

**THOMES CREEK WATER DISTRICT
BOARD OF DIRECTORS MEETING
September 3, 2026**

Directors

Adam Englehardt: President
Drew Crane
Adi Marwah
Brian Mori
Darin Titus

Others

Maddie Munson, Water and Land Solutions, LLC
Attendance List of Others is attached

Call to Order: President Englehardt called the meeting to order at 10:01 am.

Pledge of Allegiance: President Englehardt led the group in the Pledge of Allegiance.

Roll Call and Introductions: Directors Englehardt, Marwah, and Crane were in attendance.

Review of the Agenda: President Englehardt made a motion to move agenda item 13 ahead of agenda item 12 on the agenda, Director Marwah seconded the motion, and the agenda change was unanimously approved.

Public Comment: Bill Vanderwaal, General Manager of the Tehama Colusa Canal Authority (TCCA), introduced himself to the board and others in attendance and gave an update on California water issues and TCCA activities, including planned refurbishments to the Corning Canal pumping plant. For the district to have a representative on the TCCA board, the district will need to nominate a representative and provide a letter to the TCCA designating that representative. Bill also shared that the TCCA offers website hosting services to member districts at a very affordable rate. The board members agreed that this would be a useful service. Aaron Hall, supervisor in the TCCA Red Bluff office, also introduced himself.

Board to review applicants for two vacant director seats and take action on the appointments

President Englehardt stated that the District had received two applicants to fill the two vacant board seats. Those applicants were Brain Mori, on behalf of Hal Crain, and Darin Titus, on behalf of Select Harvest Partners 1. Mr. Mori and Mr. Titus introduced themselves and explained their interest in joining the District. President Englehardt made a motion to appoint Mr. Mori and Mr. Titus to the two seats, seconded by Director Marwah and unanimously approved.

Board to review and consider approval of the June 22, 2026, board meeting minutes

Director Englehardt presented the minutes from the June 22, 2026. Director Mori moved to approve the minutes as presented, seconded by President Englehardt and approved by the following vote:

Yes: Crane, Englehardt, Marwa, Mori

No: None

Absent during vote: Titus

Abstain: None

Board to receive an update on district finances and bank accounts from Director Crane

Director Crane provided preliminary financial documents from fiscal years 2024 to present. The District's checking account at Columbia Bank has a balance of \$8,025.24 and the LAIF account has a balance of \$47,537.66 with \$0 in current liabilities for total equity of \$55,562.92. The financial report was accepted on a motion by Director Titus and seconded by Director Mori, with the following vote:

Yes: Englehardt, Marwa, Mori, Titus

No: None

Absent: None

Abstain: Crane

Board to Review Draft #1 of District Bylaws

Director Englehardt presented a draft of the District Bylaws prepared by staff. After discussion, the Directors directed staff to make the following revisions, to be incorporated into a new draft to be presented to the board at the next meeting.

Regular Meetings: To be held monthly on the third Thursday at 10:00 am.

Fiscal Year: On a calendar year basis beginning on January 1 and ending on December 31.

Update on the Sustainable Groundwater Management Act

Ms. Munson provided an update on SGMA implementation activities in Tehama County, including the two subbasins the District boundaries spans – the Red Bluff Subbasin and the Corning Subbasin. The Tehama County Groundwater Sustainability Agency (GSA) held a protest hearing on July 20, 2026 to consider the adoption of a new fee to fund the GSA and SGMA implementation activities. A majority of landowners did not turn in protest ballots, however many landowners attended the hearing to voice their strong opposition to the fee. As a result of this vocal opposition, the board chose not to move forward with the fee. In the absence of funding, the GSA has not made progress on other efforts including development of the demand management program.

General Manager Report

A. USBR Water Contract Renewal

Ms. Munson reminded the board that the District's CVP contract expires in March 2030 and that prior to renegotiating that contract, the District must pay off approximately \$916,000 in O&M deficit and Capital Construction debt to the USBR. Negotiations with USBR on the new contract may start in late 2027. Staff will work closely with the USBR staff in Willows and Sacramento on that process.

B. Other

Ms. Munson reminded the board that District rules and regulations will still need to be adopted. Staff will provide a draft for review and consideration at the next board meeting.

Ms. Munson initiated a discussion on District infrastructure, proposing that the District will need to verify existing infrastructure. Ms. Munson provided a draft map and photos of existing turnouts on the Corning Canal. Currently, it is unknown what infrastructure lies within the

District, off the canal. The District could work with an engineer to verify any infrastructure and prepare a modernization plan to enable the delivery of water to District landowners. Staff was directed to bring back options to work with an engineer on these needs.

Ms. Munson guided the directors through a high-level discussion of different fee structures the District could explore to pay off the District's debt to the USBR and generate necessary income to operate the District. If the District pursues a Proposition 218 fee, the District will need to hire an engineer to develop a fee study that is legally required to inform the rate payers on the background numbers behind the proposed fee. This engineer may or may not be the same engineering firm that would develop an infrastructure modernization plan. Staff was directed to bring back additional details on the fee setting process, including the cost of hiring an engineer to prepare a fee study.

Director Input on Concepts for a Future Annexation of Adjacent Lands

President Englehardt referenced the District's existing debt to the USBR and requested input from the other Directors in considering annexing adjacent lands to generate additional revenue and further reduce groundwater usage in the area. The other directors agreed that charging new annexes a fee for joining the District could provide some revenue to offset the District's outstanding USBR debt. The directors also discussed other revenue generating opportunities such as short-term water transfers of the District's unused contract supplies. Bill Vanderwaal made several suggestions, including other TCCA contractors that may have increased water demands, and offered to facilitate those conversations between TCCA member districts. Staff was directed to bring back additional details on all income opportunities for the District including a fee, annexations, and temporary water transfers.

Board Members Report

President Englehardt: None

Director Crane: None

Director Marwah: None

Director Mori: None

Director Titus: None

Other Items for Consideration at Future Board Meetings

- a. TCCA Board Member Designation
- b. District Rules and Regulations
- c. District Infrastructure Inventory Map and Engineering Support
- d. District income options including a Proposition 218 fee, water transfers, and annexations

Report on Other Items Pursuant to Government Code Section 54954.2: None

Next Meeting Date: Thursday, October 15, 2026 at 10:00 am.

Adjournment: President Englehardt adjourned the meeting at 11:48 am.

Adam Englehardt – Board President