

**PATTERSON IRRIGATION DISTRICT
MONTHLY BOARD MEETING
MINUTES**

March 21, 2018

The Board of Directors of the Patterson Irrigation District met in its office at 948 Orange Avenue, Patterson, California for a regular monthly Board meeting. The meeting was called to order at 1:01 p.m. by President John Azevedo.

Directors Present: David Reichmuth, Richard Barbaste, Steve Prevostini,
Director Fantozzi, John Azevedo

Directors Absent:

Others Present:	Vince Lucchesi	General Manager
	Jeanne Zolezzi	Legal Counsel
	Jim DeMartini	Stanislaus County Supervisor
	Jeannie Zolezzi	Legal Counsel
	Robert Granelli	Landowner

CORRECTIONS OR ADDITIONS TO THE AGENDA:

General Manager Lucchesi requested Item No.: 7 Wheeling Agreement to follow Item No.: 22 Closed Session.

PUBLIC COMMENT:

Stanislaus County Supervisor Jim DeMartini was in attendance at the Board meeting. DeMartini stated he liked to attend the meetings of each special district in his division once a year and extended his services and the services of the County if needed.

MINUTES:

The minutes of the February 21, 2018 Regular Board Meeting and February 28, 2018 Special Board Meeting – Grower Workshop were reviewed by the Board.

Director Barbaste made a motion to approve February 21st and February 28th board minutes as received. Second by Director Reichmuth and passed unanimously.

FINANCIAL REPORT:

Secretary/Treasurer Russell gave a report to the Board on bank accounts and fund balances the District holds in investment accounts. The report also included an accounts receivable aging summary report and a detailed list of cash disbursements for February 2018 for Board review.

Director Fantozzi made a motion to approve the Financial Reports for February 2018. The motion was seconded by Director Prevostini and passed unanimously.

CONSIDER APPROVAL OF A POLICY ON THE COLLECTION AND ADMINISTRATION OF WESTSIDE DRAINAGE COALITION DUES TO LANDS WITHIN PATTERSON IRRIGATION DISTRICT:

The board reviewed the Policy Regarding Westside Drainage Coalition Fee Collection. Currently the District subsidizes a portion of the fee for its members that are enrolled in the Westside Coalition. The District also pays in advance for its members and then bills the member for the pass through charge. Lucchesi stated, since the fees are not imposed by the District, the District has no mechanism or ability to force the parties to pay the fees.

The Policy is needed and intended to address how the District is to pass through the fees to the member/landowners and how to address non-payment.

- Under the terms of the Policy, the District will continue to pay on behalf of its members in advance then bill the members.
- The District will pass through **all** expenses and fees charged by the Coalition to its members.
- All invoices for Coalition Fees will due by August 31st of the year invoiced.
- If invoices are not paid by August 31st, the Member/Landowner will receive a written notice from the District they are delinquent and must be paid in 14 days. If not paid in 14 days, the District will turn the delinquency to the Coalition, and may request the Coalition remove the member from the Coalition.
- Should the Member/Landowner have its membership with the Coalition re-instated the District shall have the option to 1. Refuse to pay the Coalition fees on behalf of the Member/Landowner and may require them to work directly with the Coalition or 2. Require the Member/Landowner make payment of the Coalition Fees to the District in advance.

Following a thorough discussion Director Barbaste made motion to approve the Coalition Collection Policy as written. Second by Director Reichmuth and passed unanimously.

WATER DISTRIBUTION SYSTEM SUPERVISOR'S REPORT:

A written report was included in the board packet on recent activities and maintenance in the District.

WATER SUPPLY AND TRANSFER DISCUSSION WITH CONSULTANT:

Lucchesi reported on the meeting he and John Azevedo had with Erick Johnson of the Water Agency in regards to water transfers. The Board was to have a presentation from Erick Johnson, but due to the wet conditions Erick Johnson informed Lucchesi that there isn't a point since the market has been in flux and pricing is a moving target for selling water.

DIRECTORS BRIEFING:

Director Azevedo reported on the joint meeting held at BCID with the Bureau in regards to the 9d Contract Conversion. Azevedo mentioned that Directors Fantozzi and Barbaste also attended the meeting and the meeting was informative and the presentation was helpful by the USBR. However, Azevedo felt he had more questions leaving the meeting than entering and also asked some tough questions that USBR didn't have an answer for.

MANAGER'S BRIEFING:

General Manager Lucchesi discussed various items that he was working on for the month. Discussion included, the City of Patterson Water Master Plan and PID's response.

LAFCO POLICY DISCUSSION ON RETROACTIVE:

Lucchesi reported on a discussion he had with Pat Alves who is a farmer in the Villages of Patterson Priority Area 1 who was a strong opponent of the annexation of the Villages of Patterson. Pat presented to Lucchesi evidence that he did protest LAFCO on the annexation and wanted to see if the PID Board would consider making the LAFCO policy retroactive. Lucchesi then presented a staff report making the recommendation that the Board consider making the LAFCO policy retroactive, however, due to the nature of the drought and growers being cut off, it may be difficult to true-up the losses and expenses experienced in Priority Area 1. The Board considered Lucchesi's recommendation and provided direction to present an amended LAFCO policy that addresses any landowners who have been previously annexed out and can provide the evidence that they fought LAFCO on the annexation that they can be treated as properties within the District regarding rates and supply.

FISHBIO:

Lucchesi reported on updates received from FishBio. The FishBio team is having difficulty with obtaining access to certain sites and were being required by the Army Corps of Engineers to comply with a Section 408 permit prior to placing fykes. Progress appears slow on permits but hopes that the fykes can be in place soon.

DEL PUERTO CANYON RESERVOIR UPDATE:

Lucchesi reported PID had received results from the operations evaluation, but still have not received the cost study results for PID.

SGMA UPDATE:

Lucchesi provided a brief update on SGMA. A data request had gone out earlier in the month and PID responded and provided all the information requested. Surprisingly, PID was one of the only agencies to provide the breadth of information requested. The GSP consultant, Woodard and Curran are sorting out data and seeing where they need to fill in the gaps to move forward.

STRATEGIC PLANNING DISCUSSION:

Lucchesi reported he has been working with Provost and Pritchard looking at PID's capital improvement planning. Lucchesi hopes to have a scope sorted out and having Provost & Pritchard moving forward soon. Lucchesi also pointed out that he is working on developing a summary of the meeting and to begin work on the new policies for the District.

KAHN, SOARES, AND CONWAY UPDATE:

A final report from KSC for February was in the board packet for review.

ADMINISTRATION AND OPERATIONS REPORT:

A written report was included in the Board packet regarding administration, operations, and construction activities.

Del Puerto and Sperry Avenue Intersection:

The project is mostly complete. The flooding incident appears to be far less impactful than originally anticipated to PID. Staff have installed a plug in the pipeline to prevent flooding of the trench again during irrigation service. Mazingo will not provide a warranty on the 84 feet of pipe

installed that were flooded, however they are going to inspect the pipe joints once the pipeline is in to provide confidence to the PID Board that the construction is sound.

Main Canal Rehab:

- Executed Contract with Kleinfelder
- Rados is working on getting their trailers setup
- Working on submittals
- Anticipated work on the pump station to commence soon

CLOSED SESSION:

The Board announced the items that would be discussed in Closed Session. The Board convened into closed session at 2:51 p.m. to discuss the items below:

- a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Government Code Section 54956.8)
Property: Water
Agency Negotiator: Vince Lucchesi, General Manager
Under Negotiation: Instructions to Negotiator concerning price and payment terms
- b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
(Subdivision (b) of Government Code Section 54956.9)
1 potential case

The Board returned to open session at 3:23 p.m. President Azevedo reported action taken under Item No.: 7

APPROVAL OF AGREEMENT FOR CONVEYANCE OF WATER BETWEEN PATTERSON IRRIGATION DISTRICT AND DEL PUERTO WATER DISTRICT:

General Manager Lucchesi discussed the details of the Draft Agreement for Conveyance of Water between Patterson Irrigation District (PID) and Del Puerto Water District (DPWD) to convey Turlock transfer Water from the San Joaquin River (SJR) to the Delta Mendota Canal (DMC). Lucchesi stated, DPWD and PID had entered into a previous Agreement to convey the acquired Transfer Water, which expired on February 28, 2018.

After discussion of the agreement, the PID Board directed Lucchesi to engage into the agreement with DPWD if the following terms are agreeable with DPWD: 1. Agreement would be for one (1) year commencing March 1, 2018 and end on February 28, 2019. 2. PID agrees to convey up to 13,140 acre feet of Transfer Water at a rate no greater than eighteen (18) cfs for the term of the Agreement. 3. Payment for conveyance of Transfer Water under the Agreement, DPWD agrees to pay PID \$115 per acre foot for water conveyed to the DMC. 4. A deposit of \$250,000 shall be made to PID and would be credited to the conveyance fees.

Director Fantozzi made a motion to authorize the General Manager to execute the Agreement under the terms approved by the Board. Second by Director Reichmuth and passed unanimously.

With the completion of all agenda items the meeting was adjourned at 3:45 p.m.

Respectfully Submitted,

Toni Russell – Board Secretary

