

Merquin County Water District

Minutes of the Regular Meeting
Of the Board of Directors
Tuesday, July 12, 2022

The Meeting of the Board of Directors of the Merquin Count Water District called to order in regular session at 19684 Second Ave., Stevinson, California at 6:00 p.m.

Present were, President Freddy Oliveira, Director Rosemary Ouse, Director Danny Drumonde, Director Phil Dores, Director Adam Azevedo.

Add a motion item 6a to agenda.

MOTION ACCEPTING RESOLUTION FOR BUDGET 2022/2023

Moved by Director Adam Azevedo, seconded by Director Phil Dores approving the Motion to add item 6A to agenda

Motion Carried Unanimously

MOTION APPROVING MINUTES of June 22, 2022

Moved by Director Dann, seconded by Director Adam Azevedo approving the minutes of June 22, 2022

Motion Carried Unanimously

MOTION APPROVING LIST OF WARRANTS

Moved by Director Adam Azevedo, seconded by Director Phil Dores, approving the list of warrants \$56,373.32 less \$1,000.00 to SJVA for burn (board will investigate)

Motion Carried Unanimously

MOTION ACCEPTING CHECKING ACCOUNT EXPENDITURES

None

**MOTION TO APPROVE CLOSING THE WELLS FARGO CREDIT CARD ISSUED FROM
MERCED COUNTY**

Moved by Director Danny Drumonde, seconded by Director Phil Dores to close the Wells Fargo Credit Card issued by Merced County.

Motion Carried Unanimously

**MOTION TO OBTAIN A CREDIT CARD UNDER MERQUIN COUNTY WATER DISTRICT'S
NAME AND TAX ID NUMBER**

Moved by Director Phil Dores, seconded by Director Adam Azevedo to obtain a credit card under Merquin County Water District's name and Taxpayer ID Number

Motion Carried Unanimously

MOTION ACCEPTING RESOLUTION FOR 2022/2023 BUDGET

Moved by Director Adam Azevedo, seconded by Director Phil Dores accepting Resolution for 2022/2023 Budget.

Motion Carried Unanimously

CORRESPONDANCE

None

Eric Swenson-District Engineer

1. Discussion/Action: Well location and easement acquisition for replacement of Well 7. Jimmy spoke with Dave Vierra. Mr. Vierra requested \$2,500 for a well easement compensation and the installation of an irrigation valve to irrigate the property that the well would be placed on. Required new well spacing from unlined canal is 100 feet, from septic tank 100 feet, and from domestic well 300 feet.



Eric asked if the board is willing to authorize \$2500 for a well easement? Director Dumonde requested that we should make sure there is water there first. Eric stated we can drill a test well and a E-log first. Director Does asked what kind of irrigation delivery is he asking for? Jimmy stated just a butterfly valve. The board gave permission for District Engineer to proceed with contacting Mr. Vierra to see if permission to drill a test well can be obtained.

2. Discussion/Action: PG&E Electrical Costs associated with District Well Operation.

We are now collecting information monthly regarding how much water each well is pumping in the District on a monthly basis. We are also collecting static water levels on all of the wells. The static

water levels have not fallen significantly yet from the February 2022 readings. From this data we can now estimate the electrical cost to pump water from each well:

MCWD 4/23-5/23/2022 Estimated PG&E Well Pumping Cost

Well No.	PG&E Rate	Customer Charge	Demand Charge	Energy Charge	Tax	Total	Approx. Cost/AF	2018 Pump
1	AGA1	\$ 19.98	\$ 128.81	\$ 619.92	\$ 0.07	\$ 768.78	\$ 91.44	39
2						0		
3	AGA2	\$ 19.98	\$ 370.54	\$ 1,788.39	\$ 2.68	\$ 2,181.59	\$ 63.06	49
4	AGA2	\$ 19.98	\$ 215.54	\$ 2,083.35	\$ 3.13	\$ 2,322.00	\$ 77.61	34
5	AGB	\$ 26.55	\$ 191.91	\$ 1,029.88	\$ 1.28	\$ 1,249.62	\$ 148.50	63
6	AGA1	\$ 19.98	\$ 104.93	\$ 159.92	\$ 0.19	\$ 285.02	\$ 152.37	41
7	AGA2	\$ 19.98	\$ -	\$ -	\$ -	\$ 19.98		45
8	AGC	\$ 41.57	\$ 482.73	\$ 1,792.04	\$ 3.41	\$ 2,319.75	\$ 45.11	50
9	AGA2	\$ 19.98	\$ 266.89	\$ 551.86	\$ 0.83	\$ 839.56	\$ 59.86	59
10	AGC	\$ 51.57	\$ -	\$ -	\$ -	\$ 51.57		33
11	AGC	\$ 41.57	\$ 330.65	\$ 164.94	\$ 0.32	\$ 537.48	\$ 33.81	61
12						\$ -		
13	AGA2	\$ 19.98	\$ 187.07	\$ 459.13	\$ 0.69	\$ 666.87	\$ 35.66	60
14						\$ -		62
15	AGC	\$ 41.57	\$ 437.20	\$ 1,459.22	\$ 2.77	\$ 1,940.76	\$ 25.01	64
16	AGA2	\$ 19.98	\$ 348.60	\$ 728.17	\$ 1.10	\$ 1,097.85	\$ 34.53	64
17	AGA2	\$ 19.98	\$ 157.61	\$ 527.73	\$ 0.79	\$ 706.11	\$ 50.35	
18	AGA2	\$ 19.98	\$ 290.51	\$ 1,096.98	\$ 1.64	\$ 1,409.11	\$ 32.76	52
19	AGA1	\$ 19.98				\$ 19.98		59
20	AGB	\$ 26.55	\$ 242.16	\$ 155.50	\$ 0.19	\$ 424.40	\$ 90.78	47
21	AGA1	\$ 19.98				\$ 19.98		34
22	AGA1	\$ 19.98	\$ 316.78	\$ 799.44	\$ 1.20	\$ 1,137.40	\$ 46.79	
Total			\$ 4,071.93	\$ 13,416.47		\$ 17,997.82		

Estimated Water Pumped in Period 378 AF
Average Pumping Cost in Period 47.52 per AF

In the above table you can see that some of the pumps which had very low 2018 pump efficiency also have high cost per AF to operate. Pumps that are run a small number of hours result in high per AF costs due to the high demand charge that is paid independent of how many hours the pump is run.

The District's pumps around 7,300 AF of water in a typical normal water season. At \$47/AF it would cost around \$350,000 to pump 7,300 AF. The cost per AF will reduce somewhat in future months as the demand charge remains constant and the energy charge increasing. PG&E is looking to increase agricultural electrical pumping rates approximately 20% in 2023. If one third of the pumping is done between March and the end of June 2023 this would add 6% to the budgeted pumping cost. It looks to me that total PG&E cost including the office and storm water pumps for July 2020 through end of June 2021 was \$273,852. My recommendation would be to budget \$350,000 for July 2022 through June 2023 for PG&E electrical costs. PG&E totally changed Ag rate categories in 2022. It would be good to compare demand charges and

energy rates for Wells during 2021 and 2022 before setting the 2022-2023 budget. The board elected not to change the 2022-2023 budget for utilities.

3. Discussion/Action: GSA Activities

- Finalization of revised GSP. The revised GSP is scheduled for adoption at the July meeting. Revised GSP is available at mercedsgma.org/resources#documents.
- Failed 218 in Chowchilla GSA. The new 218 for the Chowchilla GSA was not established where the Madera GSA 218 was passed.

Table 1-2: Proposed Rates (\$/Enrolled Acre)

Line	A Proposed Rates (\$/Enrolled Acre)	B FYE 2023	C FYE 2024	D FYE 2025	E FYE 2026	F FYE 2027
1	Annual Rates					
2	Madera Subbasin	\$184	\$200	\$236	\$279	\$329
3	Chowchilla Subbasin	\$190	\$194	\$202	\$210	\$218
4	Delta-Mendota Subbasin	\$92	\$104	\$129	\$162	\$202
5						
6	Averaged Rates					
7	Madera Subbasin	\$246	\$246	\$246	\$246	\$246
8	Chowchilla Subbasin	\$203	\$203	\$203	\$203	\$203
9	Delta-Mendota Subbasin	\$138	\$138	\$138	\$138	\$138

Line	A Groundwater Allocations (AF)	B FYE 2023
1	Allocation Year	CY 2022
2		
3	Madera Subbasin	
4	Sustainable Yield	90,000
5	Transition Water	108,480
6	Total - Madera Subbasin	198,480
7		
8	Chowchilla Subbasin	
9	Sustainable Yield	22,500
10	Transition Water	60,864
11	Total - Chowchilla Subbasin	83,364
12		
13	Delta-Mendota Subbasin	
14	Sustainable Yield	1,500
15	Transition Water	1,920
16	Total - Delta-Mendota Subbasin	3,420

Line	A Total and Enrolled Acreage	B FYE 2023
1	All Acreage	
2	Madera Subbasin	185,000
3	Chowchilla Subbasin	45,000
4	Delta-Mendota Subbasin	3,000
5	Total - All Acreage	233,000
6		
7	Enrolled Acreage	
8	Madera Subbasin	81,473
9	Chowchilla Subbasin	35,872
10	Delta-Mendota Subbasin	1,755
11	Total - Enrolled Acreage	119,100

Madera Subbasin Current Groundwater Usage = 2.4 AF/Acre

Madera Subbasin Sustainable Groundwater Usage = 1.2 AF/Acre (Average 218 Assessment \$246/Acre)

Chowchilla Subbasin Current Groundwater Usage = 2.3 AF/Acre

Chowchilla Subbasin Sustainable Groundwater Usage = 0.63 AF/Acre (Proposed 218 Assessment that failed \$203/Acre)

- Upcoming Public Hearing on Merced Subbasin GSA 218 July 19, 2022, 6 PM at 3rd floor, 2222 M Street, Merced.

Merced Subbasin GSA Proposed Budgets for 218 elements to be funded:

Shared Improvement Element	Budget
Phase 1 Land Repurposing Program	\$15,000,000
GSA Executive Director	\$500,000
Domestic Well Mitigation Program Fund	\$800,000
Parcel-Based Water Budgets	\$500,000
Budget	\$16,800,000
Contingency Reserve	\$300,000
Total Budget to Collect	\$17,100,000
Estimated Annual Budget (per year for 4 years)	\$4,275,000

In addition, there is one additional item of \$600,000 for Water Rights Application Payment.

The proposed assessment for Merquin County Water District farmers is \$24.94 + \$1.67 = \$26.61/Acre. This money is proposed to be collected between 2022 and 2025 and spent between 2023 and 2027. The board directed District Engineer in his capacity as a GSA Board Member to vote "no" on the adoption of the 218 measure.

Average sustainable groundwater pumping on average in the Merced Subbasin is likely to be 1.3 AF/acre from 2022-2040 and 1.7 AF/acre thereafter. In 2026 there may be a per acre-foot groundwater pumping extraction fee.

MATTERS FOR THE GOOD OF THE DISTRICT

Schedule maintenance in October on Ditch behind the Fire Department.

Gene Silveira on Third Ave new property owner needs the ditched cleaned for access to water, may need to reroute the water access. Jimmy is to meet with Gene and the other property owners to resolve the issue.

Blake Nervino stated there is an issue with over pressuring the line on First Ave. The pipeline has overflowed the box in the driveway twice in the past two weeks. The emergency valve was not open, and all other valves were closed.

Jimmy reported last evening Pat Miller filled his pond and overflowed the box on MCWD pipeline. Pat needs to open valves on other properties when he done to get rid of excess water or contact Jimmy or Eric.

OFFICE/MAINTENANCE

Office

Jamie reported she did not have a water report because she still has some bills to send out. Jamie has resumes for review in closed session.

Maintenance

Not much maintenance, water delivery is good. No one wants to Irrigate at night.

MOTION TO ADJOURN TO CLOSED SESSION

Moved by Director Phil Dores, seconded by Adam Azevedo to adjourn to closed session.

Motion Carried Unanimously

MOTION TO RETURN TO OPEN SESSION

Moved by Director Phil Dores, seconded by Adam Azevedo return to open session.

Motion Carried Unanimously

MOTION TO ADJOURN

Moved by Director Danny Drumonde, seconded by Adam Azevedo to adjourn.

Motion Carried Unanimously

Potential Average Groundwater Allocations for MSGSA

Assumed MSGSA Current Allocations 2022		400,000 AF/YR	
Pumping Reduction Required for 2015 Meas. Obj		175,000 AF/YR	
Sustainable GW Allocations 2023-2040		225.000 AF/YR	43.5 percent decrease
Pumping Reduction to maintain GW Elevation		115,000 AF/YR	
Sustainable GW Allocation after 2040		285.000 AF/YR	28.75 percent decrease
Estimated Total Irrigated Land		171.400 Acres	
Sustainable GW Allocation 2023-2040	1.3	AF/YR	(Plus allocation from new recharge)
Sustainable GW Allocation 2040 and after	1.7	AF/YR	(Plus allocation from new recharge.)

MATTERS FOR THE GOOD OF THE DISTRICT

Director Adam Azevedo asked Michael Brasil if there was a ditch that caved in or a road crossing over a bridge? Michael stated when he removed the trees Tracy was upset, Director Adam Azevedo asked if there was trash in the ditch? Michael responded yes, he moved everything to his side of his property. Director Adam Azevedo commented he thought it was his renter that caved in the ditch. He wanted to move his horses on the other side of the ditch, and he asked if he could have a crossing? Installed a weir box with a twenty- foot length of pipe, Michael said he can go across the ditch. Michael stated he did not know anything about that.

The property that just changed hands across the street from the Sunnyside Cemetery, the new owner wants to get water. The sweet potato grower caved in the ditch on that property, the sweet potato grower is responsible for fixing the ditch. Eric Swenson had engineered the requirements to get water to his property.

Michael Brasil asked if we as landowners wanted to purchase additional water from SWD for groundwater recharge and pay significantly more for the water than the District rate if it would be ok with MCWD. Director Adam Azevedo replied if he wants to purchase additional water from SWD, MCWD can order the water and charge him the same rate as SWD is charging him. Michael asked Bobby Kelley and Bobby said that would be a topic for legal counsel.

Eric Swenson addressed Michael and said they the MSGSA still needs to set policy on recharge and recovery of recharged groundwater. Eric stated that this policy will likely be established in the next couple of years.

Merquin County Water District

District Engineer Agenda Items for June 22, 2022 Board Meeting

OPEN SESSION

1. Discussion/Action: PG&E Electrical Costs associated with District Well Operation.

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2018 Pump Efficiency

Merquin County Water District

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CLOSED SESSION

2. ANTICIPATED LITIGATION

Government Code Section 54956.9(d)(4)