

**PACHECO WATER DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
JANUARY 19, 2023**

A regular meeting of the Board of Directors was held on January 19, 2023, at 9:00 am, via Zoom and teleconference per Governor Newsom’s Executive Order N-12-21. Those present at the meeting were:

- Directors:** David Parreira, President-Zoom
Aaron Barcellos, Director-Zoom
Alec Smith, Director
- Others:** Tom Boardman, Westlands Water District-Called in at 10:12am
Josh Bunch, Water & Land Solutions, LLC
Michael Gardner, Water & Land Solutions, LLC
Chase Hurley, Water & Land Solutions, LLC
Dana Hurley, Water & Land Solutions, LLC-Zoom
Lauren Layne, General Counsel
Palmer McCoy, Grassland Basin Authority
Yvonne Petroni, Water & Land Solutions, LLC

CALL TO ORDER

President Parreira called the meeting to order at 9:06 am.

PLEDGE OF ALLEGIANCE

President Parreira led those in attendance in the Pledge of Allegiance.

ROLL CALL

A quorum of the Board of Directors was present.

THE BOARD TO REVIEW AND CONSIDER ADOPTING AN AB 361 RESOLUTION TO ALLOW FOR VIRTUAL PARTICIPATION IN BOARD MEETINGS FROM JANUARY 19, 2023, TO FEBRUARY 18, 2023.

Upon a motion by Director Smith and seconded by Director Barcellos, the Board unanimously approved Resolution # 1-23 related to State Assembly Bill 361 on COVID related activities for public meetings. The roll call vote on the matter was as follows:

Ayes:	Barcellos, Smith, Parreira	Nays:	None
Absent:	Delgado, LeVake	Abstain:	None

REVIEW OF THE AGENDA

There were no changes to the agenda.

POTENTIAL CONFLICTS OF INTEREST

There were no conflicts of interest.

PUBLIC COMMENT

There was no public comment.

THE BOARD TO REVIEW AND CONSIDER ELECTING FY2023 OFFICERS

Upon a motion by President Barcellos and seconded by Director Smith, the Board unanimously approved the following slate of 2023 officers – David Parreira: President, Lance Levake: Vice President, Chase Hurley: Secretary, Dana Hurley: Treasurer. The roll call vote on the matter was as follows:

Ayes: Barcellos, Smith, Parreira
Absent: Delgado, LeVake

Nays: None
Abstain: None

BOARD TO REVIEW AND CONSIDER APPROVAL OF THE 2023 REGULARLY SCHEDULED BOARD MEETING DATES

Upon a motion by Director Barcellos and seconded by Director Smith, the Board unanimously approved the 2023 regularly scheduled board meeting dates.

2023 Board Meeting Dates

Month	Day	Time
January	19	9:00 AM
March	16	9:00 AM
May	18	9:00 AM
July	20	9:00 AM
September	21	9:00 AM
November	16	9:00 AM

The roll call vote on the matter was as follows:

Ayes: Barcellos, Smith, Parreira
Absent: Delgado, LeVake

Nays: None
Abstain: None

APPROVAL OF MINUTES

On a motion by Director Smith and seconded by Director Barcellos, the September 27, 2022, minutes were unanimously approved. The vote on the matter was as follows:

Ayes: Barcellos, Smith, Parreira
Absent: Delgado, LeVake

Nays: None
Abstain: None

BOARD TO REVIEW AND CONSIDER ACCEPTING THE TREASURER'S QUARTERLY INVESTMENT REPORT FOR THE 3RD QUARTER ENDING SEPTEMBER 30, 2022

Upon a motion by Director Smith and seconded by Director Barcellos, the Board unanimously approved the 3rd quarter Treasurer's Investment Report as presented by Ms. Hurley. The vote on the matter was as follows:

Ayes: Barcellos, Smith, Parreira
Absent: Delgado, LeVake

Nays: None
Abstain: None

THE BOARD TO REVIEW AND CONSIDER APPROVAL OF THE DECEMBER 31, 2022, FINANCIAL REPORT

Upon a motion by Director Barcellos and seconded by Director Smith, the Board unanimously accepted the financial report and approved the payable list as presented by Ms. Hurley. The vote on the matter was as follows:

Ayes: Barcellos, Smith, Parreira
Absent: Delgado, LeVake

Nays: None
Abstain: None

BOARD TO REVIEW AND CONSIDER APPROVING RESOLUTION #2-23, APPROVING THE SAN JOAQUIN RIVER EXCHANGE CONTRACTOR GROUNDWATER SUSTAINABILITY AGENCY AS THE GRANT APPLICANT FOR DELTA MENDOTA SGMA ROUND TWO IMPLEMENTATION GRANT APPLICATION

Upon a motion by Director Barcellos and seconded by Director Smith, the Board unanimously approved adopting resolution #2-23 as presented by Mr. Hurley. The vote on the matter was as follows:

Ayes: Barcellos, Smith, Parreira
Absent: Delgado, LeVake

Nays: None
Abstain: None

BOARD TO REVIEW AND CONSIDER TAKING ACTION ON THE FEE SCHEDULE FOR WATER PURCHASED BY PACHECO WATER DISTRICT FROM DISTRICT LANDOWNERS

Mr. Hurley stated that he was approached by a Pacheco Water District landowner that sold supplemental water to the District at the Board approved rate of \$500/Acre Foot. The landowner requested that the Board increase the amount it is paying for internal supplemental water due to the increased PGE power rates throughout the 2022 summer months. After deliberation amongst the directors, the Board agreed that the current 2022 policy and the corresponding rates should stay in place. No action was taken.

WATER SUPPLY: Mike Gardner (March 1, 2022 – February 28, 2023):

Water Supply update through December 31, 2022

- | | |
|---|---|
| a. Usage to date | 8,252 AF |
| b. Supplemental Water Balance: | 222 AF |
| c. Shasta Reservoir Storage (Jan 17, 2023): | 53% of Capacity and 84% of Historical Average |
| d. San Luis Reservoir Storage (Jan 17, 2023): | 46% of Capacity and 67% of Historical Average |

Mr. Tom Boardman from Westlands Water District gave a detailed water supply update and reported that Shasta storage is currently at 2.42 MAF of storage. The hope is to get the storage to 3.1 MAF which means the Bureau of Reclamation has stored as much water as possible under the flood control curve. The Shasta watershed snowpack is 200% of normal and in conjunction with the current storage, it should support higher water allocations. The Federal CVP Ag Contractors could receive 15%-20% of their contract on the low end and as much as 75% on the high end. The Bureau will announce their first allocation around February 20, 2023.

Water Quality

- | | |
|---|---------------------------|
| a. November blended water quality at Lateral 6: | 460 TDS and .60 ppm Boron |
| b. December blended water quality at Lateral 6: | 390 TDS and .32 ppm Boron |

OPERATIONS: Mike Gardner

- a. Routine Maintenance Update: Mr. Gardner reported that staff is continuing to service all the lift pumps and tile sump pumps on a weekly basis. Staff is also beginning to service the water and tile sump meters.
- b. Projects Update:
 - i. Staff is in the process of getting projects done but due to the heavy rainfall in the last month the projects have been put on hold until the rain subsides.
 - ii. Pacheco signed a contract with Ag Monitoring to help us manage and take full advantage of our new solar project and to help Pacheco understand the relationship between water use and energy load in the Main Canal.
 - iii. One of the water operators left for another job so staff is in the process of hiring another employee.
 - iv. Due to the heavy rainfall, the tile sumps were shut off December 9th through December 14th and shut off again on December 26th and remain off. When the Grassland Drainage Area stops draining into the San Luis Drain, the tile sumps can be turned back on.
 - v. Due to the heavy rainfall, Lift 4 and 5 received quite a bit of storm damage. McElvany Construction is scheduled to complete the repairs in a few weeks.

SOLAR PROJECT UPDATE

Mr. Gardner reported that the Pacheco boneyard has been cleaned up so Barrier Solar can get their Geotech contractor out to the solar site. The contractor will analyze the soil for density and chemistry for project design. The transformer estimate is complete and came back at \$127,000; which is \$48,000 under the original budget. The detailed engineering review from PG&E is also complete. Barrier Solar is

now waiting for the transformer upgrade to be completed, which could take four to six months. Barrier hopes to have the solar installed by the time PG&E finishes their work on the new transformer interconnection. The total project could be operational by July 2023.

DRAINAGE MANAGEMENT: Palmer McCoy

- a. Grassland Basin Authority (GBA)
 - i. Due to the heavy rainfall the screw gate to the San Luis Drian was opened on December 27th and storm flows started to the San Joaquin River.
 - ii. Flows from Panoche/Silver Creek discharged into the Grassland Drainage Area and eventually ended up in the San Luis Drain.
 - iii. The GBA saved money this year because of the water year type and the way they moved water around for irrigation purposes. The GBA received more money this year because the market price for Jose Tall Wheatgrass was more than double compared to last year.
 - iv. Construction of the new ponds has been put on hold due to the wet weather.
- b. Grassland Basin Drainers
 - a. Mr. McCoy mentioned that he would like to merge the Grassland Basin Authority with the Grassland Basin Drainers to streamline procedures within the two agencies.

GENERAL MANAGER'S REPORT

- a. Sustainable Groundwater Management Act: Mr. Hurley stated that the GSA's within the Delta Mendota Subbasin are continuing to gather data and work on the action items that were documented in the submitted revised GSP. DWR has yet to decide on the status of the revised GSP. The DWR letter is expected in mid-March.
- b. BF Sisk Dam Raise: Staff continues to work with other activity agreement members within the SLDMWA on the work plan for the Dam Raise. The consultants are working closely with the Bureau of Reclamation and the Department of the Interior on a Principles of Agreement Document that will then be followed by an Operations Plan that would include the additional 130,000 Acre Feet of storage. Mr. Hurley reminded the board that Pacheco agreed to be a part of the 2022 first phase of the project at a cost of \$6,900. The 2nd phase will include a total cash call from the activity agreement members of approximately \$10 million. Pacheco's pro-rata share of the \$10 million is expected to be approximately \$90,000. This expense would need to be part of Pacheco's 2023 O&M budget. Mr. Hurley stated that this would drastically increase the 2023 O&M rate, especially considering a CVP allocation in the range of 5-10%. Staff will continue to work with the SLDMWA and bring more information back to the board in March to make an informed decision on if Pacheco wants to continue to be an activity agreement member.
- c. SLDMWA 2023 Water Transfer Program: Staff continues to work with the SLDMWA activity agreement members on a Letter of Intent to submit to the Northern California water agencies who are still interested in a 2023 water transfer program. The two types of water that may be available in the program are through (1) groundwater substitution and (2) land fallowing. The two issues that will ultimately decide if the 2023 program will be feasible are (1) how much land growers are willing to fallow with a high commodity price for rice and (2) delta operations to move the water north to south.

BOARD TO REVIEW PROPOSED 2023 AGENCIES DUES AND FEES (Chase H.)

Mr. Hurley reviewed the proposed 2023 dues and fees for a variety of agencies and explained the benefit to Pacheco Water District. The Board will decide which ones to approve at the March 2023 board meeting.

THE BOARD TO REVIEW DRAFT #1 OF THE 2023 ADMINISTRATIVE AND O&M BUDGET (Chase H.)

Mr. Hurley reviewed the draft #1 administrative and O&M budget and received input from the Board and will come back in March with draft #2 for approval.

THE BOARD TO REVIEW DRAFT #1 OF THE 2023 DRAINAGE BUDGET AND ASSESSMENT (Chase H.)

Mr. Hurley reviewed the draft #1 drainage budget and assessment and received input from the Board and will come back in March with draft #2 for approval.

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

There were no other items.

CLOSED SESSION

The Board went into closed session at 10:50 am.

RETURN TO OPEN SESSION

The Board returned to open session at 10:53 am. President Parreira stated that there were no reportable actions.

FUTURE MEETING DATES

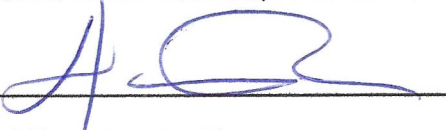
The next regularly scheduled meeting is March 16, 2023, at 9 am.

ACTION ITEMS


1. Per the request of a couple of directors, and with staff conflicts on the scheduled March meeting date, the board asked staff to reschedule the March 16, 2023, regularly scheduled board meeting.
2. Staff was asked to include in the future board packet financial reports the breakdown of the Water & Land Solutions (WLS) expense line items for all reimbursable expenses; including the backhoe.

ADJOURNMENT

With no further business, President Parreira adjourned the meeting at 10:55 am.



David Parreira, President



Chase Hurley, Secretary