

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY  
BOARD OF DIRECTORS REGULAR MEETING  
MINUTES FOR JUNE 8, 2017**

The Board of Directors of the San Luis & Delta-Mendota Water Authority convened at approximately 9:30 a.m. at 842 6th Street, in Los Banos, California for a regular meeting, with Acting Chair Rick Gilmore presiding.

**Directors and Alternate Directors in Attendance**

**Division 1**

Jim McLeod, Director - David Weisenberger, Alternate  
Bobby Pierce, Director  
Anthea Hansen, Director (Arrived after Agenda Item 8)  
Rick Gilmore, Director

**Division 2**

Don Peracchi, Director  
Michael Linneman, Alternate for John Bennett  
William Diedrich, Director

**Division 3**

Mike Stearns, Director - Jeff Bryant, Alternate  
Chris White, Alternate for James O'Banion  
Randy Houk, Alternate for Cannon Michael  
Rick Ortega, Director - Mike Gardner, Alternate

**Division 4**

Garth Hall, Alternate for John Varela  
Jeff Cattaneo, Alternate for John Tobias

**Division 5**

Bill Pucheu, Director  
Thomas Birmingham, Director - Jose Gutierrez, Alternate  
Steve Stadler, Director - Thomas W. Chaney, Alternate

**Authority Representatives Present**

Gabriel Delgado, Legal Counsel  
Diane Rathmann, Legal Counsel  
Jason Peltier, Executive Director  
Jon Rubin, General Counsel  
Ara Azhderian, Water Policy Administrator  
Tom Boardman, Water Resources Engineer  
Frances Mizuno, Assistant Executive Director  
Guy Wamocho, Supervisor of Accounting  
Paul Stearns, O&M Manager  
Cheri Worthy, Executive Secretary

**Others in Attendance**

Don Wright  
Mike Wade, California Farm Water Coalition

John Beam, GWD Consultant  
Erick Johnson, The Water Agency, Inc.  
Mike Day, Provost & Prichard  
Jarrett Martin, Central California Irrigation District  
Pete Butler, Congressman Jeff Denahm's Office  
Sondra Reyes, Panoche/Pacheco Water District  
Danny Wade, Tranquillity Irrigation District

1. **Call to Order/Roll Call**

Acting Chair Rick Gilmore called the meeting to order. The Pledge of Allegiance was recited, and roll was called.

2. **Board to Consider Corrections or Additions to the Agenda of Items, as authorized by Government Code Section 54950 et seq.**

There were no additions or corrections to the agenda.

3. **Opportunity for Public Comment**

There were no public comments made.

**CONSENT ITEMS**

4. **Agenda Items 4-6: Board to Consider: a) Approval of May 4, 2017 Meeting Minutes, b) Acceptance of the Financial & Expenditures Report, c) Acceptance of the Treasurer's Report for the Quarter Ending 3/31/17.**

On motion of Director Mike Stearns, seconded by Director Bill Pucheu, the Board approved the items on the consent calendar.

The vote on the motion was as follows:

AYES: McLeod, Pierce, Gilmore, Peracchi, Linneman, Diedrich,  
Stearns, Michael, White, Houk, Ortega, Hall, Cattaneo,  
Pucheu, Birmingham, Stadler

NAYS: None

ABSTENTIONS: None

**ACTION ITEMS**

5. **Agenda Item 7: Board of Directors to Consider Adopting Resolution Considering and Approving an Addendum to the Certified Final Environmental Impact Report (SCH#2011011010) for Long-Term Water Transfers.**

Assistant Executive Director, Frances Mizuno provided the background on the EIS/EIR for Long Term Water Transfers which the Board certified on April 9, 2015. Mizuno explained that since the time of the certification, ten additional entities not previously identified in the EIS/EIR indicated they may be interested in water transfers, and three agencies already identified in the EIS/EIR indicated an interest in increasing their amount of water for potential transfer. Mizuno continued, the proposed additions refine the range of potential transfers specifically acknowledged in the Long Term Transfers EIS/EIR. In light of the proposed refinements to the Project, the Water Authority prepared a CEQA Addendum to evaluate proposed Project changes to determine whether Project modifications would result in: new significant impacts, an increase in the severity of previously-identified impacts; or new or expanded mitigation measures from those analyzed and described in the EIS/EIR. Mizuno reviewed the CEQA findings and reported that, as demonstrated in the Addendum and comparing the proposed activities and actions against the impacts identified and mitigation measures included in the EIS/EIR, none of the conditions described in Public Resources Code Section 21166 and CEQA Guidelines Sections 15162 and 15163 has occurred as a result of the Project modifications. Mizuno noted the findings that the Project as modified will not result in one or more significant effects not discussed in the EIS/EIR, nor will the Project as modified create substantially more severe significant effects than previously examined in the EIS/EIR, and no new or expanded measures are required. The Authority staff recommended that Board adopt the Addendum to the EIS/EIR based on the findings as presented.

A motion was made by Director Tom Birmingham and seconded by Director Bill Diedrich, the Board unanimously approved the Addendum to the Certified Final Environmental Impact Report (SCH#2011011010) for Long-Term Water Transfers.

The vote on the motion was as follows:

AYES:	McLeod, Pierce, Gilmore, Peracchi, Linneman, Diedrich, Stearns, Michael, White, Houk, Ortega, Hall, Cattaneo, Pucheu, Birmingham, Stadler
NAYS:	None
ABSTENTIONS:	None

**6. Agenda Item 8: Board of Directors to Consider Adopting Resolution Approving an 2017 Amendment and Addendum to Agreement for Acquisition of Water by the United States, San Luis & Delta-Mendota Water Authority, and Madera Irrigation District from the San Joaquin River Exchange Contractors Water Authority Years 2-14-2018.**

Assistant Executive Director Frances Mizuno reported that due to the overabundance of

water in 2017 and to provide financial relief, the Exchange Contractors have agreed to amend the 5-year Exchange Contractor Water Transfer Agreement to lessen the burden to the Ag and M&I Contractors by reducing the obligation for purchase of the allocated quantity of water established in the Agreement. Mizuno explained that the proposed Amendment and Addendum reduces the water purchase obligation by the Authority by 50 percent to the amount of 17,775 Acre-feet at a price of \$163.91 per acre-foot to be delivered during the months of July- September, 2017. The Authority staff recommends the Board authorize the execution of the 2017 Amendment and Addendum for Acquisition of Water by the United States, SLDMWA and Madera I.D from the Exchange Contractors Year 2014-2018 as presented.

A motion was made by Director Bill Diedrich and seconded by Director Don Peracchi, the Board unanimously approved the 2017 Amendment and Addendum to the Agreement for Acquisition.

The vote on the motion was as follows:

AYES:	McLeod, Pierce, Gilmore, Peracchi, Linneman, Diedrich, Stearns, Michael, White, Houk, Ortega, Hall, Cattaneo, Pucheu, Birmingham, Stadler
NAYS:	None
ABSTENTIONS:	None

**7. Agenda Item 9: Board of Directors to Consider Execution of Memorandum of Understanding between the United States of America, Department of Interior, Bureau of Reclamation, and the San Luis & Delta-Mendota Water Authority for Cooperation Development of the San Joaquin River Restoration Program Long-Term Recapture and Recirculation of Restoration Flows Environmental Impact Statement/Environmental Impact Report.**

Initially, Director Tom Birmingham noted that a copy of the MOU was not distributed to the Board until a day before the meeting and asked General Counsel Jon Rubin, if the Board can act on this matter. Rubin responded that under the Brown Act, as long as the agenda item has been properly noticed, the Board can act on the matter.

Assistant Executive Director apologized for the lateness of providing the MOU to the Board members. She went on to report on the benefits of entering into the MOU with the Bureau of Reclamation as a Cooperating Agency for the development of the San Joaquin River Restoration Program Long-Term Recapture and Recirculation of Restoration Flows Environmental Impact Statement/Environmental Impact Report. As a Cooperating Agency, the Authority will work collaborative with Reclamation in the preparation of the EIS/EIR in

advance of Reclamation's release of the public draft of the document. She also noted, that the Authority has previously entered into MOUs with Reclamation to act as a Cooperating Agency and most recently for the Reconsultation on the Biological Opinions for Delta Smelt and Winter Run Salmon.

A motion was made by Director Mike Stearns and seconded by Director Anthea Hansen, the Board unanimously approved the Execution of Memorandum of Understanding.

The vote on the motion was as follows:

AYES:	McLeod, Pierce, Hansen, Gilmore, Peracchi, Linneman, Diedrich, Stearns, Michael, White, Houk, Ortega, Hall, Cattaneo, Pucheu, Birmingham, Stadler
NAYS:	None
ABSTENTIONS:	None

**8. Agenda Item 10: Board of Directors to Consider Water Resources Committee Recommendation Regarding Potential Initiation of Strategic Planning Effort.**

Executive Director Jason Peltier briefed the Board on the discussion held on the Strategic Planning Effort at the Water Resources Committee. No action was taken by the Board as they concurred with the Committee guidance that additional information from potential consultants should be gathered to better inform the Strategic Planning discussion going forward.

**9. Agenda Item 11: Board of Directors to Consider Adopting Resolution Formally Authorizing Employees to Order Deposits and Withdrawals of Monies in the Investment Trust of California.**

General Counsel Jon Rubin summarized the recommendation of staff that the Board adopt the Resolution Formally Authorizing Officers and Positions to Order Deposit and Withdrawal of Monies in the Investment Trust of California. Rubin explained the resolution if adopted would provide formal authorization for orders involving the Investment Trust of California. Rubin informed the Board that the Finance and Administration Committee also recommended that the Board adopt the Resolution.

A motion was made by Director Bill Pucheu and seconded by Alternate Garth Hall, the Board unanimously approved the resolution.

The vote on the motion was as follows:

AYES:	McLeod, Pierce, Hansen, Gilmore, Peracchi, Linneman, Diedrich, Stearns, Michael, White, Houk, Ortega, Hall, Cattaneo, Pucheu, Birmingham, Stadler
NAYS:	None
ABSTENTIONS:	None

**10. Agenda Item 12: Board of Directors to Consider Water Resources Recommendation Regarding Position on Assembly Bill 1667 (Friedman AD43).**

The Board received a report from the Water Resources Committee relative to positive changes that have been made on AB 1667 in the legislative process and were informed that the Water Resources Committee recommended that the Board change the position of the Water Authority from an oppose position to a watch position. Upon a motion by Director Tom Birmingham and seconded by Director Bill Diedrich, the Board unanimously approved to have the Authority's position move from an oppose position to a watch position regarding position on Assembly Bill 1667 (Friedman AD43).

The vote on the motion was as follows:

AYES:	McLeod, Pierce, Hansen, Gilmore, Peracchi, Linneman, Diedrich, Stearns, Michael, White, Houk, Ortega, Cattaneo, Pucheu, Birmingham, Stadler
NAYS:	None
ABSTENTIONS:	Hall

**REPORT ITEMS**

**11. Agenda Item 13: State Water Resources Control Board Bay-Delta Water Quality Control Plan Update.**

No report given

**12. Agenda Item 14: California WaterFix Update.**

Executive Director Jason Peltier gave a brief update on California WaterFix. Peltier and General Counsel Jon Rubin gave a brief summary on each slide in the handout "Staff Presentation on California WaterFix", which was included in the packets. Per the request of several Board members Peltier agreed to send out dates of WaterFix Workshops that will be scheduled in July & August as soon as possible.

**13. Agenda Item 15: Committee Reports**

**a. Water Resources Committee Activities**

Committee Chairman Tom Birmingham gave a brief report, summarizing the Committee meeting.

b. **Finance & Administration Committee Activities**

Committee Chairman Bill Pucheu gave a brief report, summarizing the Committee meeting

c. **O&M Technical Committee Activities**

Committee Chairman Chris White gave a brief report. Summarizing the Committee meeting

**14. Agenda Item 16: Operations Update**

Tom Boardman reported that Jones pumping increased to its capacity early in June following a two-week period of pumping at less than half capacity due to restrictions imposed under the salmon BiOp. With no foreseeable export restrictions, CVP and SWP pumping is projected to remain at capacity through the summer. Boardman also reported that CVP San Luis is not expected to refill with increased pumping this month due to a Dos Amigos accounting debt of about 35 TAF to the SWP and about 35 TAF of needed pumping to refill CVP San Luis. As a result, Reclamation decided to end the rescheduling use period on May 31. Pending meter readings, an estimated 175 TAF of rescheduled water will be converted to 2017 Project supply.

Flood flows from the San Joaquin and Kings Rivers are meeting all Pool demands and should continue to do so through most of July.

Boardman concluded his report with a projection that CVP San Luis storage will remain above 500 TAF this year and may refill by late 2017.

**15. Agenda Item 17: Executive Director's Report**

a. **Self-Funding Report**

No report given

b. **Operations & Maintenance Report**

No report given

c. **Water Transfer/Exchange Update**

No Report given

d. **SGMA Report**

No report given

e. **Drainage Activity Report**

Legal Counsel Gabriel Delgado gave a brief report, summarizing the Committee meeting.

f. Water Policy Administrator Report

General Counsel Jon Rubin reported that the Delta Stewardship Council released material regarding the Delta Plan update which focuses on two areas: 1) Storage, conveyance, and operation of both, and 2) Performance measures. These materials will be further discussed at a future Water Resources Committee meeting.

g. Executive Director's Report

Executive Director Jason Peltier reported on his activities: 1) Tour & meetings with the Acting Commissioner of Reclamation, 2) Continued work with the Science and Adaptive Management Program Group, 3) Update on SFCWA. Peltier also reported that Jeff Rieker will replace Ron Milligan.

**16. Agenda Item 18-20: Closed Session Report**

Acting Chair Gilmore adjourned the open session to address the items listed on the Closed Session Agenda at approximately 10:50 a.m. Upon return to open session at approximately 11:45 a.m., General Counsel Jon Rubin reported that the Board met in closed session to receive advice from counsel on items listed on the Closed Session Agenda. Rubin reported that the Board took two actions, the details of which may be disclosed at a later point.

**17. Agenda Item 21: Reports Pursuant to Government Code Section 54954.2**

There were no reports given.

**18. Agenda Item 22: Adjournment**

The meeting was adjourned at approximately 11:48 a.m.