SHANDON-SAN JUAN WATER DISTRICT
SHANDON-SAN JUAN GSA

UNAPPROVED MEETING MINUTES
July 22, 2026 Regular Meeting

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, July 22, 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 9:04am on Wednesday, July 22, 2026.

II. Roll Call

Directors Present:	Sam Kingston
	Ray Shady
	Steve Sinton
	Matt Turrentine
Directors Absent:	Marshall Miller

III. Public Comment

No public comments were received.

IV. Consent Agenda

The following motion was made by Director Sinton, seconded by Director Turrentine, and passed 4-0 with a roll call vote.

MOTION – Approve the minutes from the June 18, 2026 meeting and the Secretary/Treasurer's Report dated July 17, 2026, as presented.

V. Directors' Reports

No Director reports were provided.

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

A. Update from SSJWD Consultants

No update was provided.

B. Key Discussions and Decisions at PRAGA's June 24, 2026 Board meeting.

i. Landowner Fee Study Appeals: PRAGA established an appeals process for landowners to review and correct their consumptive groundwater use calculations. PRAGA received 30 appeals related to the Landowner Fee Study. The PRAGA Board approved 12 staff-supported technical appeals, rejected five non-technical appeals, and directed staff to continue reviewing the remaining 13 appeals and conducting landowner outreach, with recommendations to return to the Board in July.

ii. Gap Funding: PRAGA discussed the need for short-term funding to bridge the gap until groundwater fee revenues are received through the property tax roll. PRAGA staff requested authorization to negotiate a $300,000 loan agreement with SSJWD. The PRAGA Board discussed structuring the agreement as a line of credit to minimize borrowing, and staff indicated that a reserve policy would be developed to help address future cash flow gaps.

C. Authorize Loan Agreement with PRAGA for Short-Term Gap Funding

SSJWD Legal Counsel presented the proposed loan agreement between SSJWD and PRAGA to provide short-term cash flow assistance for FY 2026-27 until groundwater fee revenues are received through the property tax roll. The agreement provides for a loan not to exceed $300,000, with funds disbursed upon PRAGA's written request. Interest would accrue at 1% above the California CLASS Prime portfolio annualized yield rate in effect at the time of each disbursement. The loan, including accrued interest, would be due by June 30, 2027, with early repayment permitted without penalty. Repayment would be secured by PRAGA's pledged rate revenues.

The following motion was made by Director Sinton, seconded by Director Shady and passed 3-0 with a roll call vote. Director Turrentine abstained from voting on this item.

MOTION – Approve the loan agreement with the Paso Robles Area Groundwater Authority substantially as presented and authorize SSJWD Board President Shady and Legal Counsel to approve any necessary modifications and execute the agreement.

D. Review July 22, 2026 PRAGA Agenda and Provide Direction to SSJGSA Representative:

The Board reviewed the following action items on the July 22, 2026 PRAGA Board agenda.

i. Approval of staff recommendations regarding Landowner Fee Study appeals.
ii. Adoption of Resolution No. 2026-02 establishing the FY 2026-27 Schedule of Groundwater Sustainability Fees to be placed on the property tax roll.
iii. Authorization of an agreement with the County of San Luis Obispo for groundwater fee collection.
iv. Authorization of a loan agreement with SSJWD for short-term gap funding for FY 2026-27.
v. Authorization for the Executive Director to execute the Land IQ contract, subject to General Counsel's approval.

No additional direction was provided to SSJGSA's representative, as the loan agreement had been addressed under the preceding agenda item.

VII. Authorize Levy & Collection of Assessments for FY 2026-27

A. Fallowed Acreage and Assessment Revenue: The Board reviewed the impact of 2,726.13 acres enrolled in the Fallowed Land Registry, compared to the 1,000 acres assumed in the FY 2026–27 budget. Acreage enrolled in the Registry as of July 22, 2026, will be assessed at the non-irrigated rate rather than the irrigated rate, resulting in lower projected assessment revenues. The Board discussed the financial impact but made no adjustments to the adopted budget.

B. FY 2026–27 Assessment Resolution: The Board reviewed and discussed Resolution No. 26-002 authorizing the levy and collection of District assessments for FY 2026–27 at the following rates: $20 per acre for irrigated lands, $0.11 per acre for non-irrigated lands, and $7.50 per residence. The District's de minimis assessment level is $25.00, defined as any parcel, or collectively owned parcels, for which the total assessment is less than $25.00.

The following motion was made by Director Turrentine, seconded by Director Kingston, and passed 4-0 with a roll call vote.

MOTION – Adopt Resolution 26-002 Authorizing Levy and Collection of Assessments for FY 2026-27, as presented.

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

The Board reviewed the revised Plan for Services for the proposed annexation and Sphere of Influence Amendment involving Kylix Vineyards California LP and Dimello LP (LAFCO No. 1-R-24). The revisions addressed comments received from LAFCO following the Board's approval of the original Plan for Services in June. Changes included clarification of SSJWD's jurisdiction and authority under the California Water Code, updates to two APNs resulting from lot line adjustments, coordination with the County GSA regarding jurisdictional boundaries, clarification of the applicant's reasons for seeking annexation into SSJWD, and confirmation that PRAGA fees would be assessed in addition to SSJWD assessments.

The following motion was made by Director Sinton, seconded by Director Shady, and passed 3-0 with a roll call vote. Director Turrentine abstained from voting on this item.

MOTION – Approve the revised 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 the revised Plan for Services to LAFCO as part of Application No. 1-R-24.

IX. Next Meeting

The next regularly scheduled Board meeting is Wednesday, August 26, 2026 at 9am.

X. Adjourn

President Shady adjourned the meeting at 10:01am.

Accepted:

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Stephanie Bertoux, Secretary
October 28, 2026