



# PID NEWS

## NEW GENERAL MANAGER

On May 19, Marc Vanden left the Patterson Irrigation District to work closer to his home in Sacramento. His departure left a void in the District for a couple of months until a new general manager was hired. Staff did an outstanding job managing District operations in Marc's absence. On July 1<sup>st</sup>, Vince Lucchesi came from San Luis Water District to fill the general manager's role. In early August, landowners had two opportunities to meet Vince and get to learn about him and his plans for the District. Below is a brief bio from Vince.

I am originally from Ripon and graduated from Ripon High School. I spent my childhood and early college years working for my father on his farming operation. I attended Cal Poly San Luis Obispo, majoring in Bioresource and Agricultural Engineering. After college, I worked for CH2M Hill in its worldwide design center in Redding for two years, performing design and feasibility work for the state Department of Water Resources, the U.S. Bureau of Reclamation and various irrigation districts. After two years, I moved to Clovis and spent seven years working for Provost & Pritchard as an engineering consultant designing infrastructure, performing rate studies, and feasibility evaluations for irrigation districts. At Provost & Pritchard, I designed tile and interceptor drainage systems, pump stations, check structures and turnouts. Then I moved back to Modesto and started working for San Luis Water District as its district engineer.

At San Luis Water District, I learned how a public agency operates and the necessary processes set in place for the public to be involved. On the infrastructure side, I was able to navigate the successful design for a drainwater recapture project to supplement the district with up to 2,500 acre-feet per year of alternative water supply and helped move a groundwater recharge investigative study forward. I managed single and multi-year water transfers, and aided in design review in partnership projects with other public agencies. Finally, I started with the implementation of modernization and preventative maintenance programs.

## End of Year Evaluation

2017 was a unique year both financially and on water supply for the Patterson Irrigation District. On average, the District's budget is between \$3 million and \$4 million. About \$1 million of that is received from growers through assessments and water revenue (if the District allocates 2 acre-feet per acre on the assessment). The balance of the budget has historically been generated through water transfers and wheeling to other districts. With the wet 2016-17 winter, no agency was interested in buying water or wheeling water through PID facilities since everyone had enough water to satisfy their needs.

For 2017, the District allocated 2 acre-feet per acre with the expectation of no outside water sales and some wheeling. It was projected that the District would lose approximately \$1 million

for 2017. As the year progressed, the District's Board of Directors and management identified ways to save and generate revenue. Below are a few of the major things the District did to help mitigate the excessive loss:

- Selling PID's entire 2017/18 CVP allocation, generating approximately \$95,000
- Recirculating/wheeling 4,340 acre-feet of San Joaquin River Restoration Flows in November and December, grossing \$434,000 to PID
- Not storing as much water in early 2017 into San Luis Reservoir under PID's Warren Act Contract, which was budgeted at approximately \$400,000, saving around 260,000.
- Saving approximately \$340,000 on pumping costs from the incredible wet year due to the availability of reduced power costs through PID's long-term contract with the Turlock Irrigation District, and sales from PID WAPA excess.

Based upon preliminary numbers, the District lost approximately \$271,000. The benefit of the past year is that it showed how much the District is dependent upon its ability to move and transfer water. This will help in evaluating the District's finances moving into the future. The information below is an unaudited summary of District operations for 2017:

| 2017 WATER DELIVERIES (AF) |        |
|----------------------------|--------|
| Allocated Water            | 20,763 |
| Excess Water               | 9,579  |
| Out of District            | 1,988  |
| Wheeling to DMC            | 4,542  |

| 2017 BUDGETED FINANCIAL    |                  |
|----------------------------|------------------|
| Budgeted Expenses          | 3,612,428        |
| Budgeted Internal Revenues | 1,103,905        |
| Budgeted External Revenue  | 1,568,600        |
| <b>Total</b>               | <b>(939,923)</b> |

| 2017 ACTUAL FINANCIAL <sup>1</sup> |                  |
|------------------------------------|------------------|
| Actual Expenses                    | 2,856,509        |
| Actual Internal Revenues           | 1,149,072        |
| Actual External Revenue            | 1,435,902        |
| <b>Total</b>                       | <b>(271,535)</b> |

**Note: Actual Financials are estimates until the audit is complete**

Looking to 2018, the District may not have the benefit of having as cheap of power as 2017. Will most likely look into the need of storing water in San Luis Reservoir into 2019. In regards



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to wheeling, Restoration flows are tied to the water year, so if the year is dry, there may not be as much to wheel; however, other agencies may want the District to move water for them.

## Rules and Regs Amendment

At the January 10 special board meeting, directors approved amendments to the District's 14-year-old rules and regulations to clear up some inconsistencies, incorporate a fine system for violations, implement well water quality standards, and provide flexibility on payment by adding a 15-day grace period on bills. The rules are now available on the District's website and copies are available upon request at the District office.

## 2018 Outlook

**WATER SUPPLY:** As we move into the 2018-19 water year, it's relatively early to estimate exactly how much rain and snow will arrive this winter and spring. Current reservoir conditions indicate that there may be enough water to satisfy PID's demands off of the San Joaquin for 2018. Based upon storage projections and operations for the CVP, it appears that the upcoming water year is tracking similar to the 2011-12 water year. 2011 started out very wet in the early spring and rolled into a dry 2011-12 winter, where 2012 was the start of the past drought.

Current 2018 projections estimate CVP contractors will receive a minimum allocation of 30-40% under dry conditions, 45-55% under normal conditions and 65-70% under above average conditions. These translate into revenue projections for the District. A lower allocation provides more opportunities to wheel water and generate revenue from water transfers; inversely, a higher allocation lowers revenue-generating opportunities.

It should be noted that if dry conditions persist, storage going into the 2019-20 water year may be impacted and we may be dealing with water supply and quality issues.

**OPERATIONS:** In January, the Board of Directors will hold a strategic planning meeting intended to take a look at District operations and determine what the District should do to ensure the long-term viability of farming and district operations. This meeting will re-examine the priorities of the District through the development of projects, milestones and financial goals to provide direction to move the District ahead. In the future, the Board will hold a strategic planning session after every election to analyze the plan and decide if any course corrections are warranted.

A grower workshop is anticipated for the end of February to present water supply, operations and strategic planning updates to growers to aid with planning for the irrigation season.

## East-West Conveyance Project- Main Canal Rehabilitation Schedule A Improvements

On January 10<sup>th</sup>, the Board of Directors issued a notice of award to Steve P. Rados Inc, for the Schedule A improvements of the Main Canal Rehabilitation Project, previously known as the East-West Conveyance Project. The Schedule A improvements consist of abandoning pump stations 2 and 3, constructing a new pump station in place of pump station 2 and constructing a new discharge pipeline from the new pump station crossing Orange and Sycamore avenues. The pipeline would discharge just behind the District's yard.

This is a culmination of almost 10 years of studies and evaluations about how best to expand the main canal's capacity, not only for improved delivery flexibility to land within PID, but to also take advantage of potential opportunities to participate in regional water supply solutions through wheeling. Some of these opportunities include recirculation and recapture of San Joaquin River Restoration Program flows, and east-to-west water transfers, where excess capacity in District facilities is used to facilitate transfers between other water agencies in the region.



**Existing District Main Canal Pump Station – Note the Buckling Support Pillars**

Please note, that the Schedule A improvements only address critical infrastructure to the District. If the District does not proceed with any additional improvements under this project, the District will not have constructed facilities that exceed the internal needs of the District. These new facilities will provide a more efficient pump station and distribution facility. It is anticipated that the construction will begin in early March and will be operational by the start of the 2019-20 water year.

## Schedule A Construction Shut-Down

As the Schedule A improvements move forward, construction of the improvements will be built simultaneously with the irrigation season. Once the system is shut down in the winter, the contractor will only have to complete the connection to the turnouts and laterals that were operational during the irrigation season. Shut down is scheduled to be from Nov. 15, 2018, through March 1, 2019. This affords the contractor the time to be able to connect facilities that need to be operational during the irrigation season. Please plan ahead. The District will send out a notice in June and another in early fall to remind growers that the system will be shut down during this period.