SHANDON-SAN JUAN WATER DISTRICT
SHANDON-SAN JUAN GSA

MEETING AGENDA
July 22, 2026

NOTICE IS HEREBY GIVEN that the Board of Directors of the Shandon-San Juan Water District/Shandon-San Juan Groundwater Sustainability Agency will hold a regularly scheduled meeting at **9:00 A.M.** on **Wednesday, July 22, 2026**, at the Illy Lodge at Illy Sunnyslope Farms located at 3385 Truesdale Rd., Shandon, CA 93461. Virtual options are available for public participation.[1]

Alternate Location: Director Miller will participate in the meeting via video conference from 132 E. Carrillo Street, Santa Barbara, CA 93101.

Virtual Options for Public Participation:
https://us06web.zoom.us/j/84610006414?pwd=BhgDCwhHHe6HuK3K2EkRhv2GUWWUyR.1
Meeting ID: 846 1000 6414 **Passcode:** 568090 **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 – June 18, 2026
    b. Secretary/Treasurer's Report – July 17, 2026
5. **Director's Reports**
6. **Discussion and Possible Action Regarding Paso Robles Area Groundwater Authority (PRAGA)**
    a. Update from SSJWD Consultants
    b. Key Discussions and Decisions at PRAGA's June 24, 2026 Board Meeting
        i. Landowner Fee Study Appeal Process
        ii. Direction on Gap Funding
    c. SSJWD Discussion and Possible Action Regarding Loan Agreement with PRAGA for Short-Term Gap Funding for Fiscal Year 2026-2027.
    d. Review the July 22, 2026 PRAGA Board Meeting Agenda and Provide Direction to SSJGSA Representative, as needed
7. **Discussion and Possible Action to Approve Resolution 26-002 Authorizing Levy & Collection of Assessments for FY 2026-27**
    a. Proposed Assessment Levels for FY 2026-27:
        i. $20 per irrigated acre
        ii. $0.11 per non-irrigated acre
        iii. $7.50 per residence

[1] SSJGSA/SSJWD will make reasonable efforts to make the meeting accessible virtually; however, if one of the virtual options are unavailable due to technological issues, you are invited to take advantage of the other options, including in-person attendance.

b. Review the impact of the confirmed 2,109 acres enrolled in the Fallowed Land Registry, compared to the 1,000 acres assumed in the adopted FY 2026–27 budget, on projected assessment revenues.

8. **Discussion and Possible Action to Approve the Revised 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 and Submit as Part of the Application (LAFCO No. 1-R-24) to LAFCO.**
The proposed project is a request by Kylix Vineyards California LP and Dimello LP to amend the Sphere of Influence (SOI) and annex approximately 3,956.63 acres of agricultural land into the Shandon-San Juan Water District (SSJWD). The revised Plan for Services addresses comments received from LAFCO.

9. **Next Regularly Scheduled Meeting – August 26, 2026 at 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
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:

____

Stephanie Bertoux, Secretary
July 22, 2026

SHANDON-SAN JUAN WATER DISTRICT
SHANDON-SAN JUAN GSA

Secretary/Treasurer's Report: June 16, 2026 – July 15, 2026

Date: July 17, 2026

To: Shandon-San Juan Water District Board of Directors

From: Stephanie Bertoux, District Secretary/Treasurer/Assessor

<u>Assessment Income</u>

Assessments for FY 2026-27 will be levied at the July 22, 2026 Board meeting.

<u>Expenses</u>

Expenses for the period totaled $11,194.00 and will be accrued to FY 2025-26.

<u>FY 2025-26 Budget v. Actual Summary</u>

See attached YTD budget summary.

<u>District Assets as of July 15, 2026</u>

Total Cash Position: $792,366.58

- Bank Balance: After paying expenses noted above ($11,194.00), the District has a cash position of $230,469.20.
- Investment Account Balance: $561,897.38
  - $400,000 – initial investment authorized by SSJWD Board on July 1, 2024.
  - $120,000 – investment authorized by SSJWD Board on January 22, 2025.
  - $41,897.38 – earned July 1, 2024 – June 30, 2026 (reinvested)

<u>Insurance Policy for FY 2026-27</u>

SSJWD's insurance policy will be renewed for the policy period of August 7, 2026, through August 7, 2027, at an annual premium of $2,478.84.

<u>Board Training & Certifications</u>

- Form 700s (Conflict of Interest Statements) are due April 1 of each year. Directors must file with the County of SLO and the FPPC.
  - County of SLO – file electronically with Netfile. Each Director should have received an email from the County. https://www.netfile.com/filer Select Local Filer Log In from the white, pull down Log-In Button in top right corner.
  - With SB1156 now in effect (as of January 1, 2025), Board members are required to file Form 700s with the Fair Political Practices Commission (FPPC) in addition to the County of SLO. The SSJWD account is set up. Each Director should have received an email from FPPC with log-in information. https://form700.fppc.ca.gov/
- Ethics Training is required every two years. https://localethics.fppc.ca.gov/login.aspx.
- Anti-Sexual Harassment Training is required every two years. https://calcivilrights.ca.gov/shpt/

Director	Form 700 – FPPC *(Annually by April 1)*	Form 700 – County of SLO *(Annually by April 1)*	Ethics Training *(Every 2 Years)*	Anti-Sexual Harassment Training *(Every 2 Years)*
Sam Kingston	DONE	DONE	NEED TO COMPLETE	NEED TO COMPLETE
Marshall Miller	DONE	DONE	NEED TO COMPLETE	NEED TO COMPLETE
Ray Shady	DONE	DONE	NEED TO COMPLETE	Next Due Date 09/23/26
Steve Sinton	DONE	DONE	Next Due Date 06/24/27	Next Due Date 12/12/27
Matt Turrentine	DONE	DONE	Next Due Date 05/07/27	Next Due Date 05/07/27

SHANDON-SAN JUAN WATER DISTRICT

Part of Treasurer's Report

BUDGET V. ACTUAL YTD

July 17, 2026

100% of the year has elapsed. Current Period is June 15 - July 15, 2026.

Expenses for the period accrued to FY 2025-26.

INCOME	CURRENT PERIOD	2025-26 YTD ACTUAL	2025-26 BUDGET	% COLLECTED	BUDGET REMAINING
Assessments (Collected)	$0.00	$296,259.41	$401,140.26	72%	$104,880.85
Total Income	**$0.00**	**$296,259.41**	**$401,140.26**	**72%**	$104,880.85

ANNUAL EXPENSES	CURRENT PERIOD	2025-26 YTD ACTUALS	2025-26 BUDGET	% OF BUDGET SPENT	BUDGET REMAINING
Accounting / Annual Audit	$0.00	$1,000.00	$6,200.00	16%	$5,200.00
Administration / Contract Labor					
Stephanie Bertoux, SSJWD Staff	$1,500.00	$12,281.25	$17,500.00	70%	$5,218.75
Randy Diffenbaugh, PRAGA Staff	$0.00	$9,525.00	$25,000.00	38%	$15,475.00
Bank Fees	$0.00	$0.00	$30.00	0%	$30.00
Board Training	$0.00	$0.00	$0.00	0%	$0.00
Checks/Stamps/QBO	$0.00	$0.00	$105.00	0%	$105.00
District General Election	$0.00	$0.00	$0.00	0%	$0.00
Insurance	$0.00	$2,478.84	$2,600.00	95%	$121.16
LAFCO Fees for Special Districts	$0.00	$0.00	$910.00	0%	$910.00
Legal Fees	$2,664.00	$25,268.29	$25,000.00	101%	($268.29)
P.O. Box Fees	$0.00	$0.00	$0.00	0%	$0.00
Public Notices	$0.00	$120.00	$108.00	111%	($12.00)
Taxes Withheld (Bank Account)	$0.00	$0.00	$10.00	0%	$10.00
Website Fees/Email Accounts/Domain I	$0.00	$0.00	$1,067.70	0%	$1,067.70
TOTAL OPERATING	**$4,164.00**	**$50,673.38**	**$78,530.70**	**65%**	**$27,857.32**

GSP IMPLEMENTATION, STUDIES, AND PROJECTS	CURRENT PERIOD	2025-26 YTD ACTUALS	2025-26 BUDGET	% OF BUDGET SPENT	BUDGET REMAINING
Applications to SWRCB	$0.00	$0.00	$0.00	0%	$0.00
Project Consulting	$0.00	$963.75	$50,000.00	2%	$49,036.25
Flood Water Capture/Recharge	$0.00	$0.00	$0.00	0%	$0.00
GSP Economic Impact Study	$0.00	$0.00	$0.00	0%	$0.00
Monitoring Network	$7,030.00	$70,977.50	$55,000.00	129%	($15,977.50)
On-Call Hydrogeologic Services	$0.00	$15,487.50	$30,000.00	52%	$14,512.50
PRAGA Budget - SSJGSA Share	$0.00	$126,000.00	$0.00		($126,000.00)
PRAGA - Rural Domestic/De Minimis U	$0.00	$0.00	$2,500.00	0%	$2,500.00
Public Outreach	$0.00	$2,682.50	$12,882.50	21%	$10,200.00
Public Funding Consultant	$0.00	$0.00	$0.00	0%	$0.00
TOTAL PMAs AND STUDIES	**$7,030.00**	**$216,111.25**	**$150,382.50**	**144%**	**($65,728.75)**

TOTAL	CURRENT PERIOD	2025-26 YTD ACTUALS	2025-26 BUDGET	% OF BUDGET	BUDGET REMAINING
Expenses	$11,194.00	$266,784.63	$228,913.20	117%	($37,871.43)
Contingency (10% of Expenses)	$0.00	$0.00	$22,891.32	0%	
TOTAL	**$11,194.00**	**$266,784.63**	**$251,804.52**	**106%**	**($14,980.11)**

Paso Robles Area Groundwater Authority
Notice of Board of Directors Meeting

To be held at **4:00 p.m.** on **July 22, 2026**
at the Paso Robles Culinary Arts Academy (1900 Golden Hill Rd, Paso Robles, CA 93446)

PRAGA will make available, as a convenience to the public, virtual access to the meeting via Zoom, which access may be suspended at any time due to technological or other reasons. To ensure the ability to observe or participate in the meeting, members of the public should attend in person.

Virtual Access

Zoom Link:	https://zoom.us/j/98961669951
Webinar ID:	989 6166 9951
Call-in:	+1(646)931-3860,,98961669951#

Member Agency	**Directors**	**Alternates**
Shandon-San Juan Water District	Matt Turrentine, Chair	Ray Shady
Estrella El-Pomar Creston Water District	Hilary Graves, Vice Chair	Zach Merkel
City of Paso Robles	John Hamon	Kris Beal
County of San Luis Obispo	Bruce Gibson	Heather Moreno

AGENDA
July 22, 2026

NOTE: The Paso Robles Area Groundwater Authority (Paso Authority) reserves the right to limit each speaker to three (3) minutes per subject or topic. In compliance with the Americans with Disabilities Act, all possible accommodations will be made for individuals with disabilities, so they may participate in the meeting. Persons who require accommodation for any audio, visual or other disability in order to participate in the meeting of the Paso Authority are encouraged to request such accommodation in advance of the meeting from Taylor Blakslee at (661) 477-3385.

1. Call to Order (Turrentine)
2. Pledge of Allegiance (Turrentine)
3. Roll Call (Blakslee)
4. Meeting Protocols (Blakslee)
5. Consent Agenda (Turrentine)
   a. Approval of June 24, 2026, Meeting Minutes
   b. Approval of June 2026 Financial Report
6. Update on Fallowed Land Registry and Small Farm Assistance Program (Reely)
7. Action Items (Blakslee/Collins)
   a. Approve Staff Recommendations Regarding Landowner Fee Study Appeals
   b. Approve Resolution to Submit FY 26-27 Groundwater Sustainability Fees to County Tax Roll
   c. Authorize Agreement with County of San Luis Obispo for Collection of Groundwater Fee
   d. Authorize Loan Agreement with Shandon San Juan Water District for Short-Term Gap Funding for Fiscal Year 2026-2027
   e. Authorize a Contract with Land IQ for Evapotranspiration Data (Blakslee)
8. Update on GSP Implementation (Blakslee)
9. Public Comment – Items not on Agenda (Turrentine) (3 min/speaker)
10. Director Comments / Future Agenda Items (Directors)
11. Upcoming Meeting(s) (Blakslee)
12. Adjourn

SHANDON-SAN JUAN WATER DISTRICT
SHANDON-SAN JUAN GROUNDWATER SUSTAINABILITY AGENCY

RESOLUTION 26-002
RESOLUTION AUTHORIZING LEVY AND COLLECTION OF 2026 ASSESSMENT FOR FISCAL YEAR 2026/2027

WHEREAS, as authorized by Water Code Section 36550 *et seq.* and pursuant to Proposition 218 (Article XIIID, Section 4 of the California Constitution), this Board has determined that it is necessary to adopt an assessment to cover certain of the District's estimated costs in order to confer special benefits to the assessed property; and

WHEREAS, on May 23, 2017, this Board of Directors passed and adopted a Resolution that, among other things, (1) outlined procedures to be used in an assessment ballot proceeding for adopting the proposed Assessment, (2) adopted the Engineer's Report and called for an assessment ballot proceeding, (3) scheduled the Assessment hearing, and (4) directed district personnel to prepare and send notices and ballots for the proceeding; and

WHEREAS, in furtherance of said Resolution, this Board received an Engineer's Report, entitled "Engineer's Report for the Shandon-San Juan Water District" prepared for the District in compliance with Proposition 218 by the Wallace Group, which includes a detailed roll of the parcels within the District that would be subject to the proposed assessment; and

WHEREAS, the Engineer's Report identified the District's anticipated costs and required revenues; and

WHEREAS, the Engineer's Report recommends, among other things, splitting lands within the District into Non-Irrigated Lands and Irrigated Lands as authorized by Water Code section 36579, with Non-Irrigated Lands being assessed only for District operations component of the Assessment and Irrigated Lands being assessed all components of the Assessment; and

WHEREAS, upon tabulating the votes at the conclusion of the assessment hearing conducted July 25, 2017, the weighted ballots in favor of the proposed Assessment outweigh the weighted ballots in opposition, with the results being 434,963 votes in favor of the assessment and 23,144 votes in opposition; and

WHEREAS, this Assessment Ballot Proceeding was carried out in accordance with the Board of Director's May 23, 2017 Resolution, including a hearing conducted July 25, 2017; and

WHEREAS, Government Code Section 53753 of the Proposition 218 Omnibus Implementation Act provides that any agency that complies with the notice, protest, and hearing requirements of that Act is not required to comply with any other statutory notice, protest, and hearing requirements, and accordingly, the proceedings conducted in 2017 with respect to notice, protest, and hearing requirements have been conducted in accordance with the Omnibus Implementation Act, rather than the Water Code; and

WHEREAS, as provided by Water Code Section 36578(d), the proposed Assessment having been levied under the alternate provisions of Section 36577 through 36579, the proceedings for carrying out the Assessment shall be carried out by the Board and the Secretary of the District, rather than the Clerk of the Board of Supervisors;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF SHANDON-SAN JUAN WATER DISTRICT does hereby resolve, declare and order as follows:

1) **Proceedings to Levy and Collect 2026 Assessment**. The following procedures shall be used by the District in levying and collecting the 2026 Assessment, as required by Division 13, Part 7 of the Water Code and Article XIIID, Section 4 of the California Constitution:

   A. **2026 Assessment:** The Board determines that less than the full amount of the Assessment authorized by the Assessment Ballot Proceedings for 2026 shall be levied, that being $0.11 per acre for Non-Irrigated lands, $20.00 per acre for Irrigated lands and $7.50 per parcel for residential. Provided, however, this Board determines for FY 2026/27 that it will not levy an assessment on any parcel (or in the case of a landowners owning multiple parcels the collective parcels owned) where the total amount levied is less than $25.00 because the estimated average cost of levying and collecting same exceed the assessment collected.

   B. **Assessment Book.** The Secretary has cause to be prepared an integrated version of the roll and Assessment Book (the "Integrated Roll"). As provided by Water Code 36725, within 10 days, the President and Secretary shall sign duplicate copies of the following documents, which shall be attached to the Assessment Book:
      1. A list of all parcels of land subject to the Assessment, that being the Integrated Roll. The list shall specify within each parcel the number of acres of Irrigated Land, the number of acres of Non-Irrigated Land, and number of residential parcels;
      2. The order of the Board of Directors fixing the assessment, that being a copy of this Resolution; and
      3. The annual estimate of the Board of Directors, that being the District 2026 Budget.

   C. **Charging the Assessment:** Within 10 days after the obligations in the previous paragraph are completed, the Assessor and Tax Collector (since the offices of Treasurer, Assessor and tax Collector have been combined as authorized by Water Code Section 34711) shall compute and charge due on each parcel, and file the Assessment Book, that being the Integrated Roll which identifies by landowner and parcels of each landowner the acreage subject to the Assessment and the amount of the Assessment levied with respect to each parcel. Once the Assessment Book has been filed, the Assessments listed shall be due and payable to the Tax Collector of the District.

   D. **Lien**. Pursuant to Water Code Section 36825 upon filing the Assessment Book with the Tax Collector the assessment and any penalties for delinquencies shall constituent a lien on the lands the subject of the Assessment.

   E. **Notice of Assessment.** Within 10 days of the Assessment being due and payable the Assessor shall publish a notice as specified by Water Code Section 36826, including the date the Assessment are due and payable, the time when Assessments are delinquent, which is six months from when they become due as provided by Water Code Section 36950, and that a delinquency penalty of 5 percent of the amount delinquent will be applicable; provided, however that landowners will be asked to make payment of the Assessments within 30 days of the date due and payable.

2. **Other Matters**. The District's staff and officers are authorized and directed to do all things necessary to collect the assessments consistent with applicable law.

All the foregoing being on motion of Director _____________, seconded by Director _____________, and authorized by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

I HEREBY CERTIFY that the foregoing resolution is the resolution of said District as duly passed and adopted by said Board of Directors on July 22, 2026.

WITNESS my hand of said Board of Directors, July 22, 2026.

____
Stephanie Bertoux
Secretary of the Board of Directors

SHANDON-SAN JUAN WATER DISTRICT

BUDGET FOR FY 2026-27

July 15, 2026

NOTE: Income is based on the DRAFT Assessment Levels for FY 2026-27 - $20/irrigated acre; $0.11/non-irrigated acre; and $7.50 per residence as discussed at the June 18th Board meeting. As of July 15, 2026, 2,109.61 acres w/in SSJ boundary are registered in the Fallowed Land Registry.

INCOME	2025-26 BUDGET $35/Irr. Acre	2025-26 YTD	2026-27 BUDGET $20/Irr. Acre
Assessments (Collected)	$401,140.26	$296,259.41	$191,728.00
Total Income	**$401,140.26**	**$296,259.41**	**$191,728.00**

OPERATING EXPENSES	2025-26 BUDGET	2025-26 YTD	2026-27 BUDGET
01 - Accounting / Annual Audit	$6,200.00	$1,000.00	$6,500.00
02 - Administrative			
A. SSJWD Admin	$17,500.00	$12,281.25	$17,500.00
B. SSJWD Rep for PRAGA Staff	$25,000.00	$9,525.00	$20,000.00
C. PO Box	$0.00	$0.00	$120.00
D. Office Supplies/Postage	$105.00	$0.00	$105.00
E. Website/Email	$1,067.70	$0.00	$1,100.00
F. Quickbooks	$0.00	$0.00	$900.00
03 - District General Election	$0.00	$0.00	$0.00
04 - Insurance	$2,600.00	$2,478.84	$2,600.00
05 - LAFCO Fees for Special Districts	$910.00	$0.00	$910.00
06 - Legal Counsel	$25,000.00	$25,268.29	$25,000.00
07 - Public Notices	$108.00	$120.00	$125.00
TOTAL OPERATING	**$78,490.70**	**$50,673.38**	**$74,860.00**
Percentage of Expenses	**34%**	**19%**	**45%**

GSP IMP., STUDIES, AND PROJECTS	2025-26 BUDGET	2025-26 YTD	2026-27 BUDGET
08 - GSP Projects + Mgmt Actions	$0.00	$0.00	$0.00
A. SWRCB Apps	$50,000.00	$963.75	$0.00
B. MILR Program	$0.00	$0.00	$0.00
C. SSJWD Priorities/PMAs	$0.00	$0.00	$0.00
09 - Monitoring Network			
A. Monthly Monitoring (40 wells)	$55,000.00	$70,977.50	$48,000.00
B. Equipment	$0.00	$0.00	$10,250.00
10 - On-Call Hydrogeologic Services	$30,000.00	$15,487.50	$20,000.00
11 - Public Outreach	$12,882.50	$2,682.50	$13,000.00
PRAGA - SSJGSA Contribution	$0.00	$126,000.00	$0.00
PRAGA - Rural Domestic/De Minimis Users	$2,500.00	$0.00	$0.00
TOTAL PMAs AND STUDIES	**$150,382.50**	**$216,111.25**	**$91,250.00**
Percentage of Expenses	**66%**	**81%**	**55%**

TOTAL	2025-26 BUDGET	2025-26 YTD	2026-27 BUDGET
Total Income	$401,140.26	$296,259.41	$191,728.00
Expenses	$228,873.20	$266,784.63	$166,110.00
Contingency (10% of Expenses)	$22,887.32	$0.00	$16,611.00
Total Expenses	**$251,760.52**	**$266,784.63**	**$182,721.00**
YE Balance	$149,379.74	$29,474.78	$9,007.00

SSJWD Assessment Calculator

Fallowed acreage (documented in Fallowed Land Registry as of 07/22/26) is designated as non-irrigated.

11,163.45 irrigated acres - 2,109.61 fallowed acreas = 9,053.84

90,086.49 non-irrigated acres + 2,109.61 fallowed acres = 92,196.10

68 residences - current rate $7.50

$22/Irrigated Acre

Irrigated Ag Fees

Acres	Fees	Revenue	% of total
9,054	$22.00	$ 199,184	95%

Non-irrigated Land Fees

Acres	Fees	Revenue	% of total
92,196	$0.11	$ 10,142	5%

Residences

Res	Fees	Revenue	% of total
68	$7.50	$ 510	0%

Grand Total $ 209,836

$21/Irrigated Acre

Irrigated Ag Fees

Acres	Fees	Revenue	% of total
9,054	$21.00	$ 190,131	95%

Non-irrigated Land Fees

Acres	Fees	Revenue	% of total
92,196	$0.11	$ 10,142	5%

Residences

Res	Fees	Revenue	% of total
68	$7.50	$ 510	0%

Grand Total $ 200,782

$20/Irrigated Acre

Irrigated Ag Fees

Acres	Fees	Revenue	% of total
9,054	$20.00	$ 181,077	94%

Non-irrigated Land Fees

Acres	Fees	Revenue	% of total
92,196	$0.11	$ 10,142	5%

Residences

Res	Fees	Revenue	% of total
68	$7.50	$ 510	0%

Grand Total $ 191,728

$18/Irrigated Acre

Irrigated Ag Fees

Acres	Fees	Revenue	% of total
9,054	$18.00	$ 162,969	94%

Non-irrigated Land Fees

Acres	Fees	Revenue	% of total
92,196	$0.11	$ 10,142	6%

Residences

Res	Fees	Revenue	% of total
68	$7.50	$ 510	0%

Grand Total $ 173,621

PLAN FOR SERVICES

For the Proposed Annexation and Sphere of Influence (SOI) Amendment
Kylix Vineyards California LP & Dimello LP
Shandon-San Juan Water District (SSJWD)
3425 Truesdale Road, Shandon, CA 93406

APNs 037-301-020, 037-301-025, 037-301-026, 037-301-007, 037-321-001, 037-331-015, & 037-331-016

Table of Contents:

1.0 Background

The proposed project is a request by Kylix Vineyards California LP and Dimello LP to amend the Sphere of Influence (SOI) and annex approximately 3,956.63 acres of agricultural land into the Shandon-San Juan Water District (SSJWD). The subject properties are located at 3425 Truesdale Road in rural Shandon, California, within the North County Planning Area, Shandon-Carrizo Sub Area North.

The SSJWD was established in 2016–2017 pursuant to LAFCO Resolution No. 2016-08 as a California Water District authorized to exercise powers under California Water District Law (Water Code § 34000 *et seq*.). The District was created primarily to function as a Groundwater Sustainability Agency (GSA) under the Sustainable Groundwater Management Act (Water Code §10270 *et seq*.) (SGMA) and was formally recognized as a GSA by the State of California Department of Water Resources (DWR) in 2017. SSJWD currently provides groundwater management, monitoring, and reporting services and does not provide sewer, municipal, or industrial water service.

The District manages groundwater sustainability activities within its jurisdiction as part of the Paso Robles Groundwater Basin and participates in the implementation of the adopted

Groundwater Sustainability Plan (GSP). Through its administrative, financial, and technical resources, the SSJWD has the capacity to extend these services to additional properties within its jurisdictional boundaries.

The subject properties are currently located within the County GSA, which, together with SSJWD and the other Paso Robles Subbasin GSAs, implements the adopted Paso Robles Area Groundwater Sustainability Plan (GSP). The proposed annexation will require a corresponding GSA boundary modification whereby the County relinquishes GSA authority over the subject properties and SSJWD assumes GSA authority. This administrative boundary modification will not change the applicable GSP but will transfer local groundwater sustainability management responsibilities from the County GSA to SSJWD.

2.0 Description of Services

Description of Services to Be Provided by the District

The services to be provided by the SSJWD upon annexation will be consistent with the District's established authority and powers under the California Water District Law and SGMA. These include:

- **Groundwater Management and Compliance with SGMA:**
  Participation in basin-wide groundwater monitoring, management, enforcement, and reporting pursuant to SGMA and the adopted GSP.

- **Data Collection and Reporting:**
  Regular collection and reporting of groundwater pumping, elevation, and quality data to the SSJWD Board of Directors and the DWR.

- **Sustainability Planning:**
  Contribution to the development and implementation of the Paso Basin GSP, including monitoring, best management practices (BMPs), and groundwater recharge initiatives.

- **Regulatory Coordination:**
  Collaboration with neighboring GSAs, including the County of San Luis Obispo, and state agencies to ensure basin-wide sustainable management.

- **Water Resource Stewardship:**
  Promotion of water conservation and recharge projects, as well as exploration of feasible supplemental water sources to support agricultural operations, groundwater augmentation, and sustainable groundwater management.

Following annexation and the associated GSA boundary modification, SSJWD will become the Groundwater Sustainability Agency responsible for administering SGMA (Water Code §10270 *et seq*.) within the annexation area. The annexation will not alter the applicable Paso Robles Area GSP, which will continue to govern groundwater sustainability management within the Paso Robles Groundwater Basin. The annexation area will also be subject to the District's jurisdiction for all purposes within its authority as a California Water District as specified in the California Water Code (Water Code § 34000 *et seq*.).

No municipal water supply, sewer, or fire protection services will be provided. The SSJWD's focus remains exclusively on groundwater management and sustainability consistent with its enabling legislation and SGMA authority.

Boundary of the Proposed Annexation Area

The proposed annexation area consists of approximately 3,956.63 acres encompassing seven (7) legal parcels identified as APNs 037-301-020, 037-301-025, 037-301-026, 037-301-007, 037-321-001, 037-331-015, and 037-331-016[1]. The parcels are contiguous to the existing SSJWD boundary and are located along Truesdale Road and Shell Creek Road, approximately four miles south of Highway 46 and two miles east of Highway 41. The properties are zoned Agriculture (AG) and are subject to Williamson Act Contracts (Resolution Nos. 76-93 and 76-622). Existing land uses include approximately 742.9 acres of irrigated vineyard, as well as pastureland and cattle grazing areas, with several agricultural structures and one residence on site.

Level and Range of Services to Be Provided

Following annexation, the SSJWD will extend its services, including groundwater management and monitoring services, to the subject territory. These services will be provided at the same level and range currently implemented within the District, including:

- Groundwater monitoring and reporting;
- Participation in regional GSP implementation activities;
- Assessment and evaluation of sustainable groundwater yields; and
- Enforcement of the GSP and District rules and regulations.

No new or additional infrastructure will be constructed as part of this annexation. The District's powers related to water export or sewer service remain inactive.

Indication of Any Improvements or Conditions Required

The annexation will not require physical improvements such as roads, sewer, or new water facilities. The SSJWD may, at its discretion, require groundwater monitoring equipment (such as flow meters or telemetry) to ensure compliance with the GSP. Any future improvement projects identified through the GSP (e.g., recharge basins or monitoring wells) would be subject to further evaluation, funding availability, and environmental review.

3.0 Identification of Existing Service Providers and Potential Fiscal Impact

The subject properties are currently located within the County GSA, which administers SGMA responsibilities for the area pursuant to the adopted Paso Robles Area GSP. Upon annexation, a corresponding GSA boundary modification will occur whereby the County relinquishes GSA

[1] Following approval and recordation of Minor Lot Line Adjustment N-SUB2023-00022 / COAL 22-0044, APNs 037-331-015 and 037-331-016 were assigned to the reconfigured parcels, which were formerly identified as APNs 037-321-016 and 037-331-014, respectively.

authority over the subject properties and SSJWD assumes that responsibility. The applicable GSP will remain unchanged and continue to be implemented in coordination with the other GSAs within the Paso Robles Subbasin. Because the same GSP will continue to apply, the proposed annexation is not expected to adversely affect groundwater sustainability management or other service providers

The proposed annexation will not adversely affect other service providers, as the GSA boundary modification described above will be coordinated directly with the County and will not create duplicative service providers within the area. The fiscal impact on landowners will consist solely of the standard District assessment used to fund groundwater monitoring, administration, SGMA compliance, and other activities. The annexation will generate additional assessment revenue for the SSJWD, strengthening the District's financial stability and operational capacity.

4.0 Plan for Financing the Provision of Services

Total Estimated Cost to Provide Services
The SSJWD operates under an annual budget supported by assessments on irrigated, non-irrigated, and residential acreage. The annexation area's participation will contribute proportionately to District operating revenues and will not increase costs for existing members.

Based on the District's current assessment rates of $35.00 per acre for irrigated land and $0.11 per acre for non-irrigated land, the total annual assessment revenue generated by the annexation will be approximately $26,355.01 , as summarized below:

- Irrigated Vineyard (742.9 acres x $35.00) = $26,001.50
- Non-Irrigated Land (3,213.73 acres x $.011) = $353.51
- Total Annual Assessment: $26,355.01

Additionally, each parcel eligible for residential development may be assessed at $7.50 per single-family residence, resulting in a potential additional $52.50 per year if all seven parcels are developed.

Lastly, PRAGA levies separate groundwater extraction fees on properties within the Paso Robles Groundwater Basin, including the subject parcels, under the adopted GSP. These PRAGA fees are independent of, and in addition to, the District's assessments described above; annexation into SSJWD will not offset, reduce, or replace a landowner's independent obligation to pay applicable PRAGA fees.

Estimated Cost of Services to Customers
The assessments outlined above represent the sole cost of SSJWD membership and participation in the GSA. These funds support basin monitoring, reporting, administration, compliance with SGMA, and other activities SSJWD undertakes from time to time as a California Water District. No additional service charges or connection fees are anticipated.

Identification and Stability of Revenue Sources

The SSJWD's principal revenue source is its annual per-acre benefit assessment approved through Proposition 218 procedures. This funding source has proven stable and predictable since the District's formation.

Additional potential revenue sources include:

- State and federal grants for groundwater monitoring and sustainability projects;
- Collaborative cost-sharing agreements with other GSAs or public agencies; and
- Interest income and permit fees for future projects, if applicable.

Together, these sources provide a reliable and diversified fiscal foundation for the District's continued operations and compliance with SGMA.

Initial Budget Summary

The District's operational budget includes expenditures for administration, groundwater monitoring, legal and consulting services, and SGMA compliance activities. The additional annual assessments generated by the annexation area will contribute to the overall SSJWD budget and provide proportional benefits to member properties through enhanced data collection, representation, and sustainable groundwater management. No new or extraordinary costs are anticipated as a result of the annexation.

5.0 Conclusion

The proposed annexation and Sphere of Influence amendment of approximately 3,956.63 acres into the SSJWD will transfer GSA authority over the subject properties from the County GSA to the SSJWD through a concurrent GSA boundary modification. Although the subject properties are currently managed under the adopted Paso Robles Area GSP, that GSP will remain unchanged and the applicant is requesting annexation into SSJWD for the reasons set forth below: .

- Logical Boundary Expansion and Contiguity: The subject properties are entirely contiguous to the existing SSJWD boundary.
- Consolidation of Existing Operations: Importantly, the property owner already owns and operates adjacent agricultural parcels within the existing SSJWD boundary[2]. Annexing these adjacent parcels promotes long-term administrative consistency, streamlining the owner's regional water coordination and aligning their contiguous, unified operations under a single, localized public agency rather than having a single operation split between two different GSA jurisdictions.

[2] The property owner's existing parcels within the SSJWD boundary, contiguous with the proposed annexation area, are APNs 017-251-061, -062, -080, -081, -082, & -083; 017-253-012, -013, -015, -016, -017, & -018; 037-291-007, -009, -010, -036, -037, -038, & -039; 037-301-019, -024, -027, -028, -029, -030, & -031; and 037-311-006, -025, -028, & -029.

- Administrative Consistency & Coordination: While the subject properties are currently located within the management boundary of the GSA and are subject to the adopted Paso Robles Area GSP, the purpose of the proposed annexation is not to alter the applicable GSP or change the baseline level of groundwater sustainability management. Rather, the annexation places the parcels within the localized jurisdiction of the SSJWD, a member GSA of the PRAGA that represents neighboring agricultural landowners in this portion of the basin.
- Resource and Communication Optimization: This boundary adjustment allows the properties to participate in the regular, water-focused monthly public meetings held by the SSJWD Board, fostering direct communication, efficient localized data collection, and coordinated planning within the surrounding service area.
- Long-Term Planning Alignment: In addition, annexation ensures the properties are properly positioned to participate in any future local infrastructure, SSJWD programs, projects, or regional water supply initiatives that may be developed to support cooperative implementation of the GSP or address long-term groundwater sustainability objectives.

The applicable GSP and overall level of groundwater sustainability management will remain completely unchanged.

This Plan for Services demonstrates that the SSJWD has the financial, administrative, and technical capacity to extend its established groundwater management functions to the annexation area in a fair, efficient, and sustainable manner.