

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY BOARD OF
DIRECTORS REGULAR MEETING
MINUTES FOR JANUARY 12, 2023**

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, with Chair Cannon Michael presiding.

Directors and Alternate Directors in Attendance

Division 1

Dave Weisenberger, Director
Bobby Pierce, Director
Anthea Hansen, Director
Lea Emmons, Alternate

Division 2

Ross Franson, Director
William Bourdeau, Director
Ara Azhderian, Alternate for Beau Correia
Bill Diedrich, Director (via ZOOM)

Division 3

Chris White, Alternate for Dan McCurdy
Jarrett Martin, Director (arrived during item 8)
Cannon Michael, Director
Ric Ortega, Director

Division 4

John Varela, Director - Aaron Baker, Alternate
Richard Santos, Alternate
Jeff Cattaneo, Director
Joe Tonascia, Director - Steve Wittry, Alternate

Division 5

Jose Gutierrez, Alternate (via ZOOM)
Manny Amorelli, Director

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer
Rebecca Akroyd, General Counsel
Rebecca Harms, Deputy General Counsel
Scott Petersen, Water Policy Director
Darlene Neves, Supervisor of Operational Accounting (via ZOOM)
Bob Martin, Facilities O&M Director (via ZOOM)
Jaime McNeil, Engineering Manager (via ZOOM)
Cindy Meyer, Special Programs Manager (via ZOOM)
Laures Stiles, HR Director
Cheri Worthy, Executive Secretary (via ZOOM)

Dan Nunes, SCADA Engineer

Others in Attendance

- Mike Wade, Farm Water Coalition
- Tom Boardman, Westlands Water District (via ZOOM)
- Dana Jacobson, Valley Water
- Justin Diener, Westlands Water District (via ZOOM)
- Vince Gin, Valley Water
- Ed Pattison, Byron Bethany Irrigation District
- Chase Hurley, Pacheco Water District
- Sarah Woolf, Water Wise
- Mitch Partovi, Water Agency
- Joyce Machado, San Benito County Water District (via ZOOM)
- Dennis Cardoza, Foley & Lardner, LLP (via ZOOM)
- Bill Ball, Foley, Foley & Lardner, LLP (via ZOOM)
- Kristin Olsen, Calstrat (via ZOOM)
- Nick Gomes, Office of Congressman John Duarte

1. Call to Order/Roll Call

The meeting was called to order by Chair Cannon Michael and roll was called.

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

No additions or corrections.

3. Opportunity for Public Comment

No reports.

CONSENT ITEMS

4. Agenda Items 4-6: Board to Consider: a) December 8, 2022 Meeting Minutes, and December 14, 2022 Workshop Minutes, c) Acceptance of the Financial & Expenditures Reports, e) Staff Reports.

On a motion of Director John Varela, seconded by Director William Bourdeau, the Board accepted the December 8, 2022 Meeting Minutes, December 14, 2022 Workshop Minutes, Financial Expenditures Reports, and Staff Reports. The vote on the motion was as follows:

- AYES: Weisenberger, Pierce, Hansen, Emmons, Franson, Bourdeau, Azhderian, Diedrich, White, Michael, Ortega, Varela, Santos, Cattaneo, Tonascia, Gutierrez, Amorelli
- NAYS: None
- ABSTENTIONS: None

ACTION ITEMS

5. Agenda Item 7: Board of Directors to Consider Approval of Executive Compensation for Various Positions.

Executive Director Federico Barajas reviewed the table included in the packet, and also presented it on the screen. Chair Cannon Michael orally reported on salaries, total benefit packages, and the Consumer Price Index (CPI) increase. After a brief discussion, Michael reported that at the Budget Workshop there was direction given to review the Authority’s salary policy.

On a motion of Director John Varela, seconded by Alternate Richard Santos, the Board approved Executive Compensation for Various Positions. The vote on the motion was as follows:

- AYES: Weisenberger, Pierce, Hansen, Emmons, Franson, Bourdeau, Azhderian, Diedrich, White, Jarrett Martin, Michael, Ortega, Varela, Santos, Cattaneo, Tonascia, Gutierrez, Amorelli
- NAYS: None
- ABSTENTIONS: None

6. Agenda Item 8: Board of Directors to Consider Finance & Administration Committee Recommendation Regarding Fiscal Year 2024 OM&R Budget, Water Resources Committee Recommendation Regarding Fiscal Year 2024 Activity Budget, and Resolution Adopting the Complete Fiscal Year 2024 Budget.

Executive Director Federico Barajas reviewed the documents included in the packet. Chief Operating Office Pablo Arroyave provide a brief overview of the Fiscal Year 2024 OM&R Budget highlighting several changes that have been made. Arroyave noted the removal of a water truck purchase, and a change to the salary placeholder to 8.4% from 8.7%. Arroyave reported that staff is not recommending any new positions in Fiscal Year 2024.

Operations & Maintenance Technical Committee (OMTC) Chair Chris White reported that the OMTC recommended the OM&R Budget for approval. Finance & Administration Committee Chair (FAC) Anthea Hansen reported that the FAC recommended Budget for approval.

Executive Director Federico Barajas reviewed the Fiscal Year 2024 Activity Budget material included in the packet, which included some refinements since the last meeting. Barajas provided an overview of the changes and reported that Water Resources Committee recommended Activity Budget for approval.

Several Board members complimented staff on all of their hard work.

On a motion of Alternate Richard Santos, seconded by Director John Varela, the Board adopted Fiscal Year 2024 OM&R Budget, Fiscal Year 2024 Activity Budget, and the Resolution Adopting the Complete Fiscal Year 2024 Budget.

The vote on the motion was as follows:

AYES:	Weisenberger, Pierce, Hansen, Emmons, Franson, Bourdeau, Azhderian, Diedrich, White, Jarrett Martin, Michael, Ortega, Varela, Santos, Cattaneo, Tonascia, Gutierrez, Amorelli
NAYS:	None
ABSTENTIONS:	None

REPORT ITEMS

7. Agenda Item 9: Report on State and Federal Affairs.

Water Policy Director Scott Petersen reported that Governor Newsom is reviving talks to pass a general obligation bond to fund climate, wildfire and water projects as California faces a revenue shortfall. Petersen reported that the governor floated the idea on the same day he proposed an 11 percent cut in his \$54 billion five-year climate funding plan as part of broader reductions to statewide spending. Petersen reported that the governor said in a Tuesday budget briefing that a resource bond was one way to limit stress caused by reductions in multiyear spending. Petersen reported that the governor's latest budget proposal underscores the boom-and-bust cycle behind California's spending on the environment. Petersen reported that voters have approved resource bonds before including a \$7.5 billion bond in 2014. Petersen reported that the U.S. Environmental Protection Agency estimates the cost of California's water infrastructure needs at \$51 billion. Petersen reported that Newsom last pushed for a \$4.75 billion "climate resilience bond" in 2020, most of which would address immediate risks of floods, fires and drought. Petersen reported that the Senate and Assembly also considered a bond that same year. Petersen reported that an economic slowdown and later, an abundance of general funds pushed the idea to the back burner.

Petersen reported that the State Water Resources Control Board released its Racial Equity Action Plan last month.

Petersen reported that the Systemwide Action Team and other workgroups continue to meet to advance the Voluntary Agreement (VA) program. Petersen reported that recent developments include the release of a revised Scientific Basis Report for the VAs. Petersen reported that staff will be coordinating with member agencies and reviewing the document for consistency with the VA framework. Petersen reported that there will be a public workshop on January 19 via Zoom and the deadline for public comment is February 8.

Petersen reported that the California Water Commission will hold its first monthly meeting of 2023 on Wednesday, January 18 in Sacramento.

Petersen reported that the State Legislature reconvened on January 4 to discuss a host of issues, including Governor Newsom's proposal to levy a penalty on the oil industry.

Kristin Olsen provided additional information on state affairs.

Petersen reported that Council on Environmental Quality has released the first formal version of

its Climate & Economic Justice Screening Tool (CEJST), which increases the number of communities eligible for funding under the Biden Administration’s Justice40 initiative to 27,251, nearly 4,000 over a beta version of the mapping tool. Petersen reported that the November 22 release of CEJST “Version 1.0” means that federal agencies may now use it to identify disadvantaged communities eligible for Justice40 dollars, including under the bipartisan infrastructure law and Inflation Reduction Act. Petersen reported that Justice40 aims to ensure overburdened and underserved areas reap at least 40 percent of the benefits of federal infrastructure investments, including remediation and reduction of legacy pollution, the development of drinking water and wastewater infrastructure, and resources to fund clean energy and climate change strategies.

Petersen reported that on Thursday, October 6, the U.S. Fish and Wildlife Service announced a proposed rulemaking to list the San Francisco Bay-Delta distinct population segment of longfin smelt as an endangered species under the Endangered Species Act (ESA). Petersen reported that the Authority joined a letter with the State Water Contractors pointing out deficiencies in the science used to support the proposed listing of the longfin smelt distinct population segment as endangered.

Petersen reported that the U.S. Army Corps of Engineers (USACE) issued a Draft Environmental Impact Statement (EIS) for the Delta Conveyance Project on December 16, 2022 for public review.

Dennis Cardoza provided additional information on federal affairs.

8. Agenda Item 10: Executive Director’s Report.

- a. **Water Rights Application**- Executive Director Federico Barajas introduced Central California Irrigation District’s General Manager Jarrett Martin, who along with Anthea Hansen, provided an update regarding Water Rights Application for the Orestimba Creek Recharge Project.
- b. **Yuba Water Agency (YWA)** – Executive Director Federico Barajas reported that YWA is in the process of releasing the NOP on the Yuba Accord.

9. Agenda Item 11: Chief Operating Officer’s Report

- a. **BIL Infrastructure Funding Applications** – Chief Operating Officer Pablo Arroyave reported that today is the deadline to upload all applications. Arroyave reported that as of yesterday, there were 46 applications Reclamation-wide.
- b. **Water Operations and Forecasts Report** – Chief Operating Officer Pablo Arroyave reported that real-time operations information will be added to the end of Tom Boardman’s Water Operations and Forecasts report.

10. Agenda Item 12: Update on Water Operations and Forecasts

Westlands Water District’s Tom Boardman reported on current Shasta storage conditions

including a brief review of reservoir inflow rates, projected refill estimates, and the chances for having a Shasta critical year. Folsom storage was also reported along with the status of snowpack in the watershed.

Delta conditions were discussed including current export pumping rates. Boardman explained how high San Joaquin flows into the Delta were helping to reduce the amount of otherwise export reductions due to the triggering of a 2019 BiOp action.

Current and near-term San Luis storage were reported followed by refill projections under dry and median conditions.

Boardman concluded his report with a brief explanation of the factors that would affect the possible Ag allocation.

Chief Operating Office Pablo Arroyave reported that Jones Pumping Plant was supposed go to five units at 8:00 a.m., but was delayed. Arroyave reported that the Intertie and O'Neill Pumping Plant are at maximum pumping. Arroyave reported that flows have ceased at the Solado Creek Levee breach.

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

Board Chair Cannon Michael highlighted the new Water Resources Committee Chair William Bourdeau and the new Finance & Administration Committee Chair Anthea Hansen.

- a. **Water Resources Committee** – Chair William Bourdeau reported that the committee met and addressed agenda items.
- b. **Finance & Administration Committee** – Chair Anthea Hansen reported that the committee met and addressed agenda items.
- c. **O&M Committee** – No report.

12. **Agenda Item 14: Outside Agency/Organization Reports.**

- a. **State and Federal Contractors Water Agency (SFCWA)** – No report.
- b. **Family Farm Alliance (FFA)** – Report included in the packet.
- c. **Farm Water Coalition** – Mike Wade provided an update on their work with the Water Blueprint for the San Joaquin Valley. Wade reported that he will be speaking at the Water Users Conference at the end of January.
- d. **Association of California Water Agencies** - Director John Varela reported on the upcoming roundtables. Director William Bourdeau reported that the Ag Committee is looking for presenters for upcoming meetings.
- e. **Water Blueprint for the San Joaquin Valley** - Water Policy Director Scott Petersen reported that the Water Blueprint will meet January 18.
- f. **SJV CAP** - Water Policy Director Scott Petersen reported that the CAP Plenary Group met

on November 22, with focus being placed on approval of a revised Term Sheet, which, if approved, will allow for the CAP to advance to Phase II. Petersen reported that during that meeting, the CAP Plenary Group adopted the revised Term Sheet, and the Steering Committee met this week to begin discussions focused on Phase 2 and the governance structure.

- g. CVPWA – Director Anthea Hansen reported that the Finance Committee will meet next Friday.

13. Agenda Item 15: Board Member Reports.

- Ara Azhderian thanked Director Jeff Cattaneo for his years of dedicated service.
- Chair Cannon Michael recognized Alternate Director Richard Santos, and Director Joe Tonascia for their 10 or more years of service.
- Director William Bourdeau reported that he will be attending the Water Users Conference at the end of the month.
- Director Jarrett Martin thanked Authority staff for coordination regarding flooding, and others also thanked staff.
- Director Anthea Hansen provided additional information on the Orestimba Creek Recharge Project.
- Director John Varela reported on storm damage in Valley Water serviced area.

14. Agenda Items 16-17: Closed Session Report.

Chair Cannon Michael adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:08 a.m. Upon return to open session at approximately 11:18 a.m., Chair Cannon Michael stated that no reportable actions were taken.

15. Agenda Item 18: Reports Pursuant to Government Code Section 54954.2(a)(3)

No report.

16. Agenda Item 19: Adjournment.

The meeting was adjourned at approximately 11:19 a.m.