

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY BOARD OF
DIRECTORS REGULAR MEETING
MINUTES FOR OCTOBER 6, 2022

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

Division 2

Ryan Ferguson, Director
William Bourdeau, Director
Beau Correia, Director

Division 3

Bill Diedrich, Director
Jarrett Martin, Alternate for Chris White
Cannon Michael, Director
Ric Ortega, Director

Division 4

Jeff Cattaneo, Director
Steve Wittry, Director

Division 5

Bill Pucheu, Director
Tom Birmingham, Director (left during Item 10)
Manny Amorelli, Director

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer
Rebecca Akroyd, General Counsel
Scott Petersen, Water Policy Director
Ray Tarka, Director of Finance
Bob Martin, Facilities O&M Director
Stewart Davis, IT Officer

Others in Attendance

Frances Mizuno, Mizuno Consulting
Mike Wade, Farm Water Coalition (ZOOM)
Tom Boardman, Westlands Water District (ZOOM)
Dana Jacobson, Valley Water
Joyce Machado, San Benito County Water District
Don Wright, WaterWrights (ZOOM)

Dennis Cardoza, Foley & Lardner, LLP (ZOOM)
Bill Ball, Foley & Lardner (ZOOM)
Kristin Olsen, Calstrat (ZOOM)
Ellen Wehr, Grasslands Water District (ZOOM)
Gary Kremen, Valley Water (ZOOM)
Vince Lucchesi, Patterson Irrigation District (ZOOM)

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 public comment.

CONSENT ITEMS

4. **Agenda Items 5-6: Board to Consider: a) Acceptance of the Financial & Expenditures Reports, b) Staff Reports.**

On a motion of Director Bill Pucheu, seconded by Director Tom Birmingham, the Board accepted the Financial Expenditures Reports, and Staff Reports. The vote on the motion was as follows:

AYES: Weisenberger, Pierce, Hansen, Ferguson, Bourdeau, Correia, Diedrich, Jarrett Martin, Michael, Ortega, Cattaneo, Wittry, Pucheu, Birmingham, Amorelli
NAYS: None
ABSTENTIONS: None

5. **Agenda Item 4: Board of Directors to Consider Approval of the September 15, 2022 Meeting Minutes.**

Director Tom Birmingham requested an edit to the Directors and Alternate Directors in Attendance list, which stated that Director Tom Birmingham left during item 14d. Birmingham confirmed that he left during item 13.

On a motion of Director Tom Birmingham, seconded by Director Ryan Ferguson, the Board accepted the September 15, 2021 meeting minutes with suggested change. The vote on the motion was as follows:

AYES: Weisenberger, Pierce, Hansen, Ferguson, Bourdeau, Correia, Diedrich, Jarrett Martin, Michael, Ortega, Cattaneo, Wittry, Pucheu, Birmingham,

	Amorelli
NAYS:	None
ABSTENTIONS:	None

ACTION ITEMS

6. Agenda Item 7: Board of Directors to Consider Finance & Administration Committee Recommendation Regarding Reallocation of FY 2023 OM&R Budget Funds, Associated Payment to Fieldman, Rolapp & Associates, Inc.

Chief Operating Officer Pablo Arroyave reviewed the memo included in the packet. Arroyave reported that this item was discussed in detail during the Finance & Administration Committee (FAC) meeting, and the FAC recommended the Board of Directors approve payment to Fieldman, Rolapp & Associates (FRA). Arroyave reported that between August 2021 and August 2022, FRA incurred estimated costs of \$190,000 performing San Luis Transmission Project (SLTP)-related tasks for the Authority. Arroyave reported that because it is customary within the municipal advisor industry for work to be conducted on a contingent basis with fees payable from bond proceeds, and there was an informal understanding with FRA regarding contingency, Authority staff and FRA staff have discussed payment of \$95,000, an amount less than the full cost of services. Arroyave reported that staff is recommending use of the \$70,000 budgeted in the FY23 OM&R budget for outside consultant services and \$25,000 that was budgeted for SLTP legal costs to compensate FRA for their SLTP efforts.

After discussion, Director Tom Birmingham made a motion, seconded by Director William Bourdeau, the Board approved the reallocation of FY 2023 OM&R Budget Funds, associated payment to Fieldman, Rolapp & Associates, Inc. The vote on the motion was as follows:

AYES:	Weisenberger, Pierce, Hansen, Ferguson, Bourdeau, Correia, Diedrich, Jarrett Martin, Michael, Ortega, Cattaneo, Wittry, Pucheu, Birmingham, Amorelli
NAYS:	None
ABSTENTIONS:	None

REPORT ITEMS

7. Agenda Item 8: Discussion Regarding FY 2023 Bipartisan Infrastructure Law Aging Infrastructure Application for CVP Transferred and Reserved Works.

Chief Operating Officer Pablo Arroyave reported that the application period has begun and staff is looking for additional feedback on projects to be submitted with the application. Arroyave presented a PowerPoint presentation, which highlighted the Bipartisan Infrastructure Law, the application process, additional funding details, and initial Authority project criteria. Arroyave then referred to Facilities O&M

Director Bob Martin to review the list of recommended projects for the next three years. Staff answered questions throughout the presentation.

8. Agenda Item 9: Report on Changes to Brown Act Resulting from Enactment of AB 2449.

General Counsel Rebecca Akroyd briefly reviewed the memo included in the packet. Akroyd reported that on September 12, 2022 Governor Newsome signed AB 2449 into law, amending certain portions of the Ralph M. Brown Act relating to teleconference participation by members of legislative bodies in public meetings. Akroyd reported that the changes are effective January 1, 2023 and can facilitate teleconference participation in the absence of a state of emergency. Akroyd reported that AB 2449 will remain in effect until January 1, 2026.

9. Agenda Item 10: Report on State and Federal Affairs.

Water Policy Director Scott Petersen reported that the Draft Environmental Impact Report (EIR) for the Delta Conveyance Project was released for public review and comment on July 27, 2022. Petersen reported that on September 23, the Department of Water resources announced that the comment period has been extended, by request, and the new end date for the comment period is Friday, December 16, 2022.

Petersen reported that on September 23, the State Water Resources Control Board released and opened a public comment period on the draft Racial Equity Action Plan, a compilation of actions intended to advance the State Water Board's efforts to create a future where California's water resources and drinking water are equitably preserved, enhanced, and restored for all Californians, regardless of race, and where race is not a predictor of professional outcomes for Water Boards employees. Petersen reported that the Racial Equity Action Plan sets goals for the State Water Board to address racial inequities and identifies metrics to measure progress. Petersen reported that the document is open for written comments until 5:00 pm on October 24, 2022.

Petersen reported that before the legislative session ended in August, state lawmakers sent Newsom 1,166 bills, of which he signed 997 and vetoed 169, according to his office. Petersen reported that makes for a veto rate of 14.5%, slightly lower than the 16.5% in 2019, his first year in office, but higher than in the pandemic-impacted years of 2020 and 2021, when he vetoed 13% and 7.9% of bills, respectively. Petersen reported that that's more or less in line with Newsom's predecessor, fellow Democrat Jerry Brown, who vetoed between 10% and 15% of bills that reached his desk during his second eight-year term as governor.

Kristin Olsen provided additional information on state affairs.

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 Longfin smelt are currently listed as a threatened species under California's Endangered Species Act, which prohibits unpermitted possession, purchase, sale or take of listed species. Petersen reported that the state's definition of take does not include harm, which under the federal ESA can include destruction of habitat. Petersen reported that the proposed rule is available for public inspection in the Federal Register Reading Room and will publish in the Federal Register on Friday, October 7, opening a 60-day public comment period.

Petersen reported that on Wednesday, October 5, the Treasury Department and the IRS announced a request for public comment on climate and renewable energy tax incentives included in the Inflation Reduction Act that was enacted in August. Petersen reported that the administration is hoping to get public comments back by Nov. 4, and the IRS fact sheet plans to consider later feedback "as practicable."

Petersen reported that over the last month, two bills have been introduced in Congress that would have implications for Authority member agencies. Petersen reported that on September 19, Congressman Harder and Congressman Garamendi introduced the Stop the Delta Tunnels Act, which includes provisions that would impact the Delta Conveyance Project. Petersen reported that on September 29, 2022, Congressmen Valadao and McCarthy, joined by the California Republican Congressional delegation, introduced the WATER for California Act, which includes provisions that, if enacted, would have impacts on a number of provisions of current law affecting member agencies. Petersen reported that if member agencies would like additional information about this legislation, please reach out to staff.

Dennis Cardoza, and Bill Ball provided additional information on federal affairs.

10. **Agenda Item II: Executive Director's Report.**

- a. **AB 2647** – Executive Director Federico Barajas reported that AB 2647, which pertains to requirements to providing documents in advance for committee/board meetings, has been signed by the Governor. General Counsel Rebecca Akroyd summarized the new requirements.
- b. **FY24 Budget Prep Process**- Executive Director Federico Barajas reported that the O&M Technical Committee meeting is scheduled later this month. Barajas reported that the Activity Agreement cost allocation process continues to advance, and the latest version will be distributed on Monday.
- c. **30th Anniversary Lunch**– Executive Director Federico Barajas reminded the Board that there will be a social luncheon right after the Board meeting.

II. **Agenda Item II: Chief Operating Officer's Report**

- a. **B.F. Sisk Dam Raise and Reservoir Expansion Project** - Chief Operating Officer Pablo

Arroyave reported that work continues on the Addendum to the feasibility study, and it has been transmitted to the policy office in Denver, which is the next step before it goes to the Commissioner's office. Arroyave reported that the Activity Agreement members have continued worked with Hallmark on a principles of agreement document, and are working with Reclamation to engage in a small group discussion. Arroyave reported that work continues on an operations agreement outline.

- b. Hyacinth – Chief Operating Office Pablo Arroyave reported that staff is assessing interest regarding cost share agreements for treatment with the Department of Boating and Waterways.

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

Westlands Water District's Tom Boardman reported on current storage at Shasta and mentioned the recent precipitation to the watershed, carry over storage, and Reclamation's refill projection for spring 2023. Folsom storage and release operations were reported along with Reclamation's refill projection.

Boardman noted that Jones pumping had recently declined to a single unit. It was stated that Jones pumping may increase to a 2-3 unit operation later in October if Delta salinity conditions improve.

The accounting balance under the Coordinated Operations Agreement was stated along with a brief report on the plans to balance the account between the SWP and CVP.

CVP San Luis storage was reported including an explanation of the amount of 2022 CVP Project water currently in SLR.

Responding to a Board member question, Boardman explained that a Shasta critical year was determined by the amount of unimpaired inflow into the reservoir rather than the amount of storage in the reservoir. Boardman also responded to a question from the public by explaining some of the assumptions supporting the distributed CVP San Luis chart under 90% exceedance hydrology.

13. Agenda Item 14: Presentation Regarding 30th Anniversary of San Luis & Delta-Mendota Water Authority.

Executive Director Federico Barajas gave a brief presentation, thanking the Board for their service, and recognized members of the board that were in attendance and have served the Authority 10-years or more, which included Director Ric Ortega, Director Bobby Pierce, Director Jeff Cattaneo, Director Dave Weisenberger, and Director Bill Pucheu. Barajas also recognized Frances Mizuno for her 30 years of service to the Authority.

14. Agenda Item 13: Committee Reports.

- a. Water Resources Committee – October meeting was cancelled.

- b. **Finance & Administration Committee** – Board Chair Cannon Michael reported that the committee met and addressed agenda items.
- c. **O&M Committee** – Board Chair Cannon Michael reported that a meeting is scheduled for October 17, 2022.

15. **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. Director William Bourdeau briefed the Board on the trip to D.C.

c. **Farm Water Coalition.**

Mike Wade reported that they are in the process of completing the new infographic on fallowing, and it will be distributed in the next week.

d. **Association of California Water Agencies.**

Director Bill Diedrich reported that Region 6 & 7 are putting on their Valley Water Forum October 14. Director William Bourdeau reported that he is nominated to be the Vice Chair of the Ag committee.

e. **Water Blueprint for the San Joaquin Valley**

Water Policy Director Scott Petersen reported that there is an upcoming large group meeting in Madera on October 12 and a Blueprint Board meeting October 19.

f. **SJV CAP**

Water Policy Director Scott Petersen reported that the SJV CAP Steering Committee plus met to discuss changes to the draft Term Sheet that was previously provided to the Board for reference. Petersen reported that a redlined version of the document is now available and is circulating amongst the various caucuses for discussion prior to the next meeting of the plenary group, which is scheduled for October 25.

G. **CVPWA**

Director Anthea Hansen provide an update regarding financial issues.

16. **Agenda Item 15: Board Member Reports.**

Director Anthea Hansen provided a brief summary of the Women in Water Conference.

Director Ric Ortega reported that Director Anthea Hansen joined him and others on a very successful trip to D.C. for the Los Vaqueros Reservoir JPA, and described upcoming Grassland Water District tours.

17. **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 11:46 a.m. Upon return to open session at approximately 12:30 a.m., Chair Cannon Michael stated that no reportable actions were taken.

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

No report.

19. **Agenda Item 19: Adjournment.**

The meeting was adjourned at approximately 12:31 p.m.