



SHANDON-SAN JUAN WATER DISTRICT SHANDON-SAN JUAN GSA

MEETING AGENDA May 22, 2024

The Board of Directors of the Shandon-San Juan Water District/Shandon-San Juan Groundwater Sustainability Agency will hold a regularly scheduled meeting at **11:15 A.M.** on **Wednesday, May 22, 2024**, at SVP Winery located at 111 Clark Rd, Shandon, CA 93461.

Alternate Locations: Director Miller will participate in the meeting via teleconference from 132 E. Carrillo Street, Santa Barbara, 93101.

Virtual Options for Public Participation:

<https://us06web.zoom.us/j/88510055315?pwd=Y0hpazi2NWZsU2dvSGZsREwydUgvdz09>

Meeting ID: 885 1005 5315 **Passcode:** 095610 **Dial:** (669) 900-6833

To view supporting documents, go to: <https://www.ssjwd.org/agendas-minutes>

1. **Call to Order**
2. **Roll Call**
3. **Public Comment**
4. **Consent Agenda**
 - a. Meeting Minutes – March 27, 2024
 - b. Secretary/Treasurer’s Report – May 17, 2024
5. **Paso Basin Cooperative Committee Updates on SGMA/GSP Implementations**
 - a. Next PBCC Meeting is May 22, 2024 at 4pm
6. **Discuss LAFCO File No. 1-R-24 Sphere of Influence Amendment and Annexation No. 1 to Shandon San-Juan Water District (Skyview)**
 - a. 60-Day Termination Period Ends June 17, 2024 – Deadline for SSJWD to evaluate its service and financial capabilities related to this application.
7. **Discuss and Consider Earmarking Funds Received from PRIOR for SSJWD Project Fund**
8. **Discuss and Consider SSJWD Investment Fund**
 - a. CA CLASS
 - b. Confirm Initial Investment Amount
9. **Next Regularly Scheduled Meeting – Wednesday, June 26, 2024 @ 9am.**
10. **Adjourn**

NOTE: In compliance with the American with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), if you need special assistance to access the meeting room or otherwise participate at this meeting, including auxiliary aids or services, please contact Bertoux & Co. 930 Nysted Dr. St. A Solvang, CA 93463 805-451-0841 admin@ssjwd.org. Notification of at least forty-eight (48) hours prior to the meeting will help enable reasonable arrangements to ensure accessibility to the meeting. Copies of Meeting Documents can be found on our District Website <https://www.ssjwd.org/> or requested by contacting Bertoux & Co. 930 Nysted Dr. St. A Solvang, CA 93463 805-451-0841 admin@ssjwd.org.



SHANDON-SAN JUAN WATER DISTRICT SHANDON-SAN JUAN GSA

UNAPPROVED MEETING MINUTES March 27, 2024

The Board of Directors of the Shandon-San Juan Water District (SSJWD) and Shandon-San Juan Groundwater Sustainability Agency (SSJGSA) held a regularly scheduled meeting on Wednesday, March 27, 2024, at 9:00am at the Illy Lodge at Illy Sunnyslope Farms located at 3385 Truesdale Rd., Shandon, CA 93461. Virtual options were made available for public participation. The agenda and all supporting documents were posted at <https://www.ssjwd.org/agendas-minutes>.

I. Call to Order

President Cunha called the meeting to order at 9:00am on Wednesday, March 27, 2024 at Illy Sunnyslope Farms.

II. Roll Call

Directors Present:	Willy Cunha	Steve Sinton
	Marshall Miller	Matt Turrentine
	Ray Shady	

Directors Absent: None.

III. Public Comment

No public comments received.

IV. Consent Agenda

The following motion was made by Director Sinton, seconded by Director Shady, and passed 5-0 with a roll call vote.

MOTION – Approve the minutes from the March 27, 2024 Board meeting and the Secretary/Treasurer’s Report dated March 22, 2024, as presented.

V. Update from Wagner & Bonsignore on Applications Submitted to the SWRCB

Wagner & Bonsignore (W&B) was retained in April 2023 to review the materials submitted prior to April 2023 relating to pending water right Applications A033189 and A033190 and to assist Shandon San Juan Water District (SSJWD) with resolving issues that the State Water Resources Control Board (SWRCB) called “deficiencies” in the water right Applications. Diane Wagner, Water Resources Specialist at Wagner & Bonsignore, gave the following update.

July 7, 2023 Meeting with W&B, SWRCB, SSJWD

SWRCB identified three main concerns with the Applications:

1. Scope—The project was not clearly defined. How does the applicant intend to take control of the water?
2. Access—Issues pertaining to right of access have not been resolved.
3. Water Availability—SSJWD (Applicant) has not demonstrated in a satisfactory manner that water is available. The Application(s) should include a preliminary water availability analysis (WAA) that demonstrates in a sampling of years, water is legally available. The analysis should consider downstream rights and instream needs.

SWRCB asked Wagner & Bonsignore to prepare a work-plan demonstrating how SSJWD intends to obtain information needed to satisfy SWRCB and a timeline for doing so.

September 6, 2023

Wagner & Bonsignore Submitted a Proposed Work Plan for Application(s) A033189 and A033190 to SWRCB for review and comment.

- Separate Work Plan submitted for each Application
- Goal: Application(s) accepted and issued for public notice so that Applicant can further plan and develop their Project
- Deliverable: Response (in report form) to SWRCB's most recent deficiency letter for each Application
- Time Needed to Prepare Reports/Response: 12 Months

Next Steps for W&B

- Meet with SWRCB Staff to discuss work plan and obtain go-ahead
- Modify work-plan as requested by SWRCB (if necessary)
- Prepare estimate of costs/budget and begin work described in work-plan

VI. Paso Basin Cooperative Committee (PBCC)

- A. PBCC DRAFT Budget: The PBCC has developed a draft expense budget for Fiscal Year (FY) 24-25 totaling \$600,000. SSJGSA's portion is 20.2% totaling \$121,200. On March 27, 2024, the PBCC will consider passing a motion to recommend individual Paso Basin Groundwater Sustainability Agencies (GSAs) approve the FY 2024-2025 PBCC budget.
- B. Update on Cost of Service Rate Study RFP: The RFP was issued on January 12, 2024, a pre-proposal meeting was held on January 31, 2024, and responses were due February 23, 2024. Interviews with select firms took place on March 21, 2024.
- C. Update on Governance Structure: The PBCC is considering developing a more robust MOA with project specific JPAs when appropriate.
- D. Update on SGMA GSP Round 1 Grant Implementation: The grant funds continue to be utilized to implement the GSP. Funds must be spent by April 2025.
- E. Satellite-Based Evapotranspiration (ET) Methodology for Agricultural Water Use Estimates: The PBCC will consider a one-year contract with Land IQ to estimate agricultural water use using a satellite-based evapotranspiration methodology.
- F. Alluvial Monitoring Wells RFP: The Design and Construction Services Consultant RFP was issued in January 2024. Proposals were due on February 9, 2024.
- G. Expanding Monitoring Network RFP: The RFP covers landowner access agreement acquisition support services, but not monitoring costs. Landowner permission will be required to bring these wells into the monitoring network. The selected consultant would work with landowners to gain access to these properties for monitoring purposes. Proposals are currently under review by the Selection Committee.
- H. DWR Periodic Evaluation: The PBCC is considering directing staff to develop an RFP to prepare the Groundwater Sustainability Plan periodic evaluation and submit to DWR by January 30, 2025. The estimated budget is \$300,000. It is anticipated that costs will be shared among GSAs in accordance with the cost percentages established in the MOA.
- I. Next PBCC Meeting: March 27, 2024 @ 4pm.

VII. LAFCO File No. 1-R-24 Sphere of Influence Amendment and Annexation No. 1 to SSJWD

In a letter dated February 26, 2024, LAFCO advised SSJWD that an application was filed with LAFCO on February 22, 2024 to annex property into SSJWD sphere of influence. The proposed project includes an annexation of approximately 3,946.75 acres of property into the Shandon-San Juan Water District. The property is located in the unincorporated area of the County at 3425 Truesdale Road in rural Shandon.

VIII. Next Meeting

The next Board of Directors meeting scheduled for Wednesday, April 24, 2024 is cancelled. The next regularly scheduled meeting is May 22, 2024 at 9am. The Board directed SSJWD Secretary to schedule a special joint meeting with Estrella-El Pomar-Creston GSA to discuss the next steps in GSP implementation in late May/early June.

IX. Adjourn

President Cunha adjourned the meeting at 10:42am.

Accepted:

Stephanie Bertoux, Secretary
May 22, 2024



SHANDON-SAN JUAN WATER DISTRICT

SHANDON-SAN JUAN GSA

Secretary/Treasurer’s Report: March 23, 2024 – May 16, 2024

Date: May 17, 2024
 To: Shandon-San Juan Water District Board of Directors
 From: Stephanie Bertoux, District Secretary/Treasurer/Assessor

Assessments for FY 2023/24:

Assessments were levied on July 26, 2023. \$401,140.26 was due January 26, 2024. \$389,938.35 has been collected to date.

Account Receivable:

The A/R total for FY 23-24 Assessments is \$11,202.01.

Income:

Income for the period totaled \$5,635.17 from PRIOR (Agenda Item #7).

Expenses

Expenses for the period totaled \$24,717.89.

FY 2023-24 Budget Summary – Year to Date

	FY 23-24 Budget	FY 23-24 YTD Total	FY 23-24 Balance
Income	\$401,140.26	\$389,938.25	\$11,202.01
Expenses	\$305,414.75	\$123,295.76	\$182,118.99
Contingency (10%)	\$30,500	\$0	\$30,500
Projected YE Balance	\$65,225.51		

Cash Position

After paying expenses noted above, the District has a current cash position of \$659,122.29. Managing on a cash basis, the District’s fund balance is:

- \$212,618.99 – Remaining operating funds for FY 23-24 (includes 10% contingency)
- \$121,200.00 – Funds earmarked for SSJGSA portion of PBCC Budget for FY 24-25 (pending Board approval)
- \$319,668.13 – Funds earmarked for GSP Implementation projects, management actions, and studies
- \$5,635.17 – Funds from PRIOR (Agenda Item #7) may be moved to GSP Implementation (pending Board approval)

Audit for FY 22-23

SSJWD’s audit for FY 22-23 is being prepared by Moss, Levy, & Hartzheim. It is due to both the County and the State by June 30, 2024.

Board Training & Certifications

- Form 700s – due April 1, 2024. Filed through Netfile. Each Director should have received an email from the County.
- Ethics Training is required every two years. <https://localethics.fppc.ca.gov/login.aspx>.
- Sexual Harassment Training is required every two years.

Director	COI – Form 700 <i>(Required Annually by April 1)</i>	Ethics Training <i>(Required Biannually)</i>	Sexual Harassment Training <i>(Required Biannually)</i>
Willy Cunha	Completed 01/22/24	Completed 02/17/23	Completed 02/01/23
Marshall Miller	<i>Need to Complete</i>	<i>Need to Complete</i>	Completed 03/10/23
Ray Shady	Completed 03/14/24	Completed 09/23/23	<i>Need to Complete</i>
Steve Sinton	Completed 03/24/24	Completed 08/25/22	Completed 03/10/23
Matt Turrentine	Completed 03/01/24	Completed 03/19/23	Completed 03/10/23

PRIOR

To: Shandon-San Juan Water District
Estrella-El Pomar-Creston Water District

From: Steve Sinton
John Quinlan
Dana Merrill

Subject: PRIOR Funds

After polling the members of PRIOR as to what to do with the remaining funds in the PRIOR bank account (\$11,270.33), the majority supported distributing the funds equally to the two Water Districts (Shandon-San Juan and Estrella-El Pomar-Creston) which cover the Paso Robles Groundwater Basin.

The PRIOR funds were collected to either pay for litigation fees to prevent claims of prescription against overlying landowners, or an agreement that tolled any such claims for the lifetime of an agreement. With the completion of the Paso Robles Groundwater Basin Agreement dated 2005, PRIOR accomplished its mission and remaining funds were only used to pay for a post office box, postage, legal fees and recording landowners who subsequently joined the agreement. No new applications nor financial transactions have occurred in over 5 years. The Memorandum of Operating Principles provided that surplus funds be kept in a non-interest bearing account, so the funds were losing value over time.

While these two Water Districts were not formed to protect overlying landowners from governmental claims of prescription in the Paso Basin, they are organized to seek ways to protect those same landowners from draconian cuts in water use. Therefore, we have determined that transferring the remaining funds to these entities most closely reflects the intent of the PRIOR members.

What is California CLASS?

California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of powers entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS offers public agencies a convenient method for investing in highly liquid, investment-grade securities carefully selected with the goal of optimizing yields while prioritizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds help assist public agencies in strengthening and diversifying their cash management programs in accordance with the safety, liquidity, and yield hierarchy that provides the framework for the investment of public funds.

How is it governed and managed?

California CLASS is overseen and governed by a Board of Trustees. The Board is made up of public agency finance professionals who participate in California CLASS and are members of the Joint Powers Authority (JPA). The Board of Trustees has entered into an Investment Advisor and Administrator Agreement with Public Trust Advisors, LLC. Public Trust is responsible to the Board for all program investment and administrative activities as well as many of the services provided on behalf of the Participants.

How can we participate?

Enrolling in California CLASS is simple. Public agencies may become Participants simply by filling out the Participant Registration Form that can be found in the document center on the California CLASS website. Public agencies may submit the completed registration packet to California CLASS Client Services for processing at clientservices@californiaclass.com. To obtain account forms and fund documents, visit www.californiaclass.com/document-center/.

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Participants

benefit from the following:

- Same-day availability of funds in Prime Fund (11:00 a.m. PT cut-off)
- Contributions by wire or ACH
- Ratings of 'AAAm' & 'AAAf/S1'
- Portfolio securities marked-to-market daily
- Secure online access for transactions and account statements
- No redemption notices for Prime Fund
- Participant-to-Participant transactions
- Dividends accrue daily and pay monthly
- No maximum contributions
- No minimum investment requirements
- No transaction fees*
- Annual audit conducted by independent auditing firm**
- Dedicated client service representatives available via phone or email on any business day

*You may incur fees associated with wires and/or ACH transactions by your bank, but there will be no transaction fees charged from California CLASS for such transactions.
**External audits may not catch all instances of accounting errors and do not provide an absolute guarantee of accuracy.



What are the objectives of California CLASS?

Safety

The primary investment objective of the California CLASS Prime fund is preservation of principal. Both California CLASS portfolios are managed by a team of investment professionals who are solely focused on the management of public funds nationwide. The custodian for California CLASS is U.S. Bank, N.A.

Liquidity

When you invest in the California CLASS Prime Fund, you have access to your funds on any business day. You must notify California CLASS of your funds transaction requests by 11:00 a.m. PT via the online transaction portal. There are no redemption notices for the daily-liquid California CLASS Prime Fund. The California CLASS Enhanced Cash Fund is a variable NAV fund that provides next-day liquidity and requires a one-day notification of redemption.

Competitive Returns

California CLASS strives to provide competitive yields while adhering to the objectives of safety and liquidity. Participants can benefit from the investment expertise and institutional knowledge provided by the team of Public Trust professionals. The portfolio performance objective is strengthened by the knowledge of California public agency cash flows that the Public

Trust team possesses.

Ease of Use

To make cash management streamlined and efficient, California CLASS includes many features that make it easy to access account information and simplify record keeping. Participants can transact on any business day via the California CLASS Online Transaction Portal at www.californiaclass.com.

Flexibility

You may establish multiple California CLASS subaccounts. You will receive comprehensive monthly statements that show all of your transaction activity, dividend accruals, and yield summaries. These statements have been specifically designed to facilitate public sector fund accounting and to establish a clear accounting and audit trail for your records.

Legality

California CLASS only invests in securities permitted by California State Code Section 53601; permitted investments are further restricted to those approved by the Board of Trustees as set forth in the California CLASS Investment Policies.

Have Questions? Contact us or visit www.californiaclass.com for more information.



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T (877) 930-5213 | F (877) 930-5214 | www.californiaclass.com | clientservices@californiaclass.com

Get to Know California CLASS

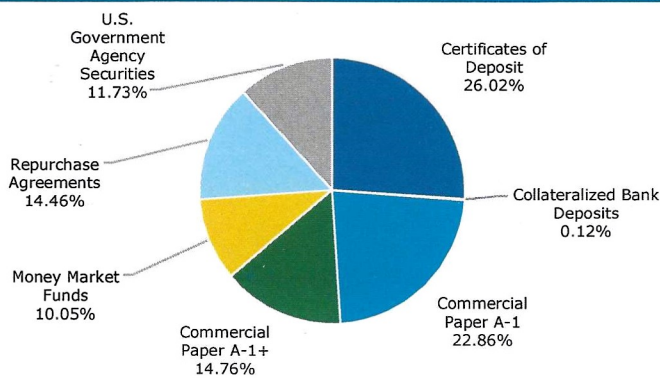
Holistic cash management designed with you in mind

California CLASS is a local government investment pool that was created under the Joint Powers Act. It allows eligible public agencies to invest their funds in a professionally managed Joint Powers Authority.

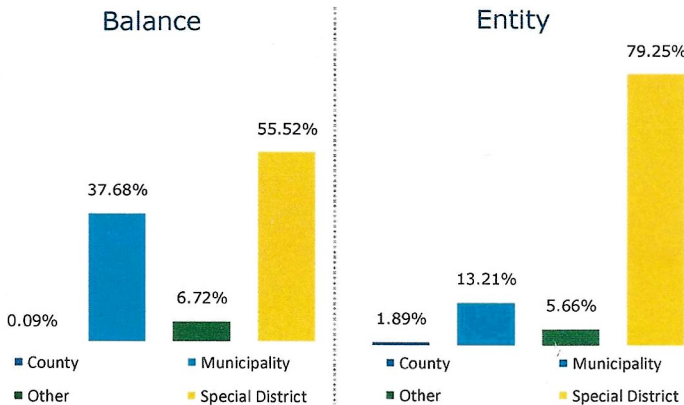
Participation is available to any California public agency under California Government Code 6500 and 6509.7. Investments are made in accordance with California Government Code Section 53601 and the California CLASS Investment Policies.

The California CLASS portfolio investment strategy prioritizes minimizing market risk and enhancing safety via diversified investments. Funds of the Participants are invested in prime or high grade, short-term fixed income instruments as illustrated to the left. We aim to provide competitive yields while adhering to all objectives of safety and liquidity. The California CLASS Prime Fund carries a 'AAAm' rating from S&P Global Ratings.

Portfolio Allocation



Participant Breakdown by Type



California CLASS welcomes all public agencies without favor to one type. The Board membership represents the diversity of such agencies and works to maintain a product that services the needs of all California public agencies.

California CLASS Board of Trustees

Christina Turner, Chairperson
City Manager
City of Morgan Hill

Ryan Clausnitzer, Vice Chairperson
General Manager
Alameda County Mosquito Abatement District

George Harris, Treasurer
Director of Finance
City of Lancaster

Margaret Moggia, Board Secretary
Finance Manager
Town of Discovery Bay
Community Services District

Contact us to get started!
www.californiaclass.com

Source: Public Trust Advisors, LLC. Data as of 03/31/2024. Data unaudited. Charts and/or values presented may not add up precisely to absolute figures due to rounding. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. CALIFORNIA CLASS is not a bank. An investment in CALIFORNIA CLASS is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the CALIFORNIA CLASS stable NAV fund(s) seek to preserve the value of your investment at \$1.00 per share, CALIFORNIA CLASS cannot guarantee they will do so. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. Ratings are subject to change and do not remove credit risk. Please review the applicable Information Statement(s) before investing. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**



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California CLASS provides Participants the following benefits:

- ✓ Convenient, modern transaction portal
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- ✓ Portfolios managed in accordance with California Government Code
- ✓ Transparent governance by Board of Trustees
- ✓ Portfolios marked-to-market with net asset value and yields posted to website daily

Fund Option	Prime	Enhanced Cash
Portfolio Type	Prime-style fund	Enhanced cash
Purpose	Operating Funds	Strategic Reserves
Rating	'AAAm'	'AAAf/S1'
Min/Max Investment	None	None
Withdrawals	Unlimited	Unlimited
Investment Horizon	Day-to-Day	12-18 Months
Liquidity	Same-Day	Next-Day
WAM	≤60 days	90-200 days
Net Asset Value (NAV)	Stable \$1.00 per share	Variable \$10.00 per share

Learn more about building an optimal liquidity portfolio for your public agency; contact us today.



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