TUSCAN WATER DISTRICT

Board Meeting Minutes – July 15, 2026

DATE:	Wednesday, July 15, 2026
TIME:	9:01 a.m.
LOCATION:	BCAG Board Room, 326 Huss Drive, Chico, California 95928
Directors Present:	President Rich McGowan, Vice President Steve Koehnen, Treasurer Andrew Mendonca, Director Bill Chance, Director Craig Knight, Director Brian Mori, Director Jim Paiva, Director Todd Turley.
Directors Absent:	Secretary Rayme Antonowich.
Staff Present:	Tovey Giezentanner, General Manager; Joe Hughes, General Counsel (participating remotely); David Cameron, Atkinson, Andelson, Loya, Ruud & Romo (appointed General Counsel at this meeting).
Others Present:	Thad Walker, District Manager, Butte County Resource Conservation District; Shannon Costa, Executive Officer, Butte County LAFCo, Kamie Loeser, Director, Butte County Department of Water and Resource Conservation, Joanne Kidd, Susan Schraeder, Anne Dawson, and Jim Graydon.

1. Call to Order and Pledge of Allegiance

President McGowan called the meeting to order at 9:00 a.m. and led the Pledge of Allegiance. Audience introductions followed.

2. Public Comment

No public comment was received at the opening of the meeting.

3. Approval of Board Meeting Minutes

President McGowan presented the June 17, 2026 minutes. There was no Board or public comment.

> **Action:** Director Chance moved to approve the June 17, 2026 minutes; Director Mori seconded. Motion carried unanimously.

4. Finances and Payment of Bills

Three invoices were presented: General Manager, $14,583.33; General Counsel (Hughes), $212.50; and Water and Land Solutions, $1,652.21. At Director Turley's request, the GM will have Water and Land Solutions report a running balance under its contract; approximately $1,652 has been billed against the $20,000 authorized. No public comment was received.

> **Action:** Director Mendonca moved to approve payment of the three invoices as presented; Director Paiva seconded. Motion carried unanimously.

Assessment Levy Collections Report. At President McGowan's request from the prior meeting, GM Giezentanner reviewed the summary at page 7 of the packet comparing the fiscal year 2025-26 assessment as projected against amounts received. The assessment was authorized at approximately $6.45 per acre. Pre-payments were received in June 2025 and those parcels were pulled from the secured tax roll; the County then remitted approximately $233,000 in December 2025 and approximately $163,000 in April 2026, bringing collections to $587,358. A $22,580 balance remains, which the County has indicated will arrive within one to two weeks and will bring collections to within approximately $27 of the amount assessed. Counsel Hughes explained that an uncollected assessment is pursued through an enforcement process resembling foreclosure and ending in an auction, with the District doing the heavy lifting in coordination with the County, although districts sometimes allow a lien to remain until the property changes hands. GM Giezentanner noted that the County participates in the Teeter Plan, under which the County bears collection risk and the District is paid the full amount assessed. Informational only.

> **Action Item:** GM to confirm receipt of the $22,580 outstanding assessment balance.

5. Special Recognition — Resolution Honoring Joe Hughes

GM Giezentanner presented and read portions of a resolution recognizing Joe Hughes for his service as the District's first General Counsel. Mr. Hughes advised the District before its formation and was engaged by unanimous Board vote in April 2024. He guided a new public agency through its startup years — bylaws, governance procedures, conflict-of-interest and ethics obligations, and Brown Act practice — counseled the District through its first Proposition 218 proceeding, drafted foundational agreements including memoranda of understanding, and anchored its financial governance, including the investment policy. He identified qualified successor candidates and remained available until new counsel could be seated. Mr. Hughes retires from the practice of law to serve as chief executive of a Central Valley farming enterprise.

President McGowan, Director Turley, and Vice President Koehnen offered remarks, noting that Mr. Hughes served through most of the District's roughly seven-year formation effort advising a board with no prior experience in the field, and commending his humor, his availability, and his willingness to seek middle ground without compromising values or integrity. Mr. Hughes thanked the Board and introduced Mr. Cameron as his successor.

> **Action:** Director Turley moved to approve the resolution recognizing Joe Hughes for his service as General Counsel; Vice President Koehnen seconded. Motion carried unanimously.

6. Legal Services Agreement

David Cameron of Atkinson, Andelson, Loya, Ruud & Romo introduced himself. He is based in Sacramento, has practiced approximately fifteen years in public agency, water rights, and environmental law with an increasing groundwater focus statewide, and has been with his current firm about three years, following roughly ten years as a partner in Downey Brand's water rights group.

President McGowan presented the attorney representation agreement beginning at page 16 of the packet, including the stated hourly rate. Responding to the GM, Mr. Cameron confirmed that the term runs so long as he serves as General Counsel, at the pleasure of the Board, and that he bills travel time at half rate for in-person appearances, with remote appearances available where efficiency is preferred. Responding to Director Turley, he confirmed that his firm's typical practice is an annual rate adjustment of approximately three percent. There was no public comment.

> **Action:** Director Mori moved to approve the representation agreement; Treasurer Mendonca seconded. Motion carried unanimously.

7. Resolution Certifying the District's Land-Based Assessment for Fiscal Year 2026-27

GM Giezentanner presented the resolution beginning at page 22 of the packet, following from the budget adopted in April, which set the assessment at $4.91 per acre. Adoption places the assessment on the County's secured property tax roll and authorizes the GM to complete the remaining submittals — the hold harmless agreement, the property tax bill data form, the certification form, and the parcel listing — all due to the County before August 10. The parcel list has not yet been returned by the Assessor's Office. Unlike the prior year, there will be no prepayment option; all parcels will appear on the secured roll.

The GM noted that the District's Proposition 218 authorization includes an annual escalator — a first-year maximum of approximately $6.45 per acre and a second-year maximum of approximately $7.14 — and that in April the Board elected to reduce the rate to $4.91. Responding to Director Mori, the GM confirmed the item is administrative: the prior year's agreements carry over, so no new agreement is required, and County staff have already reviewed the resolution. The resolution is adopted annually. There was no public comment.

> **Action:** Director Chance moved to adopt the resolution certifying to the County of Butte the validity of the legal process used to place the District's land-based assessment for fiscal year 2026-2027; Director Turley seconded. Motion carried unanimously.

8. Board Meeting Schedule — Harvest Season

President McGowan raised the conflict between the regular meeting schedule and harvest, which is expected to begin early this year — likely the first week of August — and to continue through September and October into walnuts. GM Giezentanner reported that August business is likely to include grant items and the Vina GSA periodic evaluation, with the GSA Board taking up groundwater levels on August 12 and the evaluation released for public review shortly thereafter. He also expects Water and Land Solutions' refined engineering and project description back within about two weeks, and asked that the Board review that product before it is carried to the SHAC and the GSA, with a consistency determination sought as early as the end of August.

Director Turley urged that meetings not be rescheduled except where a vote is required and a quorum cannot be assembled; Vice President Koehnen and Director Mori concurred, adding that a meeting with no business should simply be canceled. The Board directed that the schedule remain as adopted, including the August 19 meeting. No formal action was taken.

9. Communications and Reports — General Manager

9A. Project Status Update

GM Giezentanner introduced a project tracking table at pages 27-28 of the packet, prepared at President McGowan's request so the Board can monitor progress across District activity. The table organizes work around the three pillars the GSA and County use to pursue sustainability —

surface water, recharge, and demand reduction — together with GSA management actions. The surface water feasibility analysis is being converted into a project description to support a Proposition 4 application; the recharge pilot and feasibility study was received at the end of June; and Land IQ completed its demand reduction work in May and June, with findings still to be presented to the Board. The table will be refined and included in each packet.

On the South Vina Extension Water Supply Project, President McGowan observed that analysis and research are complete and that the project now moves to the SHAC and the Vina GSA for a consistency determination, potentially in August. The GM stated that he would bring the project description to the Board for a vote before carrying it forward, because governance questions — the parties to any memorandum of understanding, and the water rate question — warrant Board direction first.

9B. Grant Updates and Status

GM Giezentanner reported that CDFA responded on July 7 to the SWEEP Block Grant concept proposal submitted in mid-May by the District with the Butte County Farm Bureau and the Sutter County Resource Conservation District, inviting a full proposal. Reviewers described the concept as insightful; the single stated concern was that the lead applicant's independent experience and capacity remains unclear. Of the approximately $4 million grant, just over $3 million would fund on-farm implementation payments to landowners, and approximately $290,000 would be available to the District for administration over roughly two to three years — outreach, application review, technical assistance, contracting with awarded projects, implementation monitoring, and final project verification. The program's emphasis this year on disadvantaged farmers and communities shaped the partnership with Sutter RCD, given the statutorily defined disadvantaged farming populations in Sutter and Yuba counties; funding would reach all three counties, with a substantial share directed to Butte.

President McGowan suggested that new counsel's firm review the proposal, and the GM agreed. Responding to Director Mori, the GM clarified that the Butte County Farm Bureau was lead administrator in the 2023 block grant round with AGUBC as co-project manager, and that the District would now serve as lead administrator with the Farm Bureau assisting in other ways; AGUBC would participate in technical assistance but not in administration. Treasurer Mendonca clarified for the audience that administrative funding is divided among the participating entities. The full proposal will be submitted before the August meeting.

9C. Vina GSA Periodic Evaluation and Plan Amendment Update

GM Giezentanner presented a tracking table summarizing each plan evaluation issue, the SHAC position, the staff recommendation, and the GSA Board position, with links to the underlying staff memoranda. Issues addressed to date include the domestic well mitigation program, taken up in May. The subbasin is currently working through groundwater levels, the representative monitoring site network, and sustainable management criteria; water quality and one further topic remain, after which GSA staff will compile the decisions into a draft plan evaluation, expected to be released in September for public review and comment. Responding to Director Turley, the GM confirmed that staff memoranda and "straw man" documents were also prepared for the earlier issues. The GSA Board takes up groundwater levels on August 12.

Director Mori reported attending a working group on the sustainable management criteria straw man, describing it as productive and as the most time-sensitive component in the coming month, and credited Christina Buck and Kamie Loeser with keeping a contentious discussion on track.

Other Matters on the Radar. The GM also reviewed the following:

- **Well Ordinance Update.** A July 22 public meeting will introduce the process, the committees, and their roles and responsibilities. The County's Water Well Advisory Group holds its first meeting August 6, time and location not yet set; President McGowan and Vice President Koehnen are expected to participate. A public survey is open, and the GM will return with a recommended District response.
- **Vina GSA Vacancies.** Two seats are open — a non-irrigated rangeland representative on the GSA Board, and a domestic well user alternate on the SHAC, for which Jim Graydon holds the primary seat. Directors were asked to refer candidates.
- **Upcoming Meetings.** Water Talk, the afternoon of July 15; Vina GSA SHAC, July 22; Butte County Water Commission, August 5; Board of Supervisors, twice in August; and the Vina GSA Board, August 12.
- **Well and Septic Ordinances.** The GM is continuing research and will report in August, potentially with a presentation from the County Department of Environmental Health.
- **Water Transfer Policy.** The GM will work with General Counsel Cameron to develop the policy and to support landowners on water transfer issues.

In public comment, Shannon Costa asked whether any materials would be published in advance of the July 22 public meeting on the well ordinance; the GM said he shared the expectation that little substantive information would be available.

10. Board Member Announcements, Reports, and Requests for Future Agenda Items

President McGowan asked about the status of the District's investment account. GM Giezentanner confirmed the account is approved and stated that he would return in August with the steps required under the investment policy to transfer funds, following review with General Counsel and with Chad Parker, the District's investment representative.

> **Action Item:** GM to report at the August meeting on the requirements for transferring funds into the District's investment account.

Closed Session and Adjournment

The Board met in closed session. There was no reportable action.

The meeting was adjourned at approximately 10:25 a.m.