



January 25, 2012

TO: San Luis & Delta-Mendota Water Authority
Water Resources Committee and Board of Directors and Alternates
San Luis & Delta-Mendota Water Authority Member Agencies' Boards of
Directors

FROM: Dan Nelson, Secretary (by Susan)

RE: Joint SLDMWA **WATER RESOURCES COMMITTEE**/Special Board of
Directors Workshop - **JANUARY 30, 2012, 9:30 a.m.**

Attached for your review in preparation of the **JANUARY 30, 2012, 9:30 a.m.**, Joint **WATER RESOURCES COMMITTEE** (WRC) meeting/Special Board of Directors Workshop are:

- 1) Draft agenda (workshop and meeting)
- 2) December 5, 2011 WRC meeting minutes
- 3) FY 2012/2013 Activity Agreement Budgets Summary

Thank you, and please give us a call if you have any questions or concerns regarding this information.



San Luis & Delta-Mendota Water Authority
Joint **WATER RESOURCES COMMITTEE/**
Special Board of Directors Workshop
MONDAY, JANUARY 30, 2012
9:30 a.m.

AGENDA

1. Call to Order*
* In the event no quorum of San Luis & Delta-Mendota Water Authority Directors/Alternate Directors attending in the absence of the respective Director is present at the Special Workshop, the Chairman will adjourn the Workshop and Convene the Committee Meeting that has been noticed to follow the Workshop.
2. Opportunity for Public Comment
3. Committee to Review 12/5/11 and 1/6/12 Meeting Minutes
4. Committee to Review 2012/13 Activity Agreement Budgets
5. **CLOSED SESSION**
Conference with Legal Counsel on Anticipated Litigation – Initiation of Litigation Pursuant to Subdivision (c) of Government Code Section 54956.9 – 5 potential cases

Conference with Legal Counsel on Existing Litigation Pursuant to Subdivision (a) of Government Code Section 54956.9
 - A. San Luis & Delta-Mendota Water Authority v. United States of America, et al., U. S District Court, E.D. Cal, CV-F-97-06140-OWW (b2)
 - B. San Luis & Delta-Mendota Water Authority et al. v. United States Department of Interior et al, US District Court, ED Cal, Case No 1:11-cv-00952-OWW-GSA (CVPIA 3411b case)
 - C. Tehama-Colusa Canal Authority v. U.S. Department of the Interior, et al., US District Court, ED. Cal, Case No 2:10-cf-00357-JAM-KJM (TCCA Area of Origin Case)
 - D. Natural Resources Defense Council, et al., v. Kempthorne, et al., 05-CV-01207 OWW (Old FWS – OCAP BO/Contracts)
 - E. San Luis & Delta-Mendota Water Authority, et al., v. Salazar, et al., 1:09-CV-00407-OWW-DLB (Salazar/2008 Delta Smelt BiOp)

- F. San Luis & Delta-Mendota Water Authority and Westlands Water District v. Gary R. Locke, et al, 1:09-CV- 1053 (Locke/2009 NMFS BiOp)
 - G. Central Delta Water Agency and South Delta Water Agency v. California Department of Water Resources, et al., Sacramento County Superior Court Case No. 34-2009-0000269 (Field Studies)
 - H. Central Delta Water Agency and South Delta Water Agency v. State Water Resources Control Board, et al, Sacramento Superior Court Case No. 34-2010-80000520 (CDWA&SDWA Writ of Prohibition/JPOD)
 - I. Young, et al., v. State Water Resources Control Board, San Joaquin County Superior Court Case 39-2011-00259191-CU-WM-STK (WIC Landowner's Petition for Preemptory Writ)
 - J. Modesto Irrigation District, et al., v. State Water Resources Control Board, Sacramento County Superior Court Case Nol. 34-2011-80000803 (Petition for Writ of Mandate and Declaratory Relief re Woods Irrigation Company)
 - K. SWRCB Water Rights Complaints: Complainants/Interested Persons in SWRCB CDO Enforcement Proceedings and/or Petitions for Reconsideration: Modesto Irrigation District, State Water Contractors, San Luis & Delta-Mendota Water Authority; Respondents: Jacques – Apn 162-130-01; Robinson - APN 191-100-050; Tanaka – APN 131-310-02; Cerri – APN 191-170-6; Damele - APN 189-210-16; Speckman - APN's 131-050-01 and 131-050-04/ Pak and Young;. Mussi; Dunkel Speckman; Mussi et al.; Woods Irrigation District; Navarro (Water Rights Complaints)
 - L. Ivonne Garcia, et. al, v. Luis Llamas Perez, et al., Stanislaus County Superior Court No. 644071 ("Garcia v. Perez")
 - M. Pacific Coast Federation of Fishermen's Associations, California Sportfishing Protection Alliance, Friends of the River, San Francisco Crab Boat Owners Association, Inc., The Institute for Fisheries Resources, and Felix Smith, v. Donald R. Glaser and San Luis & Delta-Mendota Water Authority, U.S. District Court, E.D. Cal., 2:11-CV-02980-KJM-CKD ("PCFFA v Glaser" or "GBP Citizens Suit")
6. Return to Open Session
 7. Report from Closed Session, if any Required by Government Code Section 54957.1
 8. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Susan Mussett or Cheri Worthy at the San Luis & Delta-Mendota Water Authority Office, 842 6th Street, P O Box 2157, Los Banos, California, telephone: 209/826-9696 at least (3 for regular, 1 for special) day(s) before the meeting date.



San Luis & Delta-Mendota Water Authority
WATER RESOURCES COMMITTEE MEETING
MONDAY, JANUARY 30, 2012

Immediately following
Joint **Water Resources Committee**/Special Board of Directors
Workshop at 9:30 a.m.

REGULAR MEETING
842 6th Street, Los Banos

AGENDA

1. The Water Resources Committee will Consider Corrections or Additions to the Agenda of Items Requiring Immediate Action that have come to the Attention of the Committee after Posting the Agenda
2. Opportunity for Public Comment

ACTION ITEMS

3. **Committee to Consider Approving 12/5/11 and 1/6/12 Water Resources Committee Meeting Minutes**
4. **Committee to Consider Making a Recommendation to the Board of Directors to Approve the 2012/13 Activity Agreement Budgets**

REPORT ITEMS

5. **CLOSED SESSION**

Conference with Legal Counsel on Anticipated Litigation – Initiation of Litigation Pursuant to Subdivision (c) of Government Code Section 54956.9 – 5 potential cases

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6. Return to Open Session
 7. Report from Closed Session, if any Required by Government Code Section 54957.1
 8. Items to Discuss Pursuant to Government Code Sec 54954.2
 9. ADJOURNMENT

Report and Closed Session items may be dispensed with if covered during a preceding Special Joint Workshop.

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SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MEETING – WATER RESOURCES COMMITTEE
DECEMBER 5, 2011

The Water Resources Committee of the San Luis & Delta-Mendota Water Authority convened at 9:30 a.m. at 842 6th Street in Los Banos with Chairman Tom Birmingham presiding.

Committee Members Present

Ex-Officio

Mike Stearns

Division 1

Earl Perez, Committee Member – Bill Harrison, Alternate

Division 2

Chris Hurd, Committee Member – Jason Peltier, Alternate

Division 3

Jim Nickel, Committee Member (via teleconference) – Chris White, Alternate

Division 4

Absent

Division 5

Tom Birmingham, Chairman and Member - John Mallyon, Alternate

Authority Representatives Present

Tom Boardman, Water Resources Engineer

Frances Mizuno, Assistant Executive Director

Dan Nelson, Executive Director

Diane Rathmann, Legal Counsel

Others Present

Jeff Bryant, Firebaugh Canal Water District (via teleconference)

Anthea Hansen, Del Puerto Water District

Bill Kahrl, Westlands Water District

Mike Wade, CA Farm Water Coalition

Greg Zlotnick, State & Federal Contractors Water Agency

Call to Order, Additions or Corrections to the Agenda

Chairman Birmingham called the meeting to order; requested self introductions and noted no additions or corrections to today's Agenda.

Opportunity for Public Comment

No public comments were made.

At 9:32 a.m. Chairman Tom Birmingham convened a joint workshop of the Board of Directors and meeting of the Water Resources Committee.

Committee to Consider Recommendation to the Board of Directors to Authorize Execution of Memorandum of Understanding regarding CalFed Bay-Delta Program Studies on the Expansion of Los Vaqueros Reservoir

Frances Mizuno explained that the 200,000 AF expansion of Los Vaqueros Reservoir is moving forward and that studies are commencing concerning further expansion that would potentially provide water to parties in addition to Contra Costa Water District. The Water Authority has the opportunity to sign on to an existing MOU to participate in Technical Committee Meetings concerning the further expansion, which could benefit water supplies for the Water Authority's members. Following discussion, Committee Member Chris Hurd moved and Earl Perez seconded a motion to recommend that the Board of Directors adopt Resolution Authorizing Execution of Memorandum of Understanding Regarding CalFed Bay-Delta Program Studies on the Expansion of Los Vaqueros Reservoir, to Execute Fifth Amendment of Memorandum of Understanding, and Authorizing Actions Related thereto. The vote on the motion was unanimous

Committee to Consider Recommendation by the Public Information Advisory Committee to the Board of Directors to Approve Phase I of Public Information Program

Executive Director Dan Nelson referred to numerous items pertaining to phase one of a Public Information Program (PIP) and continued his presentation with a brief history of the evolution of the PIP. Nelson continued by discussing the recommendations of the Advisory Committee, which was: clear distinction between phase 1 and the subsequent phase 2, with phase 1 encompassing – scoping out a clear understanding of what the PIP will be along with the determination of internal Authority issues and if the program should move forward. Nelson noted a preliminary cost estimate for Phase 1 is \$300,000 based on a DIPS type allocation breakdown that would benefit the entire Authority Membership. Nelson responded to a few questions.

Chairman Birmingham indicated that he would entertain a motion recommending that the Board move forward with Phase 1 of the Public Information Program and also that the Board appoint and authorize the Public Information Advisory Group as a standing committee with Authority to report and make recommendations directly to the Board of Directors, without Water Resources Committee review. The motion was made by Earl Perez, seconded by Mike Stearns and passed unanimously.

FY 12/13 Activity Agreement Development, Schedule, and Process

Chairman Birmingham explained one of the large tasks to be attended to through an activity agreement of the Authority will be Greg Zlotnick appearing before the Bay Delta Stewardship Council in reference to the Bay Delta Plan and thought it was in the best interest of the committee that Mr. Zlotnick give an update on where the process is and the direction it is heading. Greg Zlotnick then gave an update of the Development of the Bay Delta Plan / Delta Stewardship Council to the Committee and responded to questions. Following Mr. Zlotnick's update, Executive Director Dan Nelson referred to a 1 December 2011 memo from Tona Mederios in reference to the Fiscal year March 1, 2012 – February 28, 2012; SLDMWA Activity Agreement Budget Preparation Timeline. Nelson reviewed the memo and its contents in detail and highlighted dates necessary to accomplish approval of the Activity Agreement Budget by the Authority Board.

2011/12 Operations

Executive Director Dan Nelson referred to a talking paper included in the committee's meeting packet that included: Objectives of operations proposal for a full San Luis Reservoir (winter 2011 / 2012) and questions that need to be answered. Nelson noted this paper was collaborative effort between him, Ron Milligan and others. Water Resources Engineer Tom Boardman covered the contents of the paper and addressed a few questions.

Closed Session

The Board Workshop and WRC adjourned to closed session at 10:50 a.m. to consider items listed on Agenda Item 6.

Report from Closed Session, if any Required by Government Code Section 54957.1

They returned to Open Session at 11:00 a.m., at which time Chairman Birmingham reported that the Board Workshop and WRC had met in closed session with counsel on one item of anticipated litigation under Government Code Section 54956.9(c) listed on Agenda Item 6 but took no action in closed session.

Items to Discuss Pursuant to Government Code Sec. 54954.2

No items were discussed.

Adjournment

Committee Chairman Tom Birmingham adjourned the meeting of the WRC at 11:40 a.m.

January 12, 2012

To: Board of Directors

From: Dan Nelson

Regarding: FY 2012/2013 ACTIVITY AGREEMENT BUDGETS

OBJECTIVES

- Acquire and deliver as much affordable water as possible for the 2012 year; and,
- Develop and implement opportunities or projects that will provide for affordable, mid & long-term water supplies that are sufficient, sustainable and reliable.

DELTA CONVEYANCE

The Delta continues to be the most restrictive bottle neck in the conveyance of our water supply. Court rulings and Biological Opinions for various fish species continue to restrict CVP and SWP pumping in the south Delta to unprecedented lows. This has resulted in the development of urgent short and long term strategies. The short term strategies attempt to restore as much water as possible, as soon as possible while the long term strategies attempt to develop & implement alternatives to the "through delta" approach of conveying our water.

Short Term

Regulation Driven. The short term strategy will continue to be regulation driven. Recognizing that any alternative to a Through Delta system will take at least ten years to implement, the short-term challenge is to maximize the conveyance potential of the Through Delta system. The Endangered Species Act and its implementation will continue to be the main factor contributing to the restrictions of our supplies. Our short term strategy will therefore be focused on ESA issues. In addition, the State Water Resource Control Board has become a forum for many issues that can have short and long term implications to our supply as well. An increased effort is needed to address issues that the SWRCB has or is expected to undertake.

ESA

The tools available to address the ESA (& other regulatory statutes such as CVPIA) and their implementation generally fall within three categories:

- Administrative;
- Legislative; and
- Judicial.

Administrative: The administrative strategy is mainly focused on influencing the federal agencies (Fish & Wildlife Service, National Marines Fisheries Service, and the Bureau of Reclamation, primarily) to interpret and implement the Endangered Species Act and other legal authorities in a manner that is consistent with the law but less punitive than currently applied. This requires, in part, developing and disseminating pertinent biological, operational, legal, and socio-economic information.

Primary Administrative objectives for the ESA include:

- Applying discretion under the current BO's less punitively;
- Expanding use of best available science;
- Reconsultation of the current BO;
- Establishing a long-term regulatory paradigm that is stable.

Achieving these objectives requires deployment of legal and scientific expertise.

Legislative: The legislative strategy is aimed at developing opportunities to pass legislation that assist us in restoring short-term water supply. This could include a mandate for reconsultation of the BO's, temporary exemptions from implementation of the BOs, and potential amendments to the ESA. The strategy must also watch for other threats to the existing supply from both State and federal sources.

Judicial: The judicial strategy is primarily focused on legally challenging the federal agencies interpretations and implementation of ESA and other statutes. This includes the current biological opinions and other potential listings under State or federal law.

STATE WATER RESOURCES CONTROL BOARD

We anticipate increased activity from the State Water Resources Control Board on quality, flow and water level issues in the Delta and other regulatory standards that can affect water supply.

Upcoming issues in front of the state board are:

- SJ River Flow / S. Delta Salinity Objectives;
- SJ River Restoration Program;
- In-Delta Water Right Proceedings;
- Sac River and SF River Flow Objective;
- SJ River Water Quality issues;
- water right permit applications, Sac Regional Ammonia Standards, etc.

Mid-Term / Long-Term

Bay Delta Conservation Plan, (BDCP). In an effort to minimize the regulatory volatility of the current species by species implementation of the ESA under the Section 7, we have partnered with the State Water Contractors (SWC), state and federal agencies, and other stakeholders to develop a more comprehensive approach for permitting the operations of the projects under Section 10 of the ESA and the State's Natural Communities Conservation Planning Act. It is anticipated that through development and implementation of the Bay Delta Conservation Plan (BDCP), changes in project operations and implementation of environmental restoration actions will result in long-term permits to operate the projects in a manner less constrained and more stable than today.

Delta Habitat Conservation and Conveyance Program (DHCCP). Unprecedented efforts and investments have been initiated to secure long-term solutions to ecosystem and conveyance problems that hinder sufficient and reliable supplies of water. Assessing the potential

environmental impacts of the proposed solutions is the purpose of the Delta Habitat Conservation and Conveyance Plan (DHCCP).

Delta Stewardship Council

The 2009 Delta Reform Act created a new Delta Council to develop a Delta Plan. Five staff drafts have been developed and a draft EIR has been released with a comment period through February 2, 2012. A "Sixth" staff draft Delta Plan is anticipated in March, 2012 with a proposed Final EIR certified, final Delta Plan adopted in Spring 2012 followed by rulemaking and implementation of the Plan.

COMPONENTS OF A SHORT AND LONG TERM STRATEGY

- Legal;
- Technical (Biology, hydrology, monitoring, analysis, etc);
- Federal / State relations;
- Public Information

We anticipate the level of our legal and federal / state relation activities to be fairly consistent with last year's efforts. There is potential for increased technical and public information efforts.

Technical.

Our technical efforts / investments are organized under 3 separate forums;

- State & Federal Contractors Water Authority (SFCWA);
- Coordinated efforts with SWC;
- SLDMWA independent.

Technical efforts include:

- Legal support;
- Policy/regulatory development support;
- General contribution to better scientific understanding of delta / fisheries.

Public Information

There is a sense by many member agencies that we need to increase our Public Information efforts. A Public Information Advisory Committee has been appointed to oversee the development of a Public Information Plan proposal.