SHANDON-SAN JUAN WATER DISTRICT
SHANDON-SAN JUAN GSA

UNAPPROVED MEETING MINUTES
June 18, 2026 Special Meeting

The Board of Directors of the Shandon-San Juan Water District (SSJWD) and Shandon-San Juan Groundwater Sustainability Agency (SSJGSA) held a special meeting on Thursday, June 18, 2026, at 9:00am at the Illy Lodge at Illy Sunnyslope Farms located at 3385 Truesdale Rd., Shandon, CA 93461. As a courtesy, 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 Shady called the meeting to order at 9:16am on Thursday, June 18, 2026.

II. Roll Call

Directors Present:	Sam Kingston Marshall Miller* Ray Shady Steve Sinton Matt Turrentine*
Directors Absent:	None

***NOTE**: Director Miller participated remotely from the location identified on the meeting agenda and was eligible to vote. Director Turrentine participated remotely from a location that was not identified on the agenda. Director Turrentine participated in Board discussions but did not vote on any action items.

III. Public Comment

No public comment.

IV. Consent Agenda

The following motion was made by Director Kingston, seconded by Director Sinton, and passed 4-0 with a roll call vote. Director Turrentine did not vote on this item.

MOTION – Approve the minutes from the April 22, 2026 and May 13, 2026 Board meetings and the Secretary/Treasurer's Report dated June 15, 2026, as presented.

V. Director's Reports

A. Re-Cap of WRAC Meeting on June 3, 2026
- FY 2026-27 Budget Presentation
- The DESAL Plan Feasibility Study report is expected to be released for public comment in July and presented to WRAC in August.

VI. Paso Robles Area Groundwater Authority (PRAGA) & SGMA Implementation Updates

A. Key Discussions and Decisions at PRAGA's May 27, 2026 Board meeting.

- Groundwater Sustainability Fee: Following a 20-day posting period, PRAGA held a public hearing and voted to establish a Groundwater Sustainability Fee for FY 2026-27 at $22.90 per acre-foot and authorize collection through the County tax roll.
- Gap Funding: PRAGA anticipates a gap funding issue and expects to need approximately $600,000 in short-term borrowing to cover costs for FY 2026-27. PRAGA Staff will return to the Board at the June 24, 2026 meeting with a formal recommendation and request for direction.
- Fallowed Land Registry: Will Carrara, Mythos Inc., provided an overview of the Paso Basin Fallowed Land Registry platform designed to help landowners and groundwater managers document, review, and track fallowed or repurposed irrigated land within the Paso Robles Groundwater Basin.

B. Update from SSJWD Staff Working with PRAGA:

- Landowner Fee Study Appeals: PRAGA established an appeals process for landowners to review and correct their consumptive groundwater use calculations. PRAGA received 30 appeals by the deadline. Each appeal was reviewed by staff and the technical consultant, Land IQ, and recommendations will be presented to the PRAGA Board at the June 24, 2026 meeting.

C. Review June 24, 2026 PRAGA Agenda and Provide Direction to SSJGSA Representative:

- PRAGA Gap Funding for FY 2026-27: Item 6b on the PRAGA agenda requests authorization for PRAGA Staff to negotiate a loan agreement with SSJWD for up to $300,000 in short-term gap funding.
- SSJWD Discussion: Although PRAGA has not submitted a formal request for gap funding, the Board expressed its willingness to provide financial assistance to help ensure the continuity of PRAGA's operations and programs. President Shady volunteered to work with SSJGSA legal counsel to negotiate the loan agreement with PRAGA for the Board's consideration at a future meeting.

  During the discussion, the SSJWD Board identified several items for consideration in the proposed loan agreement, including:
  - Consistency with SSJWD's Investment Policy.
  - Loan terms, including the repayment schedule.
  - An interest rate based on SSJWD's average monthly yield in its CA CLASS investment account (currently 3.69%).
  - Potential reimbursement for SSJWD staff time and legal counsel costs associated with preparing and administering the loan agreement.

D. SSJGSA Alternate Director on the PRAGA Board: The following motion was made by Director Miller, seconded by Director Kingston, and passed 4-0 with a roll call vote. Director Turrentine did not vote on this item.

MOTION – Appoint Ray Shady as SSJGSA's Alternate Director on the PRAGA Board to replace Marshall Miller.

VII. SSJWD Groundwater Level Monitoring Network Program Cost Reductions and Optimization Measures

The Board reviewed a proposal from Confluence Engineering Solutions for an hourly, not-to-exceed amount of $10,252 to evaluate potential cost reductions and optimization measures for the groundwater level monitoring network.

The Board took no action on the proposal. Instead, the Board directed SSJWD staff to coordinate with participating landowners, as needed, to identify the equipment installed in each monitoring well. Once the inventory is complete, staff will compare the current per-well monitoring costs with the fixed costs associated with installing piezometers and reducing monitoring frequency to determine the break-even point for potential cost-saving alternatives.

VIII & IX. SSJWD Budget and Assessment Levels for FY 2026-27

A. **Expense Budget:** The Board reviewed the draft Fiscal Year 2026–27 budget and priorities. The proposed expense budget totals $166,110.00, with an additional 10% contingency of $16,611.00, for a total proposed budget of $182,721.00.

B. **Fallowed Acreage:** The Board determined that acreage enrolled in the Fallowed Land Registry as of July 22, 2026, will be designated as non-irrigated acreage for FY 2026-27 assessment purposes and assessed at the corresponding non-irrigated rate. SSJWD does not currently have the total fallowed acreage within the District, which could impact assessment revenues, but has estimated 1,000 acres for budgeting purposes. SSJWD is in the process of obtaining access to the Fallowed Land Registry.

C. **FY 2026–27 Assessment Levels:** The Board reviewed several assessment scenarios ranging from $18 to $35 per irrigated acre. The Board directed the Secretary/Treasurer to prepare a resolution for consideration at the July Board meeting establishing assessment rates of $20 per irrigated acre, $0.11 per non-irrigated acre, and $7.50 per residence, which is projected to generate $213,789 in assessment revenue. This funding level would support a balanced operating budget, fund all projected expenses with current year's revenues, provide a modest operating surplus, and eliminate the need to draw from reserves.

The following motion was made by Director Sinton, seconded by Director Kingston, and passed 3-0 with a roll call vote. Director Miller had departed the meeting prior to consideration of this item and did not vote. Director Turrentine did not vote on this item.

MOTION – Approve the SSJWD budget for FY 2026-27 totaling $213,789.00 in assessment revenue and $182,721.00 in expenses.

X. SSJWD Plan for Services for the Proposed Annexation and Sphere of Influence Amendment

The SSJWD Board reviewed the draft Plan for Services for the proposed annexation and Sphere of Influence (SOI) Amendment to include Kylix Vineyards California LP and Dimello LP within the Shandon-San Juan Water District. The amendment would annex approximately 3,956.63 acres of agricultural land into the Shandon-San Juan Water District (SSJWD).

The following motion was made by Director Sinton, seconded by Director Kingston, and passed 3-0 with a roll call vote. Director Miller departed the meeting prior to consideration of this item and did not vote. Director Turrentine did not vote on this item.

MOTION – Approve the Plan for Services for the proposed annexation and Sphere of Influence Amendment to include Kylix Vineyards California LP and Dimello LP within the Shandon-San Juan Water District, as presented, and authorize the landowner to submit as part of the application (LAFCO No. 1-R-24) to LAFCO.

XIV. Next Meeting

The next regularly scheduled Board meeting will be held on Wednesday, July 22, 2026 at 9am.

XV. Adjourn

President Shady adjourned the meeting at 10:59am.

Accepted:

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Stephanie Bertoux, Secretary
July 22, 2026