

**PATTERSON IRRIGATION DISTRICT GROUNDWATER SUSTAINABILITY AGENCY
REGULAR BOARD MEETING
MINUTES**

January 17, 2024

The Patterson Irrigation District Groundwater Sustainability Agency Board of Directors meeting was called to order at 1:08 p.m. by President Barbaste

Directors Present: Richard Barbaste, Alan Scheuber, David Fantozzi, Daniel Robinson

Directors Absent: John Azevedo

Others Present:	Vince Lucchesi	General Manager
	Mark Smith	Policy Consultant
	Jeanne Zolezzi	General Counsel

CORRECTIONS OR ADDITIONS TO THE AGENDA:

None

PUBLIC COMMENT:

None

REPORT ITEMS:

SGMA UPDATE:

General Manager Lucchesi provided a report in the board packet regarding:

- SWRCB & DWR Inadequate Determination Process Update
 - Lucchesi noted that the coordination committee representing the basin is asking all agencies to make a commitment to addressing the overdraft in each zone for the hydrogeologic conceptual model. For the northern area, this is 20,000 AF, Lucchesi noted that PID is committed to helping address this shortfall to aid in ensuring that the sub-basin has a plan approved.
- GSP Implementation
 - Lucchesi noted that implementation is moving forward. WOS Reichmuth is working towards implementation of the metering program, subsidence survey should be completed soon, and the recharge project is going to testing soon.

With the completion of all agenda items the meeting was adjourned at 1:12 p.m.

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REGULAR BOARD MEETING
MINUTES**

January 17, 2024

The Patterson Irrigation District Board of Directors meeting was called to order at 1:12 p.m. by President Barbaste

Directors Present: Richard Barbaste, Alan Scheuber, David Fantozzi, Daniel Robinson

Directors Absent: John Azevedo

Others Present:	Vince Lucchesi	General Manager
	Mark Smith	Policy Consultant
	Jeanne Zolezzi	General Counsel

CORRECTIONS OR ADDITIONS TO THE AGENDA:

None

PUBLIC COMMENT:

None

CONSENT ITEMS:

Agenda Items 9 – 10 Board to Consider: a) December 20, 2023 Regular PID GSA Board Meeting, December 20, 2023 Regular PID Board Meeting b) Financial Report, Cash Disbursements Report, the and Update to Reserves for the month ending in December.

Director Robinson made a motion to approve the Consent Items. Second by Director Scheuber and passed unanimously.

Ayes: Barbaste, Scheuber, Fantozzi, Robinson

Noes: None

Absent: Azevedo

Abstain: None

ACTION ITEMS:

BOARD TO CONSIDER APPOINTMENTS OF BOARD PRESIDENT AND VICE PRESIDENT

General Manager Lucchesi noted that the Board needs to appoint the Board President and Vice President for 2024.

After a thorough discussion, Director Robinson made a motion to keep the current Board structure. Second by Director Scheuber and passed unanimously.

Ayes: Barbaste, Scheuber, Fantozzi, Robinson

Noes: None

Absent: Azevedo

Abstain: None

BOARD TO CONSIDER CLAIM FROM NANCY PINOLI

General Manager Lucchesi noted to the Board that he was hoping to hear from ACWA on the status of the claim from Nancy Pinoli. Since he hadn't heard anything, there is nothing to report or take action on.

CONSIDER APPROVAL OF FINANCE COMMITTEE RECOMMENDATION TO ADOPT THE DRAFT 2024 DISTRICT BUDGET, WATER RATES, EMPLOYEE WAGE SCALES AND WATER ALLOCATION

General Manager Lucchesi presented to the Board the draft 2024 budget. Lucchesi noted that he met with the Finance Committee consisting of Directors Daniel Robinson and Alan Scheuber and they recommended the approval of the budget in its current form. Lucchesi presented the proposed expenses, and the Board was supportive of the expenses. Lucchesi then presented the need for an increase in the water rate of \$10 per acre-foot to maintain the subsidy at \$2.5 million and to stay in line with District policy. Director Fantozzi stated that it was a bad year to increase rates. President Barbaste stated that it doesn't look good if the District increase rates then replaces equipment addressing the Air Boards new regulations on replacing the Tier 0 Equipment, new trucks to prepare for Air Boards requirements for moving vehicles that are 8,500 lbs GVWR to electric or purchase new to have more life out of the trucks, and building the pump station. Barbaste added that water users will be lining up out the door if we increase it by \$10.

Lucchesi noted that most agencies out there raise rates to cover these types of capital expenses, but the revenue generated from the rate increase is not to cover any capital related expenses but is dedicated to address the subsidy provided to the growers and to keep it at the same amount into the future. The prop 218 approved in 2019 provided the Board the flexibility to increase rates for these types of expenses. All capital expenses are funded through transfer revenue and no grower funds are dedicated to capital. Lucchesi added that the increase subsidy increases his workload in trying to secure transfers into the future so that the rate can stay low in addition to manage expenses and to try to build infrastructure.

President Barbaste stated that he does not feel comfortable with raising rates without Director Azevedo present. Lucchesi added that if the Board does not wish to increase rates, he needs clear direction on how the Board wishes to address rates into the future and to no longer kick the can down the road on dealing with fixing the District, Lucchesi requested that at the next meeting the Board can have a discussion on a policy that provides clear direction to staff on how to address rates into the future during the budget setting process.

No action was taken on this item.

REPORT ITEMS:

WATER DISTRIBUTION SYSTEM SUPERVISOR'S REPORT:

General Manager Lucchesi gave a report on recent operations and maintenance activities in the district. A written report was included in the board packet for review.

STATE AND FEDERAL AFFAIRS UPDATE:

General Manager Lucchesi provided updates on the budget request from Senator Caballero. Lucchesi noted that the \$5,000,000 budget request funding is with the State Water Resources Control Board.

Lucchesi also noted on the progress of the FAA development with USBR and Stantec's effort.

TURLOCK IRRIGATION DISTRICT AGREEMENT TIMELINE DISCUSSION

General Manager Lucchesi presented to the Board that PID will be engaging in June of 2024 to open discussions with TID, PG&E and WPA to start the process of executing an amendment to the Service Area Agreement by the parties with the goal to have something in place prior to the need to renew the power agreement with TID.

OUTSIDE AGENCY/ORGANIZATION REPORTS & UPDATES:

Lucchesi provided Agency and Staff reports on the following:

- SLDMWA Activities
- IRWM/SWMP Update
- Drainage Authority Update
- SLDMWA SGMA Update
- FishBio Update
- Family Farm Alliance
- San Joaquin Valley Water Blueprint Effort

MANAGEMENT REPORT:

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

- Managers Briefing –
 - General Manager Lucchesi requested President Barbaste to appoint the 2024 rules committee. President Barbaste appointed Directors Azevedo and Robinson to serve on the committee for the first six months of the year and Directors Fantozzi and Scheuber on the last six months of the year with President Barbaste to serve as alternate during the year.
 - General Manager Lucchesi noted to the Board that with the change in the Water Operation Supervisor role that PID staff will be observing the District's rules tighter and the fine system will not be limited to just flooding incidents like they have been in the past.
- Administration Report
 - Lucchesi provided a report on Personnel
 - Lucchesi Provided a report on Risk Management
- Lucchesi provided a report on construction projects
- Lucchesi provided a report on projects
- Lucchesi provided a report on Water Operations

DIRECTORS BRIEFING:

None

CLOSED SESSION:

President Barbaste announced the items that would be discussed in Closed Session. The Board convened into closed session at 3:27 p.m. to discuss the items below:

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Government Code Section 54956.8)

Property: Water

Agency Negotiator: Vince Lucchesi, General Manager

Negotiating Parties: Steve Ottemoller, Friant Water Authority

Under Negotiation: Instructions to Negotiator will concern price and payment terms

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Government Code Section 54956.8)

Property: Land APN 047-005-025

Agency Negotiator: Vince Lucchesi, General Manager

Negotiating Parties: Greg Nunes, Landowner

Under Negotiation: Instructions to Negotiator will concern price and payment terms

CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION

(Subdivision (b) of Government Code Section 54956.9)

1 potential case

The Board returned to open session 4:26 p.m. President Barbaste reported no action was taken in closed session.

Action Items

BOARD TO CONSIDER ACTION REGARDING PROTEST LETTER FROM SIERRA MOUNTAIN CONSTRUCTION INC PROTESTING THE BID FROM ARNAUDO CONSTRUCTION FOR THE SCHEDULE B IMPROVEMENTS OF THE MAIN CANAL REHABILITATION PROJECT

General Manager Lucchesi provided to the Board a protest letter provided by Sierra Mountain Construction protesting that Arnaudo Construction should be disqualified from bidding because Sierra Mountain interpreted the notice to bidders that Arnaudo Construction didn't meet the threshold of the experience requirement in the notice to bidders. Lucchesi noted that he had reached out to the references provided by Arnaudo and got confirmation that they felt Arnaudo was capable of performing the work for the project. Arnaudo Construction's previous projects listed were in the \$3 million range, with the clients buying all of the equipment prior to the construction contract. Lucchesi noted that the experience that Arnaudo provided is for pump stations construction and not for pipeline installation, the pipeline work is being performed by Mozingo where this is their specialty.

Lucchesi then presented to the Board the bid results from the December 19 bid opening for the Schedule B improvements for the Main Canal Rehabilitation Project. Lucchesi noted that the engineer's estimate put the project at \$15 million and the low bid came in at \$15,413,000 with Arnaudo Construction. As noted from the December meeting, Lucchesi noted that the combination of Mozingo and Arnaudo's experience should meet this standard regarding complexity and value. Lucchesi recommended the Board waive this irregularity and to award the contract with Arnaudo Construction.

After a thorough discussion, Director Scheuber made a motion award the contract to Arnaudo Construction for the Schedule B Improvements of the Main Canal Rehabilitation Project. Second by Director Fantozzi and passed unanimously.

Ayes: Barbaste, Scheuber, Fantozzi, Robinson

Noes: None

Absent: Azevedo

Abstain: None

BOARD TO CONSIDER CONTRACT WITH STEVE TRINTA FOR HELP DURING SEASON

General Manager Lucchesi presented to the Board the potential need for Steve to possibly help out in the event of an emergency on the Main Canal and staff can't figure out how to fix the problem. Lucchesi noted that he felt confident that the crew are capable of problem solving, but Steve may have a unique approach that has worked before in the event the crew is stumped.

After a thorough discussion no action was taken.

OTHER ITEMS

Nothing to report

UPCOMING BOARD MEETING(S)

The next Board meeting is scheduled for February 21, 2024 as a Regular Board meeting but a special meeting may happen to adopt the Budget in early February.

With the completion of all agenda items the meeting was adjourned at 4:28 p.m.

Respectfully Submitted,

Vince Lucchesi, General Manager