

# Agenda Item 3

## TUSCAN WATER DISTRICT Board Meeting Minutes – April 15, 2026

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**DATE:** April 15, 2026

**TIME:** 9:00 a.m.

**LOCATION:** Butte County Association of Governments (BCAG) Board Room, 326 Huss Drive, Chico, California 95928

**Directors Present:** Rich McGowan (President), Brian Mori, Bill Chance, Andrew Mendonca, Todd Turley, Steve Koehnen

**Directors Absent:** Rayme Antonowich, Director Knight, Director Paiva

**Staff Present:** Tovey Giezentanner, General Manager

**Others Present:** Joe Hughes, Legal Counsel (via Zoom); Jim Graydon; Joanne Kidd; Dillon McGregor; Anne Dawson

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### 1. Call to Order & Pledge of Allegiance

President McGowan called the meeting to order at 9:00 a.m.

### 2. Public Comment

No public comment was received.

### 3. Approval of March 18, 2026 Board Meeting Minutes

**Action:** Motion by Director Mori, seconded by Director Chance, to approve the March 18, 2026 board meeting minutes. Motion carried unanimously.

### 4. General Manager Employment Agreement

President McGowan opened discussion of the General Manager's employment agreement, which the Board had reviewed at the prior meeting. No public comment was received. For the record, President McGowan noted two provisions: (1) expenses must be pre-approved in writing by the District; and (2) the agreement carries a 24-month initial term with automatic annual renewal unless either party provides notice of non-renewal. The agreement also recognizes that GM Giezentanner operates under contract and may pursue other professional opportunities, which he is expected to disclose to the Board. GM Giezentanner confirmed his understanding of the terms. Director Mendonca noted a minor drafting issue—a reference to a “Section 9A” with no corresponding subsection—but indicated it was not a material concern; no correction was requested. Director Turley emphasized clear communication on reimbursable expenses, and GM Giezentanner agreed to seek advance written approval for anticipated expenses.

**Action:** Motion by Director Turley, seconded by Director Koehnen, to approve the General Manager employment agreement. Motion carried unanimously.

### 5. Payment of Bills

**5A. Giezentanner & Associates — \$14,583.** Invoice presented for Board consideration.

**Action:** Motion by Director Chance, seconded by Director Turley, to approve payment. Motion carried unanimously.

**5B. InterWest — Liability and D&O Insurance Premium.** GM Giezentanner explained the District's plan runs on an April-to-April cycle. The prior premium had been prorated (approximately \$7,300–\$7,400) because coverage began in August; the current invoice reflects the first full-year

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premium. Coverage is unchanged from the prior year, though costs for certain individual coverages increased modestly. A side-by-side quote comparison is on page 30 of the packet.

**Action:** Motion by Director Mendonca, seconded by Director Koehnen, to approve payment. Motion carried unanimously.

**5C. Provost & Pritchard — February Invoice (Rock Creek/Kiefer Slough Study).** GM Giezentanner presented the February invoice reflecting the firm's initial work on the Rock Creek/Kiefer Slough concept the Board had previously directed staff to explore. Approximately \$4,000 was billed in February, with \$1,200 billed in January; an additional \$4,000–\$4,500 of March work is pending invoicing.

**Action:** Motion by Director Turley, seconded by Director Mori, to approve payment. Motion carried unanimously.

**5D. Joe Hughes, Legal Counsel — \$1,657.50.** Invoice presented for Board consideration.

**Action:** Motion by Director Turley, seconded by Director Koehnen, to approve payment. Motion carried unanimously.

### 6. Approval of Fiscal Year 2026–27 Budget

President McGowan presented the proposed FY 2026–27 budget, developed by the ad hoc budget committee (President McGowan, Director Antonowich, Director Turley). The prior-year assessment of \$6.45 per acre generated an authorized budget of \$619,400; projected actual expenditures through June 2026 are approximately \$196,000, with unspent balances carried forward as reserves. The committee recommended reducing the per-acre assessment for FY 2026–27 to **\$4.91 per acre**, with a total approved budget of approximately **\$471,000** (board packet pages 40–41).

GM Giezentanner summarized the budget structure (personnel, office, external support, litigation, outside counsel, technical support, lobbying and advocacy, and reserves), referencing packet pages 39 and 41. Personnel reflects an anticipated spend of approximately \$215,000 with a \$150,000 reserve; litigation and outside counsel received no new funding but retain approximately \$75,000 in reserves; and a \$50,000 contingency line under reserves may be reallocated as needed. Director Turley noted the technical support line was increased modestly in anticipation of district growth, while litigation was held level given no draws in the prior year. President McGowan added that pressures on the agricultural economy were a significant factor in the assessment reduction. The Board briefly discussed litigation reserve adequacy, noting significant legal expenditures typically arise later in the litigation lifecycle.

**Action:** Motion by Director Mendonca, seconded by Director Mori, to approve the FY 2026–27 budget as presented, including a per-acre assessment of \$4.91 and a total budget of approximately \$472,069. Motion carried unanimously.

**Action Item:** GM Giezentanner to initiate the annual assessment process with Butte County and return to the Board with a full outline of process and timeline.

### 7. May Meeting Date Change

BCAG advised that the May 20, 2026 regular meeting date was unavailable. After consulting with BCAG and board members, GM Giezentanner identified **Thursday, May 14, 2026, at 9:00 a.m.** as the alternative. Counsel Hughes advised that the cleanest path is to call a special meeting on May 14 rather than amend the adopted calendar, and that the Brown Act's traditional teleconference provisions (which predate COVID-era amendments and remain in effect) permit Director Turley to participate remotely if the agenda is posted at his office location at least 72 hours in advance (adjourned regular meeting) or 24 hours in advance (special meeting), with his office designated as

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a remote location. **No formal action was taken;** the May 2026 board meeting is rescheduled to a **special meeting on May 14, 2026, at 9:00 a.m.** at the BCAG Board Room.

**Action Item:** GM Giezentanner to update the TWD website and follow proper Brown Act noticing procedures, including posting the agenda at Director Turley's office location.

### **8. General Manager Report and Updates**

**8A. Vina GSA Update.** The Vina GSA Board met March 8, 2026; primary discussion focused on the process by which the GSA receives and documents stakeholder input in anticipation of the Plan Evaluation report due to DWR in early 2027. The stakeholder input process has been posted to the GSA website. All board members have submitted Form 700s.

**8B. Rock Creek Reclamation District Update.** On March 12, 2026, GM Giezentanner presented to the Rock Creek Reclamation District on AGUBC work, the TWD assessment, and interbasin coordination. The presentation is posted to the TWD website.

### **8C. AGUBC Recharge and Demand Reduction Work**

**Recharge Studies.** AGUBC is conducting field investigations across multiple sub-basin properties (TTEM surveys, CPT investigations, sonic borings, permeability testing, monitoring well installations, pilot ponding tests, and a tile drain pilot), including east of Durham and along Dry Creek. Geosyntec, with Joe Turner as lead technical analyst, will compile findings into a comprehensive technical memorandum to support project concepts for Vina GSA consistency determination and potential Proposition 4 construction funding.

**Action Item:** GM Giezentanner to circulate the draft recharge analysis to the Board prior to the May 14, 2026 special meeting, if available.

**Demand Reduction — Extend Orchard and Precision Irrigation.** Land IQ (prime) and ERA Economics (economic analysis) led this AGUBC workstream, one of three GSP pillars alongside surface water importation and recharge. Land IQ's eleven-site orchard study estimated that fallowing reduces water consumption by approximately **0.9 to 2.6 acre-feet per acre per year** (net of residual consumption on fallowed ground). ERA Economics developed an incentive-payment framework for voluntary fallowing; long-term funding remains an open policy question. Precision irrigation analysis of 21 walnut and almond orchards found that larger operations already employ pressure bomb and soil moisture monitoring; the principal opportunity is with smaller farms, and time-of-use scheduling is a low-cost behavioral intervention. GM Giezentanner intends to invite the Land IQ lead analyst to present findings at the June or July 2026 meeting.

**Action Item:** GM Giezentanner to post the Land IQ and ERA Economics technical memoranda to the TWD website.

**Action Item:** GM Giezentanner to coordinate with the Land IQ analyst to schedule a Board presentation on demand reduction findings.

### **8D. Interbasin Coordination — Sacramento Valley**

GM Giezentanner described an emerging multi-agency work plan (coordinated potentially through NAWQA and EWR) with three components: (1) collecting interconnected surface water data across the Sacramento Valley; (2) refining a regional surface water–groundwater model; and (3) developing a non-binding best practices framework for GSAs. He expressed concern that a coarser regional model could become DWR's default lens for GSP review, potentially designing solutions for problems the Vina Sub-basin does not have, and noted that Butte County's Butte Basin Groundwater Model offers superior local granularity. Activity is expected to intensify between April and August 2026.

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Director Turley, who participates in the meetings, noted the goal is a comprehensive framework by 2032 informed by five years of data, not a January 2027 policy response, and that he has not observed intent to disadvantage Vina. Director Mori cautioned that interpretation drives policy. Dillon McGregor (Vina GSA Program Manager) emphasized the effort is in its earliest stages, with substantive policy direction three to four years away.

**Action Item:** GM Giezentanner to post the interbasin coordination one-pager to the TWD website.

**8E. SWEEP Block Grant — Potential Application.** CDFA has opened the application process for the SGMA-related SWEEP block grant. Proposition 4 restricts recipients to 501(c)(3) organizations, excluding 501(c)(6) entities such as farm bureaus. Discussions are underway with the County Farm Bureau regarding the possibility of TWD applying as the block grant recipient; the matter remains in flux. No formal action was requested.

**8F. Preview of Upcoming Agenda Topics.** GM Giezentanner previewed anticipated topics, including: County assessment process update; elections process detail and next steps; mitigation plan process update; well ordinance update (with agricultural stakeholder representation on the County committee to be confirmed before May 14); South Line Extension Project briefing; Durham Mutual Water Company canal/siphon work along Butte Creek; Caltrans Highway 99 drainage (Rock Creek is aware); water transfer policy (final adoption anticipated June or July 2026); and a demand reduction briefing with the Land IQ analyst.

### 9. Board Member Announcements & Requests for Future Agenda Items

In response to Director Mendonca's question, GM Giezentanner confirmed the status of active ad hoc committees:

- **Surface Water Ad Hoc** — concluded.
- **Budget Ad Hoc** — concluded. Director Turley confirmed for the record that he participated in the ad hoc meetings despite an inadvertent omission from the Zoom invitation.
- **Recharge Ad Hoc** — active. One additional meeting may be convened if the Kiefer Slough/Rock Creek technical memorandum is received before the May 14, 2026 meeting.
- **Legal Ad Hoc** — active. Members: Rich McGowan, Andrew Mendonca, Brian Mori. Counsel Hughes provided four candidates and offered to meet with the ad hoc following the interviews; he confirmed he remains available through at least June 2026. GM Giezentanner intends to schedule back-to-back interviews to complete the process before the May 14, 2026 meeting.

### 10. Closed Session

The Board adjourned to closed session at 10:25 a.m. pursuant to Government Code Section 54957 (public employment — General Counsel recruitment).

**Report Out of Closed Session.** The Board reconvened to open session at 10:29 a.m. No formal report out of closed session.

### 11. Adjournment

President McGowan adjourned the meeting at 10:29 a.m.