



**Notice of San Luis & Delta-Mendota Water Authority Special Board of Directors Meeting
and Special Joint Workshop of the Board of Directors,
Water Resources Committee, and Finance & Administration Committee
Thursday, July 11, 2019, 8:00 a.m.**

SLDMWA Boardroom
842 6th Street, Los Banos, CA

AGENDA

Note: The Board Meeting / Special Joint Workshop of the Board of Directors, Water Resources, and Finance & Administration Committee will begin at 8:00 a.m. in the SLDMWA Boardroom. At approximately 9:30 a.m., the meeting will recess to allow Board and Committee members, SLDMWA staff, and the public to travel to San Luis Reservoir and Pacheco Reservoir. A tour bus will leave from the Water Authority's office at approximately 9:30 a.m. and will return to the Water Authority's office at approximately 2:00 p.m.

Note: Any member of the public may address the Board concerning any item on the agenda before or during its consideration of that matter. For each item, public comment is limited to no more than three minutes per person. For good cause, the Chair of the Board may waive this limitation.

Note Further: The order of agenda items is subject to change.

1. Pledge of Allegiance
2. Call to Order/Roll Call
3. Board to Consider Corrections or Additions to the Agenda of Items, as authorized by Government Code Section 54950 et seq.
4. Opportunity for Public Comment – Any member of the public may address the Board concerning any matter not on the agenda, but within the Board's jurisdiction. Public comment is limited to no more than three minutes per person. For good cause, the Chair of the Board may waive this limitation.

Consent Calendar

Note: All matters listed on the Consent Calendar are considered to be routine and non-controversial and will be acted upon by a single action of the Board of Directors, unless a Board Member requests separate consideration of the item. If such a request is made, the item may be heard as an action item at this meeting.

5. **Board of Directors to Consider Approval of May 30, 2019 Workshop and June 6, 2019 Meeting Minutes**
6. **Board of Directors to Consider Acceptance of Financial & Expenditures Reports**
7. **Board of Directors to Consider Acceptance of Staff, Committee, and Outside Agency Reports:**
 - a. **Operations & Maintenance**
 - b. **Water Resources Committee Agenda**
 - c. **Finance & Administration Committee Agenda**
 - d. **Family Farm Alliance**

Action Items

8. **Board of Directors to Consider the Finance & Administration Committee Recommendation Regarding the FY16 Audited Financial Statements, Bill Patterson, Sampson, Sampson & Patterson, LLP**
9. **Board of Directors to Consider the Finance & Administration Committee Recommendation Regarding the WY 19 Recalculated O&M Rates, Mizuno**

10. **Board of Directors to Consider Adopting the 2019 Strategic Plan, including Implementation Plan, Barajas**
11. **Board of Directors to Consider Rejecting Claims Arising from Traffic Collision on May 30, 2019 with Water Authority Vehicle, Mizuno**

Report Items

12. Executive Director's Report, Barajas
(May include reports on activities related to 1) CVP/SWP water operations; 2) regulation of the CVP/SWP; 3) existing or possible new State and Federal policies; 4) Water Authority activities)
13. Report on Water Infrastructure and Innovation Act (WIFIA) Letter of Interest, Mizuno
14. Report on State and Federal Affairs, Petersen
15. Update on Water Policy/Resources Activities, Petersen
(May include reports on activities related to 1) Reinitiation of Consultation on Long-Term Operations of the Central Valley Project and State Water Project, including environmental compliance; 2) State Water Resources Control Board action; 3) San Joaquin River Restoration Program; 4) Delta conveyance; 5) Delta Stewardship Council action; 6) San Joaquin Valley Water Blueprint.)
16. Update on Water Operations and Forecasts, Boardman
17. Presentation Regarding Pacheco Reservoir Expansion Project, Valley Water
18. Presentation Regarding San Luis Reservoir Expansion Project, Reclamation
19. **CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of Litigation Pursuant to paragraph (4) of Subdivision (d) of Government Code Section 54956.9 – 8 potential cases

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant Exposure to Litigation Pursuant to Paragraph (2) or (3) of Subdivision (d) of Government Code Section 54956.9 – 2 potential cases

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Existing Litigation Pursuant to paragraph (1) of Subdivision (d) of Section 54956.9

- A. Natural Resources Defense Council et al. v. Bernhardt et al., U.S. District Court, E.D. Cal., Case No. 1:05-cv-01207, LJO-BAM (Old FWS – OCAP BO/Contracts)
- B. Modesto Irrigation District, et al. v. State Water Resources Control Board & Woods Irrigation Company, Sacramento County Superior Court Case No. 34-2011-80000803 (Complaint for Declaratory Relief re Woods Irrigation Company)
- C. SWRCB Water Rights Complaints: Modesto Irrigation District, State Water Contractors, San Luis & Delta- Mendota Water Authority, Interested Persons in SWRCB CDO Enforcement Proceedings and/or Petitions for Reconsideration: Pak & Young; Mussi et al; George Speckman Testamentary Trust (Water Rights Complaints)
- D. 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., Case No. 2:11-CV-02980-KJM-CKD, Appeal No. 17-17130 ("PCFFA v Glaser" or "GBP Citizens Suit")
- E. San Luis & Delta-Mendota Water Authority and Westlands Water District v. Delta Stewardship Council, et al., Sacramento County Superior Court Case No. 34-2013-80001500 (Delta Plan Litigation). Appeals in Delta Plan Litigation: State Water Contractors, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082944); California Water Impact Network, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); Central Delta Water Agency, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); North Coast Rivers Alliance, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No.C082994); San Luis & Delta-Mendota Water Agency, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); Save the California Delta Alliance v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994)
- F. California Sportfishing Protection Alliance, et al. vs. California State Water Resources Control Board, et al., Alameda County Superior Court Case No. RG15780498 (State WQCP/TUCP)
- G. City of Fresno, et al. v. United States, U.S. Court of Federal Claims, Case No. 16-1276L (Friant Takings Suit)
- H. Monterey Coastkeeper, et al. v. Central Valley Regional Water Quality Control Board, et al., Sacramento County Superior Court Case No. 34-2018-80002853; Environmental Law Foundation v. State Water Resources Control Board,

- I. North Coast Rivers Alliance v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002898; Central Delta Water Agency v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002900; Friends of the River v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002901; California Water Impact Network v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002904 ("Delta Plan Amendment Cases")

20. Return to Open Session
21. Report from Closed Session, if any Required by Government Code Section 54957.1
22. **San Luis/Pacheco Reservoirs Tour – Itinerary Below**
23. Reports Pursuant to Government Code Section 54954.2(a)(3)
24. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Felicia Luna 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 or 1 for special day(s) before the meeting date.

San Luis/Pacheco Reservoirs Tour - Itinerary

The group will depart from the Water Authority's Los Banos office at approximately 9:30 a.m. and travel to San Luis Reservoir.

- 10:15 a.m. – San Luis Reservoir Tour
- 11:00 a.m. – Travel to Pacheco Reservoir
- 11:30 a.m. – Pacheco Reservoir Tour
- 12:30 p.m. – Travel to Casa de Fruta
- 12:45 p.m. – Lunch and meeting adjournment
- 1:30 p.m. – Departure and travel to the Water Authority's Los Banos Office

NOTES: A quorum of the Board of Directors, Water Resources Committee, and Finance & Administration Committee may participate in the tour. However, there will be no actions taken during the tour portions of the Special Meeting/Workshop, and Board business will not be discussed on the tour bus. The tour is for educational purposes only. Members of the public are invited to participate in the tour but must provide their own transportation. Casual attire and walking shoes are recommended, as the tour may include un-paved areas.

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
SPECIAL JOINT WORKSHOP OF THE BOARD OF DIRECTORS, WATER RESOURCES
COMMITTEE, AND FINANCE & ADMINISTRATION COMMITTEE
MINUTES FOR MAY 30, 2019**

The Board of Directors of the San Luis & Delta-Mendota Water Authority convened at approximately 8:10 a.m. at Shasta Dam Visitor Center, 16349 Shasta Dam Boulevard, in Shasta Lake, California for a Special Joint Workshop, with Chair Cannon Michael presiding.

Directors and Alternate Directors in Attendance

Division 1

Dave Weisenberger, Alternate for Jim McLeod
Anthea Hansen, Director
Rick Gilmore, Director

Division 2

John Bennett, Director
Bill Diedrich, Director - Lon Martin, Alternate for Bill Diedrich

Division 3

Chris White, Alternate
Cannon Michael, Chair/Director
Ric Ortega, Director

Division 4

Gary Kremen, Director

Division 5

Thomas Chaney, Alternate for Steve Stadler

Water Resources Committee Members Present

Ex-Officio

Cannon Michael

Division 1

Anthea Hansen, Alternate

Division 2

Bill Diedrich, Member

Division 3

Chris White, Alternate

Division 4

Absent

Division 5

Absent

Finance & Administration Committee Members Present

Ex-Officio

Cannon Michael

Division 1

Rick Gilmore, Member - Anthea Hansen, Alternate

Division 2

Absent

Division 3

Chris White, Alternate

Division 4

Absent

Division 5

Jason Philips, Member

Authority Representatives Present

Federico Barajas, Executive Director

Frances Mizuno, Assistant Executive Director

Rebecca Akroyd, General Counsel

Scott Petersen, Water Policy Director

Bob Martin, Planning & Engineering Manager

Paul Stearns, O&M Manager

Brandon Soares, Civil Maintenance Superintendent

Chauncey Lee, Water Operations Superintendent

Others in Attendance

Nina Hawk, Valley Water

Dennis Cardoza

James Thoming, Banta-Carbona Irrigation District

Steve Chedester, San Joaquin River Exchange Contractors Water Authority

Jarrett Martin, Central California Irrigation District

Jeff Payne, Friant Water Authority

Don Bader, Reclamation

Richard Welsh, Reclamation

Tami Corn, Reclamation

Nick Janes, Byron-Bethany Irrigation District

Kathryn Boren, Westlands Water District

Diana Giraldo, Westlands Water District

Mike Wade, California Farm Water Coalition

Brandon Souza, California Farm Water Coalition

Derek Azevedo, Bowles Farming Company

1. Call to Order/Roll Call

Roll was called.

2. Opportunity for Public Comment

No public comments.

3. Shasta/McCloud River Tour

After Executive Director Federico Barajas and Reclamation's Northern California Area Manager Don Bader gave brief introductory remarks, the Bureau of Reclamation's Richard Welsh gave a PowerPoint presentation regarding the Shasta Dam and Reservoir Enlargement Project. Welsh highlighted the estimated cost of the project, applicable timelines, and funding issues.

Next, Reclamation Project Coordination Specialist Tami Corn led the group in a walking tour around Shasta Dam facilities.

At approximately 9:30 a.m., the group departed to continue on to a tour of the McCloud River, which included stops at the McCloud Bridge, the Bollibokka Fly Fishing Club, and other locations along the McCloud River, to hear additional information regarding the Shasta Dam and Reservoir Enlargement Project.

4. Agenda Item 9: Adjournment.

The meeting was adjourned at approximately 2:00 p.m. at a stop along the McCloud River, whereby attendees departed to their respective destinations.

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
MINUTES FOR JUNE 6, 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 a regular meeting, with Chair Cannon Michael presiding.

Directors and Alternate Directors in Attendance

Division 1

Jim McLeod, Director - David Weisenberegger
Bobby Pierce, Director
Anthea Hansen, Director
Rick Gilmore, Director - Vince Lucchesi, Alternate

Division 2

Ryan Ferguson, Alternate for Don Peracchi
Michael Linneman, Alternate for John Bennett
Bill Diedrich, Director

Division 3

Dan McCurdy, Director - Jeff Bryant, Alternate
Chris White, Alternate for James O'Banion (Arrived during item 8)
Cannon Michael, Director
Ric Ortega, Director

Division 4

John Varela, Director - Garth Hall, Alternate
Jeff Cattaneo, Director (via teleconference, not counted towards quorum or for any vote)

Division 5

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
Lauren Neves, Accountant III
Diane Rathmann, Legal Counsel

Others in Attendance

Tom Boardman, Westlands Water District
Dennis Cardoza, Foley & Lardner LLP (via teleconference)
Duane Stroup, Bureau of Reclamation
Martin Rauch, Rauch Communications (via teleconference)
Russ Freeman, Westlands Water District (via teleconference)

Joe McGahan, Summers Engineering
Mike Wade, California Farm Water Coalition
Jarrett Martin, Central California Irrigation District
Rowan Azhderian, Grasslands Water District

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.

No corrections or additions to the Agenda.

4. Opportunity for Public Comment

Alternate Director Jeff Bryant announced that Director Mike Stearns has officially retired from the SLDMWA Board of Directors, and introduced his replacement Don McCurdy.

Director John Varela complemented Executive Director Federico Barajas for his report at the Valley Water Board meeting, which helped give the Valley Board a better understanding of what the Authority is, and what it does for its members.

CONSENT ITEMS

5. Agenda Items 5-8: Board to Consider: a) Approval of May 16, 2019 Meeting Minutes, b) Acceptance of the Financial & Expenditures Reports, c) Staff Reports

On a motion of Director Rick Gilmore, seconded by Director Steve Stadler, the Board approved Meeting Minutes, Financial Expenditures Reports, and Staff Reports. The vote on the motion was as follows:

AYES:	McLeod, Pierce, Hansen, Gilmore, Ferguson, Linneman, Diedrich, McCurdy, Michael, Ortega, Varela, Birmingham, Stadler
NAYS:	None
ABSTENTIONS:	None

ACTION ITEMS

6. Agenda Item 8: Board of Directors to Consider the Finance and Administration Committee Recommendation to Approve Purchase of New Motor Grader from Pape Machinery for \$283,000 with a Zero Interest Loan.

Executive Director Federico Barajas explained to the Board that the original graders were purchased in 1992-1993, and are due for replacement. Barajas reported that the current FY20 O&M budget includes a line item of \$345,000 to purchase one of these graders with the second grader scheduled to be budgeted and replaced in FY21. Barajas informed the Board that Pape Machinery has offered the Authority the option to purchase a second motor grader this year with zero interest credit, and a balloon payment due in March 2020 so that the Authority can take advantage of the 2019 pricing, and budget the necessary funds in the FY21 O&M budget. Barajas reported that the loan required would be \$256,000 as Pape Machinery is providing \$27,000 trade-in value on the existing grader.

On a motion of Director Steve Stadler, seconded by Director Rick Gilmore, the Board approved purchase of a new Motor Grader from Pape Machinery for \$283,000 with a zero interest loan. The vote on the motion was as follows:

AYES:	McLeod, Pierce, Hansen, Gilmore, Ferguson, Linneman, Diedrich, McCurdy, Michael, Ortega, Varela, Birmingham, Stadler
NAYS:	None
ABSTENTIONS:	None

7. Agenda Item 9: Board of Directors to Consider the Finance & Administration Committee Recommendation to Approve Expenditure of \$15,000 from the Technical Budget to Provide Initial Funding Support to the San Joaquin Valley Blueprint Effort.

Water Policy Director Scott Petersen gave a brief background on this effort explaining that the Blueprint Effort, which was developed with input from a broad range of stakeholders, is intended to serve as a roadmap to modernizing the water infrastructure systems and optimizing system operations to address the Valley's water imbalance. Petersen reported that the Finance & Administration Committee recommended that the Board approve a \$15,000 expenditure from the Technical Budget to provide initial funding support to the San Joaquin Valley Blueprint effort, that the Authority's contribution would be applied toward economic analysis of the effort and would go to the 501(c)(3) organization involved with the effort.

On a motion of Director Tom Birmingham, seconded by Director Bill Diedrich, the Board approved expenditure of \$15,000 from the Technical Budget to provide initial funding to the

501(c)(3) organization to provide support to the San Joaquin Valley Water Blueprint Effort. The vote on the motion was as follows:

AYES:	McLeod, Pierce, Hansen, Gilmore, Ferguson, Linneman, Diedrich, McCurdy, White, Michael, Ortega, Varela, Birmingham, Stadler
NAYS:	None
ABSTENTIONS:	None

8. Agenda Item 10: Board of Directors to Consider the Finance & Administration Committee Recommendation to Authorize Submittal of Letter of Interest for Water Infrastructure and Innovation Act (WIFIA) Funding for the Jones Pumping Plant Unit Rewind Project.

Executive Director Federico Barajas reported that staff is planning on submitting a letter of interest to acquire WIFIA funding to seek funding for the 4 remaining units at Jones Pumping Plant on July 2, 2019 to ensure it is received by the deadline of July 5. Barajas explained that the WIFIA Program has opened their 2019 round of funding, and priority projects are evaluated based on readiness to proceed toward development and the extent to which the project will address needs for repair, rehabilitation or replacement of aging infrastructures. Barajas also reported that the minimum project size is \$20 million with the amount of WIFIA funding not to exceed 49% of reasonably anticipated eligible project costs. Barajas also reported that the WIFIA program lends at a low, fixed interest rate equal to the Treasury Rate averaging 3 percent. Barajas explained that the O&M budget is utilized to retain consultants, Fieldman, Rolapp and Associates to provide financial assistance and Stantec to prepare the letter of interest package. Both consultants have previous experience with WIFIA letter of interest and application submittal process. Some Board members expressed their position that staff already had existing authority to submit the letter of interest.

On a motion of Director John Varela, seconded by Director Rick Gilmore, the Board authorized submittal of a letter of interest for WIFIA funding for the Jones Pumping Plant Unit Rewind Project. The vote on the motion was as follows:

AYES:	McLeod, Pierce, Hansen, Gilmore, Ferguson, Linneman, Diedrich, McCurdy, White, Michael, Ortega, Varela, Stadler
NAYS:	None
ABSTENTIONS:	Birmingham

9. Agenda Item 11: Board of Directors to Consider Adopting Resolution Authorizing

Application for the 2018 IRWM Implementation Grant on behalf of the Tulare-Kern Funding Area and Execution of Agreement with the California Department of Water Resources.

Agenda Item 12: Board of Directors to Consider Adopting Resolution Authorizing Application for the 2018 IRWM Implementation Grant on behalf of the San Joaquin River Funding Area and Execution of Agreement with the California Department of Water Resources.

Water Policy Director Scott Petersen reported that the Prop 1 IRWM Implementation Grant Program will be the primary source of funds available to the Water Authority as the Regional Water Management Group for the region. He reported that the Proposal Solicitation Process outlining the requirements for applications for grant funding is out, and applications are being prepared and will be submitted beginning in November 2019. Petersen reported that staff recommends that the Board authorized the submittal of both grant applications and authorize the Executive Director to execute both state agreements, if funding is awarded for each Funding Area. Petersen reported that the cost of these applications and grant administration will be paid only by the participating agencies under the IRWM Activity Agreement and Memoranda of Agreements.

On a motion of Director Tom Birmingham, seconded by Director Anthea Hansen, the Board adopted both Resolutions authorizing application for the 2018 IRWM Implementation Grant on behalf of the Tulare-Kern funding area and the San Joaquin River funding area and execution of agreements with the California Department of Water Resources. The vote on the motion was as follows:

AYES: McLeod, Pierce, Hansen, Gilmore, Ferguson, Linneman,
Diedrich, McCurdy, White, Michael, Ortega, Varela,
Birmingham, Stadler

NAYS: None

ABSTENTIONS: None

REPORT ITEM

10. Agenda Item 13: Report on State and Federal Affairs.

Water Policy Director Scott Petersen reported that on the federal side, Congress held a number of Congressional hearings associated with Authority priorities, including nominations for the Assistant Secretary for Fish, Wildlife and Parks at the Department of the Interior, legislation including H.R. 2473, the SAVE Water Resources Act, and appropriations legislation. Authority staff submitted a letter of support on H.R. 2473 with proposed language to specifically

include Pacheco Reservoir in Section 5 of the bill, per Board direction. Petersen noted that an Authority Board Member, Anthea Hansen, will testify before the Water, Oceans and Wildlife Subcommittee, which marks the second Authority Board Member testifying before Congress during this calendar year.

In California, Senate Bill 1 passed out of the California Senate on May 30 on a 28-10 vote. Per direction from the Board, staff submitted a letter outlining concerns with the legislation and signed onto a coalition letter outlining water supply issues with the legislation, unless it's amended. Other Authority tracked bill activity included passage of Senate Bill 62, passage of Senate Bill 487, and Assembly passage of Assembly Joint Resolution 8. Staff will continue to monitor and provide updates as the legislative process continues.

11. Agenda Item 14: Update on Long-Term Storm Water Plan for the Grassland Drainage Area.

Joe McGahan from Summers Engineering provided a brief PowerPoint presentation providing a summary of Grassland Bypass Project and Long-Term Storm Water Plan, which was included in the Board packet.

12. Agenda Item 15: Update on Water Policy/Resources Activities.

Water Policy Director Scott Petersen gave a brief update on Reinitiation of Consultation on Long-Term Operations (ROC on LTO) reporting that on January 31, 2019 Reclamation transmitted a final Biological Assessment to U.S. Fish & Wildlife Service and the National Oceanic and Atmospheric Fisheries, beginning their review of the Biological Assessment and the 135-day requirement to issue Biological Opinions, which would need to be completed by June 17, 2019, in order to comply with the Presidential Memo, but recently Reclamation indicated that there will be a two-week delay. Petersen reported that on May 28, 2019, the Authority signed onto a letter commenting on the NOP of the Long-Term Operations for the State Water Project, indicating that coordinated operations between the CVP and SWP indicate that DWR should work closely with Reclamation in the development of the EIR for Long-Term Operations of the State Water Projects.

Petersen gave a brief update on the Bay Delta Water Quality Control Plan reporting that there is ongoing work to more fully develop the Voluntary Agreements package to be submitted to the State Water Resources Control Board in June and the Plenary Group has now formed multiple working groups associated with the implementation of potential Voluntary Agreements, including a Governance, Science and Adaptive Management work group, a Legal work group, and

Assets to Outcomes work group, and a Policy work group.

Petersen gave a brief update regarding California WaterFix, reporting that Reclamation hosted a meeting May 31, 2019 of CVP contractors to discuss federal participation in what is now known as the “Large Scale Delta Conveyance Project.” Petersen reported that there are multiple options for federal participation, and Reclamation intends to hold CVP workshops to explore options how Reclamation will interact with this revised project description. Petersen concluded stating that at this point, DWR will be the lead for the California environmental permitting process and CEQA scoping meetings are anticipated to begin in the fall.

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

Executive Director Federico Barajas expressed his appreciation to all who were able to attend the Shasta/McCloud tour, and noted that all feedback was very positive. Barajas also informed the Board that a video will be available soon for those that were unable to attend.

Barajas gave a brief update on B.F. Sisk Raise, reporting that the Authority is continuing to work with Reclamation on that effort, and would like to form a small working group to look at different operational scenarios in order to have an operations plan to engage with Reclamation.

Barajas reported that there will be tour of Pacheco Reservoir next month. Authority staff coordinating logistics with Valley Water staff.

14. Agenda Item 17: Update on Strategic Planning Process.

Executive Director Federico Barajas gave a brief summary of the draft implementation plan. Barajas reported that the document will be sent out next week for a two-week review, and staff would like to present the final document for approval at the July Board meeting. Director Garth Hall requested scheduling a small working group to discuss Goal 5 regarding the Scientific and Technical Credibility and Influence.

15. Agenda Item 18: Update on Water Operations and Forecasts.

Westlands Water District’s Tom Boardman reported Jones pumping increased to capacity on June 1 following two months of a cap on pumping of 25-30% due to the San Joaquin river Inflow to Export ratio as required under the salmon BiOp. CVP pumping is expected to remain at capacity into September.

Boardman reported both Shasta and Folsom are near capacity as reservoir inflow has reached or will soon reach its peak for the year. Flood flows into the Pool from Pine Flat and Millerton began in late May. Flood flows are currently meeting all Pools demands and are

expected to continue doing so through at least June.

Boardman briefly described two charts that illustrated different operational considerations that could have resulted in higher allocations to Authority member agencies. The charts showed that the current CVP San Luis draw down rate could support an Ag allocation much more than 70% and still keep CVP San Luis above 300 TAF at the end of August

16. Agenda Item 19: Executive Director's Report.

Executive Director Federico Barajas reported that a support letter was sent to the Honorable Josh Harder May 24, 2019 in support of H.R. 2473, along with a request to include language in the legislation that identifies both San Luis Reservoir expansion and Pacheco Reservoir expansion. A copy of the letter was included in the Board packet.

Barajas reported that a board member orientation will be offered to the new board members soon.

Barajas informed the Board that the July 11, 2019 board meeting will be held somewhere near the Pacheco Reservoir. Barajas reported that this meeting will be a board meeting, combined with a tour of B.F. Sisk and Pacheco Reservoir. More information will be sent out soon.

17. Agenda Item 20: Committee Reports.

a. Water Resources Committee Activities

No report given.

b. Finance & Administration Committee Activities

No report given.

c. O&M Technical Committee Activities

Alternate Director Chris White reported that there was an O&M tour on May 20, 2019, and the committee is working on financials for the next fiscal year.

18. Agenda Item 21: Reports on Activities of the Following Agencies that are Outside of the Authority.

a. State and Federal Contractors Water Agency (SFCWA)

Director Rick Gilmore reported that the next SFCWA meeting is June 14, 2019.

b. Family Farm Alliance (FFA)

No report given.

c. Farm Water Coalition.

Mike Wade reported that staff continues to work on the Shasta/McCloud tour video.

d. Association of California Water Agencies.

Director Bill Diedrich reported that he would like staff and leadership to engage more vigorously with ACWA on SB 1. Diedrich also reported that ACWA's Ag Committee will take on the Blueprint process, and it will be an action item in the near future.

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

Chair Cannon Michael reported they are still working on transition plan.

19. Agenda Item 22: Monthly Staff Reports.

a. Water Transfer/Exchanges/Release Program Update.

Assistant Executive Director Frances Mizuno reported that there are two water transfers available this year: 1) the 5-year Exchange Contractor Water Transfer (allocated based on the Ag water service allocation), and 2) 60taf of Yuba County Water Agency water is available, but there is no capacity to pump this water at this time.

b. San Luis Transmission Project Update

Assistant Executive Director Frances Mizuno reported that the current cost of the project is about \$290,000,000 and that the design is essentially complete and pending funding for the construction. Mizuno stated that the Authority had previously entered into an MOU with Duke American Transmission Company (DATC), Reclamation, and Western with the objective that DATC would partner with the Authority for the construction of the SLTP. The concept being considered is DATC will finance and won 100% of the SLTP. They will enter into a 30-year transmission service agreement with Reclamation/Western Area Administration for 400 MW necessary to serve the CVP load under an annual rate that would be paid by the CVP Contractors. The remaining capacity would be marketed by DATC. At the end of the 30-year agreement, the transmission capacity ownership will be transferred to Reclamation for \$1.00. Mizuno noted that the concept with DATC funding is to ensure the cost is less than if the Authority financed the project itself. Mizuno concluded reporting that current CVP San Luis load averages 200-250mw. Therefore, with 400mw there will be excess capacity that WAPA will re-market, and the revenue from this excess capacity sale will be applied to offset the cost.

20. **Public Comment:**

Director Bill Diedrich thanked Valley Water for allowing him to participate in their meeting.

21. **Agenda Items 23-25: Closed Session Report.**

Chair Cannon Michael adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:20 a.m. Upon return to open session at approximately 11:30 a.m., General Counsel Rebecca Akroyd stated that no reportable actions were taken.

22. **Agenda Item 26: Reports Pursuant to Government Code Section 54954.2**

No reports given.

23. **Agenda Item 27: Adjournment.**

The meeting was adjourned at approximately 11:30 a.m.



MEMO

TO: Board of Directors

FROM: Joyce Machado, Director of Finance

SUBJECT: July 2019 BOD Meeting Report - Finance
Fiscal Year - March 1, 2019 through February 29, 2020

DATE: July 11, 2019

Attached are the Financial & Expenditures Reports

San Luis & Delta-Mendota Water Authority
Receivable Activity Report (Does Not Include Water Payment Transactions)
Month Ending May 31, 2019

	SELF-FUNDING DIST/OTHERS	MEMBERS	USBR EMERGENCY	USBR GRANTS	USBR MISC.	OTHER	TOTAL RECEIVABLE
RECEIVABLE BALANCE APRIL 30, 2019	\$ -	\$ 659,086.00	\$ 56,352.26	\$ -	\$ -	\$ 509,803.86	\$ 1,225,242.12
Billings:							
Cobra - Various Employees						2,092.36	2,092.36
Long Term North to South Transfer Costs - Various Districts						195,694.81	195,694.81
Los Vaqueros Reservoir Expansion Project - Various Districts						157,391.00	157,391.00
Milepost 1/1/19 - 3/31/19 - Various Districts						5,152.70	5,152.70
San Joaquin Valley Drainage Authority - March/April Expenses						10,673.42	10,673.42
SJRECWA - Various Districts						1,116,780.00	1,116,780.00
State Water Contractors - Delta Following Pilot Program						7,356.25	7,356.25
Temperance Flat Reservoir Project - Various Districts						9,874.67	9,874.67
Volta Groundwater Wells - Various Districts						145.72	145.72
TOTAL BILLINGS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,505,160.93	\$ 1,505,160.93
Collections:							
Byron-Bethany Irrigation District - Cost Difference - Galvanized/Stanislaus Steel Gates						16,558.79	16,558.79
Cobra - Various employees						2,092.36	2,092.36
Long Term North to South Transfer Costs - Various Districts						142,758.31	142,758.31
Membership FY19/20 - 1st Installment		166,372.75					166,372.75
Milepost 1/1/19-3/31/19 - Various Districts						4,507.10	4,507.10
San Joaquin Valley Drainage Authority - February 2019 Expenses						11,339.17	11,339.17
SJRECWA - Various Districts						89,040.00	89,040.00
Temperance Flat Reservoir Project - Various Districts						4,556.54	4,556.54
USBR Emergency Services Control R15PC00029 - 01/01/19-03/31/19			56,352.26				56,352.26
Volta Groundwater Wells PG&E Costs - Various Districts						145.72	145.72
Water Activity Agreement - Various Districts						89,143.77	89,143.77
TOTAL COLLECTIONS	\$ -	\$ 166,372.75	\$ 56,352.26	\$ -	\$ -	\$ 360,141.76	\$ 582,866.77
RECEIVABLE BALANCE AS OF PERIOD ENDING MAY 31, 2019	\$ -	\$ 492,713.25	\$ -	\$ -	\$ -	\$ 1,654,823.03	\$ 2,147,536.28

San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - Operational
For Month Ending May 31, 2019

		Daily Interest Rates: Type of Account: Account #:	Cash on Hand	0.00% CVCB Checking 0471	0.00% CVCB Payroll 0489	1.80% CVCB Transactional 0463	1.60% CVCB Munl 4858	ST 2.51% MT 2.32% Cal Trust 25-10	2.45% LAIF 4-006	Petty Cash	Total
Cash Balance as of 4/30/19			0.00	(247,230.50)	10.00	7,915,723.77	1,489,232.75	18,626,755.50	14,031,606.96	700.00	42,016,798.48
Receipts - Remote Deposit											
05/01/19	Deposit		0.00	0.00	0.00	10,486.97	0.00	0.00	0.00	0.00	10,486.97
05/03/19	Deposit		0.00	0.00	0.00	2,337.50	0.00	0.00	0.00	0.00	2,337.50
05/06/19	Deposit		0.00	0.00	0.00	117,652.94	0.00	0.00	0.00	0.00	117,652.94
05/08/19	Deposit		0.00	0.00	0.00	1,647.29	0.00	0.00	0.00	0.00	1,647.29
05/09/19	Deposit		0.00	0.00	0.00	33,470.64	0.00	0.00	0.00	0.00	33,470.64
05/13/19	Deposit		0.00	0.00	0.00	9,828.28	0.00	0.00	0.00	0.00	9,828.28
05/17/19	Deposit		0.00	0.00	0.00	387,667.50	0.00	0.00	0.00	0.00	387,667.50
05/20/19	Deposit		0.00	0.00	0.00	387,020.92	0.00	0.00	0.00	0.00	387,020.92
05/22/19	Deposit		0.00	0.00	0.00	7,720.65	0.00	0.00	0.00	0.00	7,720.65
05/23/19	Deposit		0.00	0.00	0.00	82,538.27	0.00	0.00	0.00	0.00	82,538.27
05/24/19	Deposit		0.00	0.00	0.00	380.79	0.00	0.00	0.00	0.00	380.79
05/28/19	Deposit		0.00	0.00	0.00	93,337.55	0.00	0.00	0.00	0.00	93,337.55
05/29/19	Deposit		0.00	0.00	0.00	74,395.00	0.00	0.00	0.00	0.00	74,395.00
05/30/19	Deposit		0.00	0.00	0.00	16,010.47	0.00	0.00	0.00	0.00	16,010.47
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	1,224,494.77	0.00	0.00	0.00	0.00	1,224,494.77
Date	Wired Receipts - Direct Deposit										
05/13/19	FWA - SF O&M		0.00	0.00	0.00	1,023,043.52	0.00	0.00	0.00	0.00	1,023,043.52
05/15/19	WWD - SF O&M		0.00	0.00	0.00	7,132,895.98	0.00	0.00	0.00	0.00	7,132,895.98
05/15/19	SLWD - SF O&M		0.00	0.00	0.00	560,382.62	0.00	0.00	0.00	0.00	560,382.62
05/17/19	FWA - SF O&M		0.00	0.00	0.00	2,775,634.31	0.00	0.00	0.00	0.00	2,775,634.31
05/21/19	BBID - SF O&M		0.00	0.00	0.00	15,879.36	0.00	0.00	0.00	0.00	15,879.36
05/23/19	BBID - AquAlliance		0.00	0.00	0.00	1,798.00	0.00	0.00	0.00	0.00	1,798.00
05/31/19	SLWD - AquAlliance		0.00	0.00	0.00	10,904.00	0.00	0.00	0.00	0.00	10,904.00
05/31/19	WWD - AquAlliance		0.00	0.00	0.00	104,226.00	0.00	0.00	0.00	0.00	104,226.00
			0.00	0.00	0.00	11,624,763.79	0.00	0.00	0.00	0.00	11,624,763.79
Date	Direct Deposit In from USBR										
05/06/19	Emergency Services Support 1/1-3/31/19		0.00	0.00	0.00	56,352.26	0.00	0.00	0.00	0.00	56,352.26
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Date	To/From CAR - DHCCP										
			0.00	0.00	0.00	56,352.26	0.00	0.00	0.00	0.00	56,352.26
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Date	Checks Written										
05/01/19	Accounts Payable		0.00	(209,746.96)	0.00	0.00	0.00	0.00	0.00	0.00	(209,746.96)
05/08/19	Accounts Payable		0.00	(583,087.71)	0.00	0.00	0.00	0.00	0.00	0.00	(583,087.71)
05/10/19	Payroll		0.00	0.00	(227,712.78)	0.00	0.00	0.00	0.00	0.00	(227,712.78)
05/14/19	Accounts Payable		0.00	(2,091,636.76)	0.00	0.00	0.00	0.00	0.00	0.00	(2,091,636.76)
05/21/19	Accounts Payable		0.00	(363,524.25)	0.00	0.00	0.00	0.00	0.00	0.00	(363,524.25)
05/22/19	Accounts Payable		0.00	(7,798.52)	0.00	0.00	0.00	0.00	0.00	0.00	(7,798.52)
05/22/19	Accounts Payable-Visa		0.00	(9,855.48)	0.00	0.00	0.00	0.00	0.00	0.00	(9,855.48)
05/24/19	Payroll		0.00	0.00	(229,745.36)	0.00	0.00	0.00	0.00	0.00	(229,745.36)
05/28/19	Accounts Payable		0.00	(13,110.16)	0.00	0.00	0.00	0.00	0.00	0.00	(13,110.16)
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	(3,278,759.84)	(457,458.14)	0.00	0.00	0.00	0.00	0.00	(3,736,217.98)
Date	Wires for ICMA Contributions & P/R Taxes										
05/01/19	EDD 4/6-4/19/19 SDI & SWT		0.00	(16,217.98)	0.00	0.00	0.00	0.00	0.00	0.00	(16,217.98)
05/01/19	EDD 4/6-4/19/19 UI & ETT		0.00	(41.58)	0.00	0.00	0.00	0.00	0.00	0.00	(41.58)
05/01/19	IRS 4/6-4/19/19		0.00	(45,408.98)	0.00	0.00	0.00	0.00	0.00	0.00	(45,408.98)
05/13/19	ICMA 4/20-5/3/19		0.00	(131,446.53)	0.00	0.00	0.00	0.00	0.00	0.00	(131,446.53)
05/15/19	EDD 4/20-5/3/19 SDI & SWT		0.00	(16,252.21)	0.00	0.00	0.00	0.00	0.00	0.00	(16,252.21)
05/15/19	EDD 4/20-5/3/19 UI & ETT		0.00	(41.58)	0.00	0.00	0.00	0.00	0.00	0.00	(41.58)
05/15/19	IRS 4/20-5/3/19		0.00	(45,312.33)	0.00	0.00	0.00	0.00	0.00	0.00	(45,312.33)
05/28/19	ICMA 5/4-5/17/19		0.00	(72,731.73)	0.00	0.00	0.00	0.00	0.00	0.00	(72,731.73)
05/29/19	EDD 5/4-5/17/19 SDI & SWT		0.00	(16,797.17)	0.00	0.00	0.00	0.00	0.00	0.00	(16,797.17)
05/29/19	EDD 5/4-5/17/19 UI & ETT		0.00	(41.58)	0.00	0.00	0.00	0.00	0.00	0.00	(41.58)
05/29/19	IRS 5/4-5/17/19		0.00	(46,423.07)	0.00	0.00	0.00	0.00	0.00	0.00	(46,423.07)
			0.00	(390,714.72)	0.00	0.00	0.00	0.00	0.00	0.00	(390,714.72)
Date	Wires In from LAIF / CalTrust										
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - Operational
For Month Ending May 31, 2019

Daily Interest Rates: Type of Account: Account #:		Cash on Hand	0.00% CVCB Checking 0471	0.00% CVCB Payroll 0489	1.60% CVCB Transactional 0463	1.60% CVCB Muni 4858	ST 2.51% MT 2.32% Cal Trust 25-10 Short/Medium Term	2.45% LAIF 4-006	Petty Cash	Total
Cash Balance as of 4/30/19		0.00	(247,230.50)	10.00	7,915,723.77	1,489,232.75	18,826,755.50	14,031,606.96	700.00	42,016,798.48
Date	Transfers From TransMuni/Muni									
05/08/19	Funding for payroll	0.00	0.00	227,712.78	(227,712.78)	0.00	0.00	0.00	0.00	0.00
05/22/19	Funding for payroll	0.00	0.00	229,745.36	(229,745.36)	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	457,458.14	(457,458.14)	0.00	0.00	0.00	0.00	0.00
Date	Wires Out to Treasury									
05/01/19	April 2019 Power Bill	0.00	0.00	0.00	(2,076,313.62)	0.00	0.00	0.00	0.00	(2,076,313.62)
05/22/19	3rd Qtr BOR SLJU Cost	0.00	0.00	0.00	(25,586.93)	0.00	0.00	0.00	0.00	(25,586.93)
05/30/19	May 2019 Power Bill	0.00	0.00	0.00	(2,076,313.62)	0.00	0.00	0.00	0.00	(2,076,313.62)
05/30/19	4th Qtr BOR SLJU Cost	0.00	0.00	0.00	(14,230.92)	0.00	0.00	0.00	0.00	(14,230.92)
		0.00	0.00	0.00	(4,192,445.09)	0.00	0.00	0.00	0.00	(4,192,445.09)
Date	Wires Out									
05/10/19	DWR Intertie Conveyance Cost Jan-Mar 2019	0.00	0.00	0.00	(404,903.35)	0.00	0.00	0.00	0.00	(404,903.35)
05/21/19	Natl Elec Coil-UPP Unt 6 Rwnd Proj	0.00	0.00	0.00	(178,227.30)	0.00	0.00	0.00	0.00	(178,227.30)
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	(583,130.65)	0.00	0.00	0.00	0.00	(583,130.65)
Date	Transfers Out - To LAIF / Cal Trust									
05/21/19	Transfer Funds	0.00	0.00	0.00	(2,000,000.00)	0.00	0.00	2,000,000.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	(2,000,000.00)	0.00	0.00	2,000,000.00	0.00	0.00
Date	CVCB Sweep Checking/Trans Muni									
05/01/19	Sweep from Transactional Account	0.00	89,412.86	0.00	(89,412.86)	0.00	0.00	0.00	0.00	0.00
05/02/19	Sweep from Transactional Account	0.00	4,549.04	0.00	(4,549.04)	0.00	0.00	0.00	0.00	0.00
05/03/19	Sweep from Transactional Account	0.00	9,908.64	0.00	(9,908.64)	0.00	0.00	0.00	0.00	0.00
05/06/19	Sweep from Transactional Account	0.00	214,702.37	0.00	(214,702.37)	0.00	0.00	0.00	0.00	0.00
05/07/19	Sweep from Transactional Account	0.00	78,351.20	0.00	(78,351.20)	0.00	0.00	0.00	0.00	0.00
05/08/19	Sweep from Transactional Account	0.00	5,478.49	0.00	(5,478.49)	0.00	0.00	0.00	0.00	0.00
05/09/19	Sweep from Transactional Account	0.00	1,866.83	0.00	(1,866.83)	0.00	0.00	0.00	0.00	0.00
05/10/19	Sweep from Transactional Account	0.00	7,348.47	0.00	(7,348.47)	0.00	0.00	0.00	0.00	0.00
05/13/19	Sweep from Transactional Account	0.00	151,269.47	0.00	(151,269.47)	0.00	0.00	0.00	0.00	0.00
05/14/19	Sweep from Transactional Account	0.00	153,166.86	0.00	(153,166.86)	0.00	0.00	0.00	0.00	0.00
05/15/19	Sweep from Transactional Account	0.00	203,262.39	0.00	(203,262.39)	0.00	0.00	0.00	0.00	0.00
05/16/19	Sweep from Transactional Account	0.00	966,836.72	0.00	(966,836.72)	0.00	0.00	0.00	0.00	0.00
05/17/19	Sweep from Transactional Account	0.00	895,059.96	0.00	(895,059.96)	0.00	0.00	0.00	0.00	0.00
05/20/19	Sweep from Transactional Account	0.00	584,629.08	0.00	(584,629.08)	0.00	0.00	0.00	0.00	0.00
05/21/19	Sweep from Transactional Account	0.00	14,162.64	0.00	(14,162.64)	0.00	0.00	0.00	0.00	0.00
05/22/19	Sweep from Transactional Account	0.00	4,422.29	0.00	(4,422.29)	0.00	0.00	0.00	0.00	0.00
05/23/19	Sweep from Transactional Account	0.00	10,250.48	0.00	(10,250.48)	0.00	0.00	0.00	0.00	0.00
05/24/19	Sweep from Transactional Account	0.00	1,991.94	0.00	(1,991.94)	0.00	0.00	0.00	0.00	0.00
05/28/19	Sweep from Transactional Account	0.00	313,901.98	0.00	(313,901.98)	0.00	0.00	0.00	0.00	0.00
05/29/19	Sweep from Transactional Account	0.00	122,434.86	0.00	(122,434.86)	0.00	0.00	0.00	0.00	0.00
05/30/19	Sweep from Transactional Account	0.00	10,050.86	0.00	(10,050.86)	0.00	0.00	0.00	0.00	0.00
05/31/19	Sweep from Transactional Account	0.00	14,248.53	0.00	(14,248.53)	0.00	0.00	0.00	0.00	0.00
		0.00	3,857,305.96	0.00	(3,857,305.96)	0.00	0.00	0.00	0.00	0.00
Date	Bank Fee/Bank Error/Adjustments									
05/02/19	Change in share price	0.00	0.00	0.00	0.00	0.00	(32,237.31)	0.00	0.00	(32,237.31)
05/09/19	Change in share price	0.00	0.00	0.00	0.00	0.00	32,237.31	0.00	0.00	32,237.31
05/13/19	Incoming wire fee	0.00	0.00	0.00	(20.00)	0.00	0.00	0.00	0.00	(20.00)
05/15/19	Service charge (Analysis Stmt)	0.00	(259.20)	0.00	0.00	0.00	0.00	0.00	0.00	(259.20)
05/15/19	Incoming wire fee	0.00	0.00	0.00	(40.00)	0.00	0.00	0.00	0.00	(40.00)
05/16/19	Change in share price	0.00	0.00	0.00	0.00	0.00	13,426.71	0.00	0.00	13,426.71
05/17/19	Incoming wire fee	0.00	0.00	0.00	(20.00)	0.00	0.00	0.00	0.00	(20.00)
05/21/19	Incoming wire fee	0.00	0.00	0.00	(20.00)	0.00	0.00	0.00	0.00	0.00
05/23/19	Incoming wire fee	0.00	0.00	0.00	(20.00)	0.00	0.00	0.00	0.00	0.00
05/23/19	Change in share price	0.00	0.00	0.00	0.00	0.00	13,426.71	0.00	0.00	13,426.71
05/31/19	Change in share price	0.00	0.00	0.00	0.00	0.00	26,853.42	0.00	0.00	26,853.42
05/31/19	Incoming wire fee	0.00	0.00	0.00	(40.00)	0.00	0.00	0.00	0.00	(40.00)
		0.00	(259.20)	0.00	(160.00)	0.00	53,706.84	0.00	0.00	53,287.64
Date	Interest Earned									
05/31/19	Interest Earned	0.00	0.00	0.00	12,533.21	2,023.72	38,271.48	0.00	0.00	52,828.41
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	12,533.21	2,023.72	38,271.48	0.00	0.00	52,828.41
Cash Balance as of 5/31/19		0.00	(59,656.30)	10.00	9,743,367.96	1,491,256.47	18,918,733.82	16,031,606.96	700.00	46,126,016.91

Note: Daily Interest Rates are through 5/31/19

Percentage in Investment Accounts	4%	52%	44%
Target Percentage in Investment Accounts	10%	75%	15%

I:\FIN_Reports\Finance_SS\CASH\Cash Activity\FYE20-03 cashactivity May 2019.xlsx|May 2019 Operational

06/10/19

San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - DHCCP: Bonds, Financing Participants
For Month Ending May 31, 2019

Account Information:		CVCB	MUFG, Trustee	MUFG, Trustee	
		Financing Participants	Union Bank Series, 2013 A Escrow for Bond Defeasance @ 3/1/23	Union Bank Series, 2013A Bonds Interest & Principal	Total
Cash Balance as of 4/30/19		0.00	3,684,098.86	230.32	3,684,329.18
Date	Receipts				
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
Date	To/From CAR - Operational				
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
	Incoming / Outgoing Funds				
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
Date	Interest Earned / Adjustments				
05/01/19	Dividend	0.00	0.00	0.54	0.54
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.54	0.54
Cash Balance as of 5/31/19		0.00	3,684,098.86	230.86	3,684,329.72

I:\FIN_Reports\Finance_SS\CASH\Cash Activity\FYE2-20\03 cashactivity May 2019.xlsx|May 2019 Operational

06/10/19

SAN LUIS DELTA-MENDOTA WATER AUTHORITY
CHECK REGISTER
5/1/19 THROUGH 5/31/19
CENTRAL VALLEY COMMUNITY BANK

Page 269

Check No.	Date	Check Issued to:	Description	Amount of Check	Balance Forward:	
					Amount of Deposit	Balance
028450	5/1/2019	ACWA/JPIA	5/19 Medical, Dental, Vision & EAP Premiums	200,631.96		(447,862.46)
028451	5/1/2019	Jeannie Collins	4/19 Janitorial Service	1,835.00		(449,697.46)
028452	5/1/2019	T. Kaljian Investment	5/19 Rent LBAO	7,280.00		(456,977.46)
	5/1/2019	Wire to EDD	Payroll Taxes PR 4/6/19-4/19/19 SDI & SWT	16,217.98		(473,195.44)
	5/1/2019	Wire to EDD	Payroll Taxes PR 4/6/19-4/19/19 UI & ETT	41.58		(473,237.02)
	5/1/2019	Wire to IRS	Payroll Taxes for P/R 4/6/19-4/19/19	45,408.96		(518,645.98)
	5/1/2019	Transfer From Transactional Muni Account			89,412.86	(429,233.12)
	5/2/2019	Transfer From Transactional Muni Account			4,549.04	(424,684.08)
	5/3/2019	Transfer From Transactional Muni Account			9,908.64	(414,775.44)
	5/6/2019	Transfer From Transactional Muni Account			214,702.37	(200,073.07)
	5/7/2019	Transfer From Transactional Muni Account			78,351.20	(121,721.87)
028453	5/8/2019	American Crane Rental Inc.	Outside Services	4,300.00		(126,021.87)
028454	5/8/2019	Bureau of Reclamation	JPP Excitation Cab&Control Panel	270,000.00		(396,021.87)
028455	5/8/2019	Capitol Enquiry, Inc.	2019 US Congress&Pkt Directory	42.53		(396,064.40)
028456	5/8/2019	Dell Marketing L.P.	Server Replacement	6,411.39		(402,475.79)
028457	5/8/2019	Espana's Restaurant	4/19 Mfg-Adm Prof Day	370.30		(402,846.09)
028458	5/8/2019	Fastenal Company	Parts & Materials	22.94		(402,869.03)
028459	5/8/2019	Grainger, Inc.	Inventory Replenishment	1,102.46		(403,971.49)
028460	5/8/2019	Lizbet Heredia	Mtg Exp-Bring Child to Work	92.20		(404,063.69)
028461	5/8/2019	Home Depot Credit Service	Small Tools for Eshop	347.42		(404,411.11)
028462	5/8/2019	Susan Hootkins	3/1/19-3/31/19 CEQA Support	1,588.75		(405,999.86)
028463	5/8/2019	Industrial Scientific Corp	Inventory Replenishment	654.40		(406,654.26)
028464	5/8/2019	Land IQ, LLC	2/19 & 3/19 Delta Following Pilot Prg	15,182.50		(421,836.76)
028465	5/8/2019	O'Reilly Auto Parts	Parts and Materials	295.30		(422,132.06)
028466	5/8/2019	Pacheco Water District	Refund WY16 Final Accounting	15,796.55		(437,928.61)
028467	5/8/2019	Panoche Water District	Refund WY16 Final Accounting	117,194.09		(555,122.70)
028468	5/8/2019	Pioneer Law Group LLP	3/19 Long Term Water Transfer & 3/19 Services	5,411.50		(560,534.20)
028469	5/8/2019	Precision Measurements, Inc.	Outside Services	318.00		(560,852.20)
028470	5/8/2019	Premier Automotive HCDDI of CA LLC	Parts and Materials	255.47		(561,107.67)
028471	5/8/2019	Quincy Compressor LLC	Sand Blast Compressor MaintKit	1,151.80		(562,259.47)
028472	5/8/2019	Ramos Oil Co. Inc	Petroleum, Oil, and Lubricants	2,412.72		(564,672.19)
028473	5/8/2019	Reserve Account	Replenish Postage Machine	1,500.00		(566,172.19)
028474	5/8/2019	Brandon Soares	Small Tools	68.47		(566,240.66)
028475	5/8/2019	South Dakota Agricultural Lab	3/19 Water Quality Monitoring	365.00		(566,605.66)
028476	5/8/2019	SprayTec	Heavy Equipment	91,159.69		(657,765.35)
028477	5/8/2019	Summers Engineering, Inc.	3/19 Professional Services	41,020.91		(698,786.26)
028478	5/8/2019	The Office City	Office Supply - LBAO	2,595.59		(701,381.85)
028479	5/8/2019	TRI Air Testing, Inc.	Other Services	204.74		(701,586.59)
028480	5/8/2019	United Parcel Service	Shipping Charges - March/April	52.10		(701,638.69)
028481	5/8/2019	Utility Training Academy Inc.	Training	1,750.00		(703,388.69)
028482	5/8/2019	Verizon Wireless	4/22/19-5/21/19 Service	648.27		(704,036.96)
028483	5/8/2019	Warden's	Inventory Replenishment	242.78		(704,279.74)
028484	5/8/2019	Westside Truck Repair	Outside Services	47.50		(704,327.24)
028485	5/8/2019	WEX Bank	Fuel Charges	416.37		(704,743.61)
028486	5/8/2019	Zoro Tools, Inc.	Inventory Replenishment	65.97		(704,809.58)

SAN LUIS DELTA-MENDOTA WATER AUTHORITY
CHECK REGISTER
5/1/19 THROUGH 5/31/19
CENTRAL VALLEY COMMUNITY BANK

Page 270

Check No.	Date	Check Issued to:	Description	Amount of Check	Amount of Deposit	Balance
	5/8/2019	Transfer From Transactional Muni Account			5,478.49	(699,331.09)
	5/9/2019	Transfer From Transactional Muni Account			1,866.83	(697,464.26)
	5/10/2019	Transfer From Transactional Muni Account			7,348.47	(690,115.79)
	5/13/2019	Wire to ICMA Retirement Trust				(821,562.32)
	5/13/2019	Transfer From Transactional Muni Account				(670,292.85)
028487	5/14/2019	A & A Portables, Inc.	Contributions 401/401x/457 Plan 4/20/19-5/3/19	131,446.53		(670,399.53)
028488	5/14/2019	Accusonic Technologies Inc.	Other Services and Expenses	106.68		(675,907.92)
028489	5/14/2019	Alhambra Sparkletts Water	Inventory Replenishment	5,508.39		(676,250.54)
028490	5/14/2019	American Crane Rental Inc.	Other Services and Expenses	342.62		(677,610.54)
028491	5/14/2019	Sally Arambel	Crane Serv-Stoplog Install	1,360.00		(678,167.10)
028492	5/14/2019	Arctic Glacier, Inc.	5/19 ACWA Conference Lodging	556.56		(678,352.74)
028493	5/14/2019	Garnishment	Other Services and Expenses	185.64		(678,882.59)
028494	5/14/2019	California State Disbursement Unit	Garnishment	529.85		(678,987.82)
028495	5/14/2019	Caltronics Business Systems	Office Supplies	105.23		(679,011.82)
028496	5/14/2019	CDW Government	Server Software	24.00		(680,266.60)
028497	5/14/2019	Central Valley Project	2019 Dues	1,254.78		(681,016.60)
028498	5/14/2019	Corpro Companies, Inc.	Other Professional Services	750.00		(683,966.60)
028499	5/14/2019	John Dalrymple	Safety Boot Reimbursement	2,950.00		(684,166.60)
028500	5/14/2019	Darlene Neves/PCLBFO	Petty Cash	200.00		(684,255.60)
028501	5/14/2019	Don's Mobile Glass, Inc.	Outside Services	89.00		(684,484.60)
028502	5/14/2019	Fastenal Company	Parts and Materials	229.00		(685,052.43)
028503	5/14/2019	FGL Environmental, Inc.	Other Services	567.83		(685,212.43)
028504	5/14/2019	Firestone Inc/Bridgestone Americas	Tires Veth#8 120	160.00		(686,380.86)
028505	5/14/2019	Foley & Lardner LLP	3/19 State Rep-CA Lobbying & 3/19 Fed Rep	1,168.43		(708,380.86)
028506	5/14/2019	Andrew Garcia	Out of Pocket Expense	22,000.00		(708,423.19)
028507	5/14/2019	Gilton Solid Waste Management, Inc.	Waste disposal April 2019	42.33		(708,593.43)
028508	5/14/2019	Grainger, Inc.	Small Tools, Parts & Materials	170.24		(710,730.97)
028509	5/14/2019	Grossmayer & Associates	Remote Support-Reopen FY16	2,137.54		(712,230.97)
028510	5/14/2019	HIXCO	Inventory Replenishment	1,500.00		(712,905.40)
028511	5/14/2019	Home Depot Credit Service	Small Tool/Part & Mat	674.43		(713,350.53)
028512	5/14/2019	Marfab, Inc.	Parts and Materials	445.13		(714,086.73)
028513	5/14/2019	McMaster-Carr Supply Co.	Inventory Replenishment	736.20		(714,292.70)
028514	5/14/2019	Merced County Reg. Waste Mgmt Authority	Disposal Expense	205.97		(714,842.72)
028515	5/14/2019	Merced County Sheriff	Garnishment	550.02		(714,917.72)
028516	5/14/2019	Modesto Steel Inc.	Parts and Materials	75.00		(715,139.19)
028517	5/14/2019	Napa Auto Parts-Los Banos	Parts and Materials	221.47		(715,170.29)
028518	5/14/2019	O'Reilly Auto Parts	Parts and Materials	31.10		(715,631.65)
028519	5/14/2019	P G & E	4/1/19-5/1/19 Service	461.36		(718,616.09)
028520	5/14/2019	Pape Machinery Inc.	Parts and Materials	2,984.44		(718,846.67)
028521	5/14/2019	Postmaster	PO Box 2157 Annual Rent	230.58		(719,080.67)
028522	5/14/2019	Safeguard Business Systems Inc.	Envelopes	284.29		(719,364.96)
028523	5/14/2019	Sampson, Sampson & Patterson	FY2016 Audit-Progress Bill #2	10,000.00		(729,364.96)
028524	5/14/2019	San Luis Water District	Refund WY2018	9,248.79		(738,613.75)
028525	5/14/2019	San Luis Water District	Refund WY16 Final Accounting	951,706.93		(1,690,320.68)
028526	5/14/2019	SaveMart Supermarkets	JPIA Training	104.50		(1,690,425.18)
028527	5/14/2019	SC Industries, Inc.	Parts and Materials	34.56		(1,690,459.74)

SAN LUIS DELTA-MENDOTA WATER AUTHORITY
CHECK REGISTER
5/1/19 THROUGH 5/31/19
CENTRAL VALLEY COMMUNITY BANK

Page 271

Check No.	Date	Check Issued to:	Description	Amount of Check	Amount of Deposit	Balance
028528	5/14/2019	SprayTec	Parts and Materials	188.46		(1,690,648.20)
028529	5/14/2019	Stantec Consulting Services Inc.	Temperance Flat Reservoir Prj	7,589.92		(1,698,238.12)
028530	5/14/2019	TF Tire & Service	Tires Veh#8104	544.74		(1,698,782.86)
028531	5/14/2019	Tracy Ford	Outside Services	93.76		(1,698,876.62)
028532	5/14/2019	Turlock Irrigation District	3/28/19-4/28/19 Service	95.89		(1,698,972.51)
028533	5/14/2019	Wardens	Inventory Replenishment	231.71		(1,699,204.22)
028534	5/14/2019	Westlands Water District	Refund WY16 Final Accounting	874,078.45		(2,573,282.67)
028535	5/14/2019	Windecker, Inc	Petroleum, Oil, and Lubricants	6,917.81		(2,580,200.48)
028536	5/14/2019	Winner Chevy/Lasher Dodge	Vehicles	22,408.24		(2,602,608.72)
028537	5/14/2019	Woodard & Curran Inc.	2/19 GW Sustain Plan Develop	158,993.66		(2,761,602.38)
028538	5/14/2019	Zoro Tools, Inc.	Inventory Replenishment	327.23		(2,761,929.61)
	5/14/2019	Transfer From Transactional Muni Account			153,166.86	(2,608,762.75)
028539	5/15/2019	Wire to EDD	Payroll Taxes PR 4/20/19-5/3/19 SDI & SWT	16,252.21		(2,625,014.96)
028540	5/15/2019	Wire to EDD	Payroll Taxes PR 4/20/19-5/3/19 UI & ETT	41.58		(2,625,056.54)
028541	5/15/2019	Wire to IRS	Payroll Taxes for P/R 4/20/19-5/3/19	45,312.33		(2,670,368.87)
028542	5/15/2019	Apr Service Charge (Analysis Statement)	Service Charge	259.20		(2,670,628.07)
028543	5/16/2019	Transfer From Transactional Muni Account			203,262.39	(2,467,365.68)
028544	5/16/2019	Transfer From Transactional Muni Account			966,836.72	(1,500,528.96)
028545	5/17/2019	Transfer From Transactional Muni Account			895,059.96	(605,469.00)
028546	5/20/2019	Transfer From Transactional Muni Account			584,629.08	(20,839.92)
028539	5/21/2019	A T & T	5/19 Service	4,235.03		(25,074.95)
028540	5/21/2019	A T & T	5/19 Services	806.11		(25,881.06)
028541	5/21/2019	AECOM Technical Services, Inc.	Grassland Storm Water Mgmt	24,854.51		(50,735.57)
028542	5/21/2019	AFLAC	5/19 AFLAC Premiums	1,000.27		(51,735.84)
028543	5/21/2019	Airgas USA LLC	Welding Gas	1,336.40		(53,072.24)
028544	5/21/2019	Alhambra Sparklets Water	Water Delivery April 2019	247.66		(53,319.90)
028545	5/21/2019	Asbury Environmental, Inc	Hazardous Waste Disposal	65.00		(53,384.90)
028546	5/21/2019	AT&T Long Distance	5/19 Long Distance	84.81		(53,469.71)
028547	5/21/2019	AT&T Mobility	5/10/19-6/9/19 Service	87.10		(53,556.81)
028548	5/21/2019	Baker Manock & Jensen	4/19 Services	756.00		(54,312.81)
028549	5/21/2019	Boss Safety Products	Inventory Replenishment	538.01		(54,850.82)
028550	5/21/2019	California Surveying	Telephone Expenses	40.00		(54,890.82)
028551	5/21/2019	Charleston Drainage Dist	O&M Power Pump Services	93.23		(54,984.05)
028552	5/21/2019	CURES	3/1-3/31/19 MPEP Group Wk Plan	35.10		(55,019.15)
028553	5/21/2019	DHR Hydro Services Inc.	JPP No 2 Rewind Project	19,440.00		(74,459.15)
028554	5/21/2019	Fastenal Company	Parts & Materials	42.11		(74,501.26)
028555	5/21/2019	Global Labs, Inc.	Outside Services	1,944.00		(76,445.26)
028556	5/21/2019	Grainger, Inc.	Small Tools	297.55		(76,742.81)
028557	5/21/2019	H.T. Harvey & Associates	3/19 SJRIP Egg Monitoring	10,656.27		(87,399.08)
028558	5/21/2019	Helena Agri-Enterprises, LLC	Inventory Replenishment	31,889.96		(119,289.04)
028559	5/21/2019	HIXCO	Inventory Replenishment	389.10		(119,678.14)
028560	5/21/2019	Home Depot Credit Service	Small Tools, Parts & Materials	366.08		(120,044.22)
028561	5/21/2019	Homewood Suites	Travel/Tony Victorino	1,680.75		(121,724.97)
028562	5/21/2019	Susan Hookkins	4/1/19-4/30/19 CEQA Support	4,305.00		(126,029.97)
028563	5/21/2019	Industrial Scientific Corp	Outside Services	848.24		(126,878.21)

SAN LUIS DELTA-MENDOTA WATER AUTHORITY
CHECK REGISTER
5/1/19 THROUGH 5/31/19
CENTRAL VALLEY COMMUNITY BANK

Page 272

Check No.	Date	Check Issued to:	Description	Amount of Check	Balance Forward:	
					Amount of Deposit	Balance
028564	5/21/2019	Key Seal Products, Inc.	Concrete and Paving Materials	710.69		(127,588.90)
028565	5/21/2019	Knife River Construction	Concrete and Paving Materials	116.00		(127,704.90)
028566	5/21/2019	Kronick,Moskovitz,et al	3/1/19-3/3/19 Retainer	63,525.00		(191,229.90)
028567	5/21/2019	David Larsen	Travel Per Diem	165.00		(191,394.90)
028568	5/21/2019	RELX Inc. DBA LexisNexis	Subscribe 4/19 Legal Research	192.00		(191,586.90)
028569	5/21/2019	Los Banos Flower Shop	Get Well /R Huff	65.25		(191,652.15)
028570	5/21/2019	Luhdorff & Scalmanini	4/19 Trend Monitor Program	17,418.75		(209,070.90)
028571	5/21/2019	Marfab, Inc.	Small Tools, Parts & Materials	100.10		(209,171.00)
028572	5/21/2019	Laurence Marques	Fuel for Veh#8135	25.38		(209,196.38)
028573	5/21/2019	McMaster-Carr Supply Co.	Inventory Replenishment	146.15		(209,342.53)
028574	5/21/2019	Merced County Dept. Of Ag	Inventory Replenishment	1,985.00		(211,327.53)
028575	5/21/2019	MLJ Environmental	3/25-4/24/19 Groundwater WDR	12,729.59		(224,057.12)
028576	5/21/2019	Modesto Steel Inc.	Pipe and Metal Treatments	998.93		(225,056.05)
028577	5/21/2019	Modesto Welding Products, Inc.	Parts and Materials	207.64		(225,263.69)
028578	5/21/2019	MSC Industrial Supply Co., Inc.	Parts and Materials	79.22		(225,342.91)
028579	5/21/2019	Napa Auto Parts-Tracy	Parts and Materials	162.26		(225,505.17)
028580	5/21/2019	O'Reilly Auto Parts	Parts and Materials	483.94		(225,989.11)
028581	5/21/2019	PACE Supply Corp.	Drain Valves	2,838.73		(228,827.84)
028582	5/21/2019	Pacific Eco-Risk Lab. Inc.	4/19 Biological Monitoring	509.25		(229,337.09)
028583	5/21/2019	Pacific Valley Coffee	4/19 Chgs	90.80		(229,427.89)
028584	5/21/2019	Pioneer Law Group LLP	4/19 LT Water Transfer Agree	9,300.22		(238,728.11)
028585	5/21/2019	Ramos Oil Co. Inc	Petroleum, Oil, and Lubricants	3,225.41		(241,953.52)
028586	5/21/2019	RESA Power Solutions-Transformer Serv LLC	Xfmr Oil Samples TAO & OPP	4,322.00		(246,275.52)
028587	5/21/2019	Charles Reyes	Travel Per Diem 5/28-5/30	956.94		(247,232.46)
028588	5/21/2019	Savan Rith	Travel Per Diem	165.00		(247,397.46)
028589	5/21/2019	SaveMart Supermarkets	5/19 Kitchen	30.18		(247,427.64)
028590	5/21/2019	Sherwin-Williams	Paint for JPP Pipes	180.43		(247,608.07)
028591	5/21/2019	Sorensen's True Value	Rent and Leases	567.05		(248,175.12)
028592	5/21/2019	South Dakota Agricultural Lab	4/19 & 5/19 Water Quality Monitoring	10,772.50		(258,947.62)
028593	5/21/2019	Stantec Consulting Services Inc.	Temperance Flat Reservoir Proj	2,284.75		(261,232.37)
028594	5/21/2019	State Water Contractors	2/1-2/28/19 SWP/CVP Coord Proj	6,814.12		(268,046.49)
028595	5/21/2019	Summers Engineering, Inc.	4/19 Professional Services	54,039.96		(322,086.45)
028596	5/21/2019	TF Tire & Service	Tires Veh#8068	864.38		(322,950.83)
028597	5/21/2019	The Office City	Office Supplies - LBEO	457.53		(323,408.36)
028598	5/21/2019	Tracy Delta Disposal Service, Inc.	Hazardous Waste Disposal	2,225.88		(325,634.24)
028599	5/21/2019	Triangle Rock Products Inc.	Paving and Concrete	2,016.81		(327,651.05)
028600	5/21/2019	Donald Tuitasi	Travel Per Diem	165.00		(327,816.05)
028601	5/21/2019	United States Geological Survey	3/15-4/11/19 Tule Red Agreement	19,007.39		(346,823.44)
028602	5/21/2019	unWired Broadband, Inc.	Network Communications (5/19)	579.97		(347,403.41)
028603	5/21/2019	Warden's	Inventory Replenishment	1,838.70		(349,242.11)
028604	5/21/2019	Watercourse Engineering, Inc.	4/1-4/30/19 Yellow StartThistle	12,457.17		(361,699.28)
028605	5/21/2019	Windecker, Inc	Petroleum, Oil, and Lubricants	5,584.39		(367,283.67)
028606	5/21/2019	Woodard & Curran Inc.	3/19 DACI Program Grant	16,371.99		(383,655.66)
028607	5/21/2019	Zoro Tools, Inc.	Plugs & Plasma Torches Welders	708.51		(384,364.17)
028608	5/21/2019	Transfer From Transactional Muni Account			14,162.64	(370,201.53)
	5/22/2019	Rebecca Akroyd	3/19-5/19 Cell Phone Allowance	195.00		(370,396.53)

SAN LUIS DELTA-MENDOTA WATER AUTHORITY
CHECK REGISTER
5/1/19 THROUGH 5/31/19
CENTRAL VALLEY COMMUNITY BANK

Page 273

Check No.	Date	Check Issued to:	Description	Balance Forward:	
				Amount of Check	Amount of Deposit
028609	5/22/2019	Felipe Alejandres	3/19-5/19 Cell Phone Allowance	90.00	Balance (370,396.53)
028610	5/22/2019	Jarred Amaya	3/19-5/19 Cell Phone Allowance	195.00	(370,486.53)
028611	5/22/2019	Aaron Cockriel	3/19-5/19 Cell Phone Allowance	90.00	(370,681.53)
028612	5/22/2019	Travis Conrad	3/19-5/19 Cell Phone Allowance	90.00	(370,771.53)
028613	5/22/2019	Matthew Costa	3/19-5/19 Cell Phone Allowance	90.00	(370,861.53)
028614	5/22/2019	Christopher J. Cunningham	3/19-5/19 Cell Phone Allowance	90.00	(370,951.53)
028615	5/22/2019	John Dalrymple	3/19-5/19 Cell Phone Allowance	90.00	(371,041.53)
028616	5/22/2019	Stewart Davis	3/19-5/19 Cell Phone Allowance	90.00	(371,131.53)
028617	5/22/2019	Gary Dingman	3/19-5/19 Cell Phone Allowance	195.00	(371,326.53)
028618	5/22/2019	Frank Duarte	3/19-5/19 Cell Phone Allowance	90.00	(371,416.53)
028619	5/22/2019	Jess Duran	3/19-5/19 Cell Phone Allowance	90.00	(371,506.53)
028620	5/22/2019	Patrick Fagundes	3/19-5/19 Cell Phone Allowance	90.00	(371,596.53)
028621	5/22/2019	Andrew Garcia	3/19-5/19 Cell Phone Allowance	90.00	(371,686.53)
028622	5/22/2019	Mark Garcia	3/19-5/19 Cell Phone Allowance	195.00	(371,881.53)
028623	5/22/2019	Ryan Grove	3/19-5/19 Cell Phone Allowance	90.00	(371,971.53)
028624	5/22/2019	Stephen J. Hanifin	3/19-5/19 Cell Phone Allowance	90.00	(372,061.53)
028625	5/22/2019	Seth Harris	3/19-5/19 Cell Phone Allowance	195.00	(372,256.53)
028626	5/22/2019	Ruben Hernandez	3/19-5/19 Cell Phone Allowance	195.00	(372,451.53)
028627	5/22/2019	Robert Huff	3/19-5/19 Cell Phone Allowance	90.00	(372,541.53)
028628	5/22/2019	Rodney Huff, Jr.	3/19-5/19 Cell Phone Allowance	90.00	(372,631.53)
028629	5/22/2019	James Isaac	3/19-4/19 Cell Phone Allowance	58.00	(372,689.53)
028630	5/22/2019	Jesus Ixta	3/19-5/19 Cell Phone Allowance	90.00	(372,779.53)
028631	5/22/2019	Michel Izoco	3/19-5/19 Cell Phone Allowance	195.00	(372,974.53)
028632	5/22/2019	Alvin J. Jorge	3/1-5/16/19 Cell Phone Allowance	75.52	(373,050.05)
028633	5/22/2019	Kevin Keidel	3/19-5/19 Cell Phone Allowance	90.00	(373,140.05)
028634	5/22/2019	Dave Lakey	3/19-5/19 Cell Phone Allowance	90.00	(373,230.05)
028635	5/22/2019	David Larsen	3/19-5/19 Cell Phone Allowance	195.00	(373,425.05)
028636	5/22/2019	Steve Larsen	3/19-5/19 Cell Phone Allowance	90.00	(373,515.05)
028637	5/22/2019	Chauncey Lee	3/19-5/19 Cell Phone Allowance	195.00	(373,710.05)
028638	5/22/2019	James F. Lenhardt	3/19-5/19 Cell Phone Allowance	195.00	(373,905.05)
028639	5/22/2019	John Machado	3/19-5/19 Cell Phone Allowance	90.00	(373,995.05)
028640	5/22/2019	Joyce Machado	3/19-5/19 Cell Phone Allowance	90.00	(374,085.05)
028641	5/22/2019	Laurence Marques	3/19-5/19 Cell Phone Allowance	195.00	(374,280.05)
028642	5/22/2019	Richard Martin	3/19-5/19 Cell Phone Allowance	90.00	(374,370.05)
028643	5/22/2019	Martin Martinez	3/19-5/19 Cell Phone Allowance	90.00	(374,460.05)
028644	5/22/2019	Robert Mattos	3/19-5/19 Cell Phone Allowance	90.00	(374,550.05)
028645	5/22/2019	Jaime McNeil	3/19-5/19 Cell Phone Allowance	195.00	(374,745.05)
028646	5/22/2019	Jeffrey B. Miller	3/19-5/19 Cell Phone Allowance	90.00	(374,940.05)
028647	5/22/2019	Pat Nacci	3/19-5/19 Cell Phone Allowance	90.00	(375,030.05)
028648	5/22/2019	Jose Navarro	3/19-5/19 Cell Phone Allowance	90.00	(375,120.05)
028649	5/22/2019	Raul Nazabal	3/19-5/19 Cell Phone Allowance	195.00	(375,315.05)
028650	5/22/2019	Jacob Oxenrider	3/19-5/19 Cell Phone Allowance	195.00	(375,510.05)
028651	5/22/2019	Christian Paradiso	3/19-5/19 Cell Phone Allowance	90.00	(375,705.05)
028652	5/22/2019	Jason Parreira	3/19-5/19 Cell Phone Allowance	90.00	(375,895.05)
028653	5/22/2019	Alexander Pineda	3/19-5/19 Cell Phone Allowance	90.00	(376,085.05)

SAN LUIS DELTA-MENDOTA WATER AUTHORITY
CHECK REGISTER
5/1/19 THROUGH 5/31/19
CENTRAL VALLEY COMMUNITY BANK

Page 274

Check No.	Date	Check Issued to:	Description	Balance Forward:	
				Amount of Deposit	Balance
028654	5/22/2019	Steve Posey	3/19-5/19 Cell Phone Allowance	90.00	(375,855.05)
028655	5/22/2019	Bruce Powers	3/19-5/19 Cell Phone Allowance	90.00	(375,945.05)
028656	5/22/2019	Charles Reyes	3/19-5/19 Cell Phone Allowance	195.00	(376,140.05)
028657	5/22/2019	Alfredo Reynoso	3/19-5/19 Cell Phone Allowance	90.00	(376,230.05)
028658	5/22/2019	Savan Rith	3/19-5/19 Cell Phone Allowance	90.00	(376,320.05)
028659	5/22/2019	Ryan Rogers	3/19-5/19 Cell Phone Allowance	90.00	(376,410.05)
028660	5/22/2019	Anthony Romero	3/19-5/19 Cell Phone Allowance	90.00	(376,500.05)
028661	5/22/2019	Gary San Julian	3/19-5/19 Cell Phone Allowance	90.00	(376,590.05)
028662	5/22/2019	Kevin Silva	3/19-5/19 Cell Phone Allowance	90.00	(376,680.05)
028663	5/22/2019	Leroy M. Simonich	3/19-5/19 Cell Phone Allowance	90.00	(376,770.05)
028664	5/22/2019	Amrik Singh	3/19-5/19 Cell Phone Allowance	195.00	(376,965.05)
028665	5/22/2019	Brandon Soares	3/19-5/19 Cell Phone Allowance	195.00	(377,160.05)
028666	5/22/2019	Yuren Suarez	3/19-5/19 Cell Phone Allowance	90.00	(377,250.05)
028667	5/22/2019	Donald Tuitasi	3/19-5/19 Cell Phone Allowance	90.00	(377,340.05)
028668	5/22/2019	Anthony Victorino	3/19-5/19 Cell Phone Allowance	90.00	(377,430.05)
028669	5/22/2019	Mark Walsh	3/19-5/19 Cell Phone Allowance	90.00	(377,520.05)
028670	5/22/2019	Joseph Weisenberger	3/19-5/19 Cell Phone Allowance	90.00	(377,610.05)
028671	5/22/2019	James Willyard	3/19-5/19 Cell Phone Allowance	195.00	(377,805.05)
028672	5/22/2019	Cheri Worthy	3/19-5/19 Cell Phone Allowance	195.00	(378,000.05)
	5/22/2019	4/19 Visa Payment	Visa Payments	9,855.48	(387,855.53)
	5/22/2019	Transfer From Transactional Muni Account		4,422.29	(383,433.24)
	5/23/2019	Transfer From Transactional Muni Account		10,250.48	(373,182.76)
	5/24/2019	Transfer From Transactional Muni Account		1,991.94	(371,190.82)
028673	5/28/2019	A T & T	5/15/19-6/14/19 Service	1,560.57	(372,751.39)
028674	5/28/2019	Garnishment	Garnishment	529.85	(373,281.24)
028675	5/28/2019	California State Disbursement Unit	Garnishment	105.23	(373,386.47)
028676	5/28/2019	Merced County Sheriff	Garnishment	75.00	(373,461.47)
028677	5/28/2019	New York Life Ins. Co.	3/19-3/20 Life Poly#47906600	4,950.94	(378,412.41)
028678	5/28/2019	New York Life Insurance	5/19 EE Life Ins Premiums	789.05	(379,201.46)
028679	5/28/2019	Principal Life Insurance Company	6/19 EE Disability Ins	4,564.15	(383,765.61)
028680	5/28/2019	Walmart Community/RFCSLLC	5/19 WRC Meeting	65.34	(383,830.95)
028681	5/28/2019	West Unified Communications Serv.Inc.	4/19 Conference Calls	470.03	(384,300.98)
	5/28/2019	Wire to ICMA Retirement Trust	Contributions 401/401K/457 Plan 5/4/19-5/17/19	72,731.73	(457,032.71)
	5/28/2019	Transfer From Transactional Muni Account		313,901.98	(143,130.73)
	5/29/2019	Wire to EDD	Payroll Taxes PR 5/4/19-5/17/19 SDI & SWT	16,797.17	(159,927.90)
	5/29/2019	Wire to EDD	Payroll Taxes PR 5/4/19-5/17/19 UI & ETT	41.58	(159,969.48)
	5/29/2019	Wire to IRS	Payroll Taxes for P/R 5/4/19-5/17/19	46,423.07	(206,392.55)
	5/29/2019	Transfer From Transactional Muni Account		122,434.86	(83,957.69)
	5/30/2019	Transfer From Transactional Muni Account		10,050.86	(73,906.83)
	5/31/2019	Transfer From Transactional Muni Account		14,248.53	(59,658.30)

SAN LUIS DELTA-MENDOTA WATER AUTHORITY
CHECK REGISTER
5/1/19 THROUGH 5/31/19
CENTRAL VALLEY COMMUNITY BANK

Page 275

Check No.	Date	Check Issued to:	Description	Amount of Check	Balance Forward:	Amount of Deposit	Balance
							(247,230.50)
	May 1, 2019		(247,230.50)				
	Deposits:						
	Cash Receipts		0.00				
	Wires from LAIF		0.00				
	Wire from USBR		0.00				
	Transfers from DHCCP		0.00				
	Transfer from Transactional Muni Account		3,857,305.96				
	Voided Checks		0.00				
	Bank Charge Reversed (Correction)		0.00				
	Cash on Hand		0.00				
	Withdrawals:		0.00				
	Checks Written		3,278,759.84				
	Transfer Out To LAIF		0.00				
	Transfer Out to Savings Account		0.00				
	Transfer Out to Payroll Account		0.00				
	Deposit		0.00				
	Trans Checking to Muni		0.00				
	Wire Out Friant W.A		0.00				
	Wire Out WWD		0.00				
	Wire Out USBR		0.00				
	Wire for ICMA Contributions		204,178.26				
	Wire for IRS - Payroll Taxes		137,144.36				
	Wire for EDD - Payroll Taxes		49,392.10				
	Bank Fee		259.20				
	May 31, 2019		(59,658.30)				

San Luis & Delta-Mendota Water Authority
DMC without CIP / E O&M
Budget to Actual Paid/Pending Comparison Summary
March 1, 2019 through May 31, 2019

BOD July 11, 2019

		FY Budget 3/1/19 - 2/29/20	Actual To Date Paid/Pending 3/1/19 - 5/31/19	% of Budget	Budget Amount Remaining
Operate & Maintain DMC	S/F 02	4,881,834	1,188,722	24.35%	3,693,112
Operate & Maintain Wasteways	S/F 04	246,417	12,780	5.19%	233,638
Mendota Pool	S/F 05	153,667	29,779	19.38%	123,887
Operate & Maintain JPP	S/F 11	2,223,205	790,192	35.54%	1,433,012
Intertie Maintenance	S/F 12	243,719	6,137	2.52%	237,582
Volta Wells Pumping	S/F 13	35,440	585	1.65%	34,855
Operate & Maintain O'Neill	S/F 19	1,338,529	448,188	33.48%	890,340
Maintain Tracy Fish Facility	USBR 30	320,450	193	0.06%	320,257
Maintain Fish Release Site	USBR 32	7,098	-	0.00%	7,098
Operate & Maintain Tracy USBR	USBR 33	5,123	-	0.00%	5,123
Operate & Maintain San Luis Drain	S/F 41	117,054	23,093	19.73%	93,961
Maintain Delta Cross Channel	USBR 44	75,841	1,058	1.40%	74,783
WAPA	USBR 45	2,056	-	0.00%	2,056
Warehousing	52	120,218	40,902	34.02%	79,316
Tracy Field Office Expense	54	617,671	101,015	16.35%	516,656
Direct Administrative/General Expense	56	1,016,624	343,580	33.80%	673,044
Indirect Administrative/General Expense	57	368,930	41,213	11.17%	327,717
Indirect O & M LBAO Admin.	58	1,898,705	486,923	25.65%	1,411,782
TOTAL		13,672,581	3,514,361	25.70%	10,158,221
Total from Self-Funding - page 2		13,086,535	3,510,807	26.83%	9,575,728
Total from USBR - page 3		586,047	1,835	0.31%	584,212
Total from Special Projects - page 4		-	1,719		(1,719)
Totals		13,672,581	3,514,361		10,158,221
YTD %			25.00%		

A. Does NOT include DWR Wheeling

San Luis & Delta-Mendota Water Authority

Self-Funding Portion of DMC

Budget to Actual Paid/Pending Comparison Summary

March 1, 2019 through May 31, 2019

BOD July 11, 2019

	FY Budget 3/1/19 - 2/29/20	Actual To Date Paid/Pending	% of Budget	Budget Amount Remaining
Operate & Maintain DMC	4,881,834	1,188,722	24.35%	3,693,112
Operate & Maintain Wasteways	246,417	12,780	5.19%	233,638
Mendota Pool	153,667	29,779	19.38%	123,887
Operate & Maintain TPP	2,223,205	790,192	35.54%	1,433,012
Intertie Maintenance	243,719	6,137	2.52%	237,582
Volta Wells Pumping	35,440	585	1.65%	34,855
Operate & Maintain O'Neill	1,338,529	448,188	33.48%	890,340
Operate & Maintain San Luis Drain	117,054	23,093	19.73%	93,961
Total Direct O & M	9,239,864	2,499,476	27.05%	6,740,388
Warehousing	114,973	40,809	35.49%	74,164
Tracy Field Office Expense	590,723	100,786	17.06%	489,938
Direct Administrative/General Expense	972,271	342,800	35.26%	629,471
Indirect Administrative/General Expense	352,834	41,120	11.65%	311,715
Indirect O & M LBAO Admin.	1,815,868	485,817	26.75%	1,330,052
Total Indirect Allocated to O & M	3,846,671	1,011,331	26.29%	2,835,340
Total SLDMWA O&M	13,086,535	3,510,807	26.83%	9,575,728

A. Does NOT include DWR Wheeling

San Luis & Delta-Mendota Water Authority

USBR Service Agreement portion of DMC

Budget to Actual Paid/Pending Comparison Summary

March 1, 2019 through May 31, 2019

BOD July 11, 2019

	FY Budget 3/1/19 - 2/29/20	Actual To Date Paid/Pending	% of Budget	Budget Amount Remaining
Maintain Tracy Fish Facility 30	320,450	193	0.06%	320,257
Maintain Fish Release Site 32	7,098	-	0.00%	7,098
Operate & Maintain Tracy USBR 33	5,123	-	0.00%	5,123
Maintain Delta Cross Channel 44	75,841	1,058	1.40%	74,783
WAPA 45	2,056	-	0.00%	2,056
Total Direct USBR Facilities	410,568	1,251	0.30%	409,318
Warehousing 52	5,245	24	0.45%	5,221
Tracy Field Office Expense 54	26,948	58	0.22%	26,890
Direct Administrative/General Expense 56	44,353	198	0.45%	44,155
Indirect Administrative/General Expense 57	16,096	24	0.15%	16,072
Indirect O & M LBAO Admin. 58	82,837	281	0.34%	82,556
Total Indirect Allocated USBR Facilities	175,478	585	0.33%	174,894
TOTAL USBR FACILITIES	586,047	1,835	0.31%	584,212

San Luis & Delta-Mendota Water Authority

DMC Indirect Cost Allocated to Special Projects

March 1, 2019 through May 31, 2019

BOD July 11, 2019

		Allocated To Date		
Special Projects allocated				
Indirect allocated to Special Projects				
Warehousing	52	69		
Tracy Field Office Expense	54	171		
Direct Administrative/General Expense	56	583		
Indirect Administrative/General Expense	57	70		
Indirect O & M LBAO Admin.	58	826		
Total Indirect Allocated to SPECIAL PROJECTS		1,719		
TOTAL INDIRECT ALLOCATED TO SPECIAL PROJECTS		1,719		

Budget to Actual Paid/Pending Comparison Summary

BOD July 11, 2019

	FY Budget 3/1/19 - 2/29/20	Actual To Date Paid/Pending	% of Budget	Budget Amount Remaining
Capital Improvements Projects	5,213,200	334,349	6.41%	4,878,851
JPP Trashrack Replacement Phase 1 of 2	-	26,520	0.00%	(26,520)
DMC Upper DMC SCADA System Improvements	-	-	0.00%	-
Replacement Computer/Network Comm. Equip	79,050	12,902	16.32%	66,149
Replacement Vehicles	161,800	22,408	13.85%	139,392
Purchase New Heavy Equipment	927,000	91,392	9.86%	835,608
All Facility Infrastructure Replacement	137,000	-	0.00%	137,000
ONP Rehabilitate Pump Assemblies	-	15,021	0.00%	(15,021)
ONP Rehabilitate Penstock Interiors	-	197	0.00%	(197)
DMC O&M Road Maintenance Program	156,060	4,048	2.59%	152,012
DMC Turnout Flow Measurement	-	1,255	0.00%	(1,255)
Concrete Lining Repair (MP92 to MP97)	-	658	0.00%	(658)
Design New Access Opening Near Pump Bowl	-	-	0.00%	-
Excitation Cabinet & Control Panel Refurbishment	-	271,135	0.00%	(271,135)
DMC Road Repair (MP102.04 to 110.85)	-	-	0.00%	-
Main Transformer Rehabilitation	-	695	0.00%	(695)
JPP Lower DMC Check Structure Stoplog & Guide Rep	-	314,810	0.00%	(314,810)
JPP Domestic Water Treatment Plant Replacement	253,977	-	0.00%	253,977
JPP Unit Rewind (Rotor & Stator)(Unit 2 Labor Only)	470,468	-	0.00%	470,468
DCI Fire Protection System Assessment & Modernizati	38,938	-	0.00%	38,938
JPP Fire Protection System Assessment & Modernizati	79,493	-	0.00%	79,493
ONP Fire Protection System Assessment & Modernizat	80,327	-	0.00%	80,327
	-	-	0.00%	-
	-	-	0.00%	-
	-	-	0.00%	-
	-	-	0.00%	-
	-	-	0.00%	-
	-	-	0.00%	-
Participatory Grants				
Total Direct CIP/EO&M/PAT	7,597,312	1,095,388	14.42%	6,501,924
Warehousing	9,224	1,276	13.83%	7,948
Tracy Field Office Expense	47,390	3,150	6.65%	44,240
Direct Administrative/General Expense	77,999	10,716	13.74%	67,284
Indirect Administrative/General Expense	28,306	1,285	4.54%	27,020
Indirect O & M LBAO Admin.	145,676	15,186	10.42%	130,490
Total Indirect Allocated to CIP/EO&M/PAT	308,594	31,613	10.24%	276,981
Total CIP / EO&M / PAT	7,905,907	1,127,002	14.26%	6,778,905

San Luis & Delta-Mendota Water Authority

DMC WITH CIP / E O & M

Budget to Actual Paid/Pending Comparison Summary

March 1, 2019 through May 31, 2019

BOD July 11, 2019

	FY Budget 3/1/19 - 2/29/20	Actual To Date Paid/Pending 3/1/19 - 5/31/19	% of Budget	Budget Amount Remaining
Capital Improvement Projects	5,213,200	334,349	6.41%	4,878,851
Extra Ordinary O&M	2,384,112	761,039	31.92%	1,623,073
Participatory Grants	-	-	0.00%	-
Operate & Maintain DMC	4,881,834	1,188,722	24.35%	3,693,112
Operate & Maintain Wasteways	246,417	12,780	5.19%	233,638
Mendota Pool	153,667	29,779	19.38%	123,887
Operate & Maintain JPP	2,223,205	790,192	35.54%	1,433,012
Intertie Maintenance	243,719	6,137	2.52%	237,582
Volta Wells Pumping	35,440	585	1.65%	34,855
Operate & Maintain O'Neill	1,338,529	448,188	33.48%	890,340
Maintain Tracy Fish Facility	320,450	193	0.06%	320,257
Maintain Fish Release Site	7,098	-	0.00%	7,098
Operate & Maintain Tracy USBR	5,123	-	0.00%	5,123
Operate & Maintain San Luis Drain	117,054	23,093	19.73%	93,961
Maintain Delta Cross Channel	75,841	1,058	1.40%	74,783
WAPA	2,056	-	0.00%	2,056
Warehousing	129,442	42,178	32.58%	87,264
Tracy Field Office Expense	665,061	104,166	15.66%	560,896
Direct Administrative/General Expense	1,094,623	354,296	32.37%	740,327
Indirect Administrative/General Expense	397,236	42,499	10.70%	354,737
Indirect O & M LBAO Admin.	2,044,381	502,109	24.56%	1,542,271
TOTAL	21,578,488	4,641,362	21.51%	16,937,126
Total from Self-Funding - page 2	13,086,535	3,510,807	26.83%	9,575,728
Total from USBR - page 3	586,047	1,835	0.31%	584,212
Total from Special Projects - page 4	-	1,719	-	(1,719)
Total from EO&M - page 5	7,905,907	1,127,002	14.26%	6,778,905
Totals	21,578,488	4,641,362		16,937,126
YTD %		25.00%		

A. Does NOT include DWR Wheeling

San Luis & Delta-Mendota Water Authority

Budget to Actual Paid/Pending Comparison Summary

March 1, 2019 through May 31, 2019

FAC 7/1/19 & BOD 7/11/19

	Budget Type	FY Budget 3/1/19 - 2/29/20	Actual To Date Paid/Pending 3/1/19 - 5/31/19	% of Budget	Notes	Amount Remaining
03 General Membership (Administrative Agreement)	Direct Administration	729,500 34,950	113,051 6,297	15.50% 18.02%		616,449 28,653
05 Leg/CVP Operations (All Members)	Direct Administration	2,722,247 380	339,625 120	12.48% 31.58%		2,382,622 260
06 Reallocation Agreement	Direct Administration	0 382	0 120	0.00% 31.41%		0 262
35 Contract Renewal Coordinator	Direct Administration	104,368 382	1,126 120	1.08% 31.41%		103,242 262
09 Leg/CVP Operations #3	Direct Administration	0 382	0 120	0.00% 31.41%		0 262
28 Yuba County Water Transfers	Direct Administration	3,420 382	79 120	2.31% 31.41%		3,341 262
22 Grassland Basin Drainage #3A (General Participation)	Direct Administration	2,336,990 382	332,417 120	14.22% 31.41%		2,004,573 262
64 SGMA - Northern Delta-Mendota Region	Direct Administration	341,517 382	102,403 0	29.98% 0.00%		239,114 382
65 SGMA - Central Delta-Mendota Region	Direct Administration	341,517 382	102,145 0	29.91% 0.00%		239,372 382

San Luis & Delta-Mendota Water Authority

Budget to Actual Paid/Pending Comparison Summary

March 1, 2019 through May 31, 2019

FAC 7/1/19 & BOD 7/11/19

	Budget Type	FY Budget 3/1/19 - 2/29/20	Actual To Date Paid/Pending 3/1/19 - 5/31/19	% of Budget	Notes	Amount Remaining
67	Integrated Regional Water Management	332,910	3,767	1.13%		329,143
	Administration	0	0	0.00%		0
44	Exchange Contractors - 5 Year Transfer	3,420	394	11.52%		3,026
	Administration	382	120	31.41%		262
56	Long-Term North to South Water Transfer Program	84,420	19,896	23.57%		64,524
	Administration	382	120	31.41%		262
16	DHCCP	5,472	0	0.00%		5,472
	Administration	382	120	31.41%		262
TOTAL		7,044,931	1,022,280	14.51%		6,022,651
		3 / 12 X 7,044,931	\$ 1,761,233	25.00%		
		Budget vs. Actual	738,952.75			



July 11, 2019

To: Frances Mizuno, Assistant Executive Director

From: Bob Martin, Engineering & Planning Department Manager

Subject: O&M Report for June, 2019

Operations Department

The C.W. "Bill" Jones Pumping Plant (JPP) pumped at five units the majority of the month of June. Pumping was decreased to two units June 11th-13th for predator removal testing at the Tracy Fish Collection Facility (TFCF) and again from June 18th-June 22nd for installation of new main transformer bushings at the O'Neill Pump/Generating Plant (OPP).

Total pumping for the month of June at the JPP was 226,186 acre-feet. The OPP pumped 130,941 acre-feet and generated five acre-feet. The Delta-Mendota Canal/California Aqueduct Intertie Plant (DCI) pumped 21,415 acre-feet during full pumping at the JPP to help manage water levels due to subsidence related flow restrictions in several areas of the upper DMC.

The Federal share in San Luis Reservoir on June 30th was 712,999 acre-feet as compared to 516,750 acre-feet on June 30th, 2018.

Releases from both Friant Dam and Pine Flat Dam decreased throughout the month of June with flows ranging from 1,700 down to 600 cfs entering the Mendota Pool from the San Joaquin River side and from 3,400 down to 30 cfs entering from the James Bypass/Kings River. Diversions into the Chowchilla Bypass at the San Joaquin River bifurcation structure ceased on June 24th.

During the month of June, Canal Operations staff members performed open channel and closed-pipe flow measurements, routine patrols including Mendota Pool levee patrols, bi-weekly meter readings, well soundings, and meter maintenance.

Control Operations staff performed the following switching/clearance placements for the month of June:

- OPP Units 1-6: Main transformers B & C bushing replacement
- DCI Units 1, 2, 5, & 6: Packing replacement and mechanical seal upgrade
- JPP Unit 3: Exciter cleaning and brush replacement
- Volta Holding Reservoir "10' Gate" stop log: Refurbishment of radial gate
- OPP Unit 4: Main unit and discharge tube rehabilitation

Civil Maintenance Department

The Civil Maintenance crews worked on the following projects for the month of June:

- Installed stop log at Volta Holding Reservoir "10' Gate" (Grasslands Water District Mosquito Ditch) and removed radial gate for refurbishment
- Silt removal from Delta-Mendota Canal (DMC) pump sumps
- Pot hole repair on DMC operating road
- Install lakeside stop logs for OPP Unit 4
- Chemical and mechanical weed control
- Grading of DMC operating roads
- Continued fabricating and installing guard rails on top of DMC meter wells per Cal-OSHA requirements
- Maintenance and repairs to float lines, signs, fences, and gates
- Rodent control on DMC and Wasteways
- Assist with LBFO pavement seal-coat

Plant Maintenance Department

Electrical/C&I/SCADA Staff:

- Completed Jones Unit 2 annual maintenance and RTAC installation
- Began JPP Unit 5 annual maintenance
- Investigate DCI Unit 2 overload trip; replaced overloads
- Installed video projector in Control Building conference room
- Replaced JPP flow meter power supply
- Continued with lower DMC Programmable Logic Controller (PLC) upgrade replacement
- Updated relay settings database
- Replaced OPP Main Transformer B & C high-side bushings per USBR recommendation
- JPP Unit 3 exciter cleaning and brush replacement
- Replace OPP PLC CPU
- Investigate loss of SCADA control to DCI Unit 5

Mechanical Staff:

- Replaced JPP unwatering pumps check valves
- Continued with JPP Unit 5 annual maintenance
- Began rehabilitation of OPP Unit 4 main unit and penstock
- Completed repairs to OPP Unit 1 vane control distributor valve (oil leak)
- Fabrication of coupling bolts and components for OPP Unit 4 rehabilitation
- Replaced swivel coupling on JPP trash rake
- Replaced cable on JPP 80-ton hook

Engineering and Planning Department

The Engineering & Planning Department staff worked on the following projects this month: Rehabilitate OPP Unit 4 penstock and pump assembly projects, DMC O&M road repair project, DMC O&M road chipseal project, JPP Unit 2 rewind project, Tracy Administration and Civil Maintenance building flooring replacement, DMC subsidence mitigation project, JPP 100 ton gantry crane cable replacement, DMC R/W staking, DMC MP76.05L flowmeter replacement, SLDMWA maintenance labor analysis, OPP main transformer bushing replacement, WIFIA financing letter of interest support, Los Banos Field Office

parking lot seal coat, and also drawing and website management activities. Planning support was provided for civil, mechanical & electrical maintenance activities.

Charles Reyes attended the Omicron transformer diagnostics training this month.

Land Management Activity Summary:

Four (4) access permits were issued this month. Permit P2002010 was issued Del Puerto Water District to enter the Delta-Mendota Canal right-of-way to conduct field surveys for the Del Puerto Canyon Reservoir. Permit P2002011 was issued to Stanislaus Towing Services to enter upon the Delta-Mendota Canal to remove vehicles from the right-of-way. Emergency permit P2002012 was issued to Del Puerto Water District to repair the underground pipeline servicing the turnout located at MP26.89R. Finally, permit P2002013 was issued to San Luis Water District to modify the slant pump located at MP90.57L.

Continued working with developers for construction at Corral Hollow Rd bridge to support Tracy Hills development. AT&T installed overhead line without prior approval and currently working with them to utilize poles in place for Comcast and to remove the unauthorized poles that they installed. Continued working with Prologis on improvements near MP9.29. They have completed installing barrier fences to prevent public access.

Safety Department

Participated in USBR TSC Value Engineering Study for the Jones Pumping Plant excitation, control and protective system replacement, supported O'Neill Pump/Generating Plant transformer bushing replacement, 3 incident reports, budget work on FY21 budget, purchased motor grader, driver safety training, sandblast filter replacement work.

HR Department

General Administrative Activities:

- Gary Dingman, Hydrotech II, retires August 3rd. Gary has been employed with the Water Authority since 10/1/92. His strong work ethic and distinctive sense of humor will be equally missed.
- Recruiting: COO position; Tracy Hydrotech II
 - Update – internal lateral transfer, J Wiesenerberger, Heavy Equipment Operator, to backfill the above pending Hydrotech II vacancy
- Summer Students: all Orientations complete.
- Employee handbook rollout: in progress
- Retirement Health Savings plan rollout: scheduled for 7/17, Los Banos, & 7/18, Tracy.
- Continued review of written Respiratory program
- Accident reporting/scheduling of appraisals/coordinating repairs:
 - 5/30/19 Charleston Rd @ DMC, Los Banos, employee stopped at stop sign on DMC road, did not see oncoming vehicle, collided.
 - 6/3/19 Corral Hollow @ DMC, Tracy, employee hit from behind by dump truck while slowing to make left turn onto canal.
- Coordinate Supervisor Staff Meeting for 7/9/19, Safety training

Government Reporting:

- Coordinate with consultant on finalizing GreatPlains reporting mechanisms to move these reports from an Access database to the GP HR module; ongoing. Missed target date of June 10 for status check

Training:

- HR staff specific:
 - Laures Stiles & Liz Heredia (Work Planning Tech) attended Department of Transportation's Designated Employer Representative training
 - Laures Stiles & Stephanie Harris: Sexual Harassment Training for Managers & Supervisors

Ongoing:

- FMLA notices/follow ups
- COBRA notices/follow ups
- Monthly Safety Scratcher distribution
- Health benefits eligibility/employee assistance
- Maintain OSHA logs for 2019 calendar year
- Wellness program

EXTRAORDINARY O&M & CAPITAL PROJECTS

DELTA-MENDOTA CANAL (DMC)

DMC O&M Road Maintenance Program – Phase 8 & 9 (MP 39.21 to 62.09) (1900478)

Status: Conducted public bid opening. Talley Oil was lowest bidder, and Construction Agreement has been signed, and all required bonds and insurance have been received. Submittals still need to be received and approved. Field work is tentatively scheduled for week of August 19 or 26th.

DMC O&M Road Repair – (MP 102.04 to 110.85) (1900469)

Status: Conducted public bid opening on July 2. Only one bid was received and was accepted. References for Pavement Recycling Systems will be checked in early July.

DMC Subsidence Mitigation

Status: The USBR survey and SLDMWA teams completed the bathymetric survey and the report will be provided in mid-July. Preparation of the project scopes and cost estimating has begun and preliminary estimates should be available in early August.

C.W. “BILL” JONES PUMPING PLANT (JPP)

JPP Excitation Cabinet & Control Panel Refurbishment (1800333) FY2018 Project

Status: The Value Engineering Study was performed during the last week in June. The study report will be provided in late July.

JPP Unit No. 2 Rewind

Status: The mandatory pre-bid conference (job walk) was held on June 12th. Four contractors attended: National Electric Coil, Voith Hydro, ABB and Andritz. The due date for the proposals is July 9th.

JPP/OPP/DCI Fire Protection Systems Assessment

Status: No activity this month.

O’NEILL PUMPING/GENERATING PLANT (OPP)

Design New Access Opening near Pump Bowl (1800332) FY2018 Project

Status: Reclamation Denver Office has been tasked with the support, but have not yet responded. The project was scheduled to be completed in parallel with the pump rehabilitation project. It appears Reclamation will not be able to provide the support to meet our schedule. The SLDMWA staff has proposed to combine all of the man door installations into one project and perform the work on site. Currently the project will be scheduled for FY24.

Rehabilitate Pump Assemblies Unit No. 4 (1900462)

Status: Scaffolding erection completed by contractor. Crew started the unit disassembly of the unit. Dresser hoops have been manufactured and picked up from manufacturer. Awarded bid for upper enclosure tube to UNICO. Various contracts and bid documents are being prepared for the required services to complete unit no. 4 rehabilitation.

Rehabilitate Penstock Interiors - Unit No. 4 (1800461)

EXTRAORDINARY O&M & CAPITAL PROJECTS

Status: Partially completed contract documents for penstock rehab and pump assembly coating rehabilitation. Will be publically advertised on July 9th, with bid opening on July 24. Mobilization tentatively scheduled for August 26th.

Main Transformers Condition Assessment

Status: The high voltage bushings found during the assessment of the main transformers were GE Type U bushings. Concern about the bushing's rising power factor and documented accounts of bushing failures related to Type U bushings, it was recommended by TSC to replace the bushings. B & C Phase high voltage bushings were replaced with ABB Type O Plus C bushings on June 18-21. The project was completed with the help from USBR's offices (NCAO, CCAO, and CVO) and ABB.

LOS BANOS FIELD OFFICE (LBFO)

LBFO Parking Lot Seal Coat and Striping (1900480)

Status: Seal coat and striping was completed this month. Project complete.

TRACY FACILITIES (TFO)

TFO Domestic Water Treatment Plant Replacement (2000158)

Status: Began soliciting potential bidders for project.



San Luis & Delta-Mendota Water Authority
OPERATIONS SUMMARY

NOTE: ALL FIGURES ARE IN ACRE FEET

	May-2019	May-2018
JONES PUMPING PLANT - PUMPED	86,544	102,118
DCI PLANT - PUMPED	3,225	0
DCI PLANT - RETURNED	0	34,369
O'NEILL P/G PLANT - PUMPED	36,449	20,171
O'NEILL P/G PLANT - GENERATED	35,040	19,246
DMC DELIVERIES	37,072	44,609
RIVER/WELL/RECYCLE WATER INTO DMC	6,622	6,570
MENDOTA POOL DELIVERIES	86,073	100,881
SHASTA RESERVOIR STORAGE	4,476,800	3,955,300
SAN LUIS RESERVOIR STORAGE	1,441,077	1,527,688
* FEDERAL SHARE	742,138	669,943

	May-2019	May-2018
SAN LUIS UNIT DELIVERIES	13,371	14,888
SAN LUIS UNIT WELL WATER	0	0
SAN FELIPE UNIT DELIVERIES	8,976	18,979

Jones Pumping Plant monthly average = 1,407 cfs



San Luis & Delta-Mendota Water Authority
Monthly Deliveries
May 2019

To: Adam Hoffman; Erma Leal; Gabe Mora; Katrina Buelna; Liz Kiteck; Mark Rhodes; Marta Rivas; Melody Hernandez; Sheryl Carter; Sonya Nechanicky; Stacey Smith; Tim Blair; Tom Boardman; Joyce Machado; Wes Harrison

From: Chauncey Lee, Water Operations Superintendent, 530-228-4504 (cell)

Date: 6/19/19

<u>District/Other</u>	Total Available Water into System (INCOMING) (Acre Feet)	AG/Refuge Deliveries (Acre Feet)	M & I Deliveries (Acre Feet)	Total Deliveries (OUTGOING) (Acre Feet)
Total Pumped @ Jones Pumping Plant	86,544			
Total Pumped @ DCI	(3,225)			
Total Reversed @ DCI	0			
City of Tracy		0	784	784
Byron Bethany I.D.		671	76	747
West Side I.D.		0	0	0
Banta Carbona I.D.		11	0	11
West Stanislaus I.D.		0	0	0
Patterson I.D.		0	0	0
Del Puerto W.D.		7,022	0	7,022
Central California I.D. - above check #13		1,501	0	1,501
San Luis W.D.- above check #13		0	0	0
Volta Wildlife Mgmt. Area (Fish & Game)		0	0	0
Fish & Wildlife (Volta) Santa Fe - Kesterson		0	0	0
Grasslands W.D. (Volta)		3,862	0	3,862
Total Pumped @ O'Neill PP	(36,449)			
Total Generated @ O'Neill PP	35,040			
Central California I.D. - below check #13		7,752	0	7,752
Grasslands W.D. (76.05-L)		8,618	0	8,618
Fish & Game Los Banos Refuge (76.05-L)		641	0	641
Fish & Wildlife Kesterson (76.05-L)		578	0	578
Freitas Unit (76.05-L)		473	0	473
Salt Slough Unit (76.05-L)		236	0	236
China Island (76.05-L)		275	0	275
San Luis W.D. - below check #13		854	0	854
Panoche W.D.		1,746	2	1,748
Eagle Field W.D.		382	0	382
Oro Loma W.D.		25	0	25
Mercy Springs W.D.		0	0	0
Firebaugh Canal W.D. (D.M.C.)		1,563	0	1,563
River and Groundwater well pump-in	5,370			
North Valley Regional Recycled Water Program	1,252			
Change in Canal Storage	75			
Wasteway Flushing and Spill	(45)			
Total Available in Delta-Mendota Canal	88,562			
TOTAL DELIVERY FROM DELTA-MENDOTA CANAL	(37,072)	36,210	862	37,072
Theoretical DMC Delivery to Mendota Pool	51,490			
Total Estimated DMC Delivery to MP (determined at Check 20)	48,745			
Estimated (Loss) or Gain in DMC	(2,745)			
Estimated % Loss or Gain in DMC	-2.26%			



San Luis & Delta-Mendota Water Authority
Monthly Deliveries
May 2019

<u>District/Other</u>	Total Available Water into System (INCOMING) (Acre Feet)	AG/Refuge Deliveries (Acre Feet)	M & I Deliveries (Acre Feet)	Total Deliveries (OUTGOING) (Acre Feet)
Estimated DMC Inflow to MP	48,745			
Mendota Pool Groundwater Well Pump-In	504			
(+)SJRR Releases into Mendota Pool	11,432			
(+) San Joaquin Flood Releases into Mendota Pool	17,594			
(+)Kings River Flood Releases into the Mendota Pool	44,458			
<u>Mendota Pool Delivery Information</u>				
<u>Exchange Contractors:</u>				
Central California Irrigation District (CCID)		40,326	0	40,326
Columbia Canal Company (CCC)		4,361	0	4,361
Firebaugh Canal Water District (FCWD)		2,073	0	2,073
San Luis Canal Company (SLCC)		10,644	0	10,644
<u>Refuge:</u>				
Conveyance Losses		0	0	0
Calif Dept of F/G-LB Unit (CCID)		214	0	214
Calif Dept of F/G-LB Unit (SLCC)		168	0	168
Calif Dept of F/G-Salt Slough Unit (CCID)		78	0	78
Calif Dept of F/G-China Island Unit (CCID)		92	0	92
US Fish & Wildlife-San Luis Refuge (SLCC)		2,500	0	2,500
US Fish & Wildlife-Freitas (CCID)		158	0	158
US Fish & Wildlife-Kesterson (CCID)		193	0	193
Grasslands WD (CCID)		2,584	0	2,584
Grasslands WD (SLCC)		771	0	771
Grasslands (Private)		288	0	288
San Luis WD Conveyance (CCID)		7	0	7
Del Puerto WD Conveyance (CCID)		0	0	0
<u>San Joaquin River Restoration:</u>				
SJRR		8,654	0	8,654
<u>Other: (see MP Operations Report)</u>		12,962	0	12,962
<i>Total Available Water in Mendota Pool</i>	122,733			
TOTAL DELIVERY FROM MENDOTA POOL	(86,073)	86,073	0	86,073
*Estimated (Loss) or Gain in Mendota Pool	(36,660)			
*Estimated % Loss or Gain in Mendota Pool	-29.87%			
Total System Delivery	(123,145)			
*Total Estimated System (Loss) or Gain	(39,405)			
*Total Estimated % System Loss or Gain	-28.36%			

Special Notes: The system loss was due to the majority amount of floodwater(KRW) that was passed through the dam.



Jones Pumping Plant
May - 2019

Date	# OF UNITS	TIME ON/OFF	AVG DAILY CFS
1	1	CONTINUOUSLY	992
2	1	CONTINUOUSLY	991
3	1	CONTINUOUSLY	814
4	1	CONTINUOUSLY	813
5	1	CONTINUOUSLY	816
6	1	CONTINUOUSLY	815
7	1	CONTINUOUSLY	818
8	1	CONTINUOUSLY	815
9	1	CONTINUOUSLY	816
10	1	CONTINUOUSLY	816
11	1	CONTINUOUSLY	814
12	1	CONTINUOUSLY	812
13	1 to 2	0001	1972
14	2	CONTINUOUSLY	1980
15	2 to 3	0001	2622
16	3	CONTINUOUSLY	2618
17	3	CONTINUOUSLY	2610
18	3 to 1	0001	990
19	1	CONTINUOUSLY	989
20	1	CONTINUOUSLY	987
21	1	CONTINUOUSLY	987
22	1	CONTINUOUSLY	987
23	1 to 3	0001	2733
24	3	CONTINUOUSLY	2684
25	3	CONTINUOUSLY	2712
26	3	CONTINUOUSLY	2700
27	3	CONTINUOUSLY	2687
28	3 to 1	0001	809
29	1	CONTINUOUSLY	811
30	1	CONTINUOUSLY	811
31	1	CONTINUOUSLY	814
AVG CFS for the month			1408



NON-PROJECT WATER CREDITS REPORT

(ALL FIGURES IN ACRE FEET)

May 2019 WA Credits

To: Adam Hoffman; Adam Scheuber; Anthea Hansen; Kelley Geyer; Bobby Pierce; Brandon Kelley; Chris Eacock; David Weisenberger; Erma Leal; Frances Mizuno; Gabe Mora; Ian Uecker; Janet Gutierrez; Jarrett Martin; Jason Dean; Jeff Bryant; Juan Cadena; Katrina Buelna; Lon Martin; Lydia Sosa; Margaret Howe; Margie Lowe; Mark Rhodes; Marta Rivas; Melody Hernandez; Reza Shahcheraghi; Rick Gilmore; Sandra Reyes; Sheryl Carter; Siqing Liu; Stacey Smith; Wes Harrison

From : Chauncey Lee, Water Operations Superintendent, 530-228-4504 (cell)

Date: 6/19/19

CREDITS UNDER WARREN ACT CONTRACTS									
Turnout	Start Meter Reading	End Meter Reading	Factor	Adjust	District	Total	Less 5%	Month	Year
3.32-R1	0	0	1	0	BBID	0	0	0	0
3.32-R2	0	0	1	0	BBID	0	0	0	0
3.32-R3	130	130	1	0	BBID	0	0	0	0
13.31-L	4,804	4,804	1	0	BBID	0	0	0	0
14.26-R	5,217	5,217	1	0	BBID	0	0	0	0
15.11-R	1,604	1,604	1	0	BBID	0	0	0	0
20.42-L	16,033,311	17,463,742	1	0	BCID	4,390	(220)	4,170	6,545
20.42-L	16,033,311	17,463,742	1	0	USBR/FWA	0	0	0	0
21.12-L	990	990	1.01	0	DPWD	0	0	0	0
21.86-L	769	769	1	0	DPWD	0	0	0	0
24.38-L	1,763	1,763	1.04	0	DPWD	0	0	0	0
29.95-R	944	944	0.87	0	DPWD	0	0	0	0
30.43-L	7,422	7,422	1	0	DPWD	0	0	0	0
30.43-R	2,123	2,123	0.92	0	DPWD	0	0	0	0
30.95-L	1,915	1,915	1.03	0	DPWD	0	0	0	0
31.31-L1	46,778	46,779	1	(1)	WSTAN	0	0	0	0
31.31-L2	46,778	46,779	1	(1)	DPWD	0	0	0	0
31.31-L3	46,778	46,779	1	(1)	PID	0	0	0	0
31.60-L	8,182	8,182	0.93	0	DPWD	0	0	0	0
32.35-L	1,793	1,793	0.86	0	DPWD	0	0	0	0
33.71-L	748	748	0.94	0	DPWD	0	0	0	0
36.80-L	1,842	1,842	1	0	DPWD	0	0	0	0
37.10-L	3,294	3,294	0.94	0	DPWD	0	0	0	0
37.32-L	2,653	2,653	0.91	0	DPWD	0	0	0	0
42.50-R	1,034	1,034	0.96	0	DPWD	0	0	0	0
42.53-L	4,440,820	4,495,848	1	0	PID	1,263	(63)	1,200	1,200
42.53-L	4,440,820	4,495,848	1	0	DPWD	0	0	0	0
42.53-L	4,440,820	4,495,848	1	0	USBR/FWA	0	0	0	0
43.22-L	55	55	1	0	DPWD	0	0	0	0
48.97-L	870	870	0.95	0	SLWD	0	0	0	0
50.46-L	4,106	4,108	1.07	(2)	DPWD	0	0	0	0
51.00-R	296	296	0.89	0	DPWD	0	0	0	0
51.66-L	337	337	0.98	0	DPWD	0	0	0	0
52.40-L	1,331	1,331	0.94	0	DPWD	0	0	0	0
58.28-L	1,177	1,177	1.02	0	SLWD	0	0	0	0
58.60-L	917	917	0.96	0	DPWD	0	0	0	0
58.73-R	306	306	1	0	DPWD	0	0	0	0
64.85-L	1,662	1,662	0.72	0	DPWD	0	0	0	0
UPPER DMC SUB TOTAL								5,370	7,745



NON-PROJECT WATER CREDITS REPORT

(ALL FIGURES IN ACRE FEET)

May 2019 WA Credits

CREDITS UNDER WARREN ACT CONTRACTS									
Turnout	Start Meter Reading	End Meter Reading	Factor	Adjust	District	Total	Less 5%	Month	Year
78.31-L	4,469	4,469	1.08	0	SLWD	0	0	0	0
79.12-R	1,805	1,805	0.91	0	SLWD	0	0	0	0
79.13-L	2,286	2,286	1	0	SLWD	0	0	0	0
79.13-R	4,415	4,415	1.08	0	SLWD	0	0	0	0
79.60-L	8,582	8,582	0.84	0	SLWD	0	0	0	0
80.03-L	60	60	0.94	0	SLWD	0	0	0	0
80.03-R	638	638	1.05	0	SLWD	0	0	0	0
98.60-R	10,788	10,789	1	(1)	PANOCH/MS	0	0	0	0
98.74-L	5,695	5,695	1.14	0	PANOCH/MS	0	0	0	0
99.24-L	10,493	10,493	0.92	0	PANOCH/MS	0	0	0	0
100.70-L	6,211	6,211	1	0	PANOCH/MS	0	0	0	0
102.04-R	1,000	1,000	1	0	WIDREN WD	0	0	0	0
LOWER DMC SUB TOTAL								0	0
WARREN ACT CONTRACT CREDIT TOTAL								5,370	7,745
TOTAL GROSS PUMP-IN								CREDIT	
TOTAL (BYRON BETHANY IRRIGATION DISTRICT)						0		0	0
TOTAL (BANTA CARBONA IRRIGATION DISTRICT)						0		0	0
TOTAL (DEL PUERTO WATER DISTRICT)						0		0	0
TOTAL (WEST STANISLAUS IRRIGATION DISTRICT)						0		0	0
TOTAL (PATTERSON IRRIGATION DISTRICT)						1,263		1,200	1,200
TOTAL (SAN LUIS WATER DISTRICT)						0		0	0
TOTAL (PANOCH/MS WATER DISTRICT)						0		0	0
TOTAL (MERCY SPRINGS WATER DISTRICT)						0		0	0
TOTAL (WIDREN WATER DISTRICT)						0		0	0
TOTAL (FIREBAUGH WATER DISTRICT)						0		0	0
Other Warren Act Conveyance Credit Totals									
Del Puerto Water District:						0		0	0
Banta Carbona Irrigation District:						4,390		4,170	6,545
West Stanislaus Irrigation District:						0		0	0
Byron Bethany Irrigation District:						0		0	0
Patterson Irrigation District:						0		0	0
San Joaquin River Restoration Pump Back BCID:						0		0	0
San Joaquin River Restoration Pump Back PID:						0		0	0

Notes: 3.32-R, 20.42-L, 31.31-L and 42.53-L are River water



MENDOTA POOL OPERATIONS **2019** ALL FIGURES IN ACRE-FEET

To: Adam Hoffman; Bill Pipes; Cheryl Lassotovitch; Danny Wade; Donna Hanneman; Emily Thomas; Erma Leal; Steve Brueggemann; Gabe Mora; Hallie Rajkovich; Janet Gutierrez; Jason Dean; Jason Smith; Jeff Gallmann; Joy Kelley; Katarina Buelna; Linda Colella; Liz Kiteck; Margie Lowe; Mark Rhodes; Marta Rivas; Melody Hernandez; Rebecca Heilman; Rick Yribarren; Sonya Nechanicky; Stacey Smith; Steven Stadler; Ted Baker; Tom Boardman; Joyce Machado; Wes Harrison; William Halligan

Prepared by: Chauncey Lee, Water Operations Superintendent, 530-228-4504 (cell)

Date:6/19/19

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
FCWD	0	0	0	0	0								0
CCID	0	0	0	0	0								0
FRESNO SLOUGH	69	222	219	224	181								915
TPUD	0	0	24	0	0								24
JAMES I.D.	0	1,105	0	5,666	5,083								11,854
MEYERS	777	1,280	812	1,073	889								4,831
M.L. DUDLEY & INDART ¹	11	26	191	397	391								1,016
MID VALLEY* (Kings River)	0	0	0	0	369								369
REC. DIST. 1606	0	0	0	62	0								62
STATE FISH & WILDLIFE	1,498	804	549	400	682								3,933
TRACTION	743	356	494	425	609								2,627
UNMETERED	55	10	50	50	150								315
Total	2,296	1,170	1,093	875	1,441	0	0	0	0	0	0	0	6,875
COELHO FAMILY TRUST ²	33	79	348	699	629								1,788
TRANQUILITY I.D.	293	1,885	1,415	2,257	2,558								8,408
WESTLANDS LATERAL-6	0	0	0	192	46								238
WESTLANDS LATERAL-7	0	0	0	387	1,273								1,660
CARVALHO TRUST	9	9	36	94	102								250
TOTAL	3,488	5,776	4,138	11,926	12,962	0	0	0	0	0	0	0	38,290

NUMBERS SHOWN IN **BOLD** WERE REVISED AFTER DISTRIBUTION OF REPORT

1 aka COELHO-GARDNER-HANSEN 2 aka TERRA LINDA FARMS

Article 215 Water

Jan-19	
Feb-19	
Mar-19	Meyers WD 787 AF
Apr-19	
May-19	
Jun-19	
Jul-19	
Aug-19	
Sep-19	
Oct-19	
Nov-19	
Dec-19	

Kings River Water

Jan-19	
Feb-19	
Mar-19	TID 1073 AF
Apr-19	TID 1261 AF
May-19	JID 1298 AF, WWD 1319 AF, Meyers 242 AF MVWD 369 AF, TID 2558 AF, CGH 25 AF, TL 38 AF
Jun-19	
Jul-19	
Aug-19	
Sep-19	
Oct-19	
Nov-19	
Dec-19	

Duck Clubs (Percent Full)

BECK	120	PATOS	COLE	TRANQUILITY	1 ACRE
0%	0%	0%	0%	0%	0%

Jan, 2019
 DMC Inflow 19,736 AF
 James Bypass Flows 0 AF

Feb, 2019
 DMC Inflow 28,126 AF
 James Bypass Flows 0 AF

Mar, 2019
 DMC Inflow 22,485 AF
 James Bypass Flows 179 AF

Apr, 2019
 DMC Inflow 51,491 AF
 James Bypass Flows 438 AF

May, 2019
 DMC Inflow 48,745 AF
 James Bypass Flows 44,458 AF

June, 2019
 DMC Inflow AF
 James Bypass Flows AF

July, 2019
 DMC Inflow AF
 James Bypass Flows AF

Aug, 2019
 DMC Inflow AF
 James Bypass Flows AF

Sept, 2019
 DMC Inflow AF
 James Bypass Flows AF

Oct, 2019
 DMC Inflow AF
 James Bypass Flows AF

Nov, 2019
 DMC Inflow AF
 James Bypass Flows AF

Dec, 2019
 DMC Inflow AF
 James Bypass Flows AF



Date: 6/19/19

[illegible]

2 aka COELHO-GARDNER-HANSEN

[illegible]



SAN LUIS UNIT DELIVERIES

(ALL FIGURES IN ACRE-FEET)

May 2019

To: Erma Leal; Gabe Mora; Katrina Buelna; Linda Colella; Mark Rhodes; Joyce Machado; Marta Rivas; Melody Hernandez; Rebecca Heilman; Scott Crist; Sonya F Nechanicky; Stacey Smith; Tatiana Carrillo; Tom Boardman

Prepared by: Chaune Lee, Water Operations Superintendent, 530-228-4504 (cell)

Source document: Table 19 (DWR)

Date: 6/19/19

O'NEILL FOREBAY AND POOL 13, SAN LUIS CANAL

O'NEILL FOREBAY WILDLIFE AREA		42
SAN LUIS WATER DISTRICT	AG	489
	M&I	68
V.A. CEMETERY		63
SUBTOTAL		662

SAN LUIS CANAL, POOLS 14 THRU 21

SAN LUIS WATER DISTRICT	AG	7839
	M&I	2
PANOCHÉ WATER DISTRICT	AG	3924
	M&I	8
PACHECO WATER DISTRICT	AG	0
	M&I	0
PACHECO C.C.I.D. NON PROJECT		936
SUBTOTAL		12709

TOTAL SAN LUIS UNIT	13371
----------------------------	--------------

PANOCHÉ M&I INCLUDES 1 A.F. @ 89.70-L DOS PALOS
SAN LUIS WATER DISTRICT WELL WATER CREDIT- M.P. 79.67-R = 0

MONTHLY DELIVERIES FOR SAN FELIPE UNIT	
VALLEY WATER	8482
SAN BENITO CO. W.D.	494
CASA DE FRUTA	0
TOTAL	8976

San Luis & Delta Mendota Water Authority
2019 Volta Wasteway Deliveries

To: Erma Leal; Gabe Mora; Linda Colella; Joyce Machado; Marta Rivas; Melody Hernandez; Ken Swanson; Sonya Nechanicky; Stacey Smith; Tatiana Carrillo; Wes Harrison; Lara Sparks; Sean Allen

Prepared by: Chauncey Lee, Water Operations Superintendent, 530-228-4504 (cell)

Date: 6/19/19

Month	Total	Grasslands Total	CA Dept. Fish & Wildlife (DFW)			Total Delivered	F&W Kesterson	Grasslands Charged	DFW Charged	Total Spill	Volta Wells Total Groundwater (L-2 & Inc. L-4 50/50 Split)	GWD 1_& 2		Kesterson Volta Wells Groundwater	DFW Volta Wells Groundwater
	Released at Volta WW		Lift Pumps	Gravity	Total							Volta Wells Groundwater			
												Level 2	Inc. Level 4		
Mar-19	379	140	192	0	192	332	0	140	192	636	0	0	0	0	0
Apr-19	622	848	0	0	0	848	0	622	0	169	0	0	0	0	0
May-19	4,960	3,862	0	0	0	3,862	0	3,862	0	60	0	0	0	0	0
Jun-19					0	0									
Jul-19					0	0									
Aug-19					0	0									
Sep-19					0	0									
Oct-19					0	0									
Nov-19					0	0									
Dec-19					0	0									
Jan-20					0	0									
Feb-20					0	0									
TOTAL	5,961	4,850	192	0	192	5,042	0	4,624	192	865	0	0	0	0	0

All figures in acre feet. Charged amounts are calculated by a percentage of total amounts delivered applied to the total water available



Monthly Availability Report

CW "Bill" Jones Pumping Plant

May - 2019

Unit #	Max Hours	Scheduled Outages (1)	%	Unscheduled Outages (2)	%	Over-all Availability %	Starts	Comments
							Pump	
Unit-1	744	488.4	65.65%	0.0	0.00%	34.35%	1	Annual Maintenance/Tube Inspection
Unit-2	744	737.0	99.06%	0.0	0.00%	0.94%	0	Annual Maintenance/Tube Inspection
Unit-3	744	0.0	0.00%	0.0	0.00%	100.00%	1	
Unit-4	744	0.0	0.00%	0.0	0.00%	100.00%	3	
Unit-5	744	254.4	34.19%	0.0	0.00%	65.81%	0	Annual Maintenance
Unit-6	744	0.0	0.00%	0.0	0.00%	100.00%	2	
Total	4464	1479.8	33%	0.0	0.00%	67.00%	7	

Notes:

(1) Planned maintenance

(2) Emergency outages and maintenance performed with less than 24 hours advance notice



Monthly Availability Report

O'Neill Pump/Generating Plant

May - 2019

Unit #	Max Hours	Scheduled Outages (1)	%	Unscheduled Outages (2)	%	Over-all Availability %	Starts		Comments
							Pump	Gen	
Unit-1	744	0.0	0.00%	744.0	100.00%	0.00%	0	0	1) XFMR Inspection 2) Dist. Head oil leak
Unit-2	744	82.6	11.10%	0.0	0.00%	88.90%	4	1	XFMR Insp.
Unit-3	744	82.6	11.10%	0.0	0.00%	88.90%	4	0	XFMR Insp.
Unit-4	744	82.6	11.10%	0.0	0.00%	88.90%	1	0	XFMR Insp.
Unit-5	744	82.6	11.10%	0.0	0.00%	88.90%	4	0	XFMR Insp.
Unit-6	744	288.2	38.74%	41.2	5.54%	55.72%	3	3	1) Annual Maint/XFMR Inspection 2) Unit 86'd with no issues found
Total	4464	618.6	14%	785.2	17.59%	68.41%	16	4	

Notes:

(1) Planned maintenance

(2) Emergency outages and maintenance performed with less than 24 hours advance notice



Monthly Availability Report

DCI Pumping Plant

May - 2019

Unit #	Max Hours	Scheduled Outages (1)	%	Unscheduled Outages (2)	%	Over-all Availability %	Starts	Comments
							Pump	
Unit-1	744	0.0	0.00%	0.0	0.00%	100.00%	2	
Unit-2	744	0.0	0.00%	0.0	0.00%	100.00%	1	
Unit-5	744	0.0	0.00%	0.0	0.00%	100.00%	2	
Unit-6	744	0.0	0.00%	0.0	0.00%	100.00%	1	
Total	2976	0.0	0%	0.0	0.00%	100.00%	6	

Notes:

(1) Planned maintenance

(2) Emergency outages and maintenance performed with less than 24 hours advance notice



Notice of Regular Water Resources Committee Meeting and Joint Regular Water Resources Committee Meeting-Special Board Workshop

Monday, July 1, 2019 10:00 a.m.

SLDMWA Boardroom
842 6th Street, Los Banos
[telephonic participation locations identified below]

Agenda

NOTE: Any member of the public may address the Water Resource Committee/Board concerning any item on the agenda before or during its consideration of that matter. Public comment is limited to no more than three minutes per person per item. For good cause, the Chair may waive this limitation.

NOTE FURTHER: Because the notice provides for a regular meeting of the Water Resources Committee and a joint regular Water Resources Committee/special Board workshop, Board Directors/Alternates may discuss items listed on the agenda; however, only Water Resource Committee Members/Alternates may correct or add to the agenda or vote on action items.

1. Call to Order/Roll Call
2. Water Resources Committee to Consider Corrections or Additions to the Agenda of Items, as authorized by Government Code Section 54950 *et seq.*
3. Opportunity for Public Comment – Any member of the public may address the Water Resource Committee concerning any matter not on the agenda, but within the Committee's jurisdiction. Public comment is limited to no more than three minutes per person. For good cause, the Chair may waive this limitation.

ACTION ITEMS

4. **Water Resources Committee to Consider Approval of the June 3, 2019, Meeting Minutes**

REPORT ITEMS

5. Update on DMC Subsidence Survey – Barajas/Reclamation
6. Update on Water Policy/Resources Activities, Petersen
(May include reports on activities related to 1) Reinitiation of Consultation on Long-Term Operations of the Central Valley Project and State Water Project, including environmental compliance; 2) State Water Resources Control Board action; 3) San Joaquin River Restoration Program; 4) Delta conveyance; 5) Delta Stewardship Council action; 6) San Joaquin Valley Water Blueprint)
7. Update on California Storage Projects, Barajas
(May include reports on activities related to 1) Sites Reservoir, 2) Temperance Flat Reservoir, 3) Los Vaqueros Reservoir, 4) Shasta Reservoir, 5) San Luis Reservoir, 6) Pacheco Reservoir, 7) Del Puerto Canyon Reservoir)
8. Report on State and Federal Affairs, Petersen
9. Update on Water Operations and Forecasts, Tom Boardman
10. Executive Director's Report, Barajas
(May include reports on activities within the Water Resources Committee's jurisdiction related to 1) CVP/SWP water operations; 2) regulation of the CVP/SWP; 3) existing or possible new State and Federal policies; 4) Water Authority activities)

11. Closed Session

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of Litigation Pursuant to paragraph (4) of Subdivision (d) of Government Code Section 54956.9 – 8 potential cases

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant Exposure to Litigation Pursuant to Paragraph (2) or (3) of Subdivision (d) of Government Code Section 54956.9 – 2 potential cases

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Existing Litigation Pursuant to paragraph (1) of Subdivision (d) of Section 54956.9

- A. Natural Resources Defense Council et al. v. Bernhardt et al., U.S. District Court, E.D. Cal., Case No. 1:05-cv-01207, LJO-BAM (Old FWS – OCAP BO/Contracts)
- B. Modesto Irrigation District, et al. v. State Water Resources Control Board & Woods Irrigation Company, Sacramento County Superior Court Case No. 34-2011-80000803 (Complaint for Declaratory Relief re Woods Irrigation Company)
- C. SWRCB Water Rights Complaints: Modesto Irrigation District, State Water Contractors, San Luis & Delta-Mendota Water Authority, Interested Persons in SWRCB CDO Enforcement Proceedings and/or Petitions for Reconsideration: Pak & Young; Mussi et al; George Speckman Testamentary Trust (Water Rights Complaints)
- D. 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., Case No. 2:11-CV-02980-KJM-CKD, Appeal No. 17-17130 ("PCFFA v Glaser" or "GBP Citizens Suit")
- E. San Luis & Delta-Mendota Water Authority and Westlands Water District v. Delta Stewardship Council, et al., Sacramento County Superior Court Case No. 34-2013-80001500 (Delta Plan Litigation). Appeals in Delta Plan Litigation: State Water Contractors, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082944); California Water Impact Network, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); Central Delta Water Agency, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); North Coast Rivers Alliance, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); San Luis & Delta-Mendota Water Agency, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); Save the California Delta Alliance v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994)
- F. California Sportfishing Protection Alliance, et al. vs. California State Water Resources Control Board, et al., Alameda County Superior Court Case No. RG15780498 (State WQCP/TUCP)
- G. City of Fresno, et al. v. United States, U.S. Court of Federal Claims, Case No. 16-1276L (Friant Takings Suit)
- H. Monterey Coastkeeper, et al. v. Central Valley Regional Water Quality Control Board, et al., Sacramento County Superior Court Case No. 34-2018-80002853; Environmental Law Foundation v. State Water Resources Control Board, Sacramento County Superior Court Case No. 34-2018-80002851; Protectores del Agua Subterranea v. State Water Resources Control Board, Sacramento Superior Court Case No. 34-2018-80002852 ("Waste Discharge Requirement Cases")
- I. North Coast Rivers Alliance v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002898; Central Delta Water Agency v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002900; Friends of the River v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002901; California Water Impact Network v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002904 ("Delta Plan Amendment Cases")

12. Return to Open Session

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

14. Reports Pursuant to Government Code Section 54954.2(a)(3)

15. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Felicia Luna 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 days before a regular meeting or 1 day before a special meeting/workshop.

Telephonic Participation Locations:

San Benito County Water District
30 Mansfield Road
Hollister, CA 95023

Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118

¹ Attention telephonic participants: This Notice and Agenda must be posted at the telephonic participation location, which must be accessible to the public.



Notice of Regular Finance & Administration Committee Meeting and Joint Regular Finance & Administration Committee Meeting-Special Board Workshop

Monday, July 1, 2019, 12:00 p.m.

SLDMWA Boardroom
842 6th Street, Los Banos, CA

[telephonic participation locations identified below]

Agenda

NOTE: Any member of the public may address the Finance & Administration Committee concerning any item on the agenda before or during its consideration of that matter. Public comment is limited to no more than three minutes per person per item. For good cause, the Chair of the Finance & Administration Committee may waive this limitation.

NOTE FURTHER: Because the notice provides for a regular meeting of the Finance & Administration Committee ("FAC") and a joint regular FAC Meeting/Special Board Workshop, Board Directors/Alternates may discuss items listed on the agenda; however, only FAC Members/Alternates may correct or add to the agenda or vote on action items.

1. Pledge of Allegiance
2. Call to Order/Roll Call
3. Finance & Administration Committee to Consider Corrections or Additions to the Agenda for the Regular Finance & Administration Committee Meeting only, as Authorized by Government Code Section 54950 et seq.
4. Opportunity for Public Comment – Any member of the public may address the Finance & Administration Committee concerning any matter not on the Agenda, but within the Finance & Administration Committee's jurisdiction. Public comment is limited to no more than three minutes per person. For good cause, the Chair of the Finance & Administration Committee may waive this limitation.

ACTION ITEMS

5. **Finance & Administration Committee to Consider Approval of the June 3, 2019, and June 25, 2019 Meeting Minutes**
6. **Finance & Administration Committee to Consider Recommendation to the Board of Directors to Approve WY 19 Recalculated O&M Rates, Mizuno**
7. **Finance & Administration Committee to Consider Recommendation to the Board of Directors to Approve the FY16 Audited Financial Statements, Bill Patterson, Sampson, Sampson & Patterson, LLP**

REPORT ITEMS

8. Water Infrastructure and Innovation Act (WIFIA) Letter of Interest Submittal

9. FY19 Activities Budget to Actual through 5/31/19
10. Executive Director's Report, Barajas
(May include reports on activities within the Finance & Administration Committee's jurisdiction related to 1) CVP/SWP water operations; 2) regulation of the CVP/SWP; 3) existing or possible new State and Federal policies; 4) Water Authority activities)
11. Reports Pursuant to Government Code Section 54954.2
12. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Felicia Luna 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 days before a regular meeting or 1 day before a special meeting/workshop.
--

Telephonic Participation Locations:¹

Friant Water Authority	San Benito County W.D.
Lindsay Main Facility	30 Mansfield Rd.
854 N. Harvard Ave.	Hollister, CA 95023
Lindsay, CA 93247	

¹ Attention telephonic participants: This Notice and Agenda must be posted at the telephonic participation location, which must be accessible to the public.

SAN LUIS & DELTA-MENDOTA
WATER AUTHORITY

REPORT ON AUDITED
FINANCIAL STATEMENTS
AND
ADDITIONAL INFORMATION

YEAR ENDED FEBRUARY 29, 2016

CONTENTS

	<u>Page</u>
FINANCIAL STATEMENTS:	
Independent Auditor's report	1-2
Management's Discussion and Analysis	3-9
General Purpose Financial Statements:	
Statement of Net Position	10
Statement of Revenues, Expenses, and Changes in Net Position	11
Statement of Cash Flows	12
Statement of Fiduciary Net Position – Fiduciary Funds	13
Notes to Financial Statements	14-26
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with Government Auditing Standards	27-28



Sampson, Sampson & Patterson, LLP
CERTIFIED PUBLIC ACCOUNTANTS

3148 Willow Avenue, Suite 102
Clovis, California 93612-4739
(559) 291-0277 • FAX (559) 291-6411

INDEPENDENT AUDITOR'S REPORT

Board of Directors
San Luis & Delta-Mendota Water Authority
Los Banos, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of the San Luis & Delta-Mendota Water Authority (the "Authority") as of and for the year ended February 29, 2016 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the Authority, as of February 29, 2016 and respective changes in financial position and, where applicable, cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's office and the state regulations governing special districts.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 1, 2019, on our consideration of the Authority's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Sampson, Sampson & Patterson, LLP

Clovis, California
July 1, 2019

San Luis & Delta-Mendota Water Authority

Management's Discussion and Analysis

Year Ended February 29, 2016

Overview

The following management discussion and analysis of the San Luis & Delta-Mendota Water Authority (the Authority or SLDMWA) provides an overview of the financial activities and transactions for fiscal years 2016 and 2015 in the context of the requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended. This discussion and analysis should be read in conjunction with the Authority's audited financial statements and accompanying notes.

Financial Reporting

The Authority's accounting records are maintained in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board (GASB) which for the Authority is the accrual basis of accounting and, where not in conflict with GASB pronouncements, accounting principles prescribed by the Financial Accounting Standards Board (FASB).

Description of Basic Financial Statements

The Authority's basic financial statements include the statement of net position, statement of revenues, expenses and changes in net position, and statement of cash flows. The statement of net position include all of SLDMWA's assets, deferred outflows and liabilities, with the difference reported as net position. The statements of revenues, expenses and changes in net position report all of SLDMWA's revenues and expenses during the period indicated. The statements of cash flows show the amount of cash received and paid out for operating activities, noncapital financing activities, capital and related financing activities, and investing activities.

- **Statement of Net Position**

The statement of net position provide information about assets, liabilities, and net position of the Authority at a specific point in time. Assets are economic resources the Authority owns that have value and can either be sold or used by the Authority to produce products or services that can be sold. Assets include pumping plants, vehicles, equipment, inventory, cash and investments, and accounts receivable.

Liabilities are amounts of money that the Authority owes to others. This includes money owed to suppliers for materials, payments due to members participating in water transfers, deposits from other agencies and amounts due to the Authority's pension plan.

Net Position is the amount of money that would be left if the Authority sold all of its assets and paid off all of its liabilities.

- **Statement of Revenues, Expenses and Changes in Net Position**

The Statement of Revenues, Expenses and Changes in Net Position is more commonly known as the Income Statement. This statement provides information regarding the Authority's operations including revenues collected and expenses incurred over a one-year period. The bottom line of the statement shows the Authority's end of year net position.

San Luis & Delta-Mendota Water Authority

Management's Discussion and Analysis

Year Ended February 29, 2016

• Statement of Cash Flows

The Statement of Cash Flows reports the Authority's inflows and outflows of cash. This report provides management with information regarding cash on hand and the ability to pay expenses and purchase assets.

A cash flow statement reflects changes over time rather than absolute dollar amounts at a particular point in time. The bottom line of the cash flow statement shows the net increase or decrease in cash for the period. Cash flow statements are divided into four activities: (1) operating activities; (2) noncapital financing activities; (3) capital financing activities; and (4) investing activities.

1. Operating Activities – analyzes the cash flow from operational activities (operating revenues and expenses). This section of the cash flow statement reconciles the operating revenues to the actual cash the Authority received from or used in its operating activities.
2. Noncapital Financing Activities – reflects the cash flows from non-operating activities such as water sales and grant activity.
3. Capital Financing Activities – shows the cash flows from all financing activities. Typical cash flows from financing activities include funds received from borrowing, debt service payments, and the purchase and/or sale of capital assets.
4. Investing Activities – reflects the cash flow from all investment activities including investment income and purchases or sales of investment securities.

CONDENSED STATEMENT OF NET POSITION

	2016	2015	Variance	% Change
Assets				
Current Assets	\$22,340,392	\$27,556,180	\$(5,215,788)	-19%
Capital Assets, Net of Accumulated Depreciation	2,755,827	3,000,602	(244,775)	-8%
Other Assets	<u>35,910,000</u>	<u>36,540,000</u>	<u>(630,000)</u>	-2%
Total Assets	<u>61,006,219</u>	<u>67,096,782</u>	<u>(6,090,563)</u>	
Deferred Outflow of Resources				
Debt Issuance	147,122	152,571	(5,449)	-4%
Liabilities				
Other Current Liabilities	11,680,813	15,660,965	(3,980,152)	-25%
Debt Borrowings, Due within One Year	630,000	605,000	25,000	4%
Debt Borrowings, Long Term	38,623,436	39,353,934	(730,498)	-2%
Other Liabilities, Compensated Absences	<u>1,267,519</u>	<u>1,068,119</u>	<u>199,400</u>	19%
Total Liabilities	<u>52,201,768</u>	<u>56,688,018</u>	<u>(4,486,250)</u>	
Net Position				
Total Net Position	<u>\$ 8,951,573</u>	<u>\$10,561,335</u>	<u>\$(1,609,762)</u>	-15%

San Luis & Delta-Mendota Water Authority
Management's Discussion and Analysis

Year Ended February 29, 2016

Current Assets

Current assets include cash and equivalents, accounts receivable, grants receivable, interest receivable, inventory and prepaid expenses.

Fiscal Year 2016 Compared to 2015. At February 29, 2016, current assets totaled \$22.3 million which was \$5.2 million or 19% lower than the prior year. The decrease was primarily due to a \$1.7-million-dollar reduction in cash and cash equivalents, and a decrease in accounts receivable of \$3.5 million at February 29, 2016 as compared to February 28, 2015.

Capital Assets Net of Depreciation

Capital assets net of depreciation includes automobiles, heavy equipment, furniture, equipment, and computers net of all accumulated depreciation.

Fiscal Year 2016 Compared to 2015. At February 29, 2016, net capital assets totaled \$2.75 million net of accumulated depreciation which was down approximately \$245 thousand or 8% from the prior year. This decrease resulted from fixed asset additions, retirements, and depreciation for the year.

	2016	2015
Autos/Light Trucks	\$2,338,240	\$2,366,587
Heavy Equipment	1,700,317	1,700,317
Furniture and Equipment	2,039,728	2,038,736
Computers	<u>809,819</u>	<u>809,819</u>
Total Fixed Assets at Cost	6,888,104	6,915,459
Less Accumulated Depreciation	<u>(4,132,277)</u>	<u>(3,914,857)</u>
Net Fixed Assets	<u>\$ 2,755,827</u>	<u>\$ 3,000,602</u>

Major capital asset events during 2015-2016 fiscal year included the following:

- Vehicle retirements totaled \$28,347.
- Furniture and Equipment replacements totaled \$12,924, whereas retirements totaled \$11,932.

Additional information on the Authority's capital assets may be found in Note 4.

Other Assets

Other assets, which consist primarily of receivables from financing participants, decreased from \$36,540,000 in fiscal year 2015 to \$35,910,000 in fiscal year 2016 for a total decrease of \$630,000 or 2% by February 29, 2016.

The decrease is a result of the Series 2013A Refunding Revenue Bond principal payment of \$630,000 due in 2016/2017. More information on the Series 2013A can be found in Note 7.

San Luis & Delta-Mendota Water Authority
Management's Discussion and Analysis

Year Ended February 29, 2016

Deferred Outflows of Resources

Fiscal Year 2016 Compared to 2015. At February 29, 2016, deferred outflow of resources decreased \$5,449 or 4%.

This decrease is a result of the deferred outflow of debt issuance costs related to the 2013A Refunding Revenue Bonds.

Current Liabilities

Current liabilities represent Authority obligations that are due within one year. They include accounts payable, deposits, and the current portion of long-term liabilities.

Fiscal Year 2016 Compared to 2015. At February 29, 2016, current liabilities totaled \$12.8 million, a decrease of \$16.7 million or 23% from the prior year. Details to support the decrease include:

Accounts Payable decreased \$4,465,695, while Accrued Payroll and Related Liabilities increased \$62,157. The current portion of Interest Payable on long-term debt decreased \$12,100. Unearned Revenue increased \$435,486.

Debt Borrowings – Due within One Year

Debt Borrowings – due within one year increased from \$605,000 to \$630,000 for a total increase of \$25,000 or 4%.

The increase of \$25,000 reflects the net increase in the Series 2013A Refunding Revenue Bond principal due within one year.

Debt Borrowings – Long Term

Debt Borrowings – long-term liabilities decreased \$730,498 or 2%.

Total Net Position

Total net position is a measure of equity that is comprised of the difference between total assets and total liabilities.

Fiscal Year 2016 Compared to 2015. The total net position at the end of fiscal year 2016 was \$8.9 million, a decline of \$1.6 million from the balance at the end of fiscal year 2015. Net position was reduced by a net operating loss of \$665,043 and a non-operating loss of \$944,719.

San Luis & Delta-Mendota Water Authority
Management's Discussion and Analysis

Year Ended February 29, 2016

Revenues and Expenses

The following is a condensed presentation of revenues, expenses and changes in net position for the fiscal years ended February 29, 2016 and February 28, 2015:

STATEMENT OF REVENUES, EXPENSES, & CHANGES IN NET POSITION

	<u>2016</u>	<u>2015</u>	<u>Variance</u>	<u>% Change</u>
Revenues & Expenses				
Operating Revenues	\$ 19,392,243	\$ 18,124,806	\$ 1,267,437	7%
Non-Operating Revenues	2,087,023	5,055,129	(2,968,106)	-59%
Operating Expenses	(20,057,286)	(19,734,520)	(322,766)	2%
Non-Operating Expenses	<u>(3,031,742)</u>	<u>(3,444,474)</u>	<u>412,732</u>	-12%
Net Income (Loss)	<u>\$ (1,609,762)</u>	<u>\$ 941</u>	<u>\$(1,610,703)</u>	
Changes in Net Position				
Net Position – Beginning of Year	\$ 10,561,335	\$ 10,560,394	\$ 941	
Changes in Net Position:				
Net Income (Loss)	<u>(1,609,762)</u>	<u>941</u>	<u>(1,610,703)</u>	
Net Position – End of Year	<u>\$ 8,951,573</u>	<u>\$ 10,561,335</u>	<u>\$(1,609,762)</u>	15%

Operating & Non-Operating Revenues

- **Operating Revenues**

Fiscal Year 2016 Compared to 2015. Fiscal year 2016 operating revenues were \$19.4 million, an increase of nearly \$1.3 million as compared to FY 2015. Membership revenues decreased by \$1.5 million, as a result of excess fund balances from previous years being used to offset current year dues.

San Luis & Delta-Mendota Water Authority's principal source of revenue is from water delivery payments, which typically account for approximately 75 percent of fiscal year revenues. Water payments decreased by \$213,785 for total payments of \$9.86 million. This decrease is significantly due to water allocations being at 25% in fiscal year 2016 as opposed to the 50% allocation in fiscal year 2015. Other revenues, however, increased by \$546,889 or 79%.

- **Non-Operating Revenues**

Fiscal Year 2016 Compared to 2015. Overall non-operating revenues decreased by \$2.97 million or 59% in fiscal year 2016 for a total of \$2.08 million. Of that, \$550,000 decrease is from the change in EO&M Reserve Revenues from \$1.55 million to \$1 million. In fiscal year 2016 the Authority began receiving IRWM grant money of \$914,454.

San Luis & Delta-Mendota Water Authority

Management's Discussion and Analysis

Year Ended February 29, 2016

Operating & Non-Operating Expenses

- **Operating Expenses**

Fiscal Year 2016 Compared to 2015. Total operating expenses for fiscal year 2016 were \$20 million, an increase of \$323 thousand in operating expenses from 2015. Legal costs increased \$5.9 million. Intertie conveyance costs decreased \$67,612. Other professional fees decreased \$212,278. Salaries and benefits decreased \$1.18 million due to vacant key positions.

- **Non-Operating Expenses**

Fiscal Year 2016 Compared to 2015. Total non-operating expenses decreased \$413 thousand or 12% in fiscal year 2016 for a total of \$3 million in non-operating expenses. Interest expense decreased \$25 thousand to \$1.7 million. Extraordinary O&M reserve expense decreased \$330,437. Loss on disposition of fixed assets decreased \$57,781.

Long-Term Debt

In June 2013, the Water Authority issued \$37,550,000 in Series 2013A Refunding Revenue Bonds to advance refund a portion of the \$50,000,000 outstanding Series 2009A Revenue Notes. See Note 7 for more information regarding this transaction.

Economic Factors and Subsequent Years' Water Allocation

Series 2013A Refunding Revenue Bonds

In June 2013, the Authority issued \$37,550,000 in Refunding Revenue Bonds (DHCCP Development Project), Series 2013A, to defease a portion of the San Luis and Delta-Mendota Water Authority Revenue Notes (DHCCP Development Project), Series 2009A, discussed in Note 15. The bonds are payable from amounts received from Westlands Water District and other members under DHCCP Activity Agreements.

Remaining principal payments on the Series 2013A Revenue Bonds are due annually through March 1, 2043 in amounts varying from \$605,000 to \$2,335,000 at interest rates ranging from 3% to 5%.

Water Allocation

The Authority's WY14 or fiscal year 2015 O&M cost recovery budget was based on the following water supply allocations: 0% Irrigation, 50% M&I, 50% M&I (SCVWD), 65% Refuge and 65% Exchange/Water Rights.

The Authority's WY15 or fiscal year 2016 O&M cost recovery budget is based on the following water supply allocations: Contract Estimates for Irrigation, 25% M&I, 25% M&I (SCVWD), BOR Estimate for Refuge and Exchange Contractor and SLDMWA estimate for Exchange/Water Rights.

The Authority's WY16 or fiscal year 2017 O&M cost recovery budget is based on the following water supply allocations: 5% Irrigation, 55% M&I, 55% M&I (SCVWD), 100% Refuge and 100% Exchange/Water Rights.

San Luis & Delta-Mendota Water Authority
Management's Discussion and Analysis

Year Ended February 29, 2016

The Authority's WY17 or fiscal year 2018 O&M cost recovery budget is based on the following water supply allocations: 100% Irrigation, 100% M&I, 100% M&I (SCVWD), 100% Refuge and 100% Exchange/Water Rights.

The Authority's WY18 or fiscal year 2019 O&M cost recovery budget is based on the following water supply allocations: 35% Irrigation, 75% M&I, 75% M&I (SCVWD), 100% Refuge and 100% Exchange/Water Rights.

Financial Contact

This financial report is intended to provide the Authority's members, creditors, investors and other interested parties an overview of the Authority's financial operations and financial condition. Should the reader have questions regarding information included in this report, or wish to request additional financial information, please contact the San Luis & Delta-Mendota Water Authority Director of Finance at P.O. Box 2157, Los Banos, CA 93635.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
STATEMENT OF NET POSITION
FEBRUARY 29, 2016

ASSETS

Current assets:

Cash and investments

Unrestricted \$12,533,410

Restricted 6,087,888

18,621,298

Receivables:

Accounts, net 2,672,131

Financing participants 630,000

Due from fiduciary funds 40,750

Prepaid expenses 87,722

Inventory 288,491

Total Current Assets 22,340,392

Noncurrent assets:

Receivables, financing participants 35,910,000

Capital assets (net of accumulated depreciation)
Depreciable 2,755,827

Total Noncurrent assets 38,665,827

Total Assets 61,006,219

DEFERRED OUTFLOW OF RESOURCES

Debt issuance costs 147,122

Total Assets and Deferred Outflows of Resources 61,153,341

LIABILITIES

Current Liabilities:

Accounts payable 8,620,042

Accrued payroll and related liabilities 483,143

Accrued interest payable 910,350

Unearned revenue 1,667,278

Compensated absences 467,081

Current portion of long-term liabilities 630,000

Total Current Liabilities 12,777,894

Noncurrent liabilities:

Compensated absences 800,438

Long-term liabilities, net of current portion 38,623,436

Total Noncurrent Liabilities 39,423,874

Total Liabilities 52,201,768

NET POSITION

Invested in capital assets 2,755,827

Restricted 1,610,000

Unrestricted 4,585,746

Total Net Position \$ 8,951,573

See independent auditor's report and notes to the financial statements

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED FEBRUARY 29, 2016

OPERATING REVENUES

Water payments	\$ 9,866,060
U.S.B.R. service contract	691,767
Memberships	5,762,526
DHCCP revenue	1,832,800
Other revenue	<u>1,239,090</u>
Total Operating Revenues	<u>19,392,243</u>

OPERATING EXPENSES

Salaries and related benefits	9,589,316
Office expense	58,751
Tools and supplies	19,635
Janitorial and uniform expense	72,525
Legal and professional services	6,117,725
Security	94,390
License and education	74,782
Other services	169,015
Building, machinery and equipment	890,354
Membership and fees	23,727
Travel	52,581
Meetings	27,750
Auto expense	811,741
Parts and materials	224,196
Telephone and communications	102,375
Utilities	102,021
Insurance	177,480
San Luis joint use	157,287
Intertie conveyance	72,451
GBD specific	1,287,726
Depreciation	253,493
Allocated indirect costs	<u>(322,035)</u>
Total Operating Expenses	<u>20,057,286</u>

Operating loss	<u>(665,043)</u>
----------------	------------------

NONOPERATING REVENUES (EXPENSES)

Investment income	139,338
Interest expense	(1,725,651)
IRWM Grant	914,454
Extraordinary O & M reserve revenue	1,000,000
Extraordinary O & M reserve expense	(1,293,586)
CCID turnouts revenue	4,144
CCID turnouts expense	(4,517)
FCWD turnouts revenue	3,517
FCWD turnouts expense	(3,824)
EO&M vehicle usage recovery income	21,713
Columbia Canal Company projects revenue	3,857
Columbia Canal Company projects expense	<u>(4,164)</u>
Total Nonoperating Revenue (Expense)	<u>(944,719)</u>

CHANGE IN NET POSITION	<u>(1,609,762)</u>
------------------------	--------------------

NET POSITION – BEGINNING	<u>10,561,335</u>
--------------------------	-------------------

NET POSITION - ENDING	<u>\$ 8,951,573</u>
-----------------------	---------------------

See independent auditor's report and notes to the financial statements

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED FEBRUARY 29, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from water sales	\$ 14,460,944
Cash received from other operating revenues	9,530,389
Cash paid for services and supplies	(14,643,936)
Cash paid for salaries and benefits	<u>(9,327,454)</u>
Net cash provided by operating activities	<u>19,943</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

IRWM Grant	914,454
EO&M Reserve projects revenue	1,000,000
EO&M Reserve projects expenses	(1,293,586)
Other projects revenue	33,231
Other projects expenses	<u>(12,505)</u>
Net cash provided by noncapital financing activities	<u>641,594</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Principal paid on long-term debt	(605,000)
Interest paid	(1,837,709)
Capital expenditures	<u>(12,924)</u>
Net cash used by capital and related financing activities	<u>(2,455,633)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment income	<u>139,338</u>
Net cash provided by investing activities	<u>139,338</u>

Net decrease in cash and cash equivalents (1,654,758)

Cash and cash equivalents, beginning of year 20,276,056

Cash and cash equivalents, end of year \$18,621,298

Unrestricted cash and cash equivalents \$12,533,410

Restricted cash and cash equivalents 6,087,888

\$18,621,298

Reconciliation of operating income to net cash provided by operating activities:

Operating loss	\$ (665,043)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	253,493
Loss on disposition of capital assets	4,206
(Increase) decrease in net assets:	
Accounts receivable	4,159,398
Prepaid expenses	(1,310)
Inventory	(18,085)
Deferred outflow of resources	5,449
Increase (decrease) in net liabilities:	
Accounts payable	(4,415,513)
Salaries and related benefits payable	261,862
Unearned revenue	<u>435,486</u>
Total adjustments	<u>684,986</u>

Net cash provided by operating activities \$ 19,943

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FEBRUARY 29, 2016

	Agency Funds			
	Other Outside Water Transfers	Self-Funding Power	DWR, San Luis Canal, Dos Amigos	Total Fiduciary Funds
ASSETS				
Cash and investments	\$ 12,208	\$ 1,658,188	\$ 8,549,200	\$10,219,596
Receivables	123,589	523,659	2,579,005	3,226,253
Prepaid expenses	<u> </u>	<u>9,959,943</u>	<u> </u>	<u>9,959,943</u>
Total Assets	<u>\$135,797</u>	<u>\$12,141,790</u>	<u>\$11,128,205</u>	<u>\$23,405,792</u>
LIABILITIES				
Accounts payable	\$ 52,797	\$	\$	\$ 52,797
Other governments	42,250	825,358	3,409,672	4,277,280
Contractor		9,627,019	7,013,465	16,640,484
Due to enterprise fund	40,750			40,750
Unearned revenue	<u> </u>	<u>1,689,413</u>	<u>705,068</u>	<u>2,394,481</u>
Total Liabilities	<u>\$135,797</u>	<u>\$12,141,790</u>	<u>\$11,128,205</u>	<u>\$23,405,792</u>

See independent auditor's report and notes to the financial statements

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the San Luis & Delta-Mendota Water Authority conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants.

A. Financial Reporting Entity

The San Luis & Delta-Mendota Water Authority (Authority) was formed through a joint powers agreement on September 17, 1990 for the purpose of acquiring, financing, developing, constructing, operating, and maintaining water and drainage works and facilities for the development and benefit of the members. It also works on behalf or in coordination with member agencies on a wide variety of Federal, State and local water policy issues. The Authority consists of twenty-eight member districts, each of which are represented by membership on the Board of Directors, and one Friend.

The member agencies are as follows:

Division 1 (Northern DMC)

Banta-Carbona Irrigation District
Del Puerto Water District
City of Tracy
Patterson Irrigation District
Byron Bethany Irrigation District
West Stanislaus Irrigation District
West Side Irrigation District

Division 2 (San Luis Unit)

Panoche Water District
San Luis Water District
Westlands Water District
Pleasant Valley Water District

Division 3 (Exchange Contractor and
Grassland Water District)

Central California Irrigation District
Columbia Canal Company (Friend)
Firebaugh Canal Water District
Grassland Water District
Henry Miller Reclamation District #2131

Division 4 (San Felipe Unit)

Santa Clara Valley Water District
San Benito County Water District

Division 5 (Southern DMC/Mendota Pool)

Broadview Water District
Eagle Field Water District
Laguna Water District
Mercy Springs Water District
Oro Loma Water District
Pacheco Water District
Fresno Slough Water District
James Irrigation District
Reclamation District 1606
Tranquillity Irrigation District
Turner Island Water District

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.):

The Authority includes all funds and account groups that are controlled by or dependent on decisions made by the Authority's governing board for financial reporting purposes. The Authority has considered all potential component units in determining how to define the reporting entity using the criteria set forth in generally accepted accounting principles. The basic criterion for including a potential component unit is whether the governing board is financially accountable for the other entity. The Authority determined that there are no potential component units that meet the criteria for inclusion within the reporting entity.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the statement of net position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources – This amount represents outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources – This amount represents inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as a revenue until that time.

The Authority is accounted for as an enterprise fund. The Statement of Position, Activities, and Cash Flows report information about the Authority as a whole. They include all activities of the Authority except for agency funds. The Enterprise fund and agency funds are reported using the "economic resources" measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Enterprise funds are used to account for activities that are similar to private sector enterprises and are financed primarily through user charges and fees. Agency funds are used and account for assets held by the Authority in a purely custodial nature. Since agency funds are custodial in nature (i.e. assets equal liabilities), they do not involve the measurement of results of operations.

The agency funds are used to account for collections for Project Use Energy and San Luis Joint Use Facility costs that are due to the United States Bureau of Reclamation, for whom the Authority acts as an agent.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for operations and maintenance of the Delta Mendota Canal. Operating expenses for the enterprise fund include the cost of operations and maintenance of the Delta Mendota Canal, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.):

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Inventory

Inventory consists of various parts and materials needed to operate and maintain the Delta-Mendota Canal and other facilities. It is valued on an average cost basis.

D. Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the Authority. The amount of the liability expected to be paid from current resources is recognized at year end in the fund that will pay the benefit.

Accumulated sick leave benefits are generally not recognized as liabilities of the Authority (except for the sick leave cash-out – see note #9), because the Authority's policy is to record sick leave as an operating expense in the period taken since benefits do not vest.

E. Capital Assets

1. Capital Assets Purchased by the Water Authority

Property, Plant and Equipment purchased is capitalized at cost or estimated cost and depreciated when applicable on a straight line method over the asset's useful life. Depreciation on the assets booked in the enterprise fund has been recorded in the financial statements. Proceeds from the disposition of assets are recorded in the year of disposal.

2. Donated Capital Assets

Capital Assets donated by the United States Bureau of Reclamation is capitalized and recorded as fixed asset additions with a corresponding increase in contributed capital assets. Depreciation on these assets has been computed and reported in the financial statements.

F. Depreciation and Amortization

The United States Bureau of Reclamation transferred assets relating to the conveyance of water, maintenance, and operation of canals to the Authority at March 1, 1998. These assets are considered to be donated, have been recorded at their estimated fair market value at March 1, 1998, and are being depreciated using the straight-line method over their useful life.

G. Prepaid Expenses

Prepaid assets of \$87,722 in the proprietary fund represent payments made to the Association of California Water Agencies Joint Powers Insurance Authority (JPIA) for various forms of insurance services that will benefit periods beyond February 29, 2016.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.):

H. Net Position

Net position are categorized as invested capital assets (net of related debt), restricted and unrestricted.

- *Invested in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constructional provisions or enabling legislation.
- *Unrestricted net position* – This category represents net position of the Authority, not restricted for any project or other purpose.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J. Change in Accounting Principle

During the 2015/16 year, the Authority changed the measurement focus and basis of accounting on certain activities previously reported in governmental funds from the modified accrual basis and “current financial resources” measurement focus to the full accrual basis and “economic resources” measurement focus. As a result, all of the activities of the Authority are now being combined into one enterprise fund using a basis of accounting similar to private sector businesses. Enterprise funds report all assets, liabilities, and net position related to a given activity, whereas governmental funds are focused on those transactions that affect near-term liquidity and exclude items such as capital assets and long-term liabilities from the governmental fund financial statements. In prior years, the activities of the Authority were divided between governmental funds and enterprise fund which were reported on separate financial statements. Management believes that the result of the change in accounting method will be to make the financial statements easier for users to understand. The governmental fund balance in the prior year under the modified accrual basis of accounting was \$39,521,534. The net position of the governmental activities using the full accrual basis of accounting in the prior year was \$4,839,103. The result of the change did not affect the current year beginning balance for the governmental activities under the full accrual basis of accounting.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 2 – CASH AND INVESTMENTS:

Cash and investments are classified in the accompanying financial statements as follows:

	<u>2016</u>
Statement of net position:	
Cash and investments	\$12,533,410
Restricted assets:	
Cash and investments	6,087,888
Fiduciary funds:	
Cash and investments	<u>10,219,596</u>
Total cash and investments	<u>\$28,840,894</u>
	<u>2016</u>
Cash and investments as of February 29, 2016 consist of the following:	
Cash on hand	\$ 700
Deposits with financial institutions	3,665,238
Investments	<u>25,174,956</u>
Total cash and investments	<u>\$28,840,894</u>

Interest Rate Risk: In accordance with its investment policy, the Authority manages its exposure to changes in market interest rates by diversifying its investments by security type and institution. The following table illustrates the distribution of the Authority's investments by maturity as of February 29, 2016:

	<u>Fair Value</u>	<u>12 Months or less</u>	<u>More than 12 months</u>
External Investment Pools	\$23,323,114	\$23,323,114	\$
Held by Bond Trustee:			
Money Market Funds	<u>1,851,842</u>	<u>1,851,842</u>	<u> </u>
Totals	<u>\$25,174,956</u>	<u>\$25,174,956</u>	<u>\$ </u>

Credit Risk: The Authority limits its exposure to credit risk, that is, the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment, by limiting its investments to instruments with the top ratings issued by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Authority's investment policy, or debt agreements, and the actual Standard & Poor's rating as for each investment type as of February 29, 2016.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 2 – CASH AND INVESTMENTS (cont.):

	Fair Value	Minimum Legal Rating	AAAm	AAf	Af	Not Rated
External Investment Pools	\$23,323,114	N/A	\$	\$7,303,947	\$14,935,985	\$1,083,182
Held by Bond Trustee:						
Money Market Funds	<u>1,851,842</u>	N/A	<u>1,851,842</u>			
Totals	<u>\$25,174,956</u>		<u>\$1,851,842</u>	<u>\$7,303,947</u>	<u>\$14,935,985</u>	<u>\$1,083,182</u>

Concentration of Credit Risk: The Authority's investment policy provides for diversification of investments by security type and institution. There are no investments in any one issuer rather than U.S. Treasury Securities, mutual funds, and external investment pools that represent 5% or more of total Authority investments.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. In accordance with the California Government Code, the Authority's financial institution secures deposits made by state and local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities must equal at least 110% of the total amount deposited by the public agencies. At February 29, 2016, none of the Authority's deposits in excess of federal depository insurance were held in uncollateralized accounts.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As of February 29, 2016, none of the Authority's investments were subject to custodial credit risk.

Investments in External Investment Pools: The Authority is a voluntary participant in the following external investment pools: Local Agency Investment Fund (LAIF) and the Investment Trust of California (CalTrust). LAIF is regulated by the California Government Code under the oversight of the Treasurer of the State of California. CalTrust is administered under the oversight of a Board of Trustees comprised of experienced investment managers. The fair value of the Authority's investments in these pools are reported in the accompanying financial statements at amounts based upon the Authority's pro-rata share of the fair value provided by the pools for their entire portfolio (in relation to the amortized cost of that portfolio).

The SLDMWA investment policy states that funds may be invested, to the extent permitted by law and as conditions dictate, in banks, in the State of California Local Agency Investment Fund (LAIF) in accordance with Section 16429.1 of the Government Code. Funds may also be invested, to the extent permitted by law and as conditions dictate, in the Investment Trust of California (CalTrust), a pooled investment program established by California public agencies for the purpose of pooling and investing local assets in accordance with Section 53601(o) of the Government Code.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 3 – ACCOUNTS RECEIVABLE:

Receivables at February 29, 2016, consist of the following:

	<u>Enterprise Fund</u>	<u>Fiduciary Funds</u>	<u>Total</u>
USBR	\$ 357,456	\$2,259,755	\$ 2,617,211
Membership assessments	47,861		47,861
Grant receivable	1,383,665		1,383,665
Water transactions		123,556	123,556
Other receivables	136,337		136,337
Contractor receivable	736,507	836,568	1,573,075
DHCCP – Financing participation	36,540,000		36,540,000
Interest	<u>10,305</u>	<u>6,374</u>	<u>16,679</u>
Total	<u>\$39,212,131</u>	<u>\$3,226,253</u>	<u>\$42,438,384</u>

USBR Service Agreement Trust Fund receivable represents amount due from the USBR for work performed by the Authority under the Service Agreement for O&M of USBR Tracy Fish Facility and associated works.

The membership assessments receivable consists of certain members' assessments not received as of February 29, 2016.

The other governmental fund's receivable represents amounts due from State Agency Grants for projects, specific members for professional services contracted through the Authority, dues from employees for health insurance, Medicare tax and COBRA, and miscellaneous others.

Contractor receivable represents amounts due the Authority from Contractors for conveyance and conveyance pumping, operation, maintenance, and reserves.

DHCCP receivable represents amounts due from certain members (Financing Participants) pursuant to DHCCP Activity Agreements relating to debt service payments on the 2013A Refunding Revenue Bonds.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 4 – CAPITAL ASSETS:

The table below presents summary information on capital assets.

Capital Assets	Balance March 1, 2015	Additions/ Completions	Retirements/ Adjustments	Balance February 29, 2016
Capital Assets, being depreciated:				
Heavy equipment	\$ 1,700,317	\$	\$	\$ 1,700,317
Vehicles/light trucks	2,366,587		(28,347)	2,338,240
Furniture/equipment	2,038,736	12,924	(11,932)	2,039,728
Computers	<u>809,819</u>	<u></u>	<u></u>	<u>809,819</u>
Total capital assets, being depreciated	<u>6,915,459</u>	<u>12,924</u>	<u>(40,279)</u>	<u>6,888,104</u>
Less accumulated depreciation for:				
Heavy equipment	(905,736)	(49,994)	825	(954,905)
Vehicles/light trucks	(945,388)	(111,017)	22,770	(1,033,635)
Furniture/equipment	(1,479,936)	(54,540)	15,589	(1,518,887)
Computers	<u>(583,797)</u>	<u>(37,942)</u>	<u>(3,111)</u>	<u>(624,850)</u>
Total accumulated depreciation	<u>(3,914,857)</u>	<u>(253,493)</u>	<u>36,073</u>	<u>(4,132,277)</u>
Capital assets at cost, net	<u>\$ 3,000,602</u>	<u>\$(240,569)</u>	<u>\$ (4,206)</u>	<u>\$ 2,755,827</u>

NOTE 5 – ACCOUNTS PAYABLE:

Accounts payable at February 29, 2016, consist of the following:

	Enterprise Fund	Agency	Total
Other governments	\$	\$ 4,277,280	\$ 4,277,280
Contractor	6,337,005	16,640,484	22,977,489
Vendors	<u>2,283,037</u>	<u>52,797</u>	<u>2,335,834</u>
Total	<u>\$8,620,042</u>	<u>\$20,970,561</u>	<u>\$29,590,603</u>

NOTE 6 – UNEARNED REVENUE:

Unearned revenue at February 29, 2016, consists of the following:

	Enterprise	Agency	Total
Unearned Revenue	\$ 187,002	\$ 5,897	\$ 192,899
Contractor Unearned Revenue	<u>1,480,276</u>	<u>2,388,584</u>	<u>3,868,860</u>
Total	<u>\$1,667,278</u>	<u>\$2,394,481</u>	<u>\$4,061,759</u>

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 7 – LONG-TERM LIABILITIES:

The following is a summary of changes in the Authority's long-term liabilities for the fiscal year ended February 29, 2016.

	<u>Balance at March 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at February 29, 2016</u>	<u>Due Within One Year</u>
Series 2013A refunding bonds	\$37,145,000	\$	\$605,000	\$36,540,000	\$ 630,000
Add issuance premium	<u>2,813,934</u>	<u> </u>	<u>100,498</u>	<u>2,713,436</u>	<u> </u>
	<u>39,958,934</u>	<u> </u>	<u>705,498</u>	<u>39,253,436</u>	<u>630,000</u>
Compensated absences	<u>1,068,119</u>	<u>199,400</u>	<u> </u>	<u>1,267,519</u>	<u>467,081</u>
Total	<u>\$41,027,053</u>	<u>\$199,400</u>	<u>\$705,498</u>	<u>\$40,520,955</u>	<u>\$1,097,081</u>

Series 2013A Refunding Revenue Bonds:

In June 2013, the Authority issued \$37,550,000 in refunding revenue bonds. The bonds were issued to provide funds to defease \$39,635,000 of the outstanding Series 2009A Revenue Notes, purchase a municipal bond insurance policy to guarantee payment of principal and interest on the bonds, purchase a municipal bond debt service reserve insurance policy, and pay certain costs of issuing the bonds. The net bond proceeds of \$41,418,580 (including a premium of \$2,989,805 and additional contributions from Westlands Water District and Broadview Water District of \$1,477,886 and reduced by payments of \$599,111 in issuance and insurance costs), were used to purchase U.S. government securities. As a result of the refunding, \$39,635,000 of the 2009A Series Notes are considered defeased and the liability for those notes has been removed from the Statement of Net Position.

The Bonds are special obligations of the Authority payable solely from Revenues (including portions of payments received by the Authority pursuant to the DHCCP Activity Agreement by and between the Authority and the Financing Participants). Westlands Water District has agreed pursuant to its DHCCP Activity Agreement to pay 100% of the principal and interest on the Bonds. The Authority will reimburse Westlands Water District for a portion of such principal and interest payments from amounts that the Authority receives from other Financing Participants.

The 2013A bonds bear interest at 3.0% to 5.0% and are payable semi-annually on March 1, and September 1, beginning September 1, 2013. The bonds mature annually at various amounts through March 1, 2043.

The aggregate debt service payments on the new debt are \$32,841,005 more than the old debt. The issuance of the new debt resulted in an economic loss (the difference between the present value of the old and new debt payments) of approximately \$3,473,737.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 7 – LONG-TERM LIABILITIES (cont.):

The annual debt service requirements to maturity for the Series 2013A Revenue Bonds are as follows:

Year Ended Last Day of February,	Series 2013A Refunding Revenue Bonds		Total Debt Service
	Principal	Interest	
2017	\$ 630,000	\$ 1,808,100	\$ 2,438,100
2018	655,000	1,779,125	2,434,125
2019	690,000	1,745,500	2,435,500
2020	725,000	1,710,125	2,435,125
2021	760,000	1,673,000	2,433,000
2022-2026	4,415,000	7,739,375	12,154,375
2027-2031	5,635,000	6,489,375	12,124,375
2032-2036	7,185,000	4,894,375	12,079,375
2037-2041	9,165,000	2,860,125	12,025,125
2042-2043	<u>6,680,000</u>	<u>511,750</u>	<u>7,191,750</u>
	<u>\$36,540,000</u>	<u>\$31,210,850</u>	<u>\$67,750,850</u>

NOTE 8 – RETIREMENT BENEFITS:

- A. The Authority provides retirement benefits for all of its full-time employees through a defined contribution plan and a voluntary Deferred Compensation Plan. In a Defined Contribution Plan, benefits are dependent on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from date of employment. The Plan requires the Authority to contribute an amount equal to 8% of the employee's "base annual salary." Employees are also eligible to participate in the voluntary Deferred Compensation Plan from date of employment. If an employee elects to participate, the Authority will match up to 5% of the employee's base gross annual salary. Employees are immediately fully vested.
- B. The Authority's total payroll on the cash basis for the twelve months ended February 29, 2016 was \$7,268,481. The Authority's contributions were calculated using the base amount of \$6,801,493. The Authority made the required contribution which amounted to \$853,361 or 12.55% of covered payroll.

NOTE 9 – COMMITMENTS AND CONTINGENCIES:

A. Litigation

The Authority is involved in various litigations. In the opinion of management and legal counsel, the disposition of all litigation pending will not have a material effect on the Authority's general purpose financial statements.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 9 – COMMITMENTS AND CONTINGENCIES (cont.):

B. Sick Leave

Sick leave is accumulated for each employee at the rate of one day for each month worked. There is no limit on the accumulation. Leave with pay is provided when employees are absent for health reasons, however, the employees do not gain a vested right to accumulated sick leave, except as explained below.

Beginning with fiscal year ending 2006 (at March 1, 2005), a sick leave cash-out policy was adopted. Upon separation from the Authority, for those employees with (10) years of service and who are 55 years of age, or those employees with a minimum of (15) years of service, sick leave will be paid at the lesser of: one-half of accumulated sick leave on the effective date of retirement or separation, or five hundred hours, at 100% of equivalent cash value.

C. State and Federal Allowances, Awards and Grants

The Authority has received State and Federal funds for specific purposes that are subject to review and audit by the granting agencies. Although such audits could generate expenditure disallowances under such terms of the grants, it is believed that any required reimbursements will not be material.

D. Grassland Basin Drainage

Litigation filed by a coalition of fishermen's organizations and an individual in late 2011 remained pending in federal court throughout fiscal year 2016 and at present. The case-currently is on appeal to the Ninth Circuit Court of Appeal following the District Court's ruling on cross-motions for summary judgment. The litigation alleges that the Authority and the Federal Bureau of Reclamation (Reclamation) have violated the Clean Water Act by failing to obtain a National Pollution Discharge Elimination System (NPDES) permit for discharges of drainage water from the Grassland Bypass Project, conducted under the Authority's Grassland Basin Drainage Management Activity Agreement. The Authority and Reclamation maintain that there is no such violation because the discharges fit within exemptions from the NPDES permit requirements. The Ninth Circuit Court of Appeal heard oral arguments on June 10, 2019, and the matter is submitted, with no fixed timetable for a decision. Should the appeal be decided contrary, or partially contrary, to the Authority and Reclamation, further proceedings at the trial court level are expected to be necessary, and the Authority expects to vigorously defend itself in any such litigation. Therefore, at the present time the possibility of an unfavorable outcome is possible, but not probable, and were there such an unfavorable outcome, the mount of liability cannot reasonably be determined at the present time.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 10 – PARTICIPATION IN PUBLIC ENTITY RISK POOLS:

The Authority is a member of the Association of California Water Agencies Joint Powers Insurance Authority (JPIA) for general liability, property, workers' compensation and employer's liability, and health benefits insurance. The JPIA is a special district in the State of California and its formation and operation are subject to the provisions of the California Government Code. The purpose of the JPIA is to provide risk sharing pools to meet the needs of its member water agencies. As of February 28, 2015, the JPIA had 363 members. Each member selects one representative to serve as a director on the JPIA Board of Directors. The relationship is such that the JPIA is not considered a component unit of the Authority for financial reporting purposes.

For general liability insurance, the Authority is fully responsible for claims up to Retrospective Allocation Point (RAP) of \$25,000. Coverage between the Authority's RAP and \$2,000,000 is provided through the JPIA risk pool. Coverage from \$2,000,000 to \$60,000,000 is provided through insurance purchased by the JPIA on behalf of its members.

The Authority has established a RAP of \$15,000 for the worker's compensation and employer's liability programs. Coverage between the RAP and \$2,000,000 is provided through the JPIA risk pool and excess coverage is purchased by the JPIA on behalf of its members to the statutory limits.

For the liability and workers' compensation programs, retrospective premium adjustments are determined for each policy year. The adjustment can result in an additional charge or a refund to the member entity. The adjustment is computed as the difference between premiums received from the member entity and direct and pooled claims losses and other costs, net of investment income, including unallocated claims expenses, excess insurance premiums, and administrative expenses.

The Authority has a \$1,000 deductible for the property program. The JPIA has a self-insured retention (SIR) level of \$100,000 for the fiscal year ending March 31, 2015. The JPIA provides coverage above its SIR up to \$100,000,000 through purchased insurance.

In July, 2012, the ACWA/JPIA Employee Benefits Program was established to provide medical and dental and vision coverage for members' employees and dependents. The preferred provider organization plans offered in the medical and dental coverage are self-insured. The JPIA carries reinsurance with Sun Life Assurance Company of Canada for coverage losses in excess of its self-insured retention of \$500,000 per beneficiary incurred during the policy period.

Settled claims have not exceeded any of the Authority's coverage amounts in any of the last three fiscal years and there were no significant reductions in the Authority's coverage during the fiscal year ended February 29, 2016.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2016
(Continued)

NOTE 10 – PARTICIPATION IN PUBLIC ENTITY RISK POOLS (cont.):

The most recent condensed financial information for the JPIA is as follows:

<u>Description</u>	<u>As of and for the year ending September 30, 2015</u>
Total Assets	\$195,400,750
Total Liabilities	<u>114,466,932</u>
Net Position	<u>80,933,818</u>
 Total Revenues	 160,400,697
Total Expenses	<u>164,195,428</u>
 Change in Net Position	 <u>\$ (3,794,731)</u>

NOTE 11 – EMERGENCY RESERVE FUND:

The Transfer Agreement requires the Authority to maintain an emergency reserve fund to finance (1) unusual OM&R costs; (2) costs associated with addressing conditions which threaten or cause interruption of water service; (3) unforeseen or extraordinary OM&R costs; and (4) costs associated with addressing conditions which threaten the safety or integrity of Project works. The balance of this fund at February 29, 2016 is \$1,610,000.

NOTE 12 – SUBSEQUENT EVENT:

In May, 2017, \$4,278,914.75 of note proceeds and net investment earnings remaining from the Series 2009A Revenue Notes were available for distribution by the Authority. Based on the financing participant elections, nine districts elected to have their share deposited into an Escrow account held to defease a portion of the 2013A Revenue Bonds. \$3,684,098.86 was deposited into an Escrow account and invested, with maturity at January and February 2023. The maturing amount will be used to defease a portion of the 2013A Refunding Revenue Bonds in March 2023, as this is the earliest redemption date. The 2013A Refunding Revenue Bonds and the amounts that will be defeased, are as follows: March 1, 2042, \$1,810,000.00 and March 1, 2043, \$2,335,000.00. One district elected to support the DHCCP effort. The amount wired to DWR in support of DHCCP was \$390,543.34, and the remaining three districts elected refunds. The total amount of refunds was \$204,272.55.

Additionally, in June, 2018 a minor amount of interest which was posted in June 2018 for May 2018 was also distributed to the financing participants. The total amount distributed was \$2,177.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
San Luis & Delta-Mendota Water Authority
Los Banos, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate remaining fund information of San Luis & Delta-Mendota Water Authority (the Authority), as of and for the year ended February 29, 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated July 1, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sampson, Sampson & Patterson, LLP

Clovis, California
July 1, 2019

PROPOSED RECALCULATED WY 2019 O & M WATER RATES

FINANCE & ADMINISTRATION COMMITTEE
JULY 1, 2019

BOARD OF DIRECTORS
JULY 11, 2019



San Luis & Delta-Mendota Water Authority

LOS BANOS ADMINISTRATIVE OFFICE
TRACY FIELD OFFICE

LOS BANOS FIELD OFFICE
C.W. "BILL" JONES PUMPING PLANT
O'NEILL PUMPING PLANT

1 O&M Budget - Self Funded

WY19 - Fiscal Year 3/1/19-2/29/20

RO&M = \$13,086,535

a EO&M = \$2,692,707

b EO&M Unit 2 Rewind = \$5,213,200

2 Delivery Assumptions

Ag - Contractor 75%, with Contractor projections

M&I - Contractor Estimates, 100%, with Contractor projections

Refuge - 100% used BOR Refuge Estimate

Exchange/Water Rights - 100%

Estimated Rescheduled Water

Pump-Ins

Miscellaneous Transfers

Mendota Pool Pumps

Volta Well Pumping

3 Intertie

Intertie anticipated to be used in WY19, estimated at 150,000 a/f per SLDMWA

Final cost allocation for Intertie O&M, Intertie PUE and DWR Conveyance remains undetermined.

4 Volta Wells

Volta Wells Program estimated at 2,025 a/f per GWD. Costs split between DPWD and SLWD.

5 PUE SLDMWA Meters

WY19 PUE estimates based on BOR PUE FYE 9/30/19 information,

factoring in a 1% increase for overlapping BOR/SLDMWA fiscal years.

PUE Budget relating to WY19 - FY 3/1/19- 2/29/20 = \$25,560,000

PUE Budget relating to WY18 - FY 3/1/18- 2/28/19 = \$18,190,000

6 DWR San Luis Joint Use

WY19 SLJU estimates based on DWR SLJU Calendar Year Budget Estimates

dated 7/16/18 for multiple years, adjusted by Rob Dunlop, DWR 1.25.19

SLJU Budget relating to WY19 - FY 3/1/19- 2/29/20 = \$13,350,000

SLJU Budget relating to WY18 - FY 3/1/18- 2/28/19 = \$13,150,000

Federal cost allocation for 2016-2020 = 39.90%

7 EO&M Funding

Funding Obligation:

a EO&M Funding Obligation WY19 FY3/1/19 - 2/29/20 = \$2,700,000, EO&M Budget = \$2,692,707

* EO&M Emergency Reserve Replenishment WY19 FY3/1/19 - 2/29/20 = \$200,000, Unit 6 Rewind \$665,713.57 anticipated funding from Emergency Reserves must be replenished within 5 years

EO&M Rewind Estimated Debt Service Funding Obligation WY19 FY3/1/19 - 2/29/20 = \$500,000

b EO&M Unit 2 Funding Obligation WY19 FY3/1/19 - 2/29/20 = \$5,225,000, EO&M Budget = \$5,213,200

8 Overall Increase in Estimated Recoverable Costs over Prior Year.

Total Estimated Recoverable Costs in Water Year 2019= \$ 63,538,785

Total Estimated Recoverable Costs in Water Year 2018= \$ (50,107,711)

Increase \$ 13,431,074

*Notes: Recalculated WY19 Rates includes this Emergency Reserve Replenishment of \$200,000 for a total WY19 Reserve Cost of \$2,900,000 (2,700,000 + 200,000)
 :The estimate of \$665,713.57 for funding of Unit 6 Rewind from Emergency Reserves is subject to revision



**San Luis & Delta-Mendota Water Authority
Proposed RECALCULATED WY19 O&M Rates**

FAC 7.1.19 / BOD 7.11.19

	<u>WY 2019 Rate</u> 3/1/19-2/29/20 <u>Proposed RECALCULATED</u> WY2019	<u>WY 2019 Rate</u> 3/1/19-2/29/20 <u>CURRENT(BOD Approved 3.7.19)</u> WY2019	Variance
WATER SUPPLY			
Irrigation	75%	50%	25%
M&I	100%	75%	25%
Refuge	100%	100%	0%
Exchange/Water Rights	100%	100%	0%
RATES			
Upper DMC	\$17.56	\$19.04	(\$1.48)
Upper DMC - Exchange/Wtr Rts	\$15.18	\$16.48	(\$1.30)
Lower DMC/Pool	\$20.11	\$21.78	(\$1.67)
Lower DMC/Pool - Exchange/Wtr Rts	\$17.73	\$19.22	(\$1.49)
San Felipe	\$20.26	\$22.24	(\$1.98)
SLC Above Dos Amigos	\$29.76	\$33.44	(\$3.68)
SLC Below Dos Amigos	\$37.91	\$43.06	(\$5.15)
Volta Wells	\$31.93	\$31.93	\$0.00
San Luis Drain	\$0.17	\$0.20	(\$0.03)



SLDMWA - O&M Rates

Proposed RECALCULATED - WY2019 SELF-FUNDING O&M WATER RATES - 75% Ag Allocation

Finance & Administration Committee 7.1.19

Board of Directors 7.1.19

3

COST POOLS	SLDMWA ANNUAL O&M and POWER					SLDMWA			SLDMWA			SLJU		TOTAL
	UPPER Upper DMC/ JPP	UPPER Intertie (Temporary Cost Pool)	JPP PWR	VOLTA WELLS	LOWER DMC/ Mendota Pool	O'NEILL PIG O'NEILL O&M	RESERVES	RESERVES	RESERVES	DWR COSTS	POWER			
PARTICIPANTS	All Users	All Users Excludes Exchange Cont. and Water Rights	All Users (Actual Pumping Only)	DPWD SLWD	LowerDMC & MP Users	"Direct"	All Users	All Users	All Users	San Luis Canal O&M	Dos Amigos Power			
COSTS TO BE ALLOCATED**	\$7,591,649	\$3,438,136	\$18,900,000	\$64,652	\$2,979,953	\$3,612,161	\$446,447	\$2,900,000	\$5,225,000	\$9,580,000	\$3,575,000	\$4,560,000	\$63,372,998	
ACRE FEET	2,326,761	1,444,000	2,324,415	2,025	1,169,749	1,187,931	1,315,399	% of 10 Yr Historical Use	% of 10 Yr Historical Use	1,007,972	997,972	997,972		
RATE PER AF	\$3.26	\$2.38	\$8.13	\$31.93	\$2.55	\$3.04	\$0.34	\$1.15	\$0.20	\$9.50	\$3.58	\$4.57		

SLDMWA COMPONENT RATE PER ACRE FOOT - BY DELIVERY AREA / CONTRACTOR

Direct	Storage
O&M = \$1.47	O&M = \$1.16
O&M DWR = \$1.15	O&M DWR = \$0.02
Pwr = \$1.42	Pwr = \$1.16

WATER SUPPLY ASSUMPTIONS

Irrigation	75%
M&I	100%
Refuge	100%
Ex/Wtr Rts	100%

Note: Supply assumptions include Contractor Estimates

**COSTS TO BE ALLOCATED

O&M Budget per above	\$12,920,748
Required Reserve Funding, including Emergency Reserve Replenishment	\$2,900,000
Estimated Rewind Reserve Funding - Debt Service	\$5,225,000
San Luis Drain	\$165,787
Volta Veil Project- GWD - Monitoring	\$17,250
Intertie: DWR Wheeling POWER	\$2,900,000
JPP	\$18,900,000
Intertie	\$200,000
Volta Wells	\$0
O'Neill	\$1,900,000
SAN LUIS JOINT USE	\$21,000,000
DWR - San Luis Canal O&M	\$9,580,000
DWR - Dos Amigos O&M	\$3,575,000
DWR - O'Neill	\$195,000
POWER	\$4,560,000
Dos Amigos	\$63,372,998



FAC 7/1/19 / BOD 7.11.19

SLDMWA - WY19 RECALCULATED O&M Water Rates **WY19 Deliveries Comparison** **Approved 3.7.19 at 50% Ag alloc vs. RECALCULATED 7.1.19 at 75% Ag alloc**

COST POOLS	UPPER Upper DMC/ JPP	UPPER Intertie (Temporary Cost Pool)	JPP PWR	Volta Wells	LOWER Lower DMC/ Mendota Pool	O'NEILL P/G O'Neill O&M	DWR COSTS San Luis Canal O&M	SLJU Dos Amigos O&M	POWER Dos Amigos Power
PARTICIPANTS	All Users	All Users Excludes Exchange Cont. and Water Rights	All Users (Actual Pumping Only)	BOR / DPWD/SLWD	LowerDMC & MP Users	All Users "Direct" "Storage"	All SLJU Users	Dos Amigos Users	Dos Amigos Users
WY 19 ACRE FEET - 75% Alloc	2,326,761	1,444,000	2,324,415	2,025	1,169,749	1,187,931	1,007,972	997,972	997,972
WY19 ACRE FEET - 50% Alloc	2,142,782	1,345,066	2,139,936	2,025	1,088,603	1,015,476	855,339	845,339	845,339
Variance	183,979	98,934	184,479	0	81,146	172,455	152,633	152,633	152,633



MEMORANDUM

TO: SLDMWA Board of Directors, Alternates

FROM: Federico Barajas, Executive Director

DATE: July 11, 2019

RE: Board of Directors to Consider Adopting the 2019 Strategic Plan, including Implementation Plan

BACKGROUND

In 2018, the Authority hired outside consultant services to assist with the development of a Strategic Plan that would be used to implement and manage the strategic direction of the organization. Several workshops were held to brainstorm, develop and formulate key goals and objectives. Seven Goals and Objectives were presented and adopted by the Board on April 4, 2019. The Mission, Vision and Value Statements were presented and adopted by the Board on May 16, 2019.

Following these two actions by the Board, the Authority's management team and staff worked with the consultant to develop an Implementation Plan designed to meet the Authority's mission and the strategic goals and objectives. A Draft Implementation Plan was distributed to Board members for a 2-week review and comment period (comments were due June 21). The attached Implementation Plan document is a revised version that incorporates comments received and has been distributed as part of the pre-packet for Board review, consideration, and adoption. Additionally, the Implementation Plan has been incorporated in the enclosed multi-year Strategic Plan that is hereby presented to the Board for final approval.

ISSUE FOR DECISION

Whether the Water Authority should adopt the enclosed 2019 Strategic Plan, including Implementation Plan for the San Luis & Delta Mendota Water Authority.

RECOMMENDATION

We recommend the Board of Directors Adoption of the 2019 Strategic Plan, including Implementation Plan.



SAN LUIS & DELTA-MENDOTA WATER AUTHORITY 2019 STRATEGIC PLAN



Prepared by: Rauch Communication Consultants Inc.

Officers

Cannon Michael, Chairman

Don Peracchi, Vice Chairman

Joyce Machado, Treasurer/Auditor

Federico Barajas, Secretary

Board of Directors

Division 1:

James McLeod, Director, Banta-Carbona ID

David Weisenberger, Alternate, Banta-Carbona ID

Bobby Pierce, Director, West Stanislaus ID

Vacant, Alternate, Westside ID

Anthea Hansen, Director, Del Puerto WD

Earl Perez, Alternate, Del Puerto WD

Rick Gilmore, Director, Byron Bethany ID/CVPSA

Vince Lucchesi, Alternate, Patterson ID

Division 2:

Don Peracchi, Director, Westlands WD

Ryan Ferguson, Alternate, Westlands WD

William Bourdeau, Director, Westlands WD

Stan Nunn, Alternate, Westlands WD

John Bennett, Director, Panoche WD

Michael Linneman, Alternate, Panoche WD

William Diedrich, Director, San Luis WD

Lon Martin, Alternate, San Luis WD

Division 3:

Dan McCurdy, Director, Firebaugh CWD

Jeff Bryant, Alternate, Firebaugh CWD

James O'Banion, Director, Central California ID

Chris White, Alternate, Central California ID

Cannon Michael, Director, Henry Miller RD 2131

Randy Houk, Alternate, Columbia CC

Ric Ortega, Director, Grassland WD

Ellen Wehr, Alternate, Grassland WD

Division 4:

John Varela, Director, Santa Clara Valley WD

Garth Hall, Alternate, Santa Clara Valley WD

Gary Kremen, Director, Santa Clara Valley WD

Richard Santos, Alternate, Santa Clara Valley WD

Jeff Cattaneo, Director, San Benito County WD

John Tobias, Alternate, San Benito County WD

Joseph Tonascia, Director, San Benito County WD

Sara Singleton, Alternate, San Benito County WD

Division 5:

Bill Pucheu, Director, Tranquility ID

Lance LeVake, Alternate, Pacheco WD

Tom Birmingham, Director, Broadview WD

Jose Gutierrez, Alternate, Broadview WD

Steve Stadler, Director, James ID

Thomas W. Chaney, Alternate, James ID

Authority Management Staff

Federico Barajas, Executive Director

Frances Mizuno, Assistant Executive Director

Rebecca Akroyd, General Counsel

Sally Arambel, Director of Human Resources

Joyce Machado, Director of Finance

J. Scott Petersen, Director of Water Policy

Bob Martin, Planning & Engineering Manager

Paul Stearns, Operations & Maintenance
Manager

Lois Neishi, Information Systems/Asset Manager

Consultant

Martin Rauch, Managing Consultant

Contents

Introduction

Purpose of the Plan	2
Strategic Planning Process	3
Strategic Framework	4

Strategic Plan

Mission, Vision, Core Values	5
Goals, Objectives, and Summary of the Implementation Plan	7

Implementing the Plan

Monitoring, Implementation, and Oversight Actions	12
Detailed Implementation Plan	12

Appendix

Planning Process Expectations (from Workshop #1)	13
Rating the Authority Today (from Workshop #2)	14
Areas of Current Emphasis (from Workshop #3)	16

Introduction

Purpose of the Plan

Planning is strategic when it helps move an organization forward from its current situation to its desired future.

This Strategic Plan is the San Luis & Delta-Mendota Water Authority's (Authority) highest-level planning document, and represents the Board's direction for the future.

It was developed through a process that included assessing the Authority's operating environment and identifying the Authority's strengths and weaknesses, as well as the opportunities and challenges facing the organization.

The resulting plan identifies the Authority's mission, vision, and core values, while providing a set of goals and objectives that serves as a framework for decision-making.

The Strategic Plan is also a practical working tool that provides clear direction to the staff regarding the Board's goals and objectives, and includes an Implementation Plan developed by the staff to meet those goals and objectives. As such, it is referred to regularly as a guide to Authority actions during the period covered.

To keep it fresh, the plan must be updated periodically and rolled forward so that there is always a multi-year guide to the future.

Strategic Planning Process

The strategic planning process is described below.

Initial Research

The project began with a review of background documents and 38 confidential one-on-one interviews with directors, alternates, and staff members. It also included interviews with representatives of outside organizations that work with and are familiar with the Authority, such as State Water Resources Control Board, California Waterfowl, State Water Contractors, Friant Water Authority, California Water Commission, Tehama Colusa Canal Authority, Association of California Water Agencies, and National Audubon Society.

Staffing Analysis

The Authority requested a staffing analysis be undertaken as part of the strategic planning process. Some initial analysis was done, but the Board later decided to focus on hiring a new executive director who would then complete a staffing analysis and plan.

Workshop Facilitation

The strategic planning process included four Board workshops, as well as review, comment, and approval of portions of the plan at several Board meetings. The workshops were conducted between June 7, 2018, and March 21, 2019.

Activity Budget Cost Allocation Ad Hoc Group Support

One important topic taken up in the strategic planning process was how Authority costs are allocated to its members. Because of the complexity and importance of this issue, an ad hoc Activity Budget Cost Allocation Group was formed to explore the issue and recommend changes to the Board. The consultant worked with staff to plan and facilitate four meetings of the ad hoc group, which developed a number of changes in the budget process that were later approved by the Board. The most substantial change was to rearrange the Administration budget so that the majority of general operating costs are allocated to the Operations & Management Budget. These changes spread costs more equitably across the membership and provided more clarity about costs. More work on cost allocation is planned under objective 7.1 and its attendant implementation actions.

Staff Implementation Planning

Once the policy portions of the plan were completed in the Board workshops, the Authority's management team and staff worked with the consultant to develop an Implementation Plan designed to meet the Authority's mission as well as the strategic goals and objectives developed by the Board.

Strategic Framework

The Strategic Plan is built from a series of logical components, described and shown in the graphic below.

Key Areas of Change. The Authority has effectively carried out its mission for decades. Periodically, the Board pauses to consider future challenges and opportunities as part of the strategic planning process. The resulting Strategic Plan focuses on actions and priorities that are critical to the Authority's future success.

Mission. The mission statement explains why the organization exists. It articulates the organization's essential work in a brief sentence or two.

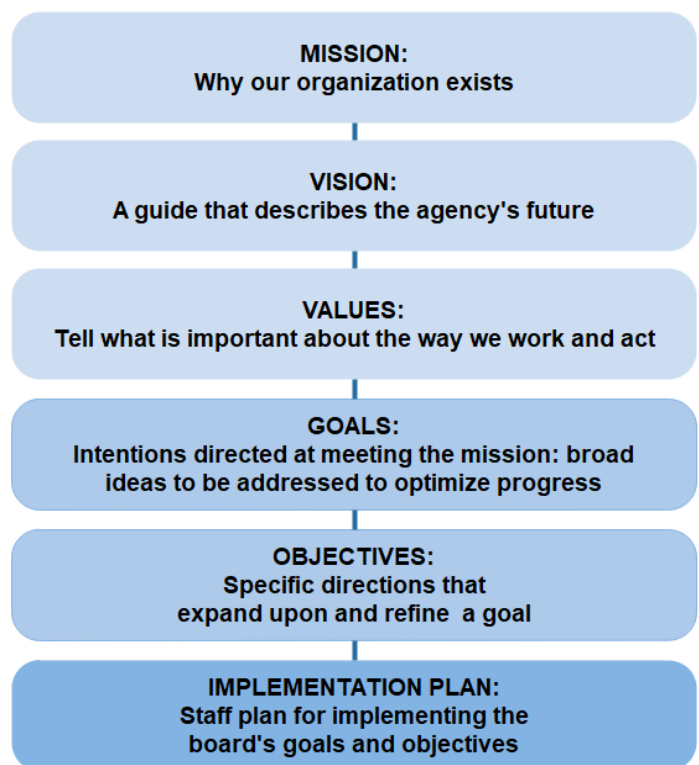
Vision. The vision articulates what the organization will become at a given time in the future. It is the strategic target which, when achieved, fulfills the organization's mission. As such, it is at the heart of the strategic planning process.

Values. Values provide guidance when an organization is faced with challenging decisions that require trade-offs. Values are set by the Board, govern attitudes and behaviors, and generally remain constant over time.

Goals. Goals describe broad, primary areas of management, operations, and planning that need to be addressed in order to accomplish the mission. Goals are not connected to timelines.

Objectives. Objectives are specific directions, established by the Board, which expand upon and refine the goals. There may be multiple objectives for each goal. Objectives are SMART: Specific, Measurable, Attainable, Related to Goals, Time Certain.

Implementation Plan. The Implementation Plan contains measurable actions required to accomplish the mission, goals, and objectives. The actions in the plan are assigned to individuals or departments and have precise timetables. There may be multiple tasks for each objective.



Strategic Plan

Mission

*The Mission of San Luis & Delta-Mendota Water Authority is to:
operate the Delta-Mendota Canal and related facilities reliably and cost-effectively, and
support member agencies in restoring and protecting adequate, affordable water supplies
for agricultural, municipal and industrial, and environmental uses.*

Vision

*Assured, adequate, reliable, and affordable water supplies for the agricultural,
environmental, municipal, and industrial communities served by member agencies within
San Joaquin, San Benito, and Santa Clara Valleys.*

*Cost-effective and reliable delivery of water to member agencies and other Central Valley
Project water users we serve.*

*Effective engagement in regulatory, judicial, legislative, and environmental arenas as well
as projects and programs that support the policies and strategies of member agencies.*

*Respected leader and valued partner in the California water community, helping to achieve
the shared goals of our member agencies and the common good.*

*Diverse and engaged Board and membership, together with a highly trained, motivated,
and capable staff to achieve the shared goals of member agencies.*

Core Values

The Water Authority Board and staff are committed to and guided by the following core values in everything we do:

People First – *Our employees are our most valued resource. They are known for their character, commitment, competence, and loyalty. We provide opportunities for personal growth and celebrate individual and team accomplishments.*

Safety – *We believe safety must be the forefront of all our decision-making.*

Honesty and Integrity – *We demonstrate honesty and integrity every day by practicing the highest ethical standards and by ensuring that our actions follow our words.*

Accountability – *We acknowledge that both the Board and staff of the Water Authority are accountable to member agencies and water users that we serve, as well as to each other.*

Courage – *We are committed to facing tough issues and doing what it takes to get the job done.*

Transparency – *We listen to our member agencies and communicate openly about our policies, processes, and plans for the future.*

Teamwork – *We work together by sharing information and resources to achieve common goals.*

Respect – *We treat every person with dignity and civility, value differences, and recognize individual abilities and contributions.*

Goals, Objectives, and Summary of the Implementation Plan

Key Areas of Change. This Strategic Plan focuses only on key areas where there is change or a desire for additional clarity of direction. Numerous existing and ongoing initiatives, programs, and actions are not incorporated into this Plan.

Priorities. The notation “(High)” after an action indicates a high-priority action. A high priority is defined as a “must do” that is not receiving adequate attention from staff due to inadequate resources. It may also be a new or additional effort for staff to undertake to fulfill a critical goal or objective. Some actions are urgent in terms of timing but are not necessarily a high priority.

Timing. Goals and objectives marked “annually” or “ongoing” will be reported on at least once each year in January. This will allow the Executive Director to use the feedback received from the Board when preparing the new fiscal year budget.

Implementation. Staff developed a complete set of initiatives to implement the goals and objectives. The implementation actions are summarized on the following pages, indicated by third-level numbering such as 1.1.1 with non-bold type. The verb “continue” is used to indicate an implementation action that is already underway and may require more intense effort.

GOAL 1: Optimize Water Supplies

OBJECTIVE 1.1: Support member agencies in optimizing water supplies.

- 1.1.1 Implement new actions to operate Central Valley Project facilities efficiently, reliably, and cost-effectively.
- 1.1.2 Develop potential partnerships in seeking additional low-rate water supplies.
- 1.1.3 Advocate for earlier and adequate contract allocations. (High)
- 1.1.4 Seek funding for infrastructure that provides benefits to all member agencies. (High)

OBJECTIVE 1.2: Engage in regulatory, legislative, legal, and administrative forums in support of member agencies to optimize water supply consistent with policies and strategies adopted by the Board.

- 1.2.1 Establish key priorities during budget preparation for the following fiscal year for Board review and approval.
- 1.2.2 Coordinate with local, state, and federal regulatory entities, water partners, and NGOs.
- 1.2.3 Proactively engage in regulatory and administrative processes.
- 1.2.4 Proactively participate in state and federal legislative affairs.
- 1.2.5 Formulate and implement legal strategy and keep Board updated.
- 1.2.6 Coordinate engagement in legal forums with member agency legal counsel.

GOAL 2: Improve Governance and Policy Direction

OBJECTIVE 2.1: Board provides consistent and clear policy direction.

- 2.1.1 Evaluate changes to meeting procedures.
- 2.1.2 Evaluate changes to Board structures and the role of divisions. (High)

- 2.1.3 Evaluate changes to governance documents and/or Board policies.
- 2.1.4 Update Board and Committee member orientation.
- 2.1.5 Formulate and implement Board education and training.
- 2.1.6 Develop and conduct annual Board governance review.

OBJECTIVE 2.2: Policy is established through Board action after informed deliberation.

- 2.2.1 Improve processes for informing the Board on policy issues.
- 2.2.2 Establish policy for timely engagement on legislation. (High)
- 2.2.3 Establish process for effective management of Activity Agreements.

OBJECTIVE 2.3: Policy direction is based on informed deliberation of the Board.

- 2.3.1 Actions undertaken for 2.2 will fulfill this objective.

GOAL 3: Staff Resources Are In Place to Implement Board Goals and Priorities

OBJECTIVE 3.1: Executive Director provides leadership on water policy and operation and maintenance (O&M), assists the Board, manages staff, and implements priorities.

- 3.1.1 Provide clear direction to staff on key priorities.
- 3.1.2 Engage on key local, state, and federal water policy issues.
- 3.1.3 Identify appropriate level of staff support for Committee and Board meeting preparation.

OBJECTIVE 3.2: Staff has skills, experience, and resources to accomplish the Board's goals and priorities.

- 3.2.1 Evaluate organizational structure and implement appropriate changes. (High)
- 3.2.2 Maintain a succession plan for key staff.
- 3.2.3 Assess and improve management of consultants.
- 3.2.4 Assess need to create and fill new key positions. (High)

OBJECTIVE 3.3: Staff is motivated, trained, and working together effectively to meet the goals and priorities of the Authority under the leadership of the Executive Director.

- 3.3.1 Ensure staff is well managed, motivated, and working effectively in each office location.
- 3.3.2 Identify additional training opportunities with JPIA and other member agencies.

GOAL 4: Effective Operations

OBJECTIVE 4.1: Operate and maintain facilities cost-efficiently and reliably.

- 4.1.1 Complete staff resource evaluation to determine appropriate staffing needs.
- 4.1.2 Develop and implement master annual work schedule. (High)
- 4.1.3 Replace Oracle with new Computerized Maintenance Management System (CMMS) with integrated enterprise asset management (EAM).
- 4.1.4 Select and implement a document management system.
- 4.1.5 Select and implement a drawing management system in coordination with US Bureau of Reclamation (Reclamation).

OBJECTIVE 4.2: Utilize O&M expertise to optimize operations.

- 4.2.1 Educate Operations staff on regulatory requirements.
- 4.2.2 Work with Lower DMC member agencies to improve forecasting of O'Neill operation/power needs.
- 4.2.3 Establish plan with Reclamation to install meters at unmetered turnouts.

OBJECTIVE 4.3: Plan and implement capital improvements with the longest reasonable planning horizon.

- 4.3.1 Continue to annually update plan for major rehabilitation, replacement, and upgrades for all facilities within the 10-Year EO&M Project Plan.
- 4.3.2 Improve cost estimates for each project identified in the 10-Year Plan.

OBJECTIVE 4.4: O&M activities are planned and proactively implemented for the lowest cost and least disruption.

- 4.4.1 Continue with annual O&M plans, budgets, and implementation.
- 4.4.2 Continue coordination with Reclamation on operations.
- 4.4.3 Update purchasing policy. (High)

OBJECTIVE 4.5: Technology is used to lower costs and/or improve quality of O&M activities.

- 4.5.1 Implement new water order/accounting program.
- 4.5.2 Develop a plan to convert flow meters for digital readouts on DMC.
- 4.5.3 Explore communication system options along DMC.

OBJECTIVE 4.6: Operations employees are fully trained and growing in skill and experience.

- 4.6.1 Develop comprehensive training plan.
- 4.6.2 Provide proper resources (time, budget, etc.) to ensure training is implemented.

OBJECTIVE 4.7: Communicate effectively with member agencies and Reclamation on O&M issues and activities.

- 4.7.1 Meet annually with member agency operations staff. (High)
- 4.7.2 Continue quarterly meetings with Reclamation South-Central California Area Office.

GOAL 5: Increase Scientific and Technical Credibility and Influence

OBJECTIVE 5.1: Relevant policy positions are informed by sound science.

- 5.1.1 Develop comprehensive list of science programs and studies.
- 5.1.2 Regularly update the Board on Science Program outcomes and outcomes of important studies.

OBJECTIVE 5.2: Maximize the effectiveness, influence, and cost-effectiveness of the Science Program by collaborating with science programs of members and others.

- 5.2.1 Evaluate and consider changes to the Science Program. (High)
- 5.2.2 Identify opportunities for collaboration with external science programs.
- 5.2.3 Evaluate need for on-staff technical expertise to engage in scientific forums.

OBJECTIVE 5.3: Support and coordinate scientific studies and communicate about them in a way that ensures credibility of the results.

- 5.3.1 Research opportunities to support studies that inform key priorities.
- 5.3.2 Develop a communications plan in conjunction with all science studies (see 6.1.1).
- 5.3.3 Implement relevant sections of the communications plan developed in 6.1.1.

GOAL 6: Effective Communication and Engagement with Key Parties

OBJECTIVE 6.1: Key parties understand the Authority's role in representing its member agencies.

- 6.1.1 Develop an internal and external communications plan. (High)
- 6.1.2 Implement relevant sections of the communications plan developed in 6.1.1.

OBJECTIVE 6.2: The Authority supports its member agencies through effective representation of common positions.

- 6.2.1 Develop and adopt a policy on common interests (legislation, programs, etc.).
- 6.2.2 Implement relevant sections of the communications plan developed in 6.1.1.

OBJECTIVE 6.3: The Authority effectively engages with member agencies and key parties.

- 6.3.1 Implement relevant sections of the communications plan developed in 6.1.1.
- 6.3.2 Increase community economic development.

OBJECTIVE 6.4: The Authority understands the perspectives of other key parties.

- 6.4.1 Conduct regular meetings with member agencies and other key parties (including but not limited to: State Water Contractors, Friant Water Authority and environmental NGOs).
- 6.4.2 Implement relevant sections of the communications plan developed in 6.1.1.

OBJECTIVE 6.5: Support collaborative programs to educate the broader public in California about key issues important to the Authority.

- 6.5.1 Assess opportunities to improve communications in collaboration with external programs.
- 6.5.2 Implement relevant sections of the communications plan developed in 6.1.1.

OBJECTIVE 6.6: Ensure home boards are kept up-to-date and supportive of the organization's direction.

- 6.6.1 Attend member agency Board meetings.
- 6.6.2 Implement relevant sections of the communications plan developed in 6.1.1.

GOAL 7: Finances Are Well Understood and Supported by the Board

OBJECTIVE 7.1: Maintain a cost allocation for the Activity Budget supported by the Authority's member agencies.

- 7.1.1 Review Leg Ops cost allocation for any changes to allocation methodology. (High)
- 7.1.2 Implement management best practices for tracking Activity Budget and actual expenditures.
- 7.1.3 Perform end-of-year assessment and identify any "lessons learned" for the following fiscal year.
- 7.1.4 Refine Activity Budget timeline.

7.1.5 Actively engage member agencies in budget formulation process in advance of new fiscal year.

7.1.6 Regularly evaluate the necessity of existing Activity Budget funds.

OBJECTIVE 7.2: Maintain and demonstrate effective cost control.

7.2.1 Complete all outstanding financial statement audits. (High)

7.2.2 Transition to a full electronic/automated financial and accounting system.

7.2.3 Review internal controls for checks and balances and cost controls.

7.2.4 Establish year-end financial audit completion schedule.

7.2.5 Streamline audit preparation process.

OBJECTIVE 7.3: Directors, Committee members, and member agencies understand Authority finances.

7.3.1 Continue providing timely financial updates.

7.3.2 Schedule special financial presentations as appropriate.

OBJECTIVE 7.4: Board is in control of the Authority's finances.

7.4.1 Streamline current Board/Committee financial/accounting reports.

OBJECTIVE 7.5: Financial planning and reporting extend to the longest beneficial time horizon.

7.5.1 Explore alternative funding sources for future projects and activities.

7.5.2 Establish working relationships with appropriate financial institutions on financing options.

7.5.3 Maintain financial position to enable Moody's credit rating AA.

Implementing the Plan

Monitoring, Implementation, and Oversight Actions

The Authority will take the following steps to ensure that the Plan is implemented and results are achieved:

- The Authority will publish the Mission, Vision, Values, Goals, and Objectives on posters and handouts and display them around the Authority.
- Staff will incorporate the Mission, Vision, Values, Goals, and Objectives into the employee handbook, as well as orientation and training materials for new employees and Board and Committee members.
- Executive Director will present the Strategic Plan to the entire staff so they are familiar with it and can better undertake their individual roles in fulfilling it.
- The management and supervisory team will actively implement the Implementation Plan.
- The management team will establish a detailed spreadsheet to monitor and track Strategic Plan Goals and Objectives.
- Board committees will incorporate Strategic Plan monitoring as appropriate, and staff will provide an annual report to the entire Board on progress in implementing the plan.
- Staff will reference Strategic Plan items on Board meeting agendas as appropriate.
- The Board, with staff support, will review and update the Strategic Plan every three years and roll it forward.

Detailed Implementation Plan

A detailed Implementation Plan is being maintained in a separate spreadsheet by staff.

Appendix

Planning Process Expectations (from Workshop #1)

The participants were asked to share their agency's expectations for the strategic planning process, including the most important outcomes they wanted to achieve. The consultant divided the responses into categories for easier review.

Mission and Vision

- Vision of future challenges and solutions (7 participants commented)
- Mission of the Authority and focus on mission (5 comments)
- Role of Authority (2 comments)
- Vision and Mission

Services

- What services shall the Authority provide (3 comments)
- Desire to develop a consensus on Services (2 comments)
- Discuss/settle question of science services
- Ensure efficient delivery of services (2 comments)
- Apportionment of Costs (2 comments)

Goals and Objectives

- Develop long-term goals all can commit to
- Define priorities: who and how
- Stay united
- Identify the outlook of Authority by 2029
- How we can be assertive not defensive
- Narrow focus on "achievable" goals and objectives; also identify the policies and resources to achieve objectives

Others

- Improve interpersonal dynamics

Rating the Authority Today (from Workshop #2)

Before considering where the Authority wants to go in the future, it is important to understand where it is today. The group worked together to identify and rate a number of key features of the Authority as summarized below.

Each participant in the workshop was asked to rate various aspects of the Authority based on its current performance. Each participant selected aspects of the Authority to rate and graded them on a scale of 1 to 10 (10 being excellent). The average scores, along with the total number of votes in each category, are included at the top of each category.

Note that the individual comments summarized below are from March 2018. These comments do not necessarily represent views as of the date of this report or a consensus view of the Authority Board.

O&M. Operations staff is well organized and efficient. Facilities are very reliable. Repairs and replacements are well planned. Great proactive maintenance program. May be understaffed to keep up on planned maintenance. **Average: 9:** 10, 9, 9, 9, 9, 9, 9, 8

Water Supply. The Authority needs a big water supply goal, like 1 million acre-feet. The Authority takes a reactionary approach to water supply impacts. Sometimes Authority only tracks issues and does not engage. Need to be more proactive and engage in legislation, etc. Water transfers provide a critical source of water in some years. **Average 6.5:** 8, 5

Staff and Culture. Strong, competent and loyal staff with collegiality. They are recognizing the changing face of the workforce before it negatively affects culture. Strong staff and board.

Science. Need better use of science and coordination to support the positive things we are doing. Science can be a benefit to the reputation of the Authority. Need to partner on science, but lack staffing support, management, and clear direction for science program.

Government affairs. Although many member agencies have good government affairs representation, we are lacking a position speaking on behalf of all to build and maintain.

Need a policy director.

Size of consulting contracts. Would be better to have more, smaller contracts rather than a few large retainers to provide access to a broader group of staff and consultants.

Legal. We have excellent in-house counsel, but we need additional in-house support. Reducing the retainer to our large firms would accommodate a broader bandwidth.

Finance staff fails to fulfill basic functions and disseminate timely information, especially related to financial data.

Executive Director needs to provide excellent internal management. Also, need an Executive Director who can listen to all sides and unite the Authority. We have not had a leader who can effectively represent the members. **Average 6.1:** 9, 8, 8, 8, 6, 6, 6, 5, 5, 5, 5, 4, 4

Board of Directors and Governance.

Strengths. Diversity is a strength. The Authority represents a diverse group of water users: Ag (small and large); Environmental (unique and important); Urban (large and small). The challenge is to work together effectively. Who is the voice of the CVP south of Delta?

Challenges. Should revisit committee structure. Encourage Board to be proactive rather than reactive. Need to use consent calendar more.

Board not adequately engaged. Need training for board members on engagement.

Start thinking in “current world” model. Board has an opportunity now to improve on past staffing and organizational structure errors.

Improve communication to board and members. It is not clear what strategy is being employed in forums and court. Communication is improving, but Board lacks background.

At times, a lack of engagement between Governance and Executive Team. Need to work together more closely. **Average 5.5:** 10, 7, 6, 5, 5, 5, 3, 3

Cost control. Authority should improve cost control efforts, acknowledge that cost increases are passed on to members. **Average 5.5:** 4, 7

Communications and Public Relations.

Variety of members is a strength and challenge. It is good to have a diverse group but hard for individuals to be heard or agree together at times.

Staff is responsive to requests from members to resolve issues.

Lack proactive marketing of strengths. Need to: brag about progress, feature member relationships, improve our “who we are” message, communicate to media and the public more, sell the public on all the “good” we are doing as ag., urban, and refuge water users.

Need to increase coordination with other agencies.

Need branding. Need to improve messaging and change narrative. Lacking a clearly identifiable message.

Not perceived well by groups or individuals who do not understand what we do.

Need a full-time person dedicated to PR: for tours, social media, press events outreach to DC, Sacramento and legislative members. **Average 4.7:** 9, 8, 5, 5, 5, 4, 4, 4, 3.5, 3, 2

Strategy and shared vision. Fail to focus on and exhaust all alternatives to combat or rein in those factors that limit South of Delta water supplies. Confusion on the right fix and strategy.

Who speaks for CVP South of Delta? We share a common goal of delivering reliable and consistent water supplies but who should lead and advocate?

Need a strategy and vision consistent with political and regulatory outlook 5-20 years into the future.

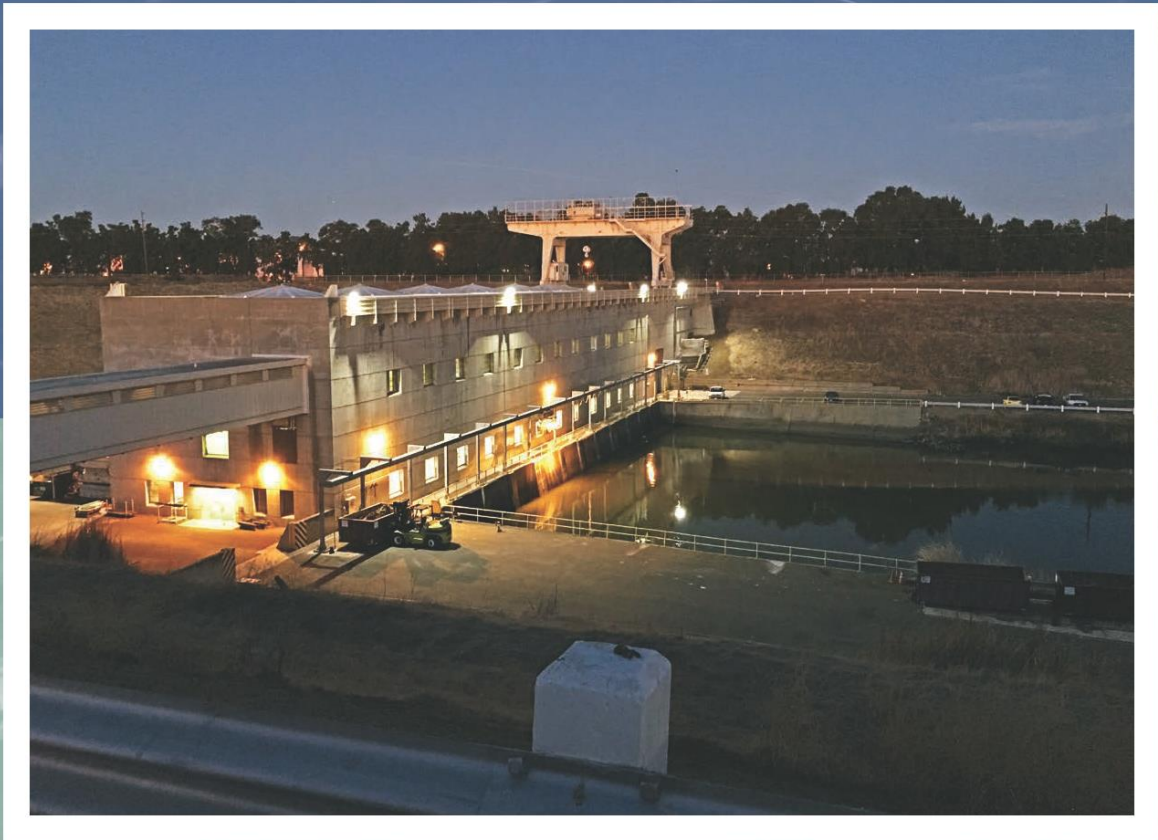
Need more collaboration and to build better relationships with regulators and NGOs.

Need a Fish and Game plan. **Average 3.2:** 1, 2, 4, 4, 5

Areas of Current Emphasis (from Workshop #3)

The participants were asked to identify and vote on the most important issues that the Authority must resolve in the coming years. The results of that vote are shown below, along with a summary of the responses by category. This exercise was designed to advance the discussion and indicate areas of current emphasis as described below rather than to generate actionable, quantitative priorities. For example, most Board members would not say that over the long-term operation and maintenance of the DMC facilities should be a medium or below-medium priority. It is assigned a medium or below-medium need for emphasis now simply because most Board members believe O&M is currently well managed and effective.

29 Votes	Optimize Water Supplies. Support member agencies in optimizing water supplies through engagement in regulatory, legislative, legal and administrative forums.
21 Votes	Improve Governance. Update board policies, practices, and procedures to maximize board engagement and oversight, and ensure that policy direction is clear and based on informed deliberation of the full board.
16 Votes	Engaging Public Affairs. Key stakeholders need to know the membership of the Authority and the issues facing its membership.
14 Votes	Effective Operations. Deliver water cost-efficiently (12); Utilize expertise from management of the DMC to optimize its operations (1); and use technology to lower costs and/or improve quality of operations (1).
13 Votes	Increase Scientific and Technical Credibility and Influence. Support and coordinate scientific studies and communicate them in a way to ensure credibility of the results.
2 Votes	Clearly Communicate Finances. Enhance collaboration between the Board and staff on Authority financial reporting to ensure the Board understands and is in control of the Authority finances.
2 Votes	Rebuild Management Team. Executive Director provides leadership inside and outside the Authority, assists the board, manages staff and ensures implementation of priorities. Staff is motivated, trained and has skills and experience to accomplish the Board's goals and priorities. Authority utilizes the most cost-effective balance of consultants and staff.



Prepared by:



rauch
communication
consultants inc.

www.rauchcc.com



MEMORANDUM

TO: SLDMWA Board of Directors

FROM: Frances C. Mizuno, Assistant Executive Director

DATE: July 11, 2019

RE: Rejection of Claim

BACKGROUND

On May 30, 2019, an Authority maintenance worker was travelling north on a Delta-Mendota Canal road crossing Charleston Road in Los Banos. The employee stopped at the stop sign, looked both ways for traffic, did not see anything in either direction, then proceeded through the intersection and collided with a vehicle travelling westbound on Charleston Road. The other vehicle has been deemed a total loss. There was no immediate medical treatment rendered at the time of the accident, though there are indications of potential future medical.

The Authority employee was not injured. Authority vehicle repairs: \$3,836

A claim was submitted to the Authority on June 24, 2019. We in turn submitted the claim to the ACWA/JPIA, the Authority's insurance agency, who recommended following their risk control process of rejecting the claim.

ACTION REQUESTED

Under the California Government Code §945.6, the Authority has 45 days from the presentation of a claim to reject it. When a claim is rejected in writing, the claimant has only six months in which to file suit. However, if the claim is not rejected in writing, the claim is then allowed to be rejected as a matter of law, which means the claimant would have two years in which to file suit. Therefore, we recommend the Board reject any and all claims relating to this incident, Claim No. AU02146620.

Claim Form

(A claim shall be presented by the claimant or by a person acting on his behalf.)

NAME OF DISTRICT:

1

Claimant name, address (mailing address if different), phone number, social security number, e-mail address, and date of birth.
Effective January 1, 2010, the Medicare Secondary Payer Act (Federal Law) requires the District/Agency to report all claims involving payments for bodily injury and/or medical treatments to Medicare. As such, if you are seeking **medical damages**, we **MUST** have both your Social Security Number and your date of birth.

Name:

Phone Number:

Address(es):

Social Security No.:

Date of Birth:

E-mail:

2

List name, address, and phone number of any witnesses.

Name:

Address:

Phone Number: ()

3

List the date, time, place, and other circumstances of the occurrence or transaction, which gave rise to the claim asserted.

Date: 5/30/19

Time: 2:45 PM

Place: Charleston Rd & canal service road

Tell What Happened (give complete information):

My vehicle was WB on Charleston Rd approaching the bridge over the canal with no stop sign. Your vehicle ran the stop sign from the canal road onto Charleston. Your vehicle hit my vehicle on the driver's side & pushed it into the bridge railing.

NOTE: Attach any photographs you may have regarding this claim.

4

Give a general description of the indebtedness, obligation, injury, damage, or loss incurred so far as it may be known at the time of presentation of the claim.

Driver's side bed side, wheel, Passenger side fender, door, hood - not drivable
bed cover was thrown off and damaged
laptop and sunglasses were broken

5

Give the name or names of the public employee or employees causing the injury, damage, or loss, if known.

6

The amount claimed if it totals less than ten thousand dollars (\$10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars (\$10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.

\$14,000 approximately

Date: 6/19/19

Time: 4:40 PM

Signature:

ANSWER ALL QUESTIONS. OMITTING INFORMATION COULD MAKE YOUR CLAIM LEGALLY INSUFFICIENT!



July 12, 2019

Brigham Krebs
Horace Mann Insurance
3701 Regent Blvd., Ste. 300
PO Box 631790
Irving, TX 75063

Re: Claim # AU02146620

Dear Mr. Krebs,

Notice is hereby given that the claim which you presented on behalf of your client,-----, to the San Luis & Delta Mendota Water Authority Board of Directors on June 24, 2019 was rejected on July 11, 2019.

WARNING

Subject to certain exceptions, you have only six (6) months from the date this notice was personally delivered or deposited in the mail to file a State Court Action on this claim. See California Government Code §945.6. Your time for filing an action in federal court may be less than this six month.

You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.

In providing this notice, or by any other action it has taken on this claim, San Luis & Delta Mendota Water Authority does not intend to relinquish or waive any of its legal claims requirements or any rights or defenses potentially available to San Luis & Delta Mendota Water Authority or its officers, directors, employees or agents.

Should you file a lawsuit in this matter which is determined to be in bad faith and without reasonable cause, please be advised that San Luis & Delta Mendota Water Authority will attempt to recover all of its defense costs from you as allowed by California Code of Civil Procedure §128.5, §128.7, and §1038.

If you have any questions about your claim, or this letter, please call the undersigned, or our claims administrator at 916-786-5742

Sincerely,

Laures Stiles
HR Analyst II

842 SIXTH STREET

SUITE 7

P.O. BOX 2157

LOS BANOS, CA

93635

209 826-9696

209 826-9698 FAX



Introduction: Prospective borrowers seeking Water Infrastructure Finance and Innovation Act (WIFIA) credit assistance must complete and submit a letter of interest to the U.S. Environmental Protection Agency (EPA). Based on the information provided in the letter of interest, EPA will invite selected prospective borrowers to submit an application for WIFIA credit assistance. EPA will only select those eligible projects that it expects to proceed to closing.

Purpose: Prospective borrowers submit the letter of interest materials to provide EPA with the necessary information to: 1) validate the eligibility of the prospective borrower and the prospective project; 2) perform a preliminary creditworthiness assessment; 3) perform a preliminary engineering feasibility assessment; and 4) evaluate the project against the selection criteria and identify which projects EPA will invite to submit applications.

Format: To be considered for WIFIA credit assistance, prospective borrowers must submit a letter of interest that describes: 1) the prospective borrower and the plans for the proposed project(s); 2) the proposed financial plan; 3) the status of the reports and studies required for the project(s); and 4) how the project meets the selection criteria of the WIFIA credit program. Please reference the latest Notice of Funding Availability (NOFA), the WIFIA program handbook, and frequently asked questions (FAQ) available at <http://www.epa.gov/wifia> for additional instructions and information.

Responses to all of the questions should be included in this form. Upon completion, the total length of the letter of interest form should not exceed 50 pages, excluding any attachments. Font size should not be smaller than 11-point Calibri.

Selection: Due to the wide variety of projects eligible for WIFIA assistance, in some cases EPA may request additional information to supplement the letter of interest so it may complete its analysis. EPA will invite some eligible prospective borrowers to submit applications based on its selection process.

Submission: Letters of interests must be submitted to EPA by the deadline stated in the Notice of Funding Availability (NOFA). Source documents may be draft or preliminary. Please provide the most recent version available at the time of submission.

The documents may be submitted in two ways:

- (1) Email the documents as attachments to wifia@epa.gov.
- (2) Upload the documents to EPA's SharePoint site. To be granted access to the SharePoint site, prospective borrowers can request access to SharePoint by emailing wifia@epa.gov. Requests to upload documents must be made in advance of the deadline as outlined in the NOFA.

Upon receipt, EPA will provide a confirmation email. If you have questions on completing this letter of interest, please consult the WIFIA website (www.epa.gov/wifia) or contact the WIFIA program office at wifia@epa.gov.



Confidential Business Information (CBI): A prospective borrower may assert a business confidentiality claim covering part or all of the information submitted to EPA as part of its letter of interest, in a manner consistent with 40 C.F.R. 2.203, 41 Fed. Reg. 36902 (Sept. 1, 1976), by placing on (or attaching to) the information a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as trade secret, proprietary, or company confidential. The prospective borrower should also state whether it desires confidential treatment until a certain date or until the occurrence of a certain event. Information covered by a business confidentiality claim will be disclosed by EPA only to the extent and only by means of the procedures set forth under 40 C.F.R. Part 2, Subpart B. Information that is not accompanied by a business confidentiality claim when it is received by EPA may be made available to the public by EPA without further notice to the prospective borrower.

More information about CBI is available in the WIFIA program handbook and frequently asked questions (FAQ) available at <http://www.epa.gov/wifia>.

Burden: The public reporting and recordkeeping burden for this collection of information is estimated to average 50 hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, included through the use of automated collection techniques to the Director, Regulatory Support Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

Warning: Falsification or misrepresentation of information or failure to file or report information required to be reported may be the basis for denial of financial assistance by EPA. Knowing and willful falsification of information required to be submitted and false statements to a Federal Agency may also subject you to criminal prosecution. See, for example, 18 U.S.C. §1001.



LETTER OF INTEREST

Provide the following information in this form or as narrative answers. Narrative answers can reference source documents (include the name of the document and relevant pages or sections). Provide any referenced documents as attachments.

Section A: Prospective Borrower Information

1. Legal name of prospective borrower:

San Luis & Delta-Mendota Water Authority

2. Other names under which the prospective borrower does business:

N/A

3. Department and division name:

Engineering and Planning Department

4. Business street address:

842 6th Street, Los Banos, CA 93635

5. Mailing street address (if different from above):

P.O. Box 2157, Los Banos, CA 93635

6. Website:

www.sldmwa.org

7. Employer/taxpayer identification number (EIN/TIN):

#52-1717350

8. Dun and Bradstreet Data Universal Number System (DUNS) number:

#15-386-3097

9. Facility Registry Service (FRS) number, if available:

N/A



10. Type of entity (pick one):

- ☐ Corporation
- ☐ Partnership
- ☐ Joint Venture
- ☐ Trust
- ☒ Federal, State, or Local Governmental Entity, Agency, or Instrumentality
- ☐ Tribal Government or Consortium of Tribal Governments
- ☐ State Infrastructure Finance Authority

11. Describe the organizational structure of the proposed borrower, including structures such as a partnership, joint venture or trust. If multiple parties are involved in the project's construction, maintenance, and operation, describe the project's risk allocation framework.

The San Luis & Delta Mendota Water Authority (SLDMWA) was established as a joint powers authority in January 1992 and consists of 28 member agencies located within the San Joaquin, San Benito, and Santa Clara Valleys. SLDMWA's member agencies provide water to approximately 1.2 million acres of highly productive farmland, 2 million California residents, and millions of waterfowl dependent upon the nearly 200,000 acres of managed wetlands within this area of the Pacific Flyway.

One of the primary purposes of establishing SLDMWA was to assume the operation and maintenance (O&M) responsibilities of certain U.S. Department of the Interior, Bureau of Reclamation (Reclamation) Central Valley Project (CVP) facilities and do so at an optimum level and at a lower cost than Reclamation. SLDMWA provides O&M to the Delta-Mendota Canal (DMC), the O'Neill Pumping-Generating Plant, the San Luis Drain, DMC/California Aqueduct Intertie, and the Jones Pumping Plant (JPP). While Reclamation performs O&M of the Delta Cross Channel, and the Tracy Fish Collection Facility, SLDMWA has a service contract to provide emergency assistance at these facilities on an as-needed basis. SLDMWA's member agencies and other non-member CVP contractors pay O&M rates to SLDMWA on a per-acre-foot basis for water deliveries. Members also pay biannual dues.

In addition, SLDMWA informs and represents their members by developing, providing, and disseminating information to legislative, administrative, and judicial bodies concerning a variety of issues such as water supply, water quality, conservation, distribution, surface and groundwater management, and any other common interests of the member agencies.

SLDMWA is governed by a 19-member Board of Directors. The Board is organized into five divisions with directors selected from within each division. Each director, and respective alternate director, is a member of the governing body or an appointed staff member of his or her agency.



SLDMWA maintains a professional staff of 96 full-time employees and 1 part-time employee, with expertise in project operations, finance, and technical services. They perform all on-going services related to O&M and provide representation for their member entities. A copy of the FY2020 organization chart can be found in **Attachment A11**.

Attachment:

- A11_SLDMWA_Organization_Chart_2020.pdf

- 12.** If the prospective borrower is not a public entity or in the case of the prospective borrower being a state infrastructure finance authority, the sub-recipient(s) is not a public entity, is the project(s) publicly sponsored? Please explain.

N/A

- 13.** Identify the month and year the prospective borrower will submit an application. (Assume invitations to apply will be issued approximately 90 days from letter interest submission deadline and the application will generally require a draft Request for Proposals or 30% design documents and a preliminary rating letter on the proposed credit structure.)

SLDMWA has all of the information needed to prepare an application and can submit within 1-2 months of receiving the request by EPA. Application submission would be in December 2019, based on the expected schedule, to ensure that the renewed O&M Transfer Agreement is in place. SLDMWA intends to complete a finance agreement in early 2020.

- 14.** Identify the month and year the prospective borrower wants to close its WIFIA loan.

No later than July 2020.



Section B: Project Plan

1. Project name *(for purposes of identification assign a short name to the project)*:

Jones Pumping Plant Unit Motor Rehabilitation Project (Project)

2. Provide existing National Pollutant Discharge Elimination System (NPDES) and/ or Public Water System (PWS) number(s) (if applicable).

N/A

3. Project website(s):

www.sldmwa.org

4. Provide a brief description of the project(s) for which the prospective borrower is seeking funding (major project scope items such as capacity, diameter and length, treatment components, and other design features). Limit the description to the elements included in the estimated total projects costs in Question C2. (Word Limit: 500).

The Jones Pumping Plant (JPP), formerly known as the Tracy Pumping Plant, and the Delta-Mendota Canal (DMC) are key features of the Central Valley Project (CVP), a complex, multi-purpose network of water storage and conveyance facilities owned by the U.S. Department of the Interior, Bureau of Reclamation (Reclamation). The CVP transports water 450 miles from Northern California to the southern San Joaquin Valley.

The JPP, located about 60 miles east of San Francisco, is essential for supplying agricultural, urban, and environmental water to the west side of the San Joaquin Valley, the San Benito Valley, and the Santa Clara Valley, including parts of Silicon Valley. The JPP contains six pumps, each powered by a 22,500-horsepower electric motor with energy generated by CVP facilities, that lifts Delta water about 200 feet from an intake channel and into the DMC. The JPP total capacity is about 5,200 cubic feet per second (cfs), each unit with a pumping capacity between 850–1,050 cfs. The DMC then continues 117 miles south, eventually discharging into the San Joaquin River.

The scope of the Jones Pumping Plant Unit Motor Rehabilitation Project (Project) is to rehabilitate six unit motors' that have reached the end of their service life. The motor stator windings, or coils in the stationary component, help develop the electrical current necessary to move the motor, but all six stators are currently in an abnormal/deteriorated condition. The rehabilitation work consists of removing and replacing the stator core (approximately 32 tons of steel laminations), removing and replacing 228 stator coils, rehabilitating the nearly 70-year-old stator frame, and removing, refurbishing, and re-installing the 40 rotor field poles.

Each unit motor will be rehabilitated individually over the course of 46 months (approximately 9 months per unit). SLDMWA and Reclamation completed the necessary upgrades to one of the



units (Unit 6) in February 2019. SLDMWA is currently replacing a second unit (Unit 2) that is scheduled for completion in June 2020.

SLDMWA is seeking WIFIA funding based on the design and construction of all 6 units. Receipt of WIFIA funding will partially cover the cost of the two upgraded units and enable the replacement of the remaining four JPP unit motor (Units 1, 3, 4 and 5). SLDMWA anticipates that the remaining units would be rehabilitated under one multi-year contract, utilizing the same designs used to rehabilitate the first two units (Units 6 and 2).

5. Describe the project's purpose (including quantitative or qualitative details on public benefits the project will achieve). If the loan contains more than one project, describe the common purpose that the projects share (i.e. addressing sanitary sewer overflows or improving drinking water quality). (Word limit: 500).

The primary purpose of this Project is to extend the life of the JPP's unit motor for approximately 30 years and to improve the overall resiliency, reliability, and efficiency of the JPP.

In 2015, Reclamation concluded that each of the motors' units were nearing the end of their typical 35-year service life, noting the units were between 31 to 38 years old. The deterioration of the units was accelerated during California's 2012-16 drought. Drought-induced pumping restrictions required that the units be cycled more than normal, causing greater wear and tear on the already aging motors. If the unit motor stators are not replaced, and the units fail, the JPP could experience significant capacity reduction. Replacing the units also makes the JPP more reliable and resilient to extreme weather events, including future droughts.

The reliability of the JPP is critical for maintaining California's health, economy, and environment, and it has implications for the nation's economy. Water pumped by the JPP irrigates 1.2 million acres of highly productive farmland that produces food for global markets, supplies 2 million Californians' drinking water, and provides habitat for waterfowl and other species on nearly 200,000 acres of managed wetlands of critical importance along the Pacific Flyway. By ensuring reliable deliveries to Federal water contractors in the western San Joaquin Valley, the Project also enables the continued delivery of San Joaquin River water supplies to the CVP-Friant Division, supporting the communities and economy of the eastern San Joaquin Valley.

The Project provides the following benefits:

- Economic: The Project serves two of California's greatest economies: agriculture and technology. The Project serves both San Joaquin and San Benito Valleys where the agricultural industry is the primary regional economic driver, further delivering high quality agricultural products worldwide. Water pumped from the JPP also serves cities in Silicon Valley, a technology hub of innovation that generated \$300 billion in 2018—approximately 10 percent of California's GDP. Reliability of the JPP is crucial to maintaining these thriving industries.



- Health: The JPP and DMC provide drinking water to 2 million people across 7 counties, including many economically stressed areas. If the JPP experiences capacity loss, communities would need alternative sources of water, potentially of poor quality. The Project ensures reliability of a safe drinking water source for these communities by strengthening JPP reliability.
- Environmental: The JPP and DMC deliver water to thousands of acres of wetlands and national wildlife refuges, as required by the Central Valley Project Improvement Act (CVPIA) of 1992. These water deliveries support waterfowl migrating through the Pacific Flyway, as well as sensitive species with State and Federal listings. If the JPP experiences capacity loss, these water-dependent habitats would experience water shortages and Reclamation would not have the ability to fulfill refuge water delivery requirements of the CVPIA.

6. Describe the location of the project(s); specify if the location is within an existing facility. Include a project map(s) for all project components or sub-projects, if available. Include location address(es), and/or latitude and longitude details for all project components or sub-projects.

The JPP is located at 15990 Kelso Road in Byron, California, an unincorporated area of Alameda County. It is situated 60 miles east of San Francisco, in the southern portion of the Sacramento-San Joaquin River Delta. A map of the project and surrounding area can be found in **Attachment B6**. All activities would occur at the existing JPP facility.

Attachment:

- B6_JPP_Motor_Unit_Rehabilitaiton_Project_Map.pdf

7. County(s) project(s) will serve:

The Project will serve agricultural, urban, and environmental water needs in San Joaquin, Santa Clara, Stanislaus, San Benito, Merced, Fresno, and Kings Counties.

8. Population served by the project(s):

The JPP serves a population of about 2 million people. These are the primary beneficiaries of this Project. However, the Project will also provide indirect benefits to communities in the eastern San Joaquin Valley by supporting the water reliability of the CVP-Friant Division. Thus, the secondary beneficiaries greatly expand the population served.

9. Total population served by system:

The JPP system serves the same population as the Project—2 million people.

10. Total population served by system at project completion:

The population served by the system at Project completion will be the same as currently served—2 million people.



- 11.** Type of project delivery method (i.e., design-build, construction manager at-risk, design-bid-build) that is planned for this project(s):

The Project will be conducted as a design-bid-build process.

- 12.** Present the overall project schedule start and end dates for key milestones and costs in the provided tables. For WIFIA loans with one project, fill out Row 1. For WIFIA loans with multiple projects, fill out and create as many rows as needed. Provide the detailed project schedule(s) and engineer's cost estimate(s) as attachments.

Reclamation and SLDMWA completed the Project upgrades to Unit 6 in February 2019. The Project is on track with Unit 2 rehabilitation scheduled for completion in June 2020, followed by rehabilitation of another unit every 9 months from March 2020 to April 2023. Planning was completed prior to design and is not included in the Project described in this LOI. Note that all Project activities are operations and maintenance (O&M) activities and no permitting is required.

Schedule				
Project Name	Planning	Design	Permitting	Construction
JPP Unit 6 Motor Rehabilitation Project	N/A – N/A	3/1/2017 – 11/30/2017	N/A – N/A	NTP 3/7/2018 CC 2/27/2019
JPP Unit 2 Motor Rehabilitation Project	N/A – N/A	4/1/2019 – 5/31/2019	N/A – N/A	NTP 8/16/2018 CC 6/19/2020
JPP Unit 1 Motor Rehabilitation Project	N/A – N/A	N/A – N/A	N/A – N/A	NTP 3/16/2020 CC 2/26/2021
JPP Unit 4 Motor Rehabilitation Project	N/A – N/A	N/A – N/A	N/A – N/A	NTP 11/16/2020 CC 11/5/20201
JPP Unit 3 Motor Rehabilitation Project	N/A – N/A	N/A – N/A	N/A – N/A	NTP 7/26/2021 CC 8/19/2022
JPP Unit 5 Motor Rehabilitation Project	N/A – N/A	N/A – N/A	N/A – N/A	NTP 4/18/2022 CC 4/28/2023

Key: JPP= Jones Pumping Plant; N/A= Not Applicable; NTP = Notice to Proceed; CC = Construction Complete

The Project costs presented below are broken down by units and cover design and construction costs (including construction management and administrative costs). The design work for Units 2, 1, 4, 3, and 5 were completed together and are shown as one lump sum under Unit 2. The construction cost of each unit differs slightly due to both inflation and some minor construction differences (i.e., scaffolding only needs to be done once). The total Project capital cost is



\$35,657,200 (including SLDMWA's in-kind project cost of \$534,287, not shown in the table below).

Costs				
Project Name	Planning	Design	Construction	Other
JPP Unit 6 Motor Rehabilitation Project	N/A	\$191,479 ¹	\$5,474,234 ¹	\$0
JPP Unit 2 Motor Rehabilitation Project	N/A	\$75,372	\$5,649,928	\$0
JPP Unit 1 Motor Rehabilitation Project	N/A	\$0	\$5,682,500	\$0
JPP Unit 4 Motor Rehabilitation Project	N/A	\$0	\$5,813,200	\$0
JPP Unit 3 Motor Rehabilitation Project	N/A	\$0	\$5,956,600	\$0
JPP Unit 5 Motor Rehabilitation Project	N/A	\$0	\$6,279,600	\$0

Key: JPP = Jones Pumping Plant; N/A = Not Applicable

Note: ¹ Unit 6 Costs are actual expenditures. The remaining costs are estimates.

Attachments:

- Attachment_B12.1_Detailed_Project_Schedule
- Attachment_B12.2_Unit_6_Costs
- Attachment_B12.3_Engineering Cost Estimate

- 13.** Provide any analysis (i.e. preliminary engineering reports, feasibility studies, siting studies, project plans, etc.) completed in support of the project(s) scope, cost, and schedule. List referenced documents below and provide as attachments.

The Project was precipitated by the recommendations outlined in Reclamation's 2015 Facility Condition Assessment (**Attachment B13.1**). Following the report's prioritization, Unit 6 was the first motor scheduled for rehabilitation and was completed in February 2019 (see **Attachment B13.2** for Unit 6 rehabilitation design drawings). For Unit 6, Reclamation and SLDMWA developed a request for proposals (RFP) (**Attachment B13.3**) and Categorical Exclusion Checklist (**Attachment B13.4**). SLDMWA is currently moving forward with rehabilitating the other 5 unit motors, beginning with Unit 2. SLDMWA completed a Categorical Exclusion Checklist for compliance with the National Environmental Policy Act (NEPA) (**Attachment B13.5**) and issued an RFP for Units 1 through 5 in May 2019 (**Attachment B13.6**).



Reclamation and SLDMWA have created a Technical Proposal Evaluation Committee to evaluate and rank each of the submitted proposals based on the criteria presented in the RFP. SLDMWA intends to award single award contracts to the best-value contractor, resulting in five separate contracts with separate Notice to Proceed (NTP). After the NTP of the first contract, the next NTP and each successive NTP will be awarded only with satisfactory performance on the previous contract. The advantage of this contracting approach provides an identical design for all 5 unit motors. Note that if the Unit 6 contractor also performs Unit 1 through 5 rehabilitation, all units will utilize the same design. In addition, with the same contractor performing all the work, there will be construction efficiencies and quality improvements developed from lessons learned throughout the construction contract which ultimately reduces cost and decreases the risk associated with schedule delays.

Attachments:

- Attachment_B13.1_Reclamation_Facility_Condition_Assessment_2015.pdf
- Attachment_B13.2_JPP_Design_Drawings.pdf
- Attachment_B13.3_Unit6_RFP.pdf
- Attachment_B13.4_Unit6_CatEx_Checklist.pdf
- Attachment_B13.5_Unit1-5_CatEx_Checklist.pdf
- Attachment_B13.6_Unit1-5_RFP.pdf



-
- 14.** Briefly discuss any other issues that may affect the development and financing of the project(s), such as community support, pending legislation, or litigation.

Federal funding through Reclamation appropriations will not be sufficient and available in a timely manner for the remaining four units. To secure sufficient funding to complete the Project, SLDMWA is submitting this LOI with the intention that the Project can be fully funded and proceed as scheduled.

SLDMWA is working with Reclamation to renew the existing O&M Transfer Agreement (Transfer Agreement) for the JPP and DMC (**Attachment B14**), which is set to expire in March 2023. If the new agreement is not executed by March 2023, it is likely Reclamation will extend the existing Transfer Agreement until a long-term renewed agreement is executed.

Attachment:

- Attachment_B14_Transfer_Agreement.pdf

- 15.** Describe the authorizing actions (e.g., local vote, board vote, ordinance) that would need to occur to enter into a loan agreement with the WIFIA program.

At a regular meeting held on June 6, 2019, the SLDMWA Board of Directors approved delegation of authority to the SLDMWA Executive Directors to submit a WIFIA LOI for the Project, demonstrating their readiness to submit a full application and receive funding through the WIFIA program.

To enter into a loan agreement with the WIFIA program, the SLDMWA Executive Director would require a majority vote from the SLDMWA Board of Directors authorizing the action.

- 16.** Describe the status of the environmental review plan. Provide relevant environmental review documents as attachments.

If funded by the EPA, the Project could be subject to the provisions of both NEPA and the California Environmental Quality Act (CEQA).

In the Categorical Exclusion Checklists completed in December 2017 for Unit 6 (see **Attachment B13.4**) and June 2019 for Units 1, 2, 3, 4 and 5 (**Attachment B13.5**), Reclamation found that rehabilitation activities are covered by the following categorical exclusions under NEPA:

- *516 DM 14.5 D (1). Maintenance, rehabilitation, and replacement of existing facilities which may involve a minor change in size, location, and/or operation.*
- *516 DM 14.5 D (14). Approval, renewal, transfer, and execution of an original, amendatory, or supplemental water service or repayment contract where the only result will be to implement an administrative or financial practice or change.*

SLDMWA has completed the steps necessary for the Project to comply with CEQA. SLDMWA has determined that the Project is within a Class 2 exemption from further compliance with CEQA,



as an activity to rehabilitate or replace existing facilities on the same site as the facilities replaced, with negligible or no expansion of capacity.

Attachments:

- Attachment_B13.4_Unit6_CatEx_Checklist.pdf
- Attachment_B13.5_Unit1-5_CatEx_Checklist.pdf

- 17.** If the environmental review for the project is underway or complete, complete the following table to identify the anticipated impacts and mitigations. Mark a "X" in the appropriate column to identify the Impacts Anticipated for each Resource Type and, if applicable, provide a short explanation of the mitigations.

Both NEPA and CEQA environmental reviews pertinent to this Project are complete.

Resource Type	Anticipated Impacts			Mitigations
	No Impact	Less Than Significant Impact	Potentially Significant Impact	
Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A
Biological	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A
Cultural	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A
Others as Applicable	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A

- 18.** Describe the status of any additional permits and approvals that the project(s) may require. Add additional rows as needed.

The Project does not require any additional permits or approvals. Project activities are not expected to create significant impacts to the environment. In the Categorical Exclusion Checklists (**Attachment B13.4** and **Attachment B13.5**), Reclamation concluded that the Project would not require additional compliance under Section 106 of the Historic Preservation Act, stating that:

"[The Project] ...does not have the potential to cause effects on historic properties pursuant to 36 CFR § 800.3(a)(1). As such, Reclamation has no further obligations under Section 106 of the National Historic Preservation Act (54 U.S.C. § 306108). Based on analysis of the project activities...the proposed action would have no significant impacts on properties listed, or eligible for listing on the National Register of Historic Places."

Major Permits or Approvals Required	Approving Authority	Status	Expected Approval Date
N/A	N/A	N/A	N/A

Attachments:

- Attachment_B13.4_Unit6_CatEx_Checklist.pdf
- Attachment_B13.5_Unit1-5_CatEx_Checklist.pdf

- 19.** If applicable, specify if a new or relocated discharge to surface or groundwater is expected or new or relocated water intakes is expected.



Not Applicable.

- 20.** If applicable, describe community outreach efforts conducted to date and planned for the project(s).

No community outreach efforts have been conducted to date for the Project. The Project is located at the existing JPP and has no foreseeable significant impact to the environment. As communicated to the SLDMWA Board of Directors and member agencies, Project costs will be recovered by SLDMWA through O&M rates for the delivery of water to CVP contractors under water service contracts with Reclamation. Therefore, no future community outreach efforts are needed or planned for the Project.

SLDMWA has received 15 letters of support for the Project from several of their member agencies, as well as Federal and State elected representatives, including U.S. Senators Diane Feinstein and Kamala Harris; and Representatives Ro Khanna, Josh Harder, TJ Cox, and Jim Costa. The letters of support can be found in **Attachment B20**.

Attachment:

- Attachment_B20_Project_Letters_of_Support.pdf

- 21.** Describe any operation and maintenance contractual arrangements that may impact the operation of the project(s).

SLDMWA currently operates and maintains the JPP and DMC under a transfer agreement with Reclamation, originally executed on March 1, 1998 and amended on February 18, 2003 and June 30, 2004 (**Attachment B14**). This agreement is set to expire on March 1, 2023, and SLDMWA is working with Reclamation to renew the agreement for a term of 30 to 35 years. Reclamation has prepared a letter of intent (**Attachment B21**) stating that it will renew the agreement by December 2019. If the new agreement is not renewed by March 1, 2023, Reclamation would have to assume the responsibility to operate and maintain the JPP, which is unlikely. It is more likely that Reclamation would provide an extension to the existing agreement until a long-term renewal agreement is executed.

Attachments:

- Attachment_B14_Transfer_Agreement.pdf
- Attachment_B21_Reclamation_Letter_of_Intent.pdf



Section C: Financing Plan

1. Provide a sources and uses of funds table for the construction period(s), including the proposed WIFIA assistance. Note any ineligible project costs. More information about eligible costs is available in the [WIFIA program handbook](#).

Sources Category	Estimated Dollar Value
1. WIFIA Loan	\$17,472,028.00
2. Revenue Bonds	\$0.00
3. SRF Loan	\$0.00
4. Borrower Cash	\$7,150,000.00
5. Other (please specify) SLDMWA –Reclamation Loan	\$0.00
TOTAL SOURCES	\$35,657,200.00
Uses Category	Estimated Cost
1. Construction	\$32,774,862.00
2. Design	\$26,851.00
3. Planning	\$0.00
4. Land Acquisition	\$0.00
5. Other Capital Costs	\$534,287.00
6. Contingency	\$2,081,200.00
7. Total Capital Costs	\$35,657,200.00
8. Other (please specify) Ineligible Costs (WIFIA Fees)	\$650,000
TOTAL USES	\$36,307,200.00

NOTE: Use Category #5 is SLDMWA's in-kind project cost associated with the Reclamation loan repayment contract (Contract No. 17-WC-20-5100) "SLDMWA Reclamation Loan" (**Attachment C4**) for JPP Unit 6. This amount is not included as a Project cost in the table in Section B-12.

2. Estimated total eligible project costs (in dollars):

Total estimated costs for the Jones Pumping Plant Unit Motor Rehabilitation Project (Project) are \$35,657,200.

3. Requested amount of the WIFIA loan (in dollars):

The requested amount of the WIFIA loan is \$17,472,028.

4. Provide a narrative describing the project(s) plan of finance. This should include a discussion of the proposed financial structure and any existing ratings on the security pledged for repayment of the WIFIA loan (if available) or a description of how the senior debt obligations will garner an investment-grade rating(s). Note availability and credit terms of other project funding sources. Include any preliminary revenue projections and explain underlying assumptions.



If the prospective borrower is a pool of eligible borrowers and projects, discuss the existing ratings and repayment schedules of the underlying borrowers and attach supporting documentation as available. Identify the single revenue pledge securing the WIFIA debt.

Attach recent rating agency reports, if available.

The proposed WIFIA loan is expected to achieve investment grade ratings and is proposed to be subordinate to simultaneously issued senior lien debt and the San Luis & Delta-Mendota Water Authority (SLDMWA) U.S. Bureau of Reclamation (Reclamation) loan (**Attachment C4**). SLDMWA has no credit rating on the outstanding debt supported by the revenues to be pledged, but has outstanding debt secured by different revenues.

SLDMWA intends to fund the Project with approximately \$7.15 million from operations and maintenance (O&M) rates; approximately \$6 million in future funding from Reclamation in additional senior lien obligations; and \$17.4 million from a WIFIA loan on a subordinate lien (the "Proposed Obligations").

SLDMWA has consistently planned its capital needs, generated needed capital resources, and effectively managed its operations and finances by increasing rates and charges as needed to maintain a prudent financial position and outlook. Given the essential service nature of the Jones Pumping Plant (JPP) infrastructure used to deliver Central Valley Project (CVP) water, SLDMWA expects to maintain established levels of financial planning and performance. This includes a focus on necessary increases in customer rates and charges to fully fund all required system and SLDMWA costs, including new capital, operations and maintenance, reserves, existing and future debt service (including the Project-related debt service), and local system capital needs. Historically, there have been no defaults on amounts billed under the water service contracts.

When issued in fiscal year 2024/2025, senior lien bondholders and debtors, and subordinate lien debtors, will be protected by a rate covenant that requires SLDMWA to maintain rates and charges to maintain senior lien debt service at 100 percent and subordinate lien debt service at 100 percent. The issuance of additional senior lien parity debt is permissible if no event of default exists under the indenture and an opinion of counsel is delivered to the trustee to the effect that such additional indebtedness is permitted by law and the additional indebtedness is secured by revenues on a parity with other senior lien debt.

SLDMWA projects senior and subordinate lien debt service coverage to remain in excess of 115 percent and 200 percent of debt service, respectively, through 2049. SLDMWA expects to issue future additional obligations for forthcoming capital needs; the debt service on such obligations is included as "Forecasted Other CIP Bonds." Detailed projected operating results, net revenues, and debt service coverage for the SLDMWA is provided in the financial pro forma.

Attachment:

- Attachment_C4_SLDMWA_Reclamation_Loan.pdf

5. Describe the proposed credit terms of the WIFIA assistance:

- a. Identify the security pledge: Subordinate net revenues of the SLDMWA's Enterprise System



- b. State whether the WIFIA loan will be issued on a senior or subordinate lien. Note that all project debt must have the same security and priority as the WIFIA loan in a bankruptcy related event. Subordinate lien
- c. If subordinate, please note that other project debt cannot enjoy senior security without WIFIA springing parity security rights. So noted
- d. Identify the maturity date (term): 2049
- e. Identify the amortization structure (e.g. straight-line or sculpted): Straight-line

Proposed WIFIA Loan: SLDMWA expects to obtain a WIFIA loan during calendar year 2020, for a minimum amount of approximately \$17.4 million, with final maturity in 2049. It is proposed the WIFIA loan will be issued on a subordinate lien basis.

The proposed amortization schedule contemplates level annual repayment over a 26-year period (to match the term of the expected transfer agreement with Reclamation) immediately following substantial completion of the Project. SLDMWA expects to drawdown funds over a 3-year period, and to commence debt service payments during calendar year 2023. The estimated interest rate on the WIFIA loan is 2.88 percent. SLDMWA expects interest to accrue on the WIFIA loan during the drawdown period and estimates that an amount of approximately \$480,000 will be “rolled” into the WIFIA loan. SLDMWA anticipates funding a debt service reserve fund for the WIFIA loan (estimated to be 50 percent of annual debt service) by no later than the date of the initial disbursement of the WIFIA loan proceeds. SLDMWA expects to fund rate stabilization and debt service funds for future publicly sold senior lien debt obligations.

Senior Lien Financings: These financings are expected to be secured by a pledge of revenues, including a covenant to maintain rates and charges by SLDMWA at 100 percent of all debt service on senior parity obligations after payment of operating expenses.

Subordinate Financings: The WIFIA loan will be secured by a pledge of revenues available after the payment of senior obligations, including a covenant to maintain rates and charges by SLDMWA at 100 percent of debt service on subordinate lien financings after the payments of operating expenses and debt service on senior lien financings.

6. Describe the prospective borrower’s financial condition.

SLDMWA operates similarly to many other California joint powers authorities. It invoices CVP water service contractors for operating, debt, and capital expenses, and retains only minimum reserves (about \$2 million currently), intentionally choosing to leave important dollars at the contractors’ level where they can be used to directly support objectives at local levels. However, SLDMWA’s credit structure produces adequate coverage on its own, as it annually invoices contractors through its rate structure for capital expenditures, which are paid after debt service. There has never been a payment default by a contractor. With this concrete knowledge of timely resources, SLDMWA can operate efficiently to annually execute its budgets and expend revenues on operations, debt service, and capital. SLDMWA’s pledged revenues satisfy O&M expenses, capital expenditures, and debt service needs resulting in an average “all-in” debt service coverage of 141 percent over the life of the WIFIA loan. SLDMWA expects to obtain investment grade ratings on senior obligations and the WIFIA loan when issued in the public market (SLDMWA has one existing Reclamation loan outstanding (**Attachment C4**) that is payable beginning in fiscal year 2020).



Attachment:

- Attachment_C4_SLDMWA_Reclamation_Loan.pdf

7. Provide the year-end audited financial statement for the past three years, as available as an attachment. Provide the financial statement filenames in the textbox.

Attachments:

- Attachment_C7.1_SLDMWA_2015_Audited_Financials.pdf
- Attachment_C7.2_SLDMWA_2014_Audited_Financials.pdf
- Attachment_C7.3_SLDMWA_2013_Audited_Financials.pdf

SLDMWA expects to have audited financial statements for fiscal year 2016–2019 completed before the end of December 2019. **Table C7**, below, presents the schedule of completion for the audited financial statements. SLDMWA expects to have the audits available for EPA review in advance of the submittal of the full WIFIA application, if invited to submit an application. SLDMWA does not expect the estimated and unaudited financial results shown in the pro forma (see C8) to be materially different from the audits.

Table C7. SLDMWA Audit Schedule

Year	Field Audit to Begin	Draft to Present to Board of Directors	Note	Audit Firm: Principal Contact
2016	March 2019	July 2019	*	Sampson, Sampson & Patterson, LLP: Bill Patterson
2017	July 2019	Aug./Sept. 2019		Sampson, Sampson & Patterson, LLP: Bill Patterson
2018	July/Aug. 2019	Oct. 2019	**	Richardson & Company, LLP: Brian Nash
2019	July/Aug. 2019	No later than Dec. 2019	**	Richardson & Company, LLP: Brian Nash

Notes:

*Fiscal year 2016 field audit completed 4/26/2019

**Fiscal years 2018 and 2019 field audits to begin July-Aug. 2019, with audit firm goal to perform audits concurrently.

8. Attach a financial pro forma which presents key long-term (at least 10 years) revenue, expense, and debt repayment assumptions for the revenue pledged to repay the WIFIA loan through the final maturity of the proposed WIFIA debt, including up to three years of historical data, as available. The pro forma should be provided in an editable Microsoft Excel format, not in PDF or "values" format. The pro forma should include at a minimum the following:
- a. Sources of revenue
 - b. Operations and maintenance expenses
 - c. Dedicated source(s) of repayment
 - d. Capital expenditures
 - e. Debt service payments and reserve transfers, broken down by funding source and including the WIFIA credit assistance
 - f. Projected debt service coverage ratios for total existing debt and the WIFIA debt
 - g. The project's or system's debt balances broken down by funding sources
 - h. Equity distributions, if applicable



If available, include sensitivity projections for pessimistic, base and optimistic cases. A sample financial pro forma is available at <https://www.epa.gov/wifia/wifia-application-materials-and-resources>. Provide the financial pro forma filename in the textbox.

The financial pro forma for SLDMWA is provided as **Attachment C8**.

The financial pro forma assumes the WIFIA loan is repayable from revenues received from the CVP water service contractors under the Reclamation transfer agreement (**Attachment B14**). The water service contractors have a history of timely payments to SLDMWA on amounts owed through the O&M rates. SLDMWA anticipates this exemplary pattern of payments to continue through the life of the obligations. SLDMWA is projecting a minimum subordinate debt service coverage ratio of 262 percent, based on the revenues available to pay debt service on the subordinate lien WIFIA loan. The WIFIA loan will have a 29-year term with principal amortization beginning within six months of substantial completion of the Project in fiscal year 2024. The WIFIA loan is projected to finance 49 percent of the eligible Project costs and the remaining 51 percent is projected to be funded through SLDMWA O&M rates and an additional Reclamation loan.

Attachments:

- Attachment_C8_SLDMWA_Financial_Pro_Forma.xlsx
- Attachment_B14_Transfer_Agreement.pdf

9. Has the prospective borrower consulted with the applicable State Revolving Fund (SRF) program to procure SRF funding? If so, indicate whether it is applying for the SRF funding and where it is in the application process.

No, SLDMWA has not submitted an application to the State Revolving Fund program at this time for funding.



Section D: Selection Criteria

For each selection criterion, provide a response explaining the extent to which the project seeking the WIFIA loan relates to the criterion. When applicable, reference attachments. Detailed definitions for each selection criteria are provided in the WIFIA program handbook available at www.epa.gov/wifia.

- 1. National or regional significance:** Describe the extent to which the project is nationally or regionally significant, with respect to the generation of economic and public benefits, such as (1) the reduction of flood risk; (2) the improvement of water quality and quantity, including aquifer recharge; (3) the protection of drinking water, including source water protection; and (4) the support of international commerce.

The Jones Pumping Plant Unit Motor Rehabilitation Project (Project) is of both national and regional significance as it provides drinking water to a large population and supports vital industries. If this Project were not completed, and Jones Pumping Plant's (JPP) capacity were reduced, millions of individuals could experience water shortages and two of California's and the nation's largest economic sectors (technology and agriculture) would be threatened.

The Project enhances the reliability of a safe drinking water supply for 2 million people in both urban and rural communities throughout central California. Water conveyed by the JPP is provided to urban areas in Silicon Valley and economically stressed communities across the westside of the San Joaquin Valley. In addition, there are many small communities across the San Joaquin Valley that are reliant on groundwater which is diminishing in both availability and quality. If JPP-supplied surface water was to become unavailable, users served by the JPP would rely more heavily on groundwater. This could exacerbate existing water quantity and quality problems for communities already reliant on groundwater. Additionally, JPP allows for operational flexibility and adaptive management of available supplies. This conveyance allows for aquifer recharge when additional supplies are available, which may improve both quantity and quality of groundwater in the San Joaquin Valley.

The JPP and Delta Mendota Canal (DMC) are crucial to supporting and drawing businesses to the thriving agricultural sectors in the San Joaquin and San Benito Valleys, and to the technology sector in the Silicon Valley. The JPP provides water for over 1.2 million acres of prime agricultural land within areas of San Joaquin, Stanislaus, Merced, Fresno, Kings, San Benito, and Santa Clara Counties. According to county agriculture reports, the seven counties in the JPP and DMC service area produced nearly \$19 billion in crops that were sold across the nation and globe in 2017 (**Attachment D1.1**).

Particularly in the San Joaquin Valley, where agricultural accounts for 20 percent of jobs, employment opportunities in these regions are tied to the reliability of water. The JPP and DMC also serve Valley Water, one of the primary water suppliers for Silicon Valley. The technology sector served by the Project accounts for 10 percent of California's gross domestic product (2018) (**Attachment D1.2**). This Project will ensure the reliability of water deliveries to these two economic sectors of statewide and national significance.

Attachments:

- Attachment_D1.1_2017_County_Crop_Reports.pdf
- Attachment_D1.2_Silicon_Valley_GDP.pdf



2. New or innovative approaches: Describe the extent to which the project uses new or innovative approaches, particularly water reuse and water recycling.

The Project uses innovative approaches to reduce the risk of unit failure, contributing to increased JPP reliability.

Prior to Unit 6 rehabilitation, the unit motor operated at high temperatures. High motor temperatures contribute to winding looseness, one of the top causes for premature and long-term motor failures. These failures can cost millions of dollars to repair, not including costs associated with significant delays to customer water deliveries. For the JPP Unit 6 rehabilitation, the core was redesigned in an innovative way to reduce the stator core temperature. The new design incorporates reductions in the core slot length as well the number of air flow vents. This new approach successfully reduced the Unit 6 overall operating temperature by 15.2 degrees Celsius (60 degrees Fahrenheit).

In addition to reducing the risk of premature and long-term motor failures, Unit 6 rehabilitation made improvements to the unit motor operational efficiency by reestablishing the centerline and preventing the unit motor from moving in the future. Since the JPP was completed in 1951, the motor's centerline has shifted. An improper centerline results in excessive bearing wear that causes additional friction, which leads to motor efficiency losses. To minimize vibrations and core overheating associated with an improper centerline, SLDMWA implemented an innovative approach that included designing and installing eight new vertical dowels, in addition to replacing the eight original horizontal dowels. Collectively, the replaced horizontal and new vertical dowels will keep the unit at the established centerline and improve the operational efficiency of JPP Unit 6.

Both of these innovative approaches have been incorporated into the rehabilitation design of JPP Units 1 through 5, increasing both the reliability and the operational efficiency of the JPP motors.

3. Protection against extreme weather events: Describe the extent to which the project (1) protects against extreme weather events, such as floods or hurricanes, or (2) helps maintain or protect the environment.

The Project will help communities served by the JPP and DMC adapt to the impacts of drought, as well as to help maintain and protect the environment. In its current state, the JPP is operating at an elevated risk of failure that is heightened during drought periods when the motors are cycled more frequently. The Project will reduce the likelihood of unexpected failures during a drought, allowing for the continued reliability of surface water supplies in times of shortage.

In the San Joaquin Valley, reliable surface water deliveries are crucial to providing quality drinking water and agricultural water. If the four remaining JPP units were to fail, and pumping capacity were reduced (especially during drought conditions), over 2 million people and 1.2 million irrigated acres would be at risk of severe water shortages and potentially emergency conditions. It is likely that poor-quality water pumped from overdrafted aquifers would replace water from the JPP, as it did during California's historic drought from 2012-16. In some areas, reduced surface water deliveries and overreliance on groundwater caused some wells to run dry. With the implementation of Groundwater Sustainability Plans (developed under the



Sustainable Groundwater Management Act of 2014 (SGMA)) beginning in 2020, it is likely that the availability of groundwater as a supplemental supply will be reduced. Thus, the JPP's operational reliability is necessary to combat the consequences of drought and to comply with legislative requirements.

If drought were to induce JPP unit motor failures, and sufficient water could not be delivered to meet an exchange contract with San Joaquin River water rights holders, Reclamation would be required to provide San Joaquin River supplies for these water rights. As a result, Central Valley Project (CVP) water supplies to the CVP-Friant Division would be significantly reduced, as occurred in 2014 and 2015. In response, groundwater pumping in the eastern San Joaquin Valley increased significantly, which contributed to extensive and rapid regional land subsidence.

In addition to protection against drought, the Project will also help maintain the environment. Water pumped from the JPP is diverted to several environmentally significant habitats throughout central California, such as the San Luis National Wildlife Refuge, San Joaquin River National Wildlife Refuge, and the Grasslands Wildlife Management Area. These refuges provide critical habitat along the Pacific Flyway for millions of migrating waterfowl. In addition, the refuges provide habitat for State and Federally endangered species like the California tiger salamander, long-horned fairy shrimp, and San Joaquin kit fox.

4. Serves energy exploration or production areas: Describe the extent to which a project serves regions with significant energy exploration, development, or production areas.

The Project serves areas in the San Joaquin Valley with growing renewable energy sectors, including hydroelectricity and solar power.

Water pumped by the JPP supports two pumping-generating plants: the O'Neill Pumping-Generating Plant (OPGP) and the Gianelli Pumping-Generating Plant (GPP). The OPGP, located 65 miles south of the JPP, lifts water from the DMC into the O'Neill Forebay, and generates up to 4,000 kilowatts of hydropower when water is released from the O'Neill Forebay to the DMC for subsequent delivery. The GPP then lifts water from the O'Neill Forebay into San Luis Reservoir and generates up to 424,000 kilowatts when water is released from San Luis Reservoir for delivery in the San Joaquin Valley. The electricity produced by these pumps is used for CVP operations and sold to commercial power customers through the Western Power Administration.

The OPGC and GPP facilities produce power intermittently, generally during the months of May through October when water demands exceed the amount of water pumped at JPP. The plants may produce more net energy during a drought period, when limited water is available for pumping into San Luis Reservoir, and water stored in San Luis Reservoir during previous years is released for delivery.

The JPP and DMC also support a population in a region with solar energy development. Several SLDMWA member agencies have worked with utilities and private companies to develop solar energy projects. Among them is a proposed state-of-the-art solar farm on 24,000 acres of land in southeastern central California. The privately-owned project, known as the Westlands Solar Park, is expected to be completed by 2025, and it will generate up to 2.4 gigawatts of solar power. Reliable water supply from the JPP will help support the region, allowing for continued stability as solar energy generation continues to grow.



-
- 5. Serves regions with water resource challenges:** Identify the water resource challenge and the extent to which a project serves regions with significant water resource challenges, including the need to address (1) water quality concerns in areas of regional, national, or international significance; (2) water quantity concerns related to groundwater, surface water, or other resources; (3) significant flood risk; (4) water resource challenges identified in existing regional, state, or multistate agreements; and (5) water resources with exceptional recreational value or ecological importance.

The area served by SLDMWA member agencies—especially the San Joaquin Valley—has severe, chronic water supply problems. Rainfall is scant and local surface water supplies are limited. Agricultural, urban, and environmental (wildlife refuges) water users rely on CVP water supplies conveyed by the JPP and groundwater as their primary water sources.

Overreliance on groundwater over the past several decades has resulted in adverse effects, including dry wells, land subsidence, groundwater overdraft, and groundwater quality degradation. The State of California has designated many of the underlying aquifers the JPP service area as critically overdrafted. The SGMA requires that water users develop and implement plans by 2020 to achieve sustainable groundwater conditions by 2040. Achieving compliance with SGMA will increase the importance of reliable CVP water supplies to the San Joaquin Valley. Because SGMA may reduce the availability of groundwater supplies, the Project will increase the reliability of the JPP to be operated under the full range of anticipated hydrologic conditions, which is crucial in helping to meet the water resource challenges in the area served by the JPP.

- 6. Addresses identified priorities:** Describe the extent to which the project addresses identified municipal, state, or regional priorities.

As shown in **Table D-6**, by improving the reliability of the JPP, the Project helps address municipal, regional, and state priorities identified in SLDMWA planning documents (SLDMWA Extraordinary O&M Projects 30-Year Plan), local and regional planning documents (Urban Water Management Plans, Westside-San Joaquin Integrated Regional Water Management Plan, San Francisco Bay Area Integrated Regional Water Management Plan), and state planning documents and legislation (California Water Plan, SGMA).



Table D6. Applicable Municipal, Regional, and State Priorities for the Project

Reference	Priorities	Relevance
SLDMWA Extraordinary O&M Projects 30-Year Plan	<ul style="list-style-type: none">Rehabilitation (rewind) of all JPP unit rewinds identified as priority O&M projects for FY2020–FY2024	<ul style="list-style-type: none">The Project is identified in SLDMWA's Extraordinary O&M Projects 30-Year Plan
2015 Urban Water Management Plans (multiple agencies)	<ul style="list-style-type: none">Meet current and future water resource demands and reliability	<ul style="list-style-type: none">Several cities served by the JPP cite the need to meet current and future water demands and reliability; The Project will help enhance the reliability of these communities' water supplies
2019 Westside-San Joaquin Integrated Regional Water Management Plan	<ul style="list-style-type: none">Provide for more reliable water supply south of the Delta (Objective A)Practice conjunctive management (resource management strategy)	<ul style="list-style-type: none">The Project supports the reliability of water supply south of the Delta and supports conjunctive management by rehabilitating key surface water conveyance infrastructure, allowing more reliable surface water deliveries which can be used for groundwater recharge
2013 San Francisco Bay Area Integrated Regional Water Management Plan	<ul style="list-style-type: none">Improve water supply reliability and quantity (Goal 2)Minimize vulnerability of infrastructure to catastrophes and security breaches (Goal 2.3)	<ul style="list-style-type: none">The Project increases water supply reliability to Santa Clara and San Benito CountiesThe Project minimizes the vulnerability of JPP operations during extreme weather events, such as droughts
2018 California Water Plan (draft)	<ul style="list-style-type: none">Strengthen resiliency and operational flexibility of existing and future infrastructure (Goal 2.3)Empower California's under-represented or vulnerable communities (Goal 2.3)	<ul style="list-style-type: none">The Project will strengthen the resiliency of the JPPThe Project will improve the reliability of surface water deliveries to vulnerable communities across central California



Table D6. Applicable Municipal, Regional, and State Priorities for the Project (contd.)

Reference	Priorities	Relevance
California Water Action Plan 2016 Update	<ul style="list-style-type: none">• Maintain important infrastructure• Improve sustainable groundwater management• Manage the supply status of community water systems	<ul style="list-style-type: none">• The Project rehabilitates a key feature of the CVP that is critically important to conveying water to urban, agricultural, and environmental water users• The Project supports sustainable groundwater management by increasing reliable delivery of surface water supplies for groundwater recharge and offsetting demand for groundwater supplies• The Project improves the reliability of surface water supplies for small community systems, especially in the western San Joaquin Valley
Sustainable Groundwater Management Act	<ul style="list-style-type: none">• Avoid undesirable results such as lowering of groundwater levels, reduction in groundwater storage, sea-water intrusion, degraded water quality, and land subsidence	<ul style="list-style-type: none">• The Project supports SGMA goals for groundwater sustainability by increasing the reliable delivery of allocated surface water supplies in the western San Joaquin Valley; The availability of surface water is essential to recharging groundwater, as well as offsetting demand for groundwater in many aquifers that are already overdrafted• The Project ensures the reliability of surface water deliveries to meet San Joaquin River exchange contracts, which reduces the risk of water delivery reductions to the CVP-Friant Division, which would result in adverse effects to groundwater in the eastern San Joaquin Valley

KEY:

CVP = Central Valley Project

FY = fiscal year

JPP = Jones Pumping Plant

O&M = operations and maintenance

SGMA = Sustainable Groundwater Management Act

SLDMWA = San Luis & Delta-Mendota Water Authority



- 7. Repair, rehabilitation, or replacement:** Describe the extent to which the project addresses needs for repair, rehabilitation or replacement of a treatment works, community water system, or aging water distribution or wastewater collection system.

The Project fully addresses the identified need for repair, rehabilitation, or replacement of the motors' stator units in an aging water delivery system. As described in the Project description (B4), the Project will rehabilitate the six motor stators at JPP, which are an essential component in the delivery of CVP water from Northern California to the San Joaquin, San Benito, and Santa Clara Valleys.

The JPP was constructed between 1947 and 1951. All six motor stators were refurbished between 1977 and 1984 (26 to 33 years after the JPP was completed). However, the stator cores and rotor field polls are original and have been in service since 1951. In 2015, Reclamation performed a facility assessment where it was determined that all six motors are nearing the end of their service life and require rehabilitation (**Attachment B13.1**). The assessment noted that the average age of each unit motor is between 31 and 38 years old, but other Reclamation and U.S. Army Corps of Engineers facilities typically replace these windings in the 20 to 25-year age range.

The motors' condition was apparent in the facility assessment which characterized most major components in an "abnormal/deteriorated condition." The assessment recommended that the motor units be rehabilitated to reduce risk of failure. Based on the conditions of each motor at the time of assessment, Reclamation identified a refurbishment priority order of units 6, 2, 1, 4, 3, and then 5, recommending the first unit rewind begin within 2 to 3 years. Recognizing the urgency of rehabilitating the JPP motors, Reclamation and SLDMWA completed rehabilitation of Unit 6 in February 2019, as depicted in **Attachment D7.1** and outlined in their Extraordinary O&M Project Description and Justification sheets (**Attachment D7.2**). SLDMWA has already completed the planning and design for updating the remaining five units, starting with Unit 2. WIFIA funding will ensure that all five units can be rehabilitated within the short timeframe required for reliable operation of the JPP.

Attachments:

- Attachment_B13.1_Reclamation_Facility_Condition_Assessment_2015.pdf
- Attachment_D7.1_Unit6_Rehabilitation_Photos.pdf
- Attachment_D7.2_Project_Description_Justification_Sheets.pdf

- 8. Economically stressed communities:** Describe the extent to which the project serves economically stressed communities, or pockets of economically stressed rate payers within otherwise non-economically stressed communities.

Of the seven counties in the JPP service area:

- **five** have median household income levels below the statewide average
- **six** have personal income per capita below the statewide average
- **five** have poverty rates above the statewide average
- **five** have children (age 0-17) living in poverty at rates above the statewide average
- **six** have unemployment rates that exceed the statewide average



Table D8.1. Economic and Demographic Data for Counties Served by the JPP

Metric	Fresno County	Kings County	Merced County	San Benito County	San Joaquin County	Santa Clara County	Stanislaus County	Statewide Average
Median Household Income (2013-2017)	\$48,730	\$49,742	\$46,338	\$80,760	\$57,813	\$106,761	\$54,260	\$67,169
Personal Income Per Capita (2013-2017)	\$22,234	\$19,835	\$20,120	\$30,012	\$24,694	\$48,689	\$24,007	\$33,128
Poverty Rate (2013-2017)	21.1%	18.4%	23.0%	8.4%	15.5%	7.5%	14.0%	13.3%
Percent of Children Age 0-17 Living in Poverty (Dec. 2018)	36.5%	28.7%	33.4%	14.4%	23.1%	9.7%	23.2%	20.8%
Unemployment Rate (April 2019)	7.7%	8.3%	9.0%	5.3%	6.0%	2.3%	6.4%	3.9%

Note: Bold indicates income level below the statewide average or poverty or unemployment rate above the statewide average.

Sources: U.S. Census Bureau (Median Household Income, Personal Income Per Capita, Poverty Rate), U.S. Census Bureau, American Community Survey (Percent of Children Age 0-17 Living in Poverty), California Employment Development Department (Unemployment Rate)

The JPP service area includes approximately 2 million acres in the San Joaquin, San Benito, and Santa Clara Valleys. With the exception of one SLDMWA member, the JPP service area in the San Joaquin Valley is considered the boundary of the Westside-San Joaquin Integrated Regional Water Management Region. This region encompasses approximately 1.2 million acres, or 60 percent of the total JPP service area.

The 2019 Westside-San Joaquin Integrated Regional Water Management Plan (IRWMP) identified disadvantaged communities (DAC) and severely disadvantaged communities (SDAC) within the region (**Table D8.2**). The IRWMP defines a DAC as “a community with a Median Household Income (MHI) less than 80% of California’s statewide annual MHI,” and a SDAC as “those communities with an annual MHI less than 60% of the Statewide annual MHI.” The Westside-San Joaquin IRMP reports that 93 percent of the region is considered a DAC (see **Attachment D8.1** page 2-38), which correlates to approximately 56 percent of the total JPP service area.



US Environmental Protection Agency
WIFIA Program
Letter of Interest

OMB Control No. 2040-0292
Approval expires 12/31/2019



Table D8.2. Disadvantaged Communities in the San Joaquin Valley Served by the JPP

Census-Designated Place	Population	Median Household Income	Designation
<i>Statewide Average</i>	-	<i>\$67,169.00</i>	SDAC
Avenal	13,590	\$35,103	SDAC
Cantua Creek CDP	434	\$32,368	SDAC
Crows Landing CDP	255	\$26,786	SDAC
Dos Palos CDP	5,103	\$36,509	SDAC
Dos Palos Y	206	\$16,656	SDAC
Firebaugh	8,176	\$36,181	SDAC
Grayson CDP	990	\$29,787	SDAC
Gustine	5,684	\$37,770	SDAC
Huron	6,821	\$25,321	SDAC
Lemoore Station CDP	6,544	\$42,750	DAC
Los Banos	37,012	\$45,751	DAC
Mendota	11,394	\$26,094	SDAC
San Joaquin	4,011	\$24,234	SDAC
Santa Nella CDP	1,965	\$27,778	SDAC
South Dos Palos CDP	2,568	\$41,992	DAC
Stratford CDP	1,041	\$24,167	SDAC
Three Rocks CDP	258	\$35,789	SDAC
Tranquillity CDP	724	\$30,441	SDAC
Westley CDP	707	\$23,375	SDAC
Westside CDP	269	\$41,563	DAC

Key:

CDP = census designated place

SDAC = severely disadvantaged community

DAC = disadvantaged community

Data sources: Westside-San Joaquin Valley Integrated Regional Water Management Plan 2019; California Department of Water Resources (DWR) Disadvantaged Communities Mapping Tool. Determinations made by DWR using 2012-2016 American Community Survey Data (**Attachment D8.2**).

Attachments:

- Attachment_ D8.1_Westside_San_Joaquin_Valley_IRWMP_2019.pdf
- Attachment_ D8.2_DWR_DAC_Mapping_Screenshot.pdf

9. **Reduces exposure to lead or emerging contaminants:** Describe the extent to which the project reduces exposure to lead or addresses emerging contaminants, including PFOA and PFAS, in the nation's drinking water systems.

The Project reduces water quality issues within the area served by providing quality surface water to several cities and towns. Many of the communities, particularly economically stressed



communities, served by the Project in the western San Joaquin Valley and San Benito Valley rely solely or primarily on groundwater. The groundwater that serves these communities is typically high in arsenic and nitrates, posing significant public health issues. The San Joaquin Valley has the highest rates of drinking water contamination and the greatest number of public water systems with maximum contaminant level violations in the State, disproportionately impacting small, rural, economically stressed communities and communities of color.

These water quality issues may be exacerbated when groundwater overdraft causes the pollutants, such as arsenic, to concentrate. If surface water supplied by the JPP were to become unavailable, users served by the JPP would rely more heavily on groundwater, likely deteriorating the water quality. The Project will help ensure the reliability of good quality surface water supplies, likely reducing negative impacts to groundwater quality and offering disadvantaged communities an alternative to contaminated groundwater.

- 10. Readiness to proceed:** Describe the readiness of the project to proceed toward development, including a demonstration by the prospective borrower that there is a reasonable expectation that the contracting process for construction of the project can commence by not later than 90 days after the date on which a Federal credit instrument is obligated for the project.

SLDMWA is committed to timely implementation and is ready to proceed with an application should they be selected. At the time of this LOI submittal, SLDMWA and Reclamation have completed the design-bid-build for the first of six unit motor upgrades (February 2019) and have submitted a request for proposal for the remaining five unit motors (May 2019). They are currently on schedule to complete Unit 2 upgrades by June 2020. The remaining four units motor would use the same design drawings from Unit 2 and be upgraded in 9-month increments, following the completion of Unit 2 upgrades. For the complete schedule see **Attachment B12.1**.

SLDMWA is committed to protecting the Federal government's asset (the JPP), as demonstrated by its collaboration with Reclamation on the rehabilitation and funding for Unit 6 and 2, and in their preparedness for environmental compliance documentation.

Attachments:

- Attachment_B12.1_Detailed_Project_Schedule

- 11. Enables project to proceed earlier:** Describe the likelihood that assistance under WIFIA would enable the project to proceed at an earlier date than the project would otherwise be able to proceed.

WIFIA funding would assist SLDMWA in meeting the Project schedule, ensuring the long-term reliability of the JPP, minimizing Project cost, and lowering the risk of reduced water supply deliveries and the associated adverse economic, social, and environmental impacts in the region. SLDMWA has completed Project planning and design for all six units and the rehabilitation of one unit. Rehabilitation of the remaining five units is in progress and will proceed as quickly as possible to reduce the risk of operational limitations at the JPP. SLDMWA developed a Project schedule that provides for the rehabilitation of one unit motor stator every nine months, based on the logistical requirements associated with the sequencing of construction activities. This schedule assumes that a single contractor would progress



sequentially through the rehabilitation of each unit without interruption, so long as funds are available for continued work. This approach is efficient and cost-effective because it avoids the need for remobilization for the rehabilitation of each unit and minimizes the risk of pumping equipment failure. WIFIA funding would enable the Project to achieve this schedule.

If SLDMWA did not have access to WIFIA funding, SLDMWA would seek other funding sources such as capital market loans (most likely at significantly greater cost than would be required through a WIFIA loan) and Federal funding through annual appropriations to Reclamation. SLDMWA has been informed by Reclamation that Federal appropriations through Reclamation for the current fiscal year is limited and would result in future requests for additional Federal appropriations.

Without further loans from Reclamation or through WIFIA, SLDMWA would be compelled to choose between delaying the Project, using more expensive capital market funding, or funding the Project through significant annual O&M rate increases. The latter alternative potentially results in two inequities: first, it places immediate and undue financial pressure on already economically stressed communities, and second, it results in the current generation funding long-term assets over a short time frame thereby ignoring the concept of inter-generational equity. Further, it increases the risk of construction delays and cost as the timing of O&M payments to SLDMWA would not necessarily perfectly match the intended Project drawdown schedule. Dislocations between the receipt of revenues and scheduled expenditures might require SLDMWA to obtain costly bridge financing, resulting in further cost increases. Any delay in the overall Project schedule would increase overall Project costs due to delays in the progression of work and greater financing cost, by increasing the risk of failure of one or more of the deteriorating unit motor stator, and by increase the risk of water supply reductions in the region.

12. Financing plan: Describe the extent to which the project financing plan includes public or private financing in addition to assistance under WIFIA.

The financing plan for the Project includes loans through Reclamation and WIFIA and SLDMWA revenues (**Table D12.1**). SLDMWA intends to fund the Project with approximately \$7.15 million from O&M rates, some of which has been finalized through the FY2019/2020 budget (see **Attachment D12**) with additional funds pending in the FY2020/2021 budget; approximately \$6 million in future funding from Reclamation (not including the previously funded \$5 million from the existing SLDMWA Reclamation loan); and \$17.4 million from a WIFIA loan. Note that the total Federal assistance is 80 percent of the total Project cost.



Table D12.1. Project Financing

Project Funding Sources		Amount Funded	Percentage of Total	Status
Federal	WIFIA Loan	\$17,472,028	49%	N/A
	Reclamation Loan	\$11,035,172	31%	Request made, pending Reclamation approval
Non-Federal	San Luis & Delta-Mendota Water Authority	\$7,150,000	20%	FY2019/2020 funds approved, FY2020/2021 funds pending board approval
Total		\$35,657,200	100%	

An alternative plan of funding through revenue bonds is potentially more costly. The cost of agricultural products from the Central Valley has national significance and the ability to contain costs is instrumental in maintaining the SLDMWA's agricultural water users competitive advantage. The WIFIA program is SLDMWA best opportunity to lower the overall cost of the Project. Since the Federal government owns the Project, public debt issued will need to bear higher taxable bond rates. Thus, revenue bond financings for SLDMWA will be more costly than most competing transactions seeking a WIFIA loan. It is estimated that a WIFIA loan will save the residents and businesses that receive water from the JPP approximately \$16 million on a gross basis and approximately \$9.6 million on a net present value basis through the expected life of the financing (assuming a public bond is issued with a true interest cost of 5.66 percent).

Attachments:

- Attachment_ D12_SLDMWA_FY19-20_Budget.pdf

13. Reduction of Federal assistance: Describe the extent to which assistance under WIFIA reduces the contribution of Federal assistance to the project.

Assistance from WIFIA would not reduce Federal assistance to the Project. In the absence of WIFIA funding, SLDMWA could sell revenue bonds, and those proceeds, in combination with Federal funds appropriated to Reclamation in future years, would be applied to the Project, reducing the availability of those Federal funds to address priority needs on other Reclamation projects.



Section E: Contact Information

1. Primary point of contact

Name: Frances Mizuno
Title: Assistant Executive Director
Organization: San Luis & Delta-Mendota Water Authority
Street Address: P.O. Box 2157
City/State/Zip: Los Banos, CA 93635
Phone: 209-832-6200
E-mail: frances.mizuno@sldmwa.org

2. Secondary point of contact

Name: Bob Martin
Title: Engineering and Planning Manager
Organization: San Luis & Delta-Mendota Water Authority
Street Address: P.O. Box 2157
City/State/Zip: Los Banos, CA 93635
Phone: 209-832-6200
E-mail: bob.martin@sldmwa.org



Section F: Certifications

Please sign in the appropriate space and submit a scanned version of the signature page to EPA with your electronic Letter of Interest submission.

1. **National Environmental Policy Act:** The prospective borrower acknowledges that any project receiving credit assistance under this program must comply with all provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and that EPA will not approve a loan for a project until a final agency determination, such as a Categorical Exclusion (CATEX), Finding of No Significant Impact (FONSI), or a Record of Decision (ROD), has been issued.
2. **American Iron and Steel:** The prospective borrower acknowledges that any project receiving credit assistance under this program for the construction, alteration, maintenance, or repair of a project may only use iron and steel products produced in the United States and must comply with all applicable guidance.
3. **Prevailing Wages:** The prospective borrower acknowledges that all laborers and mechanics employed by contractors or subcontractors on projects receiving credit assistance under this program shall be paid wages at rates not less than those prevailing for the same type of work on similar construction in the immediate locality, as determined by the Secretary of Labor, in accordance with sections 3141-3144, 3146, and 3147 of Title 40 (Davis-Bacon wage rules).
4. **Lobbying:** Section 1352 of Title 31, United States Code provides that none of the funds appropriated by any Act of Congress may be expended by a recipient of a contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, or an employee of a Member of Congress in connection with the award or making of a Federal contract, grant, loan, or cooperative agreement or the modification thereof. The EPA interprets this provision to include the use of appropriated funds to influence or attempt to influence the selection for assistance under the WIFIA program.

WIFIA prospective borrowers must file a declaration: (a) with the submission of an application for WIFIA credit assistance; (b) upon receipt of WIFIA credit assistance (unless the information contained in the declaration accompanying the WIFIA application has not materially changed); and (c) at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any declaration previously filed in connection with the WIFIA credit assistance.

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement,



US Environmental Protection Agency
WIFIA Program
Letter of Interest

OMB Control No. 2040-0292
Approval expires 12/31/2019

the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

5. *Debarment:* The undersigned further certifies that it is not currently: 1) debarred or suspended ineligible from participating in any Federal program; 2) formally proposed for debarment, with a final determination still pending; or 3) indicted, convicted, or had a civil judgment rendered against it for any of the offenses listed in the Regulations Governing Debarment and Suspension (Governmentwide Nonprocurement Debarment and Suspension Regulations: 2 C.F.R. Part 180 and Part 1532).
6. *Default/Delinquency:* The undersigned further certifies that neither it nor any of its subsidiaries or affiliates are currently in default or delinquent on any debt or loans provided or guaranteed by the Federal Government.
7. *Other Federal Requirements:* The prospective borrower acknowledges that it must comply with all other federal statutes and regulations, as applicable. A non-exhaustive list of federal cross-cutting statutes and regulations can be found at: <https://www.epa.gov/wifia/wifia-resources#complianceanchor>.
8. *Signature:* By submitting this letter of interest, the undersigned certifies that the facts stated and the certifications and representations made in this letter of interest are true, to the best of the prospective borrower's knowledge and belief after due inquiry, and that the prospective borrower has not omitted any material facts. The undersigned is an authorized representative of the prospective borrower.

Signature: _____ see **Attachment F1** for scanned signature_____

Date Signed: 6/27/2019

Name: Federico Barajas
Title: Executive Director
Organization: San Luis & Delta-Mendota Water Authority
Street Address: P.O. Box 2157
City/State/Zip: Los Banos, CA
Phone: 916-321-4514
E-mail: Federico.barajas@sldmwa.org



Section G: Notification of State Infrastructure Financing Authority

Please sign in the appropriate space and submit a scanned version of the signature page to EPA with your electronic Letter of Interest submission.

By submitting this letter of interest, the undersigned acknowledges that EPA will (1) notify the appropriate State infrastructure financing authority in the State in which the project is located that the prospective borrower submitted this letter of interest; and (2) provide the submitted letter of interest and all source documents to that State infrastructure financing authority.

Prospective borrowers that **do not want their letter of interest and source documents shared with the State infrastructure financing authority** in the state in which the project is located may opt out by initialing here ____FB____.

If a prospective borrower opts out of sharing a letter of interest, EPA will still notify the State infrastructure financing authority within 30 days of receiving a letter of interest.

Signature: ____see **Attachment G1** for scanned signature_____

Name: Federico Barajas

Date Signed: 6/27/2019



KEY DEFINITIONS

- (a) *Administrator* means the Administrator of EPA.
- (b) *Applicant* means the entity submitting the application for WIFIA credit assistance. Only prospective borrowers that are invited to submit a WIFIA application become applicants. The following entities are eligible to receive credit assistance: a corporation, a partnership, a joint venture, a trust, a Federal, State, or local government, a tribal government or consortium of tribal governments, and a State infrastructure financing authority.
- (c) *Community water system* has the meaning given the term in section 1401 of the Safe Drinking Water Act (42 U.S.C. 300f).
- (d) *Credit assistance* means a secured loan or loan guarantee under WIFIA.
- (e) *Credit agreement* means a contractual agreement between EPA and the prospective borrower (and the lender, if applicable) that formalizes the terms and conditions established in the term sheet (or conditional term sheet) and authorizes the execution of a secured loan or loan guarantee.
- (f) *Eligible project costs* mean amounts, substantially all of which are paid by, or for the account of, an prospective borrower in connection with a project, including the cost of:
 - (1) Development-phase activities, including planning, feasibility analysis (including any related analysis necessary to carry out an eligible project), revenue forecasting, environmental review, permitting, preliminary engineering and design work, and other preconstruction activities;
 - (2) Construction, reconstruction, rehabilitation, and replacement activities;
 - (3) The acquisition of real property or an interest in real property (including water rights, land relating to the project, and improvements to land), environmental mitigation (including acquisitions pursuant to section 33 U.S.C. §3905(7)), construction contingencies, and acquisition of equipment; and
 - (4) Capitalized interest necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction.
- (g) *Federal credit instrument* means a secured loan or loan guarantee authorized to be made available under WIFIA with respect to a project.
- (h) *Investment-grade rating* means a rating category of BBB minus, Baa3, bbb minus, BBB (low), or higher assigned by a nationally recognized statistical rating organization (NRSRO) to project obligations offered into the capital markets.
- (i) *Iron and steel products* means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges,



pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

- (j) *Nationally Recognized Statistical Rating Organization (NRSRO)* means a credit rating agency identified and registered by the Office of Credit Ratings in the Securities and Exchange Commission.
- (k) *Project* means:
- (1) 1 or more activities that are [eligible](#) for assistance under section 603(c) of the Federal Water Pollution Control Act (33 U.S.C. 1383(c)), notwithstanding the public ownership requirement under paragraph (1) of that subsection.
 - (2) 1 or more [activities](#) described in section 1452(a)(2) of the Safe Drinking Water Act (42 U.S.C. 300j-12(a)(2)).
 - (3) A project for enhanced energy efficiency in the operation of a public water system or a publicly owned treatment works.
 - (4) A project for repair, rehabilitation, or replacement of a treatment works, community water system, or aging water distribution or waste collection facility (including a facility that serves a population or community of an Indian reservation).
 - (5) A brackish or sea water desalination project including chloride control.
 - (6) A managed aquifer recharge project, a water recycling project, or projects to provide alternative water supplies to reduce aquifer depletion.
 - (7) Acquisition of real property or an interest in real property—
 - (A) If the acquisition is integral to a project described in paragraphs (1) through (5); or
 - (B) Pursuant to an existing plan that, in the judgment of the Administrator or the Secretary, as applicable, would mitigate the environmental impacts of water resources infrastructure projects otherwise eligible for assistance under this section.
 - (8) A project to prevent, reduce, or mitigate the effects of drought, including projects that enhance the resilience of drought-stricken watersheds.
 - (9) A combination of projects, each of which is eligible under paragraph (1) or (2), for which a State infrastructure financing authority submits to the Administrator a single application.
 - (10) A combination of projects secured by a common security pledge, each of which is eligible under paragraph (1), (2), (3), (4), (5), (6), or (7), for which an eligible entity, or a combination of eligible entities, submits a single application.
- (l) *Prospective borrower* means an entity that is contemplating or is in the process of undertaking the WIFIA application process, or an entity that has undertaken these activities on behalf of another entity. The following entities are eligible to receive credit assistance: a corporation, a partnership, a joint venture, a trust, a Federal, State, or local government, a tribal government or consortium of tribal governments, and a State infrastructure financing authority. Prospective borrowers become applicants when they are invited to apply for WIFIA credit assistance.
- (m) *Public entity* means:
- (1) a Federal, State, or local Governmental entity, agency, or instrumentality; or
 - (2) a Tribal Government or consortium of Tribal Governments.



- (n) *Publicly sponsored* means the prospective borrower can demonstrate, to the satisfaction of the Administrator that it has consulted with the affected State, local or Tribal Government in which the project is located, or is otherwise affected by the project, and that such government supports the proposed project. Support can be shown by a certified letter signed by the approving municipal department or similar agency, mayor or other similar designated authority, local ordinance, or any other means by which local government approval can be evidenced.
- (o) *Small Community* means a community with a population of no more than 25,000 individuals.
- (p) *State* means any one of the fifty states, the District of Columbia, Puerto Rico, or any other territory or possession of the United States.
- (q) *State infrastructure financing authority* means the State entity established or designated by the Governor of a State to receive a capitalization grant provided by, or otherwise carry out the requirements of, title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et. seq.) or section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12).
- (r) *Term sheet* means a contractual agreement between EPA and the project sponsor (and the lender, if applicable) that sets forth the key business terms and conditions of a Federal credit instrument. Execution of this document represents a legal obligation of budget authority.
- (s) *Treatment works* has the meaning given the term in section 212 of the Federal Water Pollution Control Act (33 U.S.C. 1292).
- (t) *WIFIA* means the Water Infrastructure Finance and Innovation Act of 2014, Pub. L. 113-121, 128 Stat, 1332, codified at 33 U.S.C. §§ 3901-3914.



MEMORANDUM

TO: SLDMWA Water Resources Committee Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: July 1, 2019

RE: Update on Water Policy/Resources Activities

BACKGROUND

This memorandum is provided to briefly summarize the current status of various agency processes regarding water policy activities, including but not limited to the (1) Reinitiation of Consultation on Long-Term Operations ("ROC on LTO"), (2) Bay-Delta Water Quality Control Plan update, and (3) California WaterFix.

POLICY ITEMS

Reinitiation of Consultation on Long-Term Operations (ROC on LTO)

Reclamation and state and federal resource agencies continue to work on the reinitiation of consultation on long-term operations ("ROC on LTO"). Per the October 19, 2018 Presidential Memorandum on Promoting the Reliable Supply and Delivery of Water in the West¹, the timeline for the ROC on LTO includes final biological assessment(s) by January 31, 2019, and final biological opinions by June 15, 2019. On November 21, 2018, the Secretaries of Interior and Commerce named Paul Souza, Regional Director for the Pacific Southwest Region of the U.S. Fish and Wildlife Service, as the Lead Official in charge of managing the Central Valley Project's compliance with the Presidential Memorandum's requirements. On January 31, 2019, Reclamation transmitted a final Biological Assessment² to the U.S. Fish and Wildlife Service (FWS) and the National Oceanic and Atmospheric Administration Marine Fisheries Service (NMFS), beginning their review of the Biological Assessment and the 135-day timeline in the Presidential Memo to issue Biological Opinions. Peer review and agency review of the first Administrative draft of the Biological Opinions have been completed, identifying issues that require coordination between the two Biological Opinions. Recently, Reclamation indicated that there will be a delay in the issuance of the Biological Opinions to resolve these internal coordination issues.

While the Biological Opinions are being completed by the resource agencies, Reclamation will continue the environmental compliance process under the National Environmental Policy Act,

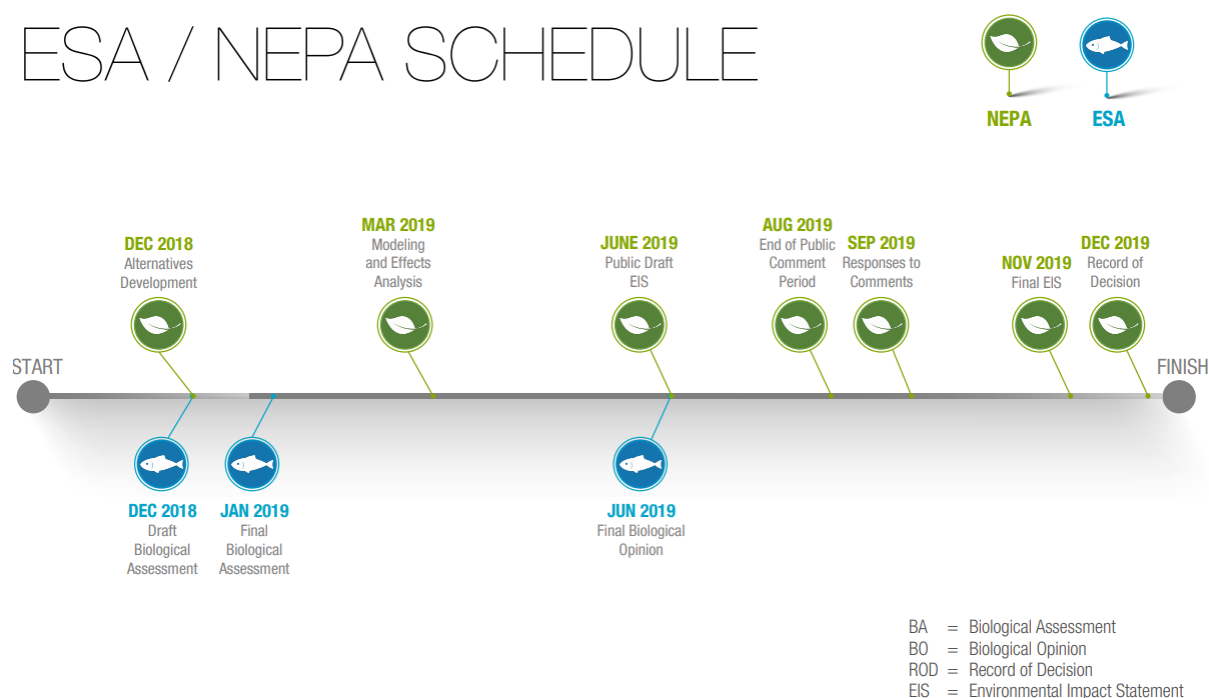
¹ Available at <https://www.whitehouse.gov/presidential-actions/presidential-memorandum-promoting-reliable-supply-delivery-water-west/>.

² Available at <https://www.usbr.gov/mp/bdo/lto.html>

with an estimated issuance of a final Environmental Impact Statement in November 2019 and the issuance of the final Record of Decision in December 2019. Reclamation has reached out to parties who have standing to become Cooperating Agencies, including the San Luis & Delta-Mendota Water Authority (“Water Authority”), to participate in the NEPA process. Cooperating Agency status will allow the Water Authority to provide support to Reclamation as the agency completes its NEPA environmental review. The Water Authority has provided the signed MOU to Reclamation and is participating as a Cooperating Agency. Authority staff has been and will continue to provide comments to Reclamation on various administrative draft documents through its Cooperating Agency status. Upcoming important milestone dates include:

- July: Issuance of Final Biological Opinions
- July – August 15: Public Draft Environmental Impact Statement Public Comment Period
- July 22 – 26: Public Meetings on EIS Draft
- November 29: Release of Final EIS

ESA / NEPA SCHEDULE



Additionally, on May 28, 2019, the Authority signed onto a letter (attached) commenting on the CEQA Notice of Preparation of the Long-Term Operations for the State Water Project, stating that coordinated operations between the CVP and SWP indicate that DWR should work closely with Reclamation in the development of the EIR for long-term operations of the State Water Project.

Bay Delta Water Quality Control Plan Update

As previously discussed, the State Water Resources Control Board (“Water Board”) is currently considering updates to its 2006 Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (“Bay Delta Plan”) in two phases (Plan amendments).

The first Plan amendment is focused on San Joaquin River flows and southern Delta salinity (“Phase I” or “San Joaquin River Flows and Southern Delta Salinity Plan Amendment”). The second Plan amendment is focused on the Sacramento River and its tributaries, Delta eastside tributaries (including the Calaveras, Cosumnes, and Mokelumne rivers), Delta outflows, and interior Delta flows (“Phase II” or “Sacramento/Delta Plan Amendment”).

During the December 12, 2018 Water Board Meeting, the Department of Water Resources (“DWR”) and Department of Fish and Wildlife presented proposed “Voluntary Settlement Agreements” (“VSAs”) on behalf of Reclamation, DWR, and the public water agencies they serve to resolve conflicts over proposed amendments to the Bay-Delta Plan update.³ The Water Board did not adopt the proposed VSAs in lieu of the proposed Phase 1 amendments, but as explained below, directed staff to consider the proposals as part of a future Delta-wide proposal.

Phase 1 Status: The Water Board adopted a resolution⁴ to adopt amendments to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary and adopt the Final Substitute Environmental Document during its December 12, 2018 public meeting.

Phase 2 Status: In the Water Board’s resolution adopting the Phase 1 amendments, the Water Board directed staff to assist the Natural Resources Agency in completing a Delta watershed-wide agreement, including potential flow and non-flow measures for the Tuolumne River, and associated analyses no later than March 1, 2019. Staff were directed to incorporate the Delta watershed-wide agreement as an alternative for a future, comprehensive Bay-Delta Plan update that addresses the reasonable protection of beneficial uses across the Delta watershed, with the goal that comprehensive amendments may be presented to the State Water Board for consideration as early as possible after December 1, 2019. As the Water Board further refines this update, there will be opportunity for public comment.

The effort has made significant progress since an initial framework was presented to the State Water Board on December 12, 2018.

On March 1, 2019, the California Department of Water Resources and the Department of Fish and Wildlife submitted documents⁵ to the Water Board that reflect progress since December to flesh-out the previously submitted framework to improve conditions for fish through targeted river flows and a suite of habitat-enhancing projects including floodplain inundation and physical improvement of spawning and rearing areas.

³ Available at <https://water.ca.gov/-/media/DWR-Website/Web-Pages/Blogs/Voluntary-Settlement-Agreement-Meeting-Materials-Dec-12-2018-DWR-CDFW-CNRA.pdf>.

⁴ Available at https://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2018/rs2018_0059.pdf.

⁵ Available at http://resources.ca.gov/docs/voluntary-agreements/2019/Complete_March_1_VA_Submission_to_SWRCB.pdf

Further work and analysis is needed to determine whether the agreements can meet environmental objectives required by law and identified in the State Water Board's update to the Bay-Delta Water Quality Control Plan.

The package submitted March 1 is the product of renewed discussions over the first six weeks since Governor Gavin Newsom took office. It includes a project description identifying resources and actions that could be deployed to support environmental and biological objectives and a planning agreement that outlines an implementation approach and terms for the additional work ahead. All Delta tributaries were included as part of the Voluntary Agreement submittal except the Stanislaus and Merced Rivers.

Since the March 1 submittal, significant work has taken place to develop the package into a form that is able to be analyzed by State Board staff for legal and technical adequacy. On June 30, 2019, a status update with additional details was submitted to the Board for review.

California WaterFix

On May 2, 2019, the California Department of Water Resources announced that it has withdrawn the project approval of WaterFix and rescinded the accompanying NOD filed pursuant to CEQA DWR will begin a renewed environmental review and planning process for a smaller, single tunnel project. In addition, DWR and Reclamation submitted the attached letter to the State Water Board notifying the Board that they were withdrawing both the change petition and the application for Section 401 certification for WaterFix.

What happens next with regard to Delta conveyance remains to be seen, but this development certainly has implications for (1) pending litigation challenging the WaterFix BiOps, DWR's financing of WaterFix, and the "No Harm" or "Hold Harmless" agreement, and (2) financial contributions to the planning of WaterFix.

On May 31, 2019, Reclamation hosted a meeting of CVP contractors to discuss federal participation in what is now known as the "Large Scale Delta Conveyance Project". There are multiple options for federal participation in this revised, single-tunnel project, and Reclamation intends to hold CVP workshops to explore options on how Reclamation will interact with this revised project description. At this point, DWR will be the lead for the California environmental permitting process and CEQA scoping meetings are anticipated to begin in the fall.

Delta Stewardship Council

On Tuesday, June 25, the Delta Stewardship Council sent a notice that it is seeking to fill six upcoming vacancies on the Delta Independent Science Board (ISB)⁶.

⁶ https://deltacouncil.ca.gov/sites/default/files/2019/06/DISB%20recruitment%202020.FINAL_.pdf

Background

The Delta Reform Act of 2009 created both the Delta Stewardship Council (Council) and the Delta Independent Science Board (Delta ISB). The Delta ISB is charged with reviewing all scientific research, monitoring, and assessment programs that support adaptive management of the Delta. The Delta ISB also conducts reviews of specific documents or programs as requested by the Council and other agencies. Past reviews, on topics such as water quality, levee hazards, adaptive management of restoration, and flows for Delta fish, can be found on the Delta ISB website reports page, along with information on current Delta ISB members.

The Delta ISB meets monthly – typically six in-person meetings per year in Sacramento or the Delta and teleconferences in alternating months. The term of office for Delta ISB members is up to five years, and a member may serve two terms. Delta ISB members are paid part-time for their work and are reimbursed for travel expenses to attend board meetings.



Valley Water

Clean Water • Healthy Environment • Flood Protection

Unique Opportunity for Ecosystem Enhancement,
Flood Risk Reduction, Improved Water Supply
Reliability and Emergency Water Supply

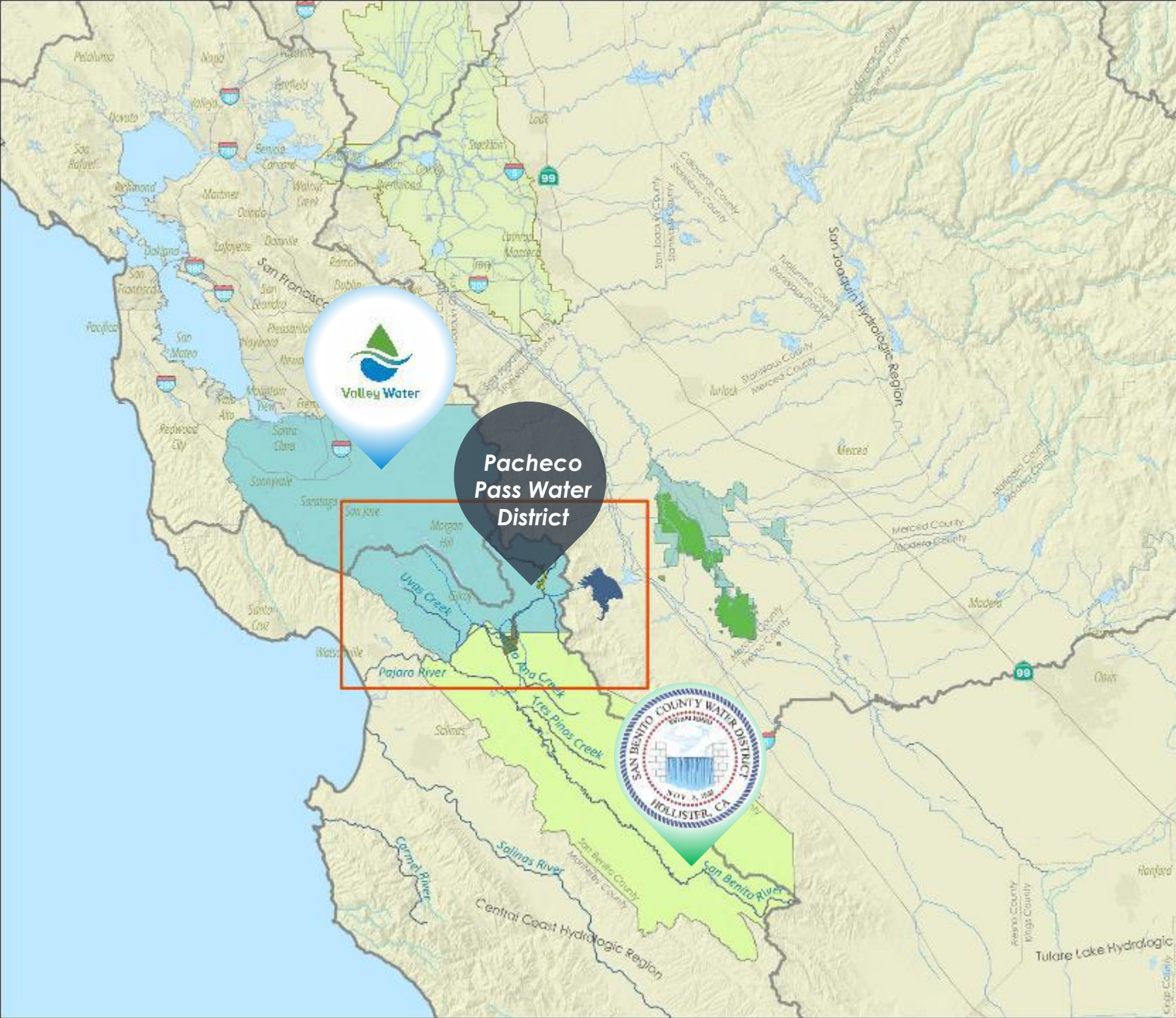
San Luis & Delta-Mendota Water Authority
July 11, 2019



Pacheco Reservoir Expansion Project

Presented by: Christopher Hakes, Deputy, Dam Safety and Capital Delivery Division

Project Partners



Project Location



San Luis Low Point Improvement Project

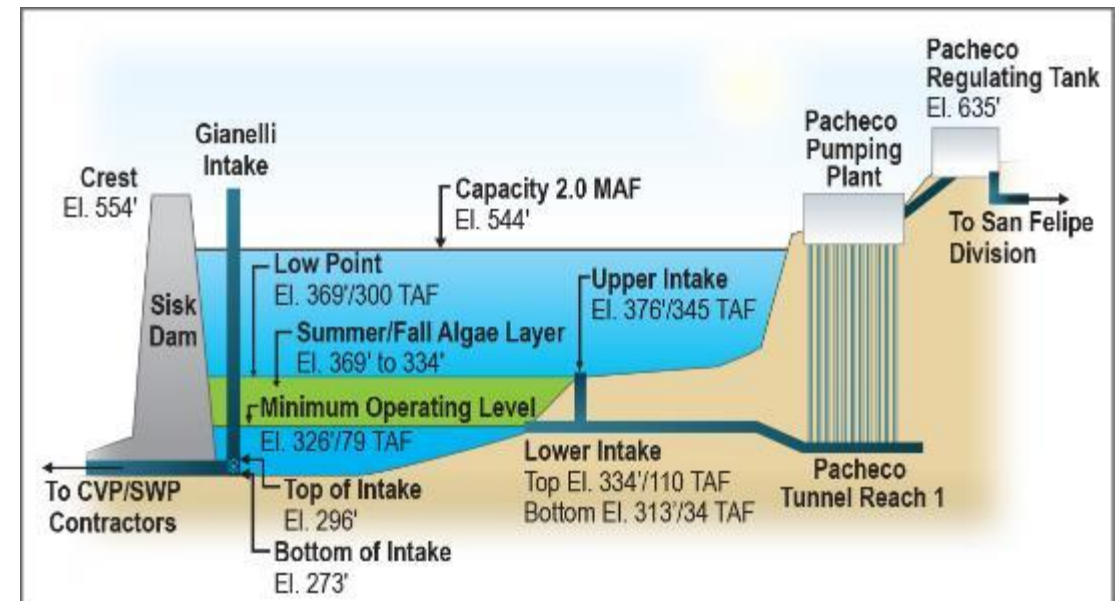
Background

- B.F. Sisk Dam constructed between 1963 and 1967
- Owned by Reclamation and jointly operated with DWR
- San Felipe Division of the CVP constructed between 1964 and 1987
- The Pacheco Pumping Plant intake in the reservoir is located 38' higher than the Gianelli Intake
- Algae induced water quality issues in late summer/early fall create water supply reliability issues for San Felipe Division Contractors

San Luis Low Point Improvement Project

The San Luis Low Point Problem

- Supply interruptions occur when storage levels fall below 300 TAF
- Algae related issues in late summer/early fall can create water supply reliability issues for San Felipe Division Contractors
- Dead pool storage is at 79 TAF



San Luis Low Point Improvement Project

Alternatives Under Consideration

- Lower Pacheco Intake
 - Pipeline Option
 - Tunnel Option
- Treatment Alternative
- San Luis Reservoir Expansion Alternative
- Pacheco Reservoir Expansion Alternative*

*Identified as the NED alternative and Locally Preferred Plan in the April 2019 SLLP Draft Feasibility Report

San Luis Low Point Improvement Project

NED Calculation Summary

Alternative Plan	Total Construction Cost (Million \$) 2018 \$	Annualized Benefits, 100 years, 2.75% (Million \$)	Annualized Costs, 100 years, 2.75% discount rate (Million \$)	Benefit-Cost Ratio
Lower San Felipe Intake (Tunnel)	\$962.0	\$2.0	\$26.3	0.1
Lower San Felipe Intake (Pipeline)	\$842.0	\$2.0	\$29.7	0.1
Treatment	\$44.0	\$2.1	\$2.2	0.95
San Luis Reservoir Expansion	\$830.0	\$4.2	\$22.5	0.2
Pacheco Reservoir Expansion	\$1,116.0	\$34.8	\$29.1	1.2

Existing Pacheco Reservoir Facilities

Existing Dam/Reservoir

- 5,500 acre-foot reservoir
- 100-foot-tall earth embankment dam
- Concrete spillway



Existing North Fork Dam – Pacheco Reservoir



Existing Concrete Spillway



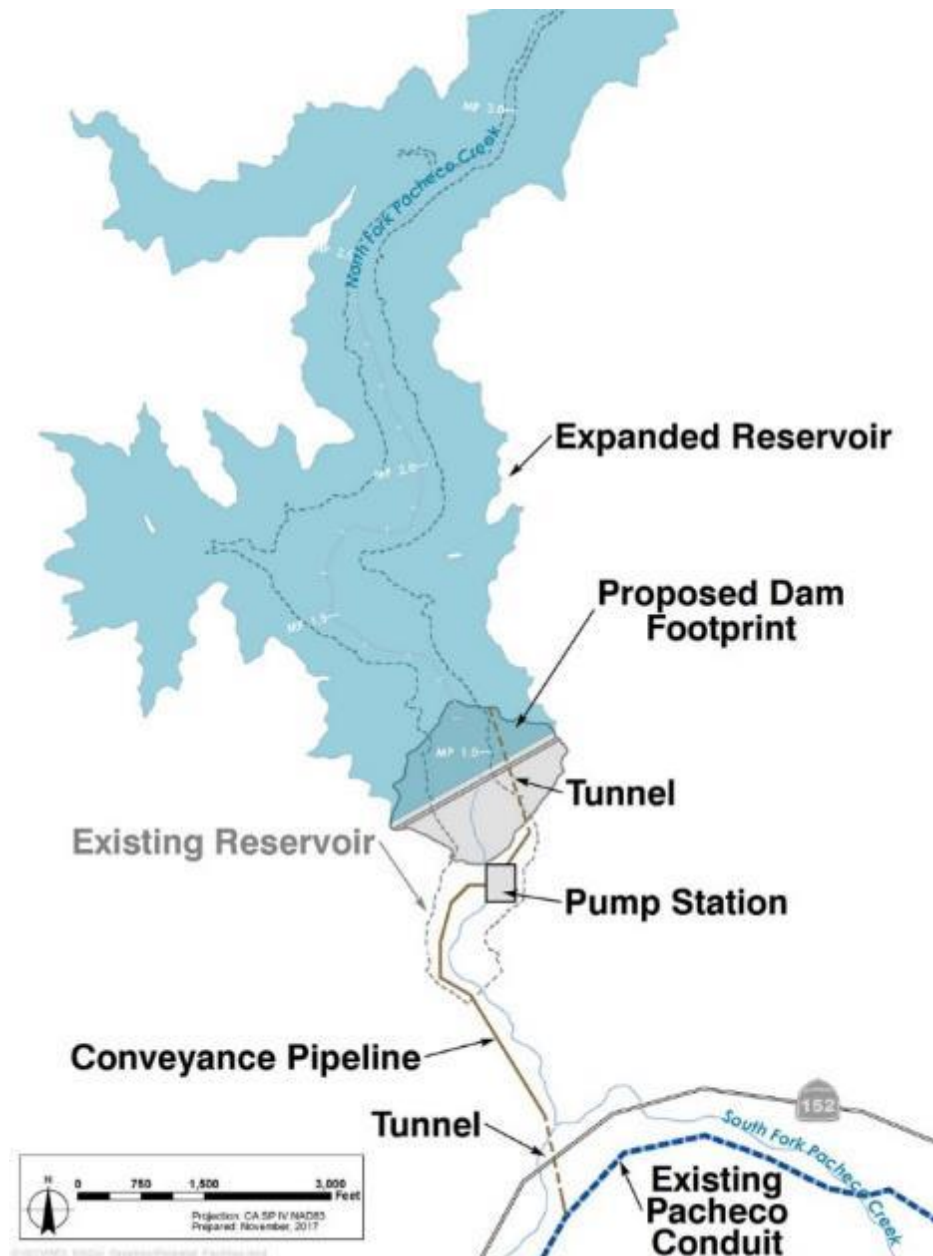
Proposed Pacheco Reservoir Facilities

Expanded Dam/Reservoir

- Up to 140,000 acre-foot reservoir
- New 319-foot earth embankment dam
- New concrete spillway

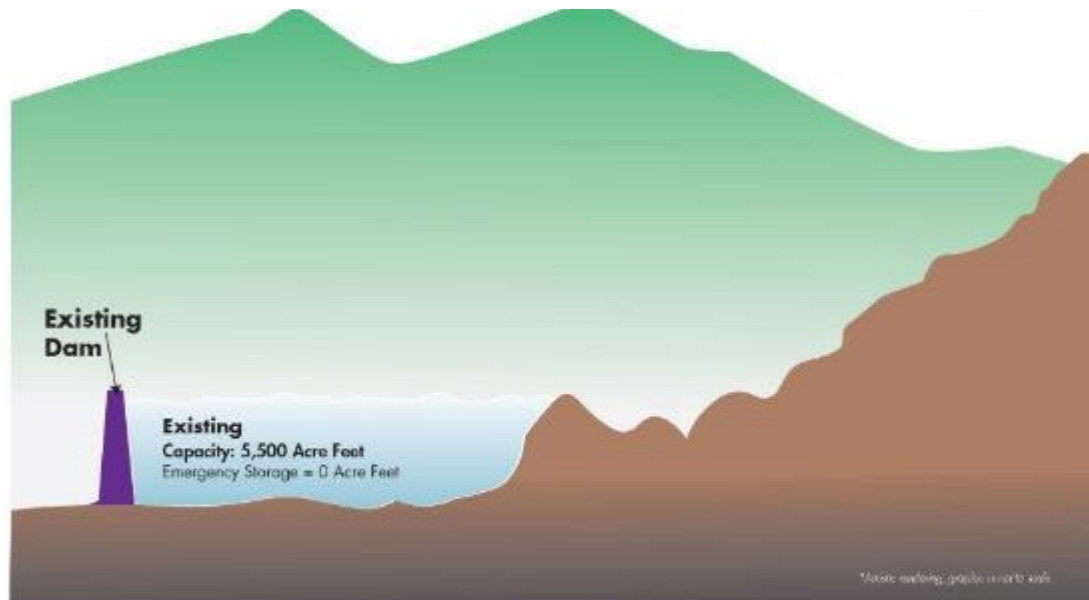
Conveyance between Pacheco Conduit and expanded reservoir

- 1-Mile tunnel/pipeline
- Pump station
- Selective level inlet/outlet structure within reservoir

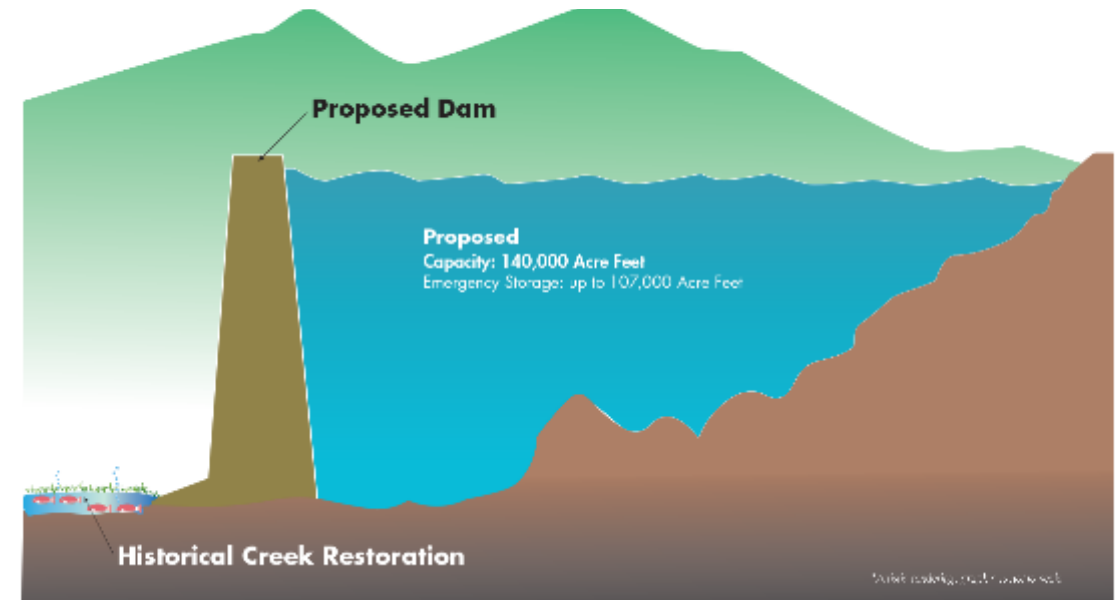


Existing & Proposed Dam Storage Capacity

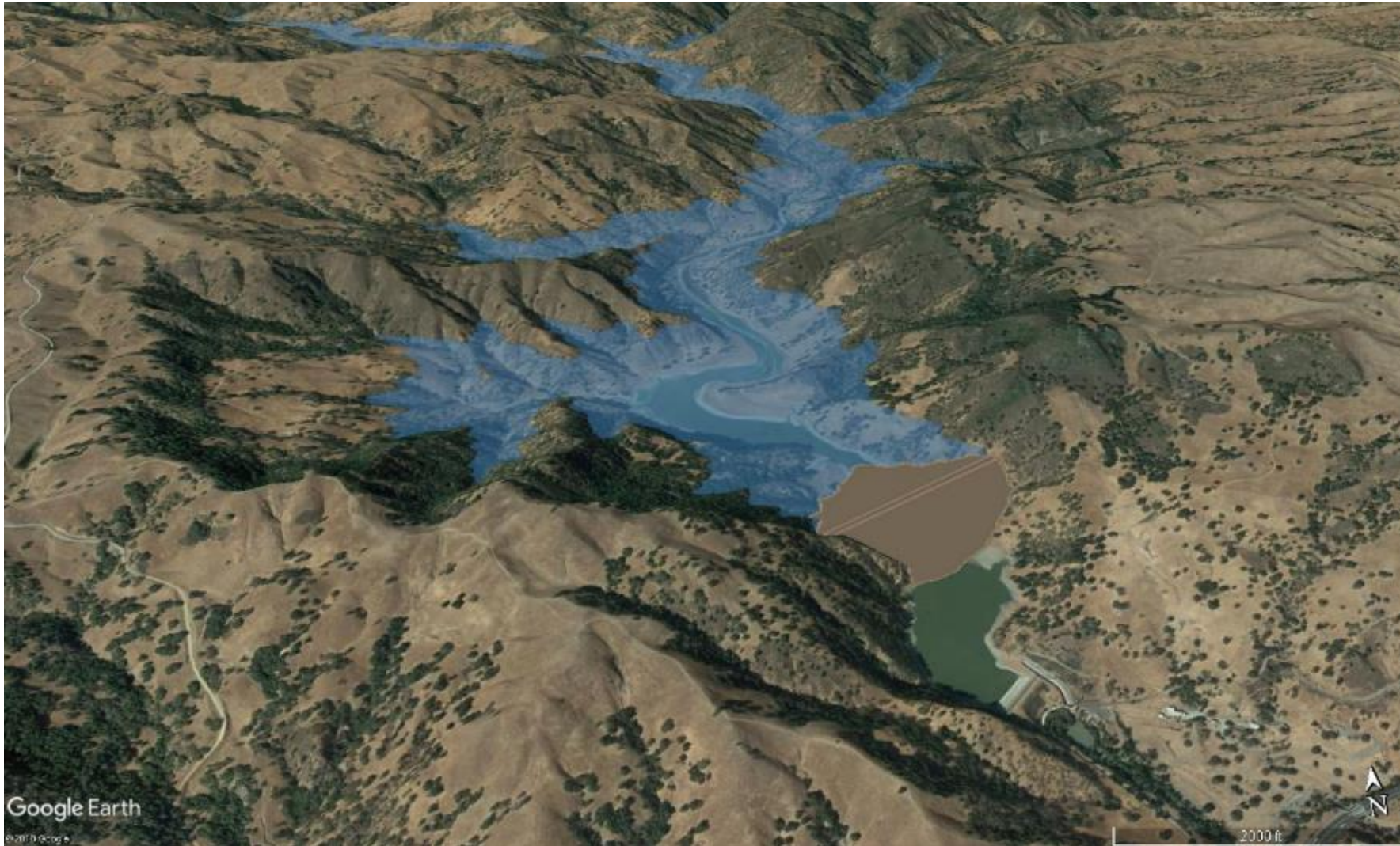
Before



After



Existing & Proposed Dam Rendering



Project Benefits to San Luis & Delta-Mendota Water Authority

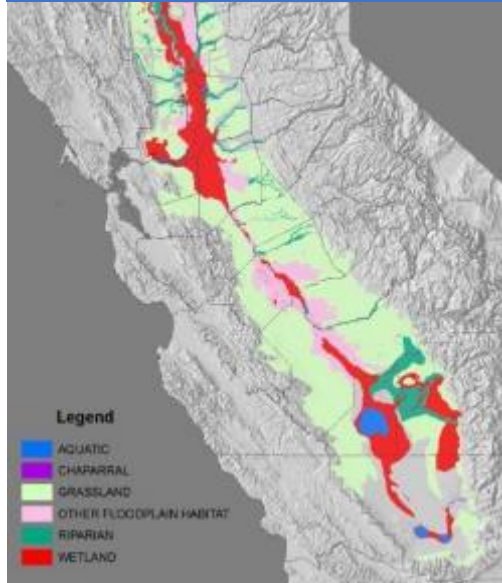
- Up to 200,000 AF additional space in San Luis Reservoir (SLR) during low point events
- Potential to generate additional capacity for rescheduled water in SLR
- Increased water supply reliability South of Delta
- Diversified storage allows flexibility during emergencies
- Facilitates potential exchanges and transfers South of Delta for project participants and South of Delta agencies
- Funded by CWC, SCVWD, SBCWD, and project partners*

Additional Project Benefits

Enhance habitat for federally threatened steelhead



Enhance water supply in below- normal years to wildlife refuges in the Delta



Increase water supply reliability and emergency water supply



Resolve the water quality problem in supply sourced from San Luis Reservoir



Reduce flooding along Pacheco Creek and to disadvantaged communities



Enables Federally Threatened Steelhead Recovery

The Project will improve habitat critical to recovery

- Provides water flow in Pacheco Creek when fish needs the most
- Larger cold water pool means cooler water in summer and fall when temperatures are high
- Enables growth of an independent population in the Pajaro River watershed, which improves survival potential of the SCC steelhead.



Enhances Bay-Delta Ecosystem

Increases water supplies to Delta Watershed refuges

- Dedicates irrigation to wetlands in below-normal water years
- Increases food supply for migrating Pacific Flyway waterfowl in the fall and winter



Enhances Water Supply for Agriculture and M&I

The Project will reduce drought risk to agricultural and M&I water users

- Increases the water supply in dry years
- Improves groundwater conditions to agricultural customers
- Materially contributes to sustainable groundwater management goals in four basins



Provides Emergency Water Supply

The Project will provide dedicated emergency water supply

- Increases emergency water supply
- Increases local surface storage capacity by 90%
- Mitigates risk of Delta export outages and imported water conveyance outages



Eliminates San Luis Low Point Water Quality Issues

The Project reduces operational constraints at San Luis Reservoir and prevents impaired water quality deliveries by

- Delivering CVP supplies to the Pacheco Reservoir earlier in the season
- Providing Pacheco Watershed supplies captured in expanded reservoir
- Using the Pacheco Reservoir as a blending source when needed
- Reducing spikes in taste and odor



Reduces Flooding in Disadvantaged Communities

The Project will protect disadvantaged and vulnerable communities against flooding

- Decreases flood flows by up to 61% downstream of dam by reducing Pacheco reservoir releases
- Reduces 100-year flood flows by up to 4,7000 cfs
- Prevents floods equivalent to January 11 and February 10, 2017 Pacheco Creek floods



Project Schedule

August 2017

WSIP
application
submitted to
commission

July 2018

Commission
conditional
approval of
\$484.55 M /
\$24.2 M early
funding

Nov 2018

Commenced
Planning and
Design

Jan 2022

Draft EIR for
public review

April 2024

Finalize Plans
and
Specifications

Nov 2024

Award
Construction
Contract

July 2019



Subscribe and Follow



@valleywater



@valleywater



@valleywater

Social
media



Valley Water

Clean Water • Healthy Environment • Flood Protection

Pacheco Reservoir Expansion Proposed Project: 1 minute, 13 seconds

https://www.youtube.com/watch?v=HdWYxYnWO_8&feature=youtu.be

Pacheco Reservoir Expansion Project: Fisheries Benefits: 3 minutes, 54 seconds

https://www.youtube.com/watch?v=wN3_8CKWO5s&feature=youtu.be

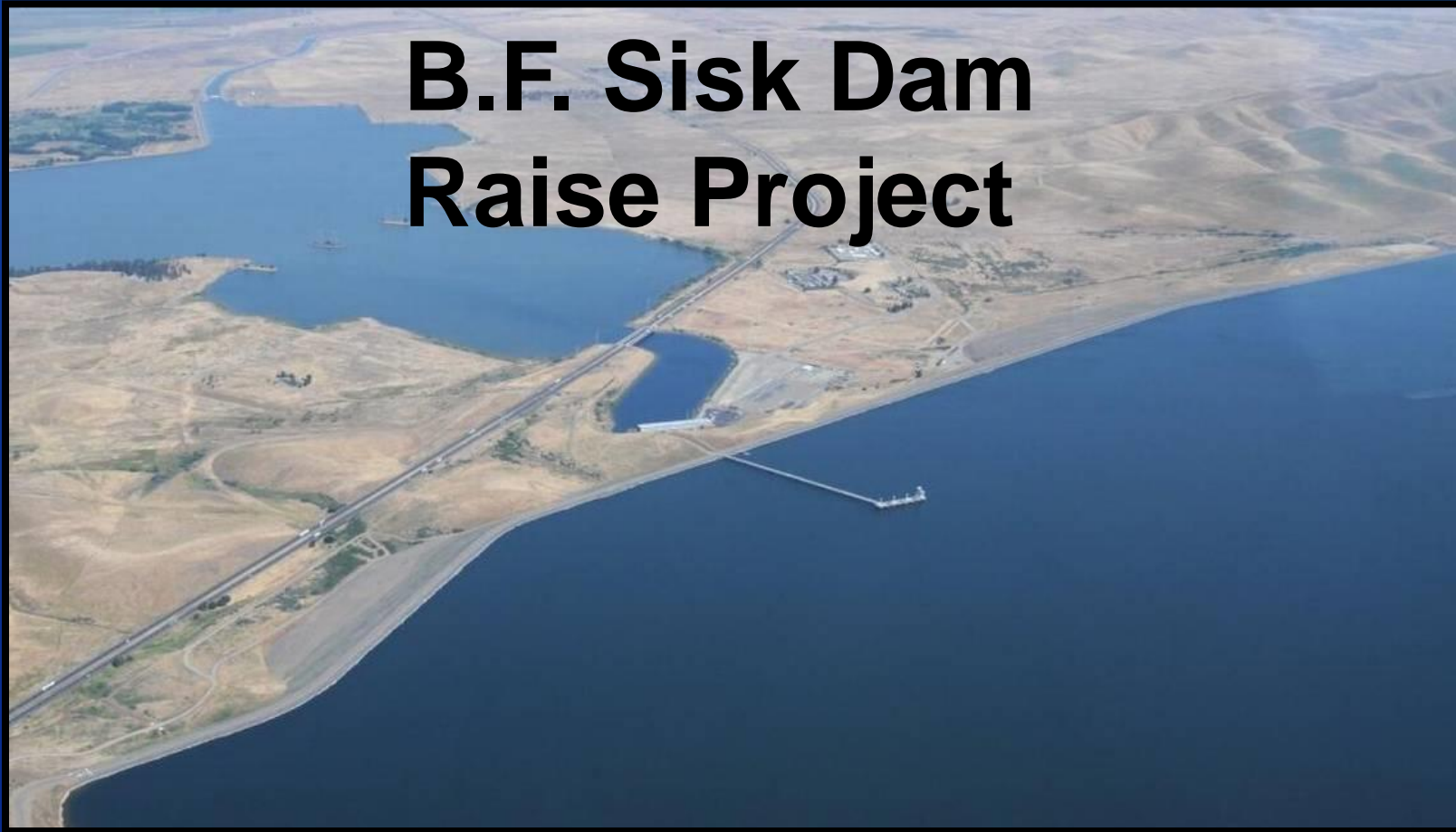
Pacheco Reservoir Expansion Project: 2 minutes, 1 second

<https://www.youtube.com/watch?v=fu8th08j5QQ&feature=youtu.be>

RECLAMATION

Managing Water in the West

B.F. Sisk Dam Raise Project



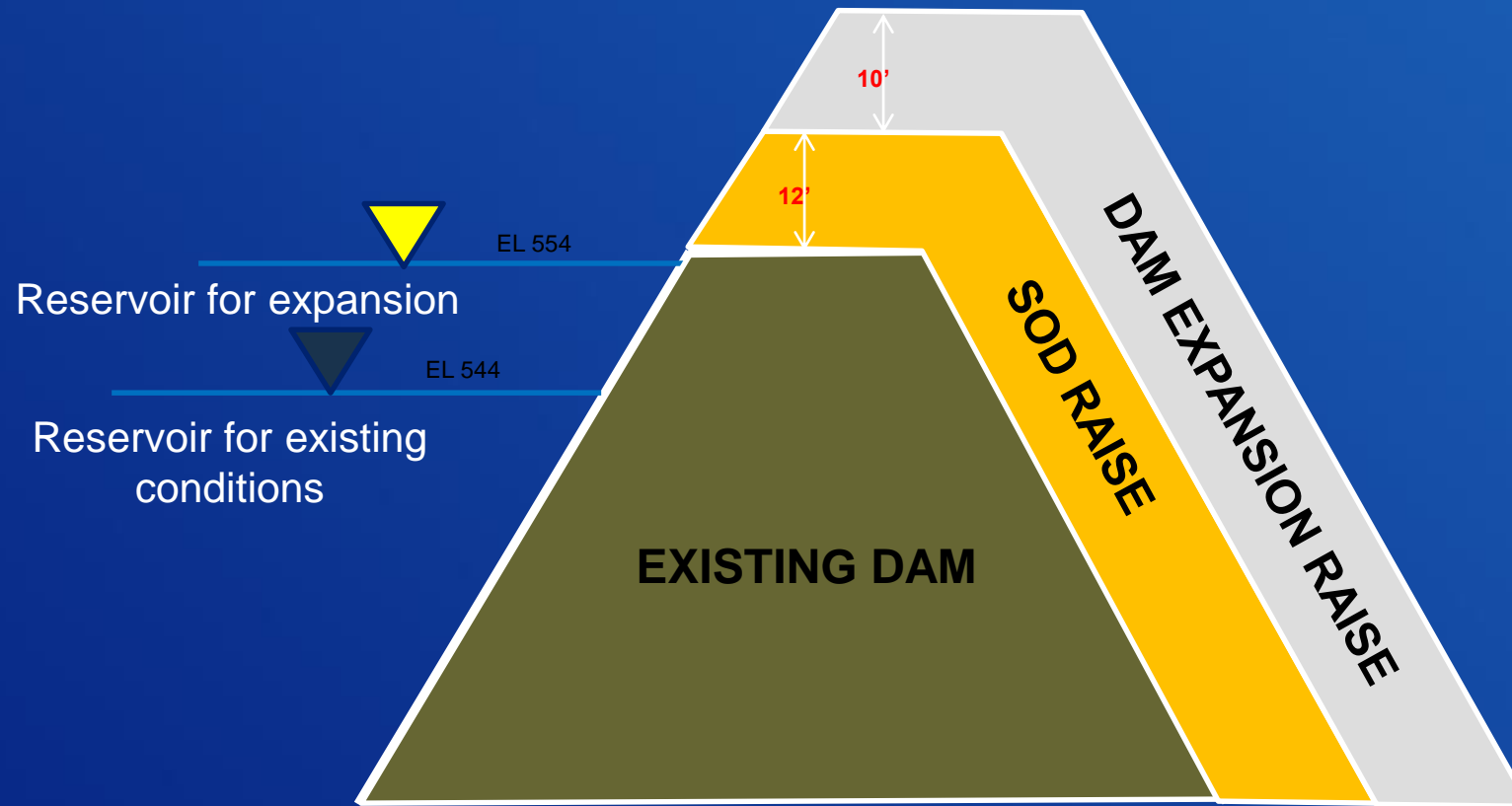
U.S. Department of the Interior
Bureau of Reclamation

Reclamation Safety of Dams Act (P.L. 95-578 as amended by P.L. 114-113, December 18, 2015, Sec. 5B)

- Authorizes the Secretary to develop projects that offer additional benefits in conjunction with an ongoing SOD
- Proposed additional raise efforts would be 100% funded by non-federal sponsors
- Requires a feasibility and environmental documents

RECLAMATION

BF Sisk Dam- Comparison of Project Specific Crest Raises



Benefits From 10 Foot Dam Expansion

- New water surface elevation of 554 feet MSL and an additional 120 TAF in storage capacity.

RECLAMATION

Advantages

- Incorporation of the additional raise will not impact SOD
- Secretarial approval
- Lots of existing information from San Luis Low Point Project for Feasibility report and EIS
- Provide timely benefits
- Cost saving and efficiency for doing this in combination