluded in 2021 with a settlement between the Water District and the United States. The Water District has adopted and implemented written policies and adopted an Ethics & Compliance Program, which the Drainage District also utilizes, to address these issues, and the Drainage District does not have information sufficient to conclude with certainty whether claims or litigation against either District or any individuals will result or, if any claims were asserted, the likely outcome or the range of the Drainage District’s liability.

The District understands it is no longer under active investigation by the Civil Division of the United States Attorney’s Office in conjunction with the OIG relating to financial assistance agreements between the Bureau of Reclamation and the District. Those grants were suspended in April 2017, and there have been no further invoices to the grants. The District does not anticipate that the government has additional claims under the grant suspension that are probable of assertion.

The District understands the previous audit by the OIG as reported in previous District audits has been closed due to Reclamation and the District having resolved the OIG audit findings and OIG’s concurrence as to the remaining findings.

The Drainage District understands that the Water District or certain individuals previously or currently associated with the Water or Drainage Districts have been investigated by the California Department of Justice. On February 20, 2018, the Department filed a criminal complaint against the former General Manager, Office Manager and Manager of the District’s San Joaquin River Improvement Project alleging, in relevant part, conspiracy and embezzlement and misappropriation of public resources. On February 21, 2019, the former General Manager and former Office Manager were each ordered to be held over for trial on counts of embezzlement and misappropriation of public funds relating to the Panoche Water District. However, charges against the former Manager of the Drainage District’s San Joaquin River Improvement Project were dropped. No charges were instituted against the Drainage District itself or its Board of Directors and the District does not anticipate that any such charges will be instituted.

Finally, and as reported previously, in 2018, the United States Environmental Protection Agency (USEPA) issued a Notice of Suspension to Panoche Water District and Panoche Drainage Districts, suspending the Districts from participation in federal contracts and assistance activities. Upon the District’s request to convert the Notice of Suspension to an Order to Show Cause, the acting EPA Suspending and Debarring Official (SDO) terminated the Districts’ suspension and issued a Show Cause Notice based on substantially the same underlying concerns as the initial Notice of Suspension. The Districts responded to the EPA’s concerns as stated in the terminated Notice of Suspension and Show Cause Notice and detailed the steps they had taken as of June 2018 to remedy the circumstances that served as bases for the Notice of Suspension. The Districts also responded to what the EPA later characterized as outstanding concerns, following which, while the Districts understand the EPA reserves its rights to take action based upon new information, the Districts do not anticipate any further action by the EPA, continue to implement the mitigation policies and practices reported to EPA, and continue to be eligible for federal contracts and assistance agreements.

NOTE 9 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction to assets; errors and omissions; injuries to employees; and natural disasters. The District is self-insured for the first \$2,500 in claims paid for automobile, property and general liability claims. The District is a member of the Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (the Authority). The Authority was created to formulate, develop, and administer a program of self-insurance for its members. The District pays an annual premium to the Authority for automobile, property and general liability insurance. The District accounts for premiums paid as a pooling of risk arrangement and thus expense premiums as they are paid. The Authority has the right to make retrospective adjustments to premium deposits based on actual claims paid.

NOTE 10 – SUBSEQUENT EVENTS

Management has evaluated and concluded that there are no subsequent events that have occurred from February 28, 2023 through the date the financials were available to be issued at March 8, 2024, that would require disclosure or adjustment.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Panoche Drainage District
Firebaugh, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Panoche Drainage District (the District) as of and for the year ended February 28, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 8, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

570 N. Magnolia Avenue, Suite 100
Clovis, CA 93611

tel 559.299.9540
fax 559.299.2344

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Price Page & Company

Clovis, California
March 8, 2024

FINDINGS AND QUESTIONED COSTS

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor's report issued:	<u>Unmodified</u>		
Internal control over financial reporting:			
Material weaknesses identified?	<u> </u> Yes	<u> X </u> No	
Significant deficiencies identified that are not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> No	
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No	

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

FINANCIAL STATEMENT FINDINGS

None reported.

**PANOCHÉ DRAINAGE DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
May 21, 2024**

An adjourned regular meeting of the Board of Directors and Proposition 218 Public Hearing was held on May 21, 2024, at 9:00 am. Those present at the meeting were:

Directors: Aaron Barcellos, President
Steve Fausone, Secretary
Beau Correia, Director
Wayne Western, Director

Staff: Patrick McGowan, General Manager
Juan Cadena, Water Resources Manager
Chris Carlucci, Maintenance Manager
Josh Marquez, Contracts Administrator
Sandra Reyes, Water Master

Others: Neill Callis, Turlock Fruit
Palmer McCoy, GBA
Chase Hurley, Water and Land Solutions
Phil Williams, Legal Counsel

CALL TO ORDER

President Barcellos called the meeting to order at 9:02 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.

ACTION ITEMS

PROPOSED 2024-2025 DRAINAGE SERVICE FEE RATES PUBLIC HEARING

Pursuant to Proposition 218, President Barcellos opened the public hearing to receive testimony regarding the proposed drainage service fee rates. After waiting three minutes and receiving no testimony, President Barcellos closed the public hearing.

Mr. McGowan reported to the board that the District received four protest letters, totaling 735 acres and that a resolution would be presented at next month's board meeting.

BOARD TO REVIEW AND CONSIDER ACCEPTING AS FINAL THE PRICE, PAIGE, & COMPANY DRAFT AUDIT OF THE FINANCIAL STATEMENTS FOR THE FISCAL-YEAR ENDING FEBRUARY 28, 2023, SUBJECT TO ANY FURTHER BOARD DIRECTION

The Board of Directors decided to table this Agenda Item and bring it back for decision at the next board meeting.

BOARD TO REVIEW AND CONSIDER APPROVAL OF THE APRIL 16, 2024, REGULAR BOARD MEETING MINUTES

Upon a motion by Secretary Fausone and seconded by Director Correia, the Board approved the April 16, 2024, regular board meeting minutes as presented. The vote on the motion was as follows:

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

THE BOARD TO REVIEW AND CONSIDER APPROVING THE PANOCHE DRAINAGE DISTRICT DELINQUENCY POLICY

The Board advised that a revised A/R Delinquency Report would be shown at the board meetings that reflected at which stage a delinquent grower was in and adding the language to the policy that stated that at the 2-month mark, the General Manager would be following up with a personal phone call.

After discussion by the Board and upon a motion by Director Western, and seconded by Secretary Fausone, the Board approved the Panoche Drainage District Delinquency Policy. The vote on the motion was as follows:

Ayes: Barcellos, Correia, Fausone, Western
Nays: None
Absent: Linneman
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 Correia and seconded by Secretary Fausone, the board approved the financial report as presented by Water Master Sandra Reyes for Accounting Supervisor Mrs. Brazil, who was absent.

The vote on the motion was as follows:

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

REPORT ITEMS

OPERATIONS & MAINTENANCE

Maintenance Manager Mr. Carlucci reported on the following operations and maintenance activities for the month of April:

- General Maintenance
- Weed control – We sprayed the Davidson, Althea, Sabbatti, and 1144 Drains.
- In Charleston Drainage District - Checking oilers on CH-2 pumps.
- San Luis Drain Weed Control – Sprayed from Check 8 North to Hwy 165 and filled the squirrel bait stations.
- On the San Luis Drain – Started making gate boxes for 152 gates and Henry Miller gates.
- Started cleaning Bypass E Canal to San Luis Drain. (GBP)

DRAINAGE MANAGEMENT

Water Resources Manager Mr. Cadena reported on the following drainage management activities for the month of April:

- Site D's test results were below target – 5 parts per billion.
- Site A has zero discharge.

GRASSLAND BASIN AUTHORITY

The General Manager of the Grassland Basin Authority (GBA) Mr. Pamer McCoy reported on the following:

- They have started the first cutting of Jose Tall Wheat Grass.
- The GBA has begun to explore the feasibility of merging with the Grassland Basin Drainers to minimize grower expenses and improve services. Mr. McCoy has spoken to the San Luis & Delta-Mendota Water Authority (SLDMWA) regarding the discharge permit.
- The GBA will engage with PDD moving forward in the process.
- GBA is in the process of removing the drip tape from the 96 acres of pistachios.
- Will be taking out the 96 acres of pistachios and will have 180 acres left. The root stalk is not good for the soil conditions. The remaining 180 acres produces and utilizes fresh water.

THE BOARD TO RECEIVE UPDATES FROM STAFF ON VARIOUS MATTERS AFFECTING THE DISTRICT

Staff reported on various items that had been completed, or were ongoing, on the Action Items List presented - dated May 14, 2024. The board requested that we add the tile line moratorium policy on June's Agenda.

GENERAL MANAGER'S REPORT

General Manager Mr. McGowan reported on the following:

A. Prop 84 Grant for Westside Regional Drainage Plan

- i. Tile Sump SCADA Project: Mr. McGowan informed the Board that we received the estimate from Bockman & Woody for the 5 additional tile sumps and it has been reviewed. The state has a 2-month delay with invoices, however Invoices # 21, 22 and 23 are approved already and will be paid.
- ii. Land Acquisition: Nothing to report.
- iii. Land Development: Nothing to report.

B. Annexation

- i. Mr. McGowan reported that he has made multiple attempts with no success to meet with one remaining landowner regarding the annexation process. Mr. Chase Hurley also explained that he has had no luck trying to contact the landowner.

C. San Joaquin Valley Drainage Authority

Mr. McGowan reported that there was a conference call held yesterday regarding the Salt Prioritization Optimization Control Program. The Central Delta Mendota Subbasin has been chosen to be the archetype for the Prioritization and Optimization study. The group is holding interviews with the Districts to see what is needed. Currently, they are requesting crop mapping and water deliveries. Mr. Chase Hurley was also present and provided more in depth information on the study.

D. Other Matters: Nothing to report

At approximately 10:12 am, President Barcellos announced that the Drainage District meeting would be taking a five minute break.

At approximately 10:17 am, President Barcellos announced that the Drainage District meeting would resume.

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

There were no other items.

PANOCHÉ WATER AND DRAINAGE DISTRICTS CLOSED SESSION: Conference with Legal Counsel

At 11:30 pm, the Boards met in Closed Session to meet with legal counsel on related anticipated litigation. At 11:45 pm, Mr. Williams stated that no reportable actions were taken in Closed Session.

FUTURE MEETING DATES

The next regular meeting of the Board was scheduled for June 11, 2024, at 9:00 am.

ADJOURNMENT

With no further business, President Barcellos adjourned the meeting at 10:18 am.

Aaron Barcellos, President

Steve Fausone, Secretary

PANOCHÉ DRAINAGE DISTRICT

RESOLUTION NO. 836-24

RESOLUTION FORMALIZING AND ADOPTING THE DISTRICT'S PROPOSED DRAINAGE SERVICE FEES

WHEREAS, Panoche Drainage District (the "District") is a California drainage district created in 1957 pursuant to the California Drainage District Act of 1903 (Water Code Sections 56000, *et. seq.*) to provide drainage service to users within its jurisdiction. The District is a multi-county district located on the west side of the San Joaquin Valley, spanning portions of Merced and Fresno Counties, and is authorized, pursuant to the California Constitution and Drainage District Act, to levy rates and charges for the services the District provides; and

WHEREAS, on March 12, 2024, the Board of Directors for the District approved, subject to the requirements of Article XIII D of the California Constitution, imposing land-based charges to fund the District's activities (the "Proposed Drainage Service Fees"); and

WHEREAS, the Proposed Drainage Service Fees identified two separate fees: one for "Regular" lands within the District at \$64.39 an acre, and a fee for "Landlocked" lands within the District at \$16.97 an acre; and

WHEREAS, on March 15, 2024, the District mailed notice of the Drainage Service Fees (the "Notice"), which Notice included the amounts of the Proposed Drainage Service Fees, the bases upon which they were calculated, the reasons for the Proposed Drainage Service Fees, and the date, time, and location of the hearing required by the California Constitution, along with a protest form, to all landowners and owners of record of lands within the District whose lands were subject to the Proposed Drainage Service Fee; and

WHEREAS, the Notice provided that a hearing would be held on the Proposed Drainage Service Fees on May 14, 2024, (the "Hearing") at the District Headquarters, and that any protest forms, as provided, must be submitted by the close of the Hearing to be counted; and

WHEREAS, the District sent a second notice moving the Hearing to May 21, 2024, and providing that any protest forms must be submitted by the close of the Hearing on May 21, 2024, to be counted; and

WHEREAS, Article XIII D of the California Constitution and the Proposition 218 Omnibus Implementation Act provide that if written protests against the Proposed Water Rates and Charges are presented by a majority of the owners of identified parcels in the District, the Proposed Drainage Service Fees could not be imposed; and

WHEREAS, as of the Hearing, the District had one hundred eighteen (118) landowners within the District boundaries; and

WHEREAS, on May 21, 2024, the District held the Hearing on the Proposed Drainage Service Fees, and invited verbal or written comments and written protest regarding the Proposed Drainage Service Fees; and

WHEREAS, no verbal objection or protest was offered during the Hearing; and

WHEREAS, at the close of the Hearing, District staff confirmed the District had received four (4) written protests on the Proposed Drainage Service Fees; and

WHEREAS, following the Hearing and during the Board meeting on May 21, 2024, the Board of Directors voted to levy the Proposed Drainage Service Fees.

NOW, THEREFORE, it is hereby resolved by the Board of Directors of the Panoche Water District that:

1. The Board finds that the above Recitals are true and correct.
2. The Board hereby finds that four (4) protests were received protesting the Proposed Drainage Service Fees and that the District has the authority under the California Constitution and the California Drainage District Act to impose the Proposed Drainage Service Fees.
3. The Board hereby finds that the Proposed Drainage Service Fees reflect the cost of drainage service to its landowners and the Proposed Drainage Service Fees are necessary and proper for the District to operate and provide drainage service to its landowners.
4. The Board hereby adopts the Proposed Drainage Service Fees and instructs the General Manager to implement and levy the Proposed Drainage Service Fees.
5. The General Manager is hereby directed and authorized to take all actions necessary and appropriate to effect the purposes of this Resolution.

PASSED AND ADOPTED this 11th day of June, 2024, in a duly noticed and open meeting of the Board of Directors by the following vote, to wit:

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

Aaron Barcellos, President
Panoche Drainage District

Attest:

Steve Fausone, Secretary

**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 following 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 11th day of June, 2024; 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 11th day of June, 2024.

STEVE FAUSONE
Secretary of Panoche Drainage District

DRAFT

RESOLUTION NO. 248-84

A RESOLUTION ADOPTING EMERGENCY MEASURES
TO CONTROL VOLUME AND WATER QUALITY IN
PANOCHÉ DRAINAGE DISTRICT

WHEREAS, under Rules and Regulations adopted June 19, 1984, the Board of Directors is empowered to declare, as an emergency measure for the purpose of controlling volume and water quality, a moratorium on the acceptance by PANOCHÉ DRAINAGE DISTRICT of any new subsurface drain waters, including drain waters from newly installed tile lines, new deep drains, or new hookups of drain outlets to the PANOCHÉ DRAINAGE DISTRICT system; and

WHEREAS, PANOCHÉ DRAINAGE DISTRICT is now accepting drainage to the full capacity for discharge into the Grassland Water District allowable under the terms of its contract;

NOW THEREFORE, BE IT RESOLVED: PANOCHÉ DRAINAGE DISTRICT declares a moratorium on accepting any new subsurface drain waters from the date hereof until said moratorium is lifted by action of the Board.

PASSED AND ADOPTED at a special meeting of the Board of Directors duly called and held on the 19th day of June, 1984, by the following vote:

AYES: 5
NOES: 0
ABSENT: 0

ATTEST:

F. E. REDFERN, Secretary

COPY

STATE OF CALIFORNIA)
 (SS.
COUNTY OF MERCED)

On this _____ day of _____, 19____, before me
MARILYN J. JONES, a Notary Public in and for the County and State
aforesaid, personally appeared MIKE LINNEMAN and F. E. REDFERN,
personally known to me to be the President and Secretary of the
political subdivision that executed the within instrument and to
be the persons who executed the within instrument on behalf of
the political subdivision therein named, and acknowledged to me that
such political subdivision executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed
my official seal this day and year in this certificate above
written.

MARILYN J. JONES,
Notary Public

My commission expires:
September 6, 1985

RESOLUTION NO. 247-84

A RESOLUTION ADOPTING RULES AND REGULATIONS
FOR THE PURPOSE OF MONITORING TILE
DRAINAGE WATER AND CONTROLLING DRAIN
WATER QUALITY IN PANOCHÉ DRAINAGE DISTRICT

BE IT RESOLVED that pursuant to the provisions of the Drainage District Act of 1903, the California Water Code, and other applicable laws of the State of California, the following additional rules and regulations are hereby adopted by PANOCHÉ DRAINAGE DISTRICT:

Rule 1: On or before the 15th day of August, 1984, each landowner in the District shall provide the district with a completed report of tile drains, in the form specified in EXHIBIT "A" attached hereto and by reference incorporated herein, covering all land of said landowner within the Panoche Drainage District including the following information:

- a. Number of acres for which tile drain has been installed.
- b. The total number of linear feet of tile installed.
- c. Points of discharge into Panoche Drainage District system for all tile and/or deep drains.

Rule 2: After complying with Rule 1., each landowner within the Panoche Drainage District must provide the District notice, in writing, of intention to install any new or additional tile drains, and further, within 30 days of completion of installation, must file an amended report with the District indicating changes from the report previously on file.

Rule 3: To control the quality of drain effluent in order to meet standards set by contract, federal, or state requirement,

COPY

PANOCHE DRAINAGE DISTRICT may take any or all of the following steps as necessary:

- a. Declare a moratorium on the acceptance by PANOCHE DRAINAGE DISTRICT of any new subsurface drain waters, including but not limited to drain waters from newly installed tile lines, new deep drains, or new hookups of drain outlets to the PANOCHE DRAINAGE DISTRICT system.
- b. Shut down the discharge from any landowner into the PANOCHE DRAINAGE DISTRICT system.
- c. Take joint action with the Board of Directors of any water district draining into PANOCHE DRAINAGE DISTRICT for the appropriation of fresh water supplies, from the amounts ordered by or allotted to any landowner within any such water district served by PANOCHE DRAINAGE DISTRICT in order to meet the standards fixed by contract, or by federal or state agency concerning water quality, providing any such appropriation shall be applied on a prorated basis to all landowners draining into PANOCHE DRAINAGE DISTRICT.

Rule 4: Enforcement of rules and regulations:

- a. Failure to comply with the provisions of Rules 1 and 2 hereof shall be deemed to be a rejection of the facilities and services of the District by such landowner, and upon appropriate joint action with any water district served by PANOCHE DRAINAGE DISTRICT, no water shall be furnished for use upon any land concerning which such failure exists.
- b. Any breach or violation of any of the foregoing rules and regulations, or any failure to comply therewith, or any unlawful trespass upon or damage to any property or facilities of the District, or any interference with the proper

discharge of the duties of any employee or representative of the District, shall be sufficient cause for shutting off the water of any such offending person until full compliance has been made and assurance has been given of future compliance.

- c. The remedies and penalties herein provided for upon violating any of the rules and regulations, including any breach or violation thereof which also comprises a violation of the Civil or Penal laws of this state or of the United States, shall be deemed to be cumulative, and the pursuit of any one or more of such remedies or penalties shall not prohibit the Board from pursuing any or all other remedies which may be available.

Rule 5: The term "landowner" as used herein shall include any lessee or other person who uses the properties or facilities of the District in the disposition of drainage or wastewater from lands in the District, but such landowner shall be liable and responsible in all instances to the District for full and complete performance of, and compliance with the terms and provisions hereof. The liability of all such parties shall be joint and several.

Rule 6: This Resolution shall supersede any rule, regulation or resolution heretofore adopted by the District insofar as the same is contrary to or inconsistent with the terms and provisions hereof, providing that no provision contained in Resolution No. 233-80 adopted September 9, 1980 shall be altered hereby.

PASSED AND ADOPTED at a special meeting of the Board of Directors duly called and held on the 19th day of June, 1984, by the following vote:

AYES: 5
NOES: 0
ABSENT: 0

ATTEST:

F. E. REDFERN, Secretary

PANOCHÉ DRAINAGE DISTRICT
REPORT OF TILE DRAIN SYSTEMS
(RESOLUTION NO. 84-)

- (1) LANDOWNERS NAME: _____
- (2) TOTAL SUBSURFACE TILE - IN FEET: _____
- (3) TOTAL ACRES DRAINED BY MEANS OF
SUBSURFACE TILE DRAINS: _____
- (4) EACH POINT OF DISCHARGE FROM LANDOWNERS
SUBSURFACE TILE OR DEEP DRAINS INTO
PANOCHÉ DRAINAGE DISTRICT SYSTEM:

(attach map or
specific property description)

DATE: _____ SIGNED: _____
LANDOWNER OR REPRESENTATIVE
COMPLETING FORM

MAILING
ADDRESS: _____

EXHIBIT "A"

PANOCHÉ DRAINAGE DISTRICT RESOLUTION NO. 837-24

RESOLUTION OF THE BOARD OF DIRECTORS CALLING THE 2024 DISTRICT GENERAL ELECTION AND AUTHORIZING REQUIRED ACTIONS

WHEREAS, Panoche Drainage District (the “District”) is a California Drainage District duly organized and existing under and pursuant to the Constitution and laws of the State of California; and

WHEREAS, the District is governed by a Board of Directors consisting of five Directors who are each elected for a term of four years; and

WHEREAS, the District conducts its voting for Directors by Division, there being five divisions within the District; and

WHEREAS, the terms of office for those Directors elected by Divisions 2, 3, and 4 will expire at the end of 2024; and

WHEREAS, California Elections law prescribes the time and manner for the conduct of the election to fill these elective offices; and

WHEREAS, California Elections law provides that forms for declaration of candidacy shall be first available on the 113th day prior to the election and shall be filed no later than 5:00 p.m. on the 88th day prior to the election; and

WHEREAS, California Elections law prescribes the duties and responsibilities of the District, as well as those of the county clerk if requested by the District.

NOW, THEREFORE, it is hereby resolved by the Board of Directors of the Panoche Drainage District that:

1. In the event that the number of candidates for director exceed the number of positions on the Board of Directors which are to be filled by election this year and an election is required, such election shall be held on November 5th, 2024.
2. Such election shall be conducted pursuant to the all-mail ballot procedure authorized and described by California Elections laws. Through this Resolution the Board specifically adopts California Elections Code section 10531.

3. Forms for declarations of candidacy shall be available from the Secretary of the District at the District office on and after July 15th, 2024, and shall be filed not later than 5:00 p.m. on August 9th, 2024, in the same office.

4. In accordance with California Water Code Appendix section 8-7, each voter shall be entitled to cast one vote for each one hundred dollars (\$100.00) of assessed valuation or fraction thereof, greater than fifty dollars (\$50), of any lands or improvements thereon. The Secretary of the District shall have prepared a list of voters for the election based upon the last equalized assessment book of the District, corrected to reflect, as of September 24th, 2024, those persons who as of that date appear as owners of land within the District on the County's records.

5. The Secretary of the District and District staff are authorized and directed to take any and all actions necessary to properly and efficiently conduct the election pursuant to and in compliance with California Elections law and other legal requirements.

PASSED AND ADOPTED this 11th day of June, 2024, by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

DRAFT

Aaron Barcellos, President
Panoche Drainage District

Attest:

Steve Fausone, Secretary

**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 following 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 11th day of June, 2024; 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 11th day of June, 2024.

STEVE FAUSONE
Secretary of Panoche Drainage District

**PANOCHÉ DRAINAGE DISTRICT
ACCOUNTS PAYABLE LIST
PAYMENTS RUN FROM 5/22/2024 thru 6/11/2024**

DATE	CHECK NUMBER	VENDOR	AMOUNT	MEMO
5/22/2024	7198	LAW OFFICE OF PHILIP A. WILLIAMS	\$ 3,825.00	APRIL 2024 LEGAL SERVICE
5/22/2024	7199	PACIFIC GAS & ELECTRIC	\$ 833.06	MAY 2024 ELECTRICAL SERVICE
5/22/2024	7200	CRAMER FISH SCIENCE	\$ 3,766.93	MUD SLOUGH SAMPLING
6/11/2024	7201	APPL, INC.	\$ 36.00	GBP WATER SAMPLES
6/11/2024	7202	MERCY SPRINGS WATER DISTRICT	\$ 43,285.34	LAND BASED BUDGET COSTS (REBILL GBA)
6/11/2024	7203	SUMMERS ENGINEERING, INC.	\$ 793.94	DEVELOP APN MAP, IDENTIFY LAND-LOCKED PARCELS & EVALUATE POLICY HISTORY
5/22/2024	JE-25, JE-61	PANOCHÉ WATER DISTRICT	\$ 12,810.00	MAY 2024 LOAN INSTALLMENT PAYMENT
5/22/2024	JE-26, JE-62	PANOCHÉ WATER DISTRICT	\$ 12,874.95	MAY 2024 LOAN INSTALLMENT PAYMENT
5/23/2024	JE-31	PDD - PROP 84	\$ 12,083.67	PAYBACK PROP 84 FOR INTEREST PAID ON PEREIRA PROPERTY PYMT - GRANT DOES NOT COVER INTEREST
TOTAL			\$ 90,308.89	

**PANOCHÉ DRAINAGE DISTRICT/PROP 84
ACCOUNTS PAYABLE LIST
PAYMENTS RUN FROM 5/22/2024 thru 6/11/2024**

DATE	CHECK NUMBER	VENDOR	AMOUNT	MEMO
5/23/2024	JE-27, JE-63	PANOCHÉ WATER DISTRICT	\$ 33,652.15	REIMBURSEMENT FOR GRANT LABOR - INV #17 & INV #21
5/29/2024	JE-35, JE-69	PANOCHÉ WATER DISTRICT	\$ 1,521.78	REIMBURSEMENT FOR GRANT LABOR - INV #22 & INV #23
6/11/2024	10226	LABOR CONSULTANT	\$ 1,275.00	LABOR COMPLIANCE PROGRAM PHASE 1 FIELD 3-1 LEVELING PROJECT
6/11/2024	10227	SUMMERS ENGINEERING, INC.	\$ 14,500.00	TASK 3 DEVELOPMENT/RESERVOIR/CONVEYANCE
TOTAL			\$ 50,948.93	

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

DATE AS OF	INTEREST RATE	May 31, 2024	April 30, 2024
<u>CURRENT LIABILITIES</u>			
ACCOUNTS PAYABLE		\$321,646	\$501,619
NOTE PAYABLE - PWD		\$204,658	\$230,090
TOTAL CURRENT LIABILITIES		\$526,304	\$731,709
<u>CASH AND INVESTMENT ACCOUNTS</u>			
MECHANICS BANK CHECKING ACCOUNT		\$6,576	\$69,737
MECHANICS BANK PDD MONEY MARKET	4.440%	\$1,324,504	\$331,768
FRESNO COUNTY FUNDS	2.776%	\$11,569	\$145,885
MECHANICS BANK PROP 84 CHECKING		\$6,829	\$5,164
LAIF ACCOUNT	4.270%	\$1,520	\$1,520
TOTAL CASH AND INVESTMENTS		\$1,350,998	\$554,074
<u>ACCOUNTS RECEIVABLES</u>			
DRAINAGE SERVICE CHARGES		\$260,686	\$1,164,535
OTHER RECEIVABLES		-	-
DELINQUENT ACCOUNT CHARGES		\$135,476	\$134,595
TOTAL ACCOUNTS RECEIVABLES		\$396,162	\$1,299,130
TOTAL CURRENT UNAUDITED ASSETS		\$1,747,160	\$1,853,204
NET CURRENT UNAUDITED ASSETS (NET CASH POSITION)		\$1,220,856	\$1,121,494

General Ledger Detail Report
Summary Report for Period 01 Thru 03 Ending 5/31/2024

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	233,996.43	144,602.50	367,030.00	222,427.50-	11,568.93
1311-600 MECHANIC CKNG#*****0066	803,368.50	2,028,953.44	2,825,745.73	796,792.29-	6,576.21
1312-010 MECHANIC-PROP 84 CK ACCT#*****6000	79,329.43	3,312,477.17	3,384,977.25	72,500.08-	6,829.35
1312-400 MECHANICS MM #*****0980	0.00	2,095,503.99	771,000.00	1,324,503.99	1,324,503.99
1313-000 L. A. I. F.	115,435.04	1,084.69	115,000.00	113,915.31-	1,519.73
Report Total:	<u>1,232,129.40</u>	<u>7,582,621.79</u>	<u>7,463,752.98</u>	<u>118,868.81</u>	<u>1,350,998.21</u>

ANNEXATION BUY-IN PAYMENTS CURRENTLY DUE (5 YEARS STARTED ON 10.1.2022)				
ENTITIES	ANNUAL PAYMENT	BILL DATE	DUE DATE	FISCAL YEAR
S3 GROUP, LLC BUY-IN	\$33,532.41	9.1.2023	10.1.2023	FY24
A & H INVESTMENTS BUY-IN	\$71,913.42	9.1.2024	10.1.2024	FY25
S3 GROUP, LLC BUY-IN	\$33,532.41	9.1.2024	10.1.2024	FY25
	\$105,445.83			

ANNEXATION EXPENSES BILLED (ENGINEERING & LEGAL EXPENSES)				
ENTITIES	BILL DATE	DUE DATE	AMT BILLED	AMT OUTSTANDING
A & H INVESTMENTS	4/30/2024	6/15/2024	\$18,548.37	\$ 18,548.37
GRASSLAND BASIN AUTHORITY(PEREIRA)	4/30/2024	6/15/2024	\$2,454.93	\$ 2,454.93
S3 GROUP, LLC	4/30/2024	6/15/2024	\$6,273.71	\$ 6,273.71
TOTAL BILLED TO DATE			\$27,277.01	

ENTITY BREAKDOWNS		
ENTITIES	TOTAL ACRES	% OWNERSHIP
A & H INVESTMENTS, LLC	1980.9	68%
S3 GROUP, LLC	668.6	23%
GRASSLAND BASIN AUTHORITY - PEREIRA	253.78	9%
TOTAL ACRES	2903.28	100%

OVERDUE

PAID

PANOCHÉ DRAINAGE DISTRICT
FY 2024 - 2024

BUDGET TO ACTUAL

MARCH 1, 2024 - FEBRUARY 28, 2025

DRAINAGE REVENUE	BUDGET	ACTUAL THRU 5/31/2024	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/2025	\$ DIFFERENCE (OVER) UNDER	ESTIMATED % OF BUDGET REMAINING
DRAINAGE SERVICE FEE	\$ 2,600,566	\$ 1,304,158	50%	\$1,296,408	\$1,296,408	\$ 1,296,408	50%
FRESNO COUNTY PROPERTY TAX	\$ 260,000	\$ 144,573	56%	\$115,427	\$115,427	\$ 115,427	44%
SOLDMWA REIMBURSEMENT	\$ 158,400	\$ 12,691	8%	\$145,709	\$145,709	\$ 145,709	92%
ANNEXATION REIMBURSEMENT	\$ 65,000	\$ -	0%	\$65,000	\$65,000	\$ 65,000	100%
ANNEXATION BUY IN	\$ 105,446	\$ -	0%	\$105,446	\$105,446	\$ 105,446	100%
OTHER REVENUE	\$ 8,500	\$ 3,836	45%	\$4,664	\$4,664	\$ 4,664	55%
MSWD/GBA REIMBURSEMENT	\$ 40,296	\$ 43,285	107%	-\$2,989	-\$2,989	\$ (2,989)	-7%
TOTAL REVENUES	\$ 3,238,208	\$ 1,508,543	47%	\$ 1,729,665	\$ 1,729,665	\$ 1,729,665	53%

OPERATING EXPENSES	BUDGET	ACTUAL THRU 5/31/2024	% OF BUDGET TO DATE	ESTIMATE TO COMPLETE	ESTIMATED YEAR END 2/28/2025	\$ DIFFERENCE (OVER) UNDER	ESTIMATED % OF BUDGET REMAINING
GRASSLAND BASIN AUTHORITY	\$ 1,325,325	\$662,663	50%	\$662,662	\$662,662	\$ 662,662	50%
GRASSLAND BYPASS PROJECT	\$ 547,150	\$273,575	50%	\$273,575	\$352,775	\$ 273,575	50%
IRRIGATED LANDS PROGRAM	\$ 256,899	\$128,450	50%	\$128,450	\$128,450	\$ 128,450	50%
SAN LUIS DRAIN MAINTENANCE	\$ 158,400	\$79,200	50%	\$79,200	\$79,200	\$ 79,200	50%
ANNEXATION EXPENSES	\$ 65,000	-	0%	\$65,000	\$65,000	\$ 65,000	100%
ANNEXATION BUY IN	\$ 105,446	-	0%	\$105,446	\$105,446	\$ 105,446	100%
REPAIRS & MAINTENANCE	\$ 130,000	\$4,452	3%	\$125,548	\$125,548	\$ 125,548	97%
LABOR - FIELD	\$ 95,000	\$1,744	2%	\$93,256	\$93,256	\$ 93,256	98%
PROFESSIONAL FEES	\$ 50,000	\$1,469	3%	\$48,531	\$48,531	\$ 48,531	97%
LEGAL COSTS	\$ 46,746	\$6,825	15%	\$39,921	\$39,921	\$ 39,921	85%
LABOR - ADMIN	\$ 35,000	\$5,795	17%	\$29,205	\$29,205	\$ 29,205	83%
MSWD/ACREAGE BUDGET	\$ 40,296	-	0%	\$40,296	\$40,296	\$ 40,296	100%
GENERAL OVERHEAD	\$ 25,000	\$636	3%	\$24,364	\$24,364	\$ 24,364	97%
DUES & SUBSCRIPTIONS	\$ 19,640	\$16,367	83%	\$3,273	\$3,273	\$ 3,273	17%
ENERGY	\$ 17,000	\$2,218	13%	\$14,782	\$14,782	\$ 14,782	87%
HERBICIDES	\$ 13,000	\$2,158	17%	\$10,842	\$10,842	\$ 10,842	83%
SAN JOAQUIN VALLEY DRAINAGE AUTHORITY	\$ 7,414	\$3,707	50%	\$3,707	\$3,707	\$ 3,707	50%
INSURANCE	\$ 12,600	\$5,133	41%	\$7,467	\$7,467	\$ 7,467	59%
INTEREST	\$ 18,749	\$6,237	33%	\$12,512	\$12,512	\$ 12,512	67%
WATER QUALITY MONITORING	\$ 2,000	2,064.00	103%	-\$64	-\$64	\$ (64)	-3%
PWD LOAN PYMT: \$712,930 DATED 2/1/20)	\$ 138,792	\$37,484	27%	\$101,308	\$101,308	\$ 101,308	73%
PWD LOAN PYMT: \$716,521 DATED 2/29/24)	\$ 128,750	\$33,334	26%	\$95,416	\$95,416	\$ 95,416	74%
TOTAL EXPENSES	\$ 3,238,207	\$ 1,273,511	39%	\$1,964,696	\$2,043,896	\$1,964,696	61%

NET REVENUE(DEFICIT)	\$ -	\$ 235,032		\$ (235,031)	\$ (314,231)	\$ (235,031)	
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BOD ADOPTED 4.16.2024

PANOCHÉ DRAINAGE DISTRICT
AGED ACCOUNTS RECEIVABLE, BY DUE DATE
 As of 5/31/2024

Delinquency Notification Steps

Name	L Day + 1 Month 31-60 Days	L Day + 2 Months 61-90 Days	L Day + 75 Days	L Day + 3 Months Over 90 Days	Total A/R
B & C Farms, c/o Francisco & Romelia Nunez	-	-		29,466.59	29,466.59
Carbajal, Sylvia	40.52	40.52		5,935.31	6,016.35
Correia 2015 Living Trust	287.38	287.38		35,499.54	36,074.30
Imperial Merchants	162.96	162.96		23,355.38	23,681.30
Nyman, Brad & Kristi	141.58	141.58		17,278.39	17,561.55
Nyman, Ms. Rebecca	181.17	181.17		22,111.40	22,473.74
Olam West Coast, Inc.	67.54	67.54		67.54	202.62
Total:	881.15	881.15		133,714.15	\$ 135,476.45
	Re-Issue Invoice	Re-Issue Invoice	Re-Issue Invoice	Re-Issue Invoice	
	Send Copy of Policy	Send Copy of Policy	Send Copy of Policy	Send Copy of Policy	
		Notify Owner & Wtr User	Notify Owner & Wtr User	Notify Owner & Wtr User	
		Deny New Wtr Orders	Deny New Wtr Orders	Deny New Wtr Orders	
		GM to call	GM to call	GM to call	
			15 Day Notice to Service	15 Day Notice to Service	
			Assign 1.5% Interest	Assign 1.5% Interest	
				Discontinue Wtr Service	
				May Discontinue Drainage	
				May Lien Property	

NOTES:
 Patrick was going to call Nyman
 Olam has credit on PWD side
 Correia paid in full 6/5/2024



PANOCHÉ DRAINAGE DISTRICT

52027 WEST ALTHEA AVE, FIREBAUGH, CA 93622
TELEPHONE (209) 364-6136 • FAX (209) 364-6122

BOARD MEETING MEMORANDUM

TO: BOARD OF DIRECTORS

FROM: CHRIS CARLUCCI, OPERATIONS & MAINTENANCE MANAGER

SUBJECT: DIVISION REPORT – OPERATIONS & MAINTENANCE

DATE: JUNE 11TH, 2024

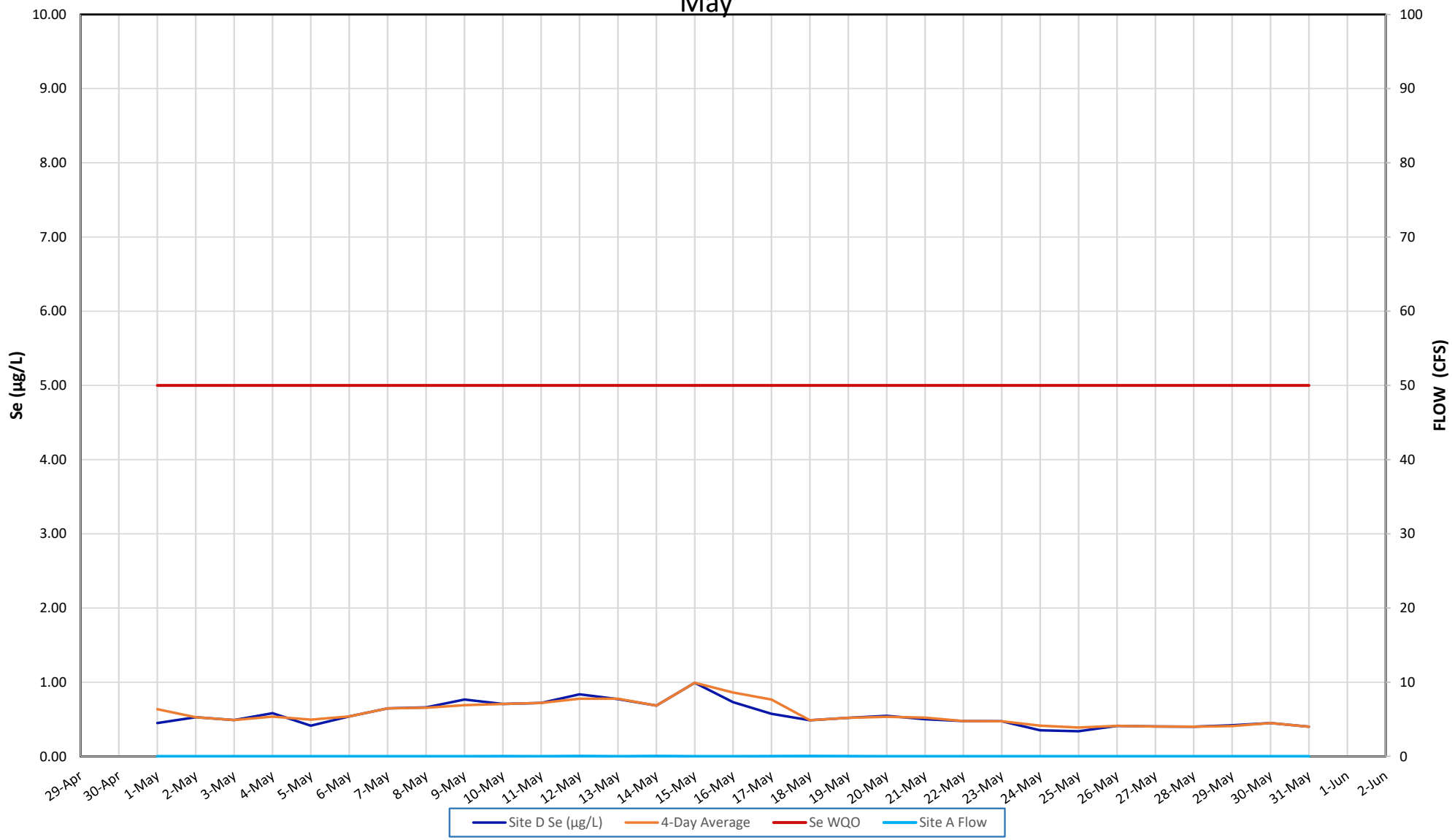
CC: PATRICK MCGOWAN, GENERAL MANAGER

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

- General Maintenance.
- Weed control- Staff sprayed Linneman, Russell, Hammond, Buick and Herndon Drains.
- Charleston Drainage District- Checking oilers on CH-2 pumps. Weed control- Staff sprayed Charleston Drain.
- San Luis Drain Weed Control- Staff sprayed from Hwy 165 to drain outlet and filled squirrel bait stations. (50LBS)
- San Luis Drain- Staff Installed gate lock boxes from Hwy 152 to Henry Miller Rd.
- Finished cleaning Bypass E canal to San Luis Drain. (GBP)
- Weed control for GBP- Staff sprayed Bypass from GBP inlet to SLD drain.

Mud Slough Water Quality - 2024

May



PDD
May 21st, 2024
BOARD MEETING ACTION ITEMS

1. Adopt drainage service fee resolution for June 11th meeting. **PHIL**
2. Annexation buy-in, what is owed to GBD. **PATRICK & JUAN**
3. PDD monthly Delinquency Report to mirror newly adopted policy. **SANDRA**
4. Call A&H & S3 representative to discuss past drainage fee. **PATRICK**
5. Invoice A&H & S3 for the 2020- 2021 drainage fee paid to GBA. **SANDRA & MARLENE**
6. Letter to previous delinquent landowner & current property owner, post May's mtg. **PHIL**
7. Review landlocked policy/sop/regs/past practices and fees. **JUAN**
8. Develop District solar policy ensuring District water transfer policy aligns. Remove acre limitation. **PATRICK & PHIL**
9. PDD acreage audit. **JUAN**
10. Tile line policy and moratorium review. Place on June 11th agenda. **JUAN & PATRICK**
11. Send a letter to the property owner explaining our annexation process and fees associated. **JUAN & PATRICK**



PANOCHÉ DRAINAGE DISTRICT

52027 West Althea Ave, Firebaugh, CA 93622 – (209) 364-6136 – panochedrainage.specialdistrict.org

BOARD MEETING MEMORANDUM

TO: BOARD OF DIRECTORS

FROM: JUAN CADENA WATER RESOURCES MANAGER

SUBJECT: ACTION ITEM 9 PANOCHÉ DRAINAGE DISTRICT ACREAGE AUDIT

DATE: JUNE 11TH, 2024

CC: PATRICK MCGOWAN. GENERAL MANAGER

Staff have been auditing Panoche Drainage District (PDD) apns. Below are the findings. Currently PDD area consists of 44,366.78 acres, by adding the annexed land the new total area will be 47,167.83 acres.

Panoche Drainage District Acreage

S3	668.60
A&H	1,980.90
Annexed Parcels (Ponds/Field)	151.55
Eagle Field Water District	1,370.47
Mercy Springs Water District	3,371.29 **
Oro Loma Water District	1,127.53
Panoche Water District	38,497.49
	47,167.83

** 2,905.42 acres are part of the GBA.