

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
MINUTES FOR NOVEMBER 7, 2019**

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 an adjourned regular meeting, with Chair Cannon Michael presiding.

Directors and Alternate Directors in Attendance

Division 1

Jim McLeod, Director - David Weisenberger
Bobbie Pierce, Director
Anthea Hansen, Director
Vince Lucchesi, Alternate for Rick Gilmore

Division 2

Don Peracchi, Director - Ryan Ferguson, Alternate
William Bourdeau, Director
John Bennett, Director
Bill Diedrich, Director

Division 3

Dan McCurdy, Director
Chris White, Director (arrived after Agenda item 5)
Cannon Michael, Director - Randy Houk, Alternate
Ric Ortega, Director

Division 4

John Varela, Director
Jeff Cattaneo, Director
Sara Singleton, Alternate for Joseph Tonascia

Division 5

Bill Pucheu, Director
Tom Birmingham, Director
Steve Stadler, Director - Tom Chaney, Alternate

Authority Representatives Present

Federico Barajas, Executive Director
Frances Mizuno, Assistant Executive Director
Rebecca Akroyd, General Counsel
Scott Petersen, Water Policy Director
Joyce Machado, Director of Finance
Bob Martin, Planning and Engineering Manager
Andrew Garcia, Senior Civil Engineer

Others in Attendance

Tom Boardman, Westlands Water District
Dennis Cardoza, (via teleconference)
Mike Wade, California Farm Water Coalition

Russ Freeman, Westlands Water District
Adam Scheuber, Del Puerto Water District
Kristi Robinson, K. Robinson Farms
Paul Fujitani, MBK Engineers
Dana Jacobson, Valley Water
Walter Bourez, MBK Engineers
Ron Milligan, MBK Engineers
Chris Park, CDM Smith
Paul Souza, U.S. Fish & Wildlife Service
Ernest Conant, Bureau of Reclamation (via teleconference)
Steve Melavic, Bureau of Reclamation
Richard Sanchez, Bureau of Reclamation

1. Pledge of Allegiance

The Pledge of Allegiance was recited.

2. Call to Order/Roll Call

Roll was called.

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

General Counsel Rebecca Akroyd removed item 10, and added regular agenda item 23, Board Reports, to the Agenda.

4. Opportunity for Public Comment

No public comment.

CONSENT ITEMS

5. Agenda Items 5-8: Board to Consider: a) Approval of October 10, 2019, Meeting Minutes, b) Acceptance of the Financial & Expenditures Reports, c) Treasurer's Report, d) Staff Reports.

On a motion of Director Bill Pucheu, seconded by Director Steve Stadler, the Board approved the October 10, 2019 Meeting Minutes with minor edits, Financial Expenditures Reports, and Staff Reports. The vote on the motion was as follows:

AYES: McLeod, Pierce, Hansen, Lucchesi, Peracchi, Bourdeau, Bennet, Diedrich, McCurdy, Michael, Ortega, Varela, Cattaneo, Singleton, Pucheu, Birmingham, Stadler

NAYS: None

ABSTENTIONS: None

ACTION ITEMS

6. Agenda Item 9: Board of Directors to Consider Resolution Recognizing the Service and Contributions of Curtis Creel, General Manager for Kern County Water Agency.

Board Chair Cannon Michael and Director Tom Birmingham commended Curtis Creel on his great personality and his exemplary contributions to California's water industry and the San Joaquin Valley over the years. They reviewed the draft resolution, which would authorize Executive Director Federico Barajas to present a certified copy of the Resolution and the Golden Bucket Award No. 32 to Curtis Creel.

On a motion of Director Tom Birmingham, seconded by Director Don Perrachi, the Board approved the resolution recognizing Curtis Creel. The vote on the motion was as follows:

AYES: McLeod, Pierce, Hansen, Lucchesi, Peracchi, Bourdeau, Bennet, Diedrich, McCurdy, White, Michael, Ortega, Varela, Cattaneo, Singleton, Pucheu, Birmingham, Stadler

NAYS: None

ABSTENTIONS: None

7. Agenda Item II: Board of Directors to Consider Resolution Adopting Justification for Single Source Procurement for Professional Services to Study Possible Future Actions Associated with the B.F. Sisk Dam Raise Project, Authorizing Execution of Agreement with CDM Smith for Professional Services and Expenditure of up to \$250,000 from the Leg/Ops Budget, and Authorizing Related Actions.

Executive Director Federico Barajas gave a brief overview of the B.F. Sisk Dam Raise Project. Barajas then introduced Chris Park from CDM Smith and Ron Milligan, Paul Fujitani, and Walter Bourez from MBK Engineers. Park, Milligan, and Bourez presented on the B.F. Sisk Dam Raise Project, which included information regarding the development of a feasibility study, environmental review, and an alternatives formulation report to assess the water supply benefits to various operational scenarios.

Following the presentation, the Board discussed the Water Resources Committee and Finance & Administration Committee's recommendations to execute an agreement with CDM Smith for concurrent alternatives formulation, preparation of the feasibility study, and environmental review for the B.F. Sisk Dam Raise Project. The Board also discussed the

development of a second Contributed Funds Agreement with the U.S. Bureau of Reclamation to perform activities related to the B.F. Sisk Dam Raise Project. Discussion continued on alternatives formulation related to project advancement under different legal authorities and associated expenses and schedule requirements.

Director Tom Birmingham made a motion that the Board adopt a Resolution Adopting Justification for Single Source Procurement for Professional Services to Study Possible Future Actions Associated with the B.F. Sisk Dam Raise Project, Authorizing Execution of Agreement with CDM Smith for Professional Services, and Authorizing Related Actions, and expenditure of up to \$410,000 from the Leg/Ops Budget. The motion was seconded by Director Bill Pucheu and passed unanimously. The vote on the motion was as follows:

AYES: McLeod, Pierce, Hansen, Lucchesi, Peracchi, Bourdeau, Bennet, Diedrich, McCurdy, White, Michael, Ortega, Varela, Cattaneo, Singleton, Pucheu, Birmingham, Stadler

NAYS: None

ABSTENTIONS: None

8. Agenda Item 12: Board of Directors to Consider Adoption of Committee Recommendations Regarding Authorization for Executive Director to Execute Contributed Funds Agreement with the Bureau of Reclamation to Perform Activities Related to the B.F. Sisk Dam Raise Project and Expenditure of up to \$50,000 from the Leg/Ops Budget.

Following discussion on item 7 above, the Board discussed the Water Resources Committee and Finance & Administration Committee recommendation to authorize execution of a Contributed Funds Agreement with the Bureau of Reclamation and expenditure of up to \$50,000 from the Leg/Ops Budget.

Director Tom Birmingham made a motion that the Board adopt the Committee Recommendations to Authorize the Executive Director to Execute a Contributed Funds Agreement with the Bureau of Reclamation to Perform Activities Related to the B.F. Sisk Dam Raise Project, and expenditure of up to \$50,000 from the Leg/Ops Budget. The motion was seconded by Director Bill Pucheu and passed unanimously. The Board action is reported as follows:

AYES: McLeod, Pierce, Hansen, Lucchesi, Peracchi, Bourdeau, Bennet, Diedrich, McCurdy, White, Michael, Ortega, Varela, Cattaneo, Singleton, Pucheu, Birmingham, Stadler

NAYS: None

ABSTENTIONS: None

REPORT ITEM

9. **Agenda Item 13: Review of Proposed Fiscal Year and Preliminary Fiscal Year 22 Operations and Maintenance (O&M) Budget.**

Assistant Executive Director Frances Mizuno gave a brief overview of the fiscal year 2021 draft O&M budget. Mizuno stated that the overall budget increased by approximately 23% from the fiscal year 2020 O&M budget. Mizuno reported that the increase was mainly due to the addition of five new positions and two conversion positions, the 2% salary increase placeholder, and additional EO&M projects. Director Bill Diedrich complimented staff efforts in preparing the O&M Budget.

10. **Agenda Item 14: Briefing on Biological Opinions for the Reinitiation of Consultation on the Long-Term Operation of the Central Valley Project and State Water Project.**

U.S. Fish and Wildlife Service Regional Director Paul Souza reported that the U.S. Fish and Wildlife Service and National Marine Fisheries Service issued new Biological Opinions on the Long-Term Operations of the Central Valley Project and State Water Project that make changes to Central Valley Project operations to conserve fisheries, while improving the flexibility of project operations including: 1) better management of the cold water pool at Lake Shasta to support Winter Run Chinook spawning, 2) improved Delta operations through increased monitoring and real-time adaptive management, 3) a commitment to independent peer review and transparency, and 4) conservation actions, including the construction of a conservation hatchery for delta smelt and integration of the Battle Creek project. Reclamation Interior Region 10 – California Great Basin Regional Director Ernest Conant provided a presentation by phone. Conant provided a recap of the Reinitiation of Consultation on Long-Term Operations of the Central Valley Project and State Water Project process that began in 2016. Conant reported that the proposed action provides operational flexibility and relies on the scientific body of knowledge developed since the previous biological opinions were issued to optimize real-time management. Chair Cannon Michael thanked both Paul Souza and Ernest Conant.

II. **Agenda Item 15: Report on State and Federal Affairs.**

Water Policy Director Scott Petersen reported that the Biological Opinions have been released and staff is undergoing an analysis to decipher the implications for operations.

Petersen reported that the Fish & Wildlife Service released a notice regarding a draft ESA listing proposed rule-making for Longfin Smelt in late 2020.

Petersen reported that there will be an advocacy trip to Washington D.C. next week

regarding the Los Vaqueros Expansion Project. Dennis Cardoza reported that he will be supporting the Los Vaqueros Expansion Project advocacy trip next week.

12. Agenda Item 16: Update on California Storage Projects.

Executive Director Federico Barajas reported that staff is working on scheduling presentations on Sites Reservoir Project and Del Puerto Canyon Reservoir Project at next month's Board meeting.

Assistant Executive Director Frances Mizuno gave a brief update on the Los Vaqueros Reservoir project. Mizuno reported that staff is focusing on the formation of the JPA for the project, and a decision is coming up for the Activity Agreement members.

13. Agenda Item 17: Update on Infrastructure Projects.

Assistant Executive Director Frances Mizuno introduce Steve Melavic and Richard Sanchez from the Bureau of Reclamation. Melavic and Sanchez provided a PowerPoint presentation on the San Luis Transmission Project, which included reports on several items including: 1) background on the project, 2) Estimated project cost, 3) DATC proposal for partnership, 4) project volume of participation capacity, 6) Timeline Review. Sanchez reported that the line could be in service by 2023.

14. Agenda Item 18: Update on Water Transfer/Exchanges/Release Program.

No update provided.

15. Agenda Item 19: Water Operations and Forecasts.

Westlands Water District's Tom Boardman reported that Jones pumping remains at minimum capacity as the delta smelt BiOp's fall X2 requirement continue to limit exports. Absent significant storms during November, CVP exports will be at minimum until at least December. Boardman reviewed a chart showing that high CVP northern storage will help to support at least a 20-25% initial allocation next year. Boardman also reviewed a chart showing that CVP San Luis storage has slipped to below average due to the export cuts related to fall X2 compliance.

Boardman concluded his report with a brief review of 2 charts showing refill projections under dry and normal hydrology along with his estimate that the revised BiOps may improve the initial allocation by up to 5% with dry hydrology and 5-10% under average hydrology.

16. Agenda Item 20: Executive Director's Report.

Executive Director Federico Barajas reported that the Authority's new Chief Operating Officer Pablo Arroyave's first day will be November 21, 2019.

Barajas reported that the Bureau will be sending out a public notice for the Operations, Maintenance and Replacement Transferred Works Agreement soon.

Barajas reminded the Board to RSVP for the dinner hosted by the Authority and Friant Water Authority and the San Joaquin River Exchange Contractors at the Fall ACWA Conference.

17. Agenda Item 21: Committee Reports.

a. Water Resources Committee Activities

No report.

b. Finance & Administration Committee Activities

No report.

c. O&M Technical Committee Activities

No report.

18. Agenda Item 22: Reports on Activities of the Following Agencies that are Outside the Authority.

a. State and Federal Contractors Water Agency (SFCWA)

No report.

b. Family Farm Alliance (FFA)

Report provided in the packet.

c. Farm Water Coalition.

Mike Wade reported that staff worked with Authority Staff on a Long-Term Transfers EIS/EIR Statement.

d. Association of California Water Agencies.

Director Bill Diedrich reported that the ACWA conference is next month.

e. San Joaquin Valley Water Infrastructure Authority. (SJVWIA)

No report.

19. Agenda Item 23: Board Member Reports.

No reports.

20. Public Comment.

No public comment.

21. Agenda Items 24-26: Closed Session Report.

Chair Cannon Michael adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:50 a.m. Upon return to open session at approximately 12:10 p.m., General Counsel Rebecca Akroyd stated that no reportable actions were taken.

22. Agenda Item 27: Reports Pursuant to Government Code Section 54954.2

No reports given.

23. Agenda Item 28: Adjournment.

The meeting was adjourned at approximately 12:10 p.m.